



## COUNCIL MINUTES

June 3, 2010

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 3, 2010 at 7:33 a.m.

### COUNCIL PRESENT

Mayor Scott Smith  
Alex Finter  
Dina Higgins  
Kyle Jones  
Dave Richins

### COUNCIL ABSENT

Dennis Kavanaugh  
Scott Somers

### OFFICERS PRESENT

Christopher Brady  
Debbie Spinner  
Linda Crocker

Mayor Smith excused Councilmembers Kavanaugh and Somers from the entire meeting.

#### 1. Review items on the agenda for the June 7, 2010 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest declared: None

Items added to the consent agenda: None

Items removed from the consent agenda: 8j; 9k

Deputy Transportation Director Mike James addressed the Council regarding agenda item 9k, Light Rail Transit "station locations and traffic configurations," and he introduced Valley METRO representatives Wulf Grote, Program Development Director, and Marc Soronson, Corridor Project Manager.

Mr. Grote provided copies of a PowerPoint presentation to the Council (**see Attachment 1**) and outlined the available options.

#### 2. Hear a presentation, discuss and provide direction on FY 2010/11 budget issues, including but not limited to:

##### a. Tentative Summary

Budget Director Chuck Odom addressed the Council and advised that tentative maximum FY2010/11 budget will be presented to the Council for approval on June 7<sup>th</sup> with approval of the

final budget scheduled for June 21<sup>st</sup>. He displayed a PowerPoint presentation (**see Attachment 2**) that outlined the components of the tentative budget and provided a schedule of activities related to the budget. Mr. Odom reported that the 2010/11 tentative budget is \$1,135,870,000.

Mr. Odom stated that \$11,220,000 in Federal Stimulus Grants represents the new funds that are anticipated in the next budget year. He added that a portion of Stimulus dollars from the current year is included in the "carryover and rebudget adjustments" of \$90,000,000.

Mayor Smith explained that the City would not be able to spend Federal Stimulus dollars unless the amounts are included in the budget.

Discussion ensued relative to the fact that the General Fund portion of the budget is \$297 million; that this is the first time in almost six years that the General Fund portion of the budget is less than \$300 million; and that the budget includes Regional dollars which are leveraged with General Fund dollars.

In response to a request from Councilmember Finter, Mr. Odom said that he would provide the Council with a comparison of the operating budgets for the City of Mesa and the Town of Gilbert.

City Attorney Debbie Spinner responded to a question from Councilmember Richins regarding the issue of stability pay by advising that the information could be provided to him during an Executive Session.

Mayor Smith requested that the issue of stability pay be placed on the June 7<sup>th</sup> Executive Session agenda, and he thanked Mr. Odom for the presentation.

b. Downtown Mesa Association Parking Program

Assistant to the City Manager Natalie Lewis introduced Assistant to the City Manager Trisha Sorensen and Economic Development Project Manager Shea Joachim. Ms. Lewis displayed a PowerPoint presentation (**see Attachment 3**) and said that she was asked to review the service and revenue model for the Downtown Mesa Association (DMA) as an introduction to a discussion of the Parking Program.

Ms. Lewis explained that the downtown property owners voted to have an assessment in accordance with State Statutes, and she added that the City volunteered to participate in that assessment (see page 1 of Attachment 3). She said that the discussion would focus on two City contracts with the DMA: Parking Management and Parking Enforcement. Ms. Lewis advised that the City entered into these contracts to better focus on the downtown's service needs and to create cost efficiencies utilizing a private model.

In response to a question from Councilmember Higgins, Ms. Lewis stated that most of the funding for the programs is from the City's contracts, and she added that she was unaware of any past effort to secure outside bids for these services.

City Manager Christopher Brady noted that the DMA's relationship with the downtown business community and the fact that the DMA is an entity created by the City were key factors in the City's decision to enter into these contracts. He advised that the City successfully lobbied the

Legislature to change the State Statutes in order to allow the City to contract with the DMA for parking enforcement. Mr. Brady said that the City regards the DMA as a partner in the downtown community, and he stated that the contracts are reviewed and adjusted periodically.

Ms. Lewis continued the presentation by advising that the DMA was requested to implement budget cuts and as a result, the current Parking Enforcement budget of \$120,000 is proposed to reduce to \$82,200 in 2010/2011 and the Parking Management budget is proposed to be \$214,747 compared to \$266,255 in the current year. She noted that the DMA is presently undergoing significant changes in both staffing and the Board of Directors. Ms. Lewis said that the budget amounts are a "best estimate," and she added that City staff cooperates with the DMA in the areas of research and planning.

Ms. Lewis referred to the provisions of the Parking Enforcement contract (see pages 3 and 4 of Attachment 3), and then addressed the Parking Management contract (see pages 5 and 6 of Attachment 3).

Responding to comments from Mayor Smith, Ms. Lewis confirmed that the downtown areas covered by the Parking Management contract are City-owned, public lots and garages and City rights-of-way.

Mr. Brady advised that the City's downtown parking garages and lots accommodate approximately 6,000 vehicles and that the area has approximately 7,000 on-street parking spaces.

Discussion ensued relative to the fact that the City is responsible for a certain level of maintenance in parking garages and lots; that the City is responsible for capital improvements and major upgrades to the properties; and that the City's Facilities Maintenance Department works with the DMA to ensure that there is no duplication of efforts.

Ms. Lewis advised that the DMA coordinates special event parking and that any fees collected are returned directly to the City of Mesa. She said that in the past year the DMA coordinated parking for 57 events at the Mesa Arts Center, which generated \$57,000 in parking fees returned to the City.

In response to a question from Mayor Smith as to what the staff recommendations are regarding these issues going forward, Ms. Lewis advised that updates to the contracts are required by June 30<sup>th</sup>. She stated that the City would like the contracts to include additional clarity and better organization and that staff recommends moving forward to approve the contracts by June 30<sup>th</sup> with the understanding that a discussion of issues would be ongoing.

Vice Mayor Jones said that contracting with the DMA generates funds to improve and promote the downtown area, and he noted that the DMA was created to strengthen and promote the downtown area. Vice Mayor Jones stated the opinion that the contracts should be restructured and in place by June 30<sup>th</sup>, and he added that the DMA's policy decisions should be made by their Board of Directors.

Councilmember Finter concurred with the Vice Mayor's comments, and he added that he viewed this as an opportunity to improve a great public/private partnership.

Councilmember Higgins expressed concern that the City was contracting for services that could be performed by Municipal Security employees who are being laid off.

Mayor Smith stated the opinion that there was little correlation between the Municipal Security employees' skills and the duties performed under the Parking Enforcement contract. He concurred that the City should do everything possible to retain valuable employees.

Mr. Brady emphasized his commitment to placing employees identified for layoff in positions within the organization that match their skills. He advised that he was unable to find positions within the DMA contracts that would be a reasonable fit for Municipal Security employees. He added that some security positions will become available for the Light Rail Transit system and attempts will be made to place some of the Municipal Security employees in those positions.

Further discussion ensued relative to the fact that the City should have adequate representation on the Board; and that the City is the largest property owner in the downtown area.

Mayor Smith stated that the City has a vested interest in the success of the DMA. He noted that the downtown area has been the site of many successful events in the past year and that the property and business owners have been active participants. He added that the City would continue to take an active role as the DMA undergoes a transition in management and as light rail is extended into the downtown area.

Mr. Brady said that the contracts with the DMA reflect the fact that the DMA and the City intend to work together to achieve common goals.

Councilmember Higgins recommended that the City's contracts with DMA have a six-month term and include measurable goals. She stated the opinion that the existing contracts are too general in nature.

Mr. Brady stated that performance measures are in place, and he noted that the timeline for the DMA to recruit and hire a new Executive Director may be six months or more. He added that the DMA's records indicate the amount that each contract contributed to the overall cost of the operation.

Vice Mayor Jones advised that he has served on the DMA Board for the past eight years. He stated that currently the Board and the Executive Committee are actively taking responsibility for the revamping and reorganization efforts. He stated the opinion that a six-month deadline is unrealistic and unfair. Vice Mayor Jones said that he is monitoring the activity and providing suggestions when appropriate. He further stated the opinion that the City's interference in the process would place undue restrictions on the Board and inhibit the performance of their duties.

Councilmember Richins concurred with the comments of Vice Mayor Jones, and he noted that the Vice Mayor has done an excellent job as the City's representative on the Board. He stated the opinion that a six month contract timeframe was insufficient. Councilmember Richins noted that the DMA Board is in the process of changing 25 years of tradition, and he recommended that the City provide the Board with as much stability as is possible during the transition.

Councilmember Finter commented that he was pleased with the manner in which this Council challenges the status quo.

Mayor Smith noted that in addition to Vice Mayor Jones' participation on the DMA Board, City staff is also very involved in downtown issues. He suggested that the Council receive periodic updates from staff and Vice Mayor Jones regarding the status of the recruitment process. He stated that although Councilmember Higgins made some excellent points, there appeared to be little Council support for entering into six-month contracts.

Freddy Curry, Chairman of the DMA Board of Directors, came forward to address the Council and advised that the Board is working to restructure the DMA. He stated that the Board intends to have their key partners, the City, the Chamber of Commerce and the Convention and Visitors Bureau, participate in the recruitment process for an Executive Director. Mr. Curry said that a goal of the DMA is to reinvest any saved dollars into the downtown area, and he emphasized that the Board is committed to fiscal responsibility and improving the downtown area.

Mayor Smith acknowledged the time and effort extended by the DMA Boardmembers, and he thanked them for their service. He also thanked staff for the presentation.

3. Acknowledge receipt of minutes of various boards and committees.

- a. Transportation and Infrastructure Committee meeting held on May 6, 2010.

It was moved by Councilmember Richins, seconded by Vice Mayor Jones, that receipt of the above-referenced minutes be acknowledged.

Mayor Smith declared the motion carried unanimously by those members present.

4. Hear reports on meetings and/or conferences attended.

Vice Mayor Jones: National League of Cities Crime Prevention Committee meeting

5. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

Monday, June 7, 2010, 3:30 p.m. – Community & Neighborhood Services Committee meeting

Monday, June 7, 2010, TBA – Study Session

Monday, June 7, 2010, 5:45 p.m. – Regular Council meeting

Thursday, June 10, 2010, 7:30 a.m. – Study Session

Thursday, July 1, 2010, TBA – Study Session

Thursday, July 1, 2010, 5:45 p.m. – Regular Council meeting

Thursday, July 8, 2010, TBA – Study Session

Thursday, July 8, 2010, 5:45 p.m. – Regular Council meeting

6. Items from citizens present.

There were no items from citizens present.

7. Convene an executive session.

It was moved by Vice Mayor Jones, seconded by Councilmember Richins, that the Council adjourn the Study Session at 9:02 a.m. and enter into an Executive Session.

Mayor Smith declared the motion carried unanimously by those members present.

- a. Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A (4)) Discussion or consultation with designated representatives of the City in order to consider the City's position and instruct the City's representatives regarding negotiations for the purchase, sale, or lease of real property. (A.R.S. §38-431.03A(7))

1. Chicago Cubs Spring Training

8. Adjournment.

Without objection, the Executive Session adjourned at 9:45 a.m.

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SCOTT SMITH, MAYOR

ATTEST:

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LINDA CROCKER, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 3<sup>rd</sup> day of June, 2010. I further certify that the meeting was duly called and held and that a quorum was present.

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LINDA CROCKER, CITY CLERK

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Attachments: 3

# Central Mesa Light Rail Transit Extension



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## Project Definition

June 3, 2010



# Council Actions

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**Station Locations**

**Traffic Configuration**

**Financial Commitment for Operations**



# Alma School Options

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**West of Extension Road**

**Mid Block: Between Extension and Alma School  
Roads**

**Alma School Road and Extension Road station**

**East of Alma School Road**



# Evaluation Criteria

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**Economic Development**

**Cost (operation/capital)**

Travel time

Right-of-way

**Connectivity**

**Ridership**

**Eligible Historic Properties**

**Demographics**



# Results

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## **Maintain Alma School Station and add station at Extension (net increase of one additional station)**

- Increases capital and operating cost

- Decreases ridership

- Slower travel speeds in Mesa

## **Recommendation**

- Should not be pursued



# Results

## Extension Station (west of Extension or mid block)

- All light rail stations provide opportunity for TOD
  - Extension a neighborhood station
- Opportunity for redevelopment
- Transit market is strong
- Minor increase in capital cost
- Increases annual bus operation cost by approximately \$154,000 per year (YOE)
- Decreases ridership
- Does not provide north/south connectivity & access
- Proximity to eligible historic properties



# Findings

**Alma School Road or Extension station would be a positive asset to project**

## **Alma School Road Station recommended**

- Provides best north/south connectivity to Loop 202, Fiesta District and City of Chandler
- Ridership potential is higher
- Bus operations and costs are more efficient
- Opportunities for informal park and ride
- Maintains light rail travel speeds



# Station Options

Main St.



Alma School Rd.

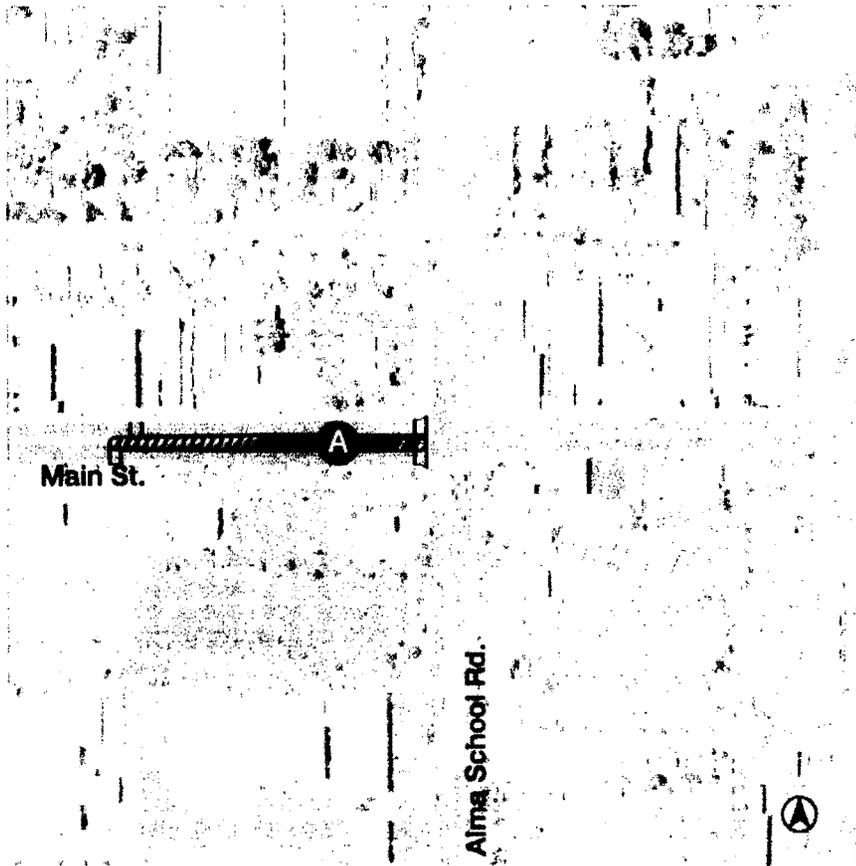
Extension

## LEGEND

- A** Station west of Alma School Road
- B** Station east of Alma School Road
- C** Mid-block station between Alma School Road and Extension



# Alma School West



**Option A – west of Alma School Road,  
single platform**

## Pros

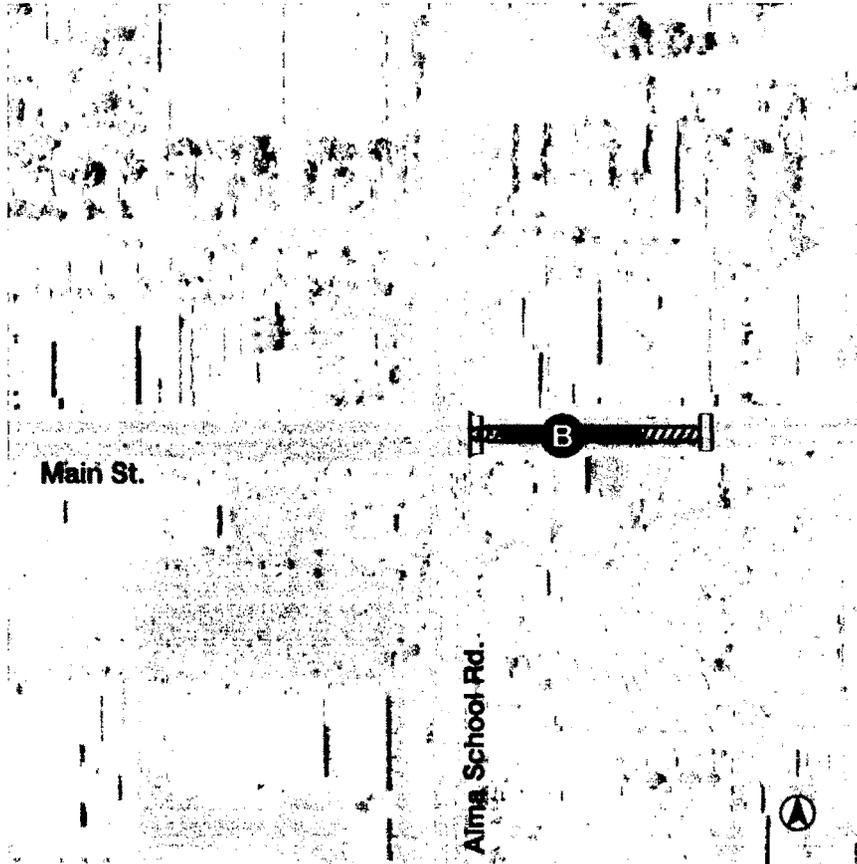
- **Development opportunities**
- **Bus route connections**
- **Minimizes sidewalk impacts**

## Cons

- **Distance from current activity centers**



# Alma School East



## Pros

- Development opportunities
- Bus route connections

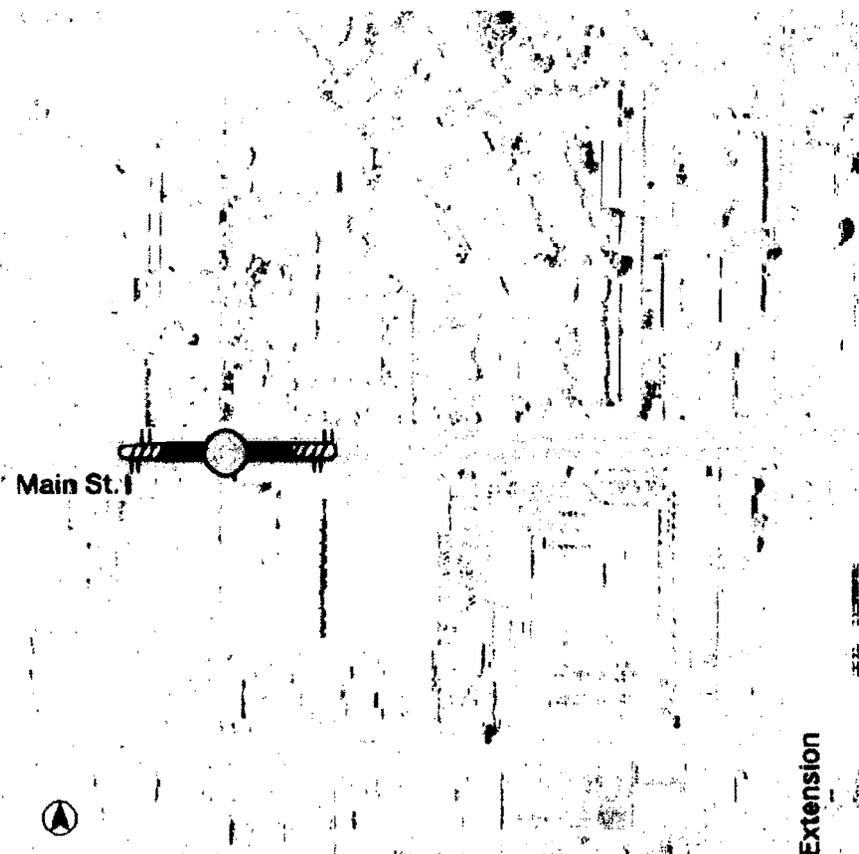
## Cons

- Sidewalk & property impacts

**Option B – east of Alma School Road,  
single platform**



# Alma School Mid Block



**Option C – mid block between Alma School Road & Extension, single platform**

## Pros

- Development opportunities**
- Strong transit market**

## Cons

- North/south connectivity & access**
- Sidewalk & property impacts**
- Bus route connections**

# Project Site Map



University Dr.



Sycamore

Longmore

Alma School Rd.

Extension

Country Club Dr.

Robson

MacDonald

Center St.

Centennial Wy.

Hibbert

Mesa Dr.

Lesueur

Hobson

## LEGEND

- Light Rail Line
- LRT Extension
- Existing Station
- Proposed Station
- Park-and-Ride
- Transit Center
- Railroad

06-01-10

# **City of Mesa**

**Tentative FY 2010/11 Budget**

**June 3, 2010**

**Presented by the Budget & Research Office**



# FY 2010/11 Tentative Budget

	FY 2010/11 Tentative Budget
Preliminary Budget (without Federal Stimulus grants) as of May 13th	\$1,034,650,000
Federal Stimulus Grants as of May 13th	\$11,220,000
<b>Total Preliminary Budget</b>	<b><u>\$1,045,870,000</u></b>
Carryover and Rebudget Adjustments (Contracts, CIP Commitments, Balance of Grants )	\$90,000,000
<b>Total Tentative Budget</b>	<b><u><u>\$1,135,870,000</u></u></b>

# Remaining FY 2010/11 Budget Activities

- **June 7**– Council Meeting
  - Adopt Tentative Budget
  - Introduce Utility Rate Ordinances
- **June 21** – Council Meeting
  - Public Hearings on Final Budget, 5-Year Capital Improvement Plan & Utility Rates
  - Adopt Final Budget, 5-Year Capital Improvement Plan & Utility Rates
- **July 8** – Council Meeting
  - Adopt Secondary Property Tax Levy (rate)

# QUESTIONS ?



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# Downtown Parking & Enforcement

June 3, 2010

2010/2011  
**DMA  
Assessments  
& Contracts**

Assessment/Contract	Amount
Parking Mgmt.	(\$215k)
City Voluntary Assessment & Agreement	(\$247k)
DT Prop. Owner Assessment	(\$276k)
Banners, Kiosks, Sculptures	\$9500
Parking Enforcement	(\$82k)



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## Updates

- Based on the City's General Fund reduction needs in 2010/2011, DMA also was requested to reduce their budget by \$89,288. Proposed Results:
- **Parking Enforcement (proposed)**

<u>2009/10</u>	to	<u>2010/2011</u>
\$120,000		\$82,200
- **Parking Management (proposed)**

<u>2009/10</u>	to	<u>2010/2011</u>
\$266,255		\$214,747



## Updates

- DMA undergoing significant staff, board and budget-related transitions. Result:
  - Their research and planning continues.
  - Information is based on what we know today.
  - These are estimates.



## **Parking Enforcement Contract's Purpose**

- DMA is the professional parking enforcement contractor for all civil parking violations within Mesa's downtown square mile, except as specifically reserved to the City.



## **Parking Enforcement**

- DMA provides comprehensive general liability insurance policy with coverage of \$2,000,000 minimum for each incident and indemnify the City.
- One-year professional services contract.



## Parking Enforcement

- DMA subcontracts the field enforcement services to a professional and experienced contractor and oversees that subcontract to ensure all parts of agreement are carried out.
  - Specific enforcement hours established.
  - Ensure the public is treated in a polite, helpful and professional manner by the subcontractor.
  - Subcontractor required to indemnify DMA and City.
  - DMA will coordinate concerns with City's Police Department and work with City to select and screen subcontractor



## Parking Enforcement

Examples of specific tasks identified:

- Issue warnings and tickets and ensure complete and accurate information provided.
- Update parking database daily.
- Respond to citizen and City calls.
- Report abandoned vehicles, graffiti.
- Provide equipment (vehicles, uniforms, supplies).
- Turn in completed parking notices to City Police Department and work with City on MVD look-ups.
- Be available to appear in court on time and prepared to testify on parking cases in professional manner.



## **Parking Management Contract's Purpose**

- DMA is the professional parking manager for all public parking within Mesa's downtown, an area defined as University to Mesa Drive and Broadway to Country Club, except for non-decal areas.



## **Parking Management**

- Parking program includes:
  - professional management & organization of the program,
  - on-street parking,
  - off-street parking,
  - agreed upon event parking,
  - pricing parameters,
  - marketing,
  - litter removal at designated lots and garages and parking facility maintenance.



## Parking Management

- DMA and Facilities Maintenance contact work to ensure no unnecessary duplication.
- DMA is licensed by the City to manage public parking for agreed upon special events; any revenues collected will be provided to the City.
- DMA provides comprehensive general liability insurance policy with coverage of \$2,000,000 minimum for each incident and indemnify the City.



## Parking Management

Examples of specific tasks identified:

- Monitor parking program successes and recommend changes. Also, recommend use of surplus parking funds/savings for downtown parking improvements.
- Remove bulk items and litter in downtown public right-of-way and to clean/maintain 30 lots and four parking garages.
- Issue permits and parking assignments.
- Recommend parking signs and markings.





## **Discussion. Questions.**

June 3, 2010