



COUNCIL MINUTES

March 22, 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 March 22, 2010 at 4:04 p.m.

COUNCIL PRESENT

Mayor Scott Smith
Alex Finter
Dina Higgins
Kyle Jones
Dennis Kavanaugh
Dave Richins
Scott Somers

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Linda Crocker

1. Review items on the agenda for the March 22, 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: None

Deputy Environmental and Sustainability Director Scott Bouchie and Deputy Transportation Director Lenny Hulme displayed a PowerPoint (**see Attachment 1**) and made a presentation to the Council regarding item 43 (LED Roadway Lighting Luminaires and Installation) on the Regular Council Meeting agenda.

2. Hear a presentation, discuss and provide direction on the Wastewater Utility Capital Improvement Program.

This item was continued to a future Study Session.

3. Hear a presentation from Dr. Michael Crow and discuss ongoing developments at Arizona State University.

Mayor Smith welcomed Dr. Michael Crow, President of Arizona State University, to the Study Session.

Dr. Crow said that he would provide an update on Arizona State University (ASU) as a whole and then focus on the Polytechnic campus. He commented that both ASU and the City of Mesa were adjusting to the fiscal realities of the current economic conditions. Dr. Crow noted that thousands of Mesa residents attend and graduate from ASU each year, and he added that ASU is a single institution that operates as “one university in many places” with a different mission assigned to each location in the Valley.

Dr. Crow stated that the core mission of the Polytechnic campus is the College of Technology and Innovation, which provides a unique intellectual enterprise through teaching, learning and discovery related to the areas of business, finance, and the humanities. He added that the Polytechnic program is designed to attract students from around the world in addition to students from the local area and that the current enrollment of 5,000 students is expected to evolve to a total of 15,000 students. He said that plans for the Academic Village are moving forward, and he advised that the College was awarded an additional \$6 million for the National Algae Fuel Initiative, which is headquartered at the Polytechnic campus. Dr. Crow expressed the opinion that the focus of the Polytechnic campus is so unique that the rest of the world will view it as a role model. He advised that the Engineering program has been fully established at the campus and is one of only four Engineering programs in the State of Arizona and one of twenty-five in the western United States.

Dr. Crow commented that that educational success, innovation, intensity and creativity are key factors that will provide the State of Arizona with special economic advantages in the future. He noted that ASU has worked with the City and others to retain corporate aerospace and to attract new businesses. He recalled that several years ago when Boeing was considering manufacturing sites for their new 787 jet, one of the reasons that Mesa was not selected was that ASU's research capability was not at the required level. Dr. Crow advised that since that time, their research enterprise has grown at an annual rate of fifteen percent. He explained that companies such as Boeing must have educational partners that are innovative, driving the research agenda forward, and producing the best graduates. He stated that the mission of ASU is to emphasize the institution's quality and excellence while increasing access to the institution.

Dr. Crow said that he is pleased to have the Polytechnic campus located in proximity to an airport. He reported that the campus utilizes studio-based and problem-oriented methods of learning, and he noted that the “Polytechnic idea” is centered on solving problems and producing a new kind of problem-solver. Dr. Crow advised that a goal of ASU is to increase the number of college graduates in Arizona, which presently ranks below the national average. He further stated that the Polytechnic campus will continue to play an important role in the University's mission, and he added that current economic conditions and State funding availability have not changed these plans.

Dr. Crow noted that ASU benefits the City of Mesa beyond the Polytechnic campus by educating nurses, teachers, engineers, architects, and scientists. He advised that ASU has more undergraduate science majors than most university systems and that ASU has the third

largest business school in the world and is ranked in the top 25 business schools in the United States. Dr. Crow stated that all of these underutilized assets are available to the City of Mesa.

Dr. Crow advised that the State of Arizona accounts for only twenty percent of ASU's total funding. He stated that ASU constructed facilities costing \$2 billion, of which a third was paid for by the State of Arizona and the balance came from other sources. He cited examples of ASU's successful joint efforts with the cities of Phoenix and Scottsdale, and he noted that the University's assets are also available to the City of Mesa.

Councilmember Somers said that he appreciated Dr. Crow's commitment to the Polytechnic campus and to the City of Mesa. He noted that the current economic conditions have required both the City and the University to reorganize staff and programs. He expressed concern that there has been some retraction in the number of programs based at the Polytechnic campus, and he added that endowments are difficult to obtain when a college is considered to be an extension of another campus.

Responding to a question from Councilmember Somers regarding the expansion of programs at the Polytechnic campus, Dr. Crow noted that the State reduced funding to the University by 21 percent in the final quarter of the year at a time when the University had already spent three-quarters of those resources. He said that an additional 28 percent was put into flux through non-payments and rollovers, which resulted in actions to eliminate six colleges, merge twenty-two departments and eliminate forty-four academic programs while enrollment increased by 4.95 percent. Dr. Crow said the programs were merged in order to lower the administrative costs. He said that the University intends to have a very large Engineering Program at the Polytechnic campus, and he added that the building recently constructed is already occupied and another entire complex of the same size is required to expand the program. Dr. Crow emphasized that the University is not "retracting" at the Polytechnic campus and remains focused on expanding the College of Technology and Innovation.

Dr. Crow advised that a student enrolled at ASU Polytechnic can obtain a wide range of degrees and complete all coursework required for that degree at the Polytechnic campus.

In response to a question from Councilmember Somers, Dr. Crow advised that the Air Force is no longer involved with the Polytechnic property. He stated that ASU now works with the U.S. Department of Education, which acts primarily as a controller and monitors the amount of land being utilized by ASU.

Responding to a series of questions from Councilmember Richins, Dr. Crow noted that most cities the size of Mesa have many private colleges. He said that one of the barriers to attracting new colleges to the area is Arizona's low standards for institutions of higher learning, which reduces the incentive for investors. He said that when the Polytechnic campus is fully developed, the investment will total approximately \$1 billion. Dr. Crow cited Olin College as an example of a small, private engineering college that has locations around the country, and he advised that the cost to establish each location is hundreds of millions of dollars. He explained that when a quality public institution, such as ASU, offers low-cost tuition in an area, there is little incentive for investment by other colleges or universities. Dr. Crow added that rhetoric regarding a community's value of education also impacts the decisions of potential investors.

Dr. Crow advised that a defined policy exists that enables Mesa Community College to offer four-year degrees by applying to the Arizona Board of Regents to offer a degree in an area that is not presently being served or where there is excessive demand on existing programs. He added that the program offerings also depend on community colleges being able to achieve their mission. Dr. Crow added that ASU's mission is to produce college graduates and graduate students in addition to conducting research, while community colleges have a mission to produce technically certifiable and certified individuals in trades, produce associate degrees and to prepare individuals for additional education. He said that Arizona is a young state that is grossly underperforming at all levels of education.

Dr. Crow noted that although the Mesa Public School system is the most successful of the 50 largest urban school districts nationwide, the State as a whole is underperforming. He advised that graduation and success rates are not where they should be and that universities and community colleges are underperforming. He stated the opinion that institutions should focus on their primary mission before expanding into other areas. Dr. Crow added that ASU has worked with the community colleges to establish specific course requirements that, once completed, will enable students to continue their education at ASU.

Discussion ensued relative to the fact the Maricopa Community Colleges have a low graduation rate; and that Mesa Community College acknowledges that graduation rates need to improve.

Dr. Crow expressed the opinion that Arizona underperforms at every level because leaders do not articulate the value of education strongly enough, often enough or clearly enough. He advised that only fifteen percent of Arizona students who enroll in a community college go on to graduate from a four-year college. He also noted that Arizona produces only 30,000 college graduates from all four-year institutions while 60,000 graduates would be required to meet the national average.

Mayor Smith thanked Dr. Crow for updating the Council regarding the Polytechnic campus and for providing information on the status of education in the State of Arizona. He said that the City of Mesa would continue to work with ASU and other institutions in the future.

Dr. Crow said that ASU views the City as a significant partner and an ally in furthering education and attracting other colleges to the Valley. He expressed appreciation for the opportunity to address the Council.

4. Hear a presentation, discuss and provide direction on towing services.

Business Services Department Director Ed Quedens introduced Police Sergeant Andy Nesbit and Contracts Administrator Tom Lavell. He displayed a PowerPoint presentation (**see Attachment 2**) and reported that the current Police Emergency Towing Contract expires in August. Mr. Quedens said that he would review the major items included in the draft Request for Proposals (RFP) and solicit the Council's input. He advised that staff would like to publish the RFP within the next week.

Mr. Quedens provided a comparison of the existing contract to the terms proposed in the RFP (see pages 2 through 5 of Attachment 2). He noted that one change being proposed in the RFP is to establish an initial Citywide towing rate of \$30 that includes the first 24 hours of storage. He explained that the four zones (see page 7 of Attachment 2) attempt to balance the call volume

within geographic areas, and he added that a vendor would be awarded a maximum of two zones to ensure that the system has backup in the event a vendor is unable to perform.

Councilmember Finter said that in other contract areas, such as ambulance service, the City has a sole provider, and he suggested that a sole provider approach, which was the case several years ago, may be beneficial with regard to the towing contract and that addressing problems with a single provider would be easier than dealing with multiple providers.

Mr. Quedens said that more than 10,000 vehicles are towed each year, and that having several providers ensures a prompt response time.

Responding to a comment by Mayor Smith, Mr. Quedens confirmed that the City could cancel a vendor towing contract in the event of nonperformance.

City Manager Christopher Brady advised that many cities with a single vendor contract would like to have the multi-contract option. He stated that having multiple vendors creates a competitive environment and improves response times. Mr. Brady said that cancelling a contract with a single vendor would require an extensive replacement process. He added that the threshold to cancel a Citywide towing contract would be significantly different than the threshold to cancel a contract in a single zone.

In response to a comment by Councilmember Finter, Mr. Brady stated that although the City would like to have multiple vendors providing emergency services in zones, State Statutes prohibit that option.

Responding to a request from Councilmember Kavanaugh for an explanation as to the reasons the City does not utilize a rotation system, Sergeant Nesbit explained that a rotation system requires significantly more resources to administer. He noted that the next vendor on the list may be on the other side of the City, which could result in a longer response time and, in turn, require Police or Fire units to remain at an incident for an extended period of time.

Sergeant Nesbit responded to a question from Councilmember Somers regarding administrative costs by advising that the Police towing unit has two areas: one to monitor the contracts for performance and the other relates to a State Statute requirement for a thirty day vehicle impoundment. He stated that one dedicated employee is responsible for the primary area of auditing the contracts.

Mr. Brady advised that the City does not presently collect a fee from the towing companies to recover the administrative employee costs

Sergeant Nesbitt explained that the City charges a \$150 impound fee, which is allowed by State Statute, to recover the cost of the 30-day impound process. He said that the City of Mesa does not charge a fee related to the standard tow.

Discussion ensued relative to the fact that a tow occurs only when there is an accident or a Police Department action; that staff will research possible areas for cost recovery; that the City of Phoenix has nine zones; that the Town of Gilbert, which has substantially fewer calls for service than the City of Mesa, utilizes a rotation system; that the RFP defines a standard cost to

the customer of \$30 for the first 24 hours Citywide; and that vendors are asked to bid on their release fees, storage fees and any other administrative charges.

Mr. Brady commented that the four-zone system has proven to be successful for the City of Mesa.

Councilmember Richins expressed concern regarding the manner in which the City obtains cost recovery for administrative functions.

Mr. Brady said that staff is seeking direction regarding the RFP. He stated that staff is proposing to issue the RFP this week with a standard cost to the customer of \$30 for the first 24 hours Citywide, with four zones and no vendor being awarded more than two zones, with the vendor bidding on the remaining fees and charges, in addition to a possible fee payable to the City for cost recovery.

Additional discussion ensued relative to the fact that options available for cost-recovery would be researched by staff; and that the City has a vested interest in contracting for towing services in order to quickly clear City streets and minimize the time required of Police Officers at incidents.

Mr. Brady stated that staff would identify the options available and present the information to the Council.

Mayor Smith noted that the Councilmembers concurred with moving forward, and he thanked staff for the presentation.

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

- a. Library Advisory Board meeting held January 19, 2010.
- b. Public Safety Committee meeting held February 10, 2010.
- c. Audit & Finance Committee meeting held February 22, 2010.

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

Carried unanimously.

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

There were no reports on meetings and/or conferences attended.

7. Scheduling of meetings and general information.

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

Monday, March 22, 2010, 6:30 p.m. – Swearing in Ceremony for the Police Chief

Wednesday, March 24, 2010, 10:00 a.m. – Groundbreaking Ceremony for Skyline Pool

Thursday, March 25, 2010, 7:30 a.m. – Study Session

Thursday, March 25, 2010, 6:00 p.m. – District 1 Building Strong Neighborhoods Event

Saturday, March 27, 2010, 8:00 a.m. – District 6 Pancake Breakfast at Station 205

6. Adjournment.

Without objection, the Study Session adjourned at 5:38 p.m.

SCOTT SMITH, MAYOR

ATTEST:

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 22nd day of March 2010. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

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Attachments: 2