



## COUNCIL MINUTES

May 10, 2012

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 May 10, 2012 at 7:36 a.m.

### COUNCIL PRESENT

Scott Smith  
Alex Finter  
Christopher Glover  
Dennis Kavanaugh  
Dave Richins

### COUNCIL ABSENT

Scott Somers  
Dina Higgins

### OFFICERS PRESENT

Christopher Brady  
Debbie Spinner  
Linda Crocker

Mayor Smith excused Vice Mayor Somers and Councilwoman Higgins from the entire meeting.

### 1-a. Hear a presentation and discuss an update on the METRO Light Rail Extension Project.

Director of Transit Services Mike James introduced Wolf Grote, Project Director for METRO, who displayed a PowerPoint presentation (**See Attachment 1**) and provided a brief update on the Central Mesa Light Rail extension. (See Page 3 of Attachment 1)

Mr. Grote introduced Martin Spong, Manager of Construction and Utilities for METRO Light Rail and Spencer Cruse, Project Manager for Valley Transit Constructors, who were prepared to address the Council. He reported that in March, Valley Transit Constructors (VTC), a Kiewit/Mass Electric Joint Venture, was selected to be the design-build contractor for the METRO Light Rail Extension Project.

Mr. Grote stated that VTC had received a Limited Notice to Proceed for the design and relocation of utilities. He explained that VTC would not be allowed to begin construction until a Project Construction Grant Agreement was received from the Federal Transit Administration. He noted that it was anticipated that a grant agreement would be received sometime this summer.

Mr. Grote reported that various community outreach events had been scheduled, such as:

- Community meetings
- An open house
- A Groundbreaking event (May 30<sup>th</sup>)

Mr. Grote stated that now that the design team was on board the design phase (art, architecture and roadway design) could move forward. He said that it was anticipated that the community would have an opportunity to review the design before construction activities began sometime in September.

Mr. Grote reported that the federal government provided the authority to proceed with the real estate acquisitions and noted that a majority of the legal descriptions and appraisals had been completed. He anticipated that the first offers would be presented this summer and that all land would be acquired by the middle of next summer. (See Page 4 of Attachment 1)

Mr. Grote advised that the team would continue to work diligently with the stakeholders and the businesses affected by this project. He displayed an aerial photograph of the METRO field office and said that an office and storage area for VTC just south of the METRO field office was being considered. (See Page 6 of Attachment 1)

Mr. Grote recognized the following METRO team members who were present in the audience:

- Martin Spong, Project Manager
- Luis Mota, Resident Engineer
- Lisa Procknow, Public Outreach
- Gary Flunoy, Business Assistance Leader

Mr. Cruse also recognized the following VTC team members:

- Justin Hansen, Construction Manager
- Bob Becky, Civil and Utility Superintendent
- Adam Barrier, Traffic Control Superintendent
- Avrum Loewenstein, Design Manager
- Bryan Scalzo, Public Outreach

Mr. Cruse displayed the project construction schedule (See Page 9 of Attachment 1) and said that during the City's busy winter season staff would do their best not to impede any events scheduled during that time. He briefly outlined the tasks and the anticipated timeframe for completion of each phase of the project as follows:

- Utilities – second quarter 2012 through fourth quarter 2012
- Road widening – third quarter 2012 through third quarter 2013
- Tracks/guideway/stations – second quarter 2013 through second quarter 2015
- Systems work – third quarter 2013 through third quarter 2015
- Integrated testing/completion – fourth quarter 2015

Mr. Cruse briefly highlighted the construction schedule for the downtown area (See Page 10 and 11 of Attachment 1) and noted that a portion of the roadway widening would begin during the third quarter of 2012. He said that in an effort to limit the impact on Downtown Mesa's busy season, roadway widening would cease at the end of the third quarter and would not begin again until the second quarter of 2013. He said that initial construction activities would include:

- Surveying
- Potholing
- Relocating the storm drain manhole covers to the outside of the trackway
- Relocating water, sewer and gas lines
- Relocating street lighting from median to sidewalks

Mr. Grote stated that METRO would continue to work closely with the City of Mesa and the stakeholders on this project.

Councilmember Kavanaugh commented that the public outreach conducted for this project had been extensive and that he had received numerous positive responses from the community. He expressed his appreciation for the cooperation demonstrated by City staff, METRO and the VTC team.

Mr. Flunoy provided a brief overview of the METRO Max program, which 100 businesses are participating in. He explained that businesses along the Central Mesa extension would be offering discounts or incentives that would be advertised online, in print and through social media channels. He said that directories of the businesses participating in the program would be handed out at various events to encourage residents to support the local businesses.

Councilmember Richins remarked that he was impressed by the amount of outreach that had been conducted in the area and hoped that the METRO Max card link would remain on METRO's website throughout the duration of the construction. He stated that many organizations had been involved in this effort including the West Mesa Community Development Corporation (CDC), Neighborhood Economic Development Corporation (NEDCO) and small business assistance groups such as the Downtown Mesa Association. He also expressed his appreciation for the efforts extended by the City's Utility Services to find ways to assist the businesses that would be affected by the construction.

Mayor Smith commented that the entrances to many of the businesses on Main Street could be changed so that customers could enter the businesses from First Street and First Avenue.

Mayor Smith thanked staff for their efforts and said that this would be a challenging project.

1-b. Hear a presentation, discuss and provide direction on the Solar Pilot Program.

Director of Energy Resources Frank McRae displayed a PowerPoint presentation (**See Attachment 2**) and provided an update on the Integrated Resource Planning and the Residential/Commercial Solar Pilot Program. He discussed some of the objectives of the solar program, such as:

- Benefits of energy efficiency
- "Net billing" simplifies the metering costs and is a variant of "net metering"
- Meter does not reverse like in "net metering"

Mr. McRae advised that the Pilot Program was customer driven and that a great deal of outreach had been conducted through public meetings, Central Main Plan discussions, iMesa submissions, customer phone calls, and other neighborhood events. He said that staff was proposing a 12-month pilot program that would include incentives to help offset the customers

initial costs to install solar. He displayed a table that demonstrated the incentives that would be funded via the Electric Energy Cost Adjustment Factor (EECAF) for both residential and commercial customers. (See Page 4 of Attachment 2)

Mr. McRae advised that in exchange for providing incentives the City would receive Renewable Energy Credits (REC). He recommended the use of “net metering” as it would be the simplest way to account for the kilowatts of energy produced by the customer in excess of their needs. (See Page 5 of Attachment 2)

Mr. McRae briefly highlighted some additional benefits of the pilot program, such as:

- Supplement the City’s renewable resource portfolio
- Prompt new installations and diversify the supply
- Distribution generation benefits offset additional direct costs

In response to a question from Mayor Smith, Mr. McRae explained that there were losses associated with transmitting energy over long distances from a remote source. He advised that the amount of power could be reduced by the time it reached the point of receipt.

Councilmember Richins expressed his support for the pilot project and said that there has been many requests for this type of a solar program.

Responding to a question from Councilmember Richins, Mr. McRae explained that this program would be a “contracted for” service, and therefore, Energy Resources would not be increasing its transmission capacity in terms of capital investments. He stated that the City was a “buyer” of transmission services and that over time the City would be able to reduce the amount of contracted services. He added that currently there were no plans for the City to participate in any regional transmission projects.

Mayor Smith thanked Mr. McRae for the presentation.

1-c. Appointment to the Design Review Board.

Mayor Smith recommended the following appointments to boards and committees:

DESIGN REVIEW BOARD

Brian Sandstrom – Partial term will expire June 30, 2012 (**See Attachment 3**)

It was moved by Councilmember Glover, seconded by Councilmember Richins, that the Council concur with the Mayor’s recommendation and the appointment be confirmed.

Mayor Smith called for the vote and the motion carried unanimously by those present.

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

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

3. Scheduling of meetings and general information.

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

Thursday, May 10, 2012, 6:30 p.m. – Building Strong Neighborhoods District 5

Thursday, May 17, 2012, 7:30 a.m. – Study Session

4. Items from citizens present.

There were no items from citizens present.

5. Convene an executive session.

It was moved by Councilmember Kavanaugh, seconded by Councilmember Finter, that the Council adjourn the Study Session at 8:04 a.m. and enter into Executive Session.

Carried unanimously.

- a. Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3)) 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. Light Rail Extension property acquisition status update.

6. Adjournment.

Without objection, the Executive Session adjourned at 9:36 a.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 10<sup>th</sup> day of May, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

\_\_\_\_\_  
LINDA CROCKER, CITY CLERK

bdw  
(attachments – 3)

# METRO



Shopping, Dining, Events & More...

*www.DowntownMesa.com*

Mesa.com



# Central Mesa Light Rail Extension

Mesa City Council

May 10, 2012



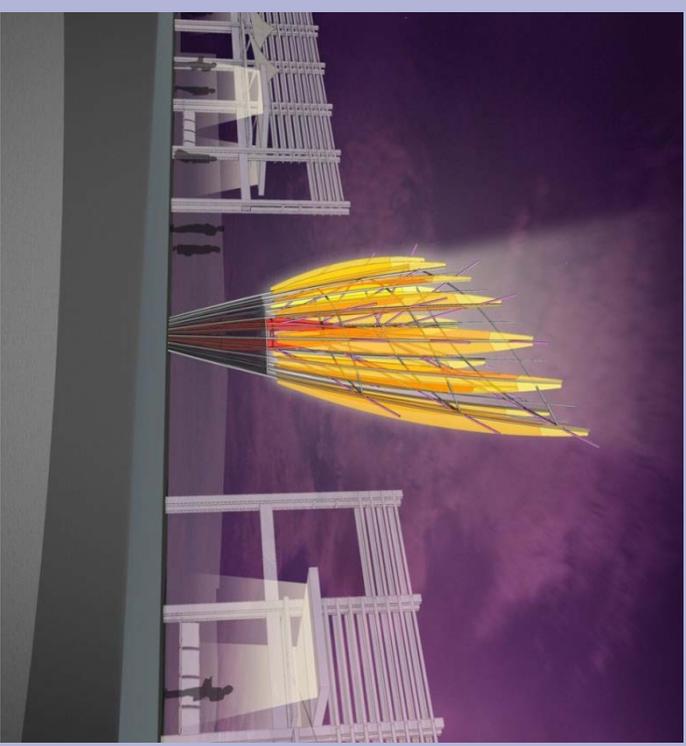
# Project Update

- Design-Build contractor selected
  - Valley Transit Constructors (VTC)
    - Kiewit/Mass. Joint Venture, Parsons Transportation Group
    - Received limited notice to proceed to continue design and complete utility relocations
  - Contractor Meet & Greet – April 24 and 25
  - Construction Groundbreaking event – May 30
- Federal funding
  - Project Construction Grant Agreement anticipated for summer 2012



# Project Update

- Continuing design plans
  - Architecture/art
  - Roadway design
  - Final design review meeting fall 2012
- Real estate acquisition
  - Legal descriptions, appraisals
  - All property acquired July 2013
- Continuing outreach, business assistance





# Business Assistance Toolbox

- Communications/staffing
- Signs and banners, way finding
- Community Advisory Board (CAB)
- METRO MAX Rewards program
- Web-based business directory
- Customer postcards
- General marketing support
- Multi-media marketing campaigns
- Business assistance seminars, business counseling
- Financial grants/loans
- Utility rebate program



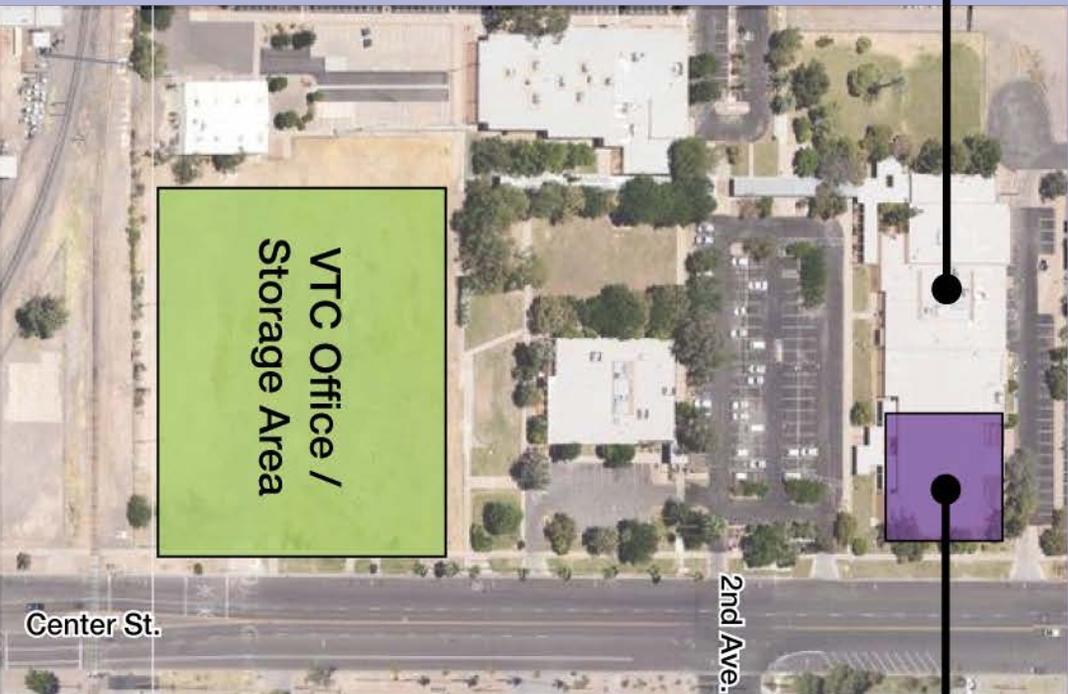


# METRO & VTC Field Offices

South Center Complex



METRO Field Office





# METRO Team

- Martin Spong – Project Manager
- Luis Mota – Resident Engineer
- Lisa Procknow – Public Outreach
- Gary Flunoy – Business Assistance

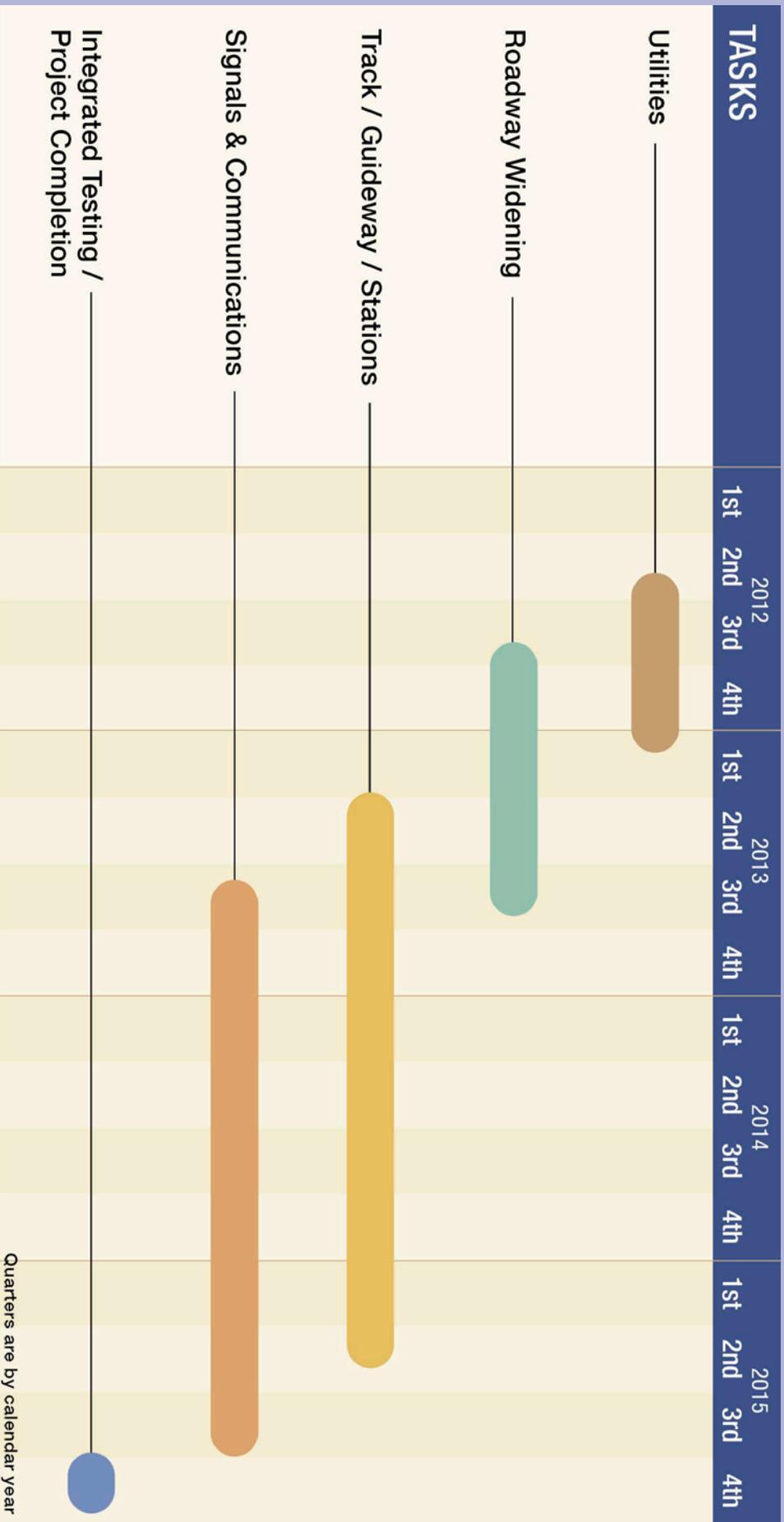


## VTC Team

- Spencer Cruse - Project Manager
- Justin Hansen - Construction Manager
- Charles Phillips – Operations Manager
- Bob Becky – Civil and Utility Superintendent
- Adam Barrier – Traffic Control Superintendent
- Avrum Loewenstein – Design Manager
- Bryan Scalzo – Public Outreach

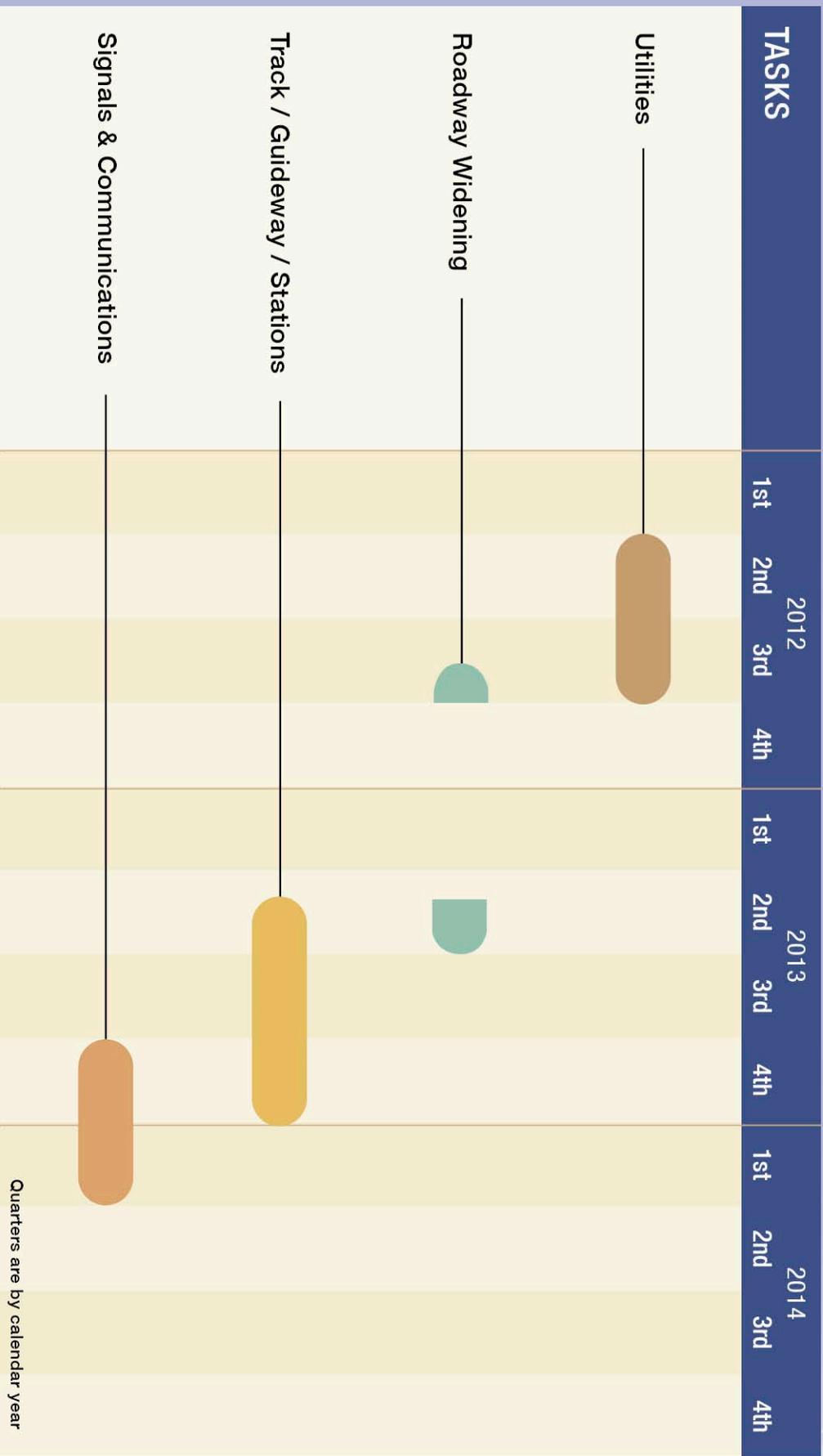


# Project Construction Schedule





# Downtown Construction Schedule





# Initial Construction Activities

- Survey, potholing
- Relocate storm drain manholes to outside the trackway
  1. Country Club to Centennial – 3 locations
  2. Mesa Drive to Ashland – 2 locations
  3. Alma School to Country Club – 4 locations





# Initial Construction Activities

- Relocate water, sewer and gas lines
  - Country Club to Ashland
- Relocate street lighting from median to sidewalks
  - Sycamore to Country Club



Sewer line relocation



# Coming Soon



This is a photo simulation. Design will be finalized in 2013.

# METRO



Shopping, Dining, Events & More...  
*www.DowntownMesa.com*  
Mesa.com

# PILOT RESIDENTIAL & COMMERCIAL CUSTOMER SOLAR PROGRAMS

City of Mesa

Energy Resources Department 5.10.12



mesa·az

# INTEGRATED RESOURCE PLANNING

- ▶ A “Best Practice” decision-making process on how to meet customers’ energy requirements
- ▶ 2011 Electric IRP Action Plan – Solar
  - ▶ Large Scale Utility projects
  - ▶ Enhance current customer program
  - ▶ Explore the benefits of “Distributed Generation”



# CURRENT SOLAR PROGRAM

- ▶ Benefits of energy efficiency emphasized
- ▶ “Net Billing” employed
  - ▶ Variant of “Net Metering”
- ▶ Meter does not reverse
- ▶ Net Metering = reversal of meter



# 2012 PILOT SOLAR PROGRAM

- ▶ IRP / Central Main Plan / i Mesa submission / Customers
- ▶ Commercial and Residential Customers
- ▶ 12 Month Pilot
- ▶ Incentives & Net Metering
- ▶ Incentives funded via energy cost recovery factor (EECAF)

	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>
<b>INCENTIVE (\$ / kW)</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>
<b>MAX kW / \$ INCENTIVE</b>	<b>5 kW / \$ 5,000</b>	<b>10 kW / \$ 10,000</b>
<b>ANNUAL BUDGET</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>



# REBATES & NET METERING

- ▶ Incentive offsets some of customer's initial costs to install solar
  - ▶ Mesa receives Renewable Energy Credits (RECs)
- ▶ Net metering:
  - ▶ Customer Solar displaces our purchase of equal amount of energy from market
  - ▶ Compensates customer for solar energy at full retail rate (for residential approx. \$.10/kWh)
  - ▶ Simplifies metering and saves metering costs



# PILOT PROGRAM BENEFITS

- ▶ Supplements our renewable resource portfolio & diversity of supply
  - ▶ Non-fossil resource that helps insulate our customers from price shocks in fossil fuel markets and fuel shortages and interruptions.
- ▶ The “Distributed Generation” benefits from the Pilot Program are anticipated to offset additional direct costs:
  - ▶ Losses associated with transmitting energy from remote sources over long distances can be reduced (approximately 5% percent for conventional supplies)
  - ▶ Potentially reduce the need for increasing our transmission requirements as we rely more upon local sources
  - ▶ Reduce demand during high cost, peak times if solar energy is generated when customers use electricity
- ▶ Voltage support in remote parts of distribution system



QUESTIONS

COMMENTS

SUGGESTIONS





20 E Main St Suite 750  
PO Box 1466  
Mesa, Arizona 85211-1466

mesaaz.gov

May 10, 2012

TO: CITY COUNCILMEMBERS  
FROM: MAYOR SCOTT SMITH   
SUBJECT: Appointments to Boards and Committees

Attached is my recommendation for one new appointment to City of Mesa Advisory Boards and Committees.

**Design Review Board** – Seven-member board with one new appointment.

New Appointment:

Brian Sandstrom, District 4. Mr. Sandstrom is an architectural production coordinator with Arrington Watkins Architects. He holds a bachelor of science in architectural studies from Arizona State University. Mr. Sandstrom's appointment fills a vacancy created by the resignation of Wendy LeSueur. His partial term will expire June 30, 2012.