



COUNCIL MINUTES

November 7, 2011

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on November 7, 2011 at 5:46 p.m.

COUNCIL PRESENT

Scott Smith
Alex Finter
Christopher Glover
Dina Higgins
Dennis Kavanaugh
Dave Richins
Scott Somers

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Linda Crocker

Invocation by Reverend Paul Whitlock, Desert Heritage Church.

Pledge of Allegiance was led by Councilmember Richins.

Mayor's Welcome.

Mayor Smith welcomed everyone to the meeting. A videotaped presentation was aired that outlined meeting procedures and provided attendees with instructions relative to addressing the Council.

Awards, Recognitions and Announcements.

Fleet Services Director Pete Scarafiotti reported that this year, the Government Fleet Management Alliance (GFMA) recognized the City of Mesa's Fleet Services Department with the "100 Best Fleets in North America" Award and the "Crystal Award" for Fleet Management Certification. He explained that both programs recognize excellence in the Fleet Management profession and ensure compliance with more than 100 benchmark criteria within the industry. Mr. Scarafiotti advised that Mesa's Fleet Services Department is one of only three Automotive Service Excellence (ASE) Certified Blue Seal facilities within Arizona which, in his opinion, was "quite remarkable" since no governmental fleet has participated in this private sector program.

Jim Wright, President of Fleet Counselor Services (FCS), addressed the Council and noted that of the approximately 38,000 "non-profit regulated industries" in North America (i.e., cities, townships, State/Federal government, utilities), several thousand compete each year to be included within the "100 Best Fleets." He stated that Mesa's Fleet Services Department is recognized nationwide as "a true leader" in the industry. Mr. Wright further remarked that the Crystal Award is presented to fleets that

meet GFMA's extensive certification testing criteria and added that Mesa was one of 14 entities throughout North America that achieved this level of expertise.

Mr. Wright presented the awards to Mayor Smith and Mr. Scarafiotti.

Mr. Scarafiotti recognized the City's Fleet Services management team, who were present in the audience, and thanked everyone for their dedication and service.

Mayor Smith congratulated the Fleet Services Department for "being the best of the best." He stated that such an achievement is especially notable in light of the City's budget constraints in recent years.

1. Take action on all consent agenda items.

All items listed with an asterisk (*) will be considered as a group by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Councilmember or citizen requests, in which event the item will be removed from the consent agenda and considered as a separate item. If a citizen wants an item removed from the consent agenda, a blue card must be completed and given to the City Clerk prior to the Council's vote on the consent agenda.

Mayor Smith stated that he received a speaker card from Mavis Eggert, a Mesa resident, and noted that he was uncertain whether she wanted to remove item 4i (Hibbert and 1st Street Drainage Improvements, Hibbert from Main to 2nd Street) from the consent agenda.

Ms. Eggert clarified that she would like to meet with Mayor Smith and her Councilmember to discuss drainage issues near her home.

City Manager Christopher Brady indicated that staff would meet with Ms. Eggert to set up an appointment.

It was moved by Vice Mayor Somers, seconded by Councilmember Glover, that the consent agenda items be approved.

Carried unanimously.

*2. Approval of minutes of previous meetings as written.

Minutes from the March 10, April 14, August 18, September 15 and 29, and October 13 and 17, 2011 Council meetings.

3. Take action on the following liquor license applications:

*3-a. Anthology Inc.

This is a one-day charitable event to be held on Sunday, December 11, 2011 from 1:00 p.m. to 9:00 p.m. at 108 West Main Street. **(District 4)**

*3-b. Knights of Columbus All Saints Council 9485

This is a one-day fraternal event to be held on Saturday, December 3, 2011 from 3:00 p.m. to 7:00 p.m. at 1534 North Recker Road. **(District 5)**

*3-c. Knights of Columbus All Saints Council 9485

This is a one-day fraternal event to be held on Saturday, January 7, 2012 from 3:00 p.m. to 7:00 p.m. at 1534 North Recker Road. **(District 5)**

*3-d. Rochester's Family Dining & Sportsbar

New Beer and Wine License for Rochester's Family Dining and Sportsbar, 721 South Rochester, CJ's Investments LLC – Carol Theresa Oats, Agent. This location has a Beer and Wine License that will be transferred with the State and a Restaurant License that will revert back to the State both held by Michael's Green Side Grill. **(District 6)**

*3-e. Rochester's Family Dining & Sportsbar

New Restaurant License for Rochester's Family Dining & Sportsbar, 721 South Rochester, CL's Investments LLC – Carol Theresa Oates, Agent. This location has a Beer and Wine License that will be transferred with the State and a Restaurant License that will revert back to the State both held by Michael's Green Side Grill. **(District 6)**

*3-f. That Place Sport Grill

New Restaurant License for That Place Sport Grill, 1038 East Main Street, That Place LLC – Joe Hok-Sang Lok, Agent. This location has a Restaurant License held by Mosher Family Corp. that will revert back to the State. **(District 1)**

4. Take action on the following contracts:

*4-a. **DELETED.**

*4-b. Purchase of Traffic Signal Heads and Countdown Pedestrian Modules for the Transportation Department. **(Fully funded by ADOT Project Federal Grant)**

The Purchasing Division recommends utilizing the cooperative State of Arizona contract through the Arizona Department of Transportation (ADOT) with McCain, Inc. at \$79,367.96 (for Items 2 and 3) and TraStar, Inc. at \$36,610.70 (for Item 1), including applicable use taxes. The combined total amount is \$115,978.66.

*4-c. Term Contract for Landia® Mast Mounted Submersible Mixers for the Water Resources Department. **(Sole Source) (Citywide)**

The Purchasing Division recommends awarding the contract to sole source vendor, Landia, Inc., at \$27,822.60, including use tax.

*4-d. Term Contract for Portable Transport Ventilators and Related Equipment for the Fire Department. **(Sole Source) (Fully funded by Department of Homeland Security Metropolitan Medical Response System (MMRS) Grant) (Citywide)**

The Purchasing Division recommends awarding the contract to the sole source vendor, CareFusion 203, Inc., at \$134,652.48, including applicable use tax.

- *4-e. Term Contract to provide Fasteners, Hardware and Electrical Supplies for Fleet Services and Various City Departments. Contractor will maintain inventory, ordering and stocking as needed. **(Citywide)**

The Purchasing Division recommends awarding the contract to Fastenal Company (a Mesa business) at \$78,000 annually, including applicable use taxes, based on estimated requirements.

- *4-f. Renewal of the Term Supply and Maintenance Contract for Fire Extinguishers for the Fire Department to equip City Buildings and Vehicles. **(Citywide)**

The Purchasing Division recommends authorizing a one-year renewal using the State cooperative contract with American Fire Equipment Sales and Service Corp. at \$40,000, including applicable sales tax.

- *4-g. Renewal of the Term Contract for Automatic Transmission Repairs and Services for the Fleet Services and Fire Departments. **(Citywide)**

The Purchasing Division recommends authorizing renewal using the Mesa Public Schools contract with W.W. Williams at \$195,000 annually, based on estimated requirements.

- *4-h. 6th Drive Infrastructure Improvements, Date to Country Club Drive. **(District 4)**

City Project 04-035-001. This project will replace aged gas, water, and wastewater lines that are almost 60 years old and not up to current standards. The aged infrastructure will be abandoned in its current location.

Recommend award to the lowest bidder, Action Direct, LLC dba Redpoint Consulting, in the amount of \$445,140, plus an additional \$44,514 (10% allowance for change orders) for a total award of \$489,654. Funding is available in the FY 11/12 Water, Wastewater, and Gas Capital Bond Programs and Transportation Field Operations Budget.

- *4-i. Hibbert and 1st Street Drainage Improvements, Hibbert from Main to 2nd Street. **(District 4)**

City Project 10-555-001. Flooding occurs at this intersection because 1st Street was built with a raised crown that causes runoff to pond north of 1st Street and overtops the existing curb on Hibbert. This project will install a new 42-inch storm drain on Hibbert from Main Street north to 2nd Street, thereby eliminating the overtopping of the existing curb.

Recommend award to the lowest bidder, Southwest Pipeline Contractors, Inc., in the amount of \$451,190.00, plus an additional \$45,119.00 (10% allowance for change orders) for a total award of \$496,309.00. Funding is available through a \$250,000 grant from the Flood Control District of Maricopa County through their Small Project Assistance Program and the FY 11/12 Streets Operating Budget.

*4-j. Excess Liability Insurance.

Recommend purchase of Excess Liability Insurance from Starr Indemnity & Liability Company for \$10 million in excess of the City's \$3 million Self-Insured Retention (SIR). The cost of this policy is \$329,000.

Recommend purchase of second layer Excess Liability Insurance from Great American Assurance Company for an additional \$25 million in liability coverage. The cost of this policy is \$205,000.

*4-k. Property Insurance.

Recommend purchase of Property Insurance from Travelers Insurance with coverage of \$300 million per occurrence and a \$50,000 deductible. The cost of this policy is \$376,882.

*4-l. Aviation Insurance.

Recommend purchase of Airport Liability Insurance from Chartis Aerospace Insurance with \$0 deductible and \$50 million per occurrence coverage. The cost of this policy is \$12,662.

Recommend purchase of Aircraft Hull and Liability Insurance from Chartis Aerospace Insurance with \$0 deductible and \$100 million per occurrence coverage. The cost of this policy is \$103,414.

5. Take action on the following resolutions:

*5-a. Approving and authorizing the City Manager to execute an Intergovernmental Agreement with Maricopa County, on behalf of the Maricopa County Department of Transportation, to reimburse the City \$245,000 for the Iron Avenue Roadway Improvements – Resolution No. 9944. **(District 4)**

*5-b. Approving and authorizing the City Manager to execute an Intergovernmental Agreement with the Gilbert Public Schools. This Agreement provides \$272,364 for salary and benefits of School Resource Officers assigned to schools in the District – Resolution No. 9945.

6. Introduction of the following ordinances and setting November 21, 2011, as the date of the public hearing on these ordinances:

*6-a. **Z11-20 (District 2)** The 1400 block of South Val Vista Drive (east side). Located on the east side of Val Vista Drive north of the US 60 Superstition Freeway (7.5± acres). Rezone from NC and RM-4 to RM-4 BIZ and Site Plan Review. This request will allow the development of an apartment complex. Paul Jennings, PCS Development, owner; Drew Olson, MoDev, applicant.

P&Z Recommendation: Approval with conditions. (Vote: 6-0-1, Boardmember Roberts absent.)

- *6-b. **Z11-25 (District 1)** 26 North Matlock Street. Located west of Stapley Drive and north of Main Street (0.35± acre). Rezone from RM-2 to LC and Site Plan Review. This request will allow the development of a commercial kitchen. Clay Moser, owner; Greg Hitchens, applicant.

P&Z Recommendation: Approval with conditions. (Vote: 6-0-1, Boardmember Roberts absent.)

- *7. Assign delinquent accounts to collection services for the three-month period ending June 30, 2011, totaling \$331,982. (Citywide)

- 8. Discuss, receive public comment, and take action on the ordinances introduced at a prior Council meeting. Any citizen that wants to provide comment should submit a blue card to the City Clerk before the item is voted on. If a citizen wants to comment on an item listed with an asterisk (*), a blue card must be given to the City Clerk before Council votes on the Consent Agenda.

- *8-a. **Z11-17 (District 4)** The 300 West through 100 blocks of East Main Street (north and south sides). Located between 1st Street and 1st Avenue from Country Club Drive to Macdonald; and located between 1st Street and 2nd Avenue from Macdonald to Centennial Way/Sirrine (150± acres). Rezone from TCC, TCR-2 and TCB-1 to TCC-DE, TCR-2DE, and TCB-1DE. This request will establish a Downtown Events Overlay District along the Main Street corridor. Various owners; City of Mesa, applicant – Ordinance No. 5065.

P&Z Recommendation: Approval. (Vote: 6-0, Boardmember Arnett absent.)

- *8-b. **Z11-24 (District 3)** 1954 West Broadway. Located on the northeast corner of Dobson Road and Broadway Road (1± acres). Council Use Permit. This request will allow the development of a Pawn Shop. Bloomer Family Trust, owner; Charles Huellmantel, applicant (PLN2011-00200) – Ordinance No. 5066.

P&Z Recommendation: Approval with conditions. (Vote: 6-0, Boardmember Arnett absent.)

- *8-c. Amending Title 10, Chapter 4 of the Mesa City Code to establish speed limits of 30 miles per hour on certain sections of Mesa Drive and Springwood Boulevard – Ordinance No. 5067. **(Districts 1 & 6)**

- *8-d. Amending Title 10, Chapter 10 of the Mesa City Code to simplify the citation and court process for Temporary Traffic Control violations, and authorizing clarifications and corrections of the Traffic Barricade Manual to be issued – Ordinance No. 5068. **(Citywide)**

Items not on the Consent Agenda

9. Conduct a public hearing and take action on the continuation of the Mesa Town Center Improvement District No. 228.

- 9-a. Public hearing for the continuation of the Mesa Town Center Improvement District No. 228 for an additional five years. The Mesa Town Center Improvement District No. 228 was established to provide enhanced municipal services for the Town Center. **(District 4)**

Mayor Smith stated that this was the time and place to conduct a public hearing regarding the continuation of the Mesa Town Center Improvement District No. 228.

Assistant to the City Manager Natalie Lewis displayed a PowerPoint presentation **(See Attachment 1)** and reported that in 1984, a group of property owners created a non-profit organization, known today as the Downtown Mesa Association (DMA), in an effort to receive enhanced services in the downtown area. She explained that in 1985, a Special Improvement District (SID) was created in accordance with State law and by Council Resolution for the downtown square mile (Country Club Drive to Mesa Drive and Broadway Road to University Drive).

Ms. Lewis discussed the purpose of the SID (See Page 4 of Attachment 1) which includes, but is not limited to, enhanced marketing, events, promotions and ensuring that the downtown area is clean and safe. She stated that the District property owners are assessed annually based on the "zone" in which they are located, land use and square footage. Ms. Lewis added that those properties situated in "the core" of the District have a higher level of benefit and pay a slightly higher assessment rate.

Ms. Lewis further remarked that the Council sets the annual assessment rate, at which time the property owners can protest the calculation of such rate. She indicated that the County collects the assessments, which are provided to the City, and noted that the City "passes through" those monies to the DMA. Ms. Lewis also advised that because the City is the largest property owner in the downtown area, it voluntarily contributes annually through various agreements with the DMA. She said that every five years, eligible property owners can protest the continuation of the Mesa Town Center Improvement District No. 228 through a public hearing process.

David Short, Executive Director of the DMA, addressed the Council and reported that the DMA is privileged to contract for a variety of enhanced services (See Page 5 of Attachment 1) that are provided in the downtown area. He stated that the DMA takes great pride in keeping not only downtown Mesa clean and safe, but also the entire square mile. Mr. Short reported that recently, the DMA has focused its efforts on marketing, special events and actively working to bring more people to the downtown area to shop and dine. He added that by the end of 2011, DMA will have funded or produced 30 event days in downtown Mesa and partnered/promoted another 14.

Ms. Lewis explained that with respect to tonight's public hearing, the DMA received protests from three property owners regarding the continuation of the Mesa Town Center Improvement District No. 228. She noted that if a majority representing all three categories (i.e., square footage, dollars assessed, and total number of property owners) protests the District, it would be discontinued. Ms. Lewis stated that the three protests represent less than 1% of the entire District and added that if a majority is not achieved, pending Council approval, the District would

continue for another five years. She displayed a map illustrating the location of the three properties that filed the protests. (See Page 7 of Attachment 1)

Ms. Lewis concluded her presentation by stating that it was staff's recommendation, with concurrence from the DMA, that the Council adopt the Resolution listed below (Item 9b) to approve the continuation of the Mesa Town Center Improvement District No. 228 for an additional five years.

Mayor Smith clarified that tonight's action is not setting the rate for the assessment, but simply to allow the Mesa Town Center Improvement District No. 228 to continue to exist.

Responding to a question from Councilmember Finter, City Attorney Debbie Spinner clarified that Council adoption of the Resolution would result in the continuation of the Mesa Town Center Improvement District No. 228 for another five years, meaning that the issue would not come back to the Council until such time has expired. She reiterated, however, that the Council sets the assessment rate on an annual basis, at which time the property owners could protest the calculation of the rate.

Bob Carufel, 218 East Broadway Road, one of the property owners who issued a protest, opposed the continuation of the District. He stated that because his property is located on the outskirts of the District, he does not benefit from the assessment he is required to pay. He also commented that his reading of the paperwork leads him to believe that the Council may "terminate or modify the District on their own initiative." Mr. Carufel inquired if that were to occur, what type of entity would replace the District, especially with light rail coming through downtown Mesa in the near future.

Mayor Smith responded that he was not aware of anything that the Council has proposed with respect to altering the terms of the existence of the District. He noted that there have been some studies conducted with respect to overlays, but said those would not impact the District.

Ms. Spinner also clarified that if the District was terminated, the property owners in the square mile would no longer be entitled to receive the enhanced municipal services that they currently receive.

Mr. Brady assured Mr. Carufel that the City was not contemplating creating any other type of district in the downtown, whether related to light rail or otherwise.

Ms. Spinner further remarked that the continuation of the District has nothing to do with the light rail project, but is simply a timing issue. She said that the District was continued five years ago and noted that it could expire if the Council did not take action at this time.

Craig Prouty, a downtown property owner, expressed support for the continuation of the Mesa Town Center Improvement District No. 228. He thanked the DMA for their efforts and hard work in keeping the streets and alleys clean and free of graffiti and debris which, in his opinion, has created an "edge" for the local businesses during these difficult economic times.

Kirk Hoffman, a merchant in the downtown area, concurred with the comments of the previous speaker. He also acknowledged the DMA for their marketing efforts, kiosks and banners, upgraded website, and funding a variety of events that have attracted visitors to downtown Mesa.

There being no additional citizens wishing to speak on this issue, Mayor Smith declared the public hearing closed.

- 9-b. Take action on a resolution approving the continuation of the Mesa Town Center Improvement District No. 228 for an additional five (5) years – Resolution No. 9946.
(District 4)

It was moved by Councilmember Glover, seconded by Councilwoman Higgins, that Resolution No. 9946 be adopted.

Vice Mayor Somers referred to the map of the Town Center Improvement District (See Page 7 of Attachment 1) and noted that the area south of 2nd Avenue down to Broadway Road is very industrial. He inquired if the City and the DMA have taken a look at the boundaries of the District to determine whether it is necessary to extend them that far south.

Mr. Short clarified that although the industrial areas of the District may not see as much of the “activation and marketing,” those properties often require more cleaning and upkeep. He stated that it was DMA’s objective to proactively maintain these areas before the property owners or citizens report debris or graffiti.

Vice Mayor Somers suggested that the DMA conduct greater outreach to the property owners/businesses in the southern portion of the District to demonstrate that they are receiving some value for the assessments they pay. He also suggested that over the next few years, the DMA determine whether the current District boundaries are necessary or, perhaps, inadequate.

Mr. Short assured Vice Mayor Somers that the DMA would follow through on his suggestions.

Councilmember Finter voiced support for the motion. He stated that he met recently with representatives from several large universities that are considering possibly locating campuses in downtown Mesa and noted that they all commented on the clean and orderly appearance of the area.

Mayor Smith remarked that he could understand why property owners on the outskirts of the District and away from Main Street might feel “orphaned.” He commented, however, that the clean and well maintained downtown area is the direct result of the District, the assessments that are paid, and the efforts undertaken by the DMA in this regard. Mayor Smith also stated that there are “many great things” happening in downtown Mesa and noted that as they continue, they will “ripple out” to other areas of the community. He added that for those reasons, he would support the motion.

Mayor Smith called for the vote.

Carried unanimously.

10. Items from citizens present.

There were no items from citizens present.

11. Adjournment.

Without objection, the meeting adjourned at 6:33 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 Regular Council Meeting of the City Council of Mesa, Arizona, held on the 7th day of November 2011. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

pag
(attachment – 1)



Mesa Town Center

Special Improvement District No. 228

Five-Year Continuation Hearing

Mayor and City Council

November 7, 2011



Activation & Events



Marketing



Graffiti



Clean & Safe



Parking



Wayfinding



HISTORY

BENEFITS

PUBLIC HEARING PURPOSE



History

- **1984:** Property owners interested in “enhanced services” for downtown joined to create a non-profit.
 - Known today as Downtown Mesa Association (DMA).
- **1985:** Special Improvement District (SID) created in accord with State statute and by Council resolution for downtown square mile.



Downtown Mesa
Association

History

- **SID Particulars:**
 - Marketing, events, promotions, clean & safe.
 - District property owners assessed annually based on ‘zone,’ land use and square footage.
 - Annual assessment rates set by Council. County collects and provides funds to City. City “passes through” all funds to DMA.
 - As largest downtown property owner and to support downtown’s success, City voluntarily contributes annually via Agreements with DMA.
 - Every five years, District Continuation public hearing.



SID Benefits

- Marketing
- Promotions
- Clean
- Safe
- Banners, Kiosks
- Special Events
- Economic Development
- Signage and way-finding
- Parking management and enforcement





Downtown Mesa
Association

Today's Hearing: 5-Year SID Continuation

- Eligible property owners may “protest” continuation of the district every five years.
 - 3 Protests received.
- If a majority representing all three categories (square footage, dollars assessed and total number of property owners) protest the District, the District is discontinued.
 - Protests represent less than 1% of District.
- If majority not achieved, District continues with annual hearings on assessment rates.



Recommendation

- Continue “Mesa Town Center Special Improvement District No. 228” for another five years.
- Downtown Mesa Association concurs with this recommendation.



Mesa Town Center

Special Improvement District No. 228

Five-Year Continuation Hearing

Mayor and City Council

November 7, 2011