



COUNCIL MINUTES

October 15, 2015

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 October 15, 2015 at 7:32 a.m.

COUNCIL PRESENT

John Giles
Alex Finter
Christopher Glover
Dennis Kavanaugh
David Luna
Kevin Thompson

COUNCIL ABSENT

Dave Richins

OFFICERS PRESENT

Christopher Brady
Jim Smith
Dee Ann Mickelsen

Mayor Giles excused Councilmember Richins from the entire meeting.

1. Review items on the agenda for the October 19, 2015 Regular Council meeting.

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

Conflict of interest: None

Items deleted from the consent agenda: None

Special Projects Manager Niel Curley displayed a PowerPoint presentation relating to item 4-a on the Regular Council Meeting Agenda (**Five-Year Term Contract for the GRID Bike Sharing Program for the Transportation Department**). (See Attachment 1)

Deputy City Manager Scott Butler displayed a Powerpoint slide related to items 5-j (**Approving and Authorizing the City Manager to enter into the Amended and Restated Transportation Project Advance Agreement with Valley Metro Rail, Inc., Maricopa Association of Governments and the City of Phoenix for funding of design, construction, right-of-way acquisition and light rail vehicle acquisition for the Gilbert Road Light Rail Extension Project, and further authorizing the funding of the Project**) and 5-k (**Providing for the issuance and sale of Transportation Project Advancement Notes for the Gilbert Road Light Rail Extension Project**) on the Regular Council Meeting Agenda. (See Attachment 2) He also introduced Transit Services Director Jodi Sorrell who was available to answer any questions the Council may have.

Mr. Butler reported that the amendment to the Transportation Project Advance Agreement related to the Gilbert Road light rail extension will save the City \$9 million. He stated that the Maricopa Association of Governments (MAG) has agreed to provide the City a \$32.4 million interest free loan and that the funds would apply to the project. He explained that various federal transit projects around the region are not progressing within the envisioned timeframe, and emphasized that the region wishes to spend its money on eligible transit projects in order to avoid losing federal dollars. He noted that Mesa would repay the region after money becomes available from the completed project.

Mr. Butler reported that Mesa would issue Transportation Project Advancement Notes (TPANs) which will save on interest costs. He also indicated that the region may have additional money to loan to this project and said that staff is requesting Council's consideration for allowing further advancements to this project without returning to Council for further approval.

Mr. Butler continued by saying that another component of allowing more regional dollars to be applied to the project is issuing fewer TPANs in the future, which may lead to additional cost savings. He added that the agreement reaffirms the City's intent to issue TPANs and authorizes the City's local match of 5.7%, which is lower than most communities across the country.

Mr. Butler discussed item 5-k and explained that staff was requesting Council's authorization to issue the sale of the TPANs for up to \$100 million. He explained that staff was hopeful that the TPANs issuance would not exceed \$70 million, but emphasized that the amount cannot be confirmed until the guaranteed maximum price of the project is determined.

Mr. Butler reported that since the beginning of the project, costs have been lower than anticipated or different savings have been found along the way. He commented that Phoenix will be purchasing more light rail vehicles in anticipation of the extensions funded by Proposition 104 dollars. He stated that the Gilbert Road project costs include capital for purchasing new light rail vehicles and indicated that now, thanks to Phoenix, Mesa will get more buying power resulting in better pricing on vehicles. He added that Mesa will see millions of dollars in savings as the project evolves.

In response to a question from Councilmember Glover, City Attorney Jim Smith confirmed that litigation against the City regarding the issuance of TPANs is complete and no further action will be taken.

Councilmember Finter requested a brief historical overview of Mesa's success with Highway Project Advancement Notes (HPANs).

Mr. Butler followed up by explaining that the State Route 24 infrastructure near Phoenix-Mesa Gateway Airport was accelerated and completed five years ahead of schedule, which saved \$100 million for the region. He added that Mesa spent no money to advance that infrastructure due to project efficiencies and creative financing.

Mr. Butler noted that with Mesa's success with the HPANs, City Staff approached the State Legislature and requested that it grant the same authority across all infrastructure mediums, in an effort to save taxpayer dollars. He reported that the Legislature authorized TPANs with only the transit component to supplement the highway component.

Vice Mayor Kavanaugh credited Mesa staff for originating the idea of advancement notes. He recalled that the Loop 202 was scheduled for a 2014 completion and pointed out that the creative concept of advancement notes saved public dollars while advancing the project.

Mr. Butler applauded staff for making the project a success and added that it is a point of pride that Mesa is at the forefront of delivering infrastructure unlike any other community in the state in a cost-effective manner.

Mayor Giles thanked staff and MAG for a job well done.

2-a. Hear a presentation, discuss and provide direction to City staff regarding the donation of a front end loader to the City of Guaymas, Mexico.

Chief of Staff Ian Linssen displayed a PowerPoint presentation relating to the donation of a front-end loader by Mesa to its first Sister City of Guaymas, Mexico. (**See Attachment 3**) He reported that Guaymas was impacted by Hurricane Marty on October 3, 2015, resulting in the damage and loss of many homes and vehicles. He stated that the Mesa Sister Cities Organization (MSC) is working to support Guaymas by collecting food and supplies, and is also assisting with volunteers.

Mr. Linssen informed the Council that Guaymas has a significant need for heavy equipment to clean up the debris. He requested Council's approval to donate a front-end loader that has met its 15-year replacement and was slated for auction.

In response to a question from Councilmember Luna, Mr. Linssen explained that Guaymas' staff would be handling the pick up and transport of the loader to their community.

In response to a question from Councilmember Thompson, Mr. Linssen clarified that the estimated auction value of the loader was between \$20,000-35,000.

Mayor Giles commented that he was proud of Mesa's efforts to assist Guaymas over the years. He thanked the Mesa Sister Cities Organization, the Mesa Rotary Club, the Mesa Chamber of Commerce and Benedictine University for all of their hard work in this regard.

It was moved by Councilmember Luna, seconded by Vice Mayor Kavanaugh, that the 1992 Caterpillar front-end loader be donated to the City of Guaymas, Mexico.

Mayor Giles declared the motion carried unanimously by those present.

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

3-a. Audit, Finance and Enterprise Committee meeting held October 1, 2015.

It was moved by Councilmember Glover, seconded by Councilmember Luna, that receipt of the above-listed minutes be acknowledged.

Mayor Giles declared the motion carried unanimously by those present.

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

Vice Mayor Kavanaugh:

Fiesta District Micro Park Lighting Ceremony

5. Scheduling of meetings and general information.

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

Saturday, October 17, 2015, 8:00 a.m. – Falcon Warbirds Pancake Breakfast

Saturday, October 17, 2015, 8:00 a.m. – Hazardous Waste Drop-off Event

Saturday, October 17, 2015, 10:00 a.m. – Mesa Arts and Crafts Festival

Saturday, October 17, 2015, 5:00 p.m. – Celebrate Mesa

Monday, October 19, 2015, 5:15 p.m. – Study Session

Monday, October 19, 2015, 5:45 p.m. – Regular Council Meeting

Thursday, October 22, 2015, 7:30 a.m. – Study Session (cancelled)

6. Adjournment.

Without objection, the Study Session adjourned at 8:12 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, 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 15th day of October, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

hm
(attachments – 3)

GR:D

BIKE SHARE



mesa·az

Mesa GR:D



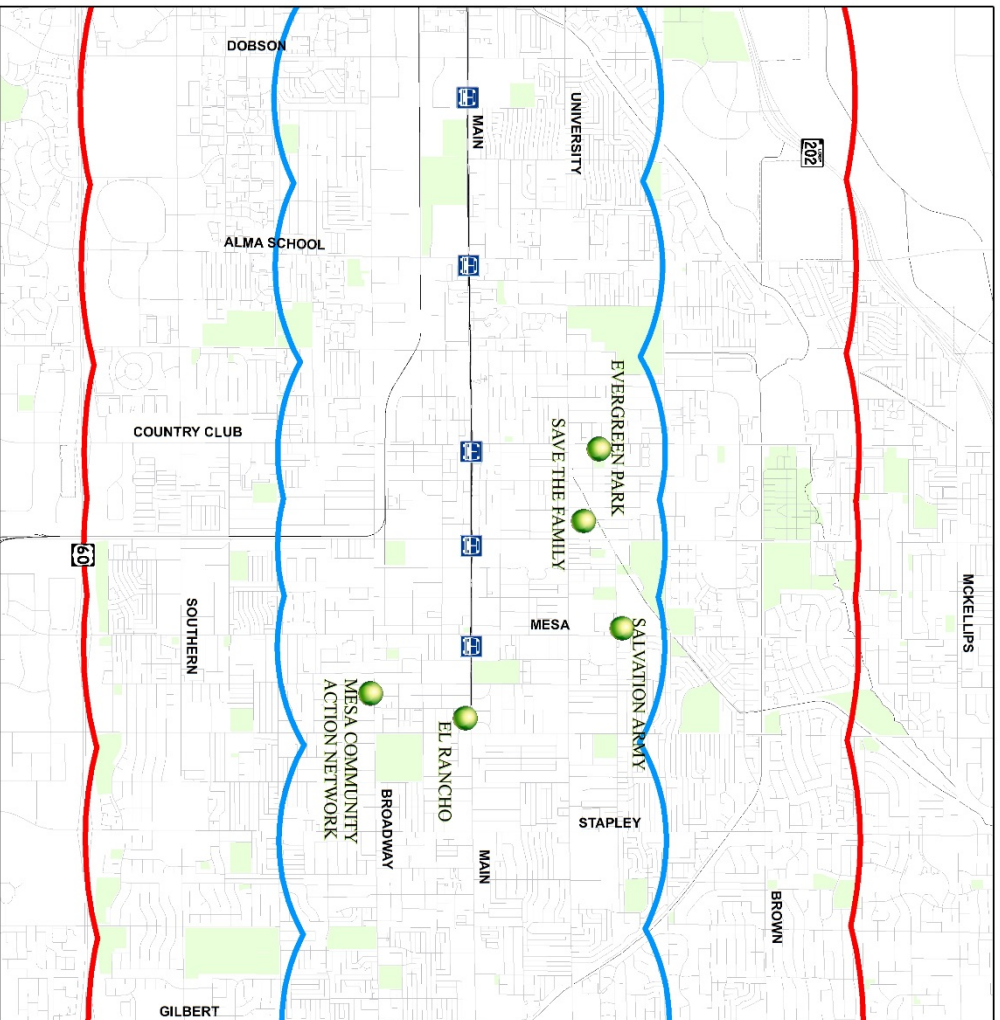
Mesa GR:D

Proposed Bike Share Station Locations

▶ 100 GPS
 enabled bikes

▶ 10 hub
 locations

▶ Unbanked
 memberships



Legend

Phase 1 Bike Share Locations

Bike Share Hubs

▶ Dobson Rd

▶ Alma School Rd

▶ Country Club

▶ Center St

▶ Mesa Dr

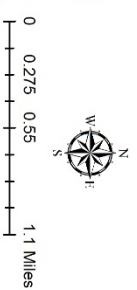
Distance from Light Rail Stations

1 Mile

2 Miles

Light Rail Track

PARKS





- **Item 5-J: Amend the Transportation Project Advance Agreement -- Saves \$9 million**
 1. Amended agreement reflects interest-free \$32.4 million advance from Maricopa Association of Governments
 2. Provides opportunities for further advancements without additional amendments
 3. Reaffirms the City will advance the project costs by issuing Transportation Project Advancement Notes (TPANs)
 4. Authorizes the City to spend 5.7% local matching funds
- **Item 5-K: Approve the Issuance of TPANs**

Guaymas Donation

1992 CATERPILLAR 916 LOADER

Storm and Needs

- October 3 Hurricane Marty drops more than 4” of rain
- 1000 homes, 400 vehicles damaged 250 people homeless
- Needs: food, water, infant supplies
- Heavy equipment

1992 Caterpillar 916 Loader

- In service 1992 - 2015
- Surpassed 15 year replacement
- Cost prohibitive to maintain
- Slated for auction

