



COUNCIL MINUTES

January 25, 2010

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on January 25, 2010 at 5:46 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

Invocation by Dr. Brant Baker, First Presbyterian Church.

Pledge of Allegiance was led by Councilmember Somers.

Mayor's Welcome.

Awards, Recognitions and Announcements.

Councilmember Higgins said that the Council wanted to recognize two Arizona State University students, James Steeby and Lauren Patheal, for their service as interns in the Council offices during the past semester.

Mayor Smith also expressed his appreciation for their service to the City of Mesa.

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.

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

Carried unanimously.

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

Minutes of the December 3 and 14, 2009 and January 11, 2010 meetings.

3. Take action on the following liquor license applications:

*3a. Christ the King Catholic Church

This is a one day religious event to be held on Saturday, February 6, 2010 from 5:00 p.m. to 11:30 p.m. at 1551 E. Dana Avenue. **(District 4)**

*3b. Neighborhood Economic Development Corporation

This is a one day civic event to be held on Friday, February 5, 2010 from 6:00 p.m. to 10:00 p.m. at 1 to 270 W. Main Street. **(District 4)**

*3c. Southeast Valley Regional Association of Realtors

This is a one day fraternal event to be held on Friday, February 5, 2010 from 7:00 p.m. to 10:00 p.m. at 1363 S. Vineyard. **(District 3)**

*3d. Las Sendas Golf Club

Person to Person Transfer of a Beer & Wine Bar License for Las Sendas Golf Club, 7555 E. Eagle Crest Drive, LSM Golf LLC – Jason Barclay Morris, Agent. This location presently has a Beer & Wine Bar License under Eagle Crest Golf Club Limited Partnership that will revert back to the State. **(District 5)**

*3e. Las Sendas Golf Club

New Restaurant License for Las Sendas Golf Club, 7555 E. Eagle Crest Drive, LSM Golf LLC – Jason Barclay Morris, Agent. The previous Restaurant License held at this location by Eagle Crest Golf Club Limited Partnership will revert back to the State. **(District 5)**

*3f. Valero

New Beer & Wine Store License for Valero, 415 N. Stapley Drive, Clayton Gas LLC – Tom Clayton Frenkel, Agent. This location presently has a Beer & Wine Store License under Diamond Shamrock Arizona Inc. that will revert back to the State. **(District 2)**

*3g. Walgreens 03543

New Beer & Wine Store License for Walgreens 03543, 755 E. Main Street, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 4)**

*3h. Walgreens 04435

New Beer & Wine Store License for Walgreens 04435, 4420 E. Brown Road, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 5)**

*3i. Walgreens 05039

New Beer & Wine Store License for Walgreens 05039, 746 W. University Drive, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 1)**

*3j. Walgreens 05392

New Beer & Wine Store License for Walgreens 05392, 420 S. Sossaman Road, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 6)**

*3k. Walgreens 05701

New Beer & Wine Store License for Walgreens 05701, 1158 S. Crismon Road, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 6)**

*3l. Walgreens 05888

New Beer & Wine Store License for Walgreens 05888, 4315 E. Main Street, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 2)**

*3m. Walgreens 05889

New Beer & Wine Store License for Walgreens 05889, 1138 S. Higley Road, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 6)**

*3n. Walgreens 06025

New Beer & Wine Store License for Walgreens 06025, 1960 S. Country Club Drive, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 3)**

3o. Walgreens 06026

New Beer & Wine Store License for Walgreens 06026, 3624 N. Power Road, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 5)**

Councilmember Higgins referenced a 1999 letter (**see Attachment 1**) in which the developer states that the Walgreens located at the northwest corner of Power and Thomas Roads would never sell liquor.

It was moved by Councilmember Higgins, seconded by Councilmember Richins, that the application for Walgreens 06026 be forwarded to the State Liquor Control Board with a recommendation for denial based on the developer's commitment in the June 14, 1999 letter that liquor would not be sold at this location.

Mayor Smith explained that an affirmative vote would be a recommendation for denial based on the developer's 1999 statement that liquor would not be sold at this location and that the State Liquor Control Board requires a specific reason for a recommendation for denial.

Councilmember Richins stated that the Council would hold developers in the City of Mesa accountable for commitments made regarding their projects.

Mayor Smith called for the vote.

Carried unanimously.

*3p. Walgreens 06177

New Beer & Wine Store License for Walgreens 06177, 1135 N. Mesa Drive, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 1)**

*3q. Walgreens 06582

New Beer & Wine Store License for Walgreens 06582, 9230 E. Main Street, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 5)**

*3r. Walgreens 06784

New Beer & Wine Store License for Walgreens 06784, 2024 W. Main Street, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 3)**

*3s. Walgreens 07828

New Beer & Wine Store License for Walgreens 07828, 6002 E. Main Street, Walgreen Arizona Drug Co. – Randy Allen Guse, Agent. This is an existing building with no previous liquor license at this location. **(District 5)**

4. Take action on the following contracts:

- *4a. Purchase of Equipment for Three (3) Additional Chlorine Gas Feed Systems for the Water Resources Department. **(Sole Source) (Citywide)**

The Purchasing Division recommends authorizing purchase from the sole source bidder, Engineered Sales Company at \$136,247.90, including applicable use tax.

- *4b. Purchase and Installation of a Distributed Antenna System for the Arts and Cultural Department, Mesa Arts Center. (Fully Funded by Public Safety Bonds) **(Citywide)**

The Purchasing Division recommends awarding the contract to the highest scored proposal, TriPower Group, Inc. at \$248,160.00, including applicable use tax.

- *4c. Term Contract for Insecticidal Coatings for Manhole and Sewer Cleanouts for the Water Resources Department. **(Single Bid) (Citywide)**

The Purchasing Division recommends authorizing purchase from the single bidder, JABco at \$37,382.40, including applicable use tax.

- *4d. Purchase of a Mobile Dispatch and Service Order Scheduling System for the Water Resources and Energy Resources Departments. **(Citywide)**

The Purchasing Division recommends awarding the contracts to GE Energy Management Services, Inc. at \$787,865.38, CLH International, Inc. at \$94,479.40, purchasing various system components from multiple vendors at \$46,281.00, 10% project contingencies at \$92,862.58, including applicable taxes. In addition, support and maintenance for years two through five at \$122,518.39, and other support and maintenance for years two through five estimated at \$145,000. The combined total is \$1,289,006.75.

- *4e. Renewal of the Term Contract for Water Treatment Chemicals for Materials and Supply. **(Citywide)**

The Purchasing Division recommends authorizing purchase from Brenntag Pacific Inc. at \$20,000.00 and DPC Enterprises LP at \$70,000.00, including applicable sales tax.

- *4f. Renewal of the Term Contract for Rock and Concrete Materials for the Energy Resources, Water Resources and Transportation Departments. **(Citywide)**

The Purchasing Division recommends renewing primary and secondary contracts with various vendors for a combined total award of \$1,686,704.73 annually, based on estimated requirements, including applicable sales tax.

- *4g. Term Contract for Vehicle/Apparatus Decals and Graphics for the Fire and Police Departments. **(Citywide)**

The Purchasing Division recommends awarding the contract to the lowest, responsive and responsible bidder, Space-Rite Industries at \$40,000.00 annually, based on estimated requirements.

5. Take action on the following resolutions:

- *5a. Approving and authorizing the City Manager to execute a Development Agreement with Germann Road, L.L.C. (Germann Road RV Storage) to authorize modifications to the standard scheduling of Germann Road improvements that are required in conjunction with this development project – Resolution No. 9621. **(District 6)**
- *5b. Extinguishing a portion of a Public Utilities Easement at 1950 South Rialto Street – Resolution No. 9622. **(District 6)**

The extinguishment of a portion of this easement is necessary for the construction of a backyard swimming pool.
- *5c. Extinguishing an Ingress/Egress and Public Utilities Easement at 2701 E. Lehi Road – Resolution No. 9623. **(District 1)**

This easement is no longer needed as the design of the property has changed and the development will dedicate new easements.
- *5d. Granting a Power Distribution Easement to Salt River Project on City-owned property at Falcon Field Airport (5154 E. Roadrunner Drive) – Resolution No. 9624. **(District 5)**

This easement is necessary to provide electrical facilities and power to the Federal Aviation Administration Control System Project.
- *5e. Modifying fees and charges for the Business Services Department to include massage manager license fees – Resolution No. 9625.
- *5f. Approving and authorizing the City Manager to execute an Intergovernmental Agreement with the Phoenix-Mesa Gateway Airport Authority for cost sharing for the Northeast Area Development and Ground Transportation Plan. The City's share will be \$250,000. (Funded by Transportation sales tax) – Resolution No. 9626. **(District 6)**
- *5g. Approving and authorizing the City Manager to execute an Intergovernmental Agreement with the Regional Public Transportation Authority for reimbursement of bus shelters, transit furniture, and bus pullouts. The reimbursement is for \$764,566 and is funded through the Bus Stop Improvement Program and Proposition 400 – Resolution No. 9627.
- *5h. Approving and authorizing the City Manager to execute an Agreement with TCG Phoenix to provide a Telecommunications License for the use of specified public property to establish and operate a Telecommunications System in certain public rights-of-way and easements within the City of Mesa – Resolution No. 9628.
- *5i. Approving and authorizing the City Manager to execute an Intergovernmental Agreement with Mesa Unified School District #4 for shared information technology and other related services – Resolution No. 9629.

- 5j. Approving and authorizing the City Manager to execute a Memorandum of Understanding regarding a long-term commitment by the Chicago Cubs to hold spring training in Mesa and the public to construct new spring training facilities – Resolution No. 9630.

Mayor Smith announced that the Council would consider items 5j and 5k in one vote (see discussion and action on Resolution No. 9630 under 5k).

- 5k. Approving and authorizing the City Manager to execute an Amendment to the Lease to give the Chicago Cubs an option to terminate the lease without penalty so long as the Chicago Cubs negotiate exclusively with the City of Mesa as required by the Memorandum of Understanding and authorizing the Chicago Cubs to use the lease as financial collateral – Resolution No. 9631. **(Related to Item 5j)**

Mayor Smith requested that City Manager Christopher Brady summarize the City's proposals to retain the Chicago Cubs' spring training activities in the City of Mesa.

Mr. Brady stated that discussions with the Chicago Cubs have been ongoing during the past year regarding the future of spring training in Mesa. He advised that studies indicate that the Cubs' spring training activities have an annual economic impact of more than \$50 million on the State of Arizona and generate approximately 650 jobs. Mr. Brady said that the Memorandum of Understanding (MOU) and the Amendment to the Lease would retain the Cubs in the State of Arizona for the next 25 years and would allow for the development of a new facility in Mesa with significant commitments from the State of Arizona and the City of Mesa in an agreement that is structured in a similar manner to those already in place with other Cactus League teams. He added that the agreement provides protection to the City regarding unforeseen costs. Mr. Brady noted that following Council approval, the proposal would go to the State Legislature for their commitment and then return for consideration by the Council and City of Mesa voters. He further stated that this proposal continues the long tradition of spring training in Mesa without a significant increase in the City's historical financial commitment. Mr. Brady added that the proposal and associated development will provide more opportunities for visitors and residents to participate in activities related to spring training.

Mayor Smith announced that several individuals have requested the opportunity to address the Council regarding this issue.

Aaron Miller expressed opposition to the proposal and suggested that ongoing budget issues at the State and local level should be addressed. He stated the opinion that taxpayers should not be expected to fund these types of projects.

Ian Bennett stated that major league baseball is a business that is designed to make a profit. He urged the Council to make a decision that is in the best interest of the City of Mesa.

Denna Ray noted that the City of Mesa has areas where the population is very poor and many are homeless. She expressed opposition to the proposal and said that she hoped that the City would not burden the citizens with additional taxes in order to construct a baseball stadium.

Randy Hatch expressed opposition to the proposal because taxpayer funds would be utilized to support a private business.

P.J. O'Malley stated the opinion that governments should not be involved in sports or private industry. He said that governments should remove barriers that hinder the operation of private businesses.

Gary Sievers expressed support for the City entering into an agreement with the Chicago Cubs by singing a song titled, "Stay Cubs, Stay."

Denise Heap said that although she was opposed to constructing the Cardinals' Stadium in Mesa, she supports the efforts to retain the Cubs because the proposal will generate economic development in the City.

Mayor Smith stated that Jeannie Schenk submitted a speaker/comment card expressing opposition to the proposal, but indicated that she did not wish to address the Council.

It was moved by Vice Mayor Jones, seconded by Councilmember Somers, that Resolution Nos. 9630 and 9631 be adopted.

Councilmember Richins reported that he received a text message in support of the proposal from his opponent in the last election, Matt Tolman.

Vice Mayor Jones said that the most important part of the proposal is that the City of Mesa will be protected financially. He noted that the Memorandum of Understanding is a starting point to continue negotiations. Vice Mayor Jones stated the opinion that the proposal would provide great economic benefits to the City of Mesa.

Councilmember Kavanaugh said that having served on the Council in prior years, it would be unusual for a Council to be united in support of this type of issue, but he expressed the hope that this Council would be united. He stated the opinion that the proposal was a finely crafted document, and he acknowledged the efforts of the City Manager and the City Attorney's Office to include protections for the City of Mesa. Councilmember Kavanaugh said that he would support the proposal, and he added that the public would have many more opportunities to express their opinions as the process moves forward.

Councilmember Somers thanked everyone who came forward to address the Council. He stated the opinion that the City should continue to plan for growth even during difficult economic times. Councilmember Somers said that cyclical economic conditions are likely to improve in the next four years. He further stated that the proposal for the Cubs is only a part of the City's economic development plan, which includes health care initiatives, education, aerospace industry and tourism. Councilmember Somers suggested that the Cubs create interest, generate tourism and provide a sense of identity for the City, and he noted that the area surrounding the existing stadium offers no growth opportunities. He added that the final proposal for a new stadium, an integrated, mixed-use development plan with restaurants, hotels and other facilities that will generate year-round tourism, revenues and jobs, would be presented to Mesa voters for consideration.

Councilmember Finter thanked the speakers for expressing their opinions. He explained that his affirmative vote is intended to move the framework forward for future discussions, and he added that the funding mechanism and the support available at the State level would be important factors in his future consideration of the plan.

Councilmember Higgins also thanked the individuals who came forward to address the Council. She stated that she has received emails from a couple of business owners who stated that they moved their businesses to Mesa because of spring training, and she added that there may be others based in Mesa for the same reason. Councilmember Higgins expressed the opinion that the total economic impact of spring training may be difficult to quantify, and she added that she would support the motion.

Mayor Smith expressed his appreciation to the speakers for their comments. He stated that his primary responsibility as Mayor is the well being of the community and that a future decision regarding spring training would be a business-based decision. Mayor Smith said that the fact that the proposed stadium would be the fourth constructed in the City over the years reflects a history of the community's recognition of spring training's economic impact. He reported that the tourism revenues generated by spring training in Mesa can be tracked and amounts to tens of millions of dollars. Mayor Smith acknowledged that a legitimate debate exists regarding government involvement in private industry. He explained that the same funding mechanism utilized for the construction of Glendale's stadium, tourist sales tax revenues, would be utilized for the proposed spring training facility in Mesa. Mayor Smith said that the Cubs' brand creates more economic activity than any other brand in baseball and that the Cubs are a primary reason that thousands visit Arizona each year. He further stated that he views the issue of hosting spring training as economic preservation, and he believes that the best interests of the City are served by continuing to have spring training in Mesa. Mayor Smith added that it would be a difficult decision during the current economic conditions to allow the City to lose more than \$50 million in spring training revenues. He also noted that the Chicago Cubs organization would make a substantial financial investment in the project. Mayor Smith said that he understood the challenge ahead, and he stated the opinion that the Cubs provide a significant economic benefit to the City.

Mayor Smith called for the vote.

Carried unanimously.

6. 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 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 Clerk before Council votes on the consent agenda.

6a. Amendment to the Mesa City Code regarding Title 11 as it applies to the Planning and Zoning Board, Downtown Development Committee, and Design Review Board – Ordinance No. 4970.

P&Z Recommendation: Approval as written. (Vote: 5 – 0, Boardmembers Roberts and Hudson absent)

It was moved by Councilmember Richins, seconded by Councilmember Somers, that Ordinance No. 4970 be adopted.

Councilmember Higgins expressed concern with the portion of the amendment that restructures the Design Review Board. She stated the opinion that the amendment has the potential to reduce citizen input in the process. She requested that if the ordinance is adopted, that staff review citizen input during the next year and provide a report to the Council.

Mayor Smith called for the vote.

Upon tabulation of votes, it showed:

AYES – Finter-Jones-Richins-Smith-Somers
NAYS – Higgins-Kavanaugh

Mayor Smith declared the motion carried by a majority vote and Ordinance No. 4970 adopted.

7. Items from citizens present.

David Douthit addressed the Council regarding sustainability and conservation issues. He advised that the City of Portland, Oregon and a city in Illinois formed task forces to study these issues, and he offered to provide copies of the reports to staff.

Walter Parshall stated that he believes most citizens are unaware that the City of Mesa has a law that prohibits dog leashes longer than six feet, a violation of which is a Class 1 misdemeanor that carries a fine of up to \$2,500 and could include jail time. Mr. Parshall said that he was cited for utilizing an expandable dog leash, and he suggested that dog licensing documents include information on this law.

8. Adjournment.

Without objection, the meeting adjourned at 6:45 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 25th day of January 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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Attachment (1)