

COUNCIL MINUTES

July 1, 2004

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 July 1, 2004 at 7:30 a.m.

COUNCIL PRESENT

Mayor Keno Hawker
Rex Griswold
Kyle Jones
Janie Thom
Claudia Walters
Mike Whalen

COUNCIL ABSENT

Tom Rawles

OFFICERS PRESENT

Mike Hutchinson
Debbie Spinner
Barbara Jones

(Mayor Hawker excused Councilmember Rawles from the meeting.)

1. Review items on the agenda for the July 6, 2004 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: 6f and 6g (Hawker); 8b (Walters)

Items removed from the consent agenda: 8d, 9.1a and 10a

With regard to agenda item 9.1a, "Approving staff's proposal to continue the conversion of alley solid waste collection service to curbside service and that staff be directed to conduct outreach to multi-family locations in order to determine the most efficient and effective method of solid waste collection," the following citizens addressed the Council and spoke relative to this matter:

Lee Tobey	1063 E. 3 rd Street (Spoke in opposition)
Billy G. Wood	1133 E. 3 rd Street (Spoke in opposition)
Tim Mahon	1918 E. June Circle (Spoke in support)

2. Hear a presentation, discuss and consider various issues related to the proposed adoption of the International Building Code.

Vice Mayor Walters reported that the General Development Committee had the opportunity to hear this presentation previously and recommended that the full Council discuss and consider the matter at a Study Session, as opposed to a Regular Council meeting, due to the complex nature of the 2003 International Building Code and the 2003 International Fire Code.

a. 2003 International Building Codes and proposed ordinances.

Building Safety Director Terry Williams addressed the Council relative to this agenda item. He displayed graphics in the Council Chambers and provided a brief chronology undertaken by staff that culminated in their recommendation to the Council to proceed with the adoption of the International Building Codes (IBC). Mr. Williams also offered an historical overview of the process undertaken by staff (i.e., public hearings, Council Committee meetings) relative to the adoption of the IBC; reviewed the proposed adoption of the various Codes (Chapters 1 through 8); and highlighted several minor housekeeping ordinances to update the Mesa City Code references to the Building Safety Division (BSD) and Building Safety Director.

b. 2003 International Fire Code and proposed ordinance.

Assistant Fire Chief Dan Stubbs reported that the Mesa Fire Department is recommending the adoption of the 2003 International Fire Code (IFC) and various proposed amendments. He explained that the majority of the proposed amendments are carry-over code, policies in use since the 1994 and 1997 Fire Codes, or contain minor editing which address modifications in reference standards. Chief Stubbs stated that other amendments addressing items such as fire protection for covered malls, high-rise buildings, stages, and aircraft hangars are taking language from the Building Code and placing it in the Fire Code. He further highlighted operational permits and future fees; those sections of the Code addressing hazardous and explosive materials and fire sprinklers; and automatic fire sprinkler exemptions.

Discussion ensued relative to an exemption to allow fabric shade covers to protect outdoor seating areas where no cooking is performed; the prohibitive cost to "bring in" a water main to an infill parcel and possible "dry system" alternative building guidelines; the pros and cons of an additional fire sprinkler exemption for Group B Occupancies (offices, professional buildings) under 5,000 square feet; that it is the consensus of the Council to proceed with the introduction of the 2003 International Building Codes and the 2003 International Fire Codes and the respective proposed ordinances at the July 12, 2004 Regular Council meeting; that staff is directed to provide alternative construction methods (to be addressed separately in the future) that could be implemented in place of the fire sprinkler requirement in Group B Occupancies; and that the Building Codes are derived from a series of elements, including the type of occupancy and the type and construction of the building which, for example, would trigger the fire sprinkler requirement.

City Manager Mike Hutchinson recommended that the ordinances as written be introduced at the July 12, 2004 Regular Council meeting and noted that they are scheduled for adoption at the August 16, 2004 Regular Council Meeting. He stated that in the interim, staff would research the Council's suggestions regarding a possible fire sprinkler exemption for Group B Occupancies under 5,000 square feet. Mr. Hutchinson suggested that it may be appropriate for the Fire Committee to first hear the matter before it is presented to the full Council.

3. Discuss and consider proceeding with the transfer of utility service to the Town of Gilbert for the area in Gilbert that is generally bounded by Recker Road on the west, Baseline Road on the north, the RWCD canal on the east, and Guadalupe Road to the south, and the area of Highland High School south of Guadalupe Road.

Utility Director Dave Plumb reported that the Council was provided the June 11, 2004 City Council Report which included a preliminary draft of the Intergovernmental Agreement (IGA) in reference to this item and also an explanation for the transfer of a portion of the water and sewer systems in the Turner Ranches area to the Town of Gilbert (The area was annexed into the Town of Gilbert.). He explained that Councilmember Thom subsequently requested additional information regarding the following items: 1.) the Valuation Report of the portion of the Turner Ranches water and sewer systems that the City of Mesa is proposing to sell to the Town of Gilbert (prepared in 2003 by Black & Veatch); and 2.) the amount of revenue received by the City of Mesa from the subject area.

City Engineer Keith Nath highlighted the following statistical data related to the Valuation Report:

- The valuation includes only the parts of the water/sewer systems purchased by the City from Turner Ranches, as well as any parts installed by the City.
- The current estimated value of the assets, not including developer contributions, is \$3,005,293.
- That under the terms of the IGA, Mesa will receive \$2,500,000 for the subject systems and Gilbert would assume the operations and maintenance of the systems, provide water, and bill customers for water and sewer service. Mesa will not be required to fund the cost of a \$500,000 lift station upgrade and the potential rebuilding of several aging portions of the Town Meadows systems.

Mr. Plumb reported that relative to the financial impact on the City for the transfer of the Town Meadows subdivision utilities, staff has determined, based on a net income ratio of 34.9%, the estimated decrease in the net water revenue to Mesa would be approximately \$27,183 per month (\$326,191 annually). He added that with regard to wastewater revenue, staff has estimated, based on a net income ratio of 35.4%, that the monthly income loss would equate to \$4,757 (\$57,084 annually).

Councilmember Thom commented that she became aware of a newspaper article which stated that if the Town of Gilbert did not purchase the water and sewer systems, that it would not be allowed to partner with Mesa and Queen Creek in the Greenfield Water Reclamation Plant. She questioned why the two issues were contingent on one another.

In response to Councilmember Thom's inquiry, City Manager Mike Hutchinson stated that during his long tenure with the City of Mesa, he has always been proud of its relationship with the Town of Gilbert. He commented that the City has negotiated "a fair deal" with Gilbert relative to the purchase of the water and sewer systems and recommended that the Council proceed forward with approval of the IGA.

Councilmember Thom further questioned why "leverage is being applied" to the Council to approve this matter. She indicated that she personally consulted with a financial consultant who performs valuations of utilities and said that that individual had a differing opinion than the City's consultant relative to the value and age of the systems. Councilmember Thom added that although she does not oppose selling the systems, she would prefer that the Council explore the possibility of selling it at a higher rate than currently proposed.

Mayor Hawker expressed support for proceeding with the transfer of utility services. He said that the sales price is fair and added that Gilbert “should be pleased to have the systems in their portfolio.”

It was moved by Vice Mayor Walters, seconded by Mayor Hawker, to direct staff to proceed with the Intergovernmental Agreement for the transfer of utility service to the Town of Gilbert that is generally bounded by Recker Road on the west, Baseline Road on the north, the RWCD on the east and Guadalupe Road to the south, and the area of Highland High School south of Guadalupe Road.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Walters-Whalen
NAYS - Thom
ABSENT - Rawles

Mayor Hawker declared the motion carried by majority vote of those present.

4. Acknowledge receipt of minutes of boards and committees.

- a. Ad Hoc Redevelopment Advisory Committee meetings held May 4, May 18 and June 8, 2004.
- b. Board of Adjustment meeting held June 22, 2004.
- c. Design Review Board meeting held June 2, 2004

Councilmember Griswold requested that a correction be made to the May 18 Ad Hoc Redevelopment Advisory Committee meeting minutes.

It was moved by Vice Mayor Walters, seconded by Councilmember Whalen, that receipt of items b and c be acknowledged.

Mayor Hawker declared the motion carried unanimously by those present.

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

Councilmember Thom	Red Robin Restaurant Grand Opening
Councilmember Griswold	MCDOT Meeting

6. Scheduling of meetings and general information.

City Manager Mike Hutchinson stated that the meeting schedule is as follows:

Monday, July 6, 2004, TBA – Study Session

Monday, July 6, 2004, 5:45 p.m. – Regular Council Meeting

Thursday, July 8, 2004, 7:30 a.m. – Study Session

Thursday, July 8, 2004, 9:30 a.m. – Transportation Committee Meeting

Monday, July 12, 2004, 3:00 p.m. – Police Committee Meeting

Monday, July 12, 2004, TBA – Study Session

Monday, July 12, 2004, 5:45 – Regular Council Meeting

7. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

8. Items from citizens present.

There were no items from citizens present.

9. Adjournment.

Without objection, the Study Session adjourned at 9:50 a.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, 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 1st day of July 2004. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK