

COUNCIL MINUTES

May 4, 1998

The City Council of the City of Mesa met in a Regular Council Meeting in the upper level meeting room of the Council Chambers, 57 East 1st Street, on May 4, 1998 at 5:45 p.m.

COUNCIL PRESENT

Mayor Wayne Brown
Pat Gilbert
John Giles
Joan Payne
Wayne Pomeroy
Claudia Walters

COUNCIL ABSENT

Dennis Kavanaugh

POLICE OFFICER
PRESENT

David Klein

OFFICERS PRESENT

C.K. Luster
Neal Beets
Barbara Jones

Mayor Brown excused Councilmember Kavanaugh from the meeting.

Invocation by President Marvin E. Turley, The Church of Jesus Christ of Latter-Day Saints.

Pledge of Allegiance was led by Eric Sponsler and Ryan Williams, Troop 656.

Presentation of the 1998 Mother of the Year, Mrs. Diane Matthews, and 1998 Mother of Young Children, Mrs. Kris Saunders.

Lila Shoemaker, President of the Arizona Association of American Mothers, provided the audience with a brief history of the organization which was formed following the Civil War. Ms. Shoemaker also provided brief background information on Mrs. Matthews and Mrs. Saunders and introduced both to the Council and audience.

Mayor Brown presented Mrs. Matthews and Mrs. Saunders with bouquets on behalf of the City of Mesa and congratulated them on their accomplishments.

1. Approval of minutes of previous meetings as written.

It was moved by Councilmember Giles, seconded by Councilmember Pomeroy, that the minutes of April 17, 20, and 24, 1998 be approved.

Mayor Brown declared the motion carried unanimously by those present.

2. Consider all consent agenda items.

At this time, all matters on the consent agenda were considered or were removed at the request of a member of the Council. All items identified in these minutes with an asterisk (*) were approved with one Council action.

It was moved by Councilmember Pomeroy, seconded by Councilmember Giles, that the consent agenda items be approved.

Mayor Brown declared the motion carried unanimously by those present.

3. Conduct a public hearing on the following proposed annexations.

- a. **A98-1** The southwest corner of East University Drive and North Merrill Road.
Initiated by staff.

Mayor Brown announced that this is the time and place for a public hearing regarding the proposed annexation.

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

- b. **A98-2** East of Signal Butte Road from East Broadway Road south along the CAP Canal to East Southern Avenue and East Meridian Drive.

Mayor Brown announced that this is the time and place for a public hearing regarding the proposed annexation.

In response to a question from Joseph Bowman, 10713 East Oasis Drive, Community Development Manager Wayne Balmer advised that although a number of Oasis Park homeowners have demonstrated an interest in being annexed, that locale is not currently included in the proposed annexation. Mr. Balmer explained that in order to be annexed into the City of Mesa, 51% or more of the property owners in the area would have to demonstrate their support for the annexation.

Kevin Lawsey, 10819 East LaSalle Street, Apache Junction, expressed concern and opposition relative to being annexed into the City of Mesa. Mr. Lawsey stated that he and a number of his neighbors moved into their neighborhood to enjoy the rural atmosphere and are not supportive of the proposed annexation.

Mr. Balmer stated the opinion that Mr. Lawsey's property is not included in the proposed annexation and requested that Mr. Lawsey meet with him following the meeting to discuss his concerns.

Jean Lamb, 11001 East Pueblo Avenue, indicated support for the proposed annexation and requested that the area streets be paved in the future.

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

4. Consider the following liquor license applications.

*a. JEAN M. KAMINSKI, PARISH ADMINISTRATOR

Special Event License application of Jean M. Kaminski, Parish Administrator, St. Bridget Catholic Church, a two-day religious event to be held Friday, May 8, 1998 from 6:00 p.m. to 10:00 p.m. and Saturday, May 9, 1998 from 5:00 p.m. to 9:00 p.m., at 2213 N. Lindsay Road, St. Bridget Catholic Church.

5. Consider the following contracts.

*a. One-year renewal of the annual supply contract for precast electric vaults for the Electric Department.

The Purchasing Division recommends exercising the first of two one-year renewal options with the original lowest bidder, Oldcastle Precast Inc. at \$265,238.00 plus 7.0% sales tax of \$18,566.66 for a total of \$283,804.66 based on estimated requirements.

*b. Annual supply contract for street sweeper brooms as requested by Fleet Support Services.

The Purchasing Division recommends accepting the lowest overall bid by West Coast Equipment & Parts for annual purchases estimated at \$35,000.00.

*c. One replacement swimming pool cover for Kino Jr. High pool as requested by the Parks, Recreation and Cultural Division.

The Purchasing Division recommends accepting the low bid by Aquatic Environment Systems, Inc. at \$24,127.00 plus 7.20% sales tax of \$1,737.14 for a total of \$25,864.14.

*d. One gyratory compactor as requested by the Public Works Department. This device is used to test pavement.

The Purchasing Division recommends accepting the low bid by Test Quip. Inc. at \$23,600.00 plus 5% use tax of \$1,180.00 for a total of \$24,780.00.

*e. Streetlight poles and anchor bolts for warehouse inventory to be used by the Transportation Division.

The Purchasing Division recommends accepting the low bids as follows:

Items 1, 2, 7 and 8 to CEM-TEC Corp., Inc. at \$7,877.00 plus 6.80% sales tax of \$535.64 for a total of \$8,412.64.

Items 3, 4, 5 and 6 to Ameron Pole Products at \$13,372.00 plus 6.80% sales tax of \$909.30 for a total of \$14,281.30. The combined award is then \$22,693.94.

*f. Annual supply contract for automotive hydraulic hose and fittings as requested by Fleet Support Services.

The Purchasing Division recommends accepting the low bid by Hydraulic Controls, Inc. for annual purchases estimated at \$30,000.00.

- g. Mesa/Gilbert South Water Reclamation Plant Lift Station.

This project involves the construction of the initial phase of a regional water reclamation plan built in partnership with the Town of Gilbert.

Recommend award to low bidder, Martin K. Eby Construction Company, Inc., in the amount of \$11,196,000.00.

Assistant Utilities Manager Bill Haney provided the audience with a brief presentation on the Mesa/Gilbert South Water Reclamation Plant Lift Station. Mr. Haney advised that although the project will initially be designed as a lift station, the site will ultimately become a reclamation plant. Mr. Haney outlined the benefits that will be received by the City of Mesa as a result of the proposed project.

It was moved by Councilmember Walters, seconded by Vice Mayor Gilbert, that the recommendation of staff be approved.

Mayor Brown declared the motion carried unanimously by those present.

6. Introduction of the following ordinances and setting May 21, 1998 as the date for the public hearing on these ordinances.

(Note: City Council introduction of ordinances does not necessarily reflect City Council approval of these ordinances. Introduction of ordinances sets in motion the public posting and advertising process for ordinances so that the City Council can hear from concerned citizens at the public hearing.)

- *a. **Z98-3** The 5200 block of East McLellan Road (north side). Rezone from M-1-DMP to R1-6-PAD-DMP (22± acres). This case involves the development of an approximately 126 lot residential subdivision.
- *b. **Z98-20** The 1700 block of South Power Road (west side). Site Plan Review (1.5 acres). This case involves development of a Kinko Copy Store and a future pad building.
- *c. **Z98-21** The northwest corner of Brown Road and 61st Place. Rezone from C-2 to O-S-PAD (3.21 acres). This case involves development of an office condominium.
- *d. **Z98-22** The northwest corner of Thomas Road and Power Road. Rezone from R1-9-DMP (Conceptual C-2) to C-2-DMP (8.7 acres). This case involves development of a strip commercial center.
- *e. **Z98-23** The 6000 block of East Arbor Avenue (south side). Rezone from C-3 to R-4 (1.2 acres). This case involves development of an assisted living facility.
- *f. **Z98-24** The 3200 through 3500 blocks of East McKellips Road (south to McLellan Drive). Rezone from R1-35-PAD-DMP to R1-35-PAD and modification of

The Mesa NorthGrove DMP (160± acres). This case involves development of a 168 lot subdivision.

- *g. **Z98-25** The northeast corner of Baseline Road and Superstition Springs Blvd. Site Plan Review (1± acre). This case involves the development of a 12,000± sq.ft. retail building.
- *h. **Z98-26** South of the southeast corner of Superstition Springs Blvd. and the Superstition Freeway. Site Plan Review (3± acres). This case involves the development of a two-story office building.
- *I. **Z98-27** Part of the 1300 block of East June Street (south side). Rezone from R-3 to R-3-PAD (4± acres). This case involves the development of a 60 unit condominium project.
- *j. **Z98-28** Parcel M-1 of "Augusta Ranch." Rezone from R-2-DMP to R1-6-PAD-DMP (13± acres). This case involves the development of a patio home subdivision.
- *k. Increasing the speed limit to 45 miles per hour on Val Vista Drive from Pomegranate to the south City limits.

7. Consider the following resolutions.

- *a. Approving the use of the Scalloped Street assessment laws to complete the street improvements along Old Gilbert Road and East Hermosa Vista Drive. **CONTINUED FROM THE APRIL 20 COUNCIL MEETING** - Resolution No. 7187.
- *b. Authorizing the City Manager to execute an amendment to the second Intergovernmental Agreement and amended contract for legal services for joint legal representation in settlement activities in the Central Arizona Project Repayment Lawsuit - Resolution No. 7188.
- c. Authorizing the City Manager to execute a Disposition and Development Agreement with Interactive Leisure Resources, Inc., plus any additional documents needed to carry out the provisions of the agreement, as well as authorizing the acquisition of various parcels of land and improvements under the power of eminent domain, for public use and necessity - Resolution No. 7194.

Redevelopment Director Greg Marek presented a brief overview of a proposal received from Interactive Leisure Resources, Inc. (ILR, Inc.), to develop a 12-story, 900,000 square foot building that would be developed on a 30-acre parcel of land located in the City's northeast quadrant. Mr. Marek stated that the project contains approximately 398 hotel rooms, 57 condominiums, 53 time share apartment-style units, a fitness center, and a 7,000-seat multi-purpose arena containing two sheets of ice. Mr. Marek noted that the facility will accommodate a variety of ice-related sports in addition to basketball, indoor soccer, trade shows, and concerts. Mr. Marek informed the Council that the ILR's proposal also contains an indoor water park, tennis/racquetball/basketball courts, restaurants and will represent a \$55 million investment into the downtown area.

Mr. Marek briefly outlined the contents of the proposed Disposition and Development Agreement and noted that prior to construction, ILR, Inc. will be required to secure financing and bonding and to meet all City permit requirements. Mr. Marek stated that plans for the project's design review will be presented to the Downtown Development Committee in June and added that those plans will be presented to the Council following that meeting.

Luule Brandofino, 61 South Macdonald, spoke in opposition to eminent domain proceedings and stated the opinion that eminent domain constitutes criminal activity on the part of the City of Mesa.

Bill Brando, 61 South Macdonald, concurred with Mrs. Brandofino's remarks and questioned the legality of eminent domain proceedings. Mr. Brando urged the Council not to initiate eminent domain for the purpose of developing an amusement-type facility in the City of Mesa.

In response to a request from Vice Mayor Gilbert, Real Estate Services Director Doug Tessendorf advised that eminent domain proceedings are primarily utilized to clear titles and to provide reinvestment opportunities. Mr. Tessendorf noted that eminent domain proceedings are rarely invoked to displace citizens and when displacement is an absolute necessity, the City of Mesa pays fair market value for the land in addition to relocation fees.

In response to questions from Councilmember Payne, Mr. Tessendorf reported that to date the City has acquired 65% of the land required for the development of Site 17 and added that land costs as of December 31, 1997 were approximately \$2.5 million. Mr. Tessendorf estimated that the City of Mesa will spend an additional \$2 to \$4 million to secure the remaining properties.

In response to a question from Mayor Brown, Mr. Tessendorf reported that none of the properties secured to date were acquired as a result of eminent domain proceedings.

Councilmember Giles stated the opinion that the proposal will greatly benefit the City of Mesa and spoke in support of proceeding with the agreement at this time. Councilmember Giles noted that the City of Mesa will be reimbursed for their portion of the costs in approximately 6 ½ years. Councilmember Giles pointed out that the proposal represents a revenue-producing project and will be a destination point in the future.

In response to a question from Councilmember Walters, Mr. Marek stated that one of the design issues that will be considered is the 'linking' of ILR Inc.'s project to Main Street and other portions of the downtown area. Mr. Marek commented on plans to develop pedestrian friendly pathways which will link various facilities throughout the downtown area.

Richard Morrison, President of Interactive Leisure Resources, Inc., estimated that construction of the project will commence in January 1999. Mr. Morrison stated the opinion that the project will be completed by December 1999 to accommodate the Year 2000 tourist season. Mr. Morrison stated that he is confident that the project will be successful and expressed appreciation to Mayor Brown and the members of the Council for their continued support.

Vice Mayor Gilbert and Councilmember Pomeroy spoke in support of the proposal and thanked everyone involved for their efforts.

It was moved by Councilmember Pomeroy, seconded by Councilmember Giles, that the recommendations of staff be approved and that Resolution No. 7194 be adopted.

Mayor Brown acknowledged the efforts demonstrated by Redevelopment Director Greg Marek and Mr. Morrison to ensure the successful development of this project.

Upon tabulation of votes, it showed:

AYES - Brown-Gilbert-Giles-Pomeroy-Walters

NAYS - Payne

ABSENT - Kavanaugh

Mayor Brown declared the motion carried by majority vote of those present and Resolution No. 7194 adopted.

*d. Designating certain real property located in the Redevelopment Project Area of the City of Mesa to be in need of tax incentives to encourage private investment in the construction of substantial new improvements as well as abatement of applicable property lease excise taxes - Resolution No. 7189.

*e. Vacating a portion of right-of-way at the 1700 block of South Stapley, north of Baseline - Resolution No. 7190.

Right-of-way is no longer needed.

*f. Authorizing the City Manager to execute an easement for underground irrigation to the Salt River Project located at Gilbert and McDowell Roads - Resolution No. 7191.

Easement is required for City Project 95-95.

*g. Authorizing the City Manager to sign a request to annex land for the new Mesa/Gilbert South Water Reclamation Plant into the Town of Gilbert - Resolution No. 7192.

*h. Authorizing the City Manager to execute an Intergovernmental Agreement with the Superior Court of Arizona, Maricopa County, concerning jurors in Mesa City Court - Resolution No. 7193.

8. Consider the following ordinances.

- a. Relating to open fugitive dust sources; amending Title 8 of the Mesa City Code by changing the description and adding a new Chapter 2, Article 1; and amending Section 8-6-3 - Ordinance No. 3465.

It was moved by Vice Mayor Gilbert, seconded by Councilmember Walters, that Ordinance No. 3465 be adopted.

Vice Mayor Gilbert noted that the City of Mesa has assumed a pro-active role in improving air quality and expressed appreciation to staff for their efforts.

Upon tabulation of votes, it showed:

AYES - Brown-Gilbert-Giles-Pomeroy-Walters
NAYS - Payne
ABSENT - Kavanaugh

Mayor Brown declared the motion carried by majority vote of those present and Ordinance No. 3465 adopted.

*b. **A97-7** Annexation of areas west of North Ellsworth Road from McLellan Road to University and areas east of North Ellsworth Road from McLellan Road to Brown Road (835+ acres). Initiated by five property owners on the south side of Brown Road west of Ellsworth Road - Ordinance No. 3464.

*8.1. Consider authorizing the City Manager to enter into an agreement with Economic and Engineering Services, Inc., in the amount of \$39,995.00 for Electric Utility Rate Unbundling Consulting Services.

9. Consider the following subdivision plats.

- *a. "MESQUITE CANYON UNIT II" - The 3100 block of South Crismon Road (west side) 97 R1-6-DMP & 140 R1-7-DMP single residence lots and 1 tract (113.92 acres) CHI Construction Company, developer; Coe & Van Loo Consultants, Inc., engineer.
- *b. "MESQUITE CANYON UNIT III" - The 9800 block of East Guadalupe Road (south side) 120 R1-6-DMP & 125 R1-6-PAD-DMP single residence lots (49.91 acres) CHI Construction Company, developer; Coe & Van Loo Consultants, Inc., engineer.
- *c. "CORONA DEL MONTE TWO" - The 2800 block of North Sericin (west side) 4 R1-6-DMP single residence lots (1.551 acres) Lennar Communities Development, Inc., developer; Clouse Engineering, Inc., engineer.

Mayor Brown encouraged Mesa citizens to vote in the upcoming May 19, 1998 General Election and provided a brief synopsis of early voting options available at this time.

12. Adjournment.

It was moved by Councilmember Giles, seconded by Vice Mayor Gilbert, that the Regular Council Meeting adjourn at 7:50 p.m.

Carried unanimously.

WAYNE BROWN, MAYOR

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ATTEST:

BARBARA JONES, 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 4th day of May 1998. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 1998

BARBARA JONES, CITY CLERK