

COUNCIL MINUTES

November 5, 2001

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 November 5, 2001 at 4:00 p.m.

COUNCIL PRESENT

Mayor Keno Hawker
Jim Davidson
Bill Jaffa
Dennis Kavanaugh
Pat Pomeroy
Claudia Walters
Mike Whalen

COUNCIL ABSENT

None

OFFICERS PRESENT

Mike Hutchinson
Barbara Jones

Mayor Hawker excused Councilmember Kavanaugh from the beginning of the meeting.

1. Review items on the agenda for the November 5, 2001 Regular Council Meeting.

All of the items on the agenda were reviewed among Council and staff with no formal action taken. There was specific discussion relative to the following items:

Mayor Hawker stated that item 5b would be removed from the consent agenda, that items 6b, 7b and 10a would be added to the consent agenda, and that item 10b would also be added to the consent agenda for continuance to the November 19, 2001 Council meeting.

Councilmember Walters requested that the minutes reflect Councilmember Jaffa's comments relative to item 10a. Councilmember Jaffa stated support for approving item 10a on the consent agenda based upon representations from the applicant that landscaping for the project would exceed City standards.

2. Discuss and consider items related to the proposed updated General Plan.

John Giles and Pat Gilbert, Co-Chairmen of the Joint Master Planning Committee (JMPC) addressed the Council and referred to a handout of comments provided to the Councilmembers from the JMPC members relative to the various elements of the updated General Plan.

Mr. Gilbert stated that the work of the JMPC concerning the land use considerations is complete. He noted that the Transportation, Parks and Recreation, and Economic Development subcommittees of the JMPC will continue their efforts to update those three plans. He said that

he and Mr. Giles agree that the updated General Plan is an improvement over the 1996 General Plan and he added that the updated Plan addresses some of the significant challenges in the southeast area of Mesa. He noted that the work of the JMPC was substantially impacted mid-course when General Motors (GM) decided to alter its plans regarding the GM proving grounds in southeast Mesa.

Mr. Giles said that because the Transportation, Parks and Recreation, and Economic Development Plans (three sub-plans) will not be complete until approximately mid-2002, the updated General Plan is not the quality, integrated plan that was originally envisioned by the JMPC. Mr. Giles suggested that the Council submit the updated General Plan to the voters, which if approved, would allow the development community to utilize a more current plan than what is presently being used, and then consider a General Plan amendment to integrate the three sub-plans when they are complete. He noted that the amendment would not require voter approval.

Planning Director Frank Mizner advised that all of the comments from the JMPC and the sub-committees regarding the General Plan elements have been provided to the Council. He said that staff would endeavor to incorporate as many comments/requests as humanly possible into the elements for Council's consideration on November 19, 2001. Mr. Mizner commented on the General Plan schedule previously adopted by the Council and noted that a public open house is scheduled for November 14, 2001 and Planning and Zoning public hearings are scheduled for December 2001 and January 2002.

Mr. Mizner said that the options available to the Council at this time are to either go forward with the previously adopted schedule and submit the updated General Plan to the voters at the May 2002 election and consider a General Plan amendment to integrate the three sub-plans when they are complete, or, wait to submit the General Plan to the voters at a later date when all of the plans are complete and integrated. He added that the November 19, 2001 Council meeting represents the most opportune time to decide how to proceed because it is prior to commencement of the 60-day public comment period and the Planning and Zoning hearings.

Discussion ensued regarding the possibility of placing this issue on the November 2002 election ballot, and the anticipated completion time frames concerning the three sub-plans.

Mayor Hawker indicated support for adhering to the previously adopted schedule pending Council approval of the updated General Plan elements at the November 19, 2001 Council meeting.

In response to a question from Councilmember Pomeroy, Mr. Mizner commented on the various ways other communities are addressing the mandates of Growing Smarter and Growing Smarter Plus.

Councilmember Pomeroy voiced concerns regarding various comments from the JMPC including the comments that the City Council has become too pro-active in the process, and the JMPC was not afforded enough time to complete the process.

In response to a question from Councilmember Pomeroy regarding the effect of providing more time to the JMPC to complete the update process, Mr. Giles stated the opinion that additional time would allow the JMPC to create a more integrated, visionary plan.

Mr. Gilbert stated the opinion that although additional time to further update the plan would be helpful, it would not guarantee an improved final product.

Councilmember Jaffa voiced concerns regarding the Council's role concerning land use decisions, the manner in which staff has interacted with the committee, the lack of dialogue between staff, the committee and the consultants, and the unlikelihood that the status of the plan on November 19, 2001 will support proceeding with placement of this issue on the May 2002 General Election ballot. He also stated support for resubmitting the plan to the JMPC to be readdressed in a more expanded manner.

Discussion ensued regarding the status of revisions to the definitions of major and minor plan amendments; the volume and difficult nature of the work performed by the JMPC and the diverse opinions and priorities of its members; and the difficulties encountered by staff in connection with incorporating all of the comments and concerns of the JMPC members and the Councilmembers into the General Plan elements.

In response to a question from Vice Mayor Davidson, Mr. Mizner confirmed that integration of the three sub-plans with the General Plan is not required under Growing Smarter legislation. He noted that the draft elements are in compliance with requirements regarding specific plan elements. He added that although the three sub-plans are not available to be integrated into the General Plan, the draft elements contain a number of statements and policies that address coordination of the various elements based upon input from the three sub-committees and the consultant, and that staff will expand on that language prior to the Council's review of the final draft of the elements on November 19.

Councilmember Walters voiced concerns regarding the fact that a number of JMPC members have indicated dissatisfaction regarding the process. She stated appreciation to the JMPC members for their efforts and emphasized the importance of the service provided by the JMPC to the community. She stated support for proceeding with the public hearing on November 14 and reevaluating the status of the plan on November 19.

Councilmember Whalen voiced concerns regarding dissemination of the updated land use map and its implications to the general public. He stated support for continuing with the public hearings and the 60-day public comment period.

Councilmember Kavanaugh stated support for proceeding with the public hearing on November 14 and for reevaluating the status of the plan on November 19. He also voiced the opinion that it is important that the community see how transportation and economic development issues affect land use and other elements of the General Plan and said that he is open to the possibility of extending the preparation time.

Further discussion ensued regarding the Councilmembers' intent to proceed with the public hearing on November 14 and reevaluate the status of the plan on November 19.

Mayor Hawker stated that it is the consensus of the Council to proceed with the public hearing on November 14 and to reevaluate the status of the Plan on November 19.

Mayor Hawker thanked Mr. Giles and Mr. Gilbert for the update.

(Councilmember Kavanaugh joined the meeting at 4:16 p.m.)

3. Hear a status report on the Gila River Indian Community (GRIC) water rights settlement.

Water Resources Coordinator Kathryn Sorensen addressed the Council and commented on the progress of the water rights settlement with the Gila River Indian Community (GRIC). Ms. Sorensen introduced Environmental Attorney Mary Wade and said that Ms. Wade has played an instrumental role throughout the settlement process. Ms. Sorensen reported that the City's two primary objectives in this matter are to settle the GRIC water claims and to effectuate an effluent exchange with the GRIC.

Ms. Sorensen reported that Mesa's interests in the GRIC water claims settlement include an option to lease Central Arizona Project (CAP) water from the GRIC in the future and receipt of an additional 7,115 acre-feet per year of CAP water. She said that the basic terms of the settlement provide that in exchange for receiving 653,500 acre-feet of water per year, GRIC will waive all past, present and future claims to water rights and water quality damages. She said that most of the water users in eastern, central and southern Arizona are parties to the GRIC settlement and that it is the largest water rights settlement in U.S. history. She reported that although the Lower Valley parties (communities in the Phoenix metropolitan area, Pinal County and Tucson) have reached agreement and are finalizing settlement language, the Upper Valley parties (communities and entities in the central-eastern Arizona area) have not yet reached agreement. She also noted that although the GRIC is hopeful that Senator Kyle will introduce the necessary bill to Congress in the near future, Senator Kyle has indicated that he would also like to see an indication of an agreement with the Upper Valley parties prior to introducing Federal legislation.

In response to a question from Councilmember Kavanaugh regarding federal legislative approval, Ms. Sorensen stated that the final settlement must also include the Upper Valley parties.

Ms. Sorensen commented on the effluent exchange and reported that the basic terms of the exchange provide that Mesa will deliver 29,400 acre-feet per year of high quality treated wastewater to the GRIC and in exchange will receive 23,530 acre-feet of Indian priority CAP water, and that the exchange is part of the settlement. She stated that the exchange will allow Mesa to convert non-potable, treated wastewater into drinkable CAP water and also facilitates the long-term management of Mesa's treated wastewater. Ms. Sorensen said that to effectuate the exchange, Mesa's CAP subcontract must be amended to nullify a provision regarding effluent exchange and that the necessary amendment has been approved by the City and the Central Arizona Water Conservation District and awaits approval by the Bureau of Reclamation. She added that staff anticipates that the amendment will be finalized by May 2002.

Ms. Sorensen discussed the fact that the City has been forced to invest in major infrastructure improvements to accommodate the proposed effluent exchange in conjunction with the GRIC settlement. She said that because the GRIC settlement is uncertain and will not take place for at least three years, staff is in the process of negotiating a pre-settlement Effluent Exchange Agreement with the GRIC to help mitigate the investment risks associated with improvements made by the City to effectuate the effluent exchange. She added that commencement of the pre-settlement exchange would not take place until the South Water Reclamation Plant is

operational in approximately 2004, and that if, and when the GRIC settlement becomes effective, the effluent exchange would then be governed by the GRIC settlement.

Ms. Sorensen advised that staff anticipates submitting the Lower Valley Settlement Agreement and the pre-settlement Effluent Exchange Agreement to the Council for consideration during January 2002.

In response to a question from Vice Mayor Davidson regarding the source of the effluent to be exchanged, Miss Sorensen explained that effluent would be piped from the Southeast Reclamation Plant through an existing pipeline to the South Reclamation Plant and then piped through a proposed pipeline from the South Plant to the reservation boundary.

Discussion ensued regarding the volume of water delivered by the CAP to the Phoenix metro area; planned uses and restricted uses of the water delivered to the GRIC under the proposed agreement; the various parties involved in the Upper Valley negotiations and the status of the negotiations; and the status of the amendment to Mesa's CAP subcontract.

Councilmember Walters voiced appreciation for the efforts of Senator Kyl throughout the negotiation process.

Councilmember Jaffa voiced concerns relative to the possibility of future claims/lawsuits from other Indian communities.

In response to Councilmember Jaffa's stated concerns, Ms. Sorrensen said that the GRIC settlement represents the most significant water rights claim of impacted Indian communities and that settlements were previously reached with the Salt River Pima Maricopa Indian Community and the Fort McDowell Indian Community. She further stated that although Mesa and other communities of the Phoenix metro area rely heavily on Salt River Project water from the Salt and Verde River systems, there are no additional Indian communities that could substantially impact the delivery of water to Mesa and other Phoenix area communities from the Salt and Verde Rivers. She also reported that under the terms of the settlement, the Federal government is being allocated a certain amount of CAP water to be used to satisfy claims from other Indian communities.

Ms. Wade stated that there is a small risk of future claims from other Indian Communities. She added that there are approximately 50 parties involved in the settlement and that the terms of the settlement have been meticulously drafted and reviewed.

Vice Mayor Davidson declared a potential conflict of interest and refrained from further discussion/participation in this item.

In response to questions from Councilmember Whalen regarding the proposed pipeline for delivery of effluent to the GRIC, Ms. Sorensen advised that the cost and construction of the proposed five-mile pipeline will be the City's responsibility.

Mayor Hawker and Councilmembers voiced appreciation to staff for their efforts in this matter.

4. Appointments to boards and committees.

Mayor Hawker recommended the following appointments to Boards and Committees:

SPOOK HILL AREA DRAINAGE MASTER PLAN CITIZENS COMMITTEE

Bill Puffer, as Chairman of the Committee, replacing Russell Gillard.

Tom Smith, replacing Jeff Blandford.

It was moved by Councilmember Pomeroy, seconded by Vice Mayor Davidson, that the Council concur with the Mayor's recommendations and the appointments be confirmed.

Carried unanimously.

5. Acknowledge receipt of minutes of boards and committees.

a. Downtown Development Committee meeting held October 18.

It was moved by Councilmember Kavanaugh, seconded by Vice Mayor Davidson, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

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

Councilmember Kavanaugh reported on a recent fund-raising event he attended concerning the future Desert Samaritan Educational Center. He commented on the benefits the facility will provide to the local medical community and to the citizens of Mesa.

7. Scheduling of meetings and general information.

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

Thursday, November 8, 2001, 7:30 a.m. – Study Session

Thursday, November 15, 2001, 7:30 a.m. – Study Session

Thursday, November 15, 2001, Finance Committee immediately following Study Session

Monday, November 19, 2001, 3:00 p.m. – Transportation Committee

Monday, November 19, 2001, TBA – Study Session

Monday, November 19, 2001, 5:45 p.m. – Regular Council Meeting

Thursday, November 29, 2001, 7:30 a.m. – Study Session

Thursday, November 29, 2001, General Development Committee immediately following Study Session

Mr. Hutchinson advised that the Red Mountain Freeway/Loop 202 dedication event, for the section from Country Club Drive to Gilbert Road, will take place on Saturday, January 12, 2002, from 9:00 a.m. to 12:00 p.m., and that the actual dedication ceremony will take place at 10:00 a.m.

8. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

9. Adjournment.

Without objection, the Study Session adjourned at 5:36 p.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 5th day of November 2001. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

pjt