

COUNCIL MINUTES

January 3, 2002

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 January 3, 2002 at 7:30 a.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

Mike Whalen

OFFICERS PRESENT

Mike Hutchinson
Deborah Spinner
Barbara Jones

(Agenda items were discussed out of order but for purposes of clarity will remain as listed on the agenda.)

Mayor Hawker excused Councilmember Whalen from the meeting.

1. Review items on the agenda for the January 7, 2002 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 items 6b, 7c, 9b, 9c, 9e and 9f would be removed from the consent agenda.

Mayor Hawker stated that item 7f would be removed from the agenda.

Vice Mayor Davidson declared potential conflicts of interest regarding agenda items 7a (Authorizing the City Manager to enter into an Intergovernmental Agreement between Signal Butte Manor III Street Lighting Improvement District and the City of Mesa for the operation and maintenance of street lighting facilities) and 7b (Authorizing the City Manager to enter into an Intergovernmental Agreement between McGavin Ranch Street Lighting Improvement District and the City of Mesa for the operation and maintenance of street lighting facilities) and said he would refrain from discussion/participation in these items.

Mayor Hawker commented on the issue of recognizing Council candidates who are present at the end of Regular Council Meetings.

Discussion ensued regarding previous Mayors' practices of recognizing Council candidates at Council meetings.

City Attorney Debbie Spinner advised that the issue should be placed on the agenda of an upcoming meeting and discussed and considered at that time.

2. Discuss and consider a legislative report.

Assistant to the City Manager Jim Huling and Government Relations Assistant Kevin Adam addressed the Council regarding this agenda item.

Mr. Huling said that the purpose of staff's presentation is to provide the Council with a brief overview of a number of legislative issues that staff has identified as potential priorities for the City during the upcoming legislative session and to seek Council input concerning these issues. Mr. Huling stated that the major focus of the upcoming session will be the budget shortfall of \$850 million for FY 2002/03.

Growing Smarter Reform:

Mr. Adam said that because many of the Growing Smarter planning provisions became effective on January 1, 2002, reforms will be considered as various cities' implementation efforts are being scrutinized. He stated that the Growing Smarter Oversight Council formed by the Governor has proposed two specific reforms that may impact the City, including: 1) a one-year extension to the deadline for having a public vote; and 2) the inclusion of a 60-day period between the public release of proposed general plans and the start of public comment periods, which will add 60 days to the City's planning process and jeopardize Mesa's ability to place the General Plan on the November 2002 ballot. Mr. Adam noted that the 60-day delay is intended to give other government entities the opportunity to review and comment on plans prior to the start of public comments. He added that the impact upon Mesa will be dependent on the effective date of any future legislation and the possibility of additional language that will grandfather plans which have already reached a certain stage of the plan update process. Mr. Adam stated that staff recommends that the City support legislation enhancing its ability to plan for growth and oppose legislation that would restrict such abilities or impede the current General Plan update process.

Vice Mayor Davidson voiced strong opposition to adding 60 days to the review/comment process and urged staff to communicate to the Oversight Committee and the Legislature the significant investment of time and effort made by the City and citizen advisory groups into seeking public input on the proposed General Plan.

In response to a question from Mayor Hawker regarding the necessity of reaffirming the 1996 General Plan, Planning Director Frank Mizner said that pursuant to the opinion of Deputy City Attorney Joe Padilla, the existing General Plan remains in effect until the new General Plan is ratified.

Discussion ensued regarding the inconsistencies associated with future enactment of the two proposed reforms.

State Shared Revenue:

Mr. Huling reported that although the Governor's proposed cuts to State shared revenues were not approved by the Legislature for FY 2001/02, the cuts will be reconsidered in connection with the FY 2002/03 budget. Mr. Huling said that staff recommends that the City oppose any reductions to State shared revenues. He noted that one of the budget cuts impacting the City is a 50% reduction of Local Transportation Assistance Fund (LTAF II) funds for FY 2001/02, which is a loss of approximately \$290,000 used for transportation purposes, and that it is anticipated that LTAF II funds will be totally eliminated in the FY 2002/03 budget.

Vice Mayor Davidson voiced concerns regarding the resultant impacts to the City's transportation budget.

Highway User Revenue Fund (HURF) Maintenance of Effort Requirement:

Mr. Huling explained that the City is required to maintain local revenue expenditures at a certain level in order to acquire State HURF revenues for transportation. He added that the funding level required is based on an average of the City funds expended for transportation for any four of the five fiscal years from 1981/82 to 1985/86. He noted that the same requirement is mandated for all cities over 30,000 in population in Maricopa and Pima counties. He said that staff recommends that the City sponsor a repeal of the State mandated HURF Maintenance of Effort Requirement in order to have greater flexibility in the future when the City does not spend the required minimum. He explained that there are large disparities in the required minimum spending limits among the various cities impacted and he noted that although Mesa is required to spend in excess of \$5 million annually, Tucson is only required to spend approximately \$200,000.

Mayor Hawker noted that the City is not presently impacted by this mandate and voiced the concern that a successful repeal of this mandate may result in legislation that is more restrictive for the City.

Vice Mayor Davidson commented on the possibility that Mesa will not require the same level of HURF funding in the future.

Mr. Huling stated that staff's efforts to repeal this mandate would focus on the disparities in the required minimum spending limits of the eight cities affected by the mandate. He added that should adverse ramifications arise as a result of the legislation proposed by the City, efforts would be expended to "kill" the legislation.

In response to a question from Mayor Hawker, City Manager Mike Hutchinson advised that the City generally meets or slightly exceeds its required minimum spending limit (\$5,085,000) from the General Fund for transportation.

Mayor Hawker commented on the different sources used to fund transportation needs other than the General Fund.

Councilmember Walters stated the opinion that there is a tremendous need for street improvements in older areas of the City. She concurred with staff's opinion that the disparities of the required spending limits among the cities is unfair and voiced support for proceeding with legislation to repeal this mandate with the understanding that the City can "kill" the proposed legislation if negative ramifications result.

Councilmember Pomeroy concurred with Councilmember Walters' comments and stated support for staff's recommendations.

Mayor Hawker noted that Council's direction regarding this issue is to proceed with staff's recommendations.

ADOT Board Reform:

Mr. Adam stated that staff supports the Governor's proposed legislation to expand the Arizona Department of Transportation (ADOT) Board from seven to nine members by adding an additional representative from Maricopa County and one from Pima County. He noted that although Maricopa and Pima Counties collectively account for 75% of the State's population, these counties presently have a minority representation on the board and the proposed legislation would result in a majority representation.

Natural Gas Service Fee Preemption:

Mr. Adam reported that Mesa is the only City that is preempted from charging a service fee for natural gas used for alternative fuel vehicles. He said that it is the recommendation of staff that the City support legislation to repeal this preemption. He noted that although the City's effort to repeal the preemption was not successful during last year's session, Mayor Hawker was able to secure a commitment for support from last year's chief opponent to this effort.

Urban Park Liability:

Mr. Adam reported that although Arizona cities were successful in enacting legislation in 1993 that established a gross negligence standard for liability in municipal recreational facilities, recent court opinions have weakened the intent of the 1993 legislation. He said that staff recommends that the City support legislation reaffirming the gross negligence standard for municipal recreational facilities.

In response to a question from Councilmember Walters, Mr. Adam confirmed that opposing court rulings is the result of inadequate statute language.

Mayor Hawker thanked staff for the update.

3. Acknowledge receipt of minutes of boards and committees.

- a. Board of Adjustment meeting held December 11, 2001.
- b. Economic Development Advisory Board meeting held October 2, 2001.
- c. Parks and Recreation Board meeting held December 13, 2001.

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

Carried unanimously.

Councilmember Walters commented on the notes included in the Economic Development Advisory Board minutes regarding the "big box" Ordinance and requested that these notes be included in the information brought forward by staff to the Council when the Council considers this issue.

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

There were no reports on meetings or conferences attended.

5. Scheduling of meetings and general information.

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

Executive Session immediately following this Study Session

Monday, January 7, 2002, 3:00 p.m. – Transportation Committee

Monday, January 7, 2002, 4:15 p.m. – Study Session

Monday, January 7, 2002, 5:45 p.m. – Regular Council Meeting

Thursday, January 10, 2002, 7:30 a.m. – Study Session

Thursday, January 10, 2002, Following the Study – General Development Committee

Mayor Hawker stated that a meeting of the East Valley mayors regarding the Multi-Use Stadium is scheduled for January 4, 2002 at 10:00 a.m.

Mr. Hutchinson said that a Tourism and Sports Authority meeting regarding the Multi-Use Stadium is schedule for January 8, 2002 at 8:30 a.m. He further advised that staff will update the Council regarding the Multi-Use Stadium issue at the Study Session on January 10, 2002.

Councilmember Jaffa commented on a Rotary sponsored national basketball tournament being held January 3-5, 2002 at Mesa Community College.

Vice Mayor Davidson requested that staff provide the Councilmembers with a copy of the recent Arizona Affordable Housing Profile authored by Elliott D. Pollack.

6. Prescheduled public opinion appearances

There were no prescheduled public opinion appearances.

7. Items from citizens present.

There were no items from citizens present.

8. Adjournment.

Without objection, the Study Session adjourned at 9:15 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 3rd day of January 2002. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

pjt