

# TRANSPORTATION & INFRASTRUCTURE COMMITTEE

August 23, 2007

The Transportation and Infrastructure Committee of the City of Mesa met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on August 23, 2007 at 9:45 a.m.

## COMMITTEE PRESENT

Kyle Jones, Chairman  
Rex Griswold  
Scott Somers

## COUNCIL PRESENT

None

## STAFF PRESENT

Christopher Brady  
Donna Bronski  
Jack Friedline

### 1. Items from citizens present.

There were no items from citizens present.

### 2. Hear an update on Mesa's Intelligent Transportation Systems Deployment Plan.

Deputy Transportation Director Dan Cleavenger introduced Signal Systems Supervisor Jan Siedler, Intelligent Transportation Systems Engineer Jeff Jenq, and Pierre Pretorius and Glen Thurgood, representatives of the consulting firm of Kimley-Horn and Associates.

Mr. Cleavenger reported that in January 2005, staff completed the Intelligent Transportation Systems (ITS) Master Plan update, which identifies Mesa's communication and infrastructure needs. He explained that the consultants assisted staff in developing the ITS Strategic Plan, which was concluded in September 2005, as well as the ITS Deployment Plan, which was completed earlier this year. Mr. Cleavenger also expressed appreciation to various City divisions for their assistance during this process.

Mr. Cleavenger commented that the pace with which the City moves forward with the ITS Deployment Plan will depend on its ability to obtain funding for the various projects. He noted that a significant portion of the ITS projects would be included within the Regional Transportation Plan (RTP), which would be funded at a 70/30 regional/local split. He added that in the past few years, Mesa has been successful in obtaining approximately \$1 million annually in Federal funding for a number of ITS projects.

Mr. Pretorius referred to a PowerPoint presentation (a copy is available for review in the City Clerk's Office) and offered an extensive overview of this item. He explained that the ITS Deployment Plan includes a detailed system concept plan, Telecommunications Plan

Supplement, project concepts, cost estimates, implementation strategies, project prioritization and phasing, and a funding overview.

Mr. Pretorius highlighted Mesa's ITS goals and the priorities to meet those goals as follows:

- **Efficient and reliable traffic management tools that support active transportation management.** (Intended to be achieved by increasing real-time and adaptive signal timing adjustment capabilities, improved communications links, and an expanded detector network to assist with incident detection.)
- **Fast, informed and coordinated incident management and emergency response.** (Sharing closed circuit television (CCTV) camera images with Police and Fire Departments. Providing Police/Fire dispatch information to Transportation Management Center (TMC). Expanding traveler information dissemination network. Improving emergency vehicle traffic signal preemption capabilities.)
- **High quality and quantity of information available to travelers.** (Expanding traveler information dissemination network. Improving quantity and quality of traveler information. Developing regional connectivity to share information with various agencies.)
- **Safe and effective traffic management measures for temporary applications.** (Increase portable speed management capabilities. Deployment of temporary traffic management tools for work zone monitoring and special event traffic management. Sharing construction and special event information between City divisions for planning purposes.)

Mr. Pretorius reported that the City of Mesa's current ITS infrastructure components consist of 376 traffic signals, 43 mid-block detectors, 6 Dynamic Message Signs (DMS), 30 CCTV cameras, and 60 miles of fiber backbone. He referred to the PowerPoint presentation and reviewed the various infrastructure demands that are expected to occur in 2010-2015.

Discussion ensued relative to proposed enhancements to Mesa's TMC, such as extended hours of operation, center-to-center links to internal and external partners, a road conditions reporting system, and upgrading or deployment of new ITS devices or signal system.

Ms. Siedler displayed a series of maps (available for review in the City Clerk's Office) and reviewed the existing and proposed locations throughout the City for conduit/duct and fiber optic cable, traffic signals, CCTV cameras, proposed Dynamic Message Signs and Vehicle Detection units, and programmed ITS projects (2006-2011).

Committeemember Griswold urged that the City "not tie itself" into the purchase of certain technology that could become outdated, for instance, in five years. He stated that he would prefer that the City "stay flexible" with regard to technology.

Committeemember Somers commented that if the City delayed the purchase of technology in order "to wait for the latest and greatest," nothing would ever be accomplished. He suggested that it is important for the City to maintain a level of adaptability within its technology system.

Mr. Pretorius also addressed the implementation strategy for the ITS Deployment Plan. He explained that such strategy includes ITS elements in other transportation projects (RTP), adding ITS elements into various Capital Improvement Program (CIP) projects, and completing 14 stand-alone ITS projects not included in the CIP.

Further discussion ensued relative to recently completed ITS projects; projects in the design or construction phase; programmed RTP projects (2006-2011); other City CIP projects (2006-2011); programmed ITS projects (2006-2011 CIP); and projects which include ITS traffic signal conversion. (A complete listing of the above-referenced projects is contained in the PowerPoint presentation.)

Mr. Pretorius further spoke regarding 14 stand-alone ITS projects that were developed, but are not currently listed in the CIP. (See Attachment 1.) He also reviewed the total anticipated cost to the City to fund all of the ITS projects that have been presented today, which is estimated at \$15 million. (See Attachment 2.)

In response to a question from Chairman Jones, City Manager Christopher Brady clarified that staff has "put a hold" on all CIP projects until the Council discusses the various proposed bond programs. He explained that at the present time, the City cannot even leverage the RTP dollars until staff identifies funding for the match. Mr. Brady also stated that when staff presents the Transportation Bond Program to the Council for consideration, it will include funding for various ITS projects, but noted that there is the assumption that there must be "a significant commitment" in order to implement such projects. He added that if the bond program were not approved by the voters, it would be necessary for the Council to make important priority decisions relative to approving projects such as these or basic street improvement programs.

Committeemember Somers inquired whether the \$15 million in anticipated costs to implement the ITS projects would include the installation of the proposed CCTV cameras and traffic signals in the areas around Williams Gateway Airport and the General Motors (GM) Proving Ground or whether those costs would be included in a future bond program.

Mr. Brady responded that the current bond proposal that staff will bring to the Council does not include those projects. He stated that with regard to the Williams Gateway and the GM areas, it would be necessary for staff and the Council to engage in broader discussions regarding different possibilities, including future bond packages beyond next year.

Mr. Pretorius concluded his presentation by reviewing potential funding sources for the ITS projects such as the RTP, Maricopa Association of Governments (MAG), the City of Mesa bond package, one-time sources (HURF contingency), and local transportation sales tax contingency.

Additional discussion ensued relative to CCTV cameras and traffic monitoring video.

Chairman Jones expressed appreciation to everyone for the informative presentation.

3. Hear a presentation, discuss and make a recommendation on the telecommunications license application for AGL Networks, LLC.

Information Technology Services Leader Dale Shaw introduced Andy Harrison, Manager of Network Deployment for Atlanta Gas & Light Networks (AGL), and Bill Anger, an attorney with Engelman Berger, whose firm was retained by the City to assist with the drafting of the proposed telecommunications license agreement.

Mr. Shaw reported that the agreement would provide a license to AGL to establish and operate a commercial fiber optics network within the City of Mesa's rights-of-way and easements. He explained that AGL provides unlit fiber optics facilities to carriers and other businesses in the

Atlanta and Phoenix areas and currently operates a 310-mile network in Atlanta and a 150-mile network locally. He noted that AGL also holds telecommunications license agreements with Phoenix, Tempe and Chandler.

Mr. Shaw displayed a PowerPoint presentation (a copy is available for review in the City Clerk's Office) and highlighted the key points of the proposed agreement as follows:

- AGL will install approximately 25 miles of conduit and fiber for the City's use.
- AGL will lease fiber to an existing telecommunications customer within the City of Mesa.
- AGL will be assessed an annual per-foot fee of \$1.81 for occupying public property.
- The conduit will connect to the East Mesa Loop (EML) to allow AGL the ability to sell against an expanded network where infrastructure already exists.

Mr. Shaw referred to a map depicting the proposed AGL route. (See Attachment 3.) He stated that on the west side of the route, the conduit extends into Tempe and Phoenix for use by those communities. Mr. Shaw explained that the route has broad coverage, which would allow AGL the ability to sell not only to its existing customer, but also other customers in Mesa.

Mr. Shaw further reviewed a map illustrating the City route (See Attachment 4.), which is virtually identical to the AGL route with a few exceptions. He highlighted the exceptions as follows: 1.) The City's conduit and fiber will not extend into Tempe and Phoenix; and 2.) On the west side of the map, there is a small spur that leads to Sycamore and Main, which will be the light rail junction point. With regard to that project, the City would receive fiber that will extend into Phoenix, which will ultimately result in a redundant path at the junction point.

Mr. Shaw offered a short synopsis of the benefits to the City for entering into the agreement with AGL. He stated that they include, but are not limited to, the following: future fiber connectivity to City facilities; the ability to connect 30 signalized intersections to the City's Intelligent Transportation System (ITS); accelerated expansion of the City's high speed fiber optics backbone that will better support emerging technologies; provide a marketing channel for the East Mesa Loop; and as AGL expands its network, the City would have the option to acquire additional conduit for municipal use.

Discussion ensued relative to the financial impact to the City upon entering into the agreement with AGL; that Mesa would acquire an approximately \$6 million fiber optics network for \$1.15 million in fee credits; that the City could realize an estimated \$1.482 million in fee revenue in years five through ten of the agreement; that probable sales tax revenues would be generated by AGL; and that the City may experience a potential economic development impact if businesses establish a presence in Mesa due to the availability of a solid fiber telecommunications infrastructure.

In response to a series of questions from Committeemember Griswold, Mr. Shaw clarified that with regard to the East Mesa Loop, the area between Power and Hawes on University currently has no fiber or conduit and will be the last segment completed. He explained that the City uses a portion of the East Mesa Loop for municipal purposes today. Mr. Shaw cited the Council's recent approval of an Intergovernmental Agreement (IGA) with the Williams Gateway Authority in which East Mesa Loop conduit was used in order to connect a future Police and Fire facility in the area and establish public safety connectivity to downtown Mesa and ultimately to Phoenix. He added that there are currently no plans for AGL to finance the completion of the segment between Power and Hawes on University.

It was moved by Committeemember Griswold, seconded by Committeemember Somers, to recommend to the Council that the City Manager or his designated representative be authorized to execute an agreement with AGL Networks providing them a telecommunications license for the use of specific public property to establish and operate a fiber optics communications system in certain public rights-of-way and easements within the City of Mesa.

Carried unanimously.

Chairman Jones thanked everyone for the presentation.

4. Hear a presentation, discuss and make a recommendation on the water hauling station at 220 North Crismon Road.

Utilities Manager Dave Plumb reported that the City has operated a water hauling station at 220 North Crismon Road since 1985 when it purchased the facility from the Desert Sage Water Company. He explained that the station, which currently services 44 accounts (41 residential and 3 commercial water haulers with multiple customers), operates with a leased dispensing system, which is no longer maintained by the lessor, Controlled Water Systems, Incorporated. Mr. Plumb stated that the system is failing and can no longer be operated in its current configuration.

Mr. Plumb advised that staff has considered several options with regard to the development of a new station. He commented, however, that from a philosophical point of view, if the City continues to operate a water hauling station, it may encourage individuals to live outside the City as opposed to annex their property in order to obtain City water service. Mr. Plumb noted that on the other hand, approximately 300 individuals are served directly through the water hauling station. He further stated that in addition to Mesa's water hauling station, there is a similar facility in Apache Junction and a coin-operated water fill station owned by the Arizona Water Company located farther east of the City's station.

Mr. Plumb requested input from the Committee whether the City should continue to operate the water hauling station and renovate the facility or if staff should issue reasonable notice to the customers that the City intends to close the station.

Discussion ensued relative to the fact that the coin-operated water fill station is inefficient and the commercial water haulers do not use the site; that the station in Apache Junction has limited frontage and creates a safety hazard when vehicles pull in off the street; and that it is the opinion of the commercial water haulers that Mesa's station is the most accessible and offers the greatest convenience.

In response to a question from Chairman Jones, Mr. Plumb clarified that the City could rebuild the dispensing system (estimated to cost \$36,811) and net approximately \$715 per month (on a 36-month payback) in additional revenue from the water customers. He explained that staff would recommend an increase of \$12 to the service charge for residential accounts and \$79 for the commercial accounts. Mr. Plumb stated that the residential customers pay the standard residential rate that Mesa water customers pay for a three-quarter inch meter, which includes a monthly service charge.

City Attorney Debbie Spinner reported that at the October 19, 2006 Utility Committee meeting, staff made a presentation regarding the water hauling station and the fact that residents in the

area (East of Crismon and north and south of East Jensen Street) were requesting that Mesa provide water service outside the City limits. She explained that the City does not have a legal obligation to provide water to residents outside its corporate limits unless it is already doing so. Ms. Spinner advised that at the October 19<sup>th</sup> meeting, David Udall, an attorney representing the neighborhood, raised the issue that the City of Mesa operates the water hauling station and already provides water to the residents.

Ms. Spinner commented that the question becomes: Is that water service provided by the City the type of service contemplated under the State statute. She stated that in her opinion, it is not, although the matter has never been presented to the Court and she is unaware whether a legal decision has been issued in this regard. Ms. Spinner cited A.R.S. Section 9-516 (C) as follows: "A city or town acquiring the facilities of a public service corporation rendering utility service without the boundaries of such city or town, or which renders utility service without its boundaries, shall not discontinue such service once established as long as such city or town owns or controls such utility."

Ms. Spinner further advised that the legal argument that could be made is that the City of Mesa is operating the water hauling station and that the customers who receive such service are billed an amount "somewhat similar" to what City water customers are billed. She stated the opinion that that is not the type of service that is contemplated by the statute.

Ms. Spinner also commented that in her opinion, the Council does have the authority to stop providing water through the water hauling station. She stated that an alternative option within the Council's discretion is to allow the continued use of the station and charge the customers a different rate than what is charged to Mesa water customers. Ms. Spinner added that there is nothing set out in the law with regard to what the difference in rates could be, but said that there must be "a rational basis" for such difference.

Further discussion ensued relative to the fact that staff designed a project that could replace the old key-operated system with a card read system (estimated cost of the replacement facility, with contingencies, is \$133,000); and that staff also considered the possibility of developing a station using standard utility meters, valves and other readily available equipment (at a cost of \$36,800).

In response to a series of questions from Committeemember Somers, Mr. Plumb clarified that Mesa's standard residential water service rate includes a \$10.78 service charge. He explained that if the Committee recommended that renovations to the water hauling station be implemented, staff would suggest that the Council adopt a new water hauling service charge, which would be different from the standard residential service rate. He added that the \$10.78 charge, which is a fixed rate, would be increased to recover the renovation costs.

Extensive discussion ensued relative to a possible option suggested by Mayor Hawker that wherever the commercial water haulers are based, that they might obtain increased water service from their local providers so that they could fill their water trucks onsite; that staff has not yet met with the commercial haulers to discuss the matter; that because the water hauling station is located on City property, it would be difficult for a private water provider to operate the facility; that because the water customers reside outside the City limits and their properties are not contiguous to Mesa, the possibility of the City providing water service to those individuals is very remote; and that staff continues to confer with the Arizona Water Company regarding

potential opportunities to provide water service to those residents who requested service at the October 19<sup>th</sup> Utility Committee meeting.

City Manager Christopher Brady commented that one of the reasons this item was brought to the Committee is because there are some members of the Council who are concerned that there are County island residents, whether their property is contiguous or otherwise, that are avoiding annexation by using the water hauling station.

Committeemember Somers stated that he would be interested in staff meeting with the commercial water haulers in order to explore the possibility of those businesses providing water service to the residential customers currently served by Mesa's water hauling station. He commented that although the City may have no legal obligation to provide water to individuals who reside outside Mesa's corporate limits, he expressed concern regarding the "political ramifications" in not doing so.

Committeemember Griswold commented that he believes it is necessary to provide water to these individuals by some means and that it would inappropriate to "cut off" their supply. He stated that if the commercial water haulers were able to provide such service, he could support such an arrangement. Committeemember Griswold further noted that the location of the water hauling station is a prime piece of property and suggested that it be sold and used for a different purpose. He also stated that with regard to the residents in the area of McKellips and Crismon, he would encourage them to work with the Arizona Water Company concerning the possibility of obtaining water service from that entity.

Committeemember Somers stated that prior to the Committee making a recommendation to the Council regarding this matter, he would prefer that: 1.) Staff meets with the commercial water haulers to explore the option suggested by Mayor Hawker; and 2.) That the Committee engages in further discussions concerning the potential costs to upgrade the water hauling station.

Mr. Plumb advised that staff would contact the commercial water haulers as soon as possible.

Chairman Jones thanked staff for the presentation.

#### 5. Adjournment.

Without objection, the Transportation and Infrastructure Committee meeting adjourned at 11:08 a.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Transportation & Infrastructure Committee meeting of the City of Mesa, Arizona, held on the 23<sup>rd</sup> day of August 2007. I further certify that the meeting was duly called and held and that a quorum was present.

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LINDA CROCKER, CITY CLERK