



COUNCIL MINUTES

June 24, 2002

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on June 24, 2002 at 5:45 p.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

None

OFFICERS PRESENT

Mike Hutchinson
Debbie Spinner
Barbara Jones

Invocation by Chaplin Dee Dee Scott, Church of Scientology.

Pledge of Allegiance was led by Nelson Rusch, Boy Scout Troop 656.

Mayor Hawker welcomed everyone to the meeting and discussed City Manager Mike Hutchinson's 25-year career with the City. He commended Mr. Hutchinson for his work and thanked him for commitment and service to the City and its citizens.

1. Consider all 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 with an asterisk (*) were approved with one Council action.

Mayor Hawker stated that agenda item 14. (Consider entering into an agreement with the Greater Phoenix Economic Council (GPEC) for Fiscal Year 2002/2003 at a cost of \$173,060.00) has been added to the consent agenda.

It was moved by Councilmember Kavanaugh, seconded by Councilmember Walters, that the consent agenda items be approved.

Carried unanimously.

*2. Approval of minutes of previous meetings as written.

3. Conduct a public hearing concerning water, irrigation, wastewater, natural gas, solid waste utility rates, rate components, fees and/or service charge increases. (See item no 8a for rate information).

Mayor Hawker announced that this is the time and place for a public hearing concerning water, irrigation, wastewater, natural gas, solid waste utility rates, rate components, fees and/or service charge increases.

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

4. Conduct a public hearing concerning the Five-Year Capital Improvement Program for Fiscal Years ending 2002-2007 (see item no. 9C) for program information).

Budget Director Jamie Warner referred to and commented on an updated version of the *City of Mesa, Arizona Summary of Five Year Capital Improvement Program 2002-2007 by Fiscal Year – Capital Expenses* (See Attachment 1), which was provided to the Councilmembers. He outlined three recent modifications, including: 1) a modification relative to the Light Rail Transit Project, which he noted has a neutral financial impact; 2) an approximate \$1 million sales tax reduction to correct a budgeting item; and 3) an increase of \$1.1 million concerning General Obligation Bonds pertaining to the 800 MHz system.

Mayor Hawker stated that these items would be incorporated into the Five-Year Capital Improvement Program for fiscal years 2002-2007.

Mayor Hawker announced that this is the time and place for a public hearing concerning the Five-Year Capital Improvement Program for Fiscal Years ending 2002-2007.

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

5. Conduct a public hearing on the proposed Fiscal Year 2002-03 Budget Plan (see item no. 9d for budget information).

Mr. Warner referred to and discussed the *City of Mesa, Arizona Final Budget For Fiscal Year Ending June 30, 2003* (See Attachment 2). He advised that the final total budget is \$803,972,000, which includes the operating budget (\$634,452,000) and the bond budget (\$169,520,000). He noted that the final total budget is \$16.3 million less than the tentative budget amount adopted by the Council on June 3, 2002 and he commented on various budget reductions recently incorporated, including: 1) the Quality of Life budget was reduced \$10.6 million reflecting various department estimates to match forecasted revenues and cash flow projects to reflect new estimated work plans; 2) various CIP projects totaling \$4.3 million were rebudgeted from FY 2001/02 to FY 2002/03 to reflect the actual cash flow of the projects; 3) cost of living adjustment for City employees delayed until September 1, 2002 and Deferred Compensation adjustments were allocated to all programs in the City totaling \$1.3 million; and 4) bond projects were cash flowed to later years to more closely match the budget to the estimated sale of bonds for 2002/03, resulting in a reduction of \$8.7 million.

Mr. Warner also noted that the final total budget amount is \$23.6 million less than the budget amount approved by the Council a year ago in connection with the biennial budget process.

Mayor Hawker announced that this is the time and place for a public hearing regarding the proposed Fiscal Year 2002-03 Budget Plan.

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

6. Consider the following liquor license applications.

*a. CLAIRE ABEL, AGENT

New Restaurant License for Chili's Grill & Bar, 6648 E. McKellips Road. This is a new building currently under construction. No previous liquor license at this location.

*b. SALVATORE PALAZZOLO, AGENT

New Restaurant License for Famous Sam's #44, 2860 E. Main Street #11-114. This is an existing business. The license previously held at this location by Julie A. Shepard, Agent, will revert back to the State.

7. Consider the following contracts.

*a. Three-year supply contract for electronic database subscriptions used by the Library.

The Purchasing Division recommends authorizing Mesa Library's use of the Maricopa County cooperative purchase contracts for electronic database subscriptions totaling \$221,578.55 based on estimated annual purchases.

*b. Two-year supply contract for slurry seal sand as requested by the Transportation Division.

The Purchasing Division recommends accepting the low bid by Mesa Materials, Inc. for Zones A and B at \$141,325.80 based on estimated annual requirements.

*c. Two-year supply contract for ¾" water meters for warehouse inventory as requested by the Utilities Department.

The Purchasing Division recommends accepting the low bid by Dana Kepner Company at \$270,981.84 based on estimated annual requirements.

*d. One helicopter as requested by the Police Department. This purchase will provide a third helicopter for the Police Department Aviation Unit.

The Purchasing Division endorses the Evaluation Team's recommendation to accept the proposal by MD Helicopters for a MD500E helicopter with basic accessories at \$1,142,386.78 including applicable sales tax. In addition, staff recommends obtaining

new bids for the FLIR unit and other helicopter accessories not provided by MD Helicopters, estimated to total \$343,980.10. The combined total for the helicopter and all accessories is expected to be \$1,486,366.88.

- e. Power Road Improvements, Delmon to McDowell. City of Mesa Project No. 00-43.

This project will improve Power Road to three lanes plus a bicycle lane in each direction, and add raised landscaped median, storm drain, street lighting, and water and gas lines between Delmon Drive and the recently completed improvements at the intersection of Power and McDowell.

This project is the first of two projects to complete improvements in the Power Road Corridor between Adobe Road and the Future Red Mountain Freeway.

Recommend award to low bidder, Haydon Building Corporation, in the amount of \$1,787,008.57 plus an additional \$178,700.86 (10% allowance for change orders) for a total award of \$1,965,709.43.

Mayor Hawker declared a potential conflict of interest and refrained from discussion/participation in this agenda item.

Mayor Hawker yielded the gavel to Vice Mayor Kavanaugh for action on this agenda item.

It was moved by Councilmember Whalen, seconded by Councilmember Griswold, that the recommendations of staff be approved.

Upon tabulation of votes, it showed:

AYES - Griswold-Jones-Kavanaugh-Thom-Walters-Whalen
NAYS - None
ABSTAIN - Hawker

Vice Mayor Kavanaugh declared the motion carried unanimously by those voting

With action on this agenda item being completed, Vice Mayor Kavanaugh yielded the gavel back to Mayor Hawker.

- *f. Re-Roof Various City Buildings. City of Mesa Project No. 02-81.

This project will remove and replace the modified bitumen roofing on five different buildings, including the Washington Activity Center; buildings at the Taylor, Kino and Fremont Pools; and the existing Mesa Arts Center. In addition, the project will abate asbestos containing roofing materials at the Mesa Arts Center, and will repair crickets, drains and sheathing as needed at all five locations.

Recommend award to low bidder, Starkweather Roofing, Inc., in the amount of \$89,879.16 plus an additional \$8,987.92 (10% allowance for change orders) for a total award of \$98,867.08.

- g. Brimhall Jr. High Turf Irrigation system. City of Mesa Project No. 02-34.

This project will convert the turf irrigation to a high efficiency sprinkler system, which will increase the amount of useable time on the fields.

Recommend award to low bidder, Agave General in the amount of \$56,634.00 plus an additional \$5,663.40 (10% allowance for change orders) for a total award of \$62,297.40.

Councilmember Thom stated opposition to staff's recommendations and advised that it is her recommendation that the City attempt to resolve the turf problems on the ball fields at Brimhall Jr. High School by reducing the amount of irrigation water used to water the fields.

Councilmember Walters voiced support for staff's recommendations and commented on the importance of increasing the amount of time ball fields can be used to help compensate for the City's shortage of fields. She also discussed the fact that although the City would bear the cost of the sprinkler system, Mesa Public School District is responsible for ongoing maintenance and watering costs.

Discussion ensued regarding the fact that the proposed system was tested within the last few years at Carson Jr. High and Stapley Jr. High and successfully resulted in increase usage of the fields.

Councilmember Jones said that although he is a proponent of flood irrigation, he supports the motion because the proposed conversion to a sprinkler system would increase usage of the fields. He also commented on the fact that the School District requested this conversion and will bear the costs associated with ongoing maintenance and watering.

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

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Kavanaugh-Walters-Whalen
NAYS - Thom

Mayor Hawker declared the motion carried by majority vote.

- *h. Re-Roof Mesa southwest Museum and Fire Station No. 205. City of Mesa Project No. 02-81.1.

This project will remove and replace the tile roof at the Mesa Southwest Museum and Fire Station 205, as well as a small area of modified bitumen roofing at the Mesa Southwest Museum. In addition, the project will install new gutter over the back entry area of the Mesa Southwest Museum, and will repair crickets as needed at both locations.

Recommend award to low bidder, International Contracting Company, Inc., in the amount of \$90,968.00 plus an additional \$9,096.80 (10% allowance for change orders) for a total award of \$100,064.80.

- *i. Airport and aircraft liability insurance as requested by the Police Department, Development Services Department and the City Attorney's Office.

The City Attorney's Office recommends accepting the proposal by Arthur J. Gallagher for airport liability insurance at \$22,953.00 plus \$9,181.00 for the optional war/terrorism coverage and aircraft liability insurance \$141,974.00, for an annual combined premium of \$174,108.00.

- *j. Installation of fuel tank bladders in 70 existing Crown Victoria patrol cars at a cost of \$175,000.00 to Fuel Safe Systems, the product manufacturer, and \$20,000.00 for conversion costs.

- *k. Thirty-six Ford Crown Victoria sedans as requested by the Police Department.

These CNG dedicated vehicles are available for immediate delivery through the State contract with Five Star Ford at a cost of \$994,944.64.

8. Introduction of the following ordinances and setting July 1, 2002 as the date of public hearing on these ordinances:

- a. Modifying rate schedules for the following utility services:

1. Water and irrigation utility service.
2. Wastewater utility service.
3. Gas utility service.
4. Modifying rates schedules for solid waste utility service.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Whalen, that an ordinance modifying the above-listed utility rate schedules be introduced and setting July 1, 2002 as the date of the public hearing.

Carried unanimously.

- *b. Establishing a speed limit of 40 mph on Thomas Road from Higley Road to Recker Road; and prohibiting left turns from the driveway on the west side of Power Road with centerline approximately 450 feet north of Thomas Road as recommended by the Transportation Advisory Board.

- *c. **Z02-16** The 4300 block of E. Brown Road (north side). Site Plan Modification (1.1 ac). This case involves the development of two office buildings.

- *d. **Z02-18** 540 to 550 block of S. Bellview (west side). Council Use Permit for expansion of a social service facility (2.58 ac). This case involves the development of a Transitional Redevelopment Center for Women.

- *e. **Z02-19** 4121 E. Valley Auto Drive. Rezone from M-1 to M-1 PAD (2.5 ac). This case involves a request for a condominium office development.
- *f. **Z02-20** 6600 to 6700 block of S. Mountain Rd. (east side). Rezone from AG to M-2 and Council Use Permit (8.63 ac). This case involves the development of a Solid Waste Transfer Station.

9. Consider the following resolutions:

- *a. Authorizing the City Manager to execute an Intergovernmental Agreement between the City of Mesa and the Superior Court of Arizona in Maricopa County to continue to provide jurors for the Mesa Municipal Court – Resolution No. 7855.
- b. Authorizing the City Attorney to institute proceedings to acquire fee simple title in the name of the City of Mesa under the power of eminent domain for a vacant property at the southwest corner of Mesa Drive and Second Street for the construction of Fire Station No. 201, Engineering Project No. 01-24 – Resolution No. 7863.

Councilmember Thom commented on newspaper articles regarding the City's use of eminent domain to acquire property and the amount of property owned by the City in the Town Center area. She questioned the necessity of acquiring the parcel at the southwest corner of Mesa Drive and Second Street for this project and also questioned the need for a new fire station in this area. She voiced concerns regarding the possibility of additional scrutiny by the press and citizens and stated opposition to proceeding with eminent domain proceedings to acquire this property.

Fire Chief Dennis Compton addressed the Council and provided a historical overview of the process associated with the development of Fire Station 201, including the site selection and neighborhood consensus processes. He also stressed the importance of locating fire stations to provide minimum response times within the areas served by the various stations and stated that it is critical that a fire station be located in this area.

Councilmember Walters commented on the fire station site selection process and on the fact that newer fire equipment is significantly larger. She also stated the opinion that the use of eminent domain to acquire property for these types of uses is generally understood and accepted by citizens.

Property Acquisition Supervisor Craig Crocker addressed the Council and provided a brief overview of the property acquisition process associated with this project. He reported that the project consists of 11 parcels including eight vacant lots, two parcels with homes and a commercial parking lot and noted that the City successfully negotiated acquisition of ten parcels.

Mr. Crocker reported that there has been three appraisals of the property, at the expense of the City, that the last appraisal was conducted by an appraiser selected by the owner of the property and was found to be deficient. Mr. Crocker further reported that the City made an offer of \$31,000 to purchase the property, which exceeded the highest of the remaining two appraisal amounts by \$4,000. Mr. Crocker also outlined the various communications conducted with the owner and her appraiser concerning this matter.

In response to questions from Councilmember Jones, Mr. Crocker stated that the appraisal that was rejected for deficiencies was for \$35,000 and noted that the appraisal contained numerous discrepancies and utilized a parcel with a home on it as a comparable property. He also advised that staff's last communication with the property owner was during May.

In response to a question from Councilmember Jones concerning the eminent domain process, City Attorney Debbie Spinner reported that a jury trial would be conducted in Superior Court to determine the value of the property. She added that staff estimates that approximately \$2,000 in costs would be incurred in connection with the litigation process.

Councilmember Jones voiced concerns regarding proceeding with the eminent domain process and the fact that the difference between the City's offer and the owner's demand is \$4,000.

Further discussion ensued regarding the litigation process and staff's communications with the property owner.

In response to a question from Councilmember Griswold concerning the necessity of acquiring this parcel for the project, Mr. Crocker and Chief Compton explained that although the subject property would be utilized as park area north of the fire station, development of the park area is a result of neighborhood input and negotiations.

Councilmember Thom reiterated that the City owns numerous other parcels in the general vicinity of this project.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Whalen, that Resolution No. 7863 be adopted.

Vice Mayor Kavanaugh stated that there has been significant discussion during the last few years regarding the best location for Fire Station 201 and he emphasized the fact that this site was selected as the most appropriate location to provide the best access for fire service and the least disruption to the neighborhood. He discussed the history associated with the City's acquisition of other parcels in this area and the City's ongoing pursuit of private redevelopment in conjunction with these parcels. He stated that the City rarely uses eminent domain to acquire property. He noted that construction of the fire station is scheduled to begin within a month and stressed the importance of moving forward with acquisition of this property.

Councilmember Whalen voiced the opinion that eminent domain is a tool that helps ensure that the City's taxpayers do not pay inflated prices for property. He also commented on the importance of ensuring that the property accumulated by the City in the Mesa Drive/University Drive area is appropriately redeveloped in the future to provide the best possible impact to the Town Center area. He stated the opinion that Fire Station 201 is desperately needed to provide adequate emergency service for the area and noted that the Wilbur Historic Neighborhood, which is adjacent to this project, is fully supportive of the project.

Councilmember Jones stated that although he fully supports the development of Fire Station 201 at this location, he is opposed to proceeding with the eminent domain litigation at this time due to concerns regarding the lack of recent communication with the property owner.

Discussion ensued regarding the fact that moving forward with the eminent domain litigation does not preclude ongoing negotiations with the property owner.

Mayor Hawker stated support for the motion and urged staff to continue attempts to negotiate with the property owner.

Upon tabulation of votes, it showed:

AYES - Hawker-Kavanaugh-Griswold-Walters-Whalen
NAYS - Jones-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 7863 adopted.

- c. Approving a Five-Year Capital Improvement Program for Fiscal Years 2002-2007 – Resolution No. 7864.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Jones, that Resolution No. 7864 be adopted.

Carried unanimously.

- d. Approving a budget for Fiscal Year ending June 30, 2003 – Resolution No. 7865.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, that Resolution No. 7865 be adopted.

Councilmember Thom stated opposition to the proposed budget and commented on the fact that she proposed additional budget cuts in excess of \$120 million that were not incorporated into the budget. She voiced concerns regarding the expansion of a number of City departments in recent years.

Councilmember Walters discussed the fact that although budget approval sets the City's maximum spending limit, the Council considers appropriations throughout the year. She noted that additional cuts and appropriations might occur depending on the needs of the City and economic conditions.

Councilmember Whalen voiced the opinion that the proposed budget is extremely lean with respect to personnel needed to provide the level of services City residents are accustomed to. He stated the opinion that the number of public safety personnel added during this fiscal year will not be sufficient to keep up with the City's growth. He stressed the importance of striving to increase commercial and jobs development in the City and minimizing the City's reliance on sales tax revenue.

Vice Mayor Kavanaugh discussed the two-year budget process adopted by the Council last year, the fact that the proposed budget is approximately \$26 million less than what was tentatively approved last year, and the fact that mid-year budget cuts were incorporated during the fall of 2001 to address declining revenues. He voiced concerns regarding the fact that although the City continues to grow and demands for City services continue to rise, staffing levels have been limited by budget cuts.

Councilmember Griswold stated that he supports the proposed budget based on the fact that adjustments can be made throughout the year to ensure the continuation of adequate essential City services.

Mayor Hawker stated approval regarding the proposed budget and also voiced support regarding expanding the 2-year budget process into a 5-7 year budget process in the future to coincide with the CIP budget. He also reiterated his support for developing a "build-out" budget to ensure that City services and infrastructure are adequately maintained in the long-term future. He concurred with other Councilmembers' comments concerning the necessity of maintaining adequate police and fire staffing levels. He also stressed the importance of adequately maintaining City streets.

Councilmember Walters thanked staff for analyzing Sunday usage levels at the Red Mountain Multigenerational Center and encouraged staff to consider initiating this process at other City facilities.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Kavanaugh-Walters-Whalen
NAYS - Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 7865 adopted.

- *e. Authorizing the City Manager to execute necessary documents to acquire certain real property located in the 100 block of North Beverly, Mesa, Arizona to be used for a neighborhood park – Resolution No. 7856.
- *f. Authorizing the City Manager to execute an Intergovernmental Agreement between the Sonoran Vista Apartments Street Lighting Improvement District and the City of Mesa for the operation and maintenance of street lighting facilities – Resolution No. 7857.
- *g. Authorizing the City Manager to execute an agreement between the City of Mesa Police Department and the Arizona Department of Public Safety to provide assistance to victims of crimes – Resolution No. 7858.
- h. Authorizing a resolution to approve the 2025 Transportation Plan – Resolution No. 7866.

Bob Burns, 1514 N. Ashland, addressed the Council and voiced opposition to the Light Rail Transit project and incorporating the project in the Transportation Plan. He stated the opinion that light rail transit is not the right answer for the City and that the cost of the project is excessive. He commented on the deterioration of the economy since the planning process of this project began and also voiced opposition to the fact that the system alignment is planned through the middle of major arterial streets.

Former Councilmember Jim Davidson, 2542 E. Lynwood, addressed the Council and commented on the fact that staff is in the process of assembling a diverse group of citizens to comprise a new citizens' advisory committee, which the Council will be asked to approve, for the purpose of providing recommendations to the Council regarding implementation of the 2025 Transportation Plan.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Whalen, that Resolution No. 7866 be adopted.

Vice Mayor Kavanaugh voiced support for the 2025 Transportation Plan and commented on the extensive public process surrounding development of the Plan.

Councilmember Walters stated that although she does not agree with every element, she does support the Plan and appreciates the citizen input that the Plan represents.

Councilmember Whalen indicated support for the Plan and also stated support concerning formation of the new citizens' advisory group to provide recommendations concerning implementation of the Plan. He stressed the importance of addressing future transportation needs of the City and voiced the opinion that planning a multi-modal system is key to this process. He also discussed issues relative to the Light Rail Transit Project.

Councilmember Thom stated that although she appreciates all of the work that has gone into the development of the 2025 Transportation Plan, she does not support the plan due to its inclusion of the Light Rail Transit Project. She added that the majority of citizen input she has received concerning light rail has consisted of opposition. She voiced the opinion that the cost of the project is excessive and that it is in the best interests of the City to improve the City streets and bus transit systems prior to implementing any new transportation systems.

Councilmember Jones said that although he does not support every element in the Plan, he does support moving forward with it and considering each element as it arises.

Councilmember Griswold commended the work of the 2025 Transportation Subcommittee and said that although he too does not agree with every aspect of the plan, he supports moving forward with the Plan

Mayor Hawker voiced support for the Plan and particularly for the detailed maps, financial projections and other information incorporated into the Plan. He stated the opinion that it will be an excellent source of information for residents to be apprised of the various transportation improvements planned for the City and the timeframes. He also commented on the fact that the Plan has quantified the approximate financial shortfall associated with providing adequate transportation improvements in the future and he noted that the proposed citizens' advisory committee will be charged with addressing this issue. He commended Transportation Staff, the 2025 Transportation Subcommittee and the City's consultant for their work.

In response to a request from Councilmember Thom concerning voting on this issue, Ms. Spinner advised that pursuant to the City Charter, Councilmembers are required to vote on all issues except items they have declared a potential conflict of interest on.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Kavanaugh-Walters-Whalen
NAYS - Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 7866 adopted.

- *i. Authorizing the City Manager to execute an agreement between ATC and the City of Mesa to provide transit service – Resolution No. 7859.
- j. Consider adopting the Mesa 2025 General Plan and Land Use Map – Resolution No. 7867.

Planning Director Frank Mizner stated that the Council is being asked this evening to render decisions on a number of land use issues so that they can be included in the final version of the General Plan.

Mr. Mizner stated that the first parcel to be discussed, Item No. 1, is located on the southwest corner of Southern and Greenfield and said that the original General Plan showed this parcel as high-density residential with 15+ units per acre. Mr. Mizner explained that during the public open houses that were held, the neighbors were made aware of the land use designation and indicated their concerns regarding increased traffic, an over abundance of apartment units in the area and a variety of other issues. On June 6, 2002, the Council considered this case along with a number of other properties and voted to change the designation on this parcel to high-density residential with 10 to 15 units per acre rather than 15+ and that is what is reflected on the land use map at the current time. He added that one unresolved issue remains to be addressed, and said that at the current time the City owns a six-acre parcel of property that consists of narrow frontage on Southern Avenue, just east of the canal. He explained that the City uses the land to store street materials (gravel and asphalt that are used in street construction projects). He emphasized that the parcel is very narrow and has an awkward shape and therefore is of very little use to anyone else.

Mr. Mizner said that the options include maintaining the property in City ownership or declaring the property surplus. He noted that the City is in the process of having an appraisal performed on the property and added that an adjacent property owner has shown some interest in acquiring the parcel, which would then allow the owner to develop the overall property as one cohesive development. He informed the members of the Council that a representative of the Zietland family is present to respond to questions and provide additional information. Mr. Mizner stated that the only issue before the Council at this time is the appropriate designation for the City property.

Discussion ensued among the members of the Council relative to this agenda item.

It was moved by Mayor Hawker, seconded by Councilmember Walters, that the parcel currently under discussion be designated high density residential, with 10 to 15 dwelling units per acre.

Mayor Hawker added that once the parcel has been so designated, staff should pursue the possibility of developing it as a potential trailhead in the future and said that the property fits in well with the City's trailhead system.

Councilmember Walters stressed the importance of remaining consistent with the neighboring parcel and added that options are available should the City decide to pursue them.

Carried unanimously.

Mr. Mizner stated that Item No. 2 is the Hurley property and has been termed by staff as "The Hurley-Multipurpose Area Property," located at the corner of Dobson and 8th Street. He said that two separate issues exist, the first being that the Hurley property located east of the historic alignment of Dobson Road is designated mixed-use employment on the City's General Plan, a designation that the Hurley family has supported. He added that on April 19, 2002, the Hurley family requested that a portion of their property be designated mixed-use residential and indicated that they wanted to "keep their options open" for further development. Mr. Mizner informed the members of the Council that the request was not presented to the Planning and Zoning Board and has not been discussed at all. He added that residents in this area are very concerned about the possibility of a multi-purpose stadium being developed at this location and representatives of the Hurley family have submitted a second letter withdrawing their previous request. Mr. Mizner stated that the family is now comfortable with the mixed use employment designation that is currently shown on the land use plan and they simply want to reserve their right to come forward in the future with a General Plan amendment and a rezoning request based on a specific request and a specific land use.

Mr. Mizner said that the second part of the issue concerns the actual site of the multi-purpose facility and noted that the area is currently designated for parks. He asked the Council whether they would like to change part of that designation to public/semi-public to better accommodate the stadium in view of the fact that no definite decision has been made as to whether a stadium will actually be built at this location. He noted that designating the property public/semi-public would provide the flexibility to incorporate the multi-purpose facility without indicating that this is going to be developed for any type of private purpose, apartments, office, commercial or other similar projects. He added that the only "down side" of this designation is that it is somewhat inconsistent with the designation that has been granted on other municipal parks.

Discussion ensued among the members of the Council relative to this agenda item.

It was moved by Councilmember Whalen, seconded by Vice Mayor Kavanaugh, that the designation on the above referenced parcel be changed to public/semi-public, as recommended by Staff.

Additional discussion ensued relative to the fact that public/semi-public designation is intended to designate those areas that are owned and operated by public agencies; maintaining a "parks" designation and the fact that if during the next week the City and the Tourism & Sports Authority (TSA) do in fact enter into an agreement for the multi-purpose facility whether the "parks" designation would be appropriate for a facility of that size; and the fact that should the TSA decide that they are not comfortable with the "parks" designation, a General Plan Amendment process would have to occur to change it and the significant amount of time that would be required to complete that process.

Councilmember Walters asked whether the parcel could be split so that the area south of the site can be designated "park" and the site area designated public/semi-public. She said that her concern is she does not want to designate Riverview Park public/semi-public and prefers to designate the park and the lake as "park." She added that later on they could go back and change the designation through a General Plan Amendment and noted that if the stadium does not come to fruition, the actual site designation can then be changed back to the "park" designation.

Councilmember Whalen agreed to amend his motion to reflect Councilmember Walter's recommendation. Vice Mayor Kavanaugh seconded the amendment to the motion to reflect that the south half of the parcel will remain designated "park" and the north half will be designated "public/semi-public."

Carried unanimously.

Mr. Mizner stated that Item No. 3 is known as the LKY-Cardon-Steffey Property, the area north of Elliot Road, north of General Motors, between Ellsworth Road on the west and Signal Butte on the east and bordered by the existing power line corridor on the north. He noted that this property, which has been the subject of discussion by the members of the Joint Master Planning Committee, Planning and Zoning Board and at Council meetings, is currently designated as "business park" on the City's General Plan. He noted that because of a lack of funding, a previously discussed regional retention basin project that was to occur in conjunction with County Flood Control, has been dropped. Since the City does not have the funding to proceed with the project, staff has recommended that the City vacate any legal claim that the City has on this property and, in effect, absolve the owner of any obligation to provide this property for retention or parks.

Discussion ensued relative to current and potential future overflights from Williams Gateway Airport; letters received from the applicant requesting that the designation on the property be changed from "business park" to "medium density residential" along with a mixed-use residential component; the fact that the applicant is also proposing that an area be designated public/semi-public and that the property be identified as a potential "Little League" complex; and the differences between "business park," "light industrial" and "general industrial" designations.

Ralph Pew, 10 West Main Street, an attorney representing the applicant, addressed the Council relative to this agenda item. Mr. Pew requested that the Council adopt the City of Mesa General Plan as presented tonight with an amendment that includes the map that was presented by the applicant on June 19th. He noted that strong support exists for approval of this request and added that the plan contains a unique component that includes a donation of land and development costs to the Little League for improvements to the ball fields. He added that the plan has been designed to reflect "non-residential" uses on the north side of Elliot Road and said that the multi-use residential component is comprised of office and employment uses with some element of non-owner occupied multi-family residential. He stated the opinion that this will provide a "buffer" for the General Motor's property.

Mr. Pew added the opinion that the current "business park" designation is inappropriate and disproportionate to the needs of the City of Mesa. He added that he does not believe that the City has developed 640 acres of business park in its entire existence much less in the coming years and said that a significant amount of business park land already exists. Mr. Pew also noted that the project will preserve the "jobs to housing" ratio desired by the members of the Council and said that the site itself provides one job for every resident proposed in the medium density designation. He also commented on the issue of sales tax and stressed the importance of "housetops and people" to patronize retail uses in the southeastern portion of the City.

Discussion ensued relative to the fact that the plan designates the area as public/semi-public uses; the proposed development of a Little League baseball field consisting of a donation of the land to a semi-public entity and a contribution to finance the building of the structures; the fact

that the entire plan, from Ellsworth Road to Signal Butte, buffers the General Motor's property with non-residential uses except for the component of non-owner occupied high-density apartments that could be built on either end of the two-mile stretch; the fact that a wash serves as a natural boundary between multi-use residential and medium density to the north; and the fact that the Council ultimately decides what project is approved for this site.

Janet Bevins, 1634 West 7th Place, President of Arizona District No. 7 Big League Baseball, stated support for the proposal and stressed the importance of developing additional facilities for youth baseball programs. She urged the Council to vote in support of the applicant's request.

Larry Bookmaner, 1325 North Terripin, representing Red Mountain Little League, said that he has been involved in Little Leagues for 27 years and also spoke in support of approving this project. He noted that the League had 34 teams with only 3 fields to play on and said that games are frequently played in retention basins because nothing else is available. He requested Council support for this proposal.

Chester Petrosky, 2301 East University, District Administrator for District No. 7, said his league program includes over 12,000 youths and commented on the lack of facilities that are available for playing games. He asked the Council to approve the proposed amendment as requested by the applicant.

Tony Rowe, 901 North Granite Street, President of Superstition Little League also commented on the limited amount of fields that are available, irrigation problems that have been encountered, and the importance of approving the amendment and ensuring that additional fields will be built for use by the City's youths.

Rosa Lee Darby, 8012 East 2nd Avenue, the Player Agent for San Tan Little League, informed the Council that approximately 35 children recently had to be turned away and could not play on a League because of the unavailability of fields in the City. She urged the Council to support the proposal and provide the children an opportunity to participate in these worthwhile sporting events.

Mayor Hawker thanked the speakers for their comments and for expressing concerns regarding the lack of available parks for youth sports. He noted that the next City bond election will include items to purchase more land for this purpose and urged the citizens to vote on this important matter.

Councilmember Walters said that unfortunately she does not believe that it would be appropriate to render a decision on a land use designation based on her heart and support for youth sports/athletics. She added that although she is not fundamentally opposed to the land use, and is not at all opposed to the donation of land for the use of a Little League field, she is concerned that the proposed designation is premature for the property. Councilmember Walters commented that for this reason she will not support a change in the land use designation at this time.

Mayor Hawker stated support for allowing the current designation to remain in place but added that he would welcome this back as a zoning case. He added that there might be some areas in the far eastern portion of the property that could be designated residential because of current flight patterns and high flying planes. The Mayor said that he has tried to be steadfast in limiting

any type of residential development south of the power lines since his number one priority is improving the jobs to housing ratio. He commented that although in his opinion the power lines designate a nice, even border, he also agrees with other Councilmember comments regarding the fact that a business park developed along Ellsworth Road might serve as an appropriate buffer instead of simply drawing a "hard line" at the power lines. He added that the proposal does not provide him with the level of assurance and comfort he would like and he will not vote in support of the requested change.

Councilmember Whalen commented that although he likes the plan that was prepared by LKY, he would prefer that it come back as a zoning case with baseball fields. He emphasized the importance of preserving the integrity of the land use plan for the future of the City of Mesa. He added that should the developers be forced to sell the land, because of unforeseen financial problems in the future, there would be no guarantee for the City that what they proposed for the site will be built. He said that if the proposal comes back as a zoning case, he does not believe that it has to be all business park in the area and said that he would support some mixed-use that hopefully would include some baseball fields as well. He emphasized that the members of the City Council are fully committed to doing everything in their power to develop recreational fields in the City.

Vice Mayor Kavanaugh commented that he has been a zealous advocate of protecting General Motors and ensuring that this land remains zoned for business park and employment uses. He said that with the change in the General Motor's property to the south and the various plans that have been approved or designations that have been approved for General Motors, his view towards the property has changed. He indicated that he is willing to consider mixed-uses for this property. Vice Mayor Kavanaugh added that he does have some concerns regarding adequate buffering but said that he supports the recreational use that is being proposed. He commented that a number of issues remain to be worked out between the property owners and the City, particularly with regard to the flood control district. He stated that although he would have been willing to move for a change in designation, he will respect the wishes of a majority of the Council. Vice Mayor Kavanaugh added that he hopes that the Council will favorably consider the zoning case that will come back with the master plan.

Councilmember Jones said that he agrees with Vice Mayor Kavanaugh's comments. He stated that although he does not believe there are enough votes to support it, he could accept the land use change as it is now as well as the ball fields.

Mayor Hawker said that the Council will now move on to the next item for discussion.

Mr. Mizner stated that the next item in the Staff Report does not relate to a land use issue but rather to a policy in the housing element of the General Plan. He noted that Staff presented draft language for the narrative on the housing element as well as a draft policy at the June 6th meeting and added that the language and the plan were proposed by Teresa Brice-Heames and received the support of the Planning and Zoning Board. Mr. Mizner explained that the Mayor was concerned that the policy was too prescriptive and open to misinterpretation and therefore Staff from Planning, Neighborhood Services and the City Manager's Office developed alternative language (Policy H2-2C). He said that the revised language states: "*Identify the number of housing units in the City of Mesa removed due to development or other means and encourage new housing opportunities to meet the needs of those families that may be displaced.*" Mr. Mizner stated the opinion that the Mayor supports the revised language, which has been

incorporated into the current draft of the June 20th version of the General Plan that is currently before the Council for review. He said that no action is necessary as long as the Council is comfortable with the current language and encouraged anyone interested in revising the language to address the matter at this time. (There was no input received from the Council.)

Mr. Mizner advised that this concludes Staff's presentation and noted that the 60-day public comment period has been completed. He said that Staff has not yet received a Letter of Review from the Maricopa Association of Governments (MAG) although they have attended review meetings with MAG representatives. Mr. Mizner informed the Council that feedback from MAG regarding the General Plan has been extremely positive and they have indicated that the City has complied with Growing Smarter legislation and commended the City on its public outreach program. Mr. Mizner said that should the Council direct staff to prepare the final draft of the Plan and move forward with the election, there may be some minor changes to the narrative. He added that results of the 2000 census have been received and staff would like to incorporate new numbers into some of the tables included in the Plan. Mr. Mizner added that he will be happy to respond to any questions from the Council regarding his presentation.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, that the Mesa 2025 General Plan and Land Use Maps, as well as any modifications discussed at this meeting, be approved.

Carried unanimously.

- *k. Authorizing the City Manager to execute an amendment to the agreement between the Regional Public Transportation Authority and the City of Mesa for the operation of public transit – Resolution No. 7860.
- *l. Approving and authorizing the City Manager to execute an agreement between the City of Mesa and the Arizona Criminal Justice Commission for the funding of personnel, employee related expenses and operating expenses for the City Prosecutor's Office – Resolution No. 7861.
- *m. Authorizing the City Manager to execute an agreement between the City of Mesa Police Department and the DUI Abatement Council through the Governor's Office of Highway Safety – Resolution No. 7862.
- n. Approving and authorizing the City Manager to execute the Joint Powers Agreement, the Articles of Incorporation, and the Corporate By-Laws for the establishment of the Valley Light Rail Transit Project between the City of Mesa, the City of Phoenix, the City of Tempe, and the City of Glendale – Resolution No. 7868.

Assistant Development Services Manager Jeff Martin addressed the Council and stated that it is staff's recommendation that the City participate in the minimum operating segment of the Light Rail Transit (LRT) Project which will bring the project into the City 1.1 miles. He noted that participating in the minimum operating segment will provide access to the entire 20.3-mile system. Mr. Martin stated that the total cost of the proposed 1.1-mile segment in the City is projected at \$51.9 million and because this project has a 50% Federal match component, the City's projected cost would be approximately \$24.9 million.

Mr. Martin commented on an agreement with the City of Tempe, which provides that they will bear the cost of developing the system to the City's border. He noted that Tempe has indicated that if Mesa does not participate in the minimum operating segment at this time and later opts to tie in to the system, Mesa will be responsible for at least a portion of the costs associated with developing the system from McClintock Drive to the City's border, which is a 1.4 mile segment. He also reported that the City has an agreement with the City of Phoenix that would provide an advance to the City of \$4.5 million, which would be a loan of Federal SEMAC funds the City would have to repay in the future.

Assistant City Attorney II Ted Mariscal addressed the Council and reported that staff drafted replacement language for the revised *By-Laws of Valley Metro Rail, Inc.* (By-laws) and revised *Joint Powers Agreement For the Design, Construction and Operation of the Light Rail Transit Project* (Joint Powers Agreement), which addresses the concerns discussed by the Council during the preceding Study Session.

Mr. Mariscal outlined staff's proposed revisions, including a suggestion from Mayor Hawker, as follows:

Joint Powers Agreement, Section 7 (Withdrawal as Members) Replace this section with the following sentence: "*The parties have no right to withdraw except as provided in the By-Laws.*"

By-Laws Article X, Section 7 (Activities Prior to Receiving Federal Funding Commitment) Replace this section with the following sentence: "*Notwithstanding any other provision of these bylaws, no member is obligated to provide funds to the corporation for construction of the LRT until such time as a full funding grant agreement, or its equivalent, is executed that provides for federal funding to pay a minimum of 50% of the costs expended that are eligible for reimbursement.*"

In response to a question from Mayor Hawker, Mr. Mariscal advised that Mesa is the first City to execute these documents.

Discussion ensued regarding the fact that City Manager Mike Hutchinson will have authority to make minor modifications to the documents, and that he will seek Council approval concerning substantive changes.

Mayor Hawker voiced support for the proposed document amendments.

Mayor Hawker stated that Alex Finter indicated opposition to this item but does not wish to address the Council.

Councilmember Walters stated support for this item and voiced the opinion that it is wise to bear the costs associated with 1.1 miles of the system in order to maximize the benefits associated with the entire 20 mile system valued at approximately \$880 million. She discussed the fact that this project would not go to a public vote and noted that the costs associated with a public vote would be excessive.

It was moved by Councilmember Walters, seconded by Vice Mayor Kavanaugh, that Resolution No. 7868 be adopted (Approving and authorizing the City Manager to execute the Joint Powers

Agreement, the Articles of Incorporation, and the Corporate By-Laws, as amended, for the establishment of the Valley Light Rail Transit Project between the City of Mesa, the City of Phoenix, the City of Tempe, and the City of Glendale).

Vice Mayor Kavanaugh stated support for moving ahead with the initial segment of the Light Rail Transit project. He noted that Mesa voters would decide future segments of the system. He noted that the City has studied this regional project for approximately six years and added the opinion that it represents an excellent example of regional participation to address a common problem, that being traffic congestion and air quality. He also commented on the benefits associated with a significant investment of redevelopment funds in the West Mesa area and the benefits the system will provide residents with respect to providing a transit alternative to Tempe and Phoenix.

Councilmember Thom voiced opposition to the Light Rail Transit Project and stated that light rail systems are not profitable for cities. She also noted that although Federal funds would help finance the project, taxpayers are the initial source of funds. She said that she opposes the project due to concerns regarding the cost of the project, usage of the system and citizen opposition to the project.

Councilmember Whalen commented on the fact that the development of light rail systems historically results in economic development along transit corridors and concurred with Vice Mayor Kavanaugh's comments concerning the benefits West Mesa will derive from this project. He voiced support for the project and added that his support concerning the initial segment does not reflect support for extending the system into the Town Center area at this time. He stated the opinion that the City has negotiated an excellent agreement that provides maximum benefits to the City. He stressed the importance of providing improved transportation corridors in the future and commented on the possibility of gaining access to the Southern Pacific rail corridor to provide future access to the Williams Gateway area.

Councilmember Jones said that although he is not a proponent of light rail systems, he supports participating in the initial segment of this system due to the benefits associated with access to the entire system and the increased costs associated with linking to the system at a later date. He also commented on the fact that all transportation systems are subsidized in some manner.

Councilmember Griswold stated opposition to the Light Rail Transit Project and voiced the opinion that it is not an efficient, cost-effective method of mass transit. He also stated the opinion that light rail utilizes dated technology, operates at low speeds and encroaches on roadways. He added that he supports utilizing transit funds to improve bus systems and also commented on the possibility of exploring high-speed commuter rail.

Mayor Hawker voiced support for participating in the initial segment of this project. He commented on the projected future population growth of the region, stressed the importance of developing regional transportation systems and noted that the previous half-cent sales tax measure resulted in development of the regional freeway system. He also commented on the fact that development of the transit corridor provides the opportunity to update the transit system and incorporate improved technology in the future through the existing developed corridor. He added the opinion that it is wise to link to the system at this time and that the cost of linking to the system in the future will be excessive. He discussed the significant considerations the City must address with respect to the possibility of expanding the initial system in the future and the

evaluation of alternative modes of mass transit and noted that the proposed citizens' advisory committee will play a significant role in this regard.

Upon tabulation of votes, it showed:

AYES - Hawker-Jones-Kavanaugh-Walters-Whalen
NAYS - Griswold-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 7868 adopted.

10. Consider adopting A Notice of Intention to establish and update Development Impact Fees and to set September 9, 2002 as the date for the Public hearing.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Griswold, that a Notice of Intention to establish and update Development Impact Fees and setting September 9, 2002 as the date for the public hearing, be adopted.

Carried unanimously.

*11. Consider authorizing the City Manager to enter into an agreement with the Mesa Convention & Visitors Bureau to continue promoting tourism and convention business in Mesa.

12. Consider the proposed acquisition of property for a West Mesa Parks and Recreation Complex in the 2200 block of North Center Street.

Councilmember Whalen declared a potential conflict of interest and refrained from discussion/participation in this item.

It was moved by Councilmember Walters, seconded by Councilmember Jones, that the proposed acquisition of property for the West Mesa Parks and Recreation Complex in the 2200 block of North Center Street, be approved.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Kavanaugh-Thom-Walters
NAYS - None
ABSTAIN - Whalen

Mayor Hawker declared the motion carried unanimously by those voting.

13. Consider the following recommendations from the Fire Committee:

- a. Releasing a request for proposal (including the evaluation and recommendation for a proposed partner) for the proposed emergency transportation partnership.

Vice Mayor Kavanaugh provided an historical overview concerning this item and the Fire Committee's direction to the Fire Department to explore alternative methods of providing ambulance transport services in the City. He added that the Fire Committee unanimously

approved moving forward with releasing a request for proposals as outlined by the Fire Department.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Whalen, that the recommendations from the Fire Committee and the Fire Department to issue a request for proposals for the proposed emergency transportation partnership be approved.

In response to questions from Mayor Hawker, Assistant Fire Chief Gary Bradbury explained that the Department's goal is to implement a partnership relationship with an emergency transport provider and become more involved in the administrative and operational aspects of providing emergency transportation services, which would include housing and deploying emergency transportation services from existing fire facilities and also sharing in the operation of that business.

In response to a question from Mayor Hawker concerning sufficient capacity at stations to expand operations, Fire Chief Dennis Compton explained that newer fire stations have sufficient capacity, which was designed to accommodate expansion. He added that minor modifications at older stations would accommodate any expansion needed and noted that not all stations would be impacted.

In response to additional questions from Mayor Hawker, Chief Compton explained that the partnership relationship the Department is pursuing in connection with this proposal would incorporate continued basic ambulance service provided by a private provider with peak-time service provided by Fire staff. Chief Compton outlined various benefits associated with this type of a partnership including the decreased reliance on private providers to provide emergency transportation services in the City and the reduced risks associated with failure of the contractor to provide service. He outlined what the Department envisions as far as responsibilities of the private provider and the Fire Department and noted that numerous elements of this partnership concept will depend on the responses received from the request for proposals.

Mayor Hawker commented on his historical support concerning privatization of services and voiced concerns regarding increasing City services.

In response to Mayor Hawker's stated concerns, Chief Compton stated that the proposed partnership concept would strengthen the system from a standpoint of service delivery, customer service and minimizing the impacts associated with private provider failures in providing consistent service.

Discussion ensued regarding the various business aspects of providing ambulance service and the fact that this proposal is a result of the Fire Committee's previous direction to staff to explore alternative methods of providing emergency transportation service in the City and the fact that most large cities provide emergency transportation service.

In response to a question from Councilmember Thom, Chief Compton stated that it is his opinion that the City's current contractor will be interested in exploring a partnership concept with the City. He added that the strength of this proposal is that it would provide for a partnership, which would strengthen the emergency system and allow for shared expenses and revenues.

Upon tabulation of votes, it showed:

AYES - Griswold-Jones-Kavanaugh-Walters-Whalen
NAYS - Hawker-Thom

Mayor Hawker declared the motion carried by majority vote.

- b. Extending the current emergency transportation contract for up to one additional year (through February 28, 2004).

It was moved by Councilmember Kavanaugh, seconded by Councilmember Walters, that the recommendations of the Fire Committee to extend the current emergency transportation contract for up to one additional year (through February 28, 2004), be approved.

Carried unanimously.

*14. Consider entering into an agreement with the Greater Phoenix Economic Council (GPEC) for Fiscal Year 2002/2003 at a cost of \$173,060.00.

15. Election items.

Mayor Hawker stated that the Council will discuss proceeding with the Multipurpose Facility Project at the June 27, 2002 Study Session and noted that if the Council elects to proceed, the election concerning this issue would be held on September 10, 2002.

City Attorney Debbie Spinner stated that the City would begin to incur County election expenses after Friday, June 28, 2002.

16. Items from citizens present.

There were no items from citizens present.

17. Adjournment.

Without objection, the Regular Council Meeting adjourned at 10:01 p.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, CITY CLERK

Regular Council Meeting
June 24, 2002
Page 23

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 24th day of June 2002. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

Attachments
pjt