

Study Session  
October 23, 2003



## COUNCIL MINUTES

October 23, 2003

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 October 23, 2003 at 7:32 a.m.

### COUNCIL PRESENT

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

### COUNCIL ABSENT

Mike Whalen

### STAFF PRESENT

Mike Hutchinson  
Debbie Spinner  
Barbara Jones  
Debra Dollar

(Mayor Hawker excused Councilmember Whalen from the meeting.)

### 1. Review items on the agenda for the October 27, 2003 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest declared: 8.i (Walters)

Items removed from the consent agenda: None

Items added to the consent agenda: None

### 2. Discuss and consider potential changes to the Mesa City Charter to be placed on the March 9, 2004 Primary Election Ballot.

#### a. Previously discussed changes.

Special Assistant to the Mayor/City Manager Eric Norenberg addressed the Council and noted that the Council Report focuses on earlier concerns expressed by the Council relative to the crowding of the ballot and the number of issues that can be placed on the ballot. He advised that staff prepared a mock ballot and as a result of that activity, staff determined that the ten proposed items would not fit on the ballot. Mr. Norenberg noted that staff recommends that five of the ten issues be included on the ballot.

City Clerk Barbara Jones indicated her intention to clarify the mock ballot provided to the Council. She advised that the City contracts with Maricopa County for all ballot tabulation

services and the largest ballot that can be processed by the optical scanning equipment is a single page, double-sided, three-column ballot. Ms. Jones noted that ballot items requiring a "yes" or "no" vote have a condensed description (a tag line), but the complete description (official title and descriptive title) will be posted in the voting booth as a separate document.

Discussion ensued relative to the fact that the number of items that can be placed on a ballot is restricted due to the equipment capabilities and that Maricopa County is the responsible entity for election equipment.

In response to questions from Councilmember Thom, Ms. Jones advised that the Federal government provides funding for new, electronic equipment and stated that a special election could be held in May and that the potential existed for a runoff election in May. She noted that the transportation issue may be on the calendar for May, but said that has yet to be determined. Ms. Jones added that an election planned for May 18, 2004 would have to be called in January.

Mayor Hawker requested that staff provide information to the Council relative to the costs required to include the remaining Charter changes on the ballot of a May election.

Further discussion ensued relative to the fact that the possibility exists to add Charter changes to the September and November 2004 election ballots; that the preferred timing for Charter changes is in a regular City election cycle; and that although paper ballots and punch cards have the capacity to include many more items, the Federal government is providing funds to counties to eliminate these types of ballots.

Mr. Norenberg stated that if Maricopa County decides to place an item on the ballot, the City would only be able to include four issues on the ballot. He noted that the Council Report lists the five issues determined by staff to be priority items. Mr. Norenberg added that all of the ordinances have been drafted for introduction at the October 27th Council meeting, but on November 3rd only those ordinances that can be placed on the ballot would be adopted. Mr. Norenberg advised that staff would like direction from the Council to establish the priority of the ballot items in the event one of the five has to be omitted due to the addition of a County item.

Additional discussion ensued regarding the priority of ballot items and a consensus of the Council agreed that items 1, 2, 3 and 5, as listed in the Council Report (see Attachment 1), would move forward for introduction on Monday, October 27th, and the remaining six items would be brought forward for a future election.

- b. Request from the Fraternal Order of Police regarding elimination of the Charter prohibition against collective bargaining.

City Manager Mike Hutchinson noted that the Council received a request from the Fraternal Order of Police (FOP) to consider a Charter amendment that would remove the language prohibiting collective bargaining. He stated that background material provided to the Council outlines the actions required to implement the change following approval by the electorate; information on how this change would comply with Federal and State Statutes; and a copy of an ordinance adopted by the City of Tempe several years ago.

Discussion ensued relative to the fact that if the Council wished to pursue this request for inclusion on the March 2004 ballot, one of the proposed Charter amendments discussed in the

previous agenda item would have to be omitted; that the publication timeline would be difficult to accomplish; and that this item could be considered for placement on a future ballot.

Mayor Hawker stated that he was not in favor of collective bargaining in general and that this proposed Charter change should be subject to the same Council scrutiny as other proposed Charter amendments. He noted that bargaining by subgroups of the workforce could be divisive in that individual loyalty may be directed to the subgroup rather than the municipality as a whole.

Vice Mayor Kavanaugh noted that the Mesa Charter provision is very unusual, as most cities do not prohibit collective bargaining, and he expressed the opinion that the subject was worthy of discussion by the Council. He noted that the process of collective bargaining could be a positive experience for all parties, and he expressed support for providing the electorate with the opportunity to remove the language from the Charter.

Councilmember Jones stated he was in favor of discussing the issue, but noted that he would not support placing this item on a ballot as a Charter amendment.

Mr. Hutchinson stated that procedures are in place to enable groups of employees to meet with the City Manager and staff, and added that he has met with Police and Fire Department employees to exchange views and ideas. He clarified that the discussions were an informal process, and he emphasized that staff listened to the employees and negotiations were not conducted.

Ms. Jones advised that the publication of the ordinances was scheduled for Saturday, October 25th, and that there was insufficient time to add an additional item.

Councilmember Walters expressed concern regarding possible City employee factionalism as a result of collective bargaining, but suggested that the Council be provided additional information regarding the impact on the organization and the community.

Mayor Hawker requested that a study session on collective bargaining be scheduled for the future.

### 3. Discuss and consider the proposed March 2004 Bond Election Program.

City Manager Mike Hutchinson addressed the Council and stated that bond elections are very important to the community in terms of infrastructure and quality of life.

Capital Improvement Project Administrator Anthony Araza reported that on October 3rd, the Finance Committee approved moving forward with the 2004 Bond Election Program recommendations for consideration by the full Council. He stated that the proposal is a bare bones approach to capital needs in Mesa. Mr. Araza added that the projects meet the City's mission to provide the necessary capital infrastructure to maintain and improve essential services. He advised that the program addresses the City's highest prioritized capital infrastructure projects for the next two years, and some with cash flow into the third year. Mr. Araza referred to the list of capital projects on page 2 of the Council Report, and noted that 75% of the total \$321,680,000 Bond Proposal is earmarked for utility programs. He stated he would review each of the eight bond categories.

- Gas System – Program #9300

- Replacement of aging gas lines in neighborhoods and mobile home parks and installing new gas lines.
- Security improvements.
- Water System – Program #9400
  - Remediation of arsenic contaminated wells.
  - Security enhancements at water production facilities.
  - Replace aging water lines in subdivisions.
  - Construct a water storage reservoir in East Mesa for that growing area.
  - Projects to increase flow between various water zones.
- Wastewater Program - #9500
  - Accounts for 45% of the total 2004 Bond Program.
  - Expansion of the South Water Reclamation Plant (a joint project with Queen Creek and Gilbert, accounts for 45% of the Wastewater bond category). Mr. Araza stated that the project cost has increased since the presentation to the Finance Committee due to the fact that the anticipated sale proceeds from Langley Ranch have not been included. He noted that staff could not determine if the proceeds of the sale would be available at the time the project expenditures would be required. Mr. Araza added that when the sale was completed, the funds would be credited back to the Wastewater Program.

Mr. Hutchinson noted that in the near future, the Council would be briefed relative to progress regarding the sale of Langley Ranch.

Mr. Araza continued his presentation on the Wastewater Program:

- Replacement of aging infrastructures and diversion structures in older areas.
- Yearly City share with Sub Regional Operating Group (SROG).
- Neighborhood and Street Flood Control Program - #9550
  - A cost share of a County flood control project in Southeast Mesa.
- Emergency Fire Protection and Medical Response Program - #9600
  - Convert Station 201 and consolidate the City's Emergency Operations Center.
  - Move Fire Administration from a leased building to the remodeled Station 201.

Vice Mayor Kavanaugh noted that he and Councilmember Jones had visited the state-of-the-art emergency center in Burnaby, British Columbia, that was constructed with a high degree of protection. He questioned how a high level of protection could be accomplished with a remodel to the station.

Mr. Hutchinson responded that the Emergency Operations Center would be new construction rather than a remodel.

In response to a series of questions from Councilmembers regarding the Emergency Operations Center, Assistant Fire Chief Bob DeLeon stated several factors were being considered relative to how Station 201 would be rebuilt and a new building would be constructed that would include the Emergency Operations Center and enhanced technology. He added that plans are in place to save some of the historical aspects of Station 201, including the fire pole.

Discussion ensued relative to the fact that the new building will increase the space available and incorporate new technology; that protection of the communications center is a high priority item; that

there should be a very good reason for placing the Emergency Operations Center at the proposed site; that modular equipment, unique to the function of the Emergency Operations Center, would be bolted down and therefore, was designated as capital equipment; and that further reports would be provided to Council prior to any action taking place.

- Public Safety Program - #9650

Mr. Araza stated that Public Safety would be addressed later.

- Parks, Open Space and Recreational Program - #9750

Mr. Araza advised that the bond proposal is primarily for the acquisition of parkland in West and East Mesa.

In response to a question from Councilmember Walters, Mr. Hutchinson stated that a bond election in 2006 would include funds to outfit and develop the parkland acquired in the 2004 bond election.

Mayor Hawker commented that voters did not completely understand the components of the last bond election, and that an opportunity may exist to purchase remnant parcels along the freeway and trade those parcels for parkland.

- Transportation Program - #9800
  - Transportation projects to leverage Federal funds or joint projects funds with the County or other communities for projects in Mesa.
  - Reconstruction of aging streets Citywide.
  - Cost participation on street improvements with new development.

Discussion ensued relative to the fact that the funds proposed are insufficient to meet current needs for arterial and residential reconstruction, but are a stopgap to deal with priority issues; that the City was not buying back property that had been previously sold; and that when the City and County cost-share on a road project, an intergovernmental agreement is entered into to take the road into the City.

- Public Safety - #9650
  - Technical Services Building
  - New City Court Building

Mr. Hutchinson noted that the plans for Public Safety buildings have changed since the presentation to the Finance Committee. He referred to the aerial maps provided to the Council and stated that the proposed new Court building was listed as Site 7, the redevelopment site, consisting of 1.8 acres of land between Hibbert and Pomeroy on the south side of the Pomeroy garage. Mr. Hutchinson stated that the costs were not finalized.

In response to Mayor Hawker's question, Mr. Hutchinson advised that a phased expansion of the proposed court building would be able to serve Mesa at the population build out of 650,000 to 700,000 people. He noted that the proposed building would not be operational until approximately 2007.

Discussion ensued relative to the fact that the parking garage could not accommodate additional floors for parking; that there is one level of underground parking; that the parking should be adequate to accommodate the phased courtroom expansion; and that the proposed location for the new court building was consistent with the future alignment of the Light Rail System.

In response to a series of questions from Mayor Hawker, City Engineer Keith Nath advised that staff has planned for the long-term needs with an initial phase of 15 courtrooms that could be expanded to 29 courtrooms in the future. He noted that the original plan was to expand the existing 9 courtrooms to 12 courtrooms. Mr. Nath stated that staff has completed a preliminary analysis on the cost to construct a new court building and the cost to remodel the existing court to accommodate police-related operations.

Mr. Hutchinson confirmed that the Council would be provided detailed costs for the proposal prior to the bond election.

Mayor Hawker stated that the City of Mesa is at the point where the ultimate build can be predicted and if the proposed site cannot accommodate the future requirements, a different site should be located.

Councilmember Griswold noted that he had similar questions regarding the size of the Mesa Police Department when the population totals 640,000. He asked if the requirements of the Police Department would be met for the next ten years by taking over the existing court building.

Mr. Hutchinson noted that the recent presentation to the Finance Committee proposed placing the crime lab in the court building, but further investigation determined that the structure of the court building was not suitable for sensitive crime lab related equipment and the necessary structural changes would be too expensive. He stated that the current plan before the Council proposes to build a crime lab, or "technical services building," between the court and the parking structure. Mr. Hutchinson added that the current court building could be used for expansion of police-related operations, and he expressed the opinion that this plan would eliminate the need to expand the central substation and the parking structure. He stated that the initial review of the plans indicates some additional expense would be incurred, but he noted that the plan enables the City to size the facilities to meet the City's requirements for the next ten years. He advised that staff would be preparing a cost analysis that will be available to the Council in a few days.

Crime Laboratory Administrator Jon Kokanovich stated that the proposed project was the correct approach for the City, the neighbors, the citizens and the Police Department.

Councilmember Walters expressed concern that the proposed plan for a court building meets the City's requirements for ten years rather than meeting the requirements at build out. She also asked how staff determined that 29 courtrooms would be necessary in the future.

Presiding City Magistrate Jose Tafoya reported that the City of Phoenix has a state-of-the-art, user-friendly court building with approximately 30 courtrooms and 30 counter windows to serve the public. He stated that the City of Mesa is in dire need of a court building, and he expressed the opinion that the current proposal is close to being an ultimate plan. Judge Tafoya advised that the original proposal to add two floors to the existing court building at a cost of \$9 million would not meet the needs of the City of Mesa. He added that the jail court facility is in poor condition. Judge Tafoya emphasized the importance of the relationship of the court with the Police Department and the crime lab. He noted that the number of court cases increase relative to increases in the size of the Police Department. Judge Tafoya also recalled the history of the Phoenix crime lab's loss of credibility, and he explained how that situation resulted in delays in the processing of approximately 10,000 cases through the Phoenix court system. He noted that the present proposal was the result of a serious and extensive study by staff.

Mr. Hutchinson stated that predicting the court requirements for the next 25 years was difficult, but based on the present capacity of Phoenix with 30 courtrooms to serve a population of 1.3 million, the proposed plan appears reasonable.

Mr. Araza advised that the presentation on the 2004 Bond Program was concluded, but he noted that the Council Report includes the subject of capital improvements for the Mesa Centennial Center that did not qualify for the financially restricted capital list for the 2004 Bond Program. He stated that capital improvements are needed to address safety and ADA issues.

Discussion ensued relative to the bond election and the fact that the Operations & Maintenance (O&M) cost projection is \$5.5 million; that the O&M cost was primarily for the wastewater treatment plant; that the costs are staggered over the life of the facility and timing depended on when the new facility became operational; that staff is working on an Intergovernmental Agreement (IGA) with the Towns of Gilbert and Queen Creek to refine the costs for the South Water Reclamation Plant based on the level of use; and that a large amount of the payment for the capital infrastructure will come from the Langley Ranch proceeds.

In response to Mayor Hawker's question regarding the impact of the anticipated \$321 million bond sale on the City of Mesa's indebtedness, Financial Services Director Larry Woolf advised that the City's current outstanding debt was approximately \$700 million and with the sale of \$300 million, the total will be approximately \$1 billion. He noted that the debt per capita ratio is approximately \$1,700, and compared to other cities in the State, Mesa falls approximately in the middle. Mr. Woolf noted that the Council Report indicates that \$68 million would be sold this year, \$129 million in 2004/2005 and \$139 million in 2005/2006.

In response to a series of questions from Mayor Hawker, Mr. Woolf advised that a debt valley would be maintained for the next few years in the short term until the Finance Committee determines methods of paying for operations and the debt of the City; that in the long term the structure of the bonds would level out, with the bulk of the maturities in the 19<sup>th</sup> and 20<sup>th</sup> years; that the average life of the bonds issued by the City have been 15 to 17 years, and that life span is expected to continue; that revenue bonds sold today would be at approximately the 4% level; that the City will eventually have \$100 million a year in debt service; and that there will be a large number of needs for the 2006 bond election.

Mr. Woolf responded to questions from Councilmember Walters regarding the relationship of the bonds to the sale of Langley Ranch by stating that the primary issue was timing. He advised that when the contract is awarded, the funds must be available in order to move forward. Mr. Woolf noted that when the proceeds of the Langley Ranch sale are available, new projects could be completed or the proceeds could be used to pay down some of the principal. He also confirmed that if proceeds from the sale were available at the proper time, the City would have the option of not selling the bonds.

In response to questions from Councilmember Thom, Mr. Woolf explained that utility bonds are revenue bonds and that the street bonds will be Highway User Revenue Fund (HURF) bonds.

Deputy City Manager Debra Dollar advised that the restrictions on the 2004 Bond Program excluded the bonding of renovations for the Mesa Centennial Center. She reported that staff is exploring partnership opportunities with Mesa Community College and the college may have an interest in the Rendezvous Center. Ms. Dollar added that staff has been working with the Sheraton Hotel, which is soon to be a Marriott property. She noted that during the original negotiations, the hotel expressed concern regarding the Center's current condition as well as the City's plans for the Center. Ms. Dollar said that Marriott personnel have not provided City staff with input regarding renovations to the

Centennial Center as the current focus is on renovations to the hotel. She stated that the information in the Council Report addresses the safety and ADA issues.

Discussion ensued relative to the fact that the Americans with Disabilities Act (ADA) compliance issues would cost almost \$1 million; that the original cost to build Centennial Hall and the Amphitheater in 1978 was \$2 to \$2.5 million; that building separate ADA compliant restrooms might be more cost effective; that the other ADA issues included in the \$1 million are Telecommunications Devices for the Deaf (TDD) phones, drinking fountains, door hardware, and staging risers; and that these renovations will not be included in the bond election.

Deputy City Attorney Joe Padilla advised that the requirement to comply with ADA standards is triggered by remodeling a structure or building a new structure. He stated that Centennial Center is presently in compliance due to the fact that no renovations have been implemented.

Further discussion ensued relative to the fact that the City is not insensitive to people with mobility issues; that the City implements interim improvements to respond to citizen concerns with the limited funds that are available; that remodeling to implement critical improvements would cost approximately \$5 million and a complete renovation would cost approximately \$18 million; that the Finance Committee should review this project in the context of the overall financing package for the City; that staff recommends that Centennial Center improvements not be placed on the 2004 bond election ballot; and that spending money on ADA improvements could be a waste of money if long-term planning determines that building a new facility may be more economical than trying to renovate the older facility.

Mayor Hawker noted that the flood control bonds did not pass, but he requested that staff provide a map of the flood control projects to determine where there is a benefit to Mesa to participate in certain projects and the amount of the cost share.

Mayor Hawker asked if the Councilmembers were in agreement to move the bond election proposals forward and, by consensus, the Council agreed to place the bond election proposal on the November 3, 2003 City Council Agenda.

4. Acknowledge receipt of minutes of boards and committees.

- a. Economic Development Advisory Board meeting held September 9, 2003.
- b. Finance Committee meeting held October 3, 2003.
- c. Historic Preservation Committee meeting held September 11, 2003.
- d. Human Relations Advisory Board meeting held August 20, 2003.

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

Discussion ensued relative to the fact that designation of a property as a historic site with the National Register could be proposed without the owner's knowledge, and that the Council would like additional information from staff and the Historic Preservation Committee regarding the general process and specifically, whether the owner of the Buckhorn Baths Motel was notified of the nomination.

Mayor Hawker declared the motion carried unanimously by those present.

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

The following members of the Council provided brief updates on various meetings/conferences they attended as follows:

Councilmember Walters	National League of Cities Community and Economic Development Steering Committee
Councilmember Griswold	Williams Gateway Authority Meeting Salt River Tribe presentation of a \$48,000 grant to Mesa Public Schools

6. Scheduling of meetings and general information.

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

Thursday, October 23, 2003, TBA - Executive Session

Monday, October 27, 2003, TBA – Study Session

Monday, October 27, 2003, 5:45 p.m. – Regular Council Meeting

Thursday, October 30, 2003, 7:30 a.m. – Study Session

Thursday, October 30, 2003, 9:30 a.m. – Fire Committee Meeting

7. Prescheduled public opinion appearances.

Bill Everson, 3737 E. Hopi Avenue, representing the Mesa Fraternal Order of Police, advised that he wished to address the Council regarding Item 2.b. on the agenda. He expressed disappointment that the collective bargaining issue would not be placed on the agenda for Monday, November 3rd, but added that he was encouraged by the Council's willingness to discuss the subject.

Bryan Soller, 4953 E. Princess Drive, also representing the Mesa Fraternal Order of Police, expressed support for elimination of the Charter language prohibiting collective bargaining. He added that the "meet and confer" process would be a good change for public safety personnel.

8. Items from citizens present.

There were no items from citizens present.

9. Adjournment.

Without objection, the Study Session adjourned at 9:34 a.m.

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KENO HAWKER, MAYOR

ATTEST:

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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 23<sup>rd</sup> day of October 2003. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

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Attachment

## City Council Report

**Date:** October 17, 2003  
**To:** City Council  
**Through:** Mike Hutchinson  
**From:** Eric Norenberg  
**Subject:** Potential Changes to Mesa City Charter  
Citywide Issue

### Purpose and Recommendation

The purpose of this report is to review the proposed ordinances to place possible changes to the Charter on the March 9 ballot. The attached ordinance is the result of discussion about potential changes to the Mesa City Charter at the Study Session on October 16. This ordinance will need to be introduced at the October 27 City Council meeting and approved at the November 3 Council meeting.

### Discussion

During the discussion concerning potential changes to the Charter on October 16, a number of decisions were made regarding which changes to place on the March 9 ballot. The following pages review each of the revised potential changes that were agreed to on October 16. The corresponding ordinance to be introduced at the Monday, October 27 City Council meeting is Attachment 1.

In addition, staff prepared a mock-up of the possible March ballot to see how the variety of Charter questions will fit with the other issues that could be on the ballot. This mockup is attached.

It appears that, based on this mock-up of the ballot, there would not be room for all of the possible changes that have been discussed in recent weeks. Accordingly, the following priority is recommended for placing charter amendments on the ballot:

1. Section 609 - New Procurement Section: This issue is a priority because the measure will enable the City to operate in a more business-friendly manner, utilizing current technology and following modern purchasing practices. The language remains substantially similar to the version drafted by the freeholders in 1967.
2. Section 903(B) - Charter Amendments - Election: This issue is important because this change will provide an additional 30-day period for the public to submit ballot arguments regarding potential changes to the Charter.
3. Section 211 (E) - Ordinances in General - This change will give the City the option to publish legal notices on one of two days of the week, designated by the Council. This is important to keep time-sensitive activities, such as

rezoning cases on track through the approval process in the event of publishing problems.

4. Section 201 (A) - City Council Composition: This change would allow a Councilmember to serve out his/her term if redistricted out of his/her district. While this is a significant change, it could wait until a future Citywide election as redistricting will not take place until after the 2010 Census.
5. Section 201(B) - City Council Eligibility: This change would reduce the residency requirements from two years to residency at the time of nomination. This change was agreed to by the City Council on October 16, in part, to address issues that could arise because of redistricting. While this change could be put forward independent of the change to Section 201(A), these two issues have been intertwined in the discussion and both could possibly be tabled for a future Citywide election.

The following items could be removed from consideration until a future Citywide election to allow for other City and County issues to have priority.

6. Section 401 - Conforming text regarding the City Magistrate with State law
7. Section 701 - Changing absentee voting to early voting
8. Section 403 - Changing Personnel Director to Human Resources Director
9. Section 404 - Changing Personnel Director to Human Resources Director
10. Section 405 - Changing Planning Department to Planning Division

**POSSIBLE CHARTER AMENDMENTS**  
**(revised after 10/16/03 discussion, and in recommended priority order)**

**Section 609: Competitive Bidding and Quotations**

**Section 609 ~~Competitive Bidding and Quotations~~ Procurement**

(A) INFORMAL BIDDING OR QUOTATIONS. The Manager shall obtain, when available, three(3) sealed informal competitive bids or quotations for purchase of tangible personal property or insurance between one thousand dollars (\$1,000) and ten thousand dollars (\$10,000). Bids or quotations shall be opened at a time and place designated in the request therefore.

(B) FORMAL BIDDING. For purchases of tangible personal property or insurance in excess of ten thousand dollars (\$10,000), the Council shall receive sealed bids after publication of an invitation therefore. Bids shall be opened in public at a time and place designated in the invitation for bids.

(C) ACCEPTANCE OF BIDS OR QUOTATIONS. The Council shall accept those bids or quotations which appear to be in the best interest of the City, or all bids may be rejected. (Amd. Charter Election 3-30-76)