



COUNCIL MINUTES

November 1, 2012

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on November 1, 2012 at 7:33 a.m.

COUNCIL PRESENT

Scott Smith
Alex Finter
Christopher Glover
Dina Higgins
Dave Richins
Scott Somers

COUNCIL ABSENT

Dennis Kavanaugh

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Linda Crocker

Mayor Smith excused Councilmember Kavanaugh from the entire meeting.

1. Review items on the agenda for the November 5, 2012 Regular Council meeting.

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

Conflict of interest: None

Items removed from the agenda: 4-a

Items deleted from the agenda: 8-c

2-a. Hear a presentation, discuss and provide direction on the Gilbert Road Light Rail Extension Project.

Transit Project Manager Jodi Sorrell introduced Wulf Grote, Director of Planning and Development for Valley METRO, and Ben Limmer, Planning Manager for Valley METRO, who were prepared to address the Council.

Mr. Limmer displayed a PowerPoint presentation (**See Attachment 1**) and reported that in 2009, the Central Mesa Alternatives Analysis recommended extending light rail to Gilbert Road. He explained that last year, the City of Mesa requested that Valley METRO conduct a Feasibility

Study to evaluate such a recommendation, which included considering various alternatives and future ridership patterns. He noted that in June of this year, the Feasibility Study was completed and said that Valley METRO subsequently initiated the Environmental Assessment (EA) document, which is required for any transit project utilizing Federal funds.

Mr. Limmer displayed a map illustrating the Gilbert Road Study Area (See Page 3 of Attachment 1) and discussed various factors that were considered in the planning study. (See Page 4 of Attachment 1) He stated, for instance, that the analysis included items such as roadway configuration options, station locations, cost estimates and engineering design.

Mr. Limmer also highlighted the major issues being considered and analyzed in conjunction with the EA. (See Page 5 of Attachment 1) He noted that it was anticipated that such an assessment would be completed late next summer. Mr. Limmer added that obtaining environmental clearance was a key step in the process since it allows the project team to commence utility relocation activities and right-of-way acquisition.

Mr. Limmer advised that the planning study began with 13 design options, of which three alternatives advanced into the EA. He briefly highlighted the three alternatives as follows:

- 4-Lane Option includes a center-running light rail with two through-lanes of vehicle traffic on each side of the street. The bike lane remains and all of the 200-plus on-street parking spaces would be removed. Certain right-of-way acquisition is required, particularly at the station locations and traffic intersections. (See Page 7 of Attachment 1)
- 2-Lane Option consists of a center-running light rail and one through-lane of vehicle traffic on each side of the street. The bike lane is retained and 100 on-street parking spaces are eliminated. Less right-of-way acquisition is required as compared to the 4-Lane Option. (See Page 8 of Attachment 1)
- Roundabouts on Main Street at selected locations (i.e., Horne, Miller, Lazona, Harris and South Williams). This option could potentially mitigate traffic impacts from the installation of a center-running light rail by improving access to the neighborhoods and businesses adjacent to the alignment. The roundabouts would include pedestrian signals on Main Street, traffic signals to control the light rail when it is active, and gates for safety between the light rail and vehicle traffic. (See Page 9 of Attachment 1)

Discussion ensued relative to the fact that roundabouts create fewer traffic delays and crashes (as compared to a typical intersection), offer increased efficiency for vehicles to reach businesses on the opposite side of the light rail line, allow a vehicle to facilitate a left turn with fewer delays (as opposed to a fully-protected left-turn arrow), and that such an option would require five fewer traffic signals; that roundabouts require more space, resulting in a greater amount of right-of-way acquisition; and that staff is currently evaluating how to mitigate against such impacts on existing businesses.

Mr. Limmer continued with the presentation and displayed a document titled "Factors to Consider" (See Page 10 of Attachment 1), which illustrates a series of project elements that Valley METRO is considering with respect to the three alternatives. He explained that regarding potential building conflicts, the 4-Lane Option could impact four buildings to accommodate the light rail station in order to maintain the lane configuration. He said that Valley METRO was working with City staff to possibly modify certain station locations.

City Manager Christopher Brady clarified that some buildings located at major intersections are situated close to the road (i.e., Stapley and Main) and yet just to the east is ample space for parking. He reiterated that staff was working with Valley METRO to consider other options with respect to station locations in order to address such concerns. Mr. Brady emphasized that it is the City's goal that those businesses "thrive and survive" light rail construction. He added that he was confident the parties would be able to reach a compromise in this regard.

Mayor Smith restated that if the location of a station were moved a certain number of feet, the property conflicts would be eliminated. He noted, however, that by moving a station, it would be necessary to consider whether a conflict would be created with the station and the bus routes.

Mr. Brady referenced the document titled "Factors to Consider" and commented that with respect to the average traffic volume between Mesa Drive and Lindsay, his biggest concern in transitioning from four lanes to two lanes would be the impact that would occur as it relates to the number/speed of the vehicles traveling along Main Street.

Transportation Department Director Dan Cleavenger clarified that the numbers included in the chart represent an average over three miles, including a mile outside of the project area.

Mayor Smith remarked that the issue of congestion has not been addressed. He stated that if the four lanes are reduced by half, the potential traffic would not be reduced by half, as evidenced by the average traffic volume. Mayor Smith noted that a higher proportion of the traffic would be moving through a smaller space, thereby creating increased congestion.

Mr. Cleavenger acknowledged that Stapley and Main has been identified as a problem area in the traffic models. He also pointed out that over the next three weeks, staff and Valley METRO's Traffic Engineer consultants will work to refine the numbers with respect to the expected level of service. Mr. Cleavenger further explained that the constraint would be at the signalized intersection, as opposed to mid-block congestion, since only a certain amount of "green time" can be allocated for the intersection.

Mr. Brady reminded the Council that Councilmember Richins has challenged staff to consider ways in which to introduce landscaping and shade along the light rail corridor.

Mayor Smith summarized the previous discussion as follows: 1.) The 2-Lane Option requires less property acquisitions, creates more congestion, and maintains on-street parking for half of the route; and 2.) The 4-Lane Option mitigates the congestion, especially through the intersections, but requires more property acquisition, and eliminates on-street parking for basically the entire route.

Mr. Limmer confirmed Mayor Smith's statement. He said that Valley METRO was also looking at traffic that would be diverted to University or Broadway.

Mayor Smith pointed out that there were many businesses along Main Street in this particular corridor. He cautioned that the City should be careful not to "sacrifice business success for traffic success" by diverting traffic in the area.

Mr. Limmer further reported that Valley METRO was conducting a Park-and-Ride Demand analysis to determine such a need in Mesa. (See Page 11 of Attachment 1) He explained that

the projected drive access to all three Mesa Park-and-Rides (i.e., Sycamore, Mesa Drive and Gilbert Road), is approximately 2,000 to 3,000 person trips per day, resulting in a Park-and-Ride space demand of an estimated 1,500 spaces for all three lots. He noted that the Gilbert Road site would have a demand of approximately 500 to 700 spaces.

Vice Mayor Somers inquired if it would be necessary to acquire as much space near the Mesa Drive Park-and-Ride location as compared to the end-of-the-line locations at Sycamore and Gilbert Road.

Mr. Grote responded that Valley METRO recognizes that as the end-of-the-line moves further east, the demand for parking will as well. He stated that he would expect that some of the demand at the Park-and-Ride at Sycamore Station would move further east to Mesa Drive and noted that once the Gilbert Road lot opens, there will be a further shift to the east. He added that each of these sites will have some demand for parking.

Mr. Grote, in addition, advised that in conjunction with the EA and the expansion of light rail to Gilbert Road, Valley Metro is addressing the Park-and-Ride needs at Mesa Drive. He indicated that although the analysis is not yet complete, he would anticipate that approximately 300 spaces would be required at Mesa Drive. He added that over time, Valley METRO would like to see the Park-and-Ride spaces utilized more for development opportunities and less for parking.

Mr. Limmer briefly discussed two options for the Park-and-Ride lot at Gilbert and Main (See Page 12 of Attachment 1), including the north option on the northwest corner of Gilbert and Main, and a south option on the southwest corner of Gilbert and Main.

Responding to a question from Mayor Smith, Mr. Grote clarified that from an operational perspective, Valley METRO would prefer that the Park-and-Ride lot be located at one site only and not a combination of the two.

Mr. Brady indicated that the parties have discussed how to situate the end-of-the-line station so that the City would have the option in the future of either continuing light rail east on Main Street or south on Gilbert Road.

Mr. Limmer concluded his presentation by briefly reviewing recent stakeholder and public outreach events (See Page 13 of Attachment 1) and also the next steps in the process. (See Page 14 of Attachment 1)

Mayor Smith thanked everyone for the presentation.

2-b. Hear a presentation, discuss and provide direction on the Fiesta Substation Solar Project.

Environmental and Sustainability Deputy Director Scott Bouchie displayed a PowerPoint presentation (**See Attachment 2**) and provided a brief update of the process staff has undertaken to obtain solar power services for the City of Mesa.

Mr. Bouchie reported that staff utilized a pre-qualified list from the City of Chandler, which included 12 vendors to provide solar services. He explained that the City issued a Request for Proposals (RFP) to those vendors and subsequently awarded a contract (for a three-year term with a possible two-year renewal) to Solar City and Kitchell. He pointed out that the contract

does not commit the City to any expenditures, but rather allows staff to negotiate the technical and pricing specifications for various solar projects within the City.

Mr. Bouchie advised that the model, which is known as a Solar Services Agreement (SSA), provides that the solar vendor installs, operates and maintains the solar system and the City purchases the energy, at an agreed upon rate, generated from the system. He noted that a separate SSA is created for each site, which sets out the system size, price per kilowatt hour and production guarantees. He added that the term for this type of contract is typically 20 years, which includes purchase options throughout that period of time, and the ability to extend the contract.

Mr. Bouchie remarked that the City is currently negotiating with Solar City on an SSA for the Fiesta Police Department (PD) Substation. He noted that the proposal is as follows: a 262 kilowatt (kW) system; the City would pay \$0.05 per kilowatt hour (kWh) for 20 years with no escalator; and it is estimated, since the substation has not yet been constructed, that the price per kilowatt hour the City would pay Salt River Project (SRP) is \$0.082, resulting in the production of 421,982 kWh in the first year (i.e. approximately 60% of the estimated energy use of the building). He pointed out that it was important to not produce more energy than is being used by the building since it would be necessary for the City to sell it back to SRP at a different rate.

Mr. Bouchie indicated that the reason the City will receive the \$0.05 per kWh rate for 20 years with no escalator is due to the fact that the City will own the parking structures and conduit associated with the installation. He said that the original design of the Fiesta PD Substation was to include covered parking structures and noted that instead of placing decking on top of the structures, solar panels will be installed in its place.

Mr. Bouchie further reported that over the 20 year period, the City will experience a savings of \$400,000, with an estimated 2% escalator on the price of power from SRP. He said that there are purchase options at Years 6, 10 and 20 if the City chose to exercise such options and added that Solar City is required to remove the solar system at the end of the contract term (Year 20).

Vice Mayor Somers commented that the technology for solar panels has continued to dramatically improve. He inquired if the City would have options at Years 6, 10 or 20 for Solar City to replace the existing panels with higher efficiency panels that could generate more electricity and result in better savings.

Mr. Bouchie clarified that the City would have the ability to exercise such options and said that it would be necessary to reopen the contract. He cautioned, however, that the City does not want to produce more energy with the panels than the building is using.

Vice Mayor Somers suggested that if the City wanted to keep the energy usage that the building was using somewhere between 60% and 80%, for instance, perhaps it would be possible to shrink the footprint and the number of cells required to do so.

Mr. Bouchie stated that another factor to take into consideration is that SRP is also providing an incentive for the project, which is another 20-year contract wherein the utility will charge \$0.04 per kWh. He noted that it would be necessary for the City to determine whether SRP would

accept such changes as proposed by Vice Mayor Somers. Mr. Bouchie added that currently, SRP utilizes net metering, wherein the meter can be spun backwards at night or during the day in order to consider the total energy usage of the building.

Mayor Smith commented that this discussion seems somewhat “academic” since the City signed a 20-year contract with Solar City. He said that if the company wants to replace the solar panels, it can reopen the contract in order to do so.

Responding to a question from Councilwoman Higgins, Mr. Bouchie clarified that if the Fiesta PD Substation building produces more energy than it uses, the City would sell it back to SRP at the wholesale rate (Palo Verde Index), which would be in the \$0.02 to \$0.03 per kWh range, while the City would be paying Solar City \$0.05 per kWh.

In response to a question from Mayor Smith, Mr. Bouchie explained that the City pays for all of the energy generated from the solar system.

Discussion ensued relative to the fact that the electricity generated by the solar system will be used by the Fiesta PD Substation; that if additional electricity is needed to power the building, but not generated by the solar system, such electricity would be accessed from the grid (SRP); that the City would purchase power from two sources: Solar City (solar electric system) and SRP; that SRP recently increased the net metering capacity to its large commercial customers to a 300 kW system; that what is being proposed at the Fiesta PD Substation is a 262 kW system; that if the City generates any excess kilowatt hours for any particular billing cycle, it would receive a full retail (kWh) credit off of its next bill; and that at the end of SRP’s fiscal year (April 30th), if the City had a remaining excess credit of kilowatt hours, SRP would buy back the energy at the wholesale rate of credit based on the Palo Verde Index.

Mr. Bouchie continued with the presentation and displayed a schematic drawing of the proposed solar service area at the Fiesta PD Substation (See Page 7 of Attachment 2) as well as photographs of an existing covered parking structure created by Solar City. (See Pages 8 and 9 of Attachment 2) He stated that staff hopes to bring the contract forward to the Council at the November 19, 2012 Regular Council meeting.

Mr. Bouchie remarked that since the City has entered into contracts with Solar City and Kitchell, staff is considering other facilities in which solar services could be incorporated, such as the Southeast Water Reclamation Plant, Red Mountain Multigenerational Center and East Mesa Service Center. (See Pages 11, 12 and 13 respectively of Attachment 2)

Additional discussion ensued relative to the options that are available to SRP residential customers who wish to purchase or lease a solar electric system from the utility.

Responding to a question from Councilmember Richins, Mr. Bouchie clarified that Solar City purchases its solar panels from Yingli Solar in China.

Mayor Smith commented that it was important to note that approximately 60% of the components in the Chinese solar panels are manufactured in the United States.

Mayor Smith thanked Mr. Bouchie for the presentation.

2-c. Appointments to the Housing and Community Development Advisory Board.

Mayor Smith recommended the following appointments or reappointments:

Diana Yazzie Devine – Term Expires June 30, 2015

Siri Amrit Kaur Khalsa – Term Expires June 30, 2015

Stan Hosac – Term Expires June 30, 2015

Christian Karas – Term Expires June 30, 2015

Steve Schild – Term Expires June 30, 2014

Linda Starr – Term Expires June 30, 2014

Heather Kay – Term Expires June 30, 2014

Steven Sparks – Term Expires June 30, 2013

Kristina Ambri – Term Expires June 30, 2013

Elan Vallender – Term Expires June 30, 2013

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

Mayor Smith declared the motion carried unanimously by those present.

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

There were no reports on meetings and/or conferences attended.

4. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

Saturday, November 3, 2012, 4:00 p.m. – Annual G.A.I.N. (Getting Arizona Involved in Neighborhoods (G.A.I.N.) Event

Monday, November 5, 2012, TBA – Study Session

Monday, November 5, 2012, 5:45 p.m. – Regular Council Meeting

5. Items from citizens present.

There were no items from citizens present.

6. Convene an Executive Session.

It was moved by Vice Mayor Somers, seconded by Councilmember Glover, that the Council adjourn the Study Session at 8:37 a.m. and enter into Executive Session.

Mayor Smith declared the motion carried unanimously by those present.

6-a. Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3)) Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A(4))

1. Chicago Cubs and Arizona State University Stadium Use Agreement.

Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3)) Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A(4)) Discussion or consultation with designated representatives of the City in order to consider the City's position and instruct the City's representatives regarding negotiations for the purchase, sale, or lease of real property. (A.R.S. §38-431.03A(7))

2. Light Rail Extension property acquisition.

7. Adjournment.

Without objection, the Executive Session adjourned at 9:26 a.m.

SCOTT SMITH, MAYOR

ATTEST:

DEEANN MICKELSEN, INTERIM 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 1st day of November, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

DEEANN MICKELSEN, INTERIM CITY CLERK

pag
(attachments – 2)

Gilbert Road Extension Update

Mesa City Council Study Session

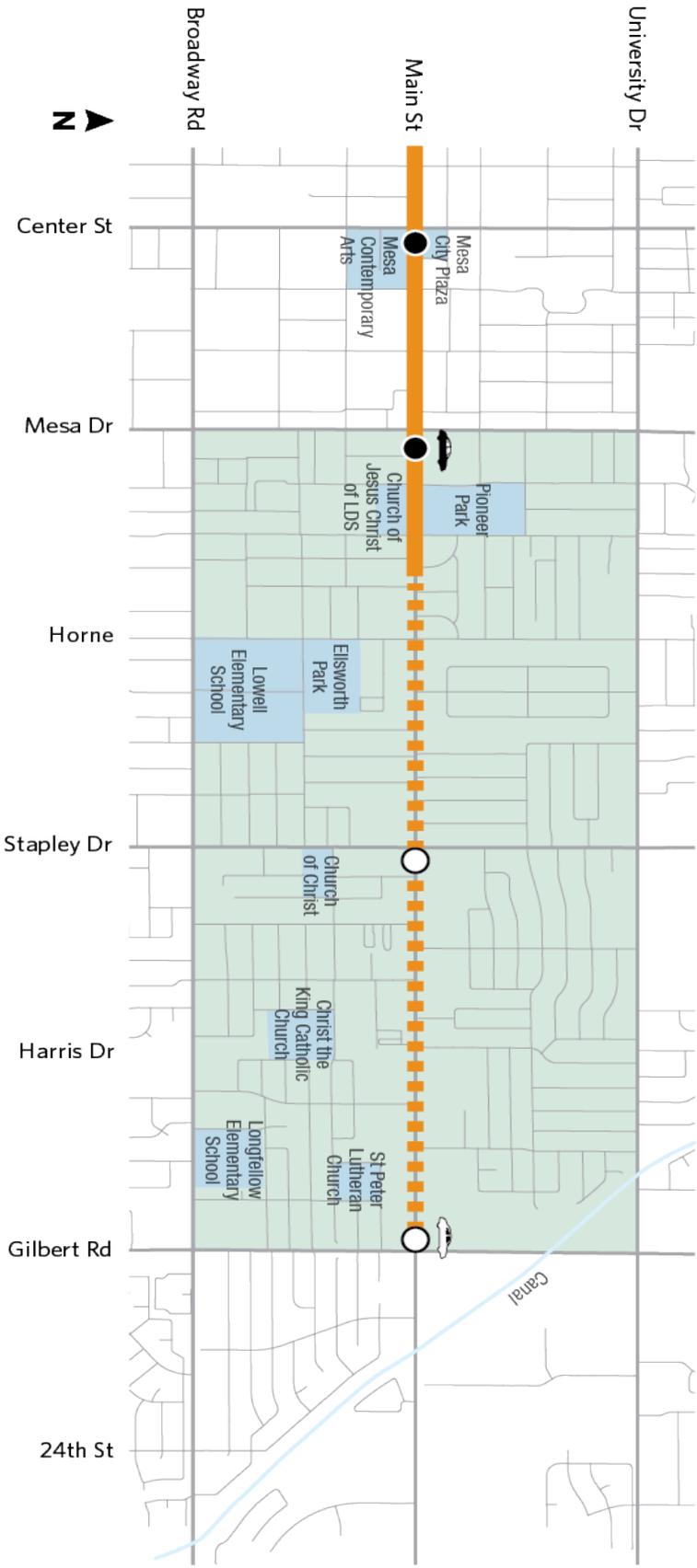
November 1, 2012

Overview

- Extending light rail to Gilbert Road was recommended in Central Mesa Alternatives Analysis
- Completed Planning Study in June 2012
- Initiated Environmental Assessment (EA) in July 2012



Gilbert Road Study Area



LEGEND

- Central Mesa Extension
- Gilbert Road Extension
- Gilbert Road Study Area
- Central Mesa Extension Station
- Station Opportunity
- Park-and-Ride Opportunity

Planning Study

- Analysis included:
 - Roadway configuration options
 - Station locations
 - Ridership
 - Cost estimates
 - Engineering design
 - Community issues
 - Land use and economic development
 - Environmental issues

Environmental Assessment

- Analysis includes:
 - Consistency with Local Plans
 - Construction Impacts
 - Historic Properties
 - Property Acquisition & Relocation
 - Economic Impacts & Development Opportunities
 - Traffic Mobility
 - Visual Impacts & Aesthetics
 - Noise & Vibration

Design Options and Alternatives

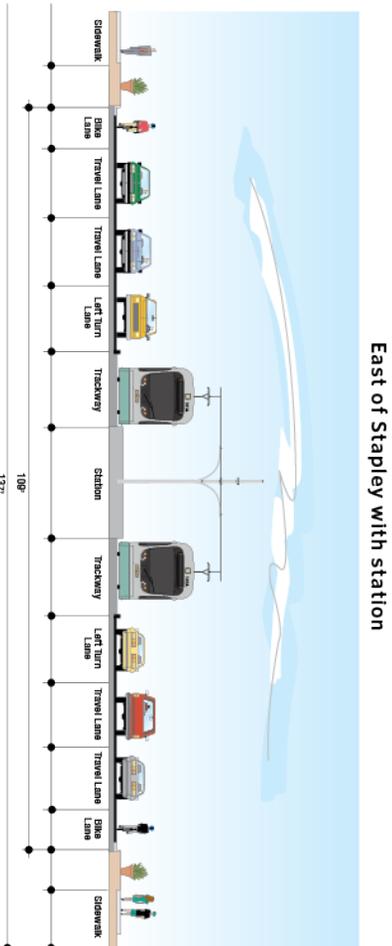
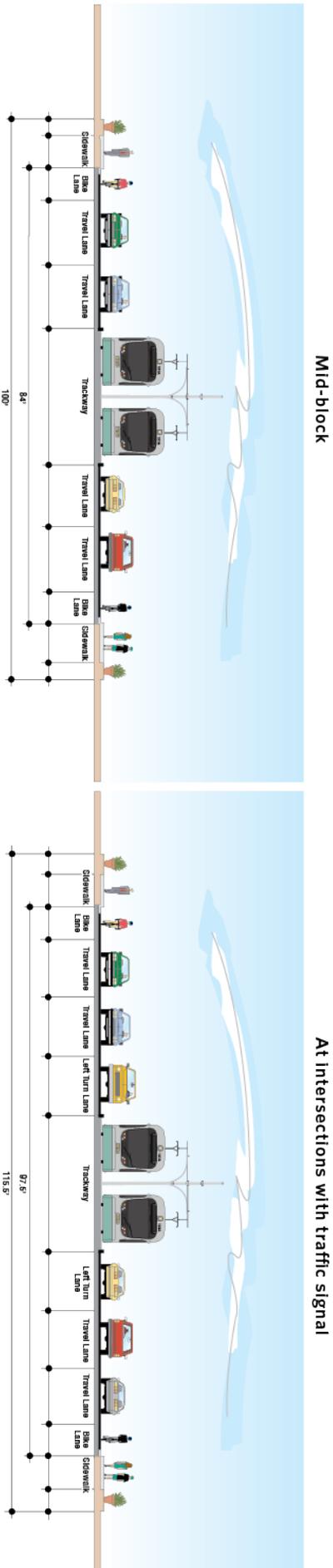
- Started with 13 design options
- Advanced three alternatives into the EA
 - Four lane
 - Two lane
 - Roundabouts at selected locations



Existing Lane Configuration

Cross Sections: 4-Lane

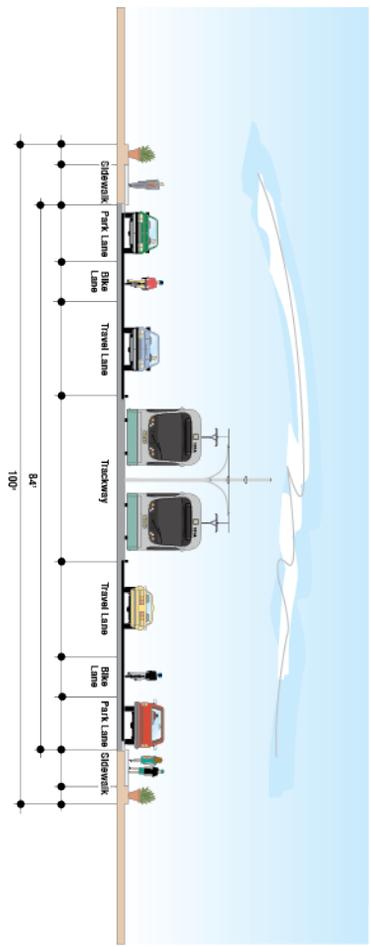
Eliminates on-street parking



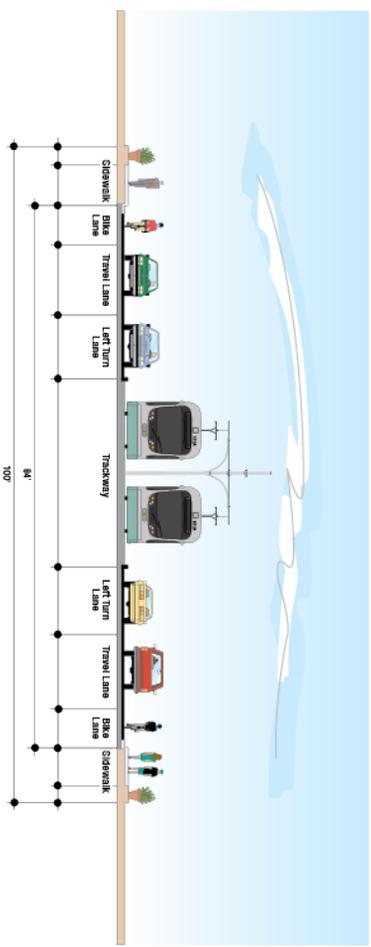
Optional Lane Configuration

Cross Sections: 2-Lane

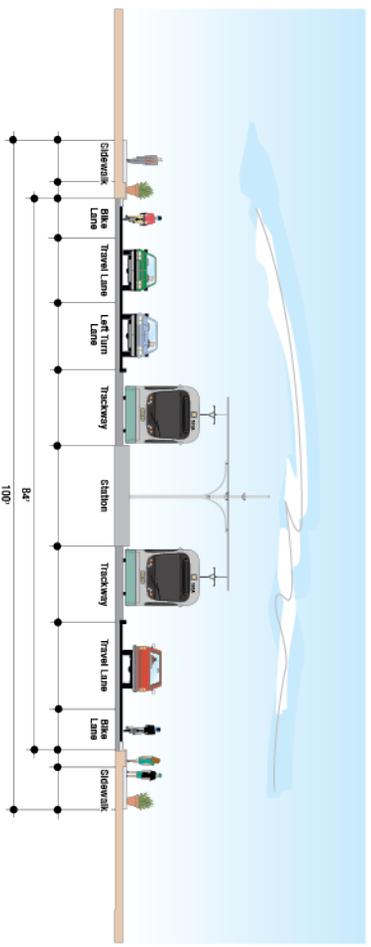
Eliminates on-street parking in some locations



Mid-block



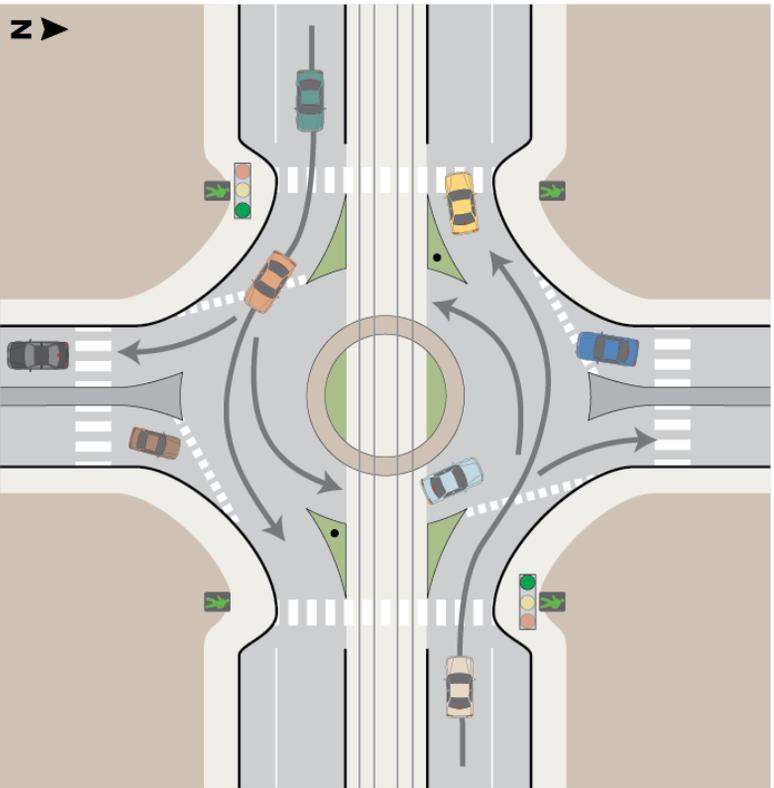
At intersections with traffic signal



East of Stapley with station

Design Option Roundabouts

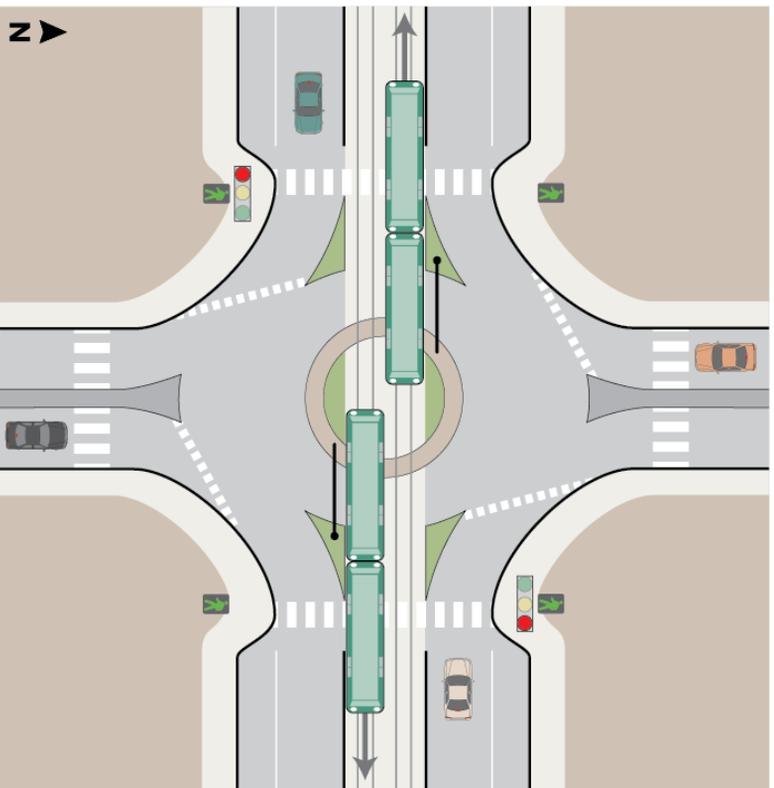
Traffic Movement



LEGEND

- Yield Line
- Ped Crossing
- Ped Signal
- Traffic Signal
- Gate Elevated

Train Movement



LEGEND

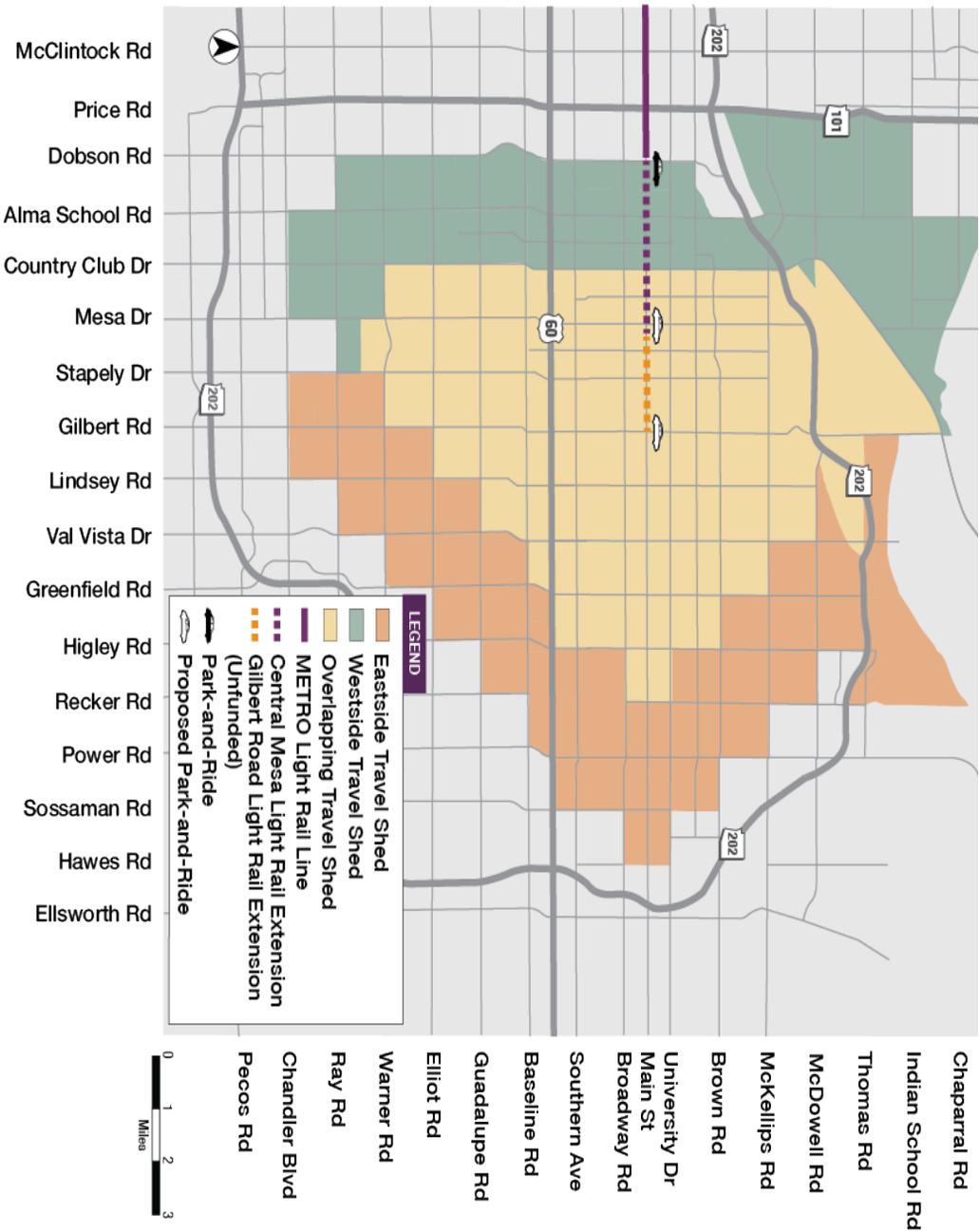
- Yield Line
- Ped Crossing
- Ped Signal
- Traffic Signal
- Gate



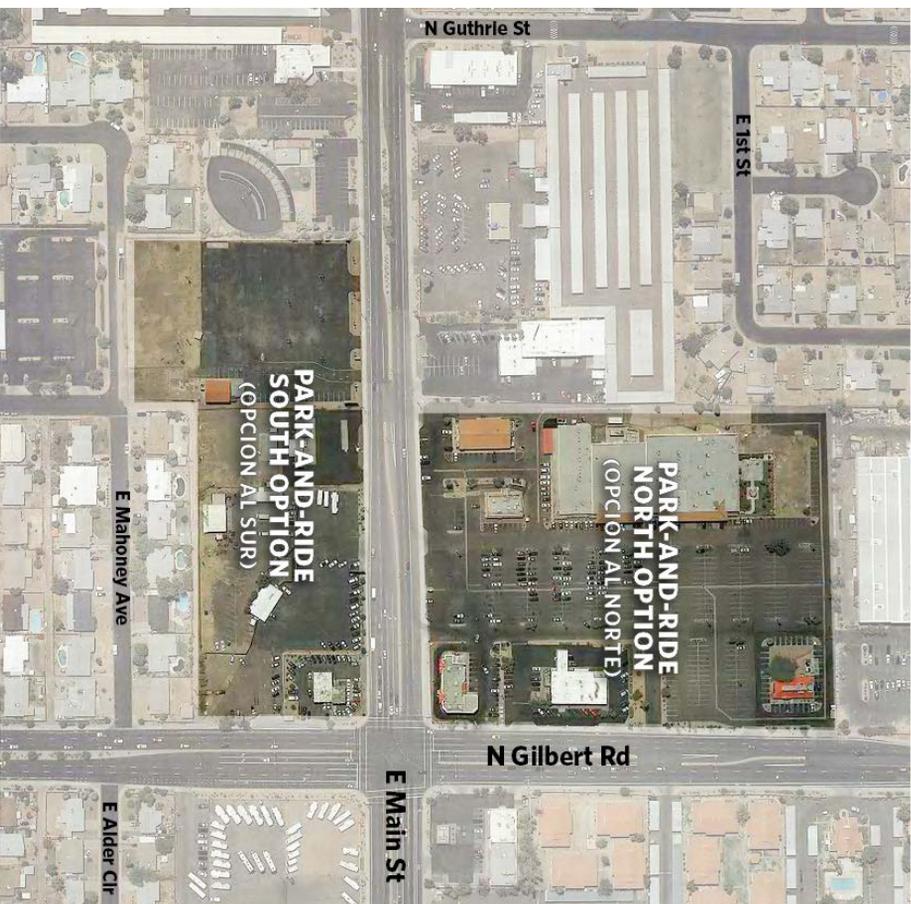
Factors to Consider

Project Element	4-Lane Option	2-Lane Option	2-Lane Option with Roundabouts
Potential ROW Needs	90,000 sq. ft.	25,000 sq. ft.	32,000 sq. ft.
Potential Property Conflicts	59	11	26
Potential Building Conflicts	4	0	0
Average Traffic Volume	28,000	20,000	20,000
Consistency with Local Plans	Yes	Yes	Yes
Estimated Capital Cost	\$133 million	\$122 million	\$126 million

Park-and-Ride Demand Analysis



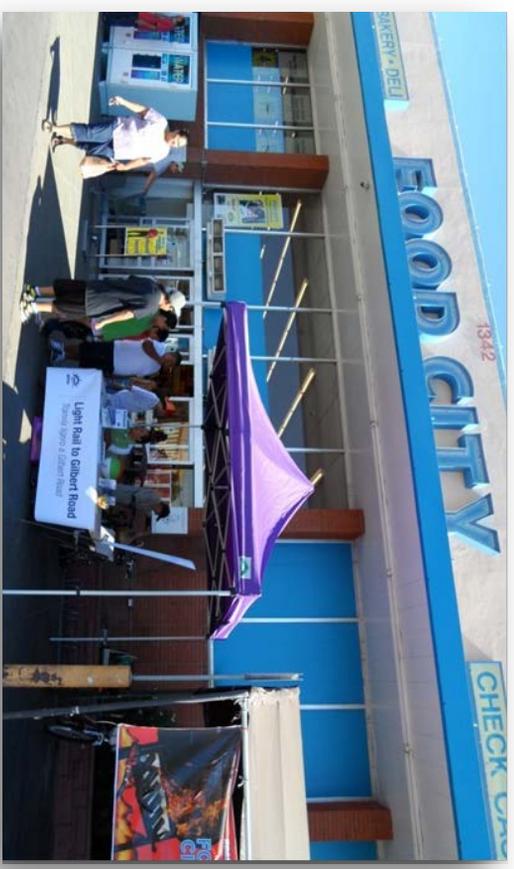
Park-and-Ride Evaluation



- Evaluation includes:
 - Site Access and Traffic Safety
 - Site Configuration and Circulation
 - Vehicle Circulation
 - Property Acquisitions and Costs
 - Adjacent Land Uses
 - Joint Development Opportunities

Stakeholder & Public Outreach

- Neighborhood meetings
- Stakeholder Meetings
- Council Briefings
- Public Meetings: 9/11/2012, 10/30/2012



Next Steps

- December 6, 2012
 - Receive Council direction on traffic configuration and park-and-ride location
- Spring 2013
 - Public comment period on Gilbert Road Light Rail Extension Environmental Assessment

Questions



City Council Presentation

Mesa Solar Plans & Fiesta PD Substation

Scott Bouchie
Deputy Director - Environmental & Sustainability
November 1, 2012

Agenda

- Mesa Solar Request for Proposals
- Solar Services Agreement (SSA)
- Fiesta PD Substation
- SRP Incentives
- Next Steps for Solar

Mesa Solar Bid Process

The logo for Mesa, Arizona, featuring a stylized sun or wave icon in blue, yellow, and red above the text "mesa·az" in a lowercase, sans-serif font.

Used City of Chandler Request for Qualifications

- 12 Pre-Qualified Vendors

City of Mesa - REQUEST FOR PROPOSALS

- City Wide Solar Power Services
- Solar City and Kitchell Awarded
- 3 Year Term with a Possible Two Year Renewal

Mesa SSA



SSA – Solar Services Agreement

- Separate SSA for each site - system size, price per kilowatt hour (kWh), production guarantees
- Solar vendor installs, operates and maintains solar system and sells power
- Mesa purchases energy at a agreed upon rate
- Term 20 years

SSA Highlights – Fiesta PD Substation

- 262 kW System
- \$0.05/ kWh for 20 years with no escalator
- Current rate \$0.082/kWh
- Production 421,982 kWh Year 1 (~ 60% of estimated energy use)

SSA Highlights – Fiesta PD Substation

- Mesa pays for and owns parking structure & conduit ~\$300K
- Savings ~ \$400K over 20 years w/ 2% escalator
- Purchase Option at year 6, 10 and 20
- Solar City removes system at year 20

Fiesta Police Department



City Of Mesa
Proposed Solar Service Area
Fiesta Police Station



Solar City Example Carport Intel Oregon



Solar City Example Carport Intel Oregon



SRP Solar Program



PBI Customer Cap of 1 MW

Large solar electric systems with production-based incentive (PBI)

SRP has set aside funding for 9 megawatts (MW) of PBI for large commercial solar electric installations for customers for the Fiscal Year 2013 (May 1, 2012 – April 30, 2013). The incentive structure is as follows:

The current incentive is \$0.04 per kWh:

\$0.06 per kWh for the first 5 MW

\$0.05 per kWh for the next 2.5 MW

\$0.04 per kWh for the last 1.5 MW

Total = 9 MW



Progress towards the 9 MW goal is reflected in the reservation status bar on the right of the page.

Southwest Water Reclamation Plant



Red Mtn. Multi Generational Center



East Mesa Service Center



QUESTIONS?