



COUNCIL MINUTES

June 26, 2017

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on June 26, 2017 at 5:45 p.m.

COUNCIL PRESENT

David Luna
Mark Freeman
Christopher Glover
Kevin Thompson
Jeremy Whittaker

COUNCIL ABSENT

John Giles
Ryan Winkle

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

Vice Mayor Luna excused Mayor Giles and Councilmember Winkle from the entire meeting.

Mayor's Welcome.

Invocation by Councilmember Freeman.

Pledge of Allegiance was led by Councilmember Thompson.

Awards, Recognitions and Announcements.

Historic Preservation Board Chair Laura Shaffer-Metcalf presented the Historic Preservation Awards to the following individuals and organizations:

- Dennis Kavanaugh
- Historic Preservation Board Vice Chair Wendy Mack-Allred
- Venue Projects and Community Development Partners

Vice Mayor Luna thanked Ms. Shaffer-Metcalf and the award recipients for their contributions to the community.

1. Take action on all consent agenda items.

All items listed with an asterisk (*) will be considered as a group by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Councilmember or citizen requests, in which event the item will be removed from the consent agenda and considered as a separate item. If a citizen wants an item removed from the consent agenda, a blue card must be completed and given to the City Clerk prior to the Council's vote on the consent agenda.

It was moved by Councilmember Glover, seconded by Councilmember Thompson, that the consent agenda items be approved.

Vice Mayor Luna declared the motion carried unanimously by those present.

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

Minutes from the April 27, May 4, 11, 18, 22, 25, June 1 and 5 Council meetings.

3. Take action on the following liquor license applications:

*3-a. GoVets Foundation

This is a one-day charitable event to be held on Tuesday, July 4, 2017 from 11:00 a.m. to 11:59 p.m. and Wednesday, July 5, 2017 from 12:00 a.m. to 1:00 a.m., at The Oak Room Kitchen & Bar, 61 East University Drive. **(District 4)**

*3-b. Sertoma Club of Mesa

This is a one-day charitable event to be held on Tuesday, July 4, 2017 from 4:00 p.m. to 12:00 a.m., at the Mesa Convention Center, 263 North Center Street. **(District 4)**

*3-c. Outback Steakhouse #0314

A restaurant that serves lunch and dinner is requesting a new Series 12 Restaurant License for T-Bird Southwest Restaurant Group LLC, 1650 South Clearview Avenue – Peter Henry Schelstraete, agent. The existing license held by Outback Steakhouse of Florida LLC, will revert to the State. **(District 6)**

*3-d. Outback Steakhouse #0326

A restaurant that serves lunch and dinner is requesting a new Series 12 Restaurant License for T-Bird Southwest Restaurant Group LLC, 1860 East McKellips Road – Peter Henry Schelstraete, agent. The existing license held by Outback Steakhouse of Florida LLC, will revert to the State. **(District 1)**

4. Take action on the following contracts:

*4-a. Three-Year Term Contract for Water/Wastewater Treatment and Pool Chemicals for the Water Resources and Parks, Recreation and Community Facilities Departments, and the Materials and Supply Warehouse. **(Citywide)**

This contract will provide the various chemicals Water Resources needs to treat raw water and wastewater, and the chemicals Parks, Recreation and Community Facilities needs to treat swimming pool water.

The Water Resources, Parks Recreation and Community Facilities Departments, and Business Services, and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidders: A & M Corson's Aqua Value; AllChem Industries Holding Corp, dba AllChem Performance Products; BHS Marketing, dba BHS Specialty Chemical Products; Brenntag Pacific, Inc.; Chemrite, Inc.; DPC Enterprises; Evoqua Water Technologies LLC; Hill Brothers Chemical; Kemira Water; Leslie's Poolmart, Inc.;

Norwalk Wastewater Equipment Co. Inc., dba Norweco Inc.; Pencco, Inc.; Polydyne, Inc.; Salt Works (a Mesa business); and Thatcher Company of Arizona, Inc., cumulatively not to exceed \$4,700,000 annually, based on estimated requirements.

- *4-b. Term Contracts for HVAC Services and Equipment for the Parks, Recreation and Community Facilities Department. **(Citywide)**

These contracts will provide a more efficient method to procure HVAC equipment and services to more effectively manage Facilities Maintenance's heavy workload. Purchasing equipment and services through competitively bid cooperative contracts will provide more flexibility to the City and speed up the purchasing process. This will allow Facilities Maintenance to complete more work while ensuring the City still receives the best value.

The Parks, Recreation and Community Facilities Department and Purchasing recommend awarding term contracts using three cooperative contracts: US Communities with Trane; 1GPA with Midstate Energy, and Pueblo Mechanical & Controls; National IPA with Comfort Systems USA, and HACI Service LLC; cumulatively not to exceed \$2,700,000 annually, based on estimated requirements.

- *4-c. Dollar-Limit Increase to the Term Contract for Custodial Services for the Parks, Recreation and Community Facilities Department as requested by Facilities Maintenance. **(Citywide)**

This contract provides custodial services at City facilities on the scheduled days and frequencies as specified. Facilities Maintenance is requesting the increase of \$32,875.48 for the addition of services at the Mesa Regional Dispatch Center (\$14,617.24) and an increase of services for the Mesa Center for Higher Education (\$18,258.24).

The Parks, Recreation and Community Facilities Department and Purchasing recommend authorizing a dollar-limit increase of \$32,875.48 with Varsity Facility Services, increasing the annual contract amount from \$2,174,020.15 to \$2,206,895.63, for the third-year contract term.

- *4-d. Three-Year Term Contract for LED Traffic Signal Heads and Pedestrian Signals for the Materials and Supply Warehouse (for the Transportation Department). **(Citywide)**

This contract will provide traffic signal heads, pedestrian signals, equipment mounts, as well as pedestrian pushbutton stations, to maintain and modify existing traffic signals and as a supply for the construction of new traffic signals.

Transportation, Business Services, and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidders, McCain, Inc., and JTB Supply Company, cumulatively not to exceed \$104,000 annually, based on estimated requirements.

- *4-e. One-Year Renewal Contract for Managed Information Technology Services for the Mesa Center for Higher Education (MCHE) as requested by the Economic Development Department. **(District 4)**

This contract provides a comprehensive managed IT solution to support multiple institutions of higher education leasing space in MCHE. Services provided by this agreement includes: network and systems monitoring, server and network infrastructure support, and help desk/desktop support. As part of the lease agreement with each of these institutions approved by Council on December 10, 2012, the City agreed to provide these services for the term of the lease.

The Economic Development Department and Purchasing recommend authorizing a one-year renewal with Valor Global for \$26,112, based on estimated requirements.

- *4-f. Three-Year Term Contract for Printing and Mailing of Election Publicity Pamphlets for the City Clerk's Office. **(Citywide)**

This contract provides printing and mailing services for the City's election publicity pamphlets. These services will be needed for the City's next General Election to be held on November 6, 2018, as well as any special elections the City Council may call. Publicity pamphlets are distributed to all Mesa households with registered voters.

The evaluation committee recommends awarding the contract to the highest-scored proposal from Century Graphics, Inc., at \$40,000 annually, based on estimated requirements.

- *4-g. Purchase of Microsoft Licensing to Upgrade the Transportation Department's Servers as Requested by the Information Technology Department. **(Citywide)**

The Transportation Department – Intelligent Transportation Systems (ITS) Group is upgrading their core computing systems. The server equipment purchase approved by Council in November has been completed. This purchase is for the Windows Server operating system and Microsoft SQL database licensing to be used with the new hardware. This purchase will put the City's ITS Systems onto current fully-supported operating system and database product versions with support life-cycles appropriate for the new server hardware.

The Information Technology and Transportation Departments, and Purchasing recommend authorizing the purchase from the State of Arizona cooperative contract with CDW-G, at \$84,793.24.

- *4-h. Purchase of Software, Hardware, Services and Licenses for an Offsite Mirrored Storage Environment for the Police Department. **(Citywide)**

The Police Department – Information Technology Unit has identified a need to create an offsite mirrored storage environment that will allow a back-up site for critical applications and shared drives. In the event of a complete system failure, a power failure or a critical event, the back-up site will allow access. The mirrored storage system will leverage software to reduce recovery time of critical systems in the event of a critical failure or cyber-attack such as Ransomware.

The Police and Information Technology Departments, and Purchasing recommend authorizing the purchase using The Cooperative Purchasing Network and State of Arizona cooperative contracts with Custom Storage, dba cStor, at \$217,338.08; and State of Arizona contract with CDW-G, at \$12,645.79; for the total purchase of \$229,983.87.

- *4-i. Purchase of Two Replacement Minivans – One for the Police and One for the Community Services Departments and One Replacement Sedan for the Environmental Management and Sustainability Department (Single Response). **(Citywide)**

The three vehicles that are being replaced have met established criteria and will be either traded, auctioned, sold, or deployed to special uses as part of the ongoing City of Mesa vehicle replacement program.

The Fleet Services, Police, Community Services, and Environmental Management and Sustainability Departments, and Purchasing recommend authorizing the purchase from the single, responsive and responsible bidder, Larry H. Miller Toyota, at \$94,680.75. The mini-vans are funded by the Vehicle Replacement Fund and the sedan is funded by the Environmental Compliance Fee.

- *4-j. Five-Year Term Contract for the Purchase of Axon Flex On-Body Camera Equipment, Supplies and Evidence.com Storage, and Controlled Electrical Weapon Equipment and Supplies for the Police Department (Sole Source). **(Citywide)**

The Police Department is requesting a new contract that will combine Axon Enterprises (formerly Taser International) Flex On-Body Camera Equipment (OBC) and Storage and Controlled Electrical Weapon (CEW) Equipment and Supplies. The benefits of a single contract include unlimited data storage and full warranty replacement or repair of both OBC and CEW equipment. Upon implementation of the contract, all existing CEWs will be upgraded to the X2 model. In addition, the Axon Flex On-Body Camera System can be upgraded every 2.5 years.

The Axon Flex On-Body Cameras have been deployed to 350 members. All inventory has been issued. The Police Department has 823 active CEW devices that have been deployed to sworn officers, detention officers, municipal security officers and park rangers.

The Police Department and Purchasing recommend awarding the contract to the sole source vendor, Axon Enterprises, Inc., for the five-year purchase total of \$3,872,660.65, based on estimated requirements. The first year's costs are funded using \$550,000 from the Police Department operating budget and \$95,146.93 from Asset Forfeiture (RICO) funds. Years two through five will be funded using the Police Department operating budget.

- *4-k. Three-Year Term Contract for Vehicle Decals for the Fire and Medical, Police and various City Departments. **(Citywide)**

This contract will provide decals, graphics, and installation on Mesa's Fire and Medical apparatus, Police vehicles, sanitation trucks and other City vehicles, and equipment for identification of station/area location, type of apparatus, and vehicle function. A protest was received from RV Stripes and Graphics. The Protest Officer reviewed the issues raised per the procurement rules, and denied the protest. Copies of these documents are attached.

The Fire and Medical, and Fleet Services Departments, and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, VisionIT Media LLC, at \$47,000 annually, based on estimated requirements.

- *4-l. Southeast Mesa Bicycle and Pedestrian Pathway, Santan Freeway (202) between Baseline and Elliot Roads. **(District 6)**

This project will provide a route for pedestrians and bicyclists in neighborhoods near the pathway to connect with other residential areas and businesses, and provide recreational and exercise activities. In addition, this pathway provides connectivity between the City's existing and planned sidewalks, shared-use pathways, bike lanes, and routes located throughout the area. The new shared-use pathway corridor will be physically separated from ADOT areas through the construction of a new access control fence that will also keep pathway users and animals from accidentally entering the ADOT freeway. The pathway corridor and facilities (landscaping, irrigation, path surface, lighting, etc.) will be maintained by the City of Mesa.

Staff recommends awarding the contract to the lowest, responsible bidder, J Banicki Construction Inc, in the amount of \$1,462,058.15, plus an additional \$146,205.81 (10%) as a change order allowance, for a total amount of \$1,608,263.96. Funding is available from the 2012 authorized Parks Bonds and Local Streets Sales Tax.

- *4-m. Main Library Tenant Improvements (Phase 1). **(District 4)**

This project is for the improvements at the Mesa Main Public Library located at 64 East 1st Street, which were identified in the 2014 Mesa Public Library Masterplan Report. The improvements include creating two new spaces: a makerspace (THINKspot), and a teen room (Teen Zone). The makerspace is a place where Mesa residents of all ages can innovate and create using technology such as 3D printers, computers with 3D software, and specialized equipment and software to record and edit audio and video. THINKspot at Main will also include activities designed to help children develop motor skills and critical thinking, key early literacy skills that boost reading and writing readiness. The teen room will allow young adults to access popular teen titles, research and prepare schoolwork, explore career and college choices, and learn digital media skills using library equipment and software that may not be available in their homes or accessible at school.

Staff recommends awarding the contract to the lowest, responsible bidder, Kroll Contractors, Inc., in the amount of \$318,308.58, plus an additional \$31,830.85 (10%) as a change order allowance, for a total amount of \$350,139.43. Funding is available from the Community Development Block Grant funds, Salt River Pima Maricopa Indian Community Grant funds, and Library Operational funds.

5. Take action on the following resolutions:

- *5-a. Levying the amount to be collected by a secondary property tax and the rate upon each one hundred dollars (\$100) of assessed valuation of property subject to taxation within the City of Mesa for the fiscal year ending June 30, 2018. **(Citywide)** – Resolution No. 10983.

The FY 2017-18 secondary property tax rate of \$1.0968 represents a 5.3% reduction from the prior year's tax rate, while maintaining a tax levy of \$33.4 million.

- *5-b. Approving and authorizing the City Manager to enter into a Lease Agreement with A New Leaf, Inc., for the property and improvements located at 3511 East University Drive, Mesa, AZ. **(District 2)** – Resolution No. 10984.

- *5-c. Approving and authorizing the City Manager to enter into a Development Agreement with Farnsworth Development Company, Springs Seven Development, Inc., Springs Nine Development, Inc., SSV Unit 8 Development, Inc., and Sunland Springs Village Homeowners Association, related to the dedication of future right-of-way and payment for the construction of roadway improvements adjacent to the Sunland Springs Village Unit 9 development near Meridian and Guadalupe Roads. **(District 6)** – Resolution No. 10985.
- *5-d. Approving and authorizing the City Manager to enter into a three-year Agreement with Visit Mesa, Inc., for the distribution of a portion of the City's transient lodging tax proceeds for the promotion of tourism in Mesa, Arizona. **(Citywide)** – Resolution No. 10986.

6. Introduction of the following ordinances and setting July 3, 2017 as the date of the public hearing on these ordinances:

- *6-a. Amending the Mesa City Code, Section 9-6-3 regarding intersection sight requirements to remove Figure 20 to be consistent with current City standards; and sections 9-6-4 and 9-8-3 regarding the installation of street name signs within a subdivision by the subdivider/developer. **(Citywide)**
- *6-b. **Z16-059 (District 6)** The 4200 block of South Power Road (east side). Located north of Warner Road on the east side of Power Road (2.3± acres). Rezoning from LC-AF-PAD to LC-AF-PAD; and Site Plan Modification. This request provides modifications to development standards for the redevelopment of an existing commercial center. Trudy Licano, applicant; Powergate Investments LLC & GBSP LLC, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 6-0)

- *6-c. **Z16-023 (District 5)** The 2400 to 2600 blocks of North Greenfield Road (west side). Located south of McDowell Road on the west side of Greenfield Road (69.34± acres). Rezone from PEP-PAD (formerly DMP) and PS-PAD to PEP-PAD (63.59± acres) and PS-PAD (5.75± acres) (removing conditions of approval) and modifying the development master plan (project narrative) for zoning case Z08-022. This request will allow development of a business park. William Jabjiniak, City of Mesa, applicant; City of Mesa, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0)

- *6-d. **Z17-017 (District 5)** The 1100 block of North Ellsworth Road (west side). Located on the west side of Ellsworth Road, south of Brown Road (4.84± acres). Rezone from RS-43 to LC-BIZ and Site Plan Review. This request will allow for a self-storage facility. Adam Baugh, Withey Morris, PLC, applicant; Magic Gifts, LLC, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0)

- *6-e. **Z17-020 (District 1)** The 2400 to 2800 blocks of East Thomas Road (north side). Located north of Thomas Road and west of Lindsay Road alignment (13.3± acres). Rezone from Maricopa County RU-43 to City of Mesa RS-43. This request will establish City zoning on recently annexed property. City of Mesa, applicant; City of Mesa, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0)

- *6-f. **Z17-014 (District 5)** The 8700 to 9000 blocks of East Main Street (south side). Located south of Main Street and west of Ellsworth Road (36.58± acres). Rezone from Maricopa County C-3 and RU-43 to City of Mesa GC and RS-43. This request will establish City zoning on recently annexed property. City of Mesa, applicant; Rodger Overson, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0)

7. Discuss, receive public comment, and take action on the following ordinances:

- *7-a. **Z17-018 (District 4)** The 400 block of South Bellview (east side). Located south of Broadway Road and east of Mesa Drive (.5± acres). Rezone from NC to RSL-4.5. This will allow for the development of 3 single residential lots. Kim Fallbeck, City of Mesa, applicant; City of Mesa, owner – Ordinance No. 5387.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0)

- *7-b. Amending Section 11-31-34 of the Mesa City Code pertaining to medical marijuana facilities, including dispensaries, cultivation facilities, and infusion facilities, regarding the separation of churches from the medical marijuana facilities. **(Citywide)** – Ordinance No. 5388.

Staff Recommendation: Approval

P&Z Board Recommendation: Approval (Vote: 7-0)

- *7-c. Ordinance repealing the existing Personnel Rules applicable to City of Mesa employees, and adopting new Personnel Rules needed primarily to ensure compliance with changes in Arizona State law pursuant to the passage of Proposition 206. **(Citywide)** – Ordinance No. 5389.

8. Take action on the following subdivision plats:

- *8-a. “Mission Park” **(District 1)** The 2200 block of East University Drive (north side). 16 RM-2 BIZ attached single residence lots (2.1± acres). Brighton Companies, LLC, owner; Duran T. Thompson, D&M Engineering, surveyor.
- *8-b. “DU3/4 East Phase 2 Infrastructure” **(District 6)** The 4800-5000 blocks of South Copernicus, the 9600-9900 blocks of East Point Twenty-Two Boulevard and the 4800-5000 blocks of South Inspirian Parkway. Located north and east of Ray and Ellsworth

Roads. 1 PCD landscape tract (8.6± acres). DMB Mesa Proving Grounds, LLC, owner; Raymond S. Munoz III, EPS Group, surveyor.

- *8-c. "Desert Creek – Phase 2" **(District 5)** The 2900-3000 blocks of North Red Mountain (south side) and 2900-3000 blocks of North Ridgecrest (west side). Located north and east of McDowell and Power Roads. 42 RM-2 PAD single residence lots (7.02± acres). Calatlantic Homes of Arizona, Inc., owner; Raymond S. Munoz III, EPS Group, surveyor.
- *8-d. "Eastmark Lot 6 of 7-50 (Phase 2) Replat" **(District 6)** The 5000 block of South Eastmark Parkway. Located north and west of Ray and Signal Butte Roads. 1 PCD lot for a school (5.4± acres). Basis Schools, Inc., owner; Kenneth P. Converse, Hoskin-Ryan Consultants, Inc., surveyor.

Items not on the Consent Agenda

9. Items from citizens present.

Jessica Gronberg, a Mesa resident, stated that she would like Council to reconsider the contract with CoreCivic and that by utilizing private jail services the City is spending millions of taxpayer dollars annually to an unscrupulous company.

Joe Geusic, a Gilbert resident, commented that he advocates for the K-12 education system and detailed the history of the Arizona State Retirement System (ASRS) and explained the ASRS contribution rates on the document he provided to Council **(See Attachment 1)**. He concluded that ASRS was built to last a lifetime, however, over the past 19 years, ASRS has made errors and employees must pay more.

10. Adjournment.

Without objection, the Regular Council Meeting adjourned at 6:04 p.m.

ATTEST:

DAVID LUNA, VICE MAYOR

DEE ANN MICKELSEN, CITY CLERK

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 26th day of June, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

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(Attachments – 1)

ASRS

Basic Math Examples

2002/2003 Contribution rate was 2.00 for employee and employer

\$35,000 - \$700 EE - \$700 ER

\$50,000 - \$1000 EE - \$1000 ER

\$65,000 - \$1300 EE - \$1300 ER

\$80,000 - \$1600 EE - \$1600 ER

\$100,000 - \$2000 EE - \$2000 ER

2017/2018 Contribution rate was 11.50 for employee and employer

\$35,000 - \$4025 EE - \$4025 ER

\$50,000 - \$5750 EE - \$5740 ER

\$65,000 - \$7475 EE - \$7475 ER

\$80,000 - \$9200 EE - \$9200 ER

\$100,000 - \$11500 EE - \$11500 ER

Above the baseline of 5.00% for employee and employer contribution there is an impact of 1.182 billion annually to the all employees of the 583 agencies. That comes out to 591 billion to the employees and 591 billion to the employers. The impact to our AZ K-12 Education system is 320 million to the employees and 320 million to the employers.