



## COUNCIL MINUTES

January 7, 2019

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on January 7, 2019 at 6:12 p.m.

### COUNCIL PRESENT

John Giles  
David Luna  
Mark Freeman  
Christopher Glover  
Francisco Heredia  
Kevin Thompson  
Jeremy Whittaker

### COUNCIL ABSENT

None

### OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

Mayor's Welcome.

Invocation by Pastor Jared Moore with Trinity Church of Mesa.

Pledge of Allegiance was led by Mayor Giles.

Awards, Recognitions and Announcements.

Councilmember Thompson recognized Michael Troop, who is apart of the 2019 Mesa Leadership Class and shadowed Councilmember Thompson to gain a better insight on the job duties of City Councilmembers.

Mayor Giles acknowledged Councilmember Glover and his eight years of service to the City of Mesa. He highlighted on Councilmember Glover's career and his many accomplishments. He explained Councilmember Glover has been a leader in the community and has admirably represented the City of Mesa. He pointed out that Councilmember Glover became the youngest elected councilmember for the City of Mesa at the age of 23. He expressed his gratitude to Councilmember Glover for his dedication and tremendous service to the community.

Vice Mayor Luna thanked Councilmember Glover for his support and friendship over the past five years.

Councilmember Freeman expressed his appreciation to Councilmember Glover for his work with the constituents in his district while serving on the Mesa City Council.

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 Vice Mayor Luna, that the consent agenda items be approved.

Upon tabulation of votes, it showed:

AYES – Giles-Luna-Freeman-Glover-Heredia-Thompson-Whittaker  
NAYS – None

Carried unanimously.

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

Minutes from the November 29, December 3, and December 10, 2018 Council meetings.

3. Take action on the following liquor license application:

\*3-a. For Project 25 Inc.

This is a one-day event to be held on Saturday, January 19, 2019 from 2:00 P.M. to 4:00 P.M. at Desert Wind Harley Davidson, 922 South Country Club Drive. **(District 4)**

\*3-b. Campbell's Crew Cares

This is a one-day event to be held on Friday, February 22, 2019 from 6:00 P.M. to 9:30 P.M. at Falcon Field Airport, 4863 East Falcon Drive. **(District 5)**

\*3-c. St. Timothy Catholic Church

This is a one-day event to be held on Friday, January 25, 2019 from 4:00 P.M. to 9:00 P.M. at St. Timothy Catholic Church, 1730 West Guadalupe Road. **(District 3)**

\*3-d. El Autentico Latin American Restaurant

A restaurant that serves lunch and dinner is requesting a new Series 12 Restaurant license for El Autentico 1010 LLC, 1245 West Guadalupe Road, Suite B7-8 - Jared Michael Repinski, agent. There is no existing license at this location. **(District 3)**

\*3-e. Hamachi

A restaurant that serves lunch and dinner is requesting a new Series 12 Restaurant license for Fussion House Inc., 1440 South Country Club Drive, Suite 3 - Weilan Tan, agent. The previous license held by HYZM Restaurant Inc. will revert to the State. **(District 3)**

4. Take action on the following contracts:

- \*4-a. One-Year Renewal with a One-Year Renewal Option to the Term Contract for Bus Shelter Maintenance and Repair Services for the Transit Services Department **(Citywide)**

This contract provides annual bus shelter maintenance and repair services at various bus shelters, Bus Rapid Transit (BRT) stations, and Park and Ride locations throughout the City. Services include weekly routine cleaning and maintenance, and occasional as-needed, where-needed repairs.

The Transit Services Department and Purchasing recommend authorizing the renewal with A Mind for Detail Inc., dba AMFD (a Mesa business), at \$324,675 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- \*4-b. Six-Month Renewal and Dollar-Limit Increase to the Term Contract for Emergency Medical Supplies for the Mesa Fire and Medical Department **(Citywide)**

Mesa Fire and Medical is working on a rebid for this contract and is requesting a 6-month renewal and dollar-limit increase to continue purchasing emergency medical supplies until the new contract goes into effect.

The Mesa Fire and Medical Department and Purchasing recommend increasing the dollar-limit with Bound Tree Medical, LLC; Life-Assist, Inc.; Midwest Medical Supply Co., LLC, dba MSS A Medical Supply, Co.; and S&W Healthcare Corp.; by \$130,000, from \$402,000 to \$532,000.

- \*4-c. Ratification of the Emergency Purchase for the Presidential Rally as requested by the Police Department **(Citywide)**

This emergency purchase provided parking and security services related to the Rally held at Phoenix Mesa Gateway Airport on October 19, 2018.

The Police Department and Purchasing recommend ratifying the purchase from the contract with Pride Group, LLC, at \$44,241.90.

- \*4-d. Three-Year Term Contract with Two Years of Renewal Options for Dump Truck Services with Operators for the Transportation Department (Single Response) **(Citywide)**

Transportation's asphalt crew grinds roadways for maintenance and repairs. The sand, rock aggregate, dirt, storm debris, and hot asphalt is loaded into trucks and hauled off to a stock pile. The contractor will be required to supply dump trucks with operators. Work will be on an as-needed, where-needed basis.

The Transportation Department and Purchasing recommend awarding the contract to the single, responsive, and responsible bidder, Mountainside Materials, Inc., at \$624,470 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index. This purchase is funded by the Local Streets Fund.

- \*4-e. Dollar-Limit Increase to the Term Contract for Custodial Services for the Parks, Recreation and Community Facilities Department **(Citywide)**

This contract provides custodial services for City buildings. The increase is needed for the addition of custodial services for Fire Prevention Building 1 at the Mesa Fire and Medical Regional Dispatch Center and Emergency Operations Center.

The Parks, Recreation and Community Facilities Department and Purchasing recommend increasing the dollar-limit with Varsity Contractors, dba Varsity Facility Services, by \$36,295.30, from \$2,317,491.56 to \$2,353,786.86, for Year 4 of the term contract.

- \*4-f. Three-Year Term Contract with Two Years of Renewal Options for Boiler and Tankless Heater Preventative Maintenance and Repair Services for the Parks, Recreation and Community Facilities Department **(Citywide)**

This contract will provide the labor, materials, and supplies required to maintain the City's boilers and tankless heaters, and perform scheduled quarterly preventative maintenance and service repairs, non-scheduled repairs, and emergency services on an as-needed basis.

An evaluation committee recommends awarding the contract to the highest-scored proposal from Tolin Mechanical Systems, at \$60,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- \*4-g. Dollar-Limit Increase for Year 3 and Six-Month Renewal to the Term Contract for Playground and Park Equipment for the Parks, Recreation and Community Facilities Department **(Citywide)**

This contract provides playground and park equipment on an as-needed basis and may periodically include installation. PRCF has requested the increase of \$45,000 for year 3 for necessary equipment purchases for Eagles Park, and replacement equipment in the park system. PRCF has requested a six-month renewal and an increase of \$200,000 for the period to allow for additional time to rebid the contract.

The Parks, Recreation and Community Facilities Department, and Purchasing recommend increasing the dollar-limit by \$45,000, from \$85,000 to \$130,000, for Year 3 through 1/31/2019; and renewing and increasing the dollar-limit by \$200,000, from \$85,000 to \$285,000, from 2/1/2019 to 7/31/2019; with Play It Safe Playgrounds & Park Equipment, Inc., Dave Bang Associates, Inc., Exerplay, Inc., PlayCoreWisconsin, Inc., dba GameTime, Inc., and Arizona Recreation Design, Inc., dba Arizona Recreation.

- \*4-h. One-Year Renewal to the Term Contract for Class 250 Residential Gas Meters for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

This contract provides residential gas meters for the City's natural gas distribution system for measuring customer gas usage.

The Business Services and Energy Resources Departments, and Purchasing recommend authorizing the renewal with Energy Economics, Inc., at \$273,000, based on estimated usage.

- \*4-i. Purchase of Six Replacement Vehicles including One Sedan, Two Light-Duty Pickup Trucks, Two Minivans, and One Sport Utility Vehicle as requested by the Fleet Services Department for the Police Department **(Citywide)**

The six 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 vehicle replacement program.

The Fleet Services and Police Departments, and Purchasing recommend authorizing the purchase from the existing contracts with: PFVT Motors, LLC, dba Peoria Ford, at \$28,777.09, Berge Ford (a Mesa business), at \$80,745.02, Larry H. Miller Toyota, at \$73,605.98, and Midway Chevrolet, at \$38,968.85; for the combined total of \$222,096.94. This purchase is funded by the Vehicle Replacement Fund.

- \*4-j. One-Year Renewal to the Term Contract for Rodder/Vacuum Sewer Truck Parts and Services for the Fleet Services Department **(Citywide)**

This contract provides rodder/vacuum sewer truck maintenance and repair parts and services for the City's fleet.

The Fleet Services Department and Purchasing recommend authorizing the renewal using the Pima County cooperative contract with AZ Wastewater Industries, Inc., for \$87,500.

- \*4-k. Purchase of Replacement Hardware, Software and Services to Upgrade the Audiovisual Systems for the Municipal Court as requested by the Information Technology Department **(Citywide)**

The Municipal Court is using the original audiovisual systems that were designed and installed when the Court building opened in 2010. The systems fail without notice, are unrepairable and are not compatible with current peripherals. The project will update the current analog systems to a digital platform. Items being upgraded include audio, video, control and network equipment as well as the related mounting equipment, cabling and installation services. Eight courtrooms, a conference room, the jury assembly room and two jury deliberation rooms will receive upgrades.

The Municipal Court and Information Technology Departments and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract with ExhibitOne Corporation, at \$563,225.50. This purchase is funded by Municipal Court Restricted Program Funds.

- \*4-l. Three-Year Term Contract with Two Years of Renewal Options for CCure Security and Closed-Circuit Television (CCTV) Parts, Service and Licensing for Various City Departments as requested by the Police Department **(Citywide)**

This contract will be used by Police Department - Information Technology for upcoming CCure and CCTV projects. This contract will also be available to other City Departments for projects identified at their facilities

An evaluation committee recommends awarding the contract to the highest-scored proposals from ADT Inc., dba MSE Corporate Security (Primary); and APL Access &

Security, Inc. (Secondary); at \$500,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- \*4-m. Dollar-Limit Increase to the Term Contract for Emergency Electric Line Crew Services for the Energy Resources Department **(Citywide)**

The Electric Utility has experienced several storm-related and other electric outage events this year requiring emergency electric line crew services to perform repairs and restore power to customers. In addition, vacant positions and employees on transitional duty have increased usage of contract electric line crew services for routine construction, installation of new services, and capital projects.

The Energy Resources Department and Purchasing recommend increasing the dollar-limit with NPL Construction Co. (Primary Award); and Wilson Construction Co., dba Wilson Utility Construction Co. (Secondary Award); by \$400,000, from \$295,000 to \$695,000 for Year 5 through 8/31/2019.

- \*4-n. One-Year Term Contract with Two Years of Renewal Options for LED Streetlight Fixtures for the Transportation Department **(Citywide)**

This contract provides LED streetlight fixtures for the maintenance of streetlights for the City's roadways.

The Transportation Department and Purchasing recommend awarding the contract to the lowest, responsive, and responsible bidder, Consolidated Electrical Distributors Inc., dba Arizona Electrical Distributors, at \$480,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index. This purchase is funded by the Local Streets Fund.

- \*4-o. One-Year Term Contract with Two Years of Renewal Options for Job Order Master Contract for Natural Gas Construction Services **(Citywide)**

This Job Order Master Contract provides for smaller natural gas line construction services.

Staff recommends that Council award the contract to RP Companies, Inc. for a Job Order Master Contract for gas line construction services, based on successful contractor performance and City concurrence. This master contract will allow for the issuance of multiple individual job orders with a not-to-exceed limit of \$1,000,000 per job order and a total contract value not-to-exceed \$3,000,000 for each year of the contract.

- \*4-p. One-Year Term Contract with Two Years of Renewal Options for Two Master Job Order Contracts for Transportation Construction Services **(Citywide)**

Job Order Master Contracts for transportation construction services include construction improvements of City infrastructure related to streets, roadways, storm sewers and traffic signals.

Staff recommends the selections of Talis Construction Corporation, and Nesbitt Contracting Company Inc., for Job Order Master Contracts for transportation construction services, based on successful contractor performance and City concurrence. These two master contracts allow for the issuance of multiple individual job

orders with a not-to-exceed limit of \$1,000,000 per job order and a total contract value not-to-exceed \$10,000,000 for each year of the contract, per contractor.

5. Take action on the following resolutions:

- \*5-a. Endorsing the creation of the Hill View Irrigation Water Delivery District that is generally bounded by East Brown Road on the north, East Fairfield Street on the south, North Harris Drive on the west, and North Forest on the east. **(District 1)** – Resolution No. 11265.

The formation of an irrigation water delivery district allows the District to make improvements and perform maintenance and operations of their irrigation system. Final designation of the District is determined by the Maricopa County Board of Supervisors.

- \*5-b. See: **Items not on the Consent Agenda.**
- \*5-c. Approving and authorizing the City Manager to enter into the First Amendment to the Amended and Restated Transportation Project Advance Agreement with Valley Metro Rail (METRO), the City of Phoenix and the Maricopa Association of Governments (MAG). This amendment provides the City authority to use City transportation funds to advance \$20.3M in funding to METRO to complete the Gilbert Road Light Rail Extension. **(District 4)** – Resolution No. 11266.
- \*5-d. See: **Items not on the Consent Agenda.**
- \*5-e. See: **Items not on the Consent Agenda.**
- \*5-f. Requesting approval for Staff to continue negotiations to acquire certain property along Southern Avenue and Stapley Drive Intersection Improvement Project, and in order to avoid construction delays, authorizing and directing staff that fee title, easements or other interests in and possession of certain property be acquired by the City of Mesa through eminent domain as a matter of public necessity. **(District 4)** – Resolution No. 11267.

6. Take action on the following recommendation from the Audit, Finance and Enterprise Committee:

- \*6-a. Accepting the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2018.

7. Introduction of the following ordinances and setting January 28, 2019 as the date of the public hearing on these ordinances:

- \*7-a. **ZON18-00246 (District 4)** Within the 400 and 500 blocks of North Center Street (east side); and within the 400 and 500 blocks of North Pima, North Lewis, and North Sirrine (both sides); and within the 500 block of North Pasadena north of 526 North Pasadena (both sides) (32.8± acres). Located east of Center Street and north of University Drive. Rezone from RM-2, RM-2-HL, RM-4, DR-2, DR-2-HL, DR-3, DB-1, and LC to ID-2 and ID-2-HL. This request will establish a zoning designation that reflects the historic development pattern of the area. City of Mesa, applicant; multiple owners.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 6-1), as ratified on December 13, 2018.

- \*7-b. **ZON18-00688 (District 6)** Within the 2100 to 2400 block of South Signal Butte Road (east side). Located south of Baseline Road on the east side of Signal Butte Road (7.4 ± acres). Rezoning from RM-2-PAD to RM-2-PAD-PAD; and Site Plan Review. This request will allow for an attached single-residence subdivision. Tim Nielsen, Farnsworth Construction Company, applicant; Sunland Springs Golf Company, LLP, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0), as ratified on December 13, 2018.

- \*7-c. **ZON18-00692 (District 4)** Within the 1000 block of East University Drive (north side). Located west of Stapley Drive on the north side of University Drive (1± acres). Rezoning from OC to RM-4. This request will allow for residential development. Kempton Fuller, Arthereal Design, applicant; Wallin Holdings, LLC, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0), as ratified on December 13, 2018.

- \*7-d. **ZON18-00693 (District 6)** Within the 2800 and 2900 blocks of South Hawes Road (east side) and the 8400 block of East Guadalupe Road (south side). Located at the southeast corner of Guadalupe Road and Hawes Road (10± acres). Rezoning from RS-43 to RM-2-PAD-AF; and Site Plan Review. This request will allow for a multi-residential development. Brennan Ray, Burch & Cracchiolo, applicant; Hawes Section Corner, LTD, Partnership, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 7-0), as ratified on December 13, 2018.

- \*7-e. **ZON18-00689 (District 6)** Within the 3200 and 3300 blocks of South Power Road (east side). Located north of Elliot Road on the east side of Power Road (9± acres). Rezoning from LI-PAD to RM-2-PAD-AF; and Site Plan Review. This request will allow for a multi-residential development. Brennan Ray, Burch & Cracchiolo, applicant; Garage Town, USA, LLC, owner.

**For continuance to the March 18, 2019 City Council meeting.**

Staff Recommendation: Denial

P&Z Board Recommendation: Denial (Vote: 6-1), as ratified on December 13, 2018.



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

- \*8-a. **ZON18-00592 (District 6)** Within the 10200 and 10300 blocks of East Hampton Avenue (south side). Located north of U.S. 60, east of Crismon Road (17.7± acres). Rezoning from LI and LI-BIZ to LC-PAD; Site Plan Review and Council Use Permit for multi-residence use in the LC zoning district. This request will allow for the development of a medical, commercial and residential mixed-use campus. Kevin Howard, Kevin B. Howard Architects, Inc., applicant; Ski Properties, LLC, VJ Crismon, LLC, Sterling Hospitality, LLC and Legacy Hospital, LLC, owner. – Ordinance No. 5479.

At the Planning and Zoning Board meeting, this request also included the consideration of Special Use Permits for a reduction in parking and assisted living. The Special Use Permits were approved by the Planning and Zoning Board subject to Council approval of the Rezoning, Site Plan and Council Use Permit.

Staff Recommendation: Approval

P&Z Board Recommendation: Approval (Vote: 5-0)

- \*8-b. Amending Title 8, Chapter 6, Sections 5 through 18 of the Mesa City Code, relating to Public Nuisances, Property Maintenance and Neighborhood Preservation. The changes impact the service of citations and will take effect 30 days after adoption. (Citywide) – Ordinance No. 5480.
- \*8-c. Amending the Mesa City Code, Title 4 (Building Regulations), Chapter 1 (Mesa Administrative Code), Sections 1 and 2, by adopting the 2018 Mesa Building Code, Residential Code, Mechanical Code, Plumbing Code, Fuel Gas Code, Energy Conservation Code, Existing Building Code, Swimming Pool and Spa Code, and the 2017 Mesa Electric Code with amendments, effective February 10, 2019. (Citywide) – Ordinance No. 5481.
- \*8-d. Repealing the existing Title 4 (Building Regulations), Chapter 2 (Mesa Building Code), Sections 1 (International Building Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 International Building Code by reference; adopting amendments to certain provisions in the 2018 International Building Code; and adding a new Title 4, Chapter 2, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5482.
- \*8-e. Repealing the existing Title 4 (Building Regulations), Chapter 3 (Mesa Residential Code), Sections 1 (International Residential Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 International Residential Code by reference; adopting amendments to certain provisions in the 2018 International Residential Code; and adding a new Title 4, Chapter 3, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5483.
- \*8-f. Repealing the existing Title 4 (Building Regulations), Chapter 4 (Mesa Electrical Code), Sections 2 (National Electric Code Adopted) and 3 (Penalty Clause), of the Mesa City Code; adopting the 2017 National Electrical Code by reference; adopting amendments to certain provisions in the 2017 National Electrical Code; and adding a new Title 4, Chapter 3, Sections 2 and 3, effective February 10, 2019. **(Citywide)** – Ordinance No. 5484.

- \*8-g. Repealing the existing Title 4 (Building Regulations), Chapter 5 (Mesa Plumbing Code), Sections 1 (International Plumbing Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 International Plumbing Code by reference; adopting amendments to certain provisions in the 2018 International Plumbing Code; and adding a new Title 4, Chapter 5, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5485.
- \*8-h. Repealing the existing Title 4 (Building Regulations), Chapter 6 (Mesa Mechanical Code), Sections 1 (International Mechanical Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 Mechanical Code by reference; adopting amendments to certain provisions in the 2018 International Mechanical Code; and adding a new Title 4, Chapter 6, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5486.
- \*8-i. Repealing the existing Title 4 (Building Regulations), Chapter 7 (Mesa Fuel and Gas Code), Sections 1 (International Fuel and Gas Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 International Fuel and Gas Code by reference; adopting amendments to certain provisions in the 2018 International Fuel and Gas Code; and adding a new Title 4, Chapter 7, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5487.
- \*8-j. Repealing the existing Title 4 (Building Regulations), Chapter 8 (Mesa Existing Building Code), Sections 1 (International Existing Building Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 International Existing Building Code by reference; adopting amendments to certain provisions in the 2018 International Existing Building Code; and adding a new Title 4, Chapter 8, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5488.
- \*8-k. Repealing the existing Title 4 (Building Regulations), Chapter 9 (Mesa Energy Conservation Code), Sections 1 (International Energy Conservation Code Adopted) and 2 (Penalty Clause), of the Mesa City Code; adopting the 2018 International Energy Conservation Code by reference; adopting amendments to certain provisions in the 2018 International Energy Conservation Code; and adding a new Title 4, Chapter 9, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5489.
- \*8-l. Adopting the 2018 International Swimming Pool and Spa Code by reference; adopting amendments to certain provisions in the 2018 International Swimming Pool and Spa Code; adding a new Title 4 (Building Regulations), Chapter 10 (Mesa Swimming Pool and Spa Code), Sections 1 (Swimming Pool and Spa Code Adopted) and 2 (Penalty Clause), effective February 10, 2019. **(Citywide)** – Ordinance No. 5490.
- \*8-m. Repealing the existing Title 7 (Fire Regulations), Chapter 2, Sections 1 and 2 (Fire Code), of the Mesa City Code; adopting the 2018 International Fire Code by reference; adopting amendments to certain provisions in the 2018 International Fire Code; and adding a new Title 7, Chapter 2, Sections 1 and 2, effective February 10, 2019. **(Citywide)** – Ordinance No. 5491.

**Items not on the Consent Agenda**

**5. Take action on the following resolutions:**

- \*5-b. Endorsing the creation of the Evergreen Irrigation Water Delivery District that is generally bounded by West 8th Street on the north, West University Drive on the south, North Grand on the west, and North Drew Street on the east. **(Districts 1 and 4)** – Resolution No. 11268.

The formation of an irrigation water delivery district allows the District to make improvements and perform maintenance and operations of their irrigation system. Final designation of the District is determined by the Maricopa County Board of Supervisors.

Mayor Giles acknowledged that speaker cards were received from the following individuals in support of the creation of the Evergreen Irrigation Water Delivery District but did not wish to speak.

Barbara Bingham:	A Mesa resident
Bruce Cummins:	A Mesa resident
Jane Cummins:	A Mesa resident
Tom LaVell:	A Mesa resident
Kris Tibsherany:	A Mesa resident
John Tingler:	A Mesa resident
Peter Vanuas:	A Mesa resident

Ric Murphy, a Mesa resident, advised in 2004 he was appointed as Leader of the Irrigation Group for his neighborhood. He reported during this time over \$10,000 was collected and \$8,000 had been spent on repairs to the current irrigation system. He noted 27 individuals have signed a petition in opposition for the proposed water delivery district. He advised property owners are responsible for maintaining their own water irrigation and a tax base is not necessary as funds can continue to be collected in the same fashion as they have been to provide future maintenance and repair needs.

Jeannine Sander, a Mesa resident, advised that currently an organized process to fix irrigation issues is not in place. She described an incident that occurred over the summer where a neighbor opted to not take irrigation and a broken pipe caused strain on the neighborhood irrigation system. She pointed out that the current irrigation system is over 100 years old. She stated the opinion that a proper irrigation system needs to replace the current system and the entire neighborhood should be responsible for funding the new system.

Robert Scantlebury, a Mesa resident, advised his family has lived in the Evergreen District for 25 years and is the largest landholder in the neighborhood. He agreed with Ms. Sander that an issue occurred over the summer and advised the pipe was repaired in a timely manner. He stated the opinion that the creation of the Evergreen Irrigation Water Delivery District is a way to “force” residents in the neighborhood to pay for the system. He expressed opposition to the formation of the water district.

Heather Scantlebury, a Mesa resident, expressed concern with the state statute including the power of eminent domain and the risk of this causing issues between residents in the neighborhood. She advised not all residents are aware that the process to include a water delivery district in the neighborhood has occurred and hoped ample time would be given to educate residents that would be asked to pay for the new irrigation system.

William Gosney, a Mesa resident, addressed concerns related to eminent domain. He agreed the current system is old and explained the new water delivery district would take care of the issues with the aging system. He noted Council's approval is the first step, additional meetings will occur in the future with all residents, and ultimately the neighborhood will vote on the water delivery district. He commented the neighborhood is historic and it is imperative that it be maintained.

Councilmember Freeman detailed the process of a neighborhood creating a water delivery district and advised it takes 50% of the landowners and 50% of the parcel owners to approve the new irrigation system in order to proceed. He added Council endorsing the creation of the Evergreen Irrigation Water Delivery District allows for the process to continue and a vote to occur. He stated if a majority of landowners and parcel owners approve the creation of the water deliver district, each parcel owner will be taxed, and the money collected will be used for future maintenance and repair needs.

In response to a question posed by Councilmember Whittaker, City Attorney Jim Smith advised the eminent domain power for any governmental entity is "limited to a public purpose and for compensation."

Mayor Giles reiterated Councilmember Freeman's comments and advised action by Council will only move the process forward, and after consideration by the County Supervisors, a vote will occur by the residents in the neighborhood.

It was moved by Councilmember Freeman, seconded by Mayor Giles, that Resolution No. 11268 be adopted.

Upon tabulation of votes, it showed:

AYES – Giles-Luna- Freeman-Glover-Heredia-Thompson-Whittaker

NAYS – None

Mayor Giles declared the motion carried unanimously and Resolution No. 11268 adopted.

\*5-d. Approving and authorizing the City Manager to enter into a Purchase Agreement and a Development Agreement with Chicanos Por La Causa, Inc. for the development of approximately 2.5 acres of property, of which approximately 1.3 acres is City-owned, on the northwest corner of Country Club Drive and Main Street. The Purchase and Development agreements will facilitate the development of a mixed-use, transit-oriented development. **(District 4)** – Resolution No. 11269.

Verl Farnsworth, a Mesa resident, expressed concern with the City selling City-owned parcels for \$400,000 when the City-owned land is appraised at \$700,000. He described the purchase agreement as the City "giving away" property and stated the opinion that it contradicts the Council's philosophy that there will be an "explosion of interest" from developers with the addition of Arizona State University in the downtown area.

Mayor Giles reported the property was acquired 20 years ago for a development project that was never completed. He commented the goal is for the property to become a "gateway development" for the downtown area and economic impact studies have established that direct revenue to the City over the next 25 years will be 5 million dollars and the indirect economic benefits to the City will be 207 million dollars.

It was moved by Councilmember Glover, seconded by Councilmember Heredia, that Resolution No. 11269 be adopted.

Upon tabulation of votes, it showed:

AYES – Giles-Luna- Freeman-Glover-Heredia-Thompson

NAYS – Whittaker

Mayor Giles declared the motion carried by majority vote and Resolution No. 11269 adopted.

\*5-e. Authorizing the City Manager, or his designee, to execute necessary documents with MC-Hotel River View, LLC for the sale of approximately 12,000 square feet of City-owned property (APN 135-37-904) located at the northeast corner of Paseo Lago Vista and Sheffield Avenue and to enter into a Development Agreement for the site for the construction of a hotel and retail/restaurant space. **(District 1)** – Resolution No. 11270.

Verl Farnsworth, a Mesa resident, questioned why the City would accept an offer for less than the appraised value. He noted the appraised value of the property is \$360,000 and the City is selling the property for \$300,000. He stated the opinion that the terms of the buyback reflect no risk to the buyer and transfers all the risk for the project to the citizens of Mesa. He requested the project “stand on its own and to stop the corporate welfare.”

Robert Scantlebury, a Mesa resident, commented that the City should not take a loss on the property and the property should be sold at market value.

Mayor Giles noted that Marc Garcia, from Visit Mesa, submitted a speaker card in support of the Development Agreement with MC-Hotel River View, LLC, but did not wish to speak.

Councilmember Whittaker commented that he is not a fan of corporate welfare and the property should be sold at the appraised value. He questioned justifying price breaks to buyers based off economic impact studies and expressed his opposition to the Development Agreement.

Mayor Giles noted the Development Agreement is a business decision by the City of Mesa and this piece of property cannot be developed because there is no parking access, therefore the “highest and best use of the property” is the development of a hotel. He commented that a hotel situated next to a ballpark is an appropriate asset that will generate sales tax and bed tax revenues, as well as tourism dollars to the City. He agreed the argument could be made that the City is taking a loss of \$60,000, however, the anticipated annual bed tax revenue is nearly \$200,000. He stated the opinion that it would be “financially irresponsible” for the City to not move forward with the Development Agreement.

It was moved by Councilmember Freeman, seconded by Vice Mayor Luna, that Resolution No. 11270 be adopted.

Upon tabulation of votes, it showed:

AYES – Giles-Luna- Freeman-Glover-Heredia-Thompson

NAYS – Whittaker

Mayor Giles declared the motion carried by majority vote and Resolution No. 11270 adopted.

9. Items from citizens present.

There were no items from citizens present.

10. Adjournment.

Without objection, the Regular Council Meeting adjourned at 7:07 p.m.

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JOHN GILES, MAYOR

ATTEST:

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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 7<sup>th</sup> day of January, 2019. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK

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