

MEETING MINUTES

Office of Economic Development
Economic Development Advisory Board
57 E. 1st Street
Lower Level Council Chambers
Mesa, AZ 85201

Date: December 4, 2018 Time: 7:30 A.M.

MEMBERS PRESENT	EX-OFFICIO	STAFF PRESENT
Natascha Ovando-Karadsheh, Chair	Mayor John Giles (Excused)	William Jabjiniak
Jim Kasselmann, Vice Chair	Chris Brady, City Manager	Jaye O'Donnell
Brian Campbell	Sally Harrison (Excused)	Jodi Sorrell
James Christensen	Jeffrey Pitcher (Excused)	Jake West
Deb Duvall		Jesse Heywood
Matt Likens		Keith DeVore
Dominic Perry		William Fick
Richard Warren	GUESTS PRESENT	Scott Butler
	Deron Lozano, Valley Metro	Marc Ahlstrom
MEMBERS ABSENT		Maribeth Smith
Rich Adams (Excused)		

1. Chair's Call to Order

Chair Natascha Ovando-Karadsheh called the Economic Development Advisory Board meeting to order at 7:30 a.m.

2. Items from Citizens Present – None.

3. Approval of Minutes from the November 6, 2018 Board Meeting

Chair Ovando-Karadsheh called for a motion to approve the November meeting minutes.

Brian Campbell moved to approve the November 6, 2018 minutes as presented; seconded by Deb Duvall. Upon tabulation of votes, it showed:

AYES – Ovando-Karadsheh, Kasselmann, Campbell, Christensen, Duvall, Perry, Warren

NAYS – None

ABSENT - Likens

Chair Ovando-Karadsheh declared the motion carried by unanimous vote.

4. Street Car and Fiesta District Transit Alternative Alignment

Jodi Sorrell, City of Mesa Transit Services Director, introduced Deron Lozano, Consultant with Valley Metro. December 27, 2018 will mark the 10th anniversary of Light Rail operating in the Valley.

Fiesta District Alternatives Analysis

A Feasibility Study was started 3 years ago with the City of Chandler regarding the possibility of extending the Light Rail or a high-capacity alternative off the Main Street extension south through the

Fiesta District and into Chandler. The study area encompasses three main areas: Riverview Park, Downtown Mesa, and the Fiesta District. The Dobson Road business corridor is part of the study area, although it is not shown on the map.

The Alternatives Analysis (AA) began a year ago to define what type of high capacity investment should be explored for the future. Locally preferred alternatives (LPA) will define the route, transit type, station locations, street configuration, phasing, and other recommendations. The AA will include an intense public outreach component. By summer of 2019, an LPA will be presented to the Board.

The Tier 1 evaluation criteria include the potential for ridership and economic development, physical and engineering constraints, traffic impacts, and costs. The criteria were rated as a result of the public process to make sure the investments are made where people want to go with a focus on the economic development potential. From the Tier 1 evaluation, 11 alternatives were developed. Certain alternatives were removed from consideration due to lower ridership potential, fewer connections to existing routes, lower potential for redevelopment, the inability to serve key corridors, or inconsistencies with the Mesa Transit Plan 2040.

Recommended Tier 1 Alternatives: Alternative 2A connects Riverview and the Fiesta District, with a potential leg going south along Extension Road crossing US60. Alternative 3A terminates at Southern Avenue and Country Club. Alternative 3B utilizes Country Club Drive to cross US60 to the south. Alternative 4 provides a U-shaped option to connect all of the key activity areas.

One-on-one meetings were held with key stakeholders including major employers in the area, Mesa Community College, and Banner Desert Medical Center. These meetings were key for potential future investment and all of the groups felt that the four alternatives made sense. A Tier 1 public meeting was held a few weeks ago and everyone was on board. An online survey will close on December 7, 2018.

Next Steps: Conclude Tier 1 public outreach, initiate a more detailed Tier 2 evaluation, and complete the Tier 2 analysis, with results to be presented in the spring. In the summer of 2019, the recommended LPA will be presented to the various boards and City Council.

Tempe Streetcar Feasibility Study

The City of Tempe, City of Mesa, and Valley Metro are working together on this study to explore options for future extensions as well as key destinations and connections. The Feasibility Study is expected to be completed by 2021. There is currently no funding for future streetcar expansion.

The process is similar to the Fiesta District Alternatives Analysis, although it is purely a technical analysis to recommend key corridors and next steps if the region and the east valley decide to invest in this project in the future. The study is expected to be completed in the spring of 2020.

In the Arizona Avenue Alternatives Analysis, Chandler is looking at some type of high capacity transit investment to connect to the current Light Rail. That study is expected to be completed in 2020. There is a lot of overlap between the three studies. The Streetcar is currently under construction and is scheduled to open for operations in 2021.

BOARD QUESTIONS:

Brian Campbell has been watching the project closely. He asked if there has been any discussion with the City of Tempe to coordinate south of the Arizona Avenue Alternative Analysis as that might potentially connect with the Gateway area.

Ms. Sorrell advised that Mesa eventually would like to get out to Gateway Airport either by going east on Main Street or aligning with US60. She did not believe Chandler had looked beyond this corridor as this is all very new for them. They have talked about high-capacity corridors down Arizona Avenue or along Price. Chandler is currently updating the transit element of their transportation plan.

Mr. Campbell advised that one alternative in the Arizona Avenue Analysis comes out the south side and turns towards Gateway, encompassing ASU Poly and providing a second alternative into the Gateway area. Stakeholders, community leaders, and State Transportation Board members are very interested in that coordination. He encouraged the Board to think in that long-term vision and get the lines on the map, as there will hopefully be a new transit planning funding alternative going to the voters. That experience has served us well during the Loop 202 process.

Ms. Sorrell agreed and stated that it is part of the reason these long-term studies were started. The three-mile extension that was opened three years ago utilized funding from the Prop 400 election in 2004. Conducting these studies now puts us in a better place when we look at a possible extension of the sales tax and to be competitive at the federal level for funding.

As Mr. Campbell served on the CTOC executive committee (Citizens Transportation Oversight Committee) for the Prop 400 initiative, he echoed Ms. Sorrell's comments.

Chair Ovando-Karadsheh thanked Ms. Sorrell and Mr. Lozano for the presentation.

5. Infrastructure Presentations

Chair Ovando-Karadsheh stated from an economic development perspective, it is very important for the Board to understand what is going on behind the scenes. Infrastructure is a key part of how we can grow as a City.

• WATER RESOURCES

Jake West, Water Resources Department Director, Keith DeVore, Water Advisor, William Fick, Senior Civil Engineer for Wastewater, and Jesse Heywood, Supervising Engineer were introduced.

The mission and vision are to provide the citizens of Mesa with safe, reliable water and wastewater services in a cost-effective manner. That is accomplished through the use of infrastructure and maintenance to ensure that people have clean, safe water every day.

The water system has three sources. The Salt River and Colorado River come through canal systems into surface water treatment plants. Once treated, the water goes into a reservoir to be stored and is then pumped out to customers. Groundwater wells can pump into reservoirs or in some cases directly into the distribution system before going out to the customer through a meter. After it is used, the water is put back into the sewer system where it goes to a water reclamation plant to be recharged in the ground or used for agriculture and turf facilities.

In the City of Mesa, the assured water supply is a big deal. We live in an active management area governed by the 1980 Groundwater Act. In 2012, Mesa was awarded the 100-year Assured Water Supply from the Department of Water Resources. The service area is 133 square miles, serves over a half million people a day including the county islands, and includes 2,400 miles of pipe. The surface water treatment capacity at the Val Vista, Brown Road, and Signal Butte Water Treatment Plants is 186 million gallons per day (MGD). The average household uses about 190 gallons per day.

Mesa is served by three water treatment plants (WTP). The Val Vista WTP serves the core of the city west of the eastern canal. The Brown Road WTP serves the area north the US60 and west of the eastern canal. The new Signal Butte WTP just came on line this past summer and serves the southern half of the City. Groundwater wells are used as back-ups during maintenance at the treatment plants. The water treatment process from intake all the way to the customer was explained in detail.

The water supply is made up of 12% groundwater, 41% SRP water from the Salt and Verde rivers, and 47% Colorado River water (2017 figures). In 1980, the Groundwater Act was passed which restricts the amount of groundwater that can be taken out to the amount put back in. Salt River Project (SRP) water can only be used on SRP land. Central Arizona Project (CAP) water can be used anywhere.

There have been news stories on the potential drought on the Colorado River. On project, there is a surplus of water rights compared to the demand both today and predicted at build out. Off project (CAP), there is currently a surplus, and at build-out there is a slight deficit projected.

A 1 MGD water user (large data center or water bottler) would use the equivalent of 570 acres of single family, 600 acres of multi-unit, or 257 acres of commercial.

The goals of the Water Resource Portfolio are to manage shortages, to prevent the need for drastic reduction measures, and to plan for future conditions before they occur.

Groundwater is used only as a backup and it is expensive. We currently have 540,000 acre-feet of water in storage. The City of Mesa is putting back in the ground double the amount that is taken out. A lot of time and effort is spent maintaining the treatment plants to make sure they are operating efficiently. Since 1982, the City has been heavily involved in promoting and encouraging voluntary water conservation. The Water - Use It Wisely program started in Mesa in the 1980s and is today being revitalized through a statewide effort.

Wastewater

The wastewater service area is 133 square miles, contains 1,750 miles of sewer pipe ranging in size from 6 to 78 inches, and currently generates 35 MGD that are treated at 4 wastewater treatment facilities. The Northwest and Southeast Plants are located in and owned and operated by the City of Mesa. The Greenfield Plant is located in Gilbert and is jointly owned by Mesa, Gilbert, and Queen Creek. The 91st Avenue Plant is part of the Sub-Regional Operating Group (SROG). It is located in Phoenix and is jointly owned by Mesa, Tempe, Scottsdale, Phoenix, and Glendale. Reclaimed water from these facilities is used for groundwater recharge, irrigation, and for cooling water at the Palo Verde Nuclear Generating Plant. The Northwest plant has capacity for 12 MGD, and its reclaimed water is pumped to the Granite Reef Underground Storage Facility, which recharges the water into the groundwater. The SROG 91st Avenue plant has capacity for 26 MGD. Reclaimed water from the 91st Avenue plant is sent to the Palo Verde Nuclear Generating Plant to be used for cooling and to the Tres Rios Wetlands project. The Southeast plant has capacity for 8 MGD. Effluent from the Southeast plant is pumped down to the Greenfield plant, combined with their reclaimed water, and sent to the Gila River Indian Community where it is used for agricultural irrigation or to the East Maricopa Floodway. The Greenfield plant has capacity for 16 MGD. The City has an Exchange Agreement with the Gila River Indian Community that allows us to utilize 4 gallons of their CAP water allocation for every 5 gallons of reclaimed water that we send them. The agreement stipulates that we will initially send them 7,000 acre-feet a year, increasing by 1,500 acre-feet a year until we reach a maximum of 29,400 acre-feet a year. That is equivalent to approximately 21 MGD of potable water through the exchange.

The projected flows to the four water reclamation plants were reviewed. The only plant showing a significant increase is the Greenfield plant as most of the growth is anticipated in Southeast Mesa. The current capacity of the Greenfield plant is 16 MGD, which projections show will be reached by 2021. A Phase III expansion is currently under construction and is scheduled to come on line in mid-2020. This will increase capacity to 30 MGD. If growth continues as anticipated, we will reach the 30 MGD capacity by 2027-28. A future build-out expansion will increase capacity to 54 MGD.

Mesa is well-positioned to provide water and wastewater services for the future. Through responsible economic development with consideration for the available resources, we can continue to meet the needs of the community. Infrastructure investment and capital programs will expand the system as well as maintain the existing infrastructure.

BOARD QUESTIONS:

Jim Kasselman asked about the sources for funding the expansion in 2020 and into Phase IV.

Utility infrastructure expansions are usually done through the sale of bonds. About every four years, or when needed, we go out to the voters for capital projects funded through the bond system.

Chris Brady, City Manager, stated those projects are ultimately funded through the utility rates.

Deb Duvall asked if Mesa's management of water resources was vastly different than in other communities or other parts of the state. There is the impression that we should be worried about water in the future. She did not get that impression from the presentation.

There is a structural deficit on the Colorado River system. More people are taking water out than the river can provide. There are conversations going on now with Arizona Department of Water Resources (ADWR) and Central Arizona Water Conservation District (CAWCD) regarding the Drought Contingency Plan (DCP). There is an issue, although the focus now is on maintaining the water levels in Lake Mead. There are a lot of users and a lot of priorities. Mesa has priority water. Pinal-AC has a lower priority and has no access to groundwater, so they use a lot of surface water. There is an anticipated shortage for 2020 and they will start scalping off water by the priority system. That is serious. With Mesa's portfolio, we believe we can manage through a Tier 1 shortage.

Brian Campbell thanked the team for the very informative presentation. He noted that the Northwest Water Reclamation Plant (NWWRP) feeds the Granite Reef Underground Storage Project (GRUSP). The City and the Rio Salado restoration partners have looked to those basins as part of a project for a public use in that area. He asked if the projections include any development for the Rio Salado off of that system into the GRUSP basins.

The projections do not include any such development at this time.

Mr. Campbell stated it would be the water coming from the Salt River Pima Maricopa Indian Community as part of their allocation. He confirmed there would be no change to our water system if we become involved in any Rio Salado project.

Mr. Campbell noted in the Groundwater Resources Program (GWRP) flow projections, Mesa is projected to exceed the Gilbert flow in 2020. He was under the impression that had already happened. Have we exceeded the Gilbert flow into that project due to our growth in that area?

Yes, Mesa's current capacity is 4 MGD and the average daily flow is around 4.5 MGD. We are renting capacity right now until the Phase III expansion is completed in mid-2020.

Mr. Campbell noted because of the upward changes in the curves, we need to look for ways to accelerate some of the projections and the funding capacity.

Chair Ovando-Karadsheh noted that housing generates additional needs for water and wastewater. She asked if Mesa has the capacity to grow out the southeast Valley at the projected need of 2,500 new home units per year and how that can be managed. Housing sometimes goes in the ground much faster than we can get the infrastructure and treatment facility expansions online. Are we ready for that kind of growth?

The master plan looks at the existing zoning of the area, the number of dwelling units per acre, as well as the zoning of the vacant parcels in order to project the water demand. With the current portfolio of water rights and groundwater, we are projecting a balance at build-out. The newer homes are using less water through xeriscape landscaping and more efficient fixtures and appliances. We are seeing the use per customer go down. We believe we are in a good position to support the future residential demand.

Mr. Brady commended the group for the great job in planning and looking to the future. The timing is important as the plants take years of advanced planning and engineering. Construction of the Signal Butte plant took two years. Construction on the Greenfield plant started 6 months ago and is expected to take 33 months, not including the planning and obtaining financing. The last bond election for water

was in 2014 for over a half million dollars. If the expansions are not done, we cannot issue permits and residential construction will have to stop.

When large industrial prospects come into Mesa, they ask first about the amount of available land for their project. The infrastructure is the next most important question, whether it is power or the water resources and the ability to treat water. The reason Apple and First Solar are here is because of the infrastructure. This team actually drives big industry to Mesa more than any other incentive. It is sometimes difficult to have conversations with Council about issuing hundreds of millions of dollars in bonds for these types of projects, although it is what drives our economy and drives industries to Mesa. Data centers are big users of water. We have a plan that will allow us to meet all of the demands going forward, but we are also being approached by industries that have significant potential uses of water. As we try to respond to their inquiries with regard to what they need, it puts a lot of pressure on our planning. While we have plans to meet the demands for the ultimate buildout of the City, some of the industries coming in are much larger users than we ever anticipated. Some users are asking for 4 MGD. We need to look at the pattern of growth. Jobs are very important, homes are important, but we need to have a balance. We may be willing to provide greater opportunity for employers to take a larger portion of water, possibly even at the risk of slower rooftop development. The cost to provide services to industry is much less without the infrastructure resources (Police, Fire, Libraries, Parks). With the demand and interest, these presentations are critical to the decision-making processes.

- **OFFICE OF MANAGEMENT & BUDGET**

Scott Butler, Capital Improvement Program Administrator for the Office of Management and Budget, and Marc Ahlstrom, Assistant City Engineer, were introduced. Mr. Butler explained that the Capital Improvement Program (CIP) is a multi-year planning tool. A 5-year snapshot is published, as required by the City Charter. It is an active document that is reviewed and updated on an annual basis for review and approval by City Council. During the fiscal year, individual projects are brought before the City Council for approval in order to proceed to construction. Projects are categorized into funded or planned projects. Funded projects have funding identified and allocated within the 5-year period. Planned Projects are those for which there is a need, although no funding is identified. For example, the expansion of the Greenfield Wastewater Plant was provided by funding that was authorized in 2014 by voters. The next expansion is included in the forecast period; however, it is a planned project that will require additional authorization in order to be completed.

There are three primary resources for funding. Not included in the list were Utility Revenue Bonds, which are approved by voters. The debt service is primarily paid through utility operations. General Obligation Bonds are also approved by voters, and the debt service is primarily paid for with a secondary property tax as well as impact fees collected through development. Local revenues include City sales tax, state-shared revenues, or other revenues generated by City services. Regional awards or grants allow the City to leverage the limited resources for the City in order to complete quality projects. This could include federal, state, or regional funding. The Maricopa Association of Governments or the Maricopa County Flood Control District may provide funding for the City to complete projects.

Projects are identified primarily through three resources: Citizen input, City Council or the City Manager through strategic priorities, and City departments. Budgets are developed through a collaborative process throughout the lifecycle of a project between client departments, engineering, and the Office of Management and Budget. The priority is to try to leverage the limited City resources to complete quality projects that meet community needs.

Four main aspects are considered in prioritizing the future: Whether a project can provide a Citywide benefit, whether the City has control of the land, whether initial phases of a project have been completed, and the operations and maintenance costs.

The Five-Year CIP is available through an online link at www.mesaaz.gov under the Office of Management and Budget.

BOARD QUESTIONS:

Chair Ovando-Karadsheh asked how items are prioritized each year. The development process takes a year or two. How do you anticipate that growth and how do you forecast for that financially?

It is a continual process. After the budget is adopted in June, we start working with client departments, the City Manager, and City Council to discuss the needs. The Office of Management and Budget (OMB) has a forecast area and updates are continually provided. Scenarios are run to see if a project fits within the forecast period for the City. It is a continual process with a lot of collaboration between the departments, engineering, and the City Manager.

Matt Likens asked if there was a philosophy that is utilized in the budget process. As he is budgeting for a business, he wants a budget that he can commit to, although he would like a forecast that will exceed that. What is the City's philosophy to make sure as the fiscal year moves forward or is realized that there is enough in the business budget to cover any unanticipated expenses?

Mr. Butler stated it is a very conservative approach in terms of developing the project budget based on the scope. We do work with engineering to identify where we can save funding on a project. It is a delicate balance between developing the quality that the community is looking for, the strategic goals of the Mayor and Council, and the direction of the City Manager. There is a world of projects out there and a lot of things that the community desires. It requires a check and balance as far as what we can realistically complete with limited resources.

Brian Campbell noted that this Board has been focused on the revenue side, particularly the CIP funding and the local revenue bucket. It is a City sales tax component. It is a national phenomenon where we see brick and mortar retail come under fire and forcing a re-evaluation of that component in City budgets nationwide. In the 5-year plan and beyond, what is the City's approach for some of the changes we see in the City sales tax component.

Mr. Butler stated from a capital perspective, there are not a lot of projects that are funded with City sales tax. The City sales tax comes into play in considering the operations costs. Some projects have to be delayed until we can ensure that we have operations funding. The operations and maintenance impacts of a capital project are taken into consideration as well as the appropriate timing for completion.

Mr. Campbell asked from a forecasting standpoint, are we relying the same as we have historically on the operations and maintenance component for the City sales tax, or are we looking at the potential growth not being as high as it has been traditionally.

There is a fund balance that the City maintains as part of its strategic planning and that has been accounted for. Decisions sometimes have to be made where the City Manager delays a project in order to meet that standard.

Mr. Campbell stated a holistic approach has been discussed to all funding as a City because of these challenges in the new economy. It is a difficult issue and the team does great work.

Chris Brady noted that Mesa has huge support from the community for capital projects. Most of the capital side will be funded through General Obligation Bonds and eventually through a secondary property tax. Most programs that go to the voters for approval are four to five-year plans. We identify projects at the beginning, although we write them so that we will have flexibility.

Mr. Campbell noted when investments are made in these long-term projects that will be assets for the City for a substantial period of time, the bonding mechanism allows it to be paid for over the use of the project. It makes a lot of sense from a fairness and an economic standpoint and that is sometimes missed in the public discussion.

Chair Ovando-Karadsheh asked if bond items would be rotated.

Mr. Brady stated items are rotated to not overwhelm the residents or staff. Building projects in this economy is very expensive, although at times there is a demand for certain projects. We must be aware of the environment, know the priorities, and adjust.

Chair Ovando-Karadsheh asked about the City's biggest needs coming up. The City has just done Police, Fire, and Parks. It sounds like water infrastructure would be next.

Mr. Brady advised that the next major items will be water and transportation. The regional streets/highway funding is through a regional sales tax that will expire in 2026. There are efforts to get the whole region and Maricopa County together to come up with priorities. As a City, we will be able to leverage dollars from the whole region and then come up with our match to fund major projects. Travelling from Queen Creek to southeast Mesa is very congested and the State Route 24 extension has been a great project for us. It was originally scheduled for two years from now and was accelerated in the CIP because it was a great time to build and the funding was there. We saved millions by doing that and now we need to extend that to the east. Those types of major freeway projects have a huge impact for both residential and business.

Mr. Campbell stated that is part of the challenge from a regional standpoint. With Prop. 400, we were able to bring in flexibility for more local projects than we had in the 1985 reauthorization. Moving forward, the new plan must fit the needs of all of the communities. We need to get everyone together for the regional tax. We need to arm our Mesa folks as we enter into those discussions to try to come up with something we can take to the voters.

Chair Ovando-Karadsheh noted Mesa has always looked east. Now as we are an aging city, we need to look at the infrastructure on the west side and it is harder to get people excited about redoing aging infrastructure.

Mr. Brady stated a lot of the CIP does go to rehab of the pipe that has been in place since the 1940s or 1950s. We are constantly testing the system and spending millions of dollars in the older parts of west Mesa to be proactive with repairs before issues arise.

- **ENGINEERING**

Marc Ahlstrom, Assistant City Engineer, explained that the Engineering Department is the central repository for all projects for the City, including utilities, transportation, parks, facilities, fire, police, communications, gas, and electric. The staff are mostly engineers and inspectors to ensure projects get done. Staff also handles real estate acquisition and management and public relations for projects. Once a project is funded through the CIP, the department reviews the timelines, scope, and cost estimates before the project moves forward to the design process. There is a Council mandate to include Mesa-based contractors, and the Inspectors oversee the construction process. There is an on-call contracting program authorized through the state for smaller projects under \$1M. A construction manager at risk would be used for larger projects. There are challenges now with the availability of labor as well as getting bidders. We are currently at the end of the last authorization and there are a lot of projects in construction right now.

Projects that were authorized in the most recent bond election were for Parks & Cultural and Public Safety. These projects were either need based or quality of life projects that were voter supported. The bonds authorized approximately \$200M worth of projects - \$111M for Parks & Cultural and \$85M for Public Safety, representing a \$43 a year property tax burden on the citizens. We try to manage the impact to citizens, so they are getting the biggest bang for their buck.

Parks & Cultural Projects

The projects are categorized so that adjustments can be made as the scope or costs change.

Chair Ovando-Karadsheh asked if there was still money allocated for Mesa Plays and would those funds be reallocated for another project. She noted we may be losing the soccer fields at Riverview.

Mesa Plays did not pass and right now there is no money allocated for those fields. There were 7 to 9 fields for Red Mountain Park paid for by the Parks bond that were going to be built whether Mesa Plays passed or not. Those funds were attached to the bed tax. (The slide needs to be corrected.) The City-authorized funds are spoken for on all of the seven projects.

Athletic Fields – These projects will address the lack of space for community sporting events. The Crismon & Elliot basin project will provide 120 parking spaces. The City-owned land adjacent to Monterey Park will provide additional fields. Land acquisition at North Center Street will provide additional fields to offset the loss of the Riverview fields. The Red Mountain location, adjacent to Mesa Plays, will provide 9 fields. The Red Mountain youth softball and baseball fields will be expanded with 4 additional fields.

Park Amenities – The City Center Plaza will provide space for community events with a water feature and a more permanent installation of the ice rink. A dog park is proposed at Countryside Park, and a playground is proposed at the Harris Basin.

Paths - There is an agreement with SRP to utilize their canal maintenance roads. The first leg of the Eastern Canal shared-use path will further extend the Consolidated Canal path. Phase I of the Lehi Crossing path is now funded with the potential for an equestrian loop and bike/pedestrian loop. Phase II of the Signal Butte Park paths is included in the Parks bond for future years. Phase I is currently under design and will be going into construction after the first of the year.

Brian Campbell asked if there were federal funding components like CMAC (Congestion Mitigation and Air Quality) for any of the paths or do we have flexibility from a design standpoint.

Mr. Ahlstrom stated that all these path projects are city-funded through the bonds and there are no federal restrictions. We do have a pathway in southeast Mesa along the 202 in which the second phase from Elliot to Hawes has federal funding through CMAC. We try to balance where those funds are used. Building on a freeway that already has all the federal clearances makes it easier to use that federal funding.

Cultural Projects

Improvements and remodeling are planned at the Dobson Library as well as the Main Library. The Federal Building renovation now has some funding to complete the project which was started with the previous Parks bond. This project is still in discussions. Phase I of the i.d.e.a. Museum master plan will refresh the program and expand and improve the utilization of the space. They are looking at additional fundraising to maximize the use of the bond funds. We are working with Eastmark to identify a location for a southeast Mesa library.

Public Safety Projects

Fire apparatus replacement is planned over several years between 2018 and 2022. Fire Station 222 will be a combined location with a future police station. Fire Station 221 is currently under design for a southeast Mesa location.

An Evidence Facility will allow us to meet federal requirements for the processing and storage of evidence. The master plan that was done several years ago identified the need for a standalone evidence facility. City-owned land on Center Street has been identified as a location for this facility. A Police Substation in northeast Mesa is proposed as a combined facility with a future fire station.

The Public Safety fiber loop will interconnect City facilities with fiber optics. This will provide a secondary economic development benefit with the potential to lease out the extra conduit.

Other Current Projects

The Elliot Road Tech Corridor is under construction. Improvements will begin at Baseline Road and Val Vista in the first quarter of 2019. Southern Avenue from Greenfield to Higley will begin construction after the first of the year. The Broadway Road and Mesa Drive intersection will begin construction in the spring of 2019. The Southern and Stapley intersection will begin construction in the fall of 2019. The Signal Butte Road project is under design to connect with the future State Route 24.

2020 Bonds

The process is underway to identify projects for the next round of bonds in 2020. Those projects may include water, wastewater, transportation, gas, and electric. The transportation projects will be married with utility projects to avoid unnecessary cutting of the pavement.

Chair Ovando-Karadsheh thanked staff for the detailed infrastructure presentations.

6. Director's Update

- Piper Plastics broke ground on November 13. That was a nice win for Falcon Field.
- There was an announcement on Gallery Park at Power and Loop 202.
- Over the last month, there were just under 12 million impressions.
- Last night, City Council approved a Foreign Trade Zone activation at PHX-Mesa Gateway.
- Able Aerospace will break ground on December 5.
- Ribbon cutting at Falcon Field for Northrop Grumman, formerly Orbital ATK, on December 12.
- There was an article and quotes in the Greater Phoenix Business publication.

7. Other Business

The next EDAB meeting will be held on January 8, 2019, 7:30 a.m. in the City Council Chambers, Lower Level, 57 E. 1st Street, Mesa, AZ 85201.

8. Adjournment

Chair Ovando-Karadsheh adjourned the meeting at 9:03 a.m.

Submitted By:



William J. Jabjiniak
Economic Development Department Director

(Prepared by Dana Desing, TEI: 14082507)