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OFFICE OF THE CITY CLERK

COUNCIL MINUTES

September 12, 2019

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on September 12, 2019 at 7:31 a.m.

COUNCIL PRESENT	COUNCIL ABSENT	OFFICERS PRESENT
John Giles	None	Christopher Brady
Mark Freeman		Dee Ann Mickelsen
Jennifer Duff		Jim Smith
David Luna		
Francisco Heredia		
Kevin Thompson		
Jeremy Whittaker		

Mayor Giles excused Councilmember Thompson from the beginning of the meeting; he arrived at 7:33 a.m.

1-a. Hear a presentation, discuss, and provide direction on the location and acquisition of land for the proposed Northeast Public Safety Facility.

Real Estate Services Administrator Kim Fallbeck introduced Mesa Police Chief Ramon Batista, Strategic Planning and Analysis Program Manager Mark Castleton, and Mesa Fire Chief Mary Cameli and displayed a PowerPoint presentation. **(See Attachment 1)**

Chief Batista stated the Mesa Police Department currently operates four patrol divisions in the City. He explained the Superstition Division covers over 70 square miles which makes the response times to some areas longer than desired. He reported building a new facility in the area of Northeast Mesa will improve the response times to those areas. (See Pages 2 and 3 of Attachment 1)

Chief Cameli presented a heat map showing calls for fire and medical throughout the City with the current fire station locations. She pointed out progress has begun on Station 21 in Eastmark. She explained the graph shows the approximate four-minute travel zones for each station and in the last 12 months 64% of the time calls are responded to within four minutes. She identified in the past year 1,600 calls were responded to in the area of Station 22. (See Page 4 of Attachment 1)

Chief Cameli remarked currently in the proposed location the four-minute response time is achieved 39% of the time due to being served by Stations 14, 16, 8, 13 and 20. (See Page 5 of Attachment 1)

Mr. Castleton described analytically the optimal point of a new station is the area which minimizes the gaps with the current station and overlaps the current stations.

Ms. Fallbeck stated four properties were identified in the area that met the criteria with Site D being the best option for Mesa. (See Page 6 of Attachment 1)

Mr. Castleton explained although Site D is 0.5 miles from the analytical center, because the site is on a major arterial road the four-minute travel range is significantly improved. He continued by saying once the facility is operational, the estimated response time of four minutes will be met 65% of the time. (See Pages 7 through 9 of Attachment 1)

Ms. Fallbeck reported in May of 2018 a Notice of Intent was sent to the property owner, an appraisal was completed in November of 2018, and in December 2018 the City sent an offer to purchase the property. She advised in January of 2019 the owner responded the offer was too low and would make a counteroffer, which to date has not been received; and in March 2019 a 20-day offer letter was sent to the property owner.

Ms. Fallbeck requested authorization from the Council to proceed in acquiring Site D.

City Manager Christopher Brady stated this parcel is unique because the site is undeveloped and has sufficient acreage. He advised staff would like direction to move forward with the notice of condemnation.

In response to a question from Councilmember Luna regarding the rationale for the property owner converting the property to a non-profit, Ms. Fallbeck responded her assumption that it is for tax purposes.

In response to a question posed by Councilmember Whittaker, Mr. Brady stated the property would be acquired through eminent domain by future Council action declaring the property is a public necessity which allows the City to deposit the funding to move the process forward.

In response to a question from Councilmember Whittaker, City Attorney Jim Smith responded he is not aware of anyone challenging the necessity of the Fire and Police Department facility. He added the normal process is the valuation will be disputed and is usually resolved through mediation.

In response to a series of questions from Councilmember Whittaker, Ms. Fallbeck advised the property is zoned for residential and was converted to a non-profit in November of 2018.

In response to a question from Vice Mayor Freeman, Ms. Fallbeck advised the property went through condemnation back in 2000 for widening Power Road, which enlightened the property owner of the eminent domain process.

In response to a question from Councilmember Heredia regarding the process of condemnation, Mr. Smith stated the City does more than what is required by statute as far as initial outreach and notice, providing the appraisal to the owner, and seeking to resolve before condemnation. He reported once Council authorizes condemnation, a lawsuit will be filed for immediate possession, then a hearing will be held to set the valuation of the property, and that amount is given to the owner immediately with the remaining disputed amount going through mediation or litigation.

In response to a question from Councilmember Heredia, Ms. Fallbeck stated the appraisal is done through a third-party appraiser.

In response to a question posed by Councilmember Duff, Mr. Smith agreed there are several reasons a property owner would prefer to go through the condemnation process, including encumbrances on a property which are difficult to clear title and being able to negotiate for a higher price.

In response to a question by Councilmember Heredia regarding reasons to have a combined Fire and Police facility, Chief Batista responded by saying previous experience with the combined Superstition Station has proved it is a model that works well for the City.

Chief Cameli added another reason to combine the facilities is to save money and build relationships between the two departments.

Mr. Brady stated although there will be separate living quarters, building one fueling station, parking area and security will be more cost effective for the City.

In response to a question posed by Vice Mayor Freeman, Ms. Fallbeck replied the property located on Recker Road and Adobe Street purchased for a fire station is still owned by the City and the City is attempting to sell the land.

In response to a question from Councilmember Luna, Mr. Brady stated once the City has possession of the property, community outreach will move forward.

In response to a question from Councilmember Thompson, Chief Cameli confirmed the intent of the combined facility is for Fire and Police to share all aspects of the facility.

In response to a series of questions posed by Councilmember Duff, Mr. Brady responded there are no plans to close any existing fire stations and he would have to revisit the schedule to confirm the timeline for the Police and Fire Facility.

In response to a question from Councilmember Whittaker regarding the longest response time from any existing fire stations if the proposed station was not built, Mr. Castleton responded he does not have a precise number available, but he believes it would be somewhere in the eight to nine-minute range.

In response to a question from Councilmember Thompson regarding staffing the new station, Chief Batista responded the need will depend on the call load once the new boundaries are set. He stated once the new facility is open an analysis will be conducted to determine the needs.

Councilmember Thompson described his concern with Cadence and Eastmark since it is adding 12,000 residents but not adding additional police officers, and he wants to make sure all precincts are covered appropriately.

Mayor Giles stated with Mesa being in the top 10 cities for growth nationally, new facilities are needed, and the voters agreed and authorized the City to build the Police and Fire facility. He thanked staff for the presentation.

1-b. Hear a presentation and discuss the City's current recycling program and provide direction on the program going forward.

Environmental Management and Sustainability Director Scott Bouchie displayed a PowerPoint presentation highlighting the proposed contract extensions. **(See Attachment 2)**

Mr. Bouchie explained the recycling commodity revenue difference between Fiscal Year (FY) 12/13 to FY 19/20 and discussed the 10-year contract with Waste Management. He stated a processing fee is charged and the City received a percentage of the revenue generated from the sale of the commodities, whereas the other two contracts require paying a floor price for the amount of material. He highlighted how the contractual changes have affected the recycling program and have switched from being a revenue to an expense. (See Page 2 of Attachment 2)

Mr. Bouchie identified the recycling expenditure forecast for processing the material through FY 22/23. He stated the cost to recycle has gone up and the value of the commodities are dropping. (See Pages 2 through 4 of Attachment 2)

In response to a question from Councilmember Luna regarding the recycling changes on a global level, Mr. Bouchie responded China has been enacting more stringent standards and the recycling vendors are not able to meet the standards. He added due to the supply being greater than the demand, prices are dramatically affected.

Mr. Bouchie pointed out Mesa has three recycling vendors which are spread out across the City. He commented a significant portion of the expense is picking up the material and transferring to the recycling facility. (See Page 5 of Attachment 2)

Mr. Bouchie compared the recycling contracts with the three vendors. (See Page 6 of Attachment 2)

Mr. Bouchie presented and discussed the options for the Council to consider as follows: (See Page 7 of Attachment 2)

- Suspend All Recycling
- Close Recycling Centers
- Reduce Frequency of Recycling
- Optimize Recycling
- Rebrand Recycling Program

Mr. Bouchie explained if the two contracts are not approved the recycling program will be suspended. (See Page 8 of Attachment 2)

In response to a question posed by Councilmember Thompson regarding the amount of recyclable material that ends up in a landfill due to contamination, Mr. Bouchie responded the City of Scottsdale did an audit of Republic MRF which showed 28% of the material ends up being landfilled. He added the audits conducted by the City of Mesa have shown 9.64% to 12.8% contamination rates.

Mr. Brady stated the City is still paying the recycling fee even though approximately 30% is being taken to the landfill and not being recycled.

In response to a series of questions posed by Councilmember Duff, Mr. Bouchie responded he is unable to track specifically the material sent for recycling to the end contractor to verify the recycling status, but stated with the increasing costs, moving forward that is information the City would like to obtain. He explained the City collects approximately 230,000 tons of waste and 32,000 tons of recyclable material. He identified as of today the end life for the landfall is expected around 2030 and the landfills are owned by Waste Management and Republic. He remarked 30% to 50% of the recyclable material is paper, cardboard is 11% to 25%, glass is 11% to 16%, plastic is 8% to 12%, aluminum is 1% to 3% and steel is 1% to 3%.

In response to a question from Councilmember Whittaker, Mr. Bouchie stated he offered a range of the highs and lows for the recyclable material based on several audits and he will share the specific audit numbers.

In response to a question from Councilmember Heredia regarding whether the forecasted numbers will change due to future innovation, Mr. Bouchie responded he has not seen any predictions that the commodity prices will bounce back and hopes local markets will be developed to create local recycling centers.

Mr. Bouchie continued his presentation stating another option is closing the recycling centers. He reported the City previously collected a revenue from the recycling centers and due to the commodity prices dropping, the recycling centers have become an expense for the City. He added the recycling centers are used by non-residents and cost the City about $250,000 to operate. (See Page 9 of Attachment 2)

In response to a series of questions from Councilmember Whittaker, Mr. Bouchie responded the $250,000 operating cost includes disposal and transportation. He explained the $1.4 million expenditure forecast for FY 19/20 is the amount the City will pay to the three recycling vendors based on today's commodity prices and proposed contract extensions. He replied the total cost of the recycling program is $10.8 million.

Mr. Brady clarified financial analyses are based on expenditures and does not include depreciation.

In response to a question from Councilmember Heredia regarding the contamination rates at the three recycling centers, Mr. Bouchie stated due to the high rate of contamination, cameras were installed at the East Mesa Service Center and citations have been given to decrease illegal dumping.

In response to a question posed by Councilmember Duff, Mr. Bouchie responded discussions have taken place regarding pickup days due to state statutes requiring twice-a-week pickup.

Mr. Bouchie pointed out starting October 1, 2019 Tucson will be collecting recycling every other week. He explained the City of Mesa runs 12 to 15 recycle routes six days a week. He added for the City to reduce the recycle routes, public outreach would have to take place and new routes would have to be created which brings up operational challenges. (See Page 10 of Attachment 2)

In response to a question from Councilmember Duff, Mr. Bouchie stated Tempe is staying with their current model.

In response to a question posed by Mayor Giles regarding whether the increase in cost will have to be passed on to residents, Mr. Bouchie advised other cities also are having discussions regarding implementing a recycling fee.

In response to a comment from Councilmember Whittaker stating the Solid Waste Department still has a 38% profit margin, Mr. Bouchie stated the profit includes the General Fund transfer and after expenses the projection is a negative $1.3 million.

Mr. Bouchie advised another option of optimizing recycling would be by making cost-effective decisions based on the quality of the material, transportation costs and processing costs which would reduce the amount of recycled material to 10,000 to 15,000 tons. He added this option would allow the City to continue the partnerships with the recycling vendors and would help in providing higher-quality material being recycled. (See Page 11 of Attachment 2)

Mr. Bouchie stated by rebranding the recycling program the City would limit the amount of material accepted based on the value of the commodity. He said the concern with rebranding is confusion with residents not knowing what is allowed. (See Pages 12 and 13 of Attachment 2)

In response to a question from Mayor Giles, Mr. Bouchie stated these options are not mutually exclusive and Council can accept any or all of the options.

Mr. Bouchie explained currently the City enforcement on recycling is three strikes and staff works diligently on educating residents on acceptable recyclable materials. He requested a code change of immediate removal from the program for major contamination like human or animal waste, food waste, green waste and hazardous waste. Mr. Bouchie remarked since the City began the three-strikes rule, 180 blue barrels have been removed and only six of those residents have contacted the City to reinstate their recycling service. (See Pages 14 and 15 of Attachment 2)

Mr. Brady indicated the direction being sought is closing the recycling centers, moving forward with optimizing the recycling program, rebranding, recognizing the enforcement program and changing the code to allow for immediate removal for major contamination.

In response to a question from Councilmember Duff regarding the capacity of recyclable material taken in at the three recycling centers, Mr. Bouchie stated he would have to gather that information and report back.

Councilmember Duff suggested including in the rebranding effort educating alternative ways to reduce trash.

In response to a series of questions posed by Councilmember Heredia, Mr. Bouchie responded by saying each vendor has a negotiated processing fee and revenue share percentage based on the contract and the current contracts have shifted the risk associated with the commodities to the City. He explained by closing the recycling centers, the roll-off trucks will be available for the commercial program to use thereby creating revenue for the City.

In response to a question by Councilmember Luna regarding how the enforcement program works, Mr. Bouchie replied there are three quality assurance inspectors spending four to five hours a day inspecting barrels to ensure compliance and then inputting the information into the system. He added a significant amount of resources are being spent on inspectors having to go back and check violations.

Councilmember Luna suggested updating the recycling video to send to Mesa Public Schools (MPS) to educate students and also to the library programs.

In response to a question posed by Vice Mayor Freeman regarding what the pass-through cost would be to offset the cost of recycling, Mr. Bouchie stated approximately .50 cents per barrel.

Mr. Brady recommended following up on the options presented to determine if the gap can be reduced through the proposed changes before moving in the direction of shifting the cost to residents.

Councilmember Thompson stated his hesitancy with rebranding due to the confusion to residents. He indicated his support for closing the recycling centers and pushing for commercial pick-ups and considering charging a fee or suspending the recycling program.

Councilmember Duff stated her concern with ending the recycling program and putting the material in the landfill does not create a demand or need to create alternative methods of recycling.

Councilmember Whittaker suggested starting internally making changes before asking for change from residents.

Mr. Bouchie emphasized the best method to follow is to reduce, reuse and recycle to lower the recycling costs.

In response to a series of questions from Councilmember Whittaker, Mr. Bouchie stated in theory the processing costs should be reduced if the City were recycling non-contaminated material. He reiterated if you did not have the contamination there would be a dramatic reduction in the amount of material going to the landfill. He added each City has different contracts with acceptable contamination rates, but audits are conducted on individual municipalities, and if the audit is outside of the acceptable contamination rate the City is charged a disposal rate for the overage.

Further discussion ensued relative to the contamination and disposal charges.

In response to a question from Mayor Giles regarding whether the City will save money after rebranding the recycling program, Mr. Brady responded he would prefer going forward with rebranding, optimizing and reviewing the impact before coming back to Council.

Mayor Giles indicated his support for optimizing and rebranding enforcement and his opposition to the Surprise model of diverting recycle material to the landfill. He stated everyone is going to need to be more educated in the new age of recycling. He added eliminating the recycling program is not an option and appreciates the efforts to update the program.

In response to a question from Councilmember Thompson regarding whether rebranding would reduce the cost to the City due to the material being cleaner, Mr. Bouchie stated the cost per ton for recycling is more than the cost to send to the landfill.

Mr. Brady reported recycling has another step of sorting so there is a higher cost. He stated the bottom line is the City is attempting to mitigate and keep the cost of recycling as low as possible while still encouraging participation. He identified staff will come back to Council in six months to present the results.

Mayor Giles thanked staff for the presentation.

2. Acknowledge receipt of minutes of various boards and committees.

2-a. Housing and Community Development Advisory Board meeting held on May 2, 2019.

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

Upon tabulation of votes, it showed:

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

Carried unanimously.

3. Current events summary including meetings and conferences attended.

Mayor Giles:	Met with Mayors of Cities Affected by Mass Shootings Met with the Majority Leader of the Senate in Washington, D.C.
Councilmember Duff:	Dia De Los Muertos Display
Councilmember Luna:	9/11 First Responder Presentation

4. Scheduling of meetings and general information.

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

Friday, September 13, 2019, 6:00 p.m. Mesa Arts Center Kickoff Festival

Thursday, September 19, 2019, 7:30 a.m. – Study Session

5. Convene an Executive Session.

Mayor Giles announced the Executive Session would be moved to a future meeting.

6. Adjournment.

Without objection, the Study Session adjourned at 9:24 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

CITY OF MESA CORPORATE SEAL MARICOPA COUNTY, AZ

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 12th day of September 2019. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

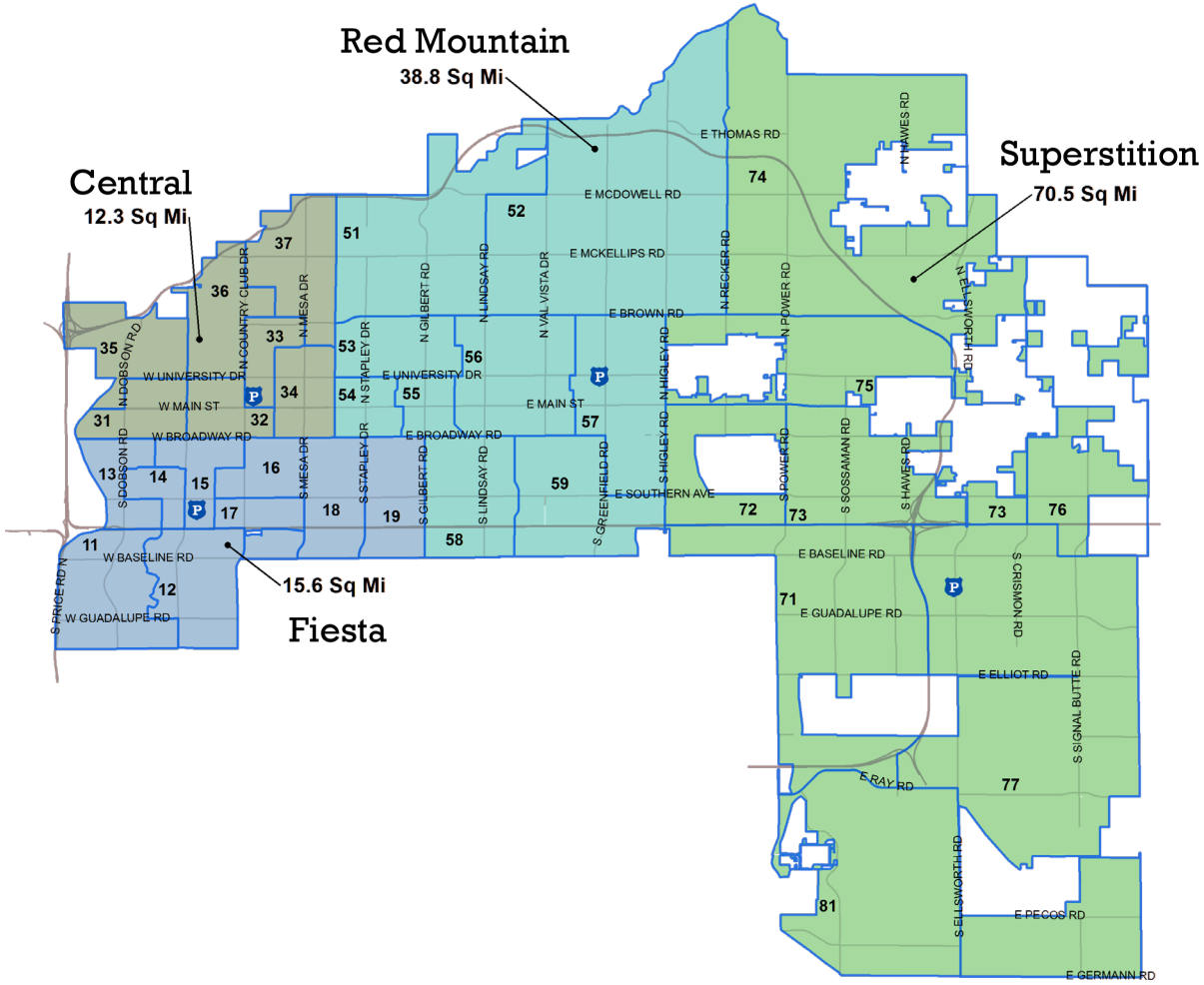
la
(Attachments – 2)

PUBLIC SAFETY FACILITY

North East Mesa Police & Fire Site Location

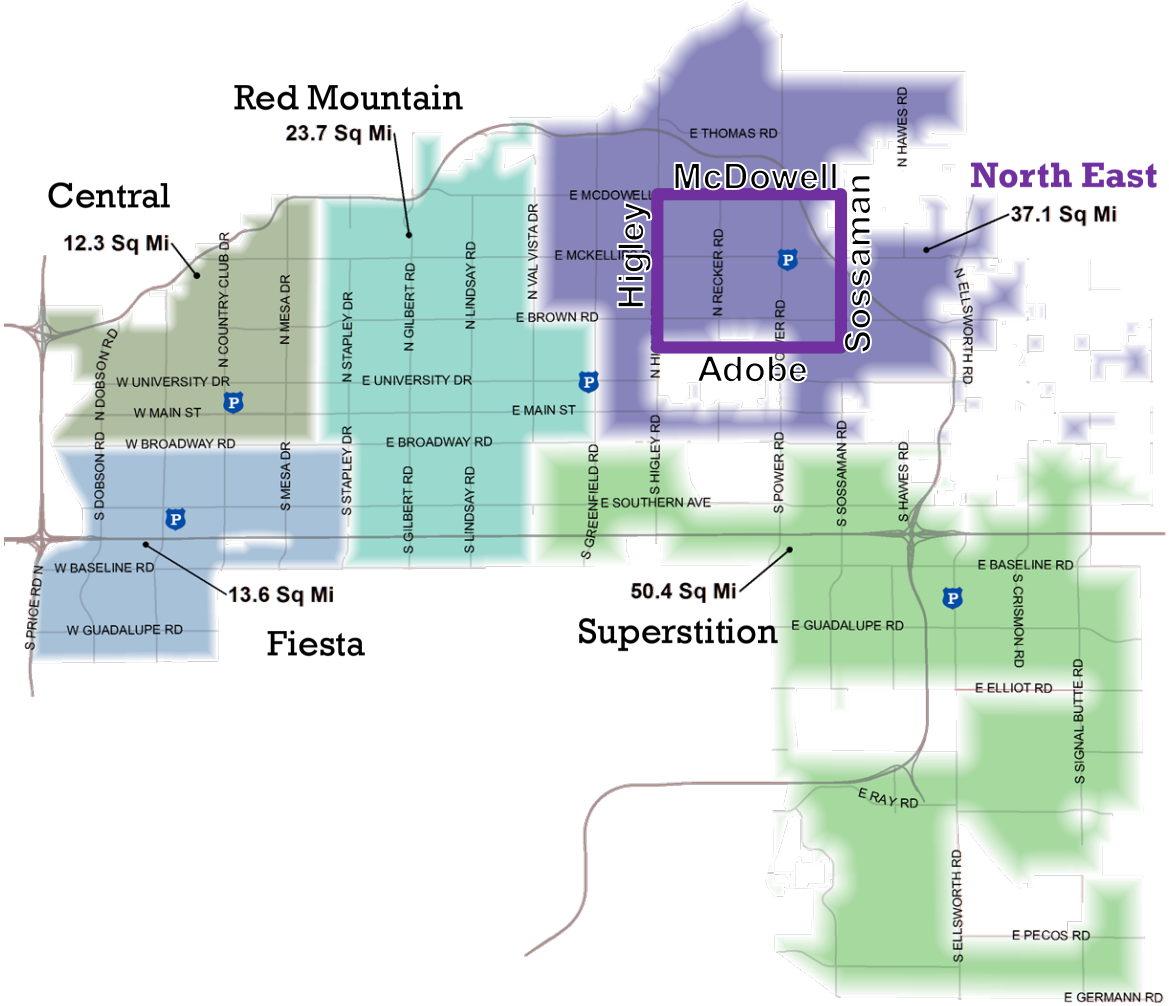
POLICE DIVISIONS

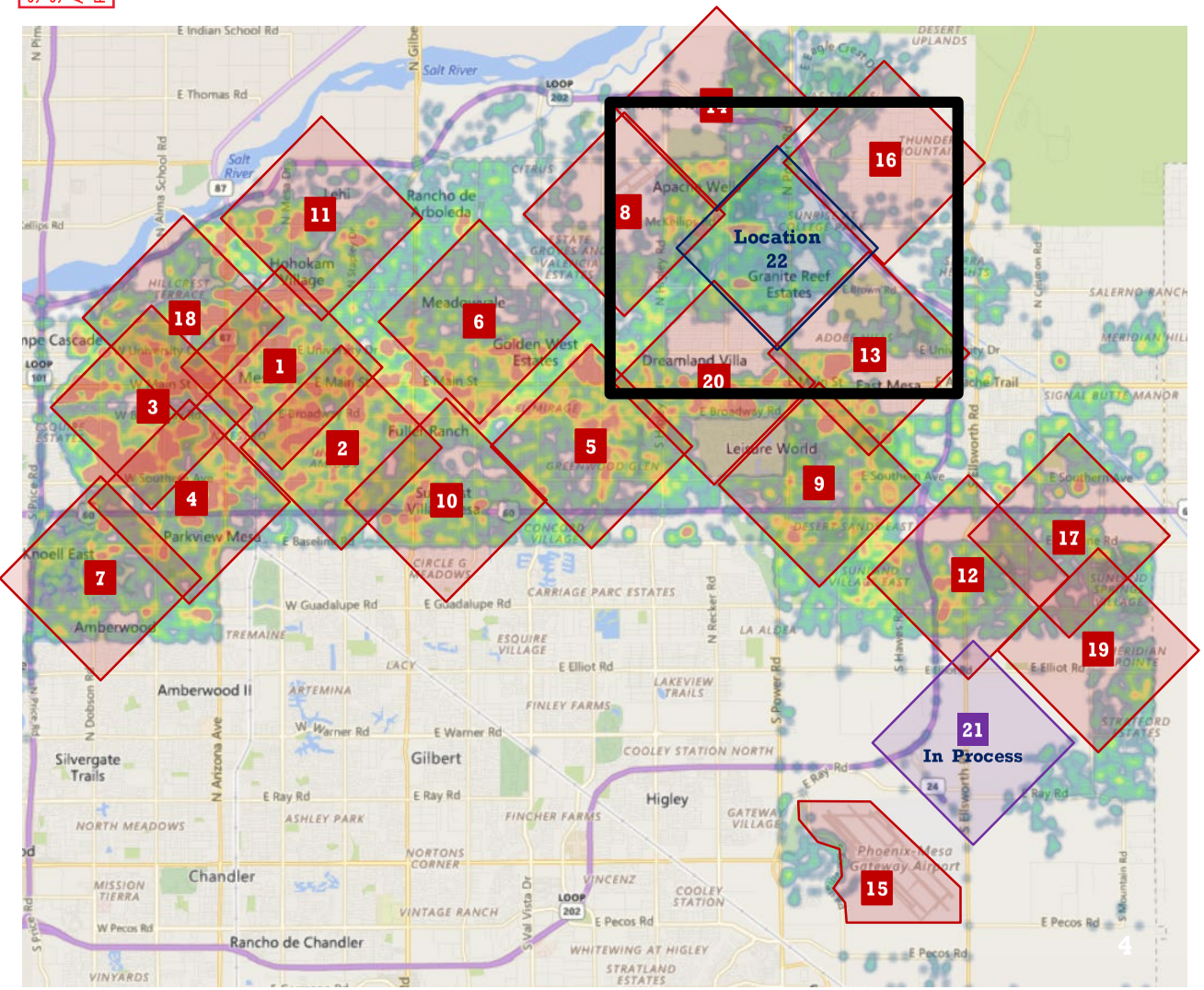
CURRENT DIVISIONS (4)



POLICE DIVISIONS

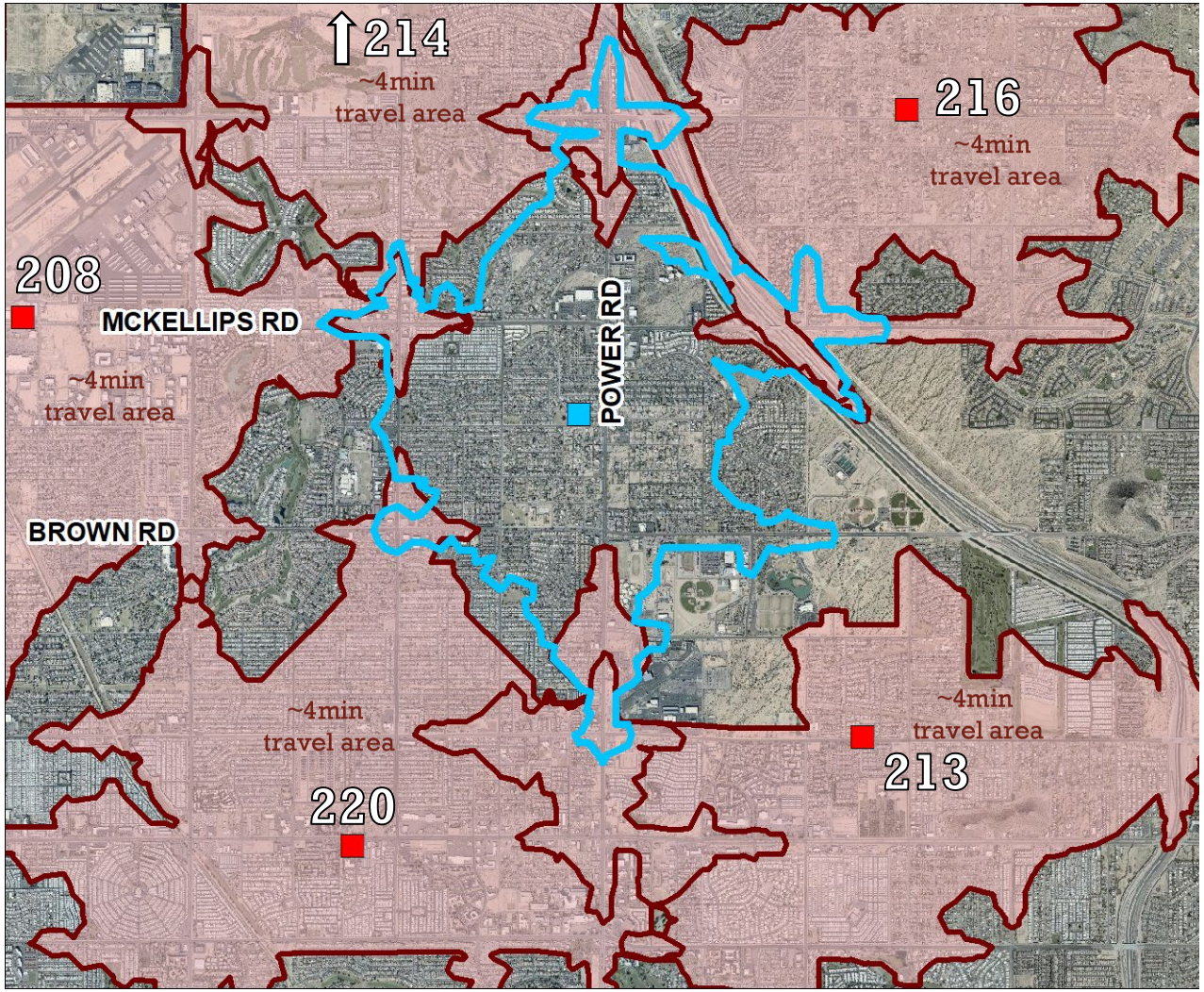
CONCEPT DIVISIONS (5)





FIRE STATIONS

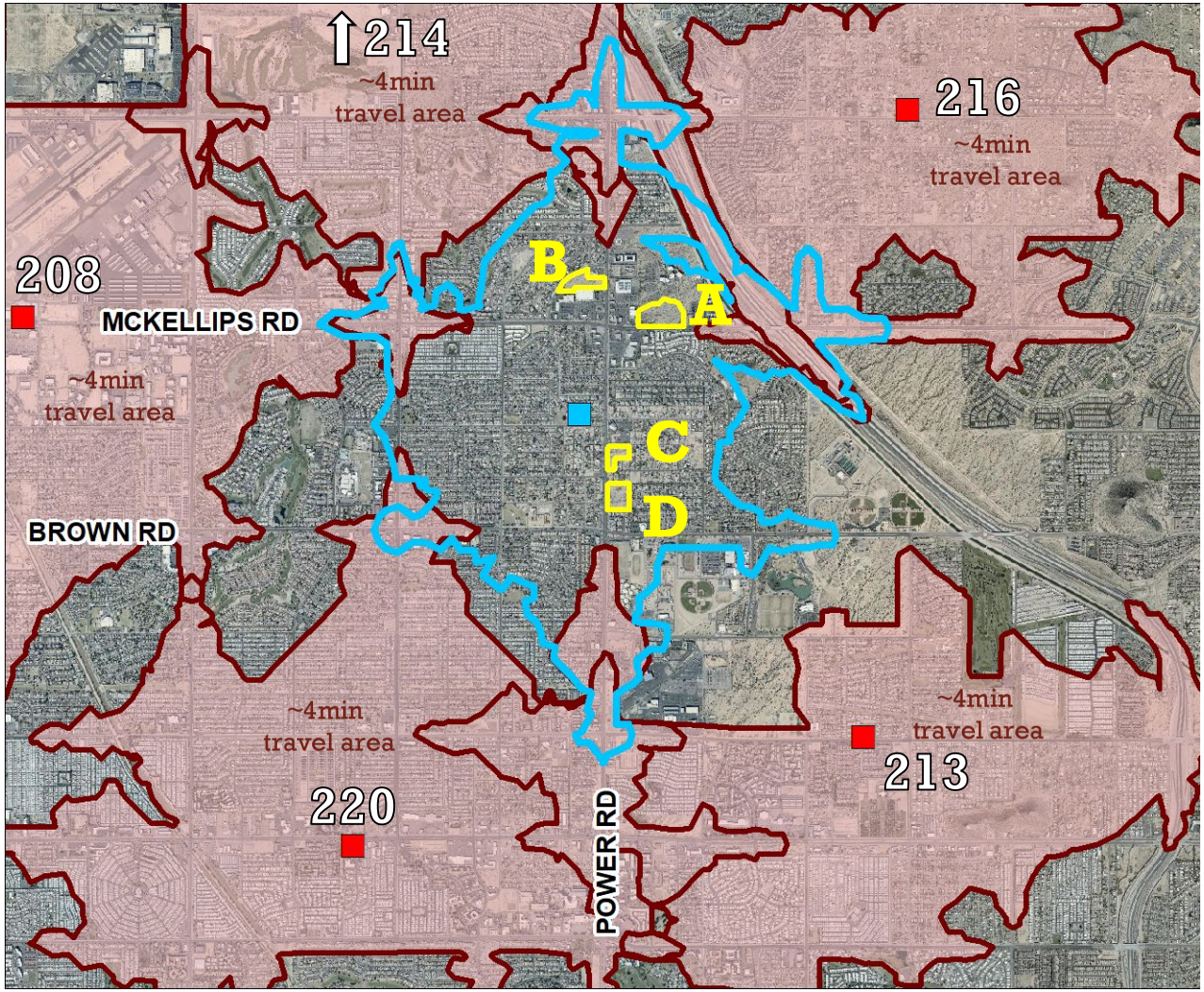
- Current Stations
- Approximate 4-minute travel zone
  - In the last 12 months, our units traveled to 64% of calls within 4 minutes



STATION 222

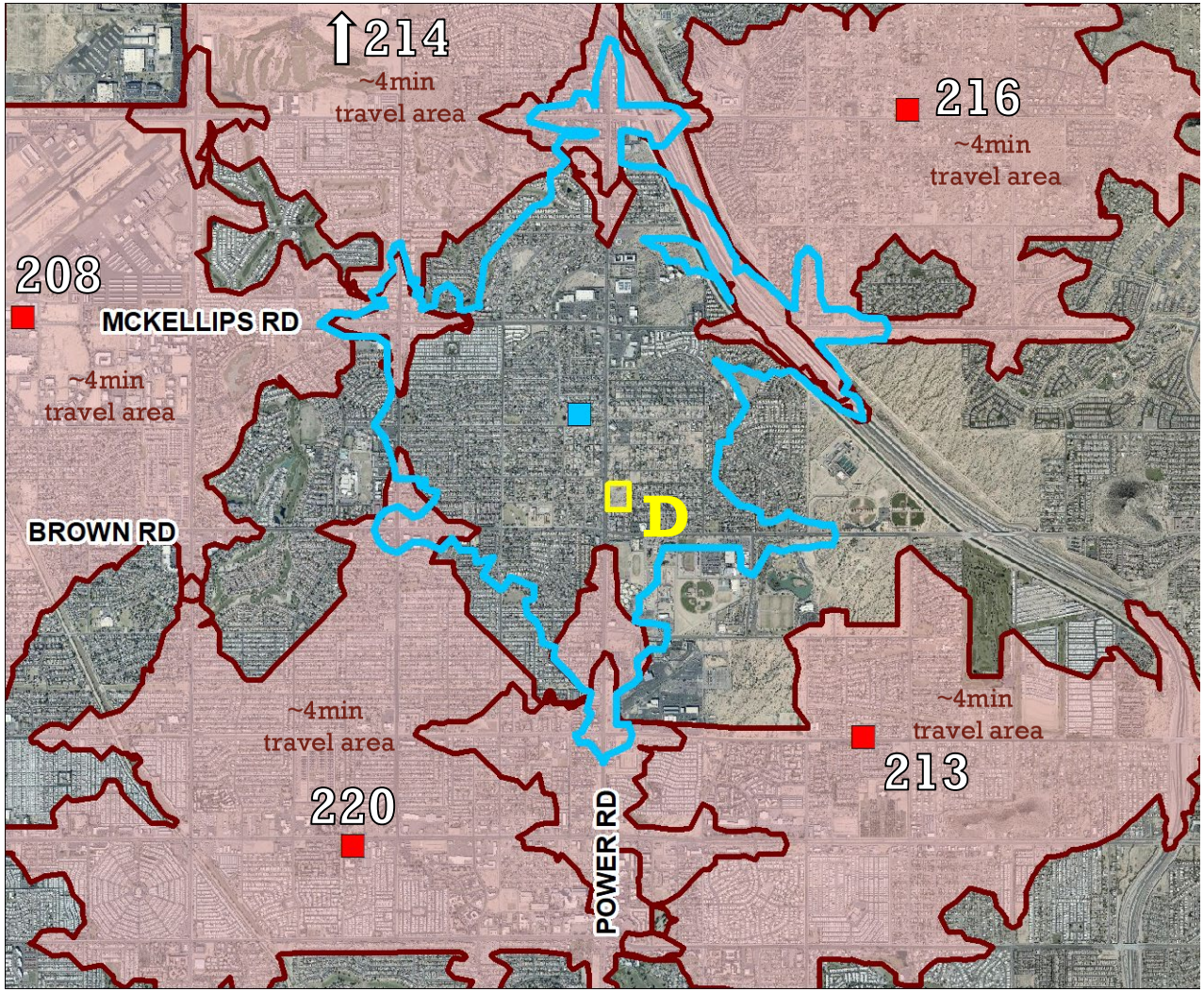
Location 22 is served by

Station 214
Station 216
Station 208
Station 213
Station 220



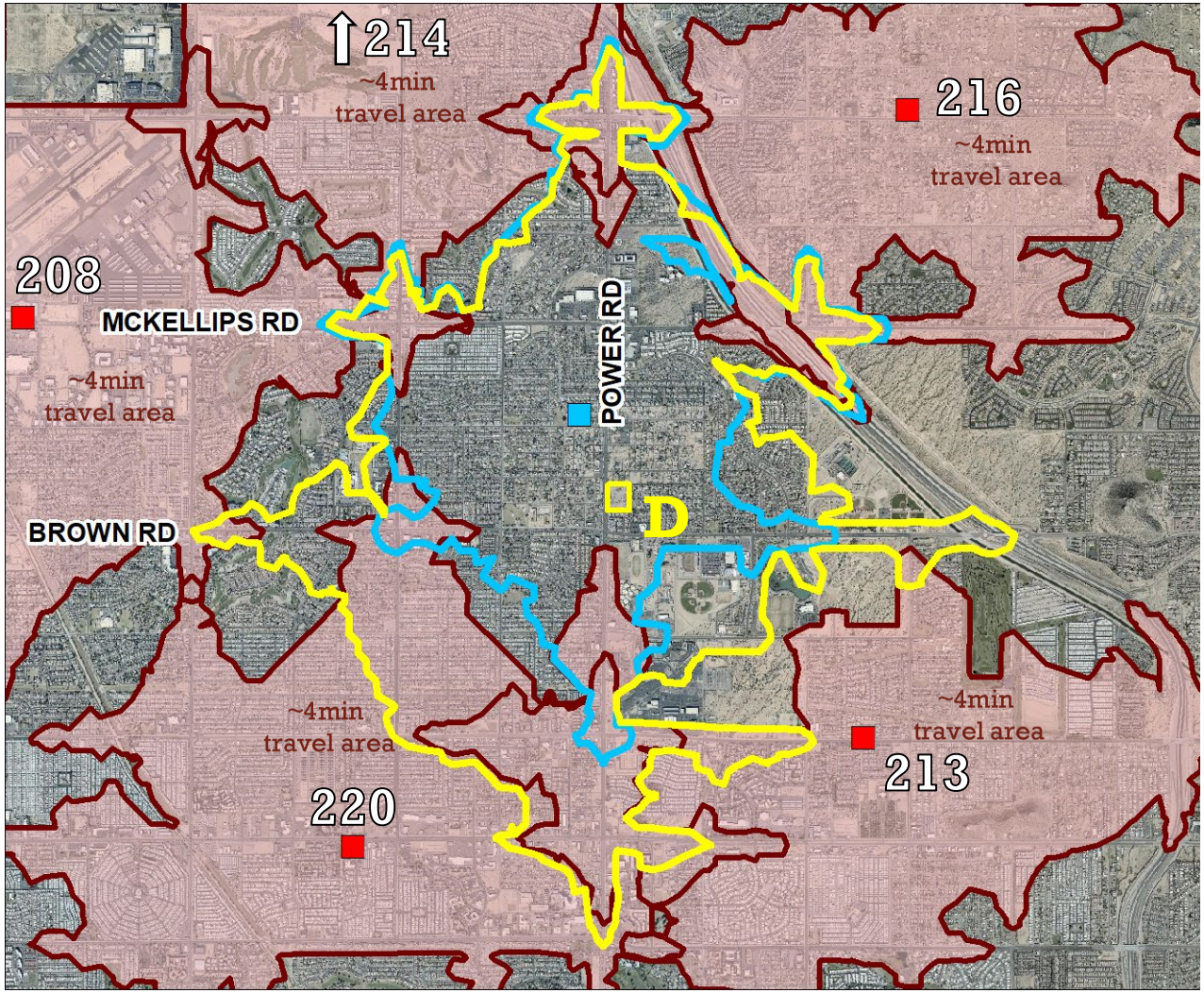
STATION 222

Four properties with at least 4 acres were identified in the target area



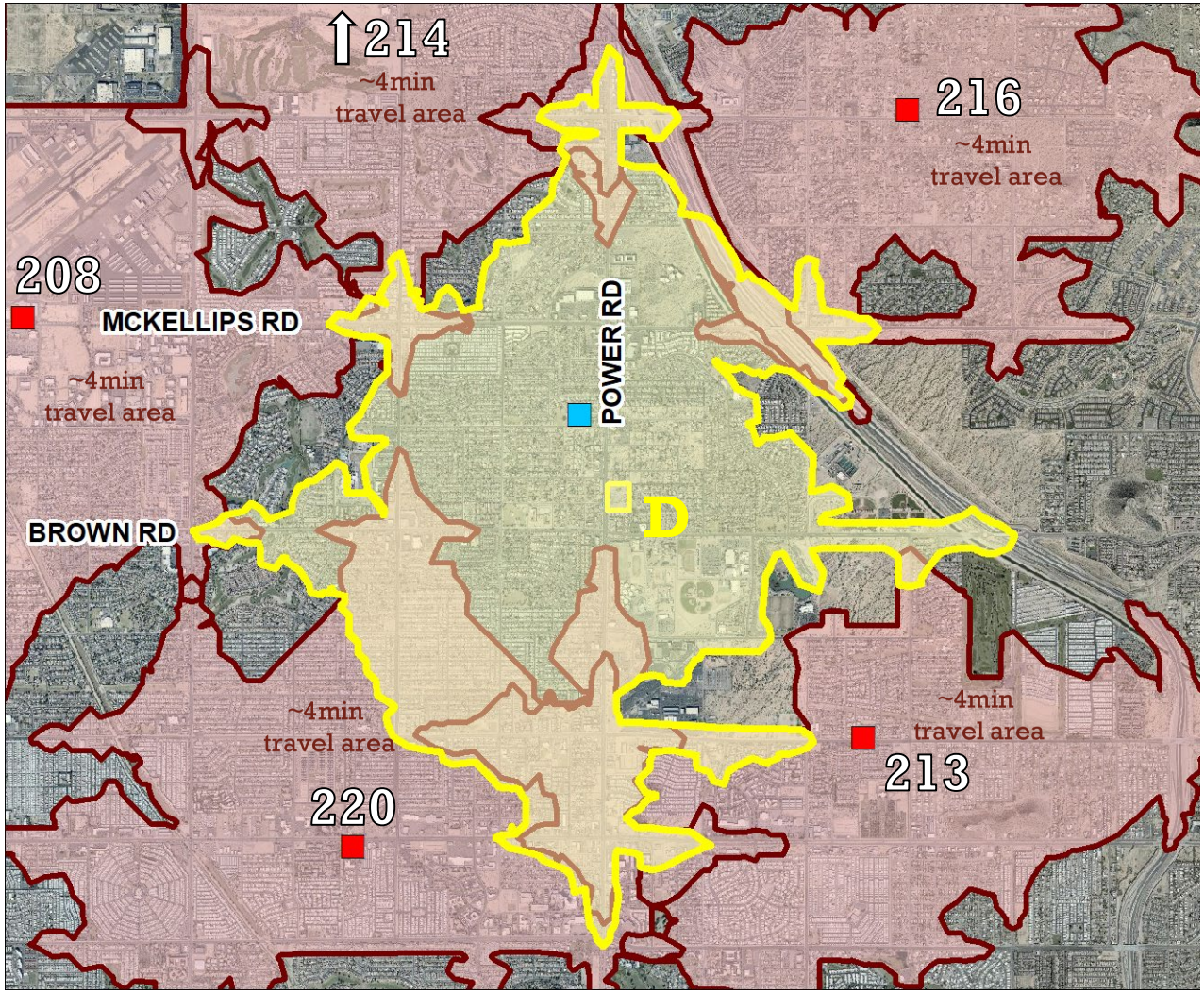
STATION 222

Site D is ~0.5 miles from the analytical center



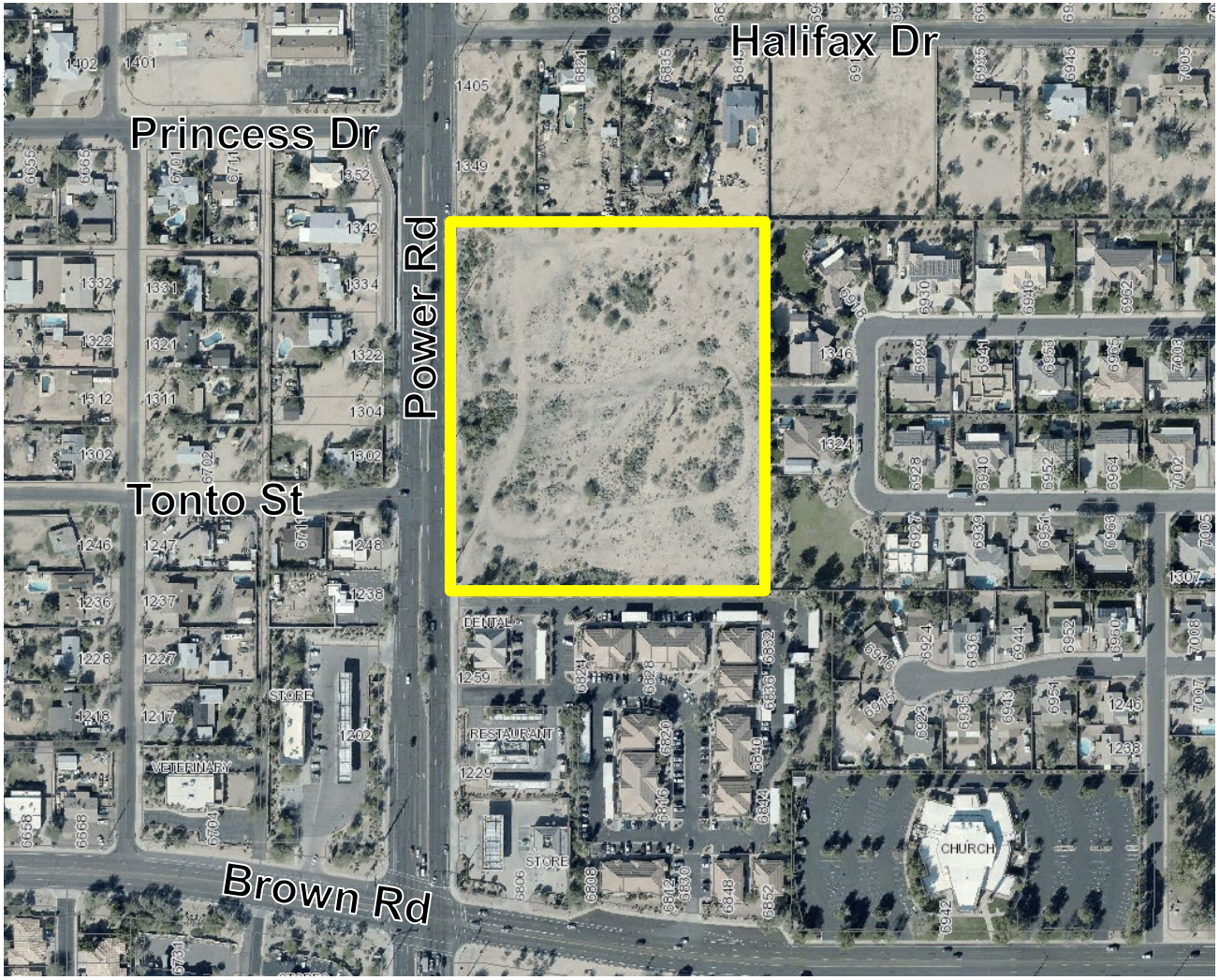
STATION 222

Site D is ~0.5 miles from the analytical center, but because it is on Power Rd, the 4-minute travel range improves significantly



STATION 222

Fire travel times improve from 39% within 4-minute to about 65%



NORTHEAST PUBLIC SAFETY FACILITY

Power & Brown

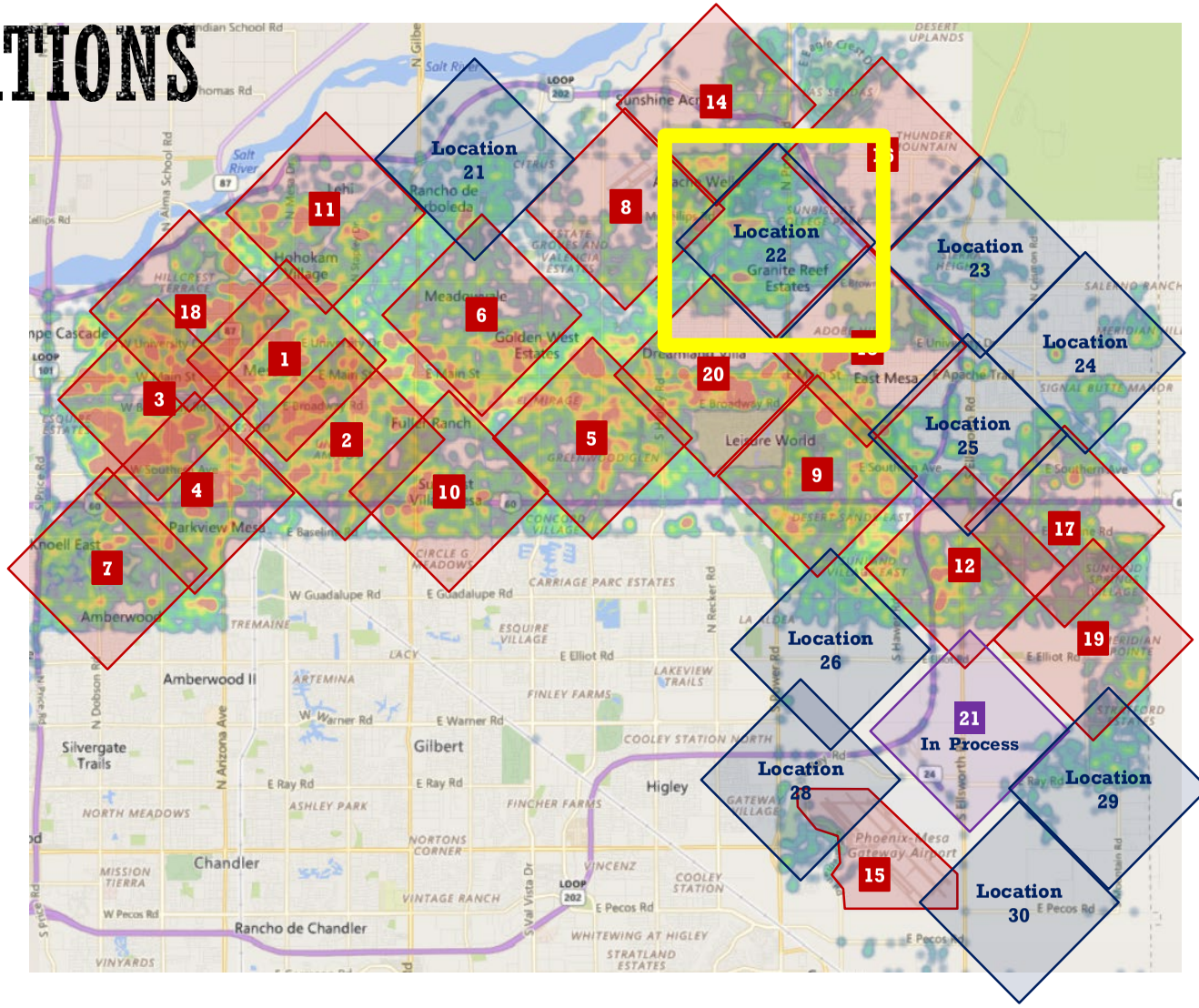
FIRE STATIONS

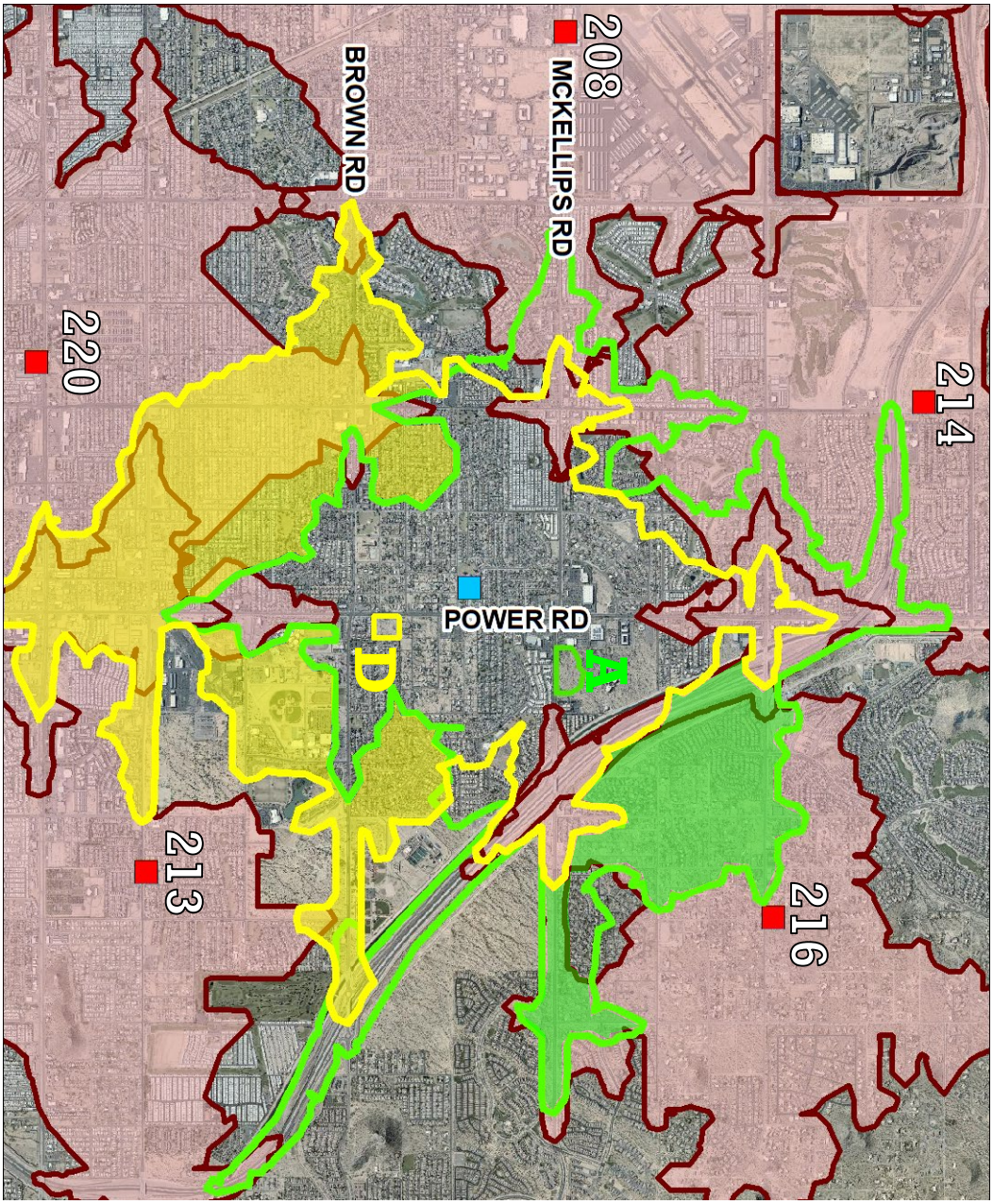
POLICE DIVISIONS

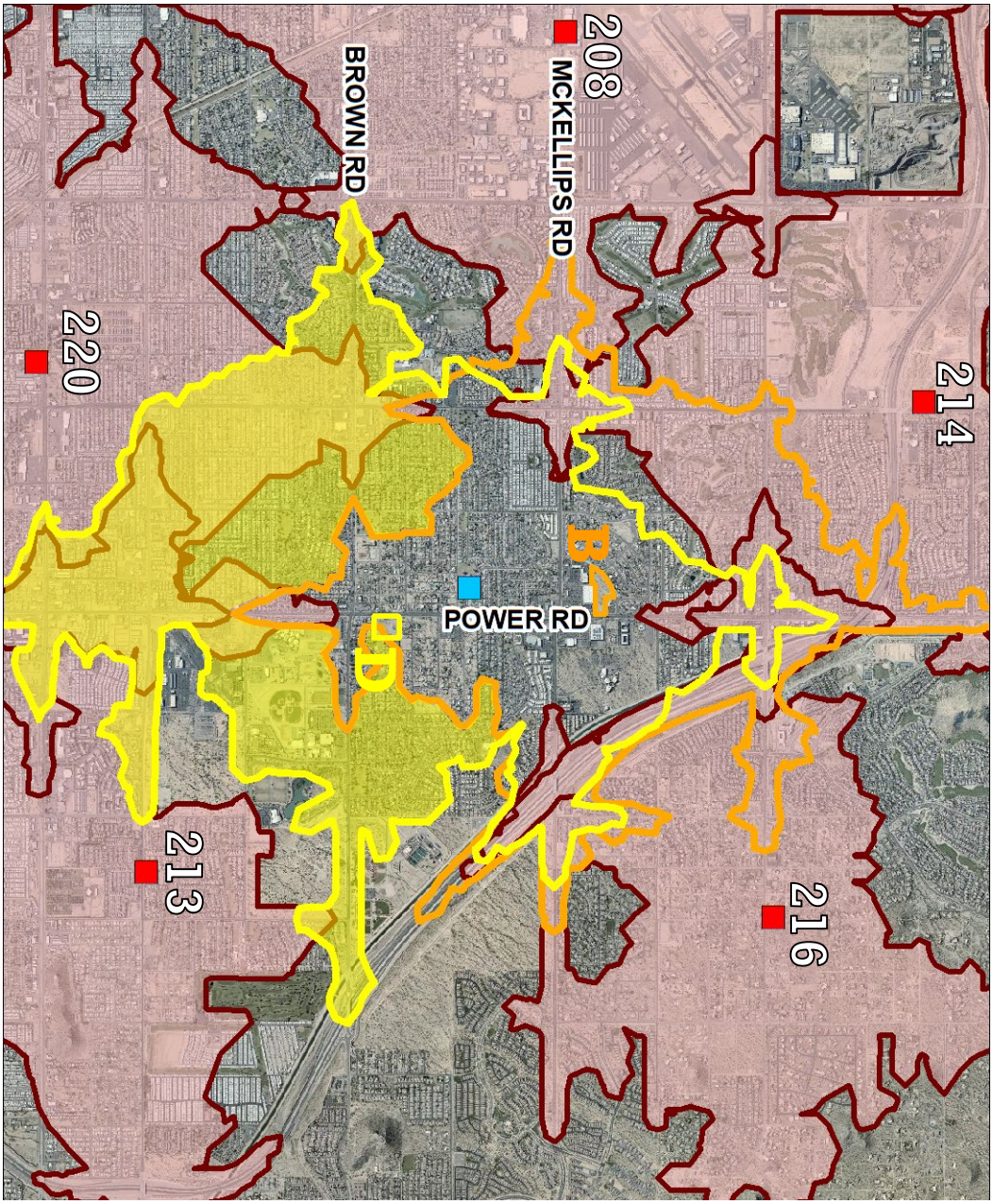
APPENDIX

MESA FIRE STATIONS

- Current Stations
- Approximate 4-minute response zone
  - About 50% of the City is within 4-minute travel time from a station
- Identify major gaps and add future station coverage zones (blue); avoid gaps and overlaps
  - With 30 Stations, about 80% of the City of the City is within 4-minute travel time from a station




208
MCKELLIPS RD
214
POWER RD
219
BROWN RD
220
213


214
MCKELLIPS RD
208
POWER RD
BROWN RD
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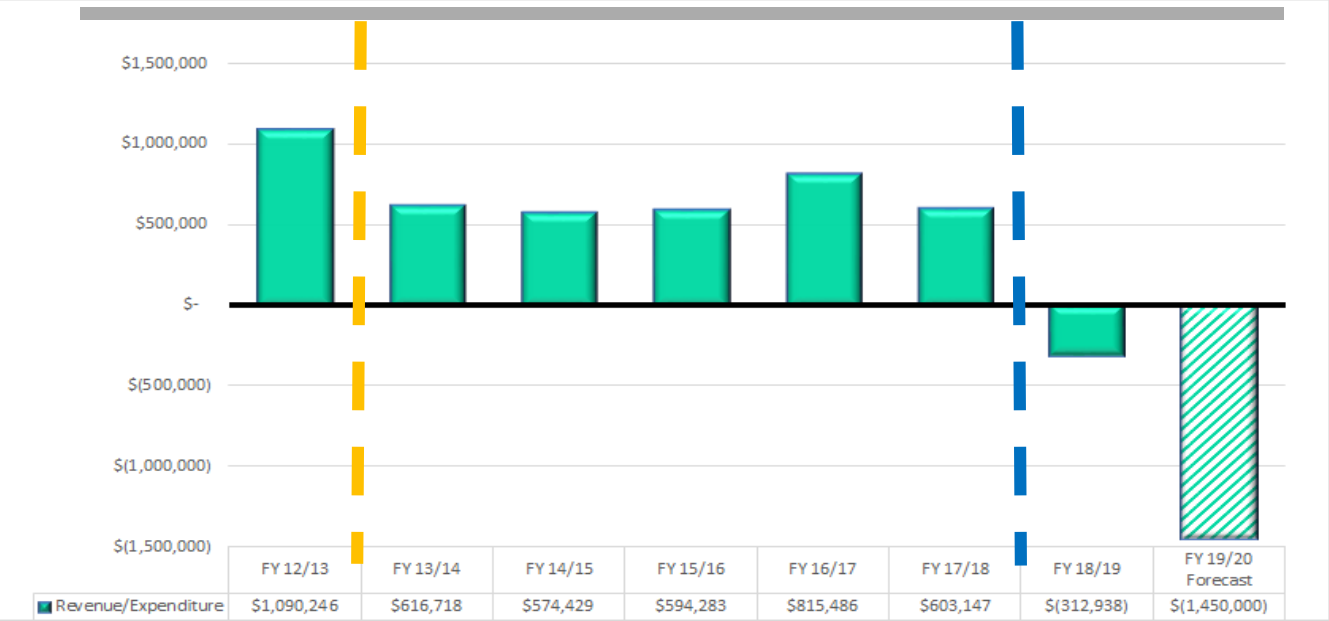
213

Recycling Update

Scott Bouchie
Environmental Management and Sustainability Director

September 12, 2019

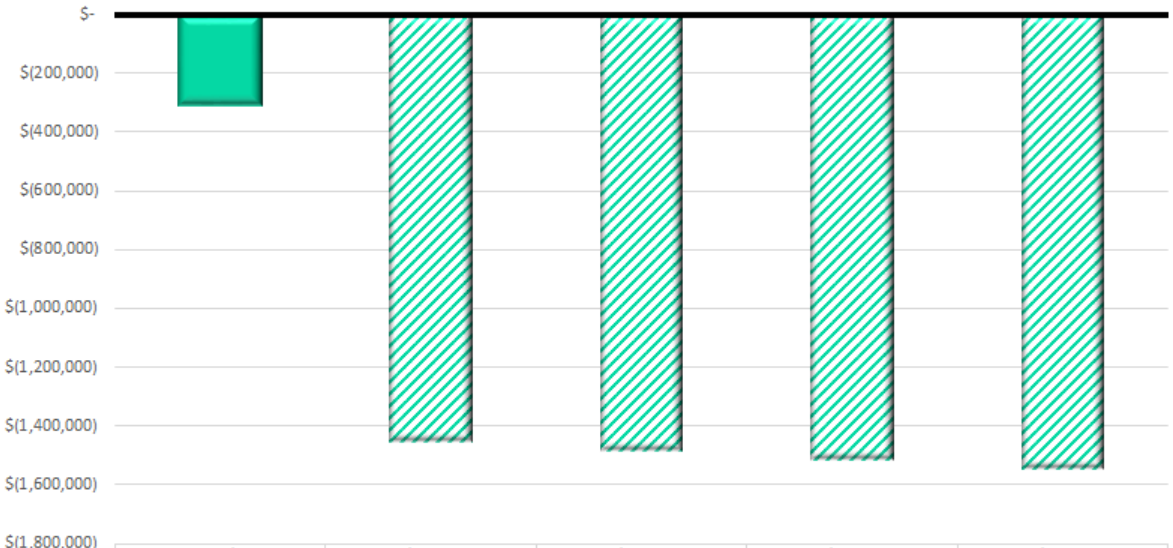
Recycling Revenue and Expenditure



Waste Management Processing Fee Contract Implemented

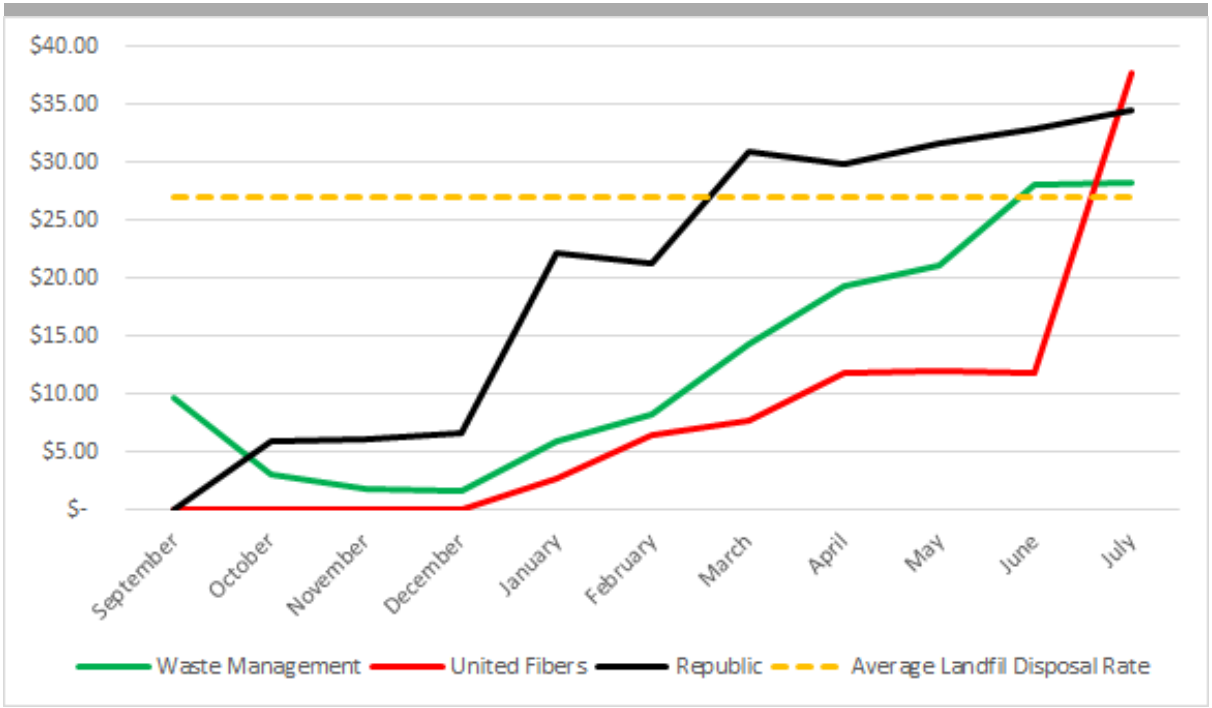
Republic and United Fibers Processing Fee Contracts Implemented

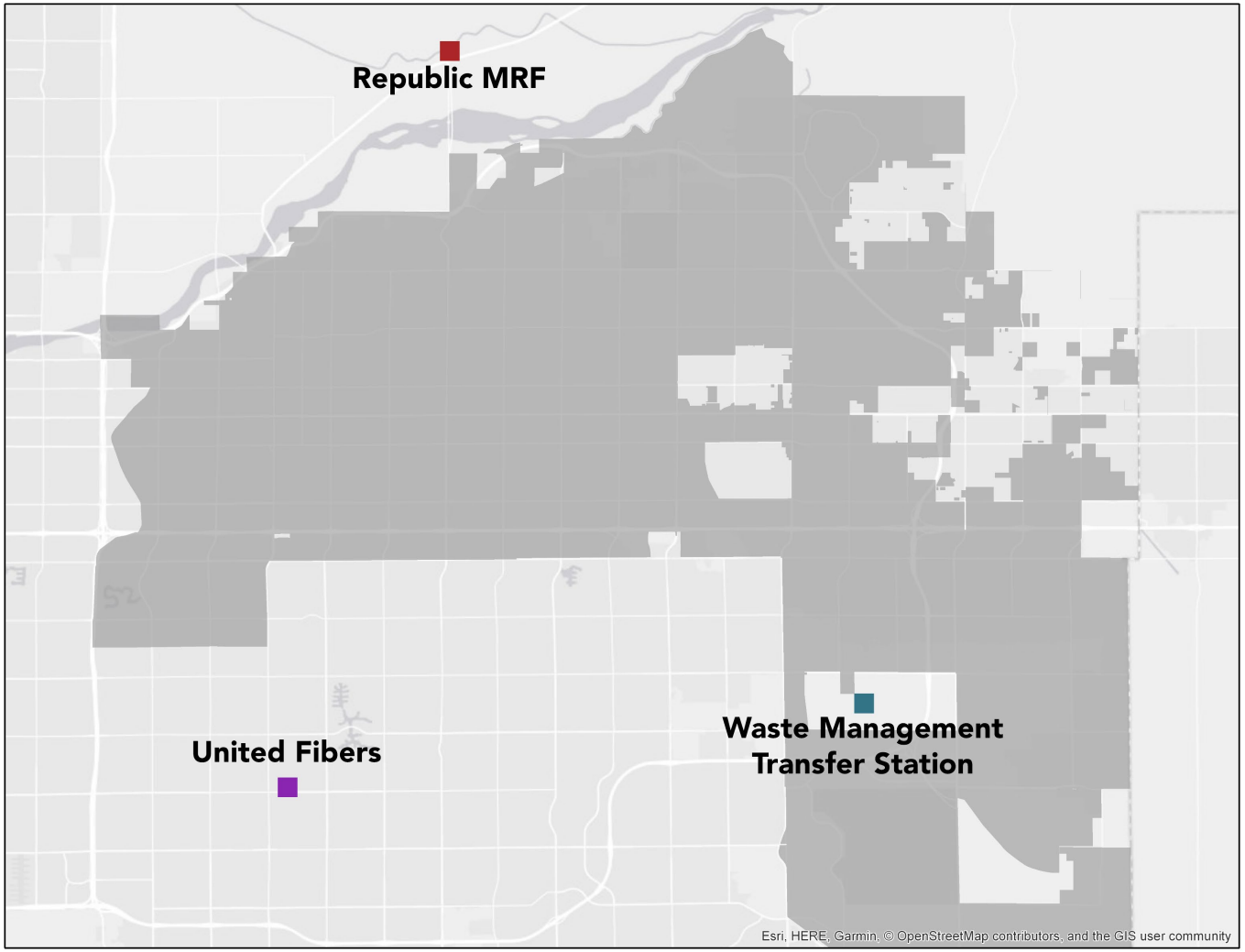
Recycling Expenditure Forecast



	FY 18/19	FY 19/20 Forecast	FY 20/21 Forecast	FY 21/22 Forecast	FY 22/23 Forecast
Expenditure	$(312,938)	$(1,450,000)	$(1,480,450)	$(1,511,539)	$(1,543,282)

Recycling Cost per Ton




Republic MRF
United Fibers
Waste Management
Transfer Station
Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

Recycling Contract Comparison

Vendor	Processing Fee	Revenue Share Percentage	Expiration
Waste Management	$ 60.79	60%	September 2024
United Fibers Proposed	$ 71.00	55%	December 2020
United Fibers Current	$ 67.00	55%	December 2019
Republic Proposed	$ 86.00	60%	September 2022
Republic Current	$ 75.00	65%	September 2019

Options to Consider

- Suspend All Recycling
- Close Recycling Centers
- Reduce Frequency of Recycling
- Optimize Recycling
- Rebrand Recycling Program

Suspend All Recycling

Cities That Have Suspended Recycling

- Surprise
- Casa Grande
- Sierra Vista

POTENTIAL IMPACTS

- Ends relationship with recycling vendors
- Reduced operational and disposal costs
- Unknown impact on recycling behavior
- Commercial recycling

Close Recycling Centers

3 Locations

- Dobson Ranch Park
- Country Club/Juanita
- East Mesa Service Center

POTENTIAL IMPACTS

- Illegal dumping
- Complaints
- Operational savings
- Creates commercial program opportunities

Reduce Recycling Frequency

Every Other Week Collection
- Tucson

POTENTIAL IMPACTS
- Operational changes and challenges
- Public outreach

Optimize Recycling

Recycle Most Cost-efficient Routes

- Quality
- Transportation costs
- Processing cost - commodity revenue

POTENTIAL IMPACTS

- Continues recycling partnerships
- Provides highest quality material
- Some material will not be recycled
- Targeted recycling education

Rebrand Recycling Program

Limit Acceptable Material

- Based on value

POTENTIAL IMPACTS

- Reduce tonnage
- Reduce program confusion
- Reduce contamination
- Public outreach

Rebrand Recycling Program

- Education
  - Revise current program's acceptable items
    (Beverage bottles and cans, food cans, cardboard, and paper)

Program Enforcement

Minor contamination

– Education

Plastic Bags & Styrofoam

Plastic Bags

Program Enforcement (cont'd)

Major contamination

- Immediate removal of barrel

Human Waste

Animal Waste

Food Waste

Green Waste

Hazardous Waste

Questions