

COUNCIL MINUTES

July 8, 2020

The City Council of the City of Mesa met in a Regular Council Meeting via a virtual format streamed into the lower level meeting room of the Council Chambers, 57 East 1st Street, on July 8, 2020 at 6:01 p.m.

COUNCIL PRESENT

John Giles*
Mark Freeman*
Jennifer Duff*
Francisco Heredia*
David Luna*
Kevin Thompson*
Jeremy Whittaker*

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

(*Council participated in the meeting through the use of video conference equipment.)

Mayor's Welcome.

Mayor Giles conducted a roll call.

Mayor Giles led a moment of silence, followed by the Pledge of Allegiance.

Awards, Recognitions and Announcements.

There were no awards, recognitions, or announcements.

1. Appointment of John Tatz as the Presiding City Magistrate.

It was moved by Councilmember Luna, seconded by Vice Mayor Freeman, that Judge Tatz be appointed as the Presiding City Magistrate.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

2. 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 Vice Mayor Freeman, seconded by Councilmember Luna, that the consent agenda items be approved.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

3. Approval of minutes of previous meetings as written.

Minutes from the April 23, May 14, and May 18, 2020 Study Session, and July 1, 2020 Regular Council meeting.

*4. Take action on the following contracts:

*4-a. Los Sombreros

A restaurant that serves lunch and dinner is requesting a new Series 12 Restaurant License for Los Sombreros LLC, 1976 West Southern Avenue - Andrea Dahlman Lewkowitz, agent. There is no existing license at this location. **(District 3)**

*4-b. Stone

A restaurant that serves lunch and dinner is requesting a new Series 12 Restaurant License for Kims Enterprise LLC, 1870 West Main Street – Cookie Kim Sohn, agent. There is no existing license at this location. **(District 3)**

*4-c. Safeway #1002

A grocery store is requesting to add sampling privileges to the existing Series 9 Liquor Store License for Safeway Inc., 9243 East Baseline Road – Nicholas Carl Guttilla, agent. The existing license held by Safeway Inc. will revert to the State for modification. **(District 6)**

*4-d. Safeway #1948

A grocery store is requesting to add sampling privileges to the existing Series 9 Liquor Store License for Safeway Inc., 441 North Val Vista Drive - Nicholas Carl Guttilla, agent. The existing license held by Safeway Inc. is currently in inactive status and will revert to the State for modification. **(District 2)**

*4-e. Safeway #1948

A grocery store is requesting to add sampling privileges to the existing Series 9 Liquor Store License for Safeway Inc., 441 North Val Vista Drive - Nicholas Carl Guttilla, agent. The existing license held by Safeway Inc. will revert to the State for modification. **(District 2)**

*4-f. Safeway #2644

A grocery store is requesting to add sampling privileges to the existing Series 9 Liquor Store License for Safeway Inc., 1855 North Power Road - Nicholas Carl Guttilla, agent. The existing license held by Safeway Inc. is currently in inactive status and will revert to the State for modification. **(District 5)**

*4-g. Safeway #2644

A grocery store is requesting to add sampling privileges to the existing Series 9 Liquor Store License for Safeway Inc., 1855 North Power Road - Nicholas Carl Guttilla, agent. The existing license held by Safeway Inc. will revert to the State for modification. **(District 5)**

5. Take action on the following contracts:

*5-a. Five-Year Term Contract for Office Supplies and Products for Citywide Departments and Strategic Alliance for Volume Expenditures (S.A.V.E.) Cooperative Members as requested by the Business Services Department. **(Citywide)**

This contract is for the purchase of miscellaneous office supplies and products including online ordering for next day, desktop delivery on an as-needed basis. Past participation has included over 100 agencies including Arizona cities, towns, school districts and other members of the S.A.V.E. purchasing cooperative with an estimated \$8.7 million spend.

An evaluation committee recommends awarding the contract to the highest-scored proposal from Wist Business Supplies & Equipment, at \$850,000 annually (Mesa's use), based on estimated usage.

*5-b. One-Year Renewal with a One-Year Renewal Option to the Term Contract for Water-Reducible Alkyd Paint for the Environmental Management and Sustainability Department. **(Citywide)**

This contract provides paint used to paint and refurbish the City's trash and recycle bins and roll-off boxes including specified paint for spray application and for roller application.

The Environmental Management and Sustainability Department and Purchasing recommend authorizing the renewal with Bert's Paint, Inc. and Intrepid Coatings, Inc., at \$27,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index.

*5-c. One-Year Renewal with a One-Year Renewal Option to the Term Contract for Park Playground and Aquatics Facility Poured-In-Place Surfacing and Synthetic Turf Repairs,

Maintenance, and Installation for the Parks, Recreation and Community Facilities Department. **(Citywide)**

This contract is for the supply, installation, maintenance, and repairs to the rubberized playground safety surfacing and synthetic turf in the City's park playground systems, splash pad, and aquatic facilities. The contractor also maintains poured-in-place surfacing at citywide playgrounds.

The Parks, Recreation and Community Facilities Department and Purchasing recommend authorizing the renewal with Flexground, LLC, at \$300,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- *5-d. Dollar-Limit Increase to the Term Contract for Emergency Medical Supplies and Pharmaceuticals for the Mesa Fire and Medical Department. **(Citywide)**

Pressures related to these products have drastically increased, due to the pandemic. This includes additional need, availability, price increases, and purchasing products not explicitly called out for in the contract because they are otherwise unavailable. Additionally, the expansion of the Medical Transport Units, as well as other response units, has led to an increased order volume that was not originally anticipated in this contract at its inception. The department is requesting the additional funds to continue through the rest of the term for future needs of the department.

The Mesa Fire and Medical Department and Purchasing recommend increasing the dollar-limit with Bound Tree Medical, LLC, by \$290,000, from \$710,000 to \$1,000,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- *5-e. Three-Year Term Contract with Two Years of Renewal Options for Traffic Signal Controllers and Video Detection Systems for the Transportation Department (Single Response). **(Citywide)**

Traffic signal video detection is used to detect vehicles at signalized intersections so the traffic signal can react to demands. Traffic signal controllers are specialized hardware and software used to control signalized intersections. The controllers are devices used to time and control the traffic signals within the signal cabinets.

The Transportation Department and Purchasing recommend awarding the contract to the single, responsive, and responsible bidder, Econolite, at \$841,000 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.

- *5-f. Southern Avenue (Horne to Harris Drive) and Stapley Drive (U.S. 60 to 8th Avenue) Intersection Improvements Project. **(District 4)**

This project will widen the Southern Avenue and Stapley Drive intersection by adding medians to each street of the intersection, adding a third southbound lane from the Southern and Stapley intersection to the U.S. 60 freeway interchange, and by providing a dedicated eastbound right turn lane at the Southern and Stapley intersection. Additional improvements include ADA compliant ramps and driveways, new curb and

gutter, sidewalk, storm drain, streetlights, traffic signals, and other related improvements required for the roadway safety and capacity improvements.

Staff recommends awarding the contract for this project to the lowest, responsible bidder, Blucor Contracting, Inc. (a Mesa Business), in the amount of \$14,252,296.97, and authorize a change order allowance in the amount of \$1,425,229.70 (10%), for a total award of \$15,677,526.67. This project is funded by Local Street Sales Tax and Transportation Funds of which 94.3% will be reimbursed by ADOT (federal) grant under the HSIP and STP programs.

*5-g. See: **Items not on the Consent Agenda.**

*5-h. One-Year Term Contract with Two Years of Renewal Options for Two Master Job Order Contracts for Water and Wastewater Reclamation Plant Facility Construction Services. **(Citywide)**

Job Order Master Contracts for water and wastewater reclamation plant facility construction services include minor construction improvements related to water and wastewater plants, systems, and related infrastructure improvements throughout the City.

Staff recommends the selections of Garney Construction, Inc. (a Mesa business), and Archer Western Construction, LLC for water and wastewater reclamation plant facility construction services. These contracts allow for the issuance of multiple individual job orders with a not-to-exceed limit of \$1,500,000 per job order, and a total contract value not-to-exceed \$5,000,000 for each year of the contract, per contractor.

*5-i. Three-Year Term Contract with Two Years of Renewal Options for Pad Mounted 3 Phase 15kV SF6 Insulated Switchgear for the Energy Resources Department. **(Citywide)**

This contract will provide pad mounted three phase 15 kV load-break interrupting and fault interrupting insulated switchgear. The switchgear is required for the life cycle replacement of the existing Lewis East Substation getaway switches and rebuilding critical portions of the 45-year old substation.

An evaluation committee recommends awarding the contract to the highest-scored proposal from G&W Electric Company, at \$500,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index. This purchase is funded by authorized Electric Bond Funds.

6. Take action on the following resolutions:

*6-a. Approving and authorizing the City Manager to enter into a Grant Agreement with the Arizona Criminal Justice Commission to accept \$54,197 in grant funds from the Arizona Coronavirus Emergency Supplemental Funding federal grant to be used for overtime, temporary staff positions, and operating expenses in the Mesa Prosecutor's Office. **(Citywide)** – Resolution No. 11536

*6-b. Approving and authorizing the City Manager to enter into a Grant Agreement with the Arizona Criminal Justice Commission to accept up to \$100,000 in grant funds that will be

used for training and equipment for the Police Department's Forensic Services Division. **(Citywide)** – Resolution No. 11537

- *6-c. Approving and authorizing the City Manager to accept a grant award up to \$371,450 from the Arizona Criminal Justice Commission through the Arizona Coronavirus Emergency Supplemental Funding Program. Funding will be used for Police Department purchases related to the COVID-19 Pandemic. **(Citywide)** – Resolution No. 11538
- *6-d. Approving and authorizing the City Manager to submit the City of Mesa Five-Year Consolidated Plan for Fiscal Years 2020/2021 through 2024/2025, Analysis of Impediments to Fair Housing, and the Annual Action Plan for Fiscal Year 2020/2021; authorizing the submittal of applications to receive entitlement funds for Fiscal Year 2020/2021 under the U.S. Department of Housing and Urban Development Community Development Block Grant program (CDBG), Emergency Solutions Grant program (ESG) and the HOME Investment Partnership Program (HOME) to fund activities approved by the City Council; and authorizing the City Manager to expend, disburse and enter into agreements for disbursement of Fiscal Year 2020/2021 CDBG, ESG, and HOME funds received by the City. **(Citywide)** – Resolution No. 11539
- *6-e. Approving and authorizing the City Manager to accept, expend, and distribute grant funds from the U.S. Department of Housing and Urban Development for the Mainstream Voucher Program in the amount of \$63,645. **(Citywide)** – Resolution No. 11540
- *6-f. Extinguishing a portion of an 8-foot public utility easement located at 2619 East Jerome Avenue to allow for construction of a swimming pool; requested by the property owner. **(District 3)** – Resolution No. 11541
- *6-g. Extinguishing a 20-foot public utilities easement and a partial 8-foot public utilities easement both located at 222 East Javelina Avenue to accommodate the construction of a new courthouse building; requested by the property owner. **(District 3)** – Resolution No. 11542

7. Introduction of the following ordinance and setting August 24, 2020 as the date of the public hearing on this ordinance:

- *7-a. Amending Sections 10-4-3 and 10-4-4 of the Mesa City Code to modify the existing 40 mph speed limit to 45 mph on Signal Butte Road from Guadalupe Road to a point 450 feet south of Elliot Road, as recommended by the Transportation Advisory Board. **(District 6)**

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

- *8-a. **ZON19-00871 (District 6)** Within the 1700 block of South Crismon Road (west side). Located north of Baseline Road on the west side of Crismon Road (11± acres). Rezoning from LC to LC-PAD with a Council Use Permit for residential uses within a commercial zoning district; and Site Plan Review. This request will allow for the development of apartments, a hotel, and a restaurant within a mixed-use development. Michael Holman, Overland Development, applicant; Overland Senior Housing Mesa AZ LLC, owner. – Ordinance No. 5579

Staff Recommendation: Approval with conditions

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

9. Discuss, receive public comment, and take action on the following zoning case, and take action on the following development agreement relating to property generally located near the southwest corner of Signal Butte Road and Southern Avenue for a proposed project known as Mountain Vista Marketplace:

- *9-a. **ZON19-00872 (District 6)** Within the 1400 to 1600 blocks of South Signal Butte Road (west side); within the 10500 to 10800 blocks of East Southern Avenue (south side); within the 10500 to 10800 blocks of East Hampton Avenue (north side); and within the 10300 to 10800 blocks of East Hampton Avenue (south side). Located west of Signal Butte Road and south of Southern Avenue (81.4± acres). Rezone from LC-PAD and LC-PAD-BIZ to LC-PAD, RM-4-PAD and RM-5-PAD; and Site Plan Review. This request will allow for a mixed-use development. Reese Anderson, Pew & Lake, PLC, applicant; Signal Butte BFC, LLC, owner. – Ordinance No. 5580

Staff Recommendation: Approval with conditions

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

- *9-b. A resolution approving and authorizing the City Manager to enter into a Development Agreement with Signal Butte BFC, LLC, relating to approximately 79.45 acres of property located west of Signal Butte Road and south of Southern Avenue for the purpose of developing a mixed-use development. **(District 6)** – Resolution No. 11543

Items not on the Consent Agenda.

- 5-g. The Studios @ Mesa City Center - Construction Manager at Risk (CMAR) Selection and Pre-Construction Services Contract. **(District 4)**

In February 2018, Council approved an Intergovernmental Agreement with Arizona State University for a new academic building in downtown Mesa (ASU Creative Futures Laboratory). This agreement also included provisions for ASU to assist with the programming of the vacant City-owned building located at 59 East 1st Street, which requires the renovation of 6,000 - 12,000 square-foot of the existing 26,500 sf building, to be called The Studios @ Mesa City Center.

This pre-construction phase of the renovation project consists of working closely with the project team to develop the project design, review the design for constructability, prepare cost estimates, and develop the project schedule and phasing plan.

Staff recommends the selection of Okland Construction as the CMAR for this project and award a Pre-Construction Services contract in the amount of \$98,322. This project is funded by the Economic Investment Fund.

Councilmember Whittaker expressed concern with the impacts COVID-19 has on the budget and that the City should not be spending money on the downtown Arizona State University (ASU) campus renovations.

It was moved by Councilmember Luna, seconded by Vice Mayor Freeman, that hiring a Construction Manager at Risk (CMAR) for pre-construction services be approved.

Upon tabulation of votes, it showed:

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

NAYS – Whittaker

Mayor Giles declared the motion carried by majority vote.

10. Conduct a public hearing and take action on the following General Plan amendment and zoning case, and take action on the following retail tax incentive findings resolution and development agreement, all relating to a proposed development known as Destination Gateway:

Mayor Giles announced that this is the time and place for a public hearing regarding the Minor General Plan amendment, rezoning, resolutions for the statutory findings, and approving the Development Agreement.

There being no citizens present wishing to speak on this issue, the Mayor declared the public hearing closed.

10-a. Conduct a public hearing on the following minor General Plan amendment case ZON20-00129 and zoning case ZON19-00805.

10-b. **ZON20-00129 (District 6)** Resolution. Within the 10600 to 11000 blocks of East Williams Field Road (south side); within the 6000 to 6200 blocks of South Signal Butte Road (west side); and within the 6000 to 6400 blocks of South Signal Butte Road (east side). Located south of Williams Field Road on the east and west sides of Signal Butte Road (89± acres). Minor General Plan Amendment to change the Character Type from Neighborhoods to Mixed Use Activity District. This request will allow for a mixed-use development. Sean Lake, Pew & Lake, PLC, applicant; Signal Butte 24, LLC, owner. – Resolution No. 11544

Staff Recommendation: Adoption

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

It was moved by Councilmember Thompson, seconded by Vice Mayor Freeman that Resolution No. 11544 be adopted.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

10-c. ZON19-00805 **(District 6)** Ordinance. Within the 10600 to 11000 blocks of East Williams Field Road (south side); within the 6000 to 6200 blocks of South Signal Butte Road (west side); and within the 6000 to 6400 blocks of South Signal Butte Road (east side). Located south of Williams Field Road on the east and west sides of Signal Butte Road

(89± acres). Rezone from RS-9-PAD, RS-6-PAD, RSL-2.5-PAD, RM-2-PAD and LC-PAD to GC-PAD; A Council Use Permit to allow 100% residential uses on the first floor within a General Commercial zoning district; and modification of the Destination at Gateway PAD to remove 89± acres. This request will allow a mixed-use development. Sean Lake, Pew & Lake, PLC, applicant; Signal Butte 24, LLC, owner. – Ordinance No. 5581

Staff Recommendation: Approval with conditions

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

It was moved by Councilmember Thompson, seconded by Vice Mayor Freeman that Ordinance No. 5581 be adopted.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

- 10-d. A resolution making findings required by A.R.S. §9-500.11 (Version 2) for the City to enter into a Development Agreement meeting the definition of “a retail development tax incentive agreement” with Signal Butte 24, LLC for the development of improvements on a property of approximately 89 +/- acres generally located at the corner of South Signal Butte Road and East Williams Field Road for the project known as the “Destination at Gateway.” **(District 6) (5 votes required)** – Resolution No. 11545

It was moved by Councilmember Thompson, seconded by Vice Mayor Freeman that Resolution No. 11545 be adopted.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

- 10-e. A resolution approving and authorizing the City Manager to enter into a Development Agreement with Signal Butte 24, LLC, for the development of a mixed-use project known as “Destination at Gateway” on approximately 89 acres of property located south of East Williams Field Road on the east and west sides of South Signal Butte Road and that is the subject of zoning case ZON19-00805. The Development Agreement meets the definition of a “retail development tax incentive agreement” under A.R.S. §9-500.11 (Version 2). **(District 6) (5 votes required)** – Resolution No. 11546

It was moved by Vice Mayor Freeman, seconded by Councilmember Thompson that Resolution No. 11546 be adopted.

Upon tabulation of votes, it showed:

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

Carried unanimously.

11. Items from citizens present.

There were no items from citizens present.

12. Adjournment.

Without objection, the Regular Council Meeting adjourned at 6:18 p.m.



JOHN GILES, MAYOR

ATTEST:



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 8th day of July 2020. I further certify that the meeting was duly called and held and that a quorum was present.



DEE ANN MICKELSEN, CITY CLERK

jg

