



COUNCIL MINUTES

September 14, 2023

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 14, 2023, at 7:30 a.m.

COUNCIL PRESENT

John Giles
Francisco Heredia
Jennifer Duff
Mark Freeman
Alicia Goforth
Scott Somers
Julie Spilsbury

COUNCIL ABSENT

None

OFFICERS PRESENT

Scott Butler
Holly Moseley
Jim Smith

Mayor Giles conducted a roll call.

1. Review and discuss items on the agenda for the September 18, 2023, Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None

Items removed from the consent agenda: None

2-a. Hear a presentation, discuss, and receive an update on Mesa's Fiber Initiative.

Assistant to the City Manager Ian Linssen displayed a PowerPoint presentation on the Fiber initiative. **(See Attachment 1)**

Mr. Linssen provided a recap of the fiber initiative, adding that five fiber licenses/providers have been approved. He said the initiative will continue to improve, and eventually every household in Mesa should have fiber. (See Page 2 of Attachment 1)

Mr. Linssen thanked the City Council for being the leader in allowing the construction technique of microtrenching. He reported on the high speeds of the new services and the fact that multiple providers have offered competition, which has lowered prices to customers. He mentioned that the fiber initiative has received national attention. (See Pages 3 through 7 of Attachment 1)

In response to questions from the Councilmembers related to project completion, Mr. Linssen stated the project is expected to last approximately six years. He said that City Staff is working with the providers to make sure the citizens of Mesa are taken care of, including keeping them informed about the construction happening in their neighborhoods. He added that it is a priority to ensure digital equity and confirmed that all providers have special programs for people that need assistance.

Mayor Giles thanked staff for the presentation and appreciates the hard work that has gone into the project.

2-b. Hear a presentation, discuss, and receive an update on Mesa's water portfolio and forecast.

Water Resources Department Director Chris Hassert introduced Water Resources Department Assistant Director Jesse Heywood and displayed a PowerPoint presentation on the City's water portfolio, its forecasts, and how it stacks up with the supply and demand. **(See Attachment 2)**

Mr. Hassert explained that this presentation is focused on the Colorado River supply to the City of Mesa. He began by illustrating the three zones that make up Mesa, each served by a different water treatment facility. He highlighted the Lake Mead Water Level over the last 12 months is higher than expected due to snowfall, noting that Mesa continues to remain in Stage 1 of the Water Shortage Management Plan. He reported on the water consumption trends that continue to decline for both residential and non-residential customers in the city due to more efficient plumbing and appliances. He pointed out that 11% of water accounts are held by non-residential customers that consume 53% of the water. (See Pages 3 through 6 of Attachment 2)

In response to questions from Vice Mayor Heredia and Councilmember Somers, Mr. Hassert explained how staff evaluates the infrastructure and projected water usage of businesses that approach the City.

Discussion ensued related to capping water usage of large meter businesses and purchasing water credits and deeding to the City.

Mr. Heywood explained the off-project Central Arizona Project (CAP). He illustrated the water supply versus demand from 1983 to full buildout and discussed growth scenarios. He clarified the City's water rights and how the Mesa reclamation plants work. He declared the supply and demand looks promising for the future as it stands. He modeled a worst-case scenario, assuring the City would be prepared to deal with a water shortage and cut if needed. (See Pages 7 through 16 of Attachment 2)

Mr. Hassert concluded with an overview of the presentation. (See Page 17 of Attachment 2)

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

3-a. Housing and Community Development Advisory Board meeting held on May 4, 2023.

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

Upon tabulation of votes, it showed:

AYES – Giles–Heredia–Duff–Freeman–Goforth–Somers–Spilsbury
NAYS – None
ABSENT – None

Carried unanimously.

4. Current events summary including meetings and conferences attended.

Mayor Giles and Councilmembers highlighted the events, meetings and conferences recently attended.

5. Scheduling of meetings.

Assistant City Manager Scott Butler stated that the schedule of meetings is as follows:

Monday, September 18, 2023, 5:15 p.m. – Study Session

Monday, September 18, 2023, 5:45 p.m. – Regular Meeting

6. Adjournment.

Without objection, the Study Session adjourned at 9:21 a.m.

JOHN GILES, MAYOR

ATTEST:

HOLLY MOSELEY, CITY CLERK

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 14th day of September 2023. I further certify that the meeting was duly called and held and that a quorum was present.

HOLLY MOSELEY, CITY CLERK

sr



Mesa Fiber

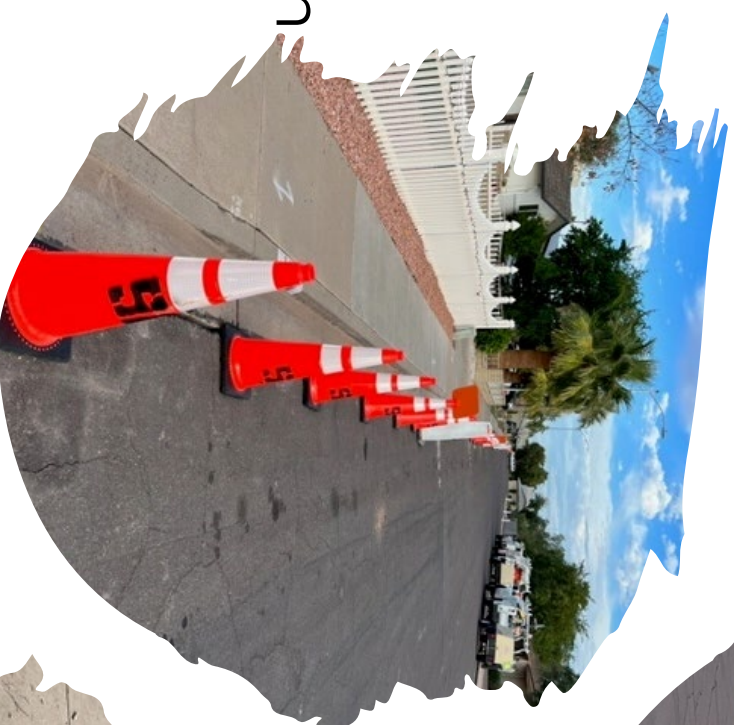
Update

Fiber Initiative Recap

- Goal to bring more fiber-optic internet options to Mesa
- Pass every residential premise
- Five new fiber licenses approved by Council in summer of 2022

Year of Network Builds

- 5 network providers actively installing/upgrading residential fiber optic service throughout Mesa
 - 2 incumbents
 - 3 new licensees
- Vast majority of work occurred in west Mesa
 - Immediate access to existing data center
- Variety of construction techniques



Busy Rights-of-Way

- Unprecedented ROW activity over past year
- **948** communication conduit miles permitted
- **119** Temporary traffic control permits issued
- **3,637** locate requests
- **29, 218** residential homes passed
- Companies are only in the early stage of their network builds



Neighborhood Engagement

- Fiber installers required to provide notification to residents
 - Door hangars
 - Large street signs
- High Speed Internet In Mesa – City Page
- Residents do experience temporary lane and parking restrictions
- Yards required to be restored to previous condition
- Neighbors encouraged to contact providers with issues

The Results So Far

- New services are live!
- Prior to Mesa Fiber effort, speeds up to:
 - 1 Gbps download
- Today, speeds up to:
 - **8 Gbps** download
- Increased price competition
 - Prices falling
- National Attention



What Comes Next

- Continued coordination with fiber installers
- Densification in the west, additional work moving east
- Companies interested in exploring how to accelerate builds

Questions?





CAP Water Portfolio and

Forecast Update

City of Mesa

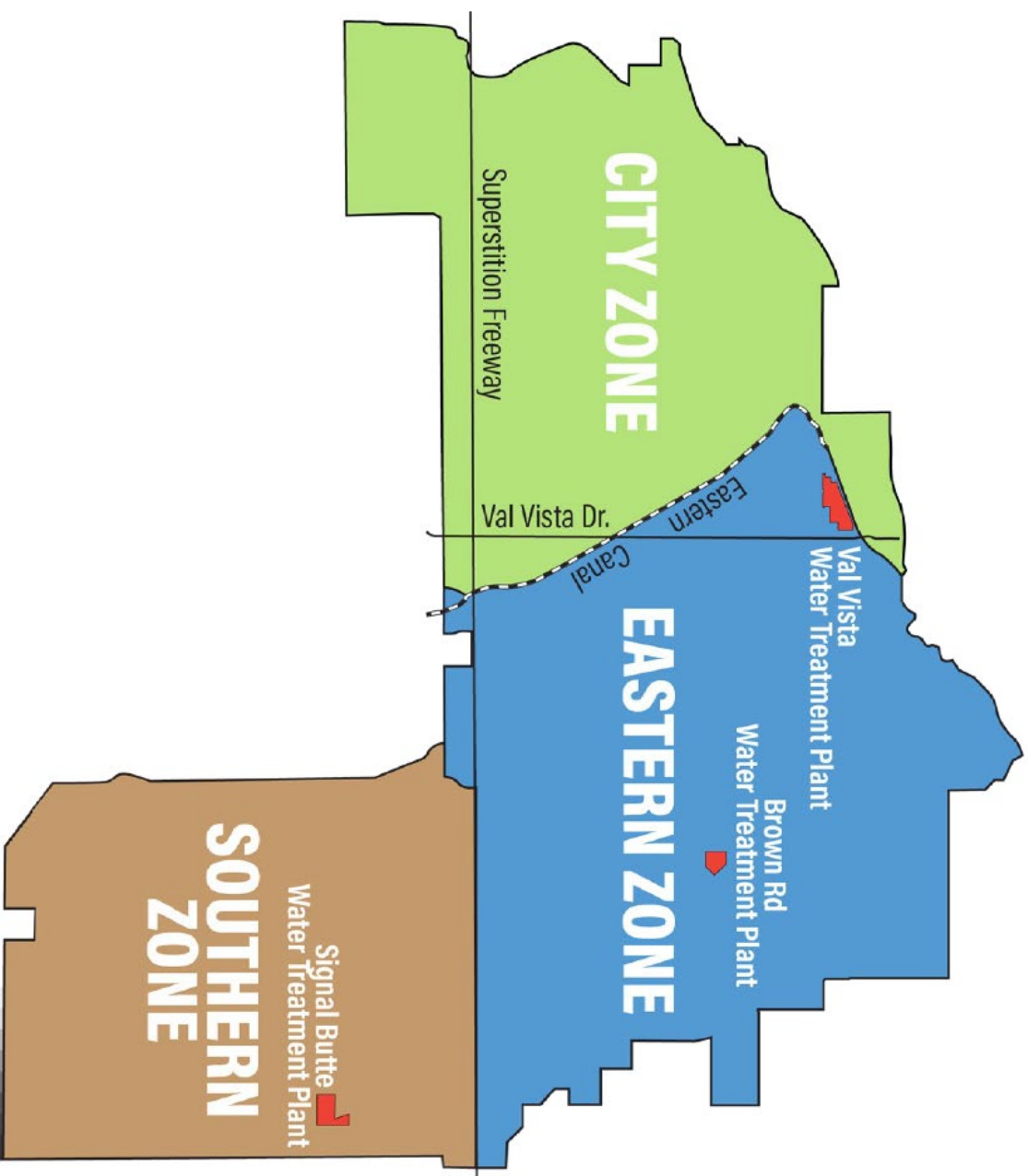
Water Resources Dept.

Sept 2023

WATER RESOURCES

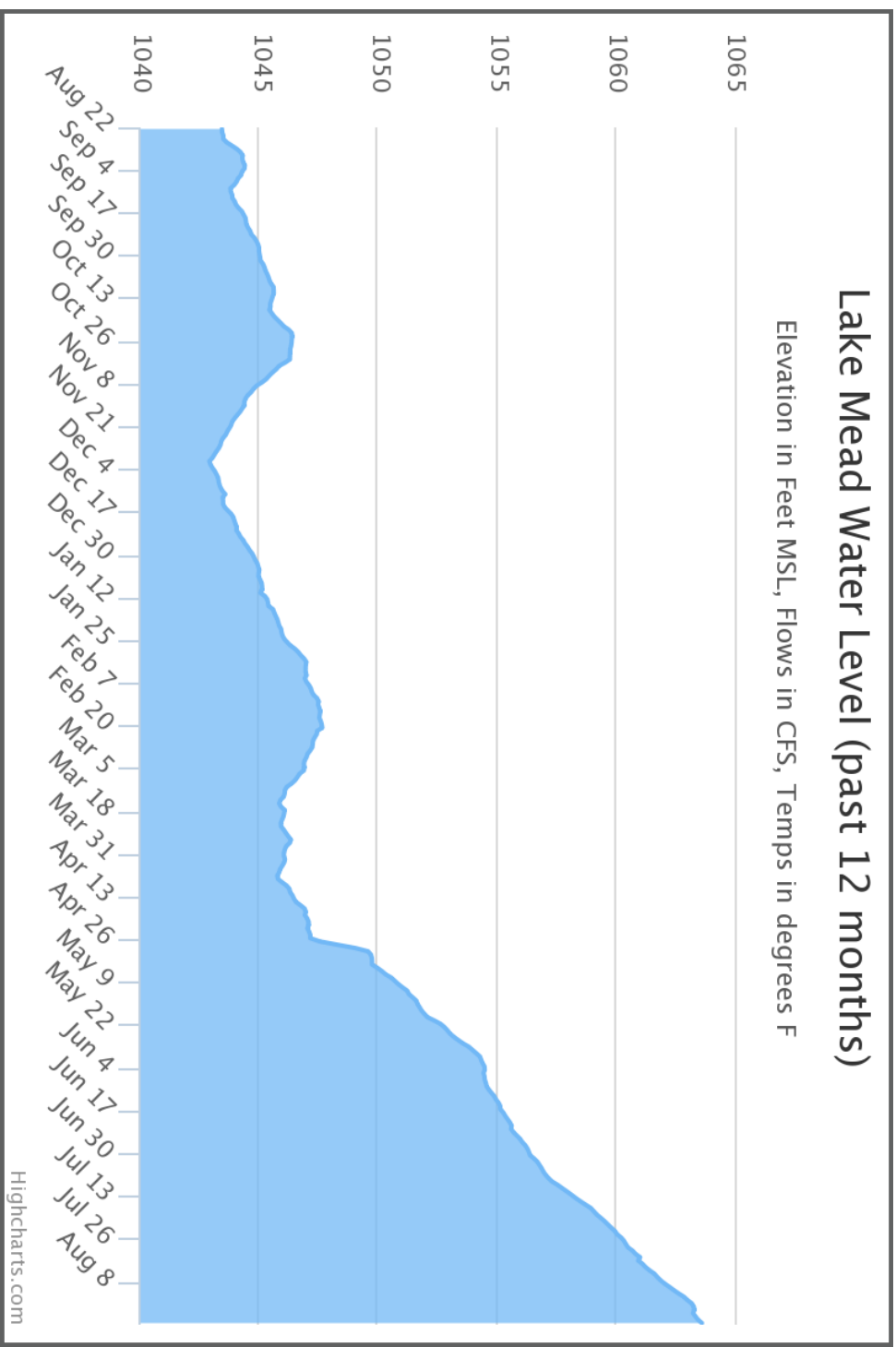
Overview

- This presentation is focused on the Colorado River Supply to the City of Mesa
- Graphs, Charts and Numbers shown are based on current information
- Goal is to show historical and future demand vs. supply



Current Status of the Colorado River

- Bureau of Reclamation declared a Tier 2A for 2023
- Higher than expected snowfall led to rise in levels at Lake Mead
- Bureau of Reclamation declared a Tier 1 for 2024
- Mesa to continue Stage 1 of the Water Shortage Plan



Water

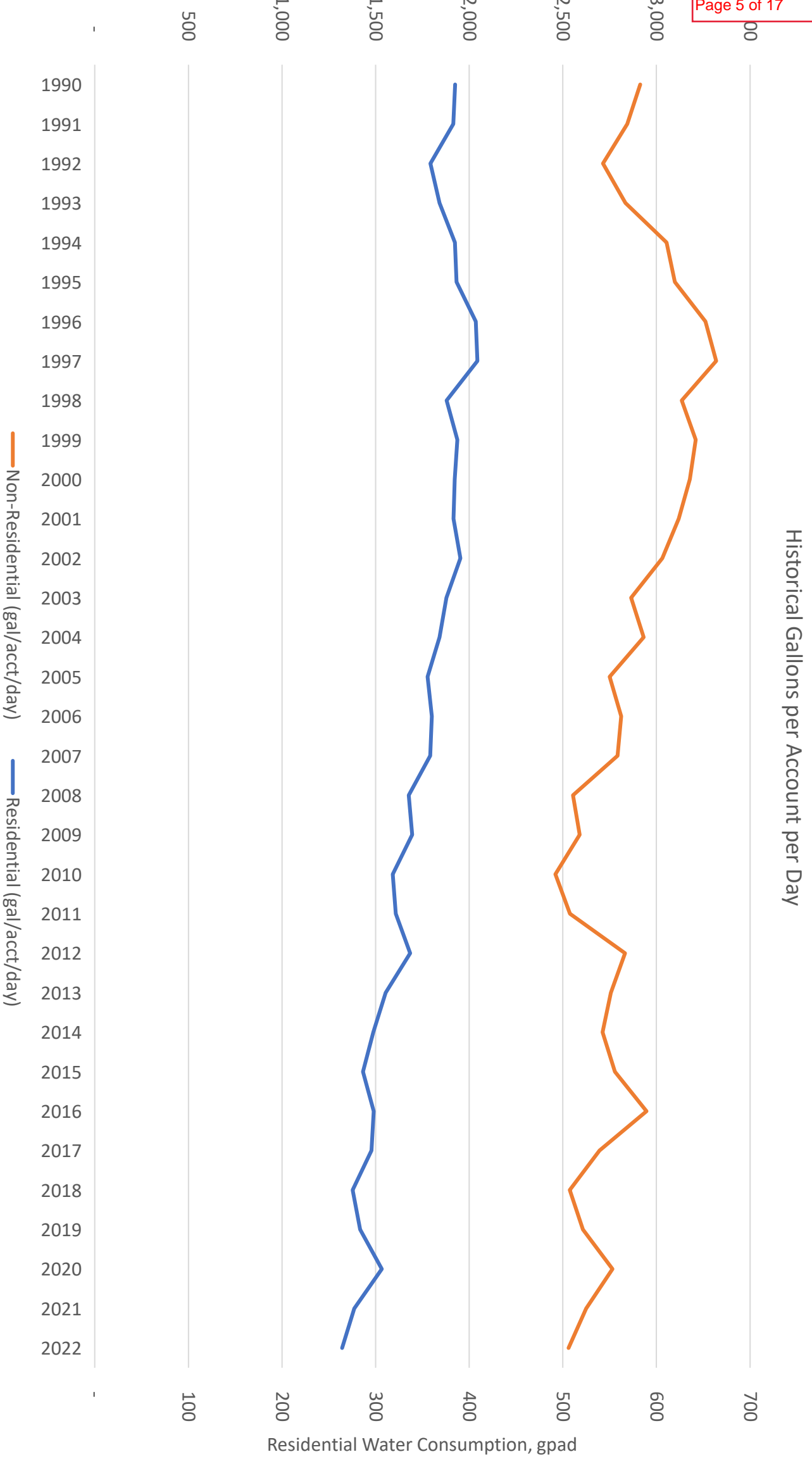
Consumption

Trends

- Graphs show residential and non-residential water consumption per account since 1990.
- Residential water consumption per account has continued to decline since 1997.
- Non-Residential water consumption account declined from 1997 to 2008 but stayed flat from 2009 to present.



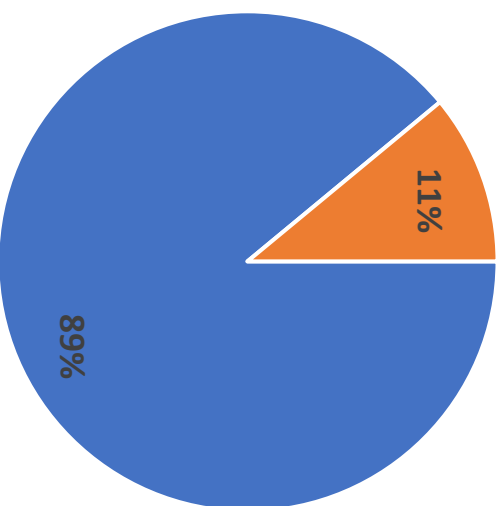
Non-Residential Water Consumption, gpad



Residential vs Non-Residential Accounts

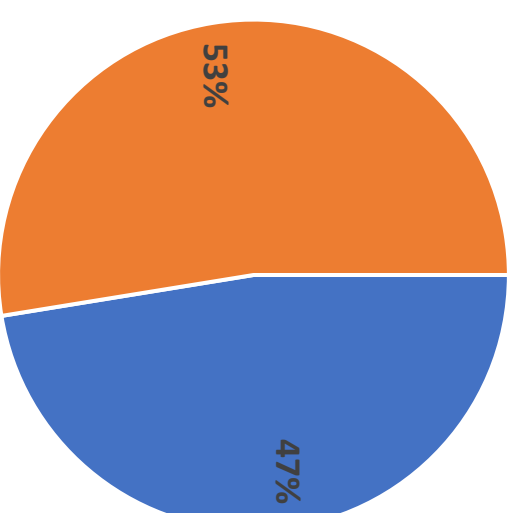
- 11% of water customers are Non-Residential
- Non-Residential accounts for 53% of water consumption

Water Accounts



■ % Residential Water Accounts ■ % Non-Residential Water Accounts

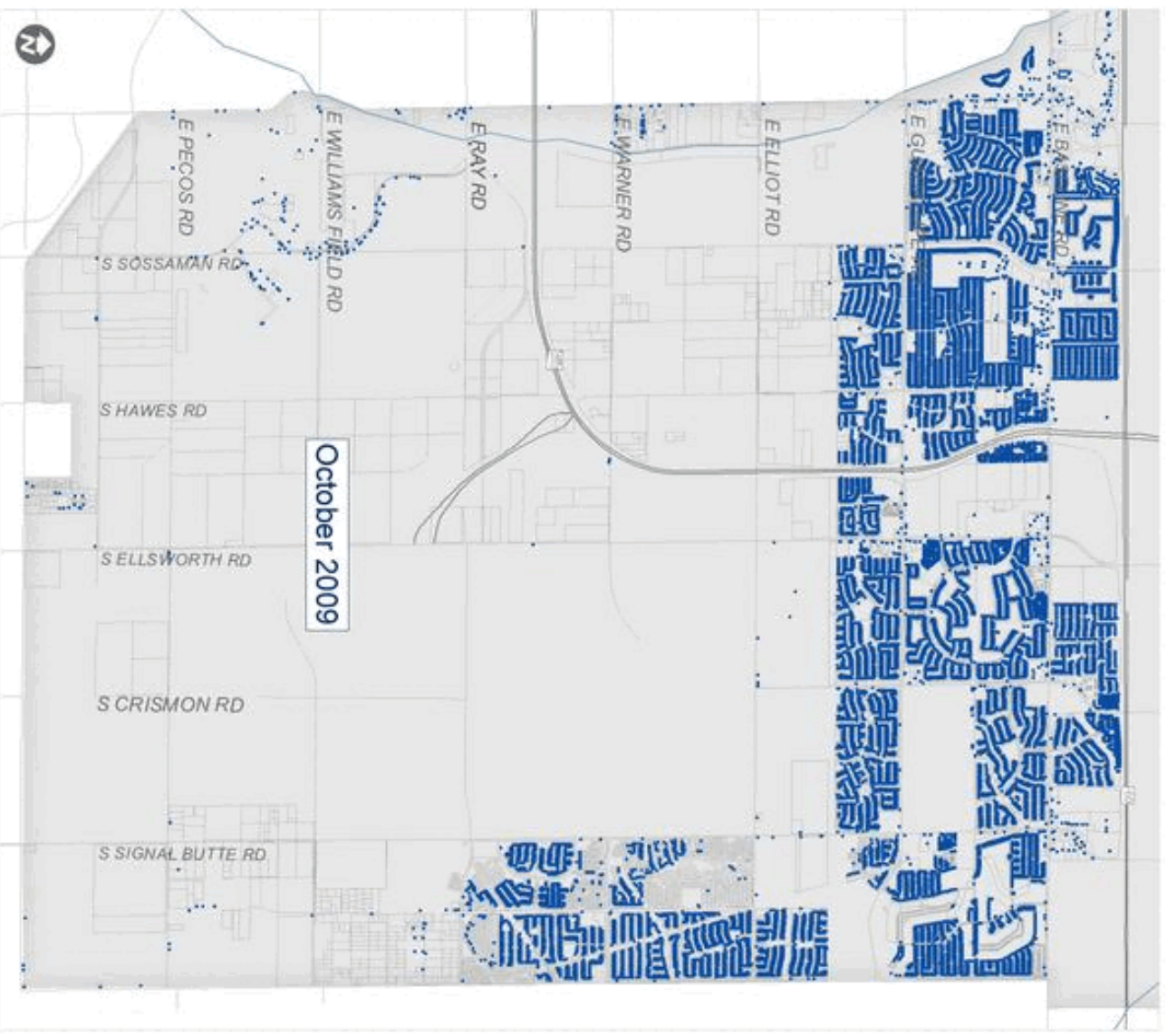
Water Consumption



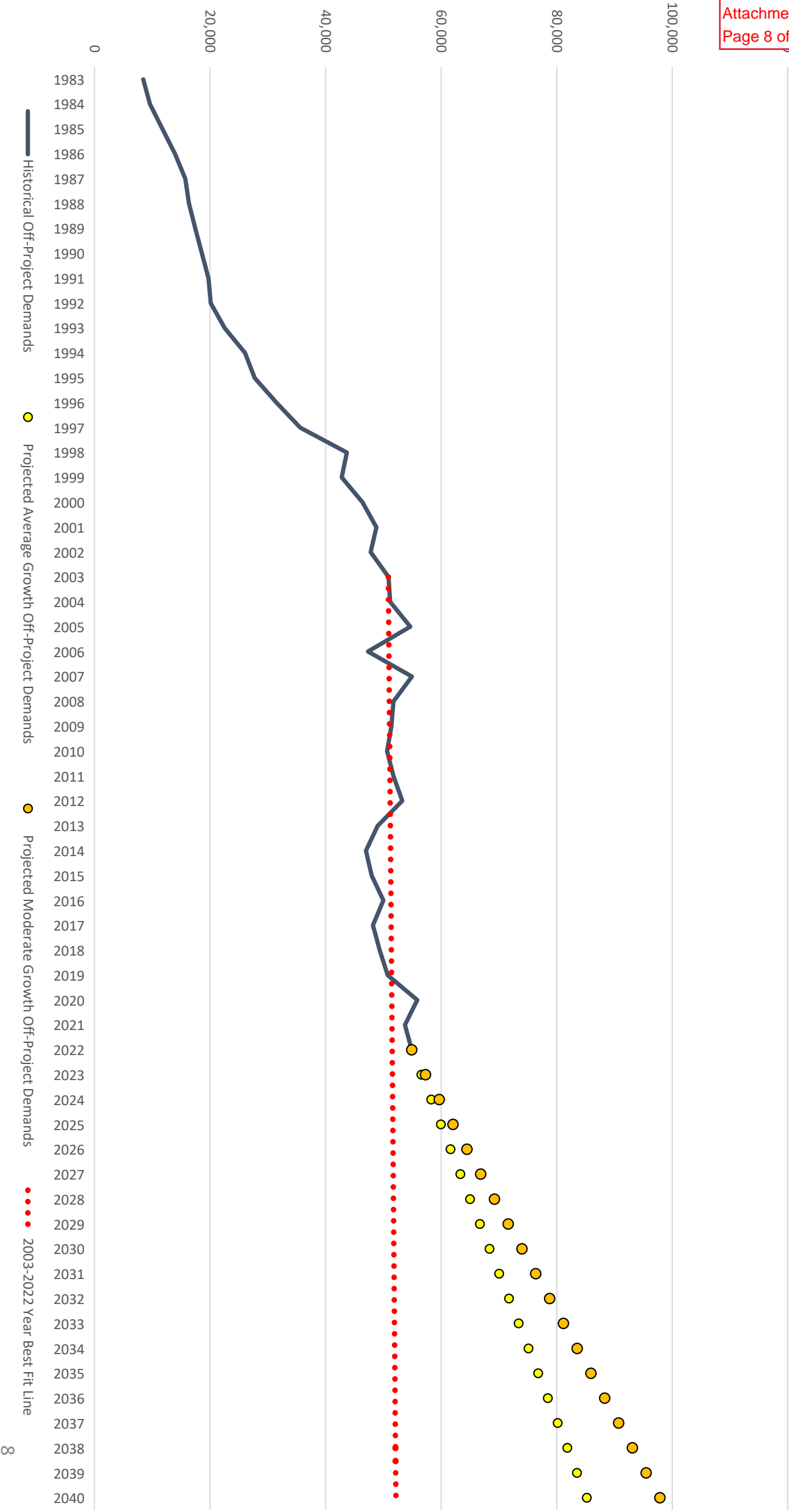
■ Residential Consumption (MGD) ■ Non-Residential Consumption (MGD)

Off-Project CAP Demand

- Following Graph shows SE Mesa water demands from 1983 to Buildout (assumed to be 2040)
- 3 Scenarios for future demands
 - No growth
 - Average Growth used the 50th percentile
 - Moderate Growth used the 75th percentile



Off-Project CAP Surface Water Demand

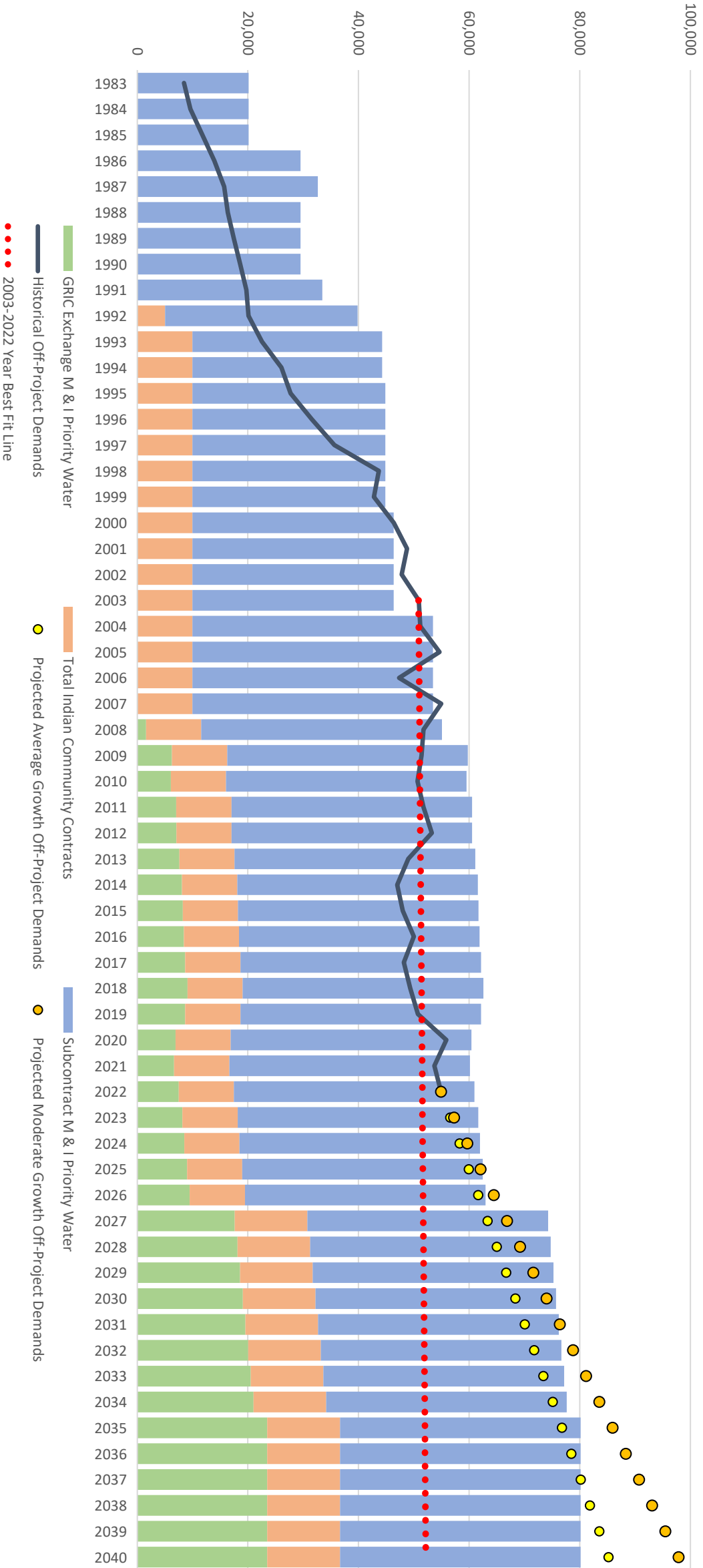


Off-Project CAP Surface Water Supply vs Demand

- Graph shows Colorado river water rights from 1983 to Buildout (assumed to be 2040)
- CMRP is shown coming online and producing water credits in 2027
- In the 2 growth scenarios demand exceeds the CAP Surface water supply prior to buildout

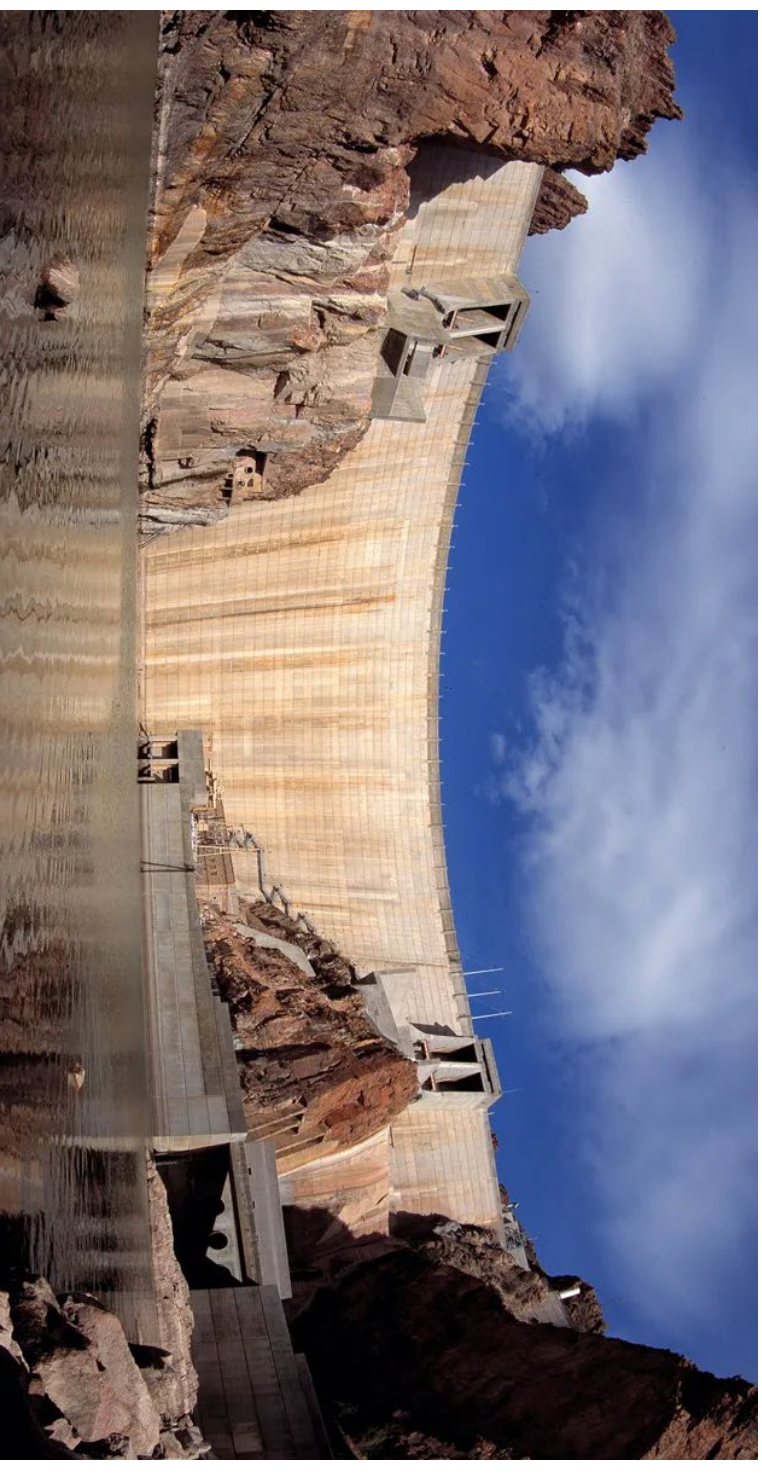


Off-Project Water Supply vs Demand

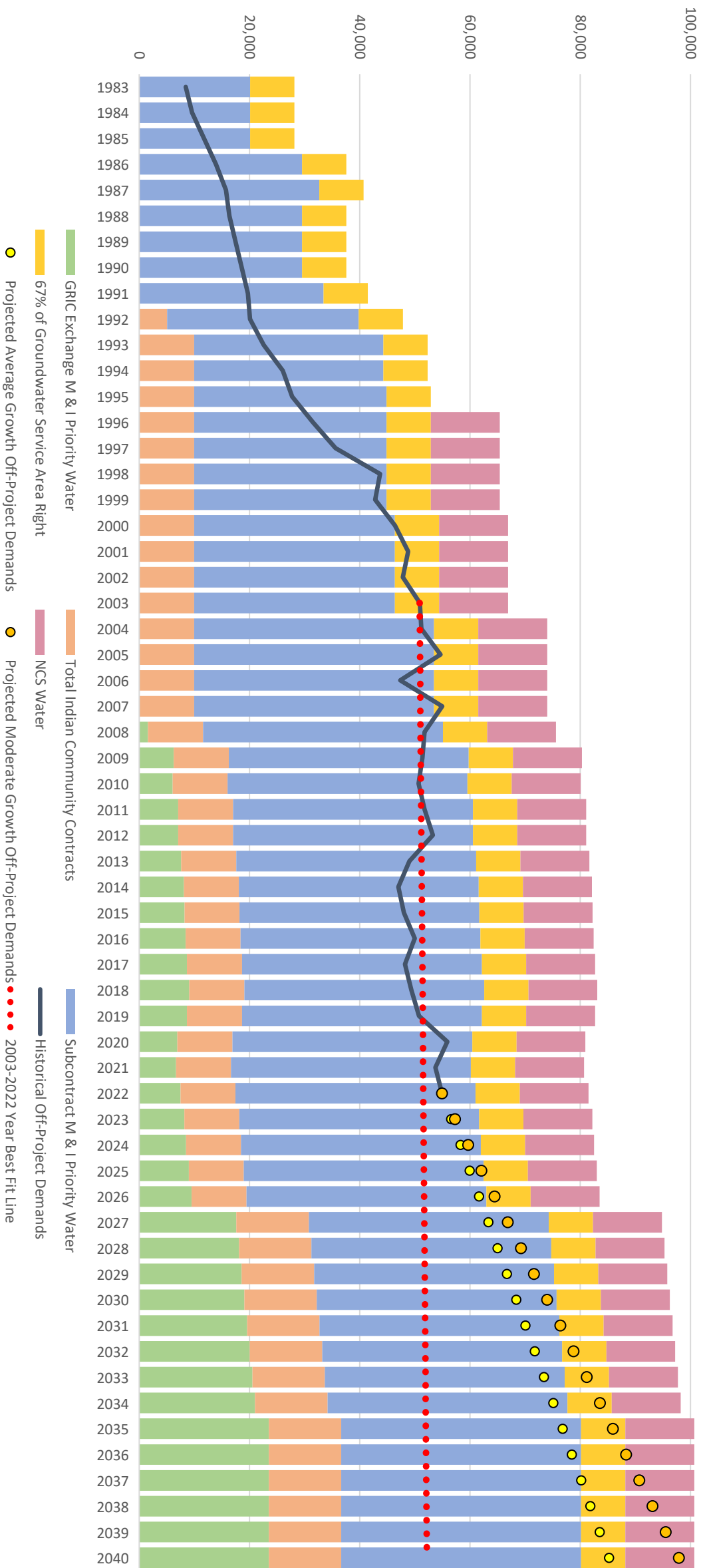


Off-Project CAP Surface, GW and NCS Water Supply vs Demand

- Graph shows Colorado river water rights plus surface area Groundwater and New Conservation Space (NCS) water
- 12,500 acre-feet NCS per 100-year assured water supply
- 2/3 on Groundwater Service (8,000 acre-feet) used Off-project, the remaining 1/3 would be used On-project



Off-Project Water Supply vs Demand

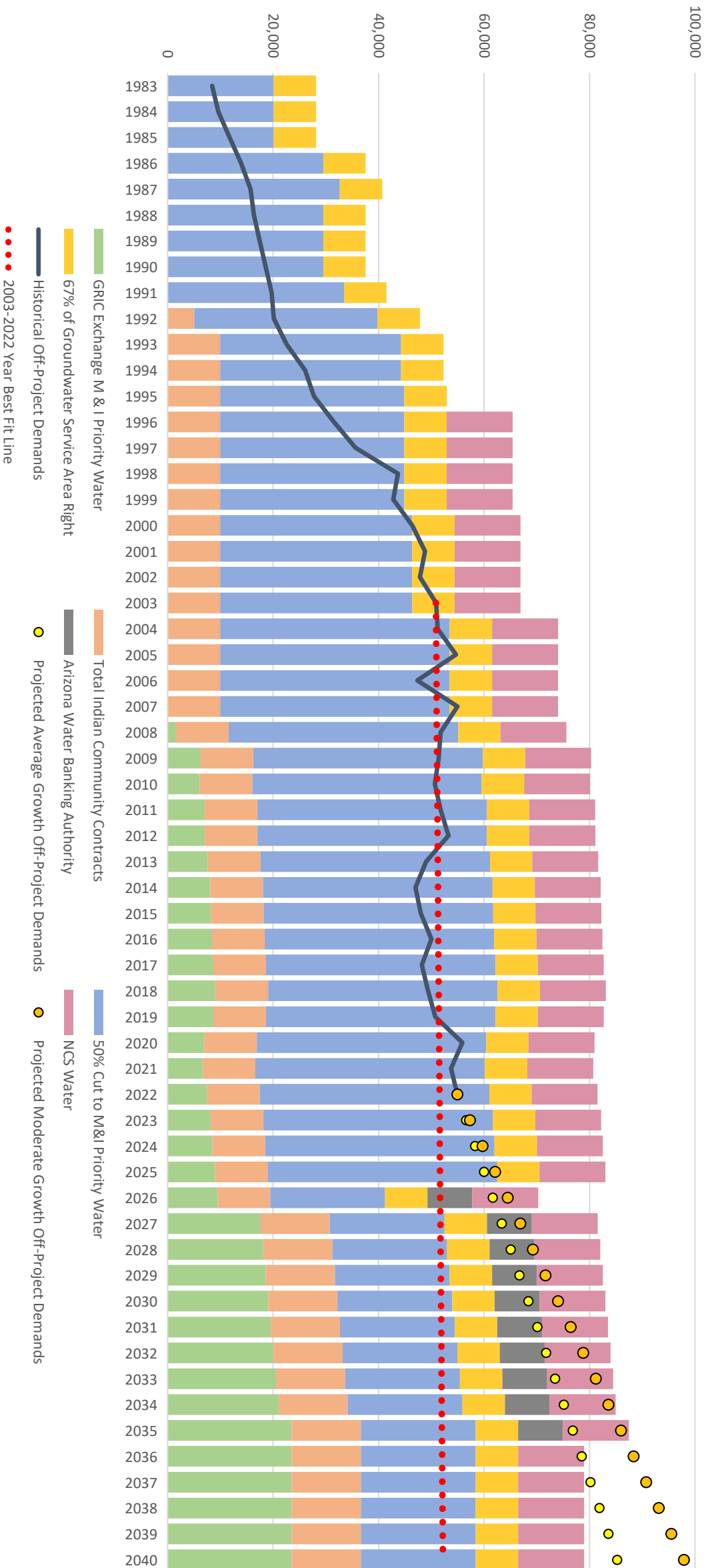


50% Cut to M&I Only

- Graph shows Colorado river water rights with a 50% cut to M&I water
- 8,500 AF/yr of long-term storage credits from Arizona Water Banking Authority for 10 years



50% Cut to Off-Project Water Supply vs Demand

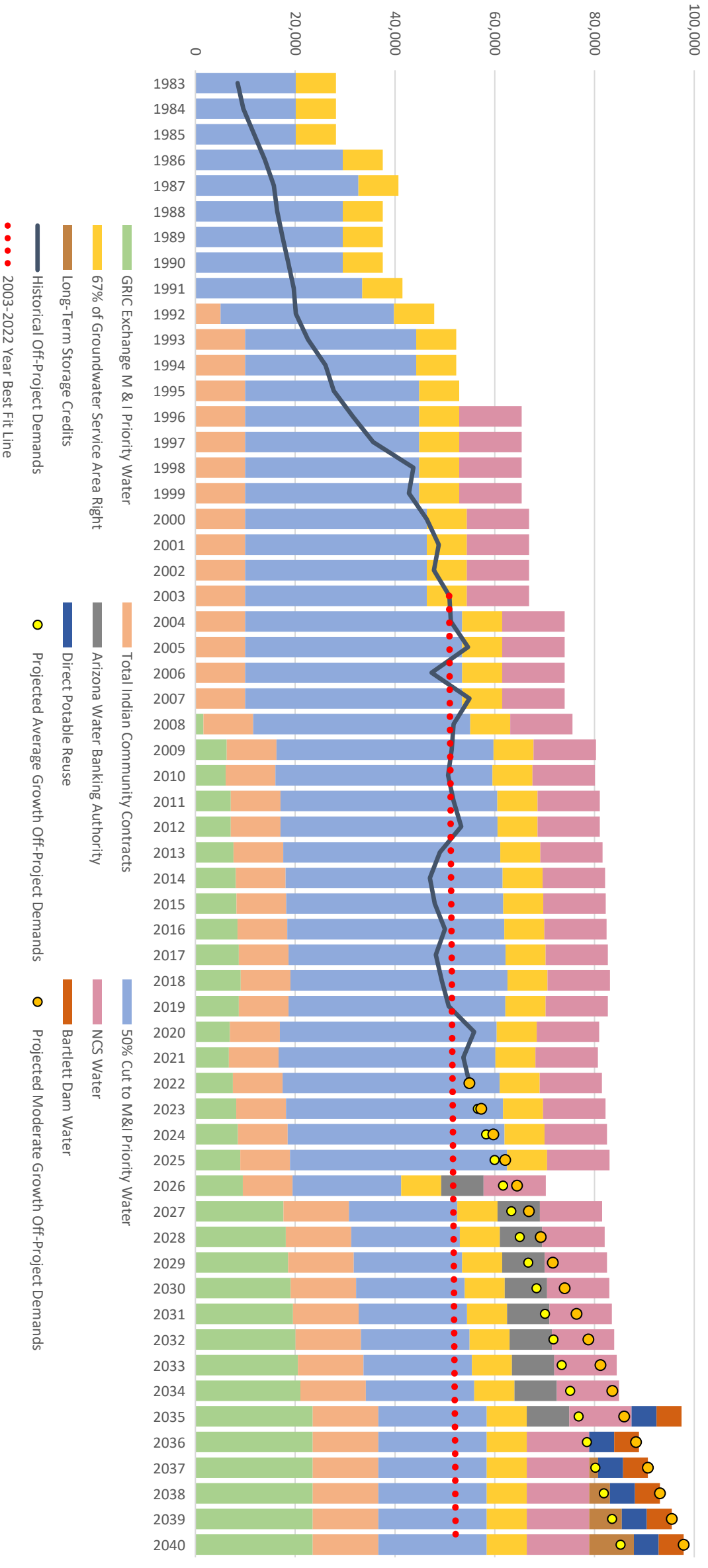


50% Cut to M&I Only with Additional Supplies

- 5,000 acre-feet from raising Bartlett Dam
- 5,000 acre-feet direct potable reuse at 91st Ave WWTP.
- Mesa has over 540,000 acre-feet in LTSC, 5,400 acre-feet available per year
- LTSC increased to meet Moderate growth demands will last about 74 years.



50% Cut to Off-Project Water Supply vs Demand



Conclusion

- Majority of the remaining vacant parcels are Non-Residential, which are very difficult to predict water demands
- The Moderate growth scenario shows what would happen if Southeast Mesa continued to attract large industrial water users
- Significant CAP cut scenarios will require conservation and additional alternative water supplies.

