

COUNCIL MINUTES

April 15, 2024

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 April 15, 2024, at 4:30 p.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

Scott Somers

OFFICERS PRESENT

Christopher Brady
Holly Moseley
Jim Smith

(Vice Mayor Heredia participated in the meeting through the use of video conference equipment; he arrived in person at 4:37 p.m.)

Mayor Giles conducted a roll call.

Mayor Giles excused Councilmember Somers from the entire meeting.

1. Review and discuss items on the agenda for the April 15, 2024, 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 provide direction on the Energy Resources Department budget.

Energy and Sustainability Director Scott Bouchie introduced Energy Resources Program Manager Anthony Cadorin, Electric System Superintendent Kyle Nicholson and Senior Fiscal Analyst John Petrof and displayed a PowerPoint presentation. **(See Attachment 1)**

Mr. Bouchie summarized the public purpose, priorities and goals for the department. (See Pages 2 and 3 of Attachment 1)

Mr. Nicholson reviewed the performance measures for the City's electric utility. He pointed out the industry wide metric used is known as the System Average Interruption Duration Index (SAIDI). He indicated the SAIDI performance has remained below target, reflecting fewer and shorter outages for customers. (See Page 4 of Attachment 1)

Responding to a question from Councilmember Duff, Mr. Nicholson explained that the SAIDI data represents a six-month seasonal average. He added that the summer months have higher outage numbers due to weather or infrastructure failures.

Mr. Cadorin summarized the power supply cost comparison between Salt River Project (SRP) and the City of Mesa (COM). He acknowledged the American Rescue Plan Act (ARPA) subsidy provided following the pandemic, which created a smooth transition for COM customers. He verified that SRP is slowly increasing its rates, whereas the COM is focused on stabilizing customer rates by securing a diverse portfolio with longer contracts. (See Page 5 of Attachment 1)

Mr. Bouchie stated the emergency response time for the natural gas utility increased in 2023 from 2022. He predicted the response times will decrease due to additional fully trained staff. (See Page 6 of Attachment 1)

Mr. Petrof provided the financial summary of the Energy Resources Department indicating that the estimates are higher due to inflation and staffing costs for temporary labor on the fiber project.

Mr. Cadorin reported the forecast for next year for the gas and electric supplies, noting contract pricing changes and additional programs such as solar. (See Page 7 of Attachment 1)

Responding to a question from Vice Mayor Heredia, Mr. Cadorin explained that the COM is taking advantage of low gas pricing when possible. He clarified that 60% of supplies are fixed price and the remaining 40% is tied to market pricing.

Mr. Cadorin stated that one budget adjustment request is to add a Gas Planning Engineer to the staff, stressing the importance of this position due to the strict federal regulations. (See Page 8 of Attachment 1)

Mr. Bouchie confirmed the budget adjustment amount needed for the Gas Planning Engineer and identified savings in the base budget which will be put toward this position. (See page 9 of Attachment 1)

Additional discussion ensued regarding the utility expenditures and revenues, staffing, and sources of power.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation, discuss, and provide direction on the Environmental Sustainability Department budget.

Energy and Sustainability Director Scott Bouchie introduced Environmental and Sustainability Deputy Director Laura Hyneman and Environmental and Sustainability Management Assistant II Rachel Butler and displayed a PowerPoint presentation. **(See Attachment 2)**

Mr. Bouchie stated the public purpose of the Environmental Sustainability Department and highlighted the four focus areas of carbon neutrality; clean air, land and water; water stewardship; and employee infrastructure. (See Page 2 of Attachment 2)

Ms. Hyneman discussed the carbon neutrality performance measures, illustrating a decrease in energy use over the last several years thanks to improved efficiencies made by the City. She noted that the Sustainability team has developed a dashboard to display energy use at City facilities, which will assist with future energy efficiency projects. She reported that environmental training has been implemented as part of new employee orientation to promote employee understanding and participation in the initiatives to improve the carbon footprint of Mesa. She highlighted a pilot program for electronic waste diversion. (See Pages 3 and 4 of Attachment 2)

Ms. Hyneman outlined the water stewardship performance measures, displaying the number of residential Grass-to-Xeriscape applications and completed projects. She explained the incentives offered to citizens that participate in the program and how they have helped to educate homeowners. (See Page 5 of Attachment 2)

Additional discussion ensued regarding the Grass-to-Xeriscape program.

Ms. Butler provided an overview of the department financial summary. She reported that the department separated from the Energy Resources department and became independent this fiscal year and explained the factors associated with the increase in the proposed budget. (See Page 6 of Attachment 2)

Mr. Bouchie explained the proposed budget adjustments, highlighting the request to add administrative support staffing. (See Page 7 of Attachment 2)

Mayor Giles thanked staff for the presentation.

2-c. Hear a presentation, discuss, and receive an update on the Mesa Climate Action Plan (MCAP).

Energy and Sustainability Director Scott Bouchie introduced Environmental and Sustainability Deputy Director Laura Hyneman and displayed a PowerPoint presentation. **(See Attachment 3)**

Mr. Bouchie explained that the Mesa Climate Action Plan (MCAP) is not only an Energy & Sustainability department initiative, but it is being implemented Citywide.

Ms. Hyneman listed the ongoing climate related projects happening Citywide. She pointed out that the City has invested \$15.4 million to MCAP projects in the past two years and provided an explanation of a few such as Flare to Fuel, Trees are Cool, and the Water – Use it Wisely campaign. (See Pages 2 through 7 of Attachment 3)

Ms. Hyneman identified areas where grant funding was used to support the MCAP efforts and made note of the enhanced program for non-residential outdoor water conservation. She highlighted the proposed projects for Fiscal Year (FY) 24/25 with estimated costs totaling \$5.4 million, and she discussed the MCAP benefits of each project. (See Pages 8 through 14 of Attachment 3)

Additional discussion ensued regarding proposed MCAP projects.

Mr. Bouchie confirmed that quarterly MCAP updates will be provided to Council as previously requested. (See Page 15 of Attachment 3)

Further discussion ensued regarding the measurement of the MCAP progress and the status of the projects currently under construction.

Mayor Giles thanked staff for the presentation.

2-d. Hear a presentation, discuss, and provide direction on Mesa's Workforce Development initiatives.

Office of Economic Development Director Jaye O'Donnell introduced Education and Workforce Office Administrator Sarah Tolar and displayed a PowerPoint presentation. **(See Attachment 4)**

Ms. Tolar provided a brief history of the Citywide workforce strategy, which was developed collaboratively in November 2022 between the Office of Economic Development and the Education and Workforce groups and recalled the intention of the plan. (See Page 2 of Attachment 4)

Ms. O'Donnell provided the continuum of collaboration that was originally identified as services to the community, collaboration, and services to businesses, and showcased how the services are delivered by the departments. She emphasized the importance over the next fiscal year of measuring the direct impact the City has with its lines of services and how to best support its partners to bridge any gaps. She listed three major goals in this strategy to provide support to the businesses and workers. (See Page 3 of Attachment 4)

Ms. Tolar reported the status of each of the three goals, beginning with Goal 1 to provide equitable access to resources and support for Mesa employers and job seekers. She identified and described available resources, highlighting the Mesa College Promise - Adult Learner Expansion, the Workforce Center at COM and the Mesa Business Builder at The Studios, and Pipeline AZ - Job Connect Mesa 2.0. She explained the status of Goal 2, which is to identify and mitigate the skills gap in hiring. She emphasized the importance of collaborative efforts that connect education programs with industry partners to offer specific education and training. (See Pages 4 and 5 of Attachment 4)

Ms. O'Donnell reported the status of Goal 3 to expand job opportunities for workers and employee retention for businesses. She identified and explained the Business Retention and Expansion (BRE) program and provided details about successful hiring events that were held. She stressed the importance of promoting Mesa as a destination for out-of-market talent to live, work and play, noting the need to continue improving the pipeline of labor and quality jobs for the next generation. (See Page 6 of Attachment 4)

Ms. Tolar identified the strategies and opportunities which will be integrated into the workplan for FY 24/25 and gave a brief explanation of each. (See Page 7 of Attachment 4)

Ms. O'Donnell gave an update on the Job Connect Mesa program and announced the partnership with Pipeline AZ to develop a job board and career platform to connect the workforce, educators, job seekers and employers. (See Page 8 of Attachment 4)

Mayor Giles thanked staff for the presentation.

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

3-a. Housing and Community Development Advisory Board meeting held on February 1, 2024.

It was moved by Councilmember Spilsbury, 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–Spilsbury

NAYS – None

ABSENT – Somers

Mayor Giles declared the motion carried unanimously by those present.

4. Current events summary including meetings and conferences attended.

Mayor Giles stated that this item would be continued to a future date.

5. Scheduling of meetings.

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

Thursday, April 18, 2024, 7:30 a.m. – Study Session

Thursday, April 25, 2024, 7:30 a.m. – Study Session

6. Adjournment.

Without objection, the Study Session adjourned at 5:56 p.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 15th day of April 2024. I further certify that the meeting was duly called and held and that a quorum was present.

HOLLY MOSELEY, CITY CLERK

sr
(Attachments - 4)



Energy Resources

April 15, 2024

Scott Bouchie, Director

Anthony Cadorin, Program Manager

Kyle Nicholson, Electric System Superintendent

John Petrof, Senior Fiscal Analyst



Fiscal Year 2024/25

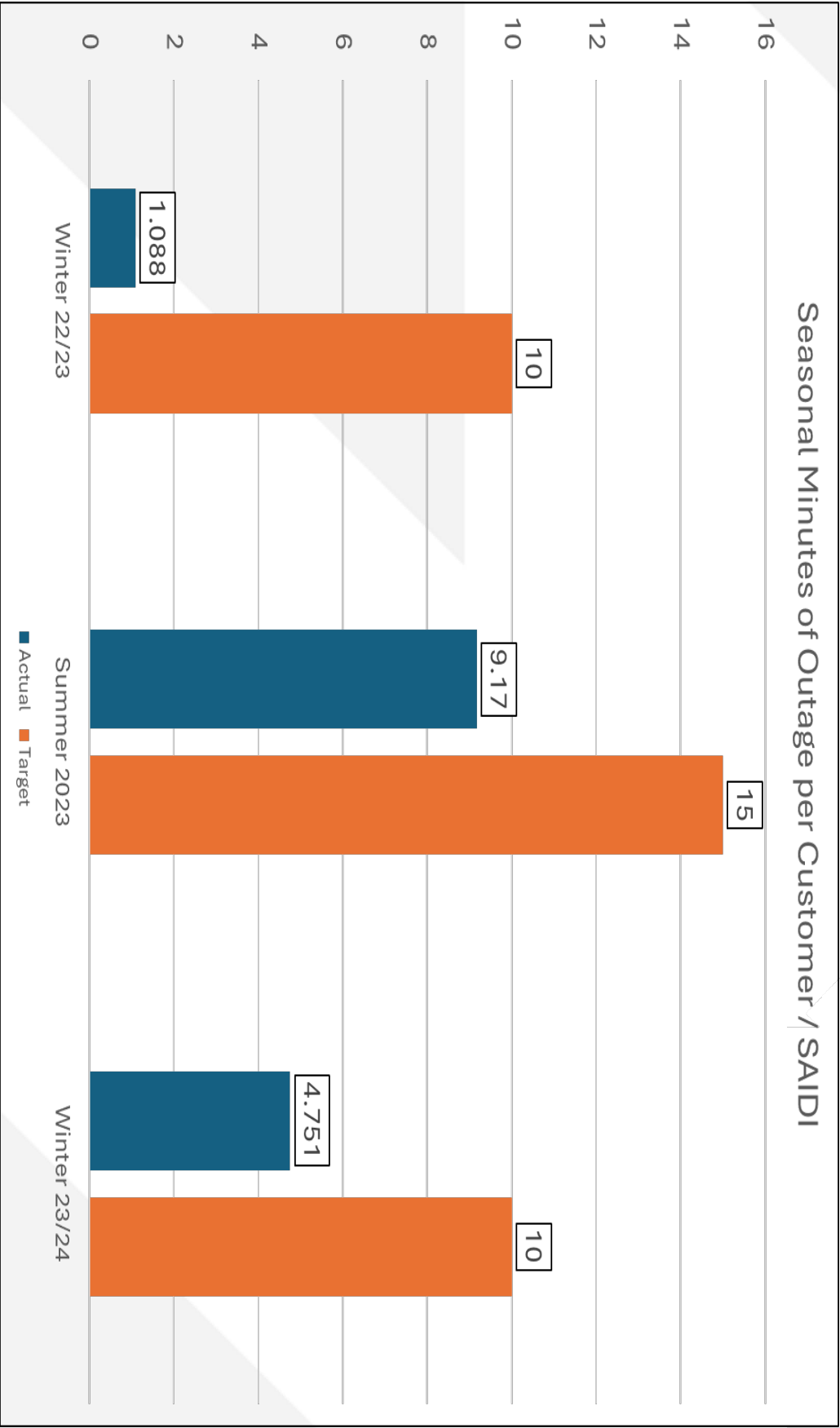
Public Purpose

Provide, safe, reliable, affordable, and sustainable Electric and Gas utility services to our customers.

orities/Objectives

- Stabilize and reduce supply costs
- Meet customer needs
 - Staffing
 - Equipment
- Provide opportunities for staff within department
 - Succession Planning
 - Cross Training
- Sustainability

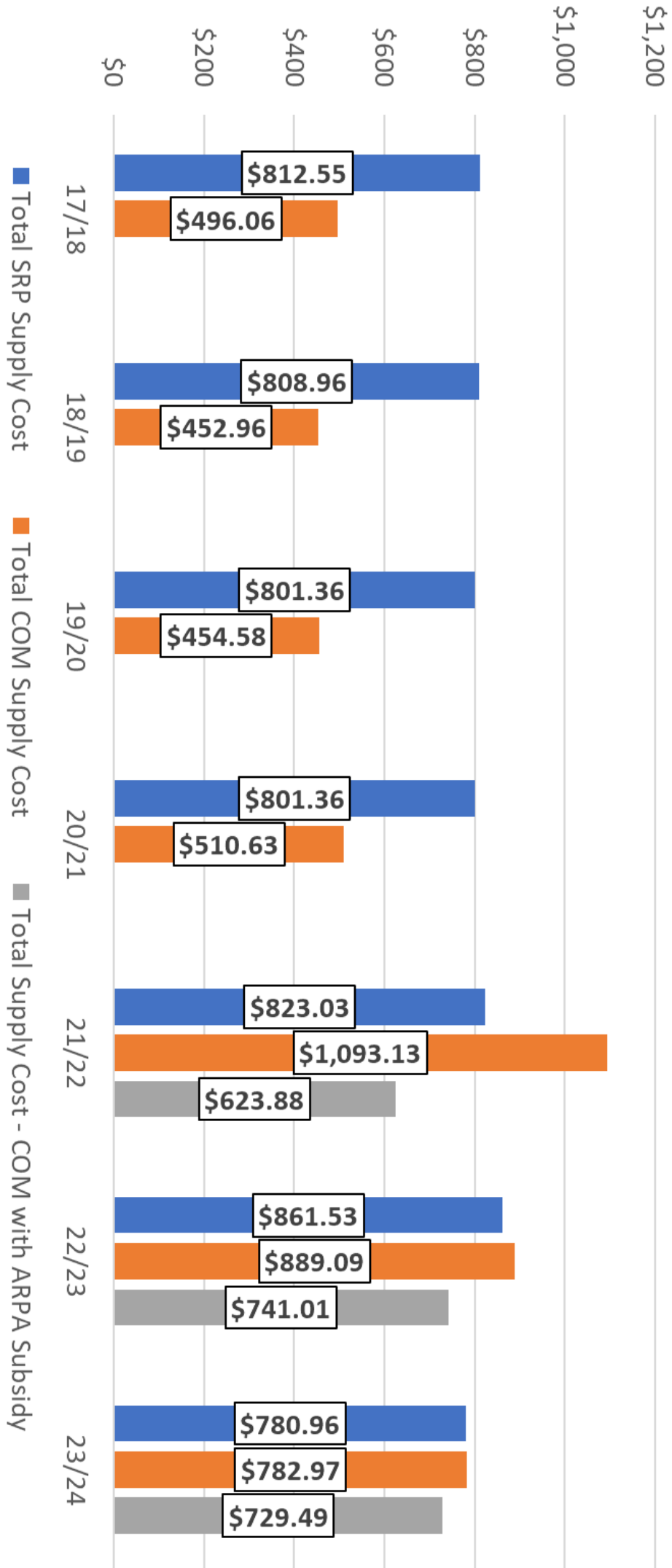
ctric Reliability - Outage Duration (SAIDI)



Supply Cost Comparison

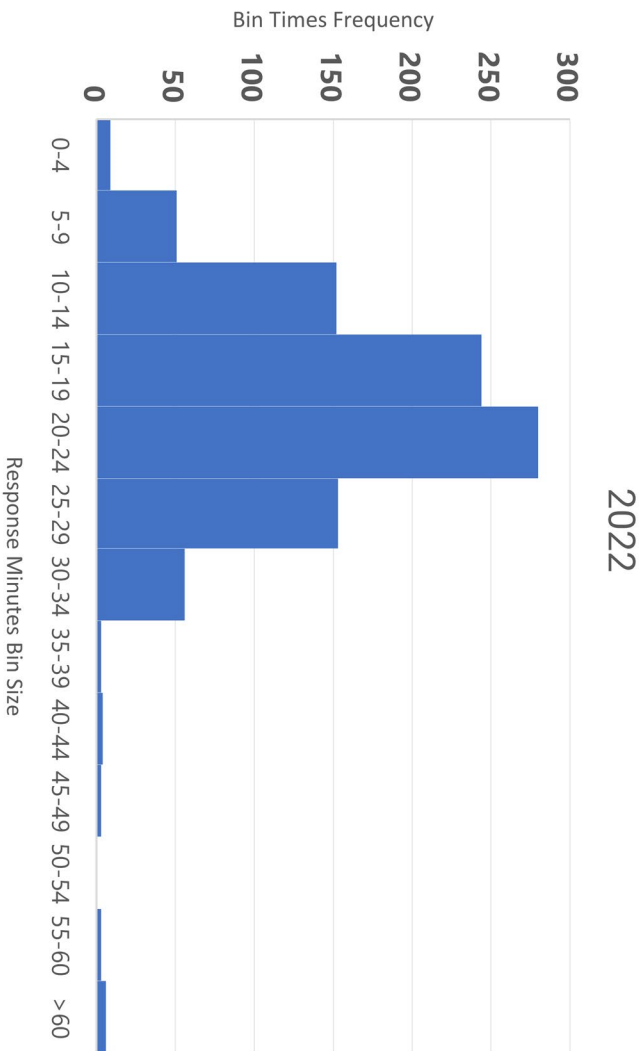


Total Residential Customer Supply Cost - SRP vs COM

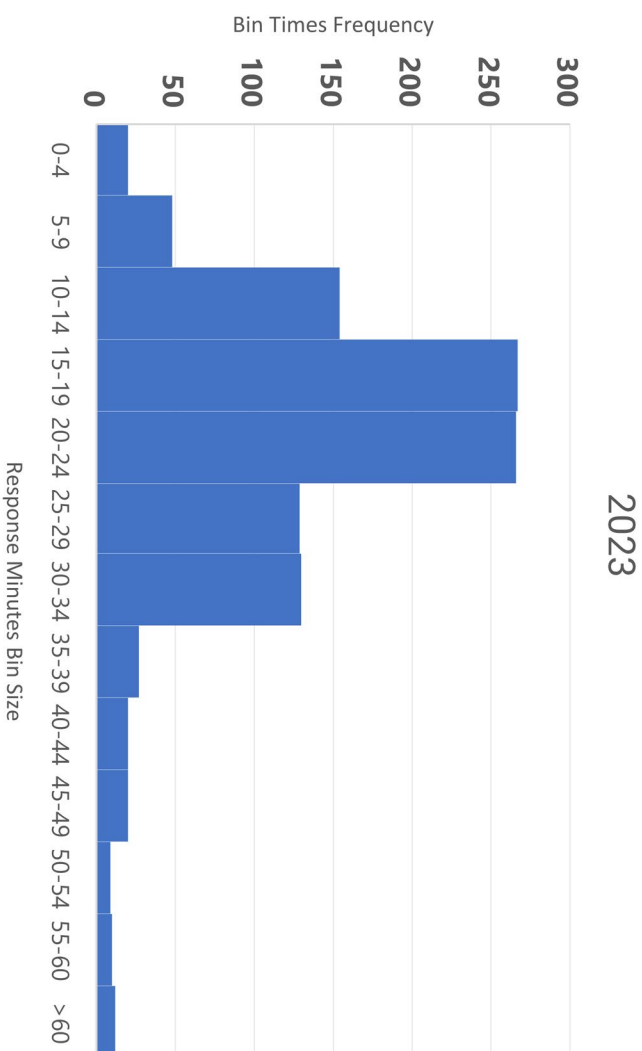




Emergency Response Time



Mean 19 minutes
50th Percentile 20 minutes
80th Percentile 25 minutes
Service Calls 964



Mean 24 minutes
50th Percentile 20 minutes
80th Percentile 30 minutes
Service Calls 1112 (15% ↑ YoY)



Department Financial Summary

	FY 22/23	FY 23/24	FY 23/24	FY 24/25
Core Business Processes	Year End Actuals	Revised Budget	Year End Estimate	Proposed Budget
Expenditures				
Energy Resources				
Electric Operations and Maintenance	\$6.0	\$6.8	\$6.4	\$6.8
Gas Operations and Maintenance	\$13.3	\$14.2	\$14.3	\$14.5
Expenditures Total:	\$19.3	\$21.0	\$20.7	\$21.3
Energy Supply				
Planning and Acquisition of Electric Energy Supplies	\$27.6	\$25.6	\$25.9	\$31.9
Planning and Acquisition of Natural Gas Supplies	\$21.8	\$19.3	\$15.5	\$17.5
Grand Total:	\$68.7	\$65.9	\$62.1	\$70.7

Budget Adjustment

Gas Planning Engineer

- System growth in Magma
- Gas Master Plan
- Material purchase oversight for reliability and safety
- Reduce need for consultants

24/25 Budget Adjustment Summary



Adjustment	FTE	One-Time	Ongoing	Fund
Gas Planning Engineer I	1	0	\$114,890	Utility - Gas

Environmental & Sustainability

Department

April 15, 2024

Scott Bouchie, Director

Laura Hyneman, Deputy Director

Rachel Butler, Management Assistant II

Fiscal Year 2024/25

Public Purpose

We proactively and responsibly protect and conserve Mesa's environment and natural resources for a sustainable, resilient, and healthy community for all.



Carbon
Neutrality



Clean Air, Land
& Water



Water
Stewardship



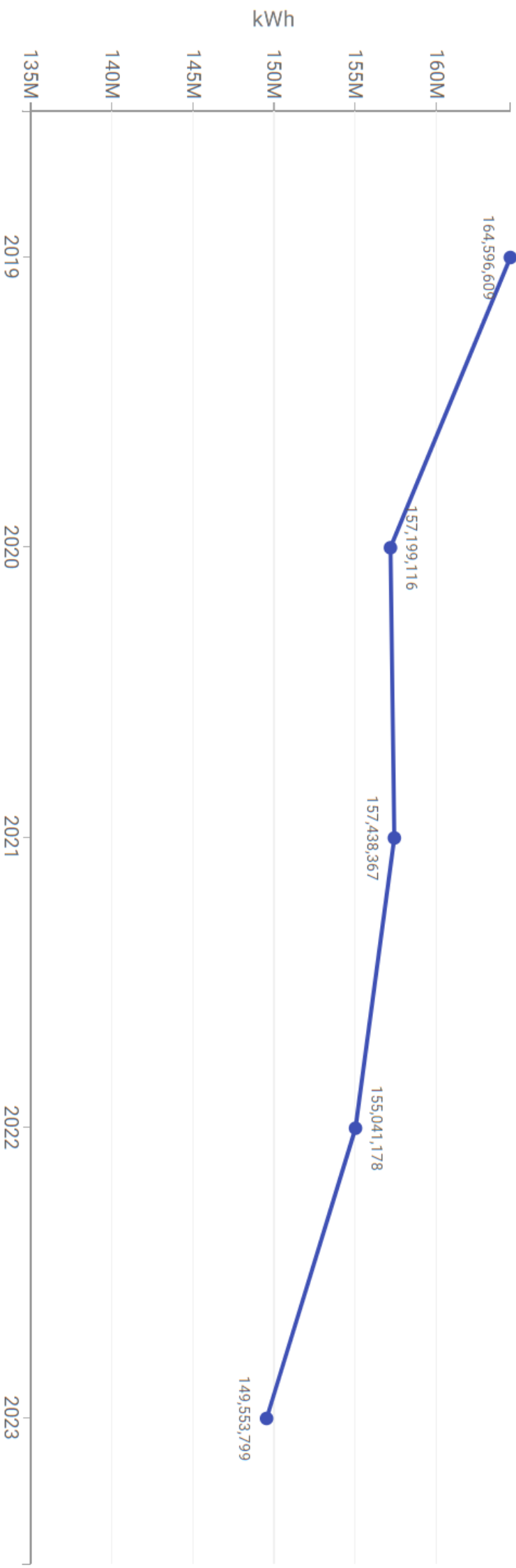
Employee
Infrastructure

Performance Measure: Carbon Neutrality

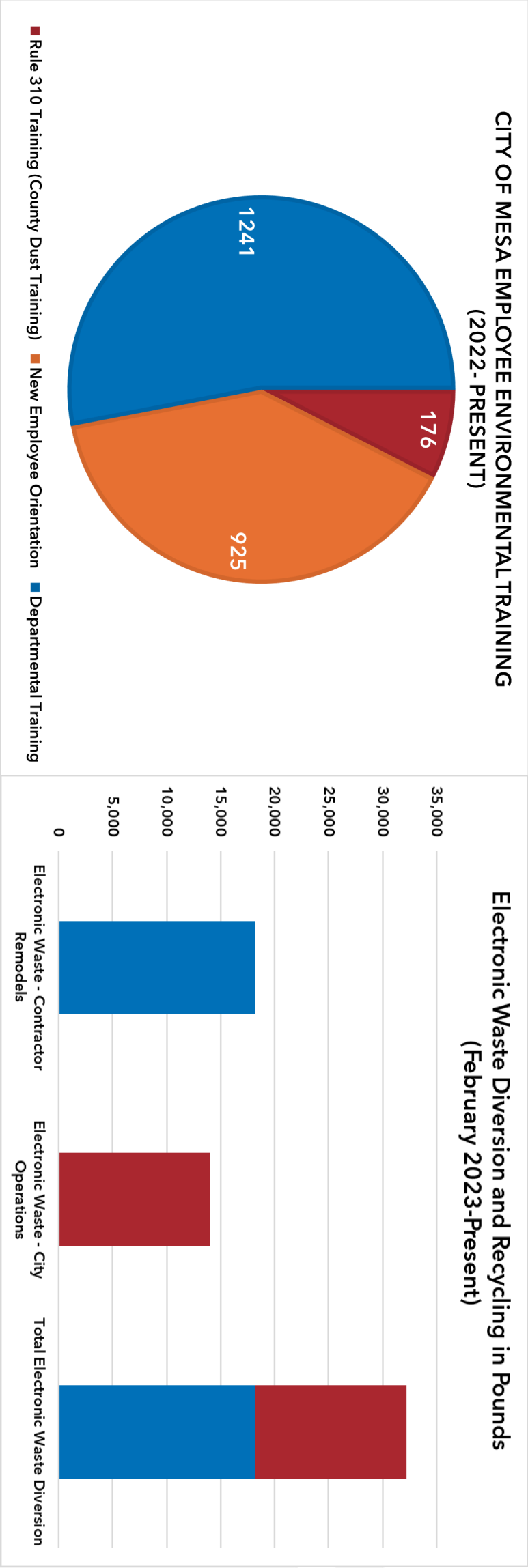


City Energy Usage By Year

Total consumption by kWh



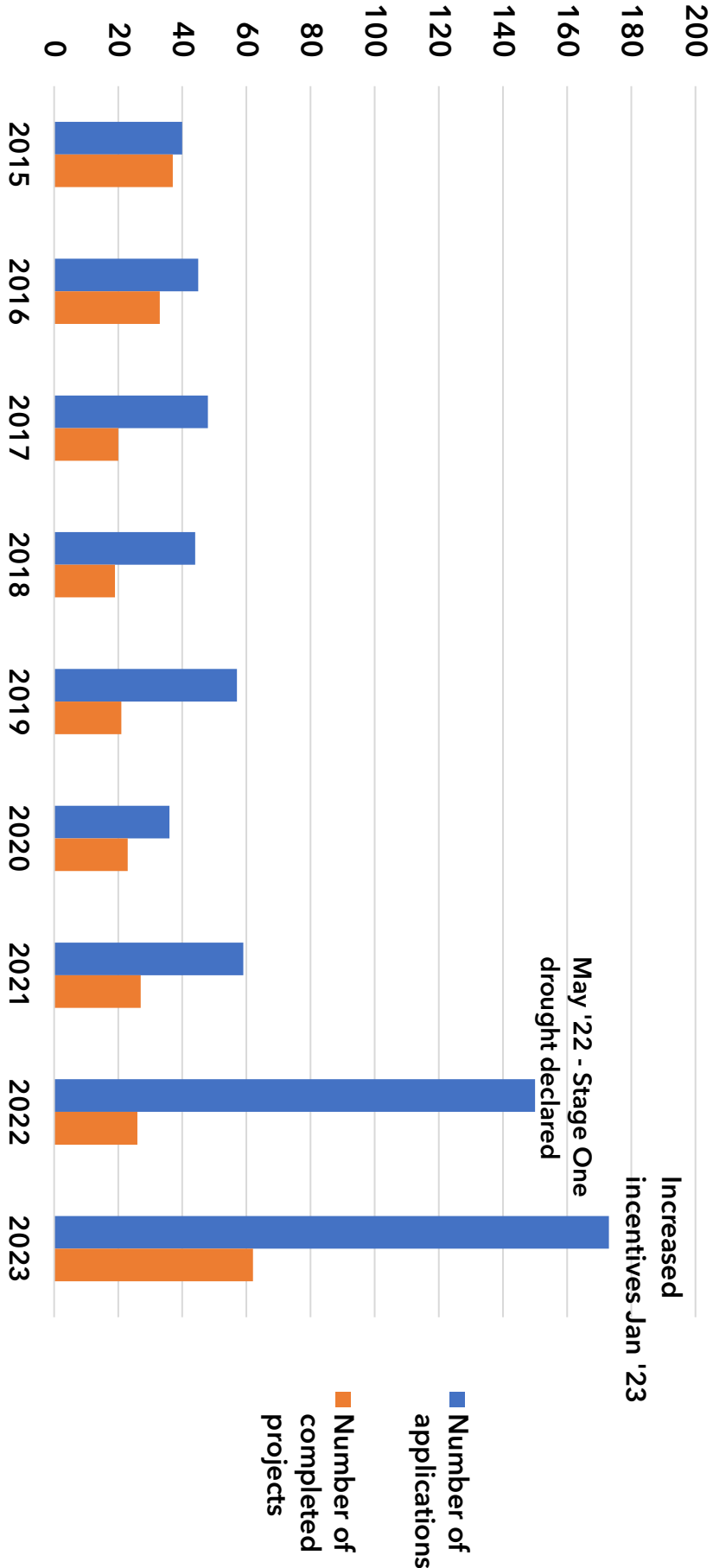
Performance Measure: Clean Air, Land & Water



Performance Measure: Water Stewardship



Number of Residential Grass-to-Xeriscape Applications and Completed Projects by Calendar Year



Department Financial Summary



	FY 22/23 Year End Actuals	FY 23/24 Revised Budget	FY 23/24 Year End Estimate	FY 24/25 Proposed Budget
Core Business Processes Expenditures				
Environmental and Sustainability Total	\$1.7	\$3.2	\$3.1	\$3.5

Figures in millions, rounded

24/25 Budget Adjustment Summary



Adjustment	FTE	One-Time	Ongoing
Administrative Support Assistant II	1	\$6,000	\$80,000

CITY COUNCIL STUDY SESSION | April 15, 2024

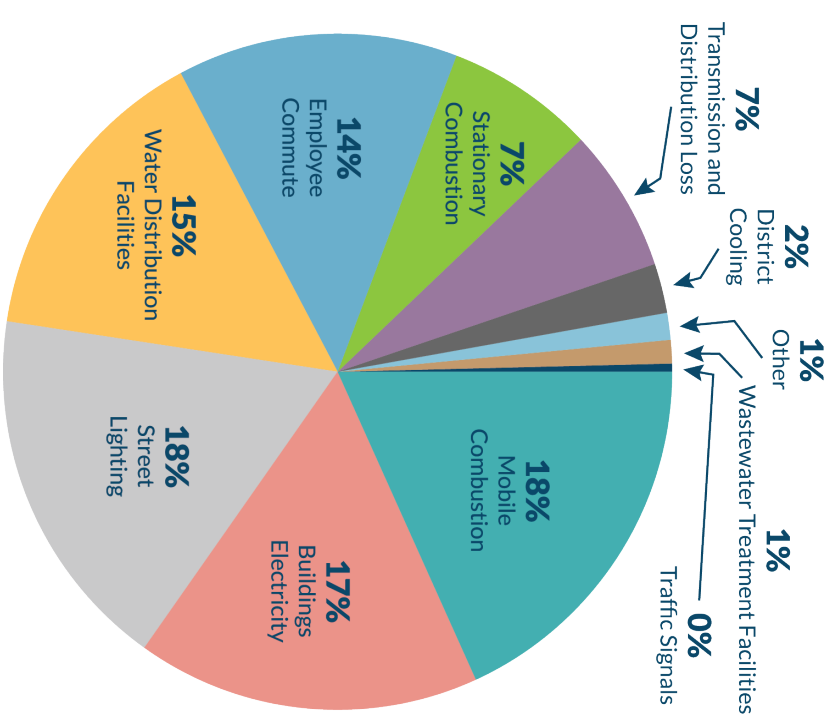
CLIMATE
ACTION PLAN
For a Sustainable Community

CITY OF MESA CLIMATE ACTION UPDATE

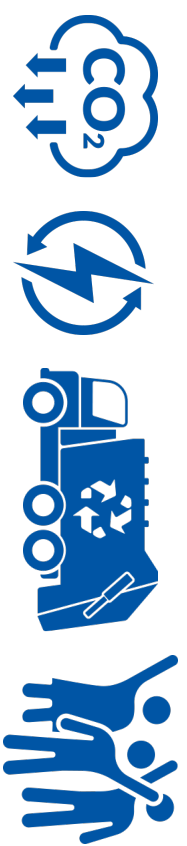
Scott Bouchie, Energy & Sustainability Director
Laura Hyneman, Deputy Director, Environmental & Sustainability

Climate Projects

- Smart Utility Meters (AMI)
- Water Reuse Pipeline
- Streetlight Replacement Project
- Energy Management Systems
- Utility-Scale Solar
- MFMD Heat Response
- Fleet Electrification
- ROW grass conversion projects



GHG Emissions Inventory



\$15.4M Investment in MCAP Projects

FY 22/23	FY 23/24
Community EV Adoption Plan	Watershed Protection/Biomass Agreement
Flare to Fuel Project	Food Waste to Energy, Phase 2
Lighting at City Buildings	Lighting at RM ballfields
Solar at Red Mountain Ballfields	Water – Use It Wisely Marketing Enhancements
	Your Water - Your Impact Campaign
	Trees Are Cool Initiative: - Shade Tree Program - New Trees in Parks, Transit Stops, and City Buildings

Energy

- Community electric vehicle adoption plan
- Watershed Protection/Biomass Agreement
- Flare to Fuel
- Energy Efficiency Projects
- Solar



Trees Are Cool – 1 Million Trees Initiative

- Mesa Shade Tree Program
 - Workshops & tree distribution events
- Community planting events
- New City Trees
- New Trees: Dashboard update!
 - ~7,718 community trees recorded
 - ~2,132 city owned trees recorded (updated bi-annually)



Shade tree distribution at CK Luster Building



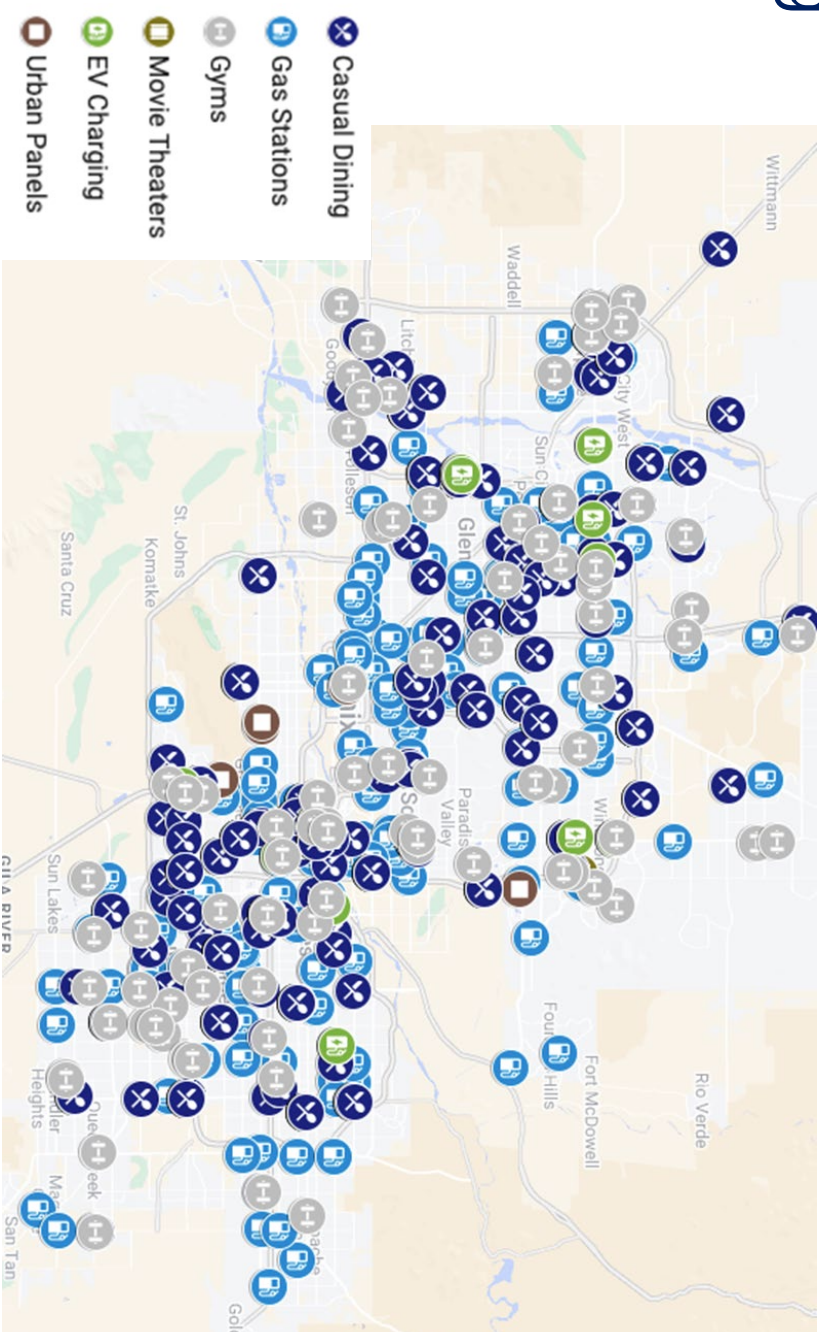
Cesar Chavez event

Water Conservation



Water – Use It Wisely Marketing Enhancements

- Campaign tactics in the wild - programmable display locations



CITY OF MESA CLIMATE ACTION PLAN: FOR A SUSTAINABLE COMMUNITY

Water Conservation

Water – Use It Wisely Marketing Enhancements

- **3.4M** views of PSA's on Connected TV
- **3.3M** impressions Programmatic Out-of-Home, including gas pumps, at gyms, movie theaters, EV charging stations, and urban panels.
- **14.9M** impressions through 3TV/CBS Weather Takeover
- **1.2M** impressions through Phoenix Suns Sponsorship (videos aired during Suns' games)
- Seven WUIW partners contributed \$343,000 extra +normal contributions
 - Total campaign in FY 23/24: **\$722,500**



Gas station

Grant Implementation Supporting MCAP

- **\$1M** – Non-functional turf removal at ~ 50 Parks
- **\$916K** – Comprehensive enhancements to non-residential outdoor water conservation program
- **\$825K** – Urban forestry education and tree planting program in schools
- **\$38K** – New trees in neighborhoods
- **\$50K** – Bloomberg Associates Youth Climate Action
- **\$450K** – Energy efficiency projects
- Model efficiency building codes for the desert southwest
- Data collection and testing resilient solutions for urban heat
- Focused tree planting in disadvantaged neighborhoods



CITY OF MESA CLIMATE ACTION PLAN: FOR A SUSTAINABLE COMMUNITY

Investing in Mesa's Sustainable Future

MCAP FY 24/25

Project Description	Est Cost	MCAP Benefits
Solar and electric vehicle charging	\$3,048,000	Energy, Air Quality, Urban Heat Mitigation, Materials Management
Watershed protection and renewable biomass energy project	\$350,000	Energy, Water Stewardship, Materials Management
Neighborhood tree planting programs	\$75,000	Urban Heat Mitigation, Energy
Grass-to-xeriscape conversions at City facilities	\$577,000	Water Stewardship
Energy efficiency – LED lighting conversions at sports fields	\$950,000	Energy
Food waste to energy, Phase II design	\$400,000	Energy, Materials Management, Air Quality
FY 24/25 TOTAL	\$5,400,000	

Solar and Electric Vehicle Charging

- Combining solar and charging for city electric vehicles
- Charging at City facilities
 - 20 chargers
 - 2 kiosks
 - 2 sites
- Utility upgrades for solar



Utility upgrades for downtown solar



City vehicle charging station and management device for electric city vehicles



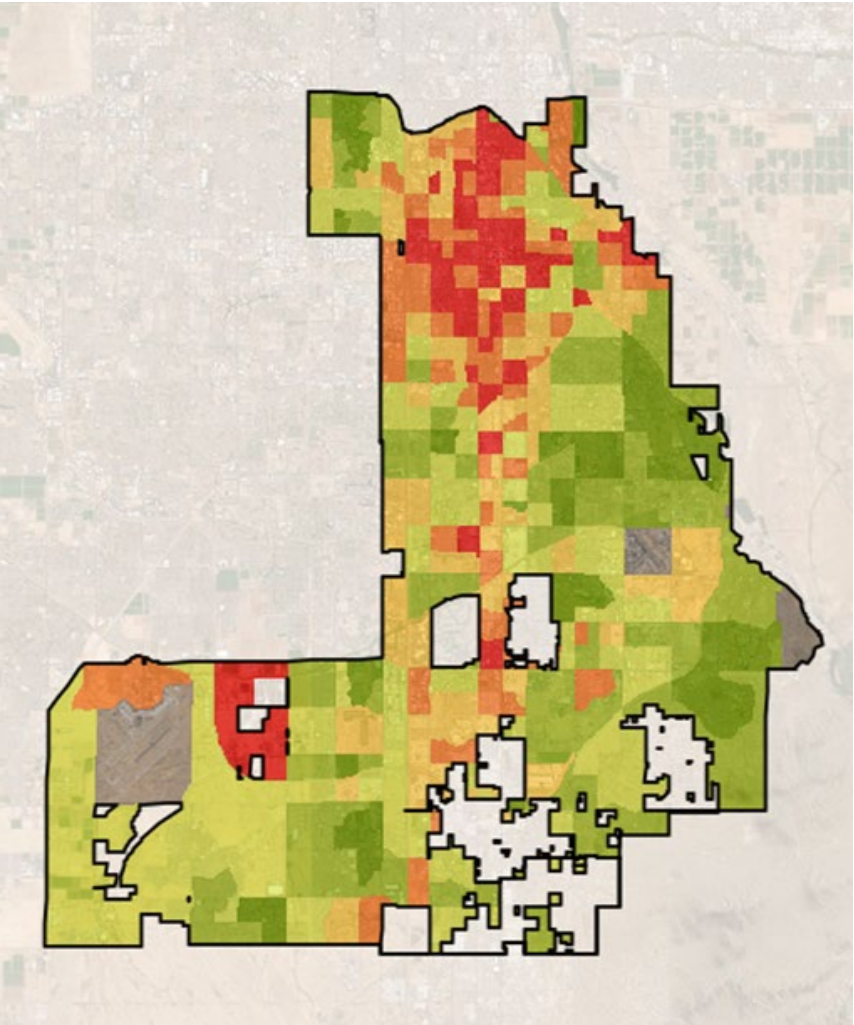
Watershed Protection/ Renewable Energy

- Supporting healthy forests
- Drought resilience
- Renewable energy generated with biomass
- Partnership with SRP
- 2nd year of 10-year agreement



Trees Are Cool – 1 Million Trees Initiative

- Neighborhood Tree Planting Programs
- Green infrastructure
- Partnership with Mesa Public Schools:
 - US Forest Service Grant
 - Bloomberg Youth Committee Microgrants
- Corporate partnerships



Water Conservation

- Grass-to-Xeriscape conversion at City Buildings
- 1st project – Municipal Building
- Demonstration for customers
- Showcase 15% tree canopy cover



LED Lighting at Sports Fields

- Installed – LED Lighting for Red Mountain ballfields
- New LED Lighting at sports fields
- Benefits
 - Energy savings & maintenance savings
- Co-benefits
 - Quality of light
 - Reduce horizontal glare



LED Lighting retrofit at Red Mountain Sports fields

Quarterly MCAP Updates

Purpose – share information

- Strategy and program specific discussions
- Show progress and data
- Collaborators and partners



Questions?

CITY OF MESA CLIMATE ACTION PLAN: FOR A SUSTAINABLE COMMUNITY

MESA.AZ.GOV/CLIMATEACTION



City of Mesa

Workforce Development Action Plan

April 15, 2024

Office of Economic Development, Jaye O'Donnell, Director
Education and Workforce Office, Sarah Tolar, Administrator

City-wide Workforce Strategy: November 2022

EDUCATION AND WORKFORCE DEVELOPMENT

A CITY-WIDE EFFORT:
BUILDING A THRIVING
WORKFORCE



RESPONSIVE



SUPPORTIVE



ADAPTIVE

Services to Business -
Office of Economic Development

Hiring &
Placement

Technical
Assistance

Convening
Employers &
Market
Intelligence

Services to Community -
*Education & Workforce Office /
Workforce Center @ Mesa*

Stabilizing &
Upskilling

Mesa K-Ready &
College-Ready,
Career Navigation

Improving Access
to Education and
Employment

Continuum of Collaboration



SERVICES TO COMMUNITY			COLLABORATION		SERVICES TO BUSINESSES	
						
SUPPORTIVE	RESPONSIVE	PROGRESSIVE	PARTNERSHIPS	TARGETED	GROWTH	
Education and Workforce Office	Community & Human Services	Education and Workforce Office	All Departments	Economic Development	Economic Development	
Early Learning to High School	Stabilizing & Upskilling	Post Secondary Success	Collaborations To Upskill / Reskill & Provide Workforce Training	Sustainable Pipeline to Target Industries & Operations	Business Attraction, Emerging Technologies & Start-Ups	

Current Status



Goal 1: Provide equitable access to resources and support for Mesa employers and job seekers.

- Mesa College Promise – Adult Learner Expansion
- Direct Services: Workforce Center @Mesa and Mesa Business Builder @The Studios
- Pipeline AZ – Job Connect Mesa 2.0 Development and Launch

Current Status

Goal 2: Identify and mitigate the skills gap in hiring.

- Connecting education programs with industry partners
- Convening stakeholders to align and increase collaborative efforts
 - Mesa Education and Workforce Development Roundtable
 - Higher Education Quarterly Convening
- Systemizing work-based learning opportunities
 - Internships, Apprenticeships, Job Shadowing

Current Status

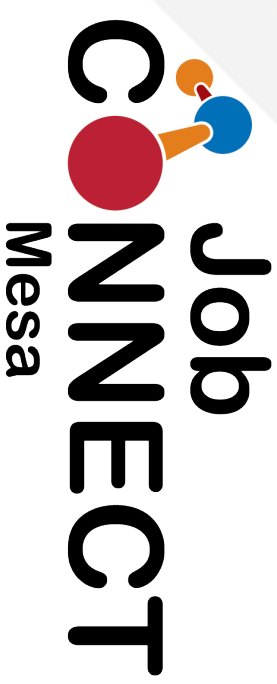
Goal 3: Expand job opportunities for workers and employee retention for businesses.

- Integration with Business Retention and Expansion (BRE) Program
- Hiring events targeting specific populations, industry sectors and communities
- Promote the City as a destination for out-of-market talent to live, work and play

Opportunities for FY25

- Expand community/family education resources and support
- Enhance interdepartmental collaboration and communication
- Expand external partnerships with the Workforce Center @ Mesa
- Work with employers/industry to fill talent gap
- Seek grant-funded opportunities to support targeted initiatives
- Identification of measurable outcomes through data analysis

Job Connect Mesa Update



Employees, Training, Jobs, Guidance – Find it here

Next steps:

- Job Connect Mesa Launch
- Marketing, outreach and engagement
- Data collection and analysis



Questions?

