



COUNCIL MINUTES

May 6, 2013

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on May 6, 2013 at 6:06 p.m.

COUNCIL PRESENT

Scott Smith
Alex Finter
Dina Higgins
Dennis Kavanaugh
Dave Richins
Scott Somers

COUNCIL ABSENT

Christopher Glover

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Dee Ann Mickelsen

Mayor Smith excused Councilmember Glover from the entire meeting.

Invocation by Pastor David Land from New Life Assembly of God.

Pledge of Allegiance was led by Mayor Smith.

Mayor's Welcome.

Mayor Smith welcomed everyone to the meeting. A videotaped presentation was aired that outlined meeting procedures and provided attendees with instructions relative to addressing the Council.

Awards, Recognitions and Announcements.

Planning Director John Wesley, who also serves as the Historic Preservation Officer for the City of Mesa, stated that the Historic Preservation Board (HPB) recently sponsored a Historical Fiction Writing Contest. He noted that Donna Benge, Chairwoman of the HPB, was prepared to present certificates to the contest winners.

Ms. Benge addressed the Council and reported that the criteria for the writing contest, which was open to Mesa students, consisted of selecting an event that occurred in Mesa at least ten years ago. She invited the contest winners to come forward and be recognized for their achievements as follows:

- Anna Hogle a 4th grader from Johnson Elementary School
- Paige Savory, a 6th grader from O'Connor Elementary School
- Kaitlyn Ashcroft, a 6th grader from O'Connor Elementary School
- Isabel Hanning, a home-schooled 4th grader
- Annie Hanning, a home-schooled 6th grader

Mayor Smith congratulated the winners for their hard work and creativity.

Development and Sustainability Department Deputy Director Laura Hyneman addressed the Council and reported that Fire Station 219, located near Signal Butte and Elliot Roads, is the first City of Mesa building to earn the U.S. Green Building Council (GBC) Leadership in Energy and Environmental Design (LEED) Gold certification. She advised that LEED is a voluntary program that provides third-party verification of the design and construction of "green buildings."

Ms. Hyneman explained that LEED buildings are designed to lower operating costs, preserve water and energy, be healthier and safer for its occupants, reduce waste sent to landfills and also reduce harmful greenhouse gas emissions. She indicated that the City of Mesa's Fire and Medical Department received a \$2 million grant from the Federal Emergency Management Agency (FEMA) in order to pay for many of the energy efficiency items used to achieve the LEED Gold certification.

Assistant Fire Chief Dan Stubbs acknowledged the professionalism and hard work of the City's Engineering Department, which resulted in the successful completion of Fire Station 219.

Ms. Hyneman further remarked that the design and construction of Fire Station 219 was a collaborative effort between City staff, design professionals and the building contractors. She also noted that innovative ideas and sustainable designs were brought forward, discussed, priced, and if appropriate, implemented in the construction of the facility.

Ms. Hyneman briefly highlighted a variety of "smart strategies" that were incorporated into the structure including, but not limited to, the following: a cool foam roof that insulates the building and reflects heat; insulated concrete forms with an R value of 48; renewable energy generated onsite with a 5.3 kilowatt photovoltaic system; and a solar water system.

Ms. Hyneman, in addition, reported that 40 percent of the construction materials used at Fire Station 219 was obtained within 500 miles of the site, which resulted in a savings with respect to transportation costs and natural resources. She added that 75 percent of the construction waste was diverted from the landfill, which caused disposal costs to be significantly less. She added that the products diverted from the landfill went to companies that use those items for recycled material.

Ms. Hyneman concluded her comments by stating that the City will continue to measure the performance of the building to ensure that it meets its goal of a 35% energy savings and a 70% savings of the use of potable water for irrigation.

Senior Civil Engineer Shahir Safi reported that the delivery team, design and construction team, consultants and various City staff were able to deliver a project that met Federal grant requirements, stayed within the City's budget and provided the Fire Department an excellent station that will serve the citizens of Mesa for a long time to come. He also acknowledged various entities that worked on the project including, but not limited to: Perlman Architects of Arizona; Green Ideas Sustainability Consultants; DL Withers Construction; and Quest Energy Group.

City staff presented the LEED Gold plaque to Mayor Smith and Councilmembers Kavanaugh and Somers.

Mayor Smith thanked everyone who was involved in the design and construction of Fire Station 219.

1. 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 Councilmember Kavanaugh, seconded by Councilmember Richins, that the consent agenda items be approved.

Mayor Smith declared the motion carried unanimously by those present.

*2. Approval of minutes of previous meetings as written.

Minutes from the February 21, March 7, April 1 and 15, 2013 Council meetings.

3. Take action on the following liquor license applications:

*3-a. Dollar General Store 12457

New Beer and Wine Store License for Dollar General Store 12457, 7350 East Main Street, DG Retail, LLC – Clare Hollie Abel, agent. This is an existing building with no previous liquor license at this location. **(District 5)**

*3-b. Dollar General Store 12488

New Beer and Wine Store License for Dollar General Store 12488, 10645 East Main Street, DG Retail, LLC – Clare Hollie Abel, agent. This is an existing building with no previous liquor license at this location. **(District 6)**

*3-c. Dollar General Store 13380

New Beer and Wine Store License for Dollar General Store 13380, 415 South Higley Road, Suite 103, DG Retail, LLC – Clare Hollie Abel, agent. The previous Liquor Store License held at this location by Southern Greenfield CVS, LLC was transferred with the State to another jurisdiction on January 19, 2007. **(District 2)**

*3-d. Quick and Easy Food Mart

New Beer and Wine Store License for Quick and Easy Food Mart, 1650 East Broadway Road, Suite 1, NK Retail, LLC – Rajkamal Gill, agent. The previous Beer and Wine Store License held at this location by M and M Food Mart, Inc. was surrendered to the State on February 12, 2013. **(District 4)**

4. Take action on the following bingo application:

*4-a. Bingo License Application – Class B

Mesa Tri-City Aerie 3468, Fraternal Order of Eagles, Inc. **(District 3)**
Richard Stimbert, Worthy Trustee
1712 West Broadway Road, Suite 108
Mesa, Arizona 85202

5. Take action on the following contracts:

*5-a. Purchase of Furniture for the Red Mountain Library. **(District 5)**

This purchase will provide furniture for THINKspot, a collaborative workspace at the Red Mountain Library. At THINKspot, the business community can attend workshops, network, and enjoy a collaborative workspace. Students can use the space to complete school work using the same resources and technology provided in their classroom, attend college prep workshops and learn from potential employers about careers. The vision and ultimate goal is to provide a flexible, multipurpose space that encourages creativity, critical thinking and hands-on learning. Individuals and groups may use the open space and meeting rooms.

Library Services, Engineering and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract with Target Commercial Interiors, at \$55,759.38.

*5-b. Three-Year Term Contract for AC Delco and Motorcraft Vehicle Parts for the Fleet Services Department. **(Citywide)**

This contract will provide genuine General Motors and Ford parts for the City's fleet of automobiles, vans and light trucks.

Fleet Services and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, USD, Inc., at \$100,000 annually, based on estimated requirements.

*5-c. Purchase of Furniture for the New Fiesta District Police Station. **(District 3)**

The new Fiesta District Police Station is a capital improvement project approved in the 2008 Public Safety Bond package as a replacement station for the Dobson Police Substation. Included in the capital improvement project budget were one-time start-up funds (Bond and non-Capital) for purchase of office furniture for the new station. The Department conducted a full inventory of the Dobson furniture and is retaining all useable furniture.

Police and Engineering recommend authorizing the purchase using the State of Arizona cooperative contract with Arizona Furnishings, at \$329,731.45. This purchase is funded by the 2008 Public Safety Bonds (\$207,513.74) and the General Fund – Capital Fund (\$122,217.71).

- *5-d. Dollar-Limit Increase to the Term Contract for Fire Protective Clothing for the Fire and Medical Services Department. **(Citywide)**

This contract provides fire protective clothing (turnout coats and turnout pants) to be worn by Fire personnel during structural firefighting operations or when physical hazards are likely to be encountered, such as during non-fire related rescue operations, emergency medical operations and victim extrication. Fire protective clothing is purchased on an as-needed basis during the contract period. The increase is needed in part due to turnover because of retirements and staffing of Fire Station 220.

Fire and Medical Services and Purchasing recommend authorizing a dollar-limit increase with United Fire Equipment Company, of \$100,000 to \$170,000 annually, based on estimated requirements.

- *5-e. Purchase of Eight Replacement Vehicles (Two Sedans and Six Light-Duty Pickup Trucks) for the Fire and Medical Services Department. **(Citywide)**

Fire and Medical Services needs to replace eight vehicles in their fleet. The proposed vehicles will replace vehicles which have met established criteria for replacement and are part of the ongoing vehicle replacement schedule by Fire Maintenance. The vehicles that are being replaced will be retired and sold at auction.

Fire and Medical Services and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidders, Courtesy Chevrolet, at \$43,497.84 and Berge Ford (a Mesa business), at \$158,324.80 for the combined total award of \$201,822.64.

- *5-f. Three-Year Term Contract for Firefighting Foam for the Fire and Medical Services Department. **(Citywide)**

This contract will provide firefighting foam to be carried on firefighting apparatus, airport rescue apparatus and brush trucks to extinguish various types of fires (oil, gasoline, jet fuel, brush, structure, automobile, interior coal and tire fires) during emergency responses. Fire suppression staff use these foams for training evolutions conducted yearly. The bid required the firefighting foams to meet or exceed the performance of the department's current brands, as well as meet the established standard as per the Federal Aviation Administration.

Fire and Medical Services recommends awarding the contract to the lowest, responsive and responsible bidder, LN Curtis & Sons, at \$84,900 annually.

- *5-g. One-Year Renewal of the Term Contract for Landscape Maintenance for Parks and Retention Basins - Zone 1 for the Parks, Recreation and Commercial Facilities Department. **(Districts 5 and 6)**

This contract is for routine landscape maintenance and furnishes all supervision, labor and equipment to provide landscape maintenance of parks and retention basins from the City's northern, southern and eastern City boundaries to Power Road; an area designated as Zone 1.

Parks, Recreation and Commercial Facilities recommends authorizing a one-year renewal with Mariposa Landscape Arizona Inc., at \$372,708.46 for routine landscape maintenance, plus an additional \$74,542.00 for extra work, for a combined total of \$447,250.46 annually, based on estimated requirements.

- *5-h. One-Year Renewal of the Term Contract for Landscape Maintenance for Parks and Retention Basins - Zone 2 for the Parks, Recreation and Commercial Facilities Department. **(Districts 2 and 5)**

This contract is for routine landscape maintenance and furnishes all supervision, labor and equipment to provide landscape maintenance of parks and retention basins from the City's northern and southern City boundaries from Power Road to Val Vista; an area designated as Zone 2.

Parks, Recreation and Commercial Facilities recommends authorizing a one-year renewal with Mariposa Landscape Arizona Inc., at \$358,028.44 for routine landscape maintenance, plus an additional \$71,606.00 for extra work, for a combined total of \$429,634.44 annually, based on estimated requirements.

- *5-i. One-Year Renewal of the Term Contract for Swimming Pool Chemicals for the Parks, Recreation and Commercial Facilities Department. **(Citywide)**

This contract provides four water treatment chemicals needed to maintain Mesa's swimming pools to Maricopa County Health Code and other standards. Mesa was a named party in the Chandler-led contract. This renewal will be the third year of the contract.

Parks, Recreation and Commercial Facilities and Purchasing recommend authorizing a one-year renewal using the City of Chandler cooperative contract with A & M Corson's (a Mesa business), at \$40,000; Brenntag Pacific, at \$20,000; and Hill Brothers Chemical Company, at \$6,000; for the combined total award of \$66,000 annually, based on estimated requirements.

- *5-j. Five-Year Term Contract for Central Control Irrigation Systems and Replacement Parts for the Parks, Recreation and Commercial Facilities Department. **(Citywide)**

Parks, Recreation and Commercial Facilities currently maintain and utilize 170 Motorola central control irrigation units throughout the City at their Aquatics, Parks and Sports Fields locations. The systems (majority) were installed in 1998 and have met their life cycle. Repair parts are becoming difficult to procure. In addition, the Federal Communications Commission has banned the use of ultra-high frequencies, which is used by some of the current controllers in the field. Parts will be purchased for the continued operation of existing aged systems until funding becomes available to replace the aged system with a new irrigation controller.

A committee representing Parks, Recreation and Commercial Facilities and Communications recommends awarding the contract to the highest scored proposal from Global Data Specialists (a Mesa business), at \$377,000 for FY 12/13; \$276,000 for FY 13/14; \$426,044 for FY 14/15; \$286,656 for FY 15/16; \$231,900 for FY 16/17; and \$320,000 for FY 17/18, based on projections and estimated annual usage.

- *5-k. Purchase of New Cargo Van for the Parks, Recreation and Commercial Facilities Department. **(Citywide)**

The vehicle will be used to expand Parks, Recreation and Commercial Facilities' (PRCF) Fun N' Fitness program, which has been very popular with Mesa schools and families. The program brings much needed physical activity, recreational programming and nutrition education into areas of the City where recreation centers are scarce. The program accommodates 10,000 to 15,000 youths, including Gila River family members.

Parks, Recreation and Commercial Facilities recommends authorizing the purchase using the State of Arizona cooperative contract with Midway Chevrolet, at \$34,273.83. This purchase is funded by the Gila River Indian Community Grant (\$30,000) and by the PRCF operating budget (\$4,274).

- *5-l. Dollar-Limit Increase and One-Year Renewal to the Term Contract for Graffiti Abatement Services for the Transportation Department. **(Citywide)**

This contract provides true color matching and graffiti removal using water or soda blasting methods. When necessary, these methods are used to physically remove the graffiti instead of painting over it.

Transportation recommends authorizing a dollar-limit increase of \$192,500 to \$232,500 through June 30, 2013; and a one-year renewal with Graffiti Protective Coatings, at \$232,500 annually, based on estimated requirements.

- *5-m. Three-Year Term Contract for Landscape Maintenance Services for Parkway Medians and Right-of-Way; Section VI for the Transportation Department. **(Districts 5 and 6)**

This contract furnishes landscape maintenance of parkway medians and rights-of-way owned by the City of Mesa in an area designated as Section VI. Tasks include, but are not limited to, cleaning, irrigation, sprinkler system maintenance, trimming, mowing, weed control and fertilization, depending on whether the area is turf, desert or a combination of both.

Transportation and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Mariposa Landscape Arizona, Inc., at \$172,922.22 for routine landscape maintenance, plus an additional \$25,900.00 for extra work, for a combined total of \$198,822.22 annually, based on estimated requirements.

- *5-n. Dollar-Limit Increase to the Term Contract for Storm Drain Grates and Manhole Covers for the Transportation Department. **(Citywide)**

This contract provides Maricopa Association of Governments standard storm drain grates and manhole covers for catch basins that convey storm water, irrigation tail water and water from storm events in the City. The City has recently experienced a large number of stolen storm drain grates that pose an extreme safety hazard to the traveling public, bicyclists and pedestrians.

Transportation and Purchasing recommend authorizing a dollar-limit increase with Grate Solutions Co., Inc., dba GSC, from \$84,031 to \$169,031, based on estimated requirements.

- *5-o. Purchase of Two Replacement Light-Duty Pickup Trucks for Energy Resources, Gas Utility. **(Citywide)**

The proposed vehicles will replace vehicles which have met established criteria for replacement. This purchase is an additional purchase against a contract previously awarded on April 1, 2013. The vehicles that are being replaced will be retired and sold at auction.

Fleet Services and Energy Resources recommend awarding the contract to the lowest, responsive and responsible bidder, Berge Ford (a Mesa business), at \$47,383.50. This purchase is funded by the Replacement Extension Reserve Fund.

- *5-p. Two-Year Renewal of the Term Contract for Fence and Gate Repair/Installation for the Transportation Department. **(Citywide)**

This contract provides a list of four qualified contractors to build and install or repair fences, gates, trash racks, safety rails and bollards on an as-needed basis for the Transportation Department. When the City is in need of fence or gate installation/repair, a City representative requests quotes from the pre-qualified contractors. The initial term was one year and this is the first two-year renewal.

Transportation recommends authorizing a two-year renewal with the pre-qualified vendors: Capitol Fence Builders, Inc., Empire Fence, LLC, dba Empire Fence (a Mesa business), Phoenix Fence Company (Corp.) and Western Fence Co., Inc., at \$100,000 annually, based on estimated requirements.

- *5-q. One-Year Renewal of the Term Contract for Reflectorized Sign Sheeting for the Transportation Department. **(Citywide)**

Transportation Field Operations personnel fabricate and maintain Mesa's traffic control and street name signs that are installed throughout the City for public safety. This contract provides reflectorized sign sheeting materials for the fabrication of signs for City streets and general usage. These signs are fabricated out of aluminum or acrylic plastic substrates with directly applied transparent and opaque sheeting suitable for both daytime and nighttime visibility. Other required materials include graffiti shield film and transfer tape. 3M sign sheeting material is the industry standard.

Transportation recommends authorizing a one-year renewal using the Arizona Department of Transportation (ADOT) cooperative contract with 3M Company, at \$40,000 annually, based on estimated requirements.

- *5-r. Carbon Replacement at the Northwest Water Reclamation Plant for the Water Resources Department. **(District 1)**

This contract will provide a qualified contractor to replace the carbon in the two odor control tanks for the activated sludge basins at the Northwest Water Reclamation Plant.

Carbon is used to remove odors and particularly H₂S from the air. The work will include removal and proper disposal of existing carbon and installation of the new carbon in the carbon tanks. The goal is to replace the carbon in the two odor control tanks during the summer of 2013. The existing carbon beds have been prepared (raked) and the head-loss is being carefully monitored. If the carbon cannot last until this summer, the awarded vendor may be asked to move up the replacement project.

Water Resources and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Carbon Activated Corporation, at \$58,150.

- *5-s. Two-Year Renewal of the Term Contract for Cationic Emulsion Polymer for the Water Resources Department. **(Citywide)**

This contract provides cationic emulsion polymer used at the Northwest and Greenfield Water Reclamation Plants. It helps thicken and dewater wastewater sludge, which improves the breakdown of wastewater solids. This reduces the City's hauling costs by removing as much water as possible from the sludge.

Water Resources recommends authorizing a two-year renewal with Polydyne Inc., at \$470,000 annually, based on estimated requirements.

- *5-t. Purchase of a Hosted Capital Improvement Program Management Solution for the Engineering Department. **(Citywide)**

Mesa's annual Capital Improvement Program (CIP) budgets range from \$130 to \$180 million and the number of projects vary from 100 to 150 projects per year with various stages of design and construction, finite timelines and costs. Simultaneous updating, tracking and reporting of both the financial and technical information of CIP projects is essential to improving efficiencies and financial management of these efforts. This program provides the ability to manage all CIP project information from inception to completion. This software will also interface with the City's new financial system.

The evaluation committee representing Engineering, Information Technology and Purchasing recommends awarding the contract to the highest scored proposal from Keenology Corporation, dba CIPPlanner Corporation (CIPPlanner), at \$402,443.57; and project contingency funds, at \$40,000, for the combined total of \$442,443.57, including applicable taxes. This purchase is funded by the Capital Improvement Program.

- *5-u. One-Year Renewal of the Term Contract for Digital Bond Printing Services for the Engineering Department. **(Citywide)**

This contract provides for the production of plan sets and other related construction drawings for the Engineering Department. The printing vendor is required to pick up the originals and deliver the completed sets several times per day from the Engineering offices in Mesa and occasionally, to or from other Valley locations.

Engineering recommends authorizing a one-year renewal with Thomas Reprographics, Inc., at \$40,000 annually, based on estimated requirements.

***5-v. Broadway Road Improvements – Sossaman Road to Hawes Road. (District 5)**

On March 18, 2013, the City Council awarded the Broadway Road Improvements, Sossaman Road to Hawes Road project, to Blucor Contracting, Inc., for a total award of \$9,496,597.83. It is recommended that the contract award be increased by \$904,246.58 (to include \$822,042.35 construction change order request, plus 10% Change Order allowance), for a total award of \$10,400,844.41. This increase will accommodate additional improvements of curb and gutter, sidewalks, storm drain system and the extension of the City's public water distribution system.

The new total project award amount of \$10,400,844.41 is comprised of the lowest responsible bid of \$8,633,270.75, construction change order request of \$822,042.35, plus a 10% change order allowance of \$945,531.31. Funding for the project is available in the 2008 Streets Bond Authorization, 2010 Water Bond Authorization and the 2010 Wastewater Bond Authorization.

6. Take action on the following resolutions:

- *6-a.** Approving the FY 2013-2014 Annual Action Plan for submittal to the U.S. Department of Housing and Urban Development (HUD) and authorizing the City Manager to amend, sign and submit the Annual Action Plan for FY 2013-2014. **(Citywide)** – Resolution No. 10220.
- *6-b.** Approving and authorizing the City Manager to prepare, sign and submit applications to the U.S. Department of Housing and Urban Development to receive Entitlement Funds under the Housing and Community Development Act of 1974 (CDBG), as amended, and approve all activities and funding allocations undertaken by non-profit organizations that meet the objectives and priorities as identified in the Consolidated Plan. **(Citywide)** – Resolution No. 10221.
- *6-c.** Approving and authorizing the City Manager to prepare, sign and submit applications to the U.S. Department of Housing and Urban Development to receive Entitlement Funds under the Housing and Community Development Act of 1974 (CDBG), as amended, and approve all activities and funding allocations undertaken by non-profit organizations that meet the objectives and priorities as identified in the Consolidated Plan. **(Citywide)** – Resolution No. 10222.
- *6-d.** Approving and authorizing the City Manager to prepare, sign and submit an application to the U.S. Department of Housing and Urban Development to receive Entitlement Funds under the National Affordable Housing Act of 1990 (HOME), as amended, and delegating authority to the Housing and Community Development Advisory Board to approve all activities and funding allocations undertaken by non-profit organizations that meet the objectives and priorities as identified in the Consolidated Plan. **(Citywide)** – Resolution No. 10223.
- *6-e.** Approving and authorizing the City Manager to prepare, sign and submit an application to the U.S. Department of Housing and Urban Development to receive Entitlement Funds under the National Affordable Housing Act of 1990 (HOME), as amended, and delegating authority to the Housing and Community Development Advisory Board to approve all activities and funding allocations undertaken by non-profit organizations that meet the

objectives and priorities as identified in the Consolidated Plan. **(Citywide)** – Resolution No. 10224.

- *6-f. Approving and authorizing the City Manager to prepare, sign and submit an application to the U.S. Department of Housing and Urban Development to receive Entitlement Funds under the Stewart B. McKinney Homeless Assistance Act of 1987 (ESG), as amended, for the Emergency Solutions Grant. **(Citywide)** – Resolution No. 10225.
- *6-g. Approving and authorizing the City Manager to execute a Second Amendment to the Regional Emergency Medical Transportation Service Agreement with Southwest Ambulance to modify response time evaluations and liquidated damages for certain response types and response zones that have low monthly call volumes. **(Citywide)** – Resolution No. 10226.

7. Introduction of the following ordinances and setting May 20, 2013, as the date of the public hearing on these ordinances:

- *7-a. **Z13-15 (District 5)** 7255 East Broadway Road (10± acres). Located on the south side of Broadway Road, east of Power Road. Modification of Ordinance No. 2684. This request will allow the nursing facility to offer outpatient rehabilitation services to all residents and the general public. Blake Gillman, owner; Ed Smith, applicant. (PLN2013-00047)

Staff Recommendation: Approval with conditions

P&Z Recommendation: Approval with conditions (Vote: 6-0, Boardmember Clement absent.)

- *7-b. **Z13-02 (District 5)** Annexing land located at the 8800 to 8900 blocks of East Range Rider Trail, north of East McDowell Road and east of Hawes Road. Initiated by the property owner.
- *7-c. **Z13-12 (District 5)** The 8800 to 8900 blocks of East Range Rider Trail (south side). Located north of McDowell Road and east of Hawes Road (17.09± acres). Rezone from Maricopa County R1-35 to City of Mesa RS-35. This request will establish City of Mesa zoning on recently annexed property. (PLN2012-00499)

Staff Recommendation: Approval with conditions

P&Z Recommendation: Approval with conditions (Vote: 6-0, Boardmember Clement absent.)

- *7-d. **Z13-13 (District 5)** The 8800 to 8900 blocks of East Range Rider Trail (south side). Located north of McDowell Road and east of Hawes Road (17.09± acres). Rezone from RS-35 to RS-35 PAD. This request will allow the development of single-residence lots. (PLN2012-00499)

Staff Recommendation: Approval with conditions

P&Z Recommendation: Approval with conditions (Vote: 6-0, Boardmember Clement absent.)

8. Discuss, receive public comment, and take action on the ordinance introduced at a prior Council meeting. Any citizen who wants to provide comment should submit a blue card to the City Clerk before the item is voted on. If a citizen wants to comment on an item listed with an asterisk (*), a blue card must be given to the City Clerk before Council votes on the Consent Agenda.

- *8-a. **Z13-07 (District 5)** The 7800 to 7900 blocks of East University Drive (south side) and the 200 to 300 blocks of South 80th Street (west side) (24± acres). Modification of the Villas at Montana Vista PAD. This request will allow modification to the development standards of single-residence lots. Eightieth & University Inc., owner; Ralph Pew, applicant. (PLN2013-00003) – Ordinance No. 5145.

Staff Recommendation: Approval with conditions

P&Z Recommendation: Approval with conditions (Vote: 6-0, Boardmember Clement absent.)

9. Adopt the following Notice of Intention and setting June 17, 2013, as the date of the Public Hearing:

- *9-a Notice of Intention to Adjust Utility Rates

Items not on the Consent Agenda

10. Take action on the following Memorandum of Understanding:

- 10-a. Approving and authorizing the City Manager to execute a Memorandum of Understanding with Sunridge Properties, Inc., for the development of a hotel at Riverview. **(District 1)**

City Manager Christopher Brady stated that the matter before the Council tonight would authorize him to enter into a non-binding Memorandum of Understanding (MOU) with Sunridge Properties for the development of a Springhill Suites hotel, which would be located along the north side of the Paseo on the Riverview site. He explained that the MOU would lay out the terms that would allow staff to continue the negotiations for the final agreement, which would be brought back to the Council for their approval.

Mayor Smith commented that there has been “a lot of discussion” regarding an additional offer/proposal from a new developer for a second hotel. He inquired how the new proposal would affect the pending MOU.

Mr. Brady responded that under the current proposal before the Council, two items would be provided to the current developer as follows: 1.) At the opening of the proposed hotel, there would be a six-month period before a second hotel would be able to open; and 2.) Right of First Refusal for a second hotel. If the City were to receive a proposal for a second hotel, it would notify Sunridge Properties of such an offer. Sunridge Properties would then have 30 days to respond with a like or better hotel-development proposal.

Mayor Smith inquired if the Council approves the MOU tonight, which would begin the negotiations with Sunridge Properties with respect to a formal agreement, whether that would preclude the City or the Council from discussing additional hotels with other parties.

Mr. Brady responded that it would not preclude the City or the Council from entering into discussions with the second potential developer.

City Attorney Debbie Spinner confirmed Mr. Brady's statement.

Responding to a question from Councilwoman Higgins, Ms. Spinner clarified that both parties, the City of Mesa and Sunridge Properties, understand and have been informed that a second developer is interested in potentially bringing another hotel to this area. She explained that the MOU sets out the material terms and said that the parties have agreed to those terms. She also noted that the MOU reflects that it is non-binding, and contemplates and expressly states that there are other terms that need to be included and that the agreement is not complete as is.

Ms. Spinner, in addition, advised that if the Council approves the MOU tonight, City staff will take these terms and attempt to negotiate a full agreement with Sunridge Properties. She said that if staff is successful, staff would bring that agreement to the Council for consideration.

In response to a question from Councilwoman Higgins, Ms. Spinner stated that legally, it would not matter if the Council continued this item for a few weeks. She said that she did not know, however, if it would be necessary to take into account certain "non-legal considerations."

It was moved by Councilmember Richins, seconded by Councilmember Somers, to approve and authorize the City Manager to execute a Memorandum of Understanding with Sunridge Properties, Inc. for the development of a hotel at Riverview.

Councilwoman Higgins stated that she made a motion and would explain it for her fellow Councilmembers.

Mayor Smith noted that a motion and a second have already been made with respect to this item. He inquired if Councilwoman Higgins would like to amend the motion.

Councilmember Somers inquired if the motion failed on a 3-3 vote, whether the item could be brought back in two weeks.

Mr. Brady responded that legally, the matter could come back in two weeks.

Councilmember Kavanaugh commented that there was a pending motion with respect to this item. He inquired, however, that if another Councilmember made a motion to table the current discussion, whether that motion would take priority and the Council would first vote on that motion and then the underlying motion.

Ms. Spinner responded that under Robert's Rules that may be the case, but pointed out that the City of Mesa has not adopted Robert's Rules. She explained that the Mayor would be the final parliamentarian for these proceedings and would determine how to proceed with multiple motions.

Mayor Smith questioned what would be the purpose of the Council not moving forward with the pending motion, knowing that the City would not be precluded from talking with the second developer in good faith.

Councilwoman Higgins commented that the Council was provided additional information today with respect to the MOU, including issues related to "this exclusivity phase." She stated that she would "really like to work on two MOUs at the same time, so that we can get both projects through nicely." She also noted that the proposals from Sunridge Properties and the second developer are both great projects, but indicated that she would "want to give equal time" to each entity. She added that because she was not comfortable with all of the new information she learned today, she would prefer to delay action on the MOU until a later date.

Councilmember Richins stated that in his opinion, the MOU "forces the performance" of both the City and Sunridge Properties, but does not "lock" the City into not talking to the second developer. He commented that the City has negotiated in good faith with Sunridge Properties and noted that the City "owes them" to at least move forward with the MOU. He said that there were many things that could still happen in the process of the negotiations.

Councilmember Richins further indicated that he has regularly attended all of the meetings related to this item, including several briefings at Study Sessions and in Executive Session. He acknowledged that Councilwoman Higgins' work schedule has been challenging, but said that he believed the matter has been fully vetted, with all the details "flushed out" and added that he did not find the issue that complicated.

Mayor Smith said he did not believe that the Council acting on the motion tonight "changes the game" and pointed out that there are additional terms that the parties must still negotiate. He said that the MOU does envision the City speaking with a second developer and does not change those rights. He asked that the Council move forward and take action on the pending motion.

Vice Mayor Finter commented that there were some major changes that took place tonight, but acknowledged that it was "actually really exciting" that multiple private sector entities have expressed an interest in developing hotels and resorts in the community.

Vice Mayor Finter expressed support for the motion, but cautioned that he wanted to make it "crystal clear" to Sunridge Properties that "he has a couple problems with the exclusivity part" of the MOU. He noted that he has expressed those concerns to the City Manager and the City Attorney. He pointed out that he would be apprehensive about "anything that prevents the opportunity for competition, getting the best price for the citizens of Mesa, and more development." He added that the City Manager has assured him that "he was going to look for every opportunity to make sure that it is a win-win for everyone."

Councilmember Somers commented that the Council has engaged in quite a bit of conversation regarding this matter, including an earlier discussion in Executive Session that was quite revealing. He stated that he has not heard anything moving forward with the MOU that would preclude the City from making some changes to make the Councilmembers more comfortable before the parties negotiate the development agreement. He also noted that there was nothing in the MOU that would preclude the City from dealing with the second developer.

Councilmember Somers also expressed his appreciation to Councilwoman Higgins for doing a phenomenal job in reaching out to a developer who was interested in "taking a big risk" and doing a full-service hotel, which this Council believes is a very viable project next to another phenomenal project. He commented that no one, including the Council or the developers,

seems to believe that a full-service hotel and a limited-service hotel are in direct competition. He added that he looked forward to seeing both projects move forward.

Mayor Smith called for the vote.

Upon tabulation of votes, it showed:

AYES - Smith-Finter-Kavanaugh-Richins-Somers
NAYS - Higgins
ABSENT - Glover

Mayor Smith declared the motion carried by majority vote of those present.

11. Items from citizens present.

Ryan Russell, representing the Mesa Police Association, stated that currently, law enforcement is one of the largest employers of veterans in the State of Arizona. He explained that many of those veterans choose to continue to serve their country in the reserves, while also serving their community as police officers. He stated that the role of reservists has changed significantly since 9/11 and noted that they are now asked to serve for extended periods of time as opposed to a few weekends a year.

Mr. Russell indicated that he was approached by some of the reservists in the Mesa Police Department to address some of their concerns. He stated that in working with Deputy City Manager John Pombier, Senior Human Resources Analyst Talona Felix and other staff members, certain changes have been made to the City of Mesa's Military Leave Policy.

Mr. Russell remarked that many times, the reservists return to this country after a year or more of deployment, complete their military assignment and resume their duties as Mesa police officers a few days later. He pointed out that this often creates an unhappy and unhealthy situation for not only the reservists, but also their families.

Mr. Russell noted that the Military Leave Policy has been amended to include "decompression time," which will enable the reservists to spend some quality time with their families after a lengthy deployment before they return to their duties at the Mesa Police Department.

Mr. Russell expressed appreciation to City staff for their efforts and hard work in this regard. He also recognized City management's willingness to approve such changes in an effort to assist the returning veterans to more easily transition back into their home life and professional careers. Mayor Smith thanked Mr. Russell for his comments and also expressed appreciation to all of the members of the Mesa Police Department who have and are currently serving in the Armed Forces.

12. Adjournment.

Without objection, the meeting adjourned at 6:55 p.m.

SCOTT SMITH, MAYOR

ATTEST:

DEE ANN MICKELSEN, INTERIM 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 6th day of May, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, INTERIM CITY CLERK

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