



COUNCIL MINUTES

July 10, 2023

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on July 10, 2023, at 5:54 p.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

Alicia Goforth

OFFICERS PRESENT

Christopher Brady
Holly Moseley
Jim Smith

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

Mayor's Welcome.

Mayor Giles conducted a roll call.

Mayor Giles excused Councilmember Goforth from the entire meeting.

Invocation by Reverend Mindy Tucker with Unity of Mesa.

Pledge of Allegiance was led by a Mesa Boy Scout Troop.

There were no Awards, Recognitions, or Announcements.

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 Freeman, seconded by Councilmember Spilsbury, that the consent agenda items be approved.

Upon tabulation of votes, it showed:

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

Mayor Giles declared the motion carried unanimously by those present.

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

Minutes from the May 18, 2023, Mesa Public Schools Joint Meeting; May 25, June 8 and June 19, 2023, Study Sessions; and July 3, 2023, Regular Council meeting.

3. Take action on the following liquor license applications:

*3-a. Room for Joy

This is a one-day event to be held on Saturday, August 19, 2023, from 5:00 P.M. to 10:00 P.M. at Las Palmas Grand Ballroom located at 2550 South Ellsworth Road. **(District 6)**

*3-b. Amigos Market

A convenience store is requesting a new Series 10 Beer and Wine Store License for J & F Enterprise LLC, 1350 West University Drive - Feras Hussain Kahla, agent. The existing license held by IIS Inc. will revert to the State. **(District 3)**

*3-c. East Mesa Market

A convenience store is requesting a new Series 10 Beer and Wine Store License for Ora Investments LLC, 723 East Main Street - Jeffrey Craig Miller, agent. **(District 4)**

*3-d. Birria Xolos

A restaurant that serves breakfast, lunch and dinner is requesting a new Series 12 Restaurant License for Xolos AZ LLC, 1005 East Main Street - Jared Michael Repinski, agent. **(District 4)**

*3-e. Smoking Hot Smoke Shop

A tobacco smoke shop is requesting to add sampling privileges to their Series 10 Beer and Wine Store License application for Smoking Hot Smoke Shop LLC, 350 West Baseline Road Suite 102 - Roy Montiese Lendsey IV, agent. There is no existing license at this location. **(District 4)**

*3-f. Main Street Harvest

A convenience store is requesting a new Series 10 Beer and Wine Store License for Main Street Harvest LLC, 121 West Main Street - Amanda Abou Eid, agent. **(District 4)**

*3-g. Fuel Bros

A convenience store is requesting a new Series 10 Beer and Wine Store License for AZ Petroleum LLC, 6806 East Brown Road - Gregory Raymond Levy, agent. The existing license held by NA Petroleum LLC will revert to the State. **(District 5)**

*3-h Allegiant Air LLC

An airline is requesting a new Series 8 Conveyance License for Allegiant Air LLC, 6250 South Taxiway Circle - Jeffery Joseph Panhans, agent. There is no existing license at this location. **(District 6)**

4. Take action on the following contracts:

*4-a. Central Mesa Interceptor (CMI) Sewer Rehabilitation - Pre-Construction Services and Construction Manager at Risk (CMAR). **(Districts 1, 3, and 4)**

This project is required to make the necessary repairs to maintain the safe and efficient operation of the CMI sewer pipes that collect wastewater from residential and commercial areas in central Mesa and send it for treatment at the Northwest Water Reclamation Plant (NWWRP). The scope of this portion of the project includes the development of the project design, reviewing the design for constructability, preparing cost estimates, and developing the project schedule and phasing plan.

Staff recommends selecting Achen-Gardner as the CMAR for this project and awarding a pre-construction services contract in the amount of \$108,750. This project is funded by Utility Systems Revenue Obligations.

*4-b. Fiber Network Expansion Phase 2 - Package No. 1 Downtown and West Inner Loops - Construction Manager at Risk (CMAR), Guaranteed Maximum Price (GMP) No. 2. **(Districts 1, 3 and 4)**

This project will complete a fiber optic network band around downtown Mesa and along the alignment of the City's West Inner Loop by adding approximately 123,130 feet of new fiber optic cable within existing and new conduit duct banks and junction structures.

Staff recommends awarding a construction services contract to the selected CMAR, CS Construction, Inc., in the amount of \$2,728,645 (GMP No. 2), and authorizing a change order allowance in the amount of \$136,433 (5%), for a total amount of \$2,865,078. This project is funded by the 2018 Public Safety bonds.

*4-c. Central Mesa Reuse Pipeline - Construction Manager at Risk (CMAR), Guaranteed Maximum Price (GMP) No. 3. **(District 2)**

GMP No. 3 includes the construction of the south segment of proposed 36-inch reuse pipeline. The pipeline will be installed by open cut trenching and tunneling and includes all related appurtenances.

Staff recommends awarding a construction services contract to the selected CMAR, Garney Companies, in the amount of \$46,288,200.00 (GMP No. 3), and authorizing a change order allowance in the amount of \$2,314,410.00 (5%), for a total amount of \$48,602,610.00. This project is funded by the Water Utility Systems Revenue Obligations.

*4-d. The Studios @ Mesa City Center Phase 2. **(District 4)**

The project will complete the renovation of the building including the basement and second floor. The scope of work includes new doors, ceilings, non-structural interior

partitions, millwork, including mechanical, electrical, and plumbing work. Low voltage cabling, access control, and security are also included as are minor miscellaneous exterior improvements.

Staff recommends awarding the contract to Sun Eagle Corporation in the amount of \$3,192,706.50 and authorizing a change order allowance in the amount of \$319,270.65 (10%), for a total construction project amount of \$3,511,977.15. This project is funded by the Capital General Fund and Federal American Rescue Plan Act (ARPA) funding.

*4-e. Ratification of Emergency Purchase for Baseline Road Manhole and Diversion Structure Rehabilitation. **(District 4)**

This emergency purchase order issued on July 26, 2022, increased the Job Order Contracting contract limit from \$1,500,000 to \$2,200,000. The order was necessary for the contractor to proceed with the removal and replacement of a manhole with excessive structural deterioration that posed an immediate safety risk.

This emergency purchase increases the contract by \$690,000. The project is funded by Utility Obligation Funds.

*4-f. Ratification of the Emergency Purchase for Water Transmission Main Improvements Phase 1. **(Citywide)**

This emergency purchase order issued June 1, 2023, increased the Job Order Contracting contract limit from \$4,000,000 to \$4,510,000. The order was necessary to avoid construction delays and mitigate the risk of having the water pipeline out of service for an extended amount of time.

This emergency purchase increases the contract by \$560,000. This project is funded by Utility Obligation Funds.

*4-g. One-Year Term Contract with Four Years of Renewal Options for Polyethylene Natural Gas Pipe and Fittings for the Materials and Supply Warehouse (for the Energy Resources Department). **(Citywide)**

The Gas Utility uses polyethylene natural gas pipe and fittings for newly installed intermediate natural gas mains and services and to replace aging infrastructure.

The Business Services and Energy Resources Departments and Purchasing recommend awarding the contract to the lowest, responsive, and responsible bidders, Groebner; Border States Industries, Inc. dba Border States Electric Supply; and Tri-Pacific Supply, Inc.; at \$2,037,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

*4-h. Dollar Limit Increase to the Term Contract for Information Technology Solutions and Services for Various City Departments as requested by the Department of Innovation and Technology. **(Citywide)**

The City is in Year 6 of the contract and expenditures have reached the contract threshold. Over the past couple of years, contract usage has increased as the City has moved numerous standard IT purchases under this contract. That coupled with the

increased cost of technology products overall are the primary reasons for this dollar limit increase request.

The Innovation and Technology and Business Services Departments and Purchasing recommend increasing the dollar limit with CDW Government LLC; and SHI International Corp., Years 6 and 7, from \$6,000,000 to \$11,000,000, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

5. Take action on the following resolutions:

*5-a. **See: Items Not on the Consent Agenda**

*5-b. Approving and authorizing the City Manager to enter into an Intergovernmental Agreement with Queen Creek Unified School District #95 for reimbursement of the salary and benefits of a Mesa Police Officer to perform School Resource Officer duties. **(Citywide)** – Resolution No. 12074

*5-c. Vacating portions of public right-of-way located in the 3600 block of East Thomas Road to accommodate the future development of a single-family residential subdivision; requested by the property owner. **(District 1)** – Resolution No. 12075

6. Introduction of the following ordinances and setting August 21, 2023, as the date of the public hearing on these ordinances:

*6-a. ZON22-01332 "Guadalupe & Power Retail" **(District 6)** Within the 2700 block of South Power Road (east side) and within the 6800 block of East Guadalupe Road (north side). Located east of Power Road and north of Guadalupe Road (1.7± acres). Site Plan Modification and amend conditions of approval on case Z88-032. This request will allow for a restaurant with a drive-thru facility and an automobile/vehicle car wash. Sean Lake, Pew & Lake, PLC, applicant; DR One, LLC, owner. – Introduced Ordinance No. 5800

Staff Recommendation: Approval with conditions

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

*6-b. ZON23-00092 "Gateway 202 Site Plan Amendment" **(District 6)** Within the 4400 to 4800 blocks of South Ellsworth Road (west side) and within the 8700 to 9200 blocks of East Warner Road (south side). Located south of Warner Road and west of Ellsworth Road (165± acres). Site Plan Modification and amending Conditions of approval of Case ZON21-00595. This request will allow for an accessory minor automobile repair facility. Sean Lake, Pew and Lake, applicant; Scannell Properties No. 507, owner. – Introduced Ordinance No. 5801

Recommendation: Approval with conditions

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

*6-c. ZON23-00235 "Gateway Interchange - Phase III" **(District 6)** Within the 4500 block of South 80th Street (east side). Located south of Warner Road, on the east side of the 80th Street future alignment, and on the north side of the Sebring Avenue future alignment (9± acres). Rezone from Agriculture (AG) to Light Industrial with a Planned Area Development overlay (LI-PAD) and Site Plan Review. This request will allow for an

industrial development. Toby Rogers, Butler Design Group, Inc., applicant; JCA EQUIPMENT LLC, owner. – Introduced Ordinance No. 5802

Staff Recommendation: Approval with conditions

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

7. Discuss, receive public comment, and take action on the following ordinances:

- *7-a. ANX23-00215 “Power Road Right-of-Way De-Annexation” (**District 6**) Ordinance de-annexing public right-of-way to Maricopa County, consisting of +0.2 acres located within the 3800 to 3900 blocks of South Power Road, subject to approval by the Maricopa County Board of Supervisors. The de-annexation of public right-of-way is allowed pursuant to A.R.S. § 9-471.02 and § 9-471.03. – Ordinance No. 5797

In 1990, 154+ acres of land were annexed into the City, including the land that is the subject of this proposed de-annexation ordinance. Since 1990, Maricopa County has determined that it needs an additional 10 feet of right-of-way in the area, specifically for Power Road. This de-annexation is to accommodate Maricopa County’s right-of-way requirements.

- *7-b. ZON22-01003 "Western Semi Solutions" (**District 1**) Within the 2800 to 2900 blocks of North Greenfield Road (west side), within the 4300 block of East McDowell Road (north side), and within the 4300 block of East Oasis Street (south side). Located west of Greenfield Road and north of McDowell Road (5.7± acres). Rezone from Light Industrial (LI) to Light Industrial with a Planned Area Development overlay (LI-PAD) and Site Plan Review. This request will allow for an industrial development. – Ordinance No. 5798

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 5-0)

- *7-c. ZON22-01176 “Anton-Mesa Fiesta” (**District 3**) Within the 1300 block of South Alma School Road (east side), within the 1000 to 1200 blocks of West Grove Avenue (south side), within the 1400 block of South Westwood, and within the 1000 to 1200 blocks of West Holmes Avenue (north side). Located east of Alma School Road and south of Southern Avenue (16.5± acres). Rezone from Limited Commercial with a Planned Area Development overlay (LC-PAD) to Limited Commercial (LC) with a new Planned Area Development overlay PAD, Council Use Permit (CUP), and Site Plan Review to allow for a multiple residence development. – Ordinance No. 5785

This request will replace the existing PAD with a new PAD, which will establish unique development standards and allow the project to be constructed in two phases. Benjamin Graff, Quarles & Brady, LLP, applicant; HV & Canal LLC, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 6-0)

- *7-d. ZON22-01168 "Edge on Main Apartments" (**District 4**) Within the 100 block of South Morris (east side) and the 200 block of West Mahoney Avenue (north side). Located east of Country Club Drive and south of Main Street (.5± acres). Rezone from T4

Neighborhood Flex (T4NF) to T5 Main Street (T5MS) within the Form Based Code Regulating Plan. Scott Harwood, OZ Development, applicant; OZ16 QOZB LLC, owner. – Ordinance No. 5799

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 6-0)

8. Take action on the following subdivision plats:

- *8-a. SUB22-00910 “DHI Longbow” Final Plat (**District 5**) Within the 2800 to 3100 blocks of North Recker Road (west side) and within the 5900 block of East Longbow Parkway (south side). Located north of McDowell Road west of Recker Road (20± acres). DHI Communities, developer; Kirk Pangus, Hilgart Wilson, surveyor.
- *8-b. SUB22-01287 “Estates at Pioneer Crossing” (**District 1**) Within the 3600 to 3800 blocks of East Thomas Road (south side) and within the 3500 to 3600 blocks of North Val Vista Drive (east side). Located south of Thomas Road and east of Val Vista Drive (11.7± acres). Reserve 100, LLC, developer; Michael J. Pollock EPS Group, surveyor.
- *8-c. SUB23-00018 “University & 202” (**District 5**) Within the 8800 to 9000 blocks of East University Drive (north side) and within the 8900 block of East Decatur Road (south side). Located west of the Red Mountain 202 Freeway on the north side of University Drive (14.5± acres). Arcadia Capital Group, LLC, developer; Douglas B. Toney, Bowman Consulting Group, Ltd., surveyor.

Items not on the Consent Agenda

- 5-a. Approving the purchase of the Hibbert Garage located at 20 North Hibbert consisting of 2.95± acres and improvements and authorizing the City Manager to enter into the documents necessary to purchase the property for \$8,000,000, including a Parking License Agreement. The purchase of the property will help address City employee parking needs and the increased parking demand in downtown with the addition of approximately 900 parking spaces. (**District 4**) – Resolution No. 12073

Verl Farnsworth, a Mesa resident, spoke in opposition of the purchase of the Hibbert Garage.

City Manager Christopher Brady clarified the funding source for this purchase.

Councilmembers Freeman, Duff, Spilsbury, and Somers expressed support of the purchase and provided property value data and additional information.

It was moved by Councilmember Freeman, seconded by Councilmember Heredia, that Resolution No. 12073 be adopted.

Upon tabulation of votes, it showed:

AYES – Giles–Heredia–Duff–Freeman–Somers–Spilsbury

NAYS – None

ABSENT – Goforth

Mayor Giles declared the motion carried unanimously by those present.

9. Items from citizens present.

Verl Farnsworth, a Mesa resident, discussed his prior request for the Mayor and Council to sign an oath statement that he provided to the City Clerk for distribution. He requested that City leaders open an investigation into allegations made during the Joint Senate and House Elections Committee meeting held in February.

10. Adjournment.

Without objection, the Regular Council Meeting adjourned at 6:17 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 Regular Council Meeting of the City Council of Mesa, Arizona, held on the 10th day of July 2023. I further certify that the meeting was duly called and held and that a quorum was present.

HOLLY MOSELEY, CITY CLERK

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