

COUNCIL MINUTES

September 10, 2020

The City Council of the City of Mesa met in a Study Session Meeting via a virtual format streamed into the lower level meeting room of the Council Chambers, on September 10, 2020 at 7:39 a.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

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

(Councilmember Whittaker participated in the meeting through the use of telephonic equipment.)

Mayor Giles conducted a roll call.

1. Review and discuss items on the agenda for the September 14, 2020 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

Mayor Giles remarked that Item 5-c, **(Approving and authorizing the City Manager to accept, expend, and distribute CY 2020 CARES Act grant funds from the U.S. Department of Housing and Urban Development, in the amount of \$529,649 to be used for Housing Services programs. (Citywide))**, on the Regular Council meeting agenda, authorizes the City Manager to spend a portion of the federal CARES Act dollars for Housing Services programs. He requested an update from Housing Services.

Community Services Director Ruth Giese introduced Housing Supervisor Mary Brandon and displayed a PowerPoint presentation. **(See Attachment 1)**

Ms. Giese stated the Housing Services Department was notified additional funding will be available to use directly for housing programs. She provided the breakdown of categories where the additional funds will be spent. (See Page 2 of Attachment 1)

Ms. Giese advised additional funding for landlord outreach is important for better utilization of the vouchers and assisting residents. She reported a large portion will go to technology to add a kiosk in the lobby where the public will be able to scan in their documents and update their files. She indicated Housing Services is updating all its forms to online fillable forms.

Mr. Brady advised staff will be coming back to Council with an amended Rental Assistance Eviction Prevention presentation, along with discussing additional dollars available to Mesa that will be committed to the programs.

Mr. Brady announced that staff have a presentation pertaining to Item 6-a, **(ZON20-00253 (District 6) Within the 4400 to 4700 blocks of South Power Road (east side) and within the 6800 to 7000 blocks of East Warner Road (south side). Located at the southeast corner of Power Road and Warner Road (overall 59± acres). (1) Rezone 30± acres of the property from Agricultural (AG) to General Commercial with a Planned Area Development overlay (GC-PAD); Site Plan Review; and a Council Use Permit to allow Outdoor Seating in the GC district and Airfield Overlay Area 2 (AOA 2) (Area A); and (2) Rezone 29± acres of the property from AG to Light Industrial (LI-PAD) (Area B & C); and Site Plan Review and a Council Use Permit to allow Large Commercial Development and Large-Scale Commercial Recreation in the LI district and AOA 2 on 9± acres (Area B) of the property. This request will allow for the development of a group commercial entertainment, and industrial development. Sean Lake, Pew and Lake, PLC, applicant; Power 17, LLC and Power 40, LLC, owner.)**, on the Regular Council meeting agenda.

Planning Director Nana Appiah displayed a PowerPoint presentation and stated Item 6-a is a rezoning case with the goal of creating a commercial recreation activity center. **(See Attachment 2)**

Mr. Appiah advised Council that the property is located at the southeast corner of Power Road and Warner Road. (See Page 2 of Attachment 2)

Mr. Appiah stated the current zoning designation is agriculture, and the request is to rezone to general commercial and light industrial. He pointed out the area is 59 acres, which is divided into three areas, with Parcel A consisting of 30 acres. He added the request also includes a Council Use Permit (CUP) which will allow outdoor seating areas because the property is in the airfield overlay, and a final site plan review. (See Page 3 of Attachment 2)

Mr. Appiah discussed that Parcels B and C total 29 acres and are being requested to rezone from agricultural to light industrial. He specified that Parcels A and B are a site plan specific approval and Parcel C is a conceptual plan where the developer is asking for a few modifications to the development standards. (See Page 4 of Attachment 2)

Mr. Appiah presented the development areas and the two zoning designations, along with the zoning around the vicinity of the site. (See Pages 5 and 6 of Attachment 2)

Mr. Appiah explained there are two character designations for the site: mixed-use activity and employment. He added the mixed use is to encourage large-scale commercial development that will draw from other regional areas and the employment is to foster large commercial uses that will bring jobs to the area. (See Page 7 of Attachment 2)

Mr. Appiah announced Parcel A will have a wave lagoon for surfing, along with a hotel, gym, parking garage, offices, and restaurants. He mentioned the southern section will consist of an

indoor cart racing facility, a trampoline center, and a virtual reality experience. He said a critical component of the development is the pedestrian connectivity and stated the design connects the whole site together. (See Pages 8 and 9 of Attachment 2)

Mr. Appiah summarized the design guidelines, which include the building styles and materials. He stated the goal is to create a unified development. (See Pages 10 and 11 of Attachment 2)

Mr. Appiah indicated the developer is asking for a CUP because of the location in the overflight area, and the code requires the permit to allow large commercial development within the general commercial zoning designation and recreation within the limited industrial zoning designation. He mentioned the proposal meets the general plan intent for the character designation for the mixed-use activity, the employment, and is also compatible with the planned uses of the site. (See Page 13 of Attachment 2)

Mr. Appiah reported as part of the process, the applicant conducted a citizen participation survey and there were no concerns received. (See Page 14 of Attachment 2)

Mr. Appiah noted the Planning and Zoning Board (P&Z) considered the case on August 12 and recommended approval with conditions by a vote of seven to zero. He remarked the project also complies with the Gateway Strategic Development Plan. (See Page 15 of Attachment 2)

Councilmember Thompson commented that the Cannon Beach development is a phenomenal project for the region, especially given the location right off the 202 and Power Road.

In response to a question posed by Vice Mayor Freeman regarding whether the CUPs are grandfathered once issued or can be revoked if the project does not materialize, Mr. Appiah advised that Council has the authority to revoke the CUP but would have to go through a public hearing. He confirmed the site falls within Air Operations Area (AOA) 2 and there are no concerns from staff.

Mr. Brady elaborated the development plan fits the site because there is no planned residential in the surrounding area.

In response to a question from Councilmember Luna regarding the anticipated groundbreaking, Mr. Appiah stated he would defer to the applicant; however, testing on the site has begun and the final design review has been submitted. He reported that the project was also reviewed by the Phoenix-Mesa Gateway Airport and there were no concerns expressed.

Mayor Giles thanked staff for the presentation.

2-a. Hear a presentation and discuss an update on the 2021 Employee Benefits Program.

Employee Benefits Administrator Janice Ashley introduced Human Resources Director Teri Overbey, who displayed a PowerPoint presentation. **(See Attachment 3)**

Ms. Ashley indicated all the current vendors and administrators have been renewed or are continuing under their current contracts with no reduction in benefit levels and minimal rate changes. She listed the employee benefit programs and services, adding City employees value the top-ranked professional services that are provided through the program. She identified the various funding sources include City contributions, employee and retiree contributions, state

retirement system subsidies, and other third-party subsidies and rebates. (See Page 2 of Attachment 3)

Ms. Ashley advised medical rate increases between \$4 to \$24 will occur on the medical programs for active employees, depending on the plan and tier of coverage the employee is enrolled in; and retirees will be maintained at the 2020 levels. She provided a summary of the financial considerations that went into the rate increases and supplied a chart demonstrating the medical plan rates. (See Pages 3 and 4 of Attachment 3)

Ms. Ashley highlighted the medical plan, prescription, flexible spending account (FSA), vision care, employee assistance and short-term disability insurance changes effective for 2021. She added the City's compliance has been amended to comply with National Emergency Pandemic Response requirements. (See Pages 5 through 8 of Attachment 3)

Ms. Ashley stated open enrollment will begin October 7 for a two-week period. She outlined enrollment will be virtual with a newly designed and upgraded online open enrollment application. She pointed out enrollment is only necessary for any changes employees and retirees would like to make, except for the FSA plan which requires active enrollment annually. She advised the annual Health and Wellness Benefits fair unfortunately has been cancelled to avoid large indoor gatherings. She identified various dates and times will be available for wellness supported events like Covid-19 testing, flu shots, and appointments for mobile unit screenings. (See Page 9 of Attachment 3)

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation, discuss, and provide direction on an update of the Mesa CARES Healthy Community Program.

Community Engagement Coordinator Lindsey Balinkie introduced Deputy Fire Chief Forrest Smith and displayed a PowerPoint presentation regarding the Healthy Communities Program, which is aimed at offering community Covid-19 testing and flu shots. **(See Attachment 4)**

Ms. Balinkie stated Community Services has partnered with the Fire Department to set up events offering testing and flu shots in zip codes with high positive COVID-19 rates and setting up a comprehensive marketing and outreach plan to ensure awareness of the events. (See Page 2 of Attachment 4)

Ms. Balinkie provided the dates and school locations for the upcoming events that will take place each Saturday from 9:00 a.m. to 12:00 p.m. but are open to extending the time if there is a need. (See Page 3 of Attachment 4)

Ms. Balinkie mentioned the tests will be offered to teachers, students, their families, and neighborhood residents with no appointment needed and test results will be supplied within 48 hours. (See Page 4 of Attachment 4)

Mr. Brady acknowledged Dr. Andi Fourlis, Superintendent of Mesa Public Schools (MPS), for partnering with the City of Mesa in preparation of bringing children back to school, along with the Fire Department for setting up the testing.

Councilmember Luna explained there is a lot of anxiety in schools related to children coming back, as well as the teaching staff. He expressed his support for the program because it is essential for the community to feel safe.

In response to a question posed by Councilmember Heredia regarding the follow-up with the families after testing, Deputy Chief Smith advised Steward Health Care, the vendor conducting the testing, will be working with the County and will provide the notification of the test results. He stated members of the public will be notified within 24 hours of the test results if there is a positive result and will have access to the portal to find their negative test results.

Councilmember Duff commented that while the high positive zip codes are all located within District 4, the whole community is affected. She invited everyone to get tested, whether you feel ill or not, and to get the flu shot to do your part in creating a healthy community to recover from the pandemic.

In response to a question from Councilmember Duff, Ms. Balinkie indicated residents will not be asked to provide identification to receive the testing or shot; however, some basic information will be requested in order to provide follow-up for the test results.

Mayor Giles shared his experience with the Covid-19 test and flu shot and encouraged residents to utilize the opportunities available for testing. He emphasized that masks and hand sanitizer are also available at the events. He stated he is proud that the City of Mesa is utilizing its CARES Act funding to help the community and hopes that the stress and anxiety will be alleviated.

Mayor Giles thanked staff for the presentation.

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

3-a. Economic Development Advisory Board meeting held August 4, 2020.

3-b. Housing and Community Development Advisory Board meeting held on May 7, 2020.

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

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

4. Current events summary including meetings and conferences attended.

Mayor Giles –

Virtual United Way Homerun 5K
The Groves on Main Street tour
Greater Phoenix Urban League conference

Councilmember Duff –

League of Arizona Cities and Towns conference
National League of Cities forum – Re-imagining Public Safety

Virtual United Way Homerun 5K
The Groves on Main Street tour

Councilmember Luna –

League of Arizona Cities and Towns conference
National League of Cities forum – Re-imagining Public Safety
Mesa Police Department Critical Incident Review Board meeting
Smart Infrastructure Projects meeting
Recorded MPS announcements in Spanish
Meeting with MPS Governing Board member Marcie Hutchinson

Councilmember Heredia –

Hosted MPS back-to-school fundraiser for West Mesa schools

Councilmember Thompson –

Developer meeting - District 6 businesses
Southwest Business Group - flooding mitigation
Meeting with slurry seal company - lowering temperatures
Mr. Mesquite Taqueria grand opening - Crismon and Southern

5. Scheduling of meetings.

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

Monday, September 14, 2020, 5:15 p.m. – Study Session

Monday, September 14, 2020, 5:45 p.m. – Regular Council Meeting

6. Convene an Executive Session.

- 6-a. Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3))
Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A (4)):

1. *Bacuetes v. City of Mesa and Officer Worrell*
Maricopa County Superior Court, Case No. CV2020-093200

Councilmember Whittaker declared a potential conflict of interest on Agenda Item 6-a and said he would refrain from discussion on this item.

It was moved by Councilmember Luna, seconded by Councilmember Thompson, that the Council adjourn the Study Session at 8:41 a.m. and enter into Executive Session.

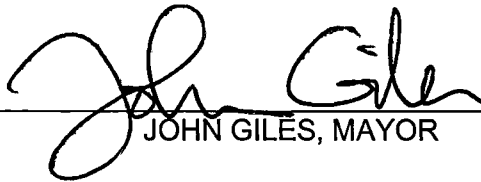
Upon tabulation of votes, it showed:

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

Mayor Giles declared the motion carried unanimously by those present and voting.

7. Adjournment.

Without objection, the Study Session adjourned at 8:52 a.m.


JOHN GILES, MAYOR



ATTEST:


DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 10th day of September 2020. I further certify that the meeting was duly called and held and that a quorum was present.


DEE ANN MICKELSEN, CITY CLERK

la
(Attachments – 4)

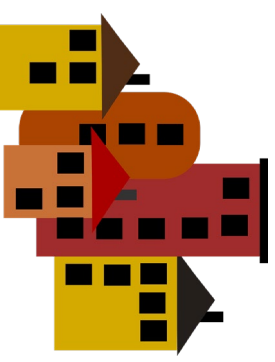
Housing Services

Administrative Fee Funding - COVID

RUTH GIESE

MARY BRANDON

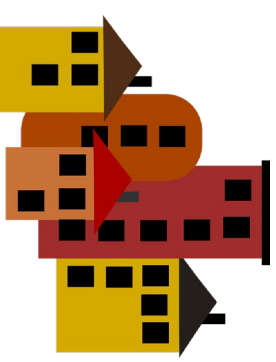
SEPTEMBER 14, 2020



Housing Administrative Fee - COVID:

MHA was awarded additional Admin Fee for COVID related expenses in the total amount of \$529,649.

- ❖ Technology (62%)
- ❖ Office upgrades (12%)
- ❖ Landlord Outreach (10%)
- ❖ Personnel Services (16%)





ZON20-00253

Cannon Beach Mixed Use Development

Planning Director
Nana Appiah, AICP

Location: -----

- Southeast corner of Power Road and Warner



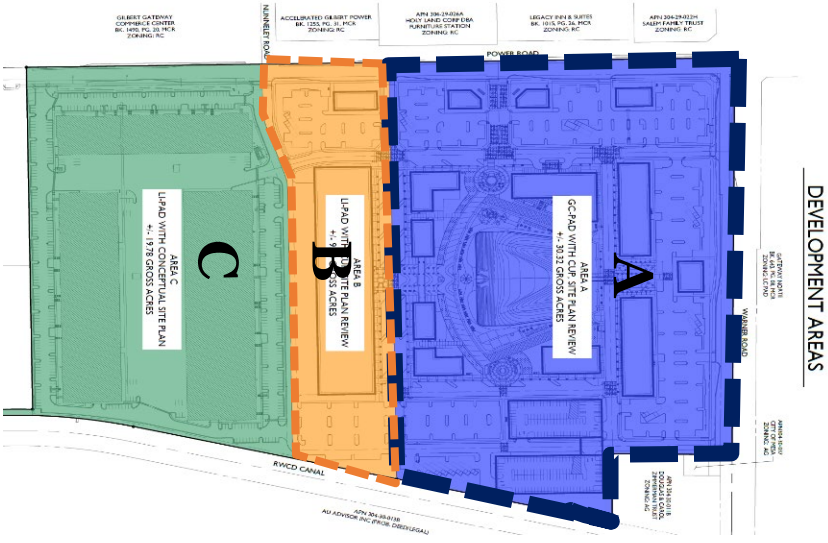
Request (Area A)

- Rezone from AG to General Commercial
- PAD Overlay (30±)
- CUP to allow Outdoor seating
- Site Plan



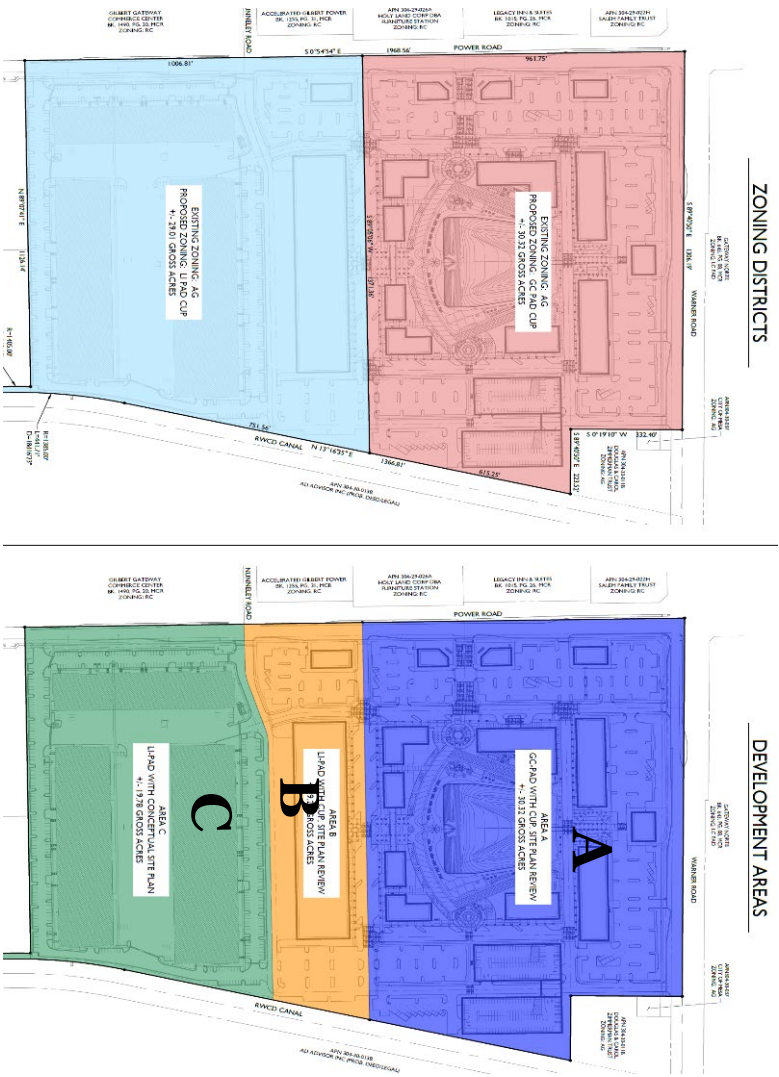
Request (Area B&C)

- Rezone from AG to Light Industrial
- PAD Overlay (29±)
- CUP to allow large commercial and large-scale commercial recreation
- Site plan (Are B)
- Conceptual plan (Area C)



Request

- Zoning Map and Development Areas

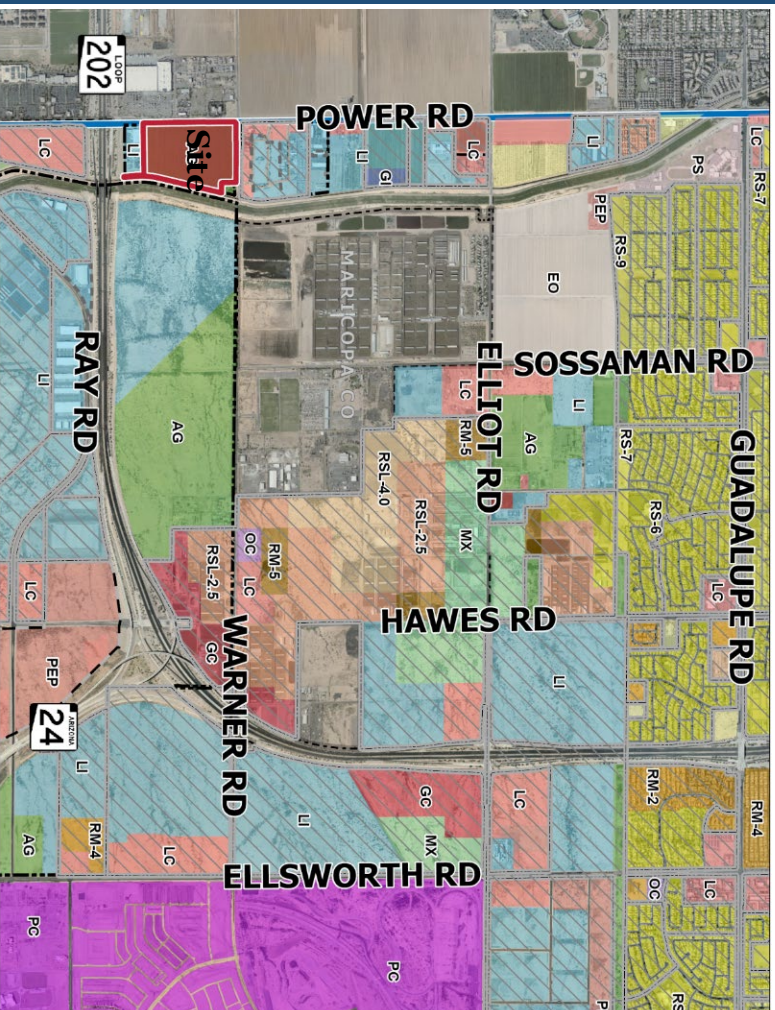


Current Zoning:

- Agriculture

Request:

Rezone to General Commercial and Light Industrial with a PAD



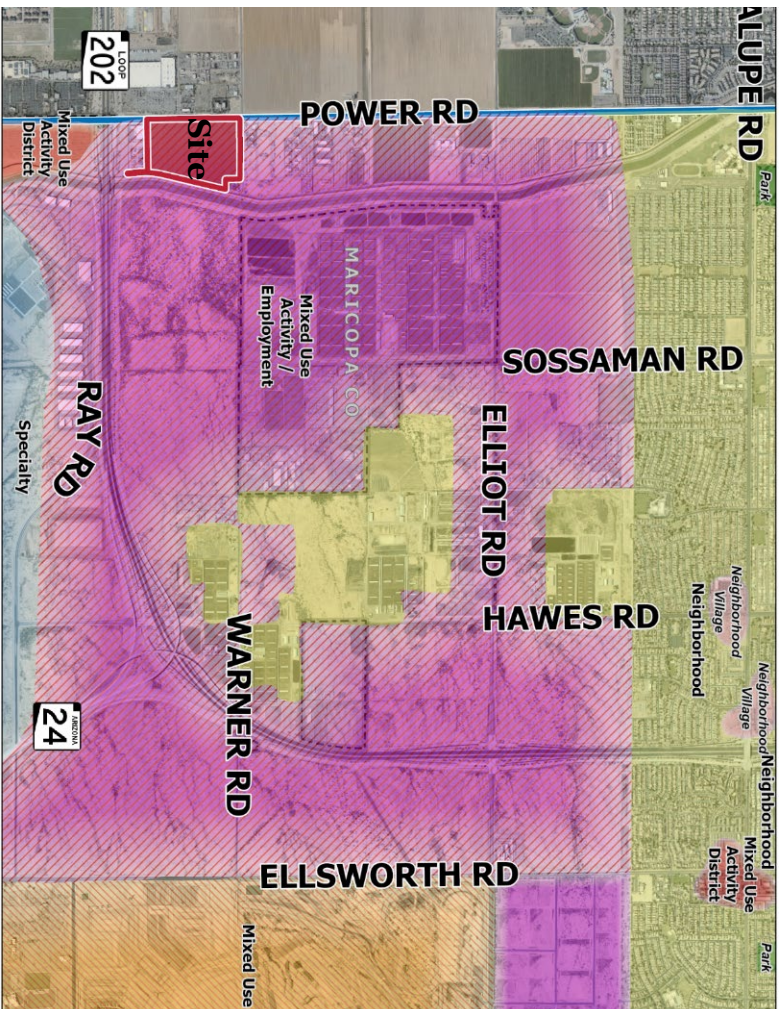
General Plan

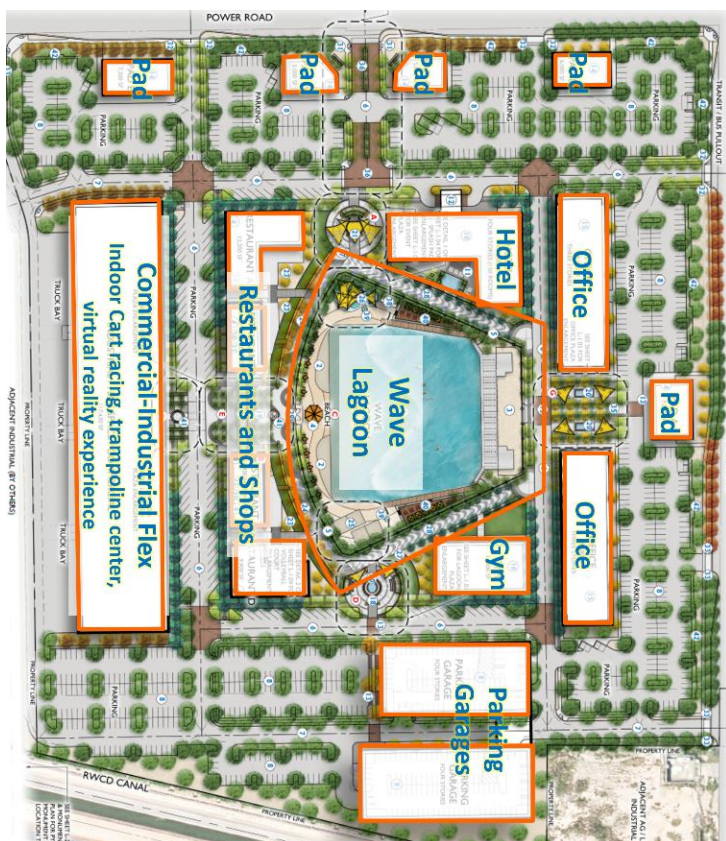
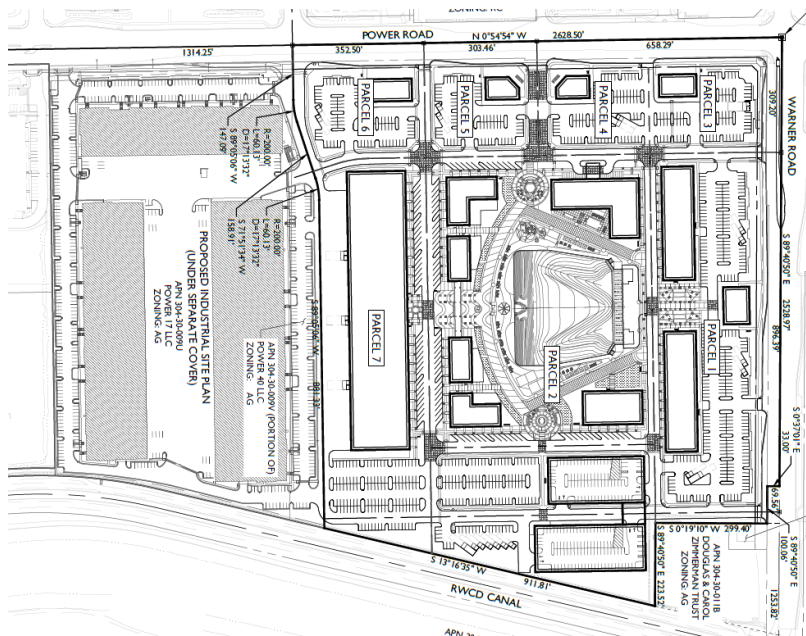
Mixed Use Activity:

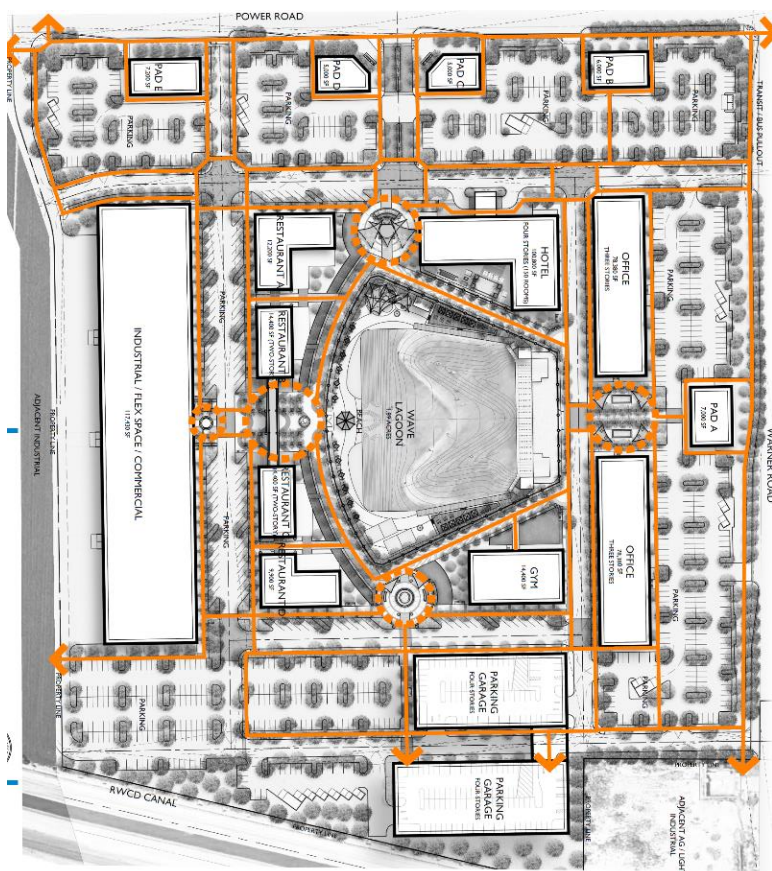
- Large Scale Commercial Regional/Community Activity Areas

Employment:

- Employment type of land uses and opportunities
- Organized in high-quality settings



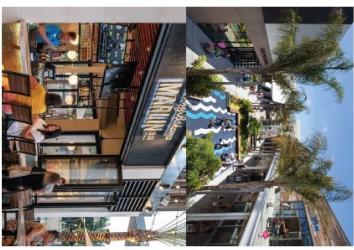






Design Guidelines

- Establish design themes
- Building styles
 - Retail & Restaurant, Office, Hotel, Industrial
- Type of building materials, colors, and building forms



Architectural
Awnings



Signage



Restaurants and PAD buildings:
The Cannon Beach retail / restaurant development encourages architecture that borrows from the local vernacular and a sense of place. Furthermore, the PAD buildings should be designed to be visually engaging and provide a sense of place. The retail and restaurant development. The PAD buildings along Power and Warner entrances facing inward toward the central core / amenity spaces to engage with the other sides facing the streets should provide architectural presence and visual come without methods. Such methods should encourage storefront grilles, canopies, large windows, and other methods that provide a sense of place and visual interest. The PAD buildings with the rest of the restaurant development as a whole, unifying it.

- # Design Guidelines
- Establish design themes
 - Building styles
 - Retail & Restaurant, Office, Hotel, Industrial
 - Type of building materials, colors, and building forms

Design Character

Wave Lagoon



Restaurants



LOOK OUT PAVED SEATING



RESTAURANT OUTDOOR SEATING

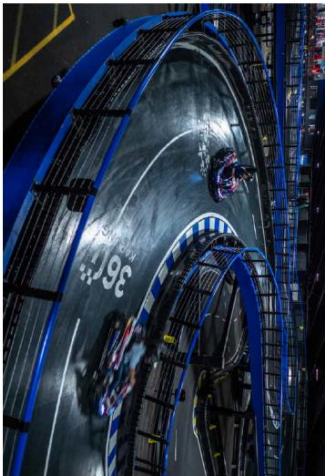


RESTAURANT OUTDOOR SEATING

Entertainment (Visual Reality) Center



Cart Racing



Outdoor Lounge



Hotel



Council Use Permit

Mesa Zoning Ordinance (MZO)

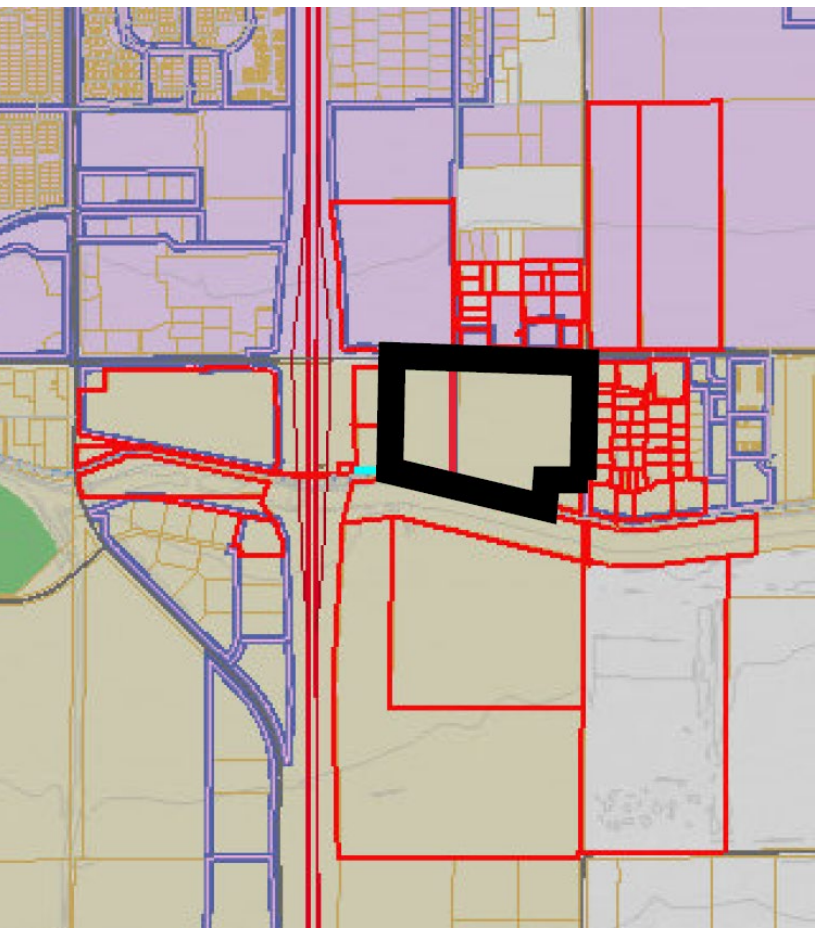
- Table 11-6-2 requires a CUP for Eating & Drinking Establishments with Outdoor Eating in GC & AOA 2
- Table 11-7-2 requires a CUP for:
 1. Large Commercial Development
 2. Large-Scale Commercial Recreation in the LI & AOA 2
- Meets criteria of MZO Section 11-70-6
 - Consistent with purpose of GC district
 - Compatible with General Plan
 - Compatible with surrounding land uses



Citizen

Participation

- Property owners within 1000'
- HOAs & Registered Neighborhoods within 1 mile
- Neighborhood meeting
- No concerns



Findings and Recommendations

Findings

- ✓ Complies with the 2040 Mesa General Plan
- ✓ Complies with Gateway Strategic Development Plan
- ✓ Criteria in Chapters 22, 69 & 70 of the MZO

Planning and Zoning Board Recommendation

- Approval with Conditions (7-0)

Staff Recommendation

- Approval with Conditions

2021 EMPLOYEE BENEFIT PROGRAMS

CITY COUNCIL PRESENTATION
September 10, 2020

Benefit Programs/Services Overview

❑ **Employee benefit programs and services**

- Medical (3 plans) – Cigna and CVS/Caremark/SilverScript
- Dental (3 plans) – Delta Dental of Arizona
- Vision Care (3 plans) - VSP
- EAP Program - ComPsych
- Life/AD&D and Disability Insurance – MetLife and Unum
- Health and Wellness Center and Mesa 360 Wellness

❑ **Employee Benefit Trust Fund – Funding Sources**

- Contributions from the City
- Employee and retiree premiums
- State retirement system subsidies
- Other third-party subsidies and rebates

Medical Plan Rate Changes for 2021

Medical Plan Premiums:

- ❑ Active employees - \$4 to \$24 per month increase depending upon plan/tier
- ❑ Retirees – maintain 2020 rates

Financial Considerations:

- ❑ National and City medical cost trend increases approximately 7% to 8%
- ❑ Claims volatility in 2020 and beyond due to:
 - ❑ Reductions in healthcare utilization (preventive, elective and non-emergency care) during national pandemic period
 - ❑ Claims lags for pandemic related testing and treatment expenses
 - ❑ Previously-postponed care increases and severity increases as elective and preventive healthcare services become more available and utilized
- ❑ EBT fund balance projections support the need for approx. 4% rate increases in CY 2021
- ❑ General fund reserve for unknown healthcare cost increases

Active Medical Plan Rates for 2021

ACTIVE F/T MEDICAL PLAN RATES – MONTHLY – 4% Increase

BASIC 50% PLAN	2021		
	City Contribution	EE Contribution	EE Difference vs 2020
Single	\$538	\$0	\$0
Family	\$1,197	\$0	\$0

CHOICE 80% PLAN	2021		
	City Contribution	EE Contribution	EE Difference vs 2020
Single	\$538	\$134	+\$4
Family	\$1,197	\$299	+\$12

COPAY PLAN	2021		
	City Contribution	EE Contribution	EE Difference vs 2020
Single	\$538	\$202	+\$8
Family	\$1,197	\$609	+\$24

Highlights - Health Plan Changes for 2021

Medical/Prescription Drug Plans

- ❑ COVID-19 testing and diagnostic services 100% coverage – compliance requirement
- ❑ COBRA continuation and claims/appeals timeframes for election/submission and payment extended
- ❑ Virtual professional office visit services' coverage for medical and behavioral health providers at regular benefit levels
- ❑ Telehealth Connection Services with Cigna consolidated to MDLive at continuing 100% benefit levels

Highlights - Health Plan Changes for 2021 cont.

Flexible Spending Accounts (FSA)

- ❑ Health FSA maximum annual election increased to \$2,750
- ❑ Health FSA rollover amount increased to \$550
- ❑ OTC medicines/supplies FSA reimbursable without prescription or physician provided letter of medical necessity

Highlights - Health Plan Changes for 2021 cont.

Vision Care Plans (VSP)

- ❑ Premium decreases with new insurance contract award
- ❑ Benefit level improvements:
 - ❑ Frames, contact lenses and out-of-network exam allowances increased

Employee Assistance Program (EAP)

- ❑ New contract award with ComPsych
- ❑ Same benefit levels and City costs

Highlights - Health Plan Changes for 2021 cont.

Voluntary Short-Term Disability Insurance (Unum)

- ☐ 100% employee paid
- ☐ Rate increase for heavily utilized 7-day waiting period plan
- ☐ No rate changes for 29-day or 44-day waiting period plans
- ☐ Continued competitive benefit levels in all three plan designs

Open Enrollment 2020 for 2021 Benefit Programs

- ❑ **“Virtual” Open Enrollment**
 - ❑ Online eBenMesa (newly upgraded application) October 7 –21
 - ❑ Passive enrollment (except FSA)
- ❑ **Health and Wellness Updates** – at www.mesaaz.gov/benefits
 - ❑ Open Enrollment “button” - updated Guides, communications, 2021 Plan Document and other Required Documents
 - ❑ Inside Mesa and Benefits Website links to eBenMesa enrollment application
 - ❑ Mesa Wellness 360 for 2021 - including Health and Wellness Center services, virtual classes, incentives and Sonic Boom web site
 - ❑ Benefits phone 480-644-2299 and email benefits.info@mesaaz.gov - for information and eBenMesa enrollment assistance
 - ❑ Various dates/times/locations and face covering/social distancing protocols for active employee events:
 - Covid-19 Testing
 - Flu shots
 - Mobile unit Mammography/Bone Density/Prostate screening appointments (for employees and retirees who meet screening guidelines)

Healthy Communities: COVID-19 Testing



September 10, 2020

Lindsey Balinkie, Community Engagement
Coordinator



Free Community COVID-19 Testing & Flu Immunizations

Addressing high number of positive COVID-19 rates in:

- 85201, 85202, 85203, 85204, 85210

**Facilitated by Fire Department & Community Engagement with
Steward Health Care**



Collaboration with Mesa Public Schools

- September 19th - Longfellow Elementary
- September 26th - Lincoln Elementary
- October 3rd - Washington Elementary
- October 10th - Hughes Elementary
- October 17th - Webster Elementary

All Events from 9am-12pm





Event Details

- Everyone welcome (families, students, teachers and neighborhood residents)
- No appointment needed
- Indoor social distanced process in school cafeterias
- COVID results within 48 hours
- Mesa CARES bags with masks, sanitizer and resource info
- MPS distributing free cleaning and sanitation supplies



Mesa CARES

Questions?