

COUNCIL MINUTES

November 12, 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 November 12, 2020 at 7:30 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.)

Mayor Giles conducted a roll call.

1. Review and discuss items on the agenda for the November 12, 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

In response to a question from Councilmember Duff on Item 5-g, **(Approving and authorizing the City Manager to enter into contracts for the purchase of firm natural gas supplies for the City's natural gas distribution system for a period of up to five years and in amounts up to the full requirements of the system, as well as a contract for associated gas management balancing and scheduling services.) (Citywide)**, on the Regular Council meeting agenda, Energy Resources Department Director Frank McRae explained the City builds a portfolio based on the existing gas supply so the costs are minimized. He stated the City typically has a two-year contract with one-year renewals of up to three times, so there is no obligation to purchase all of the gas supply for five-years. He noted there is not a large deprivation of gas supply and costs have been stable.

In response to a question from Councilmember Duff on Item 5-h, **(Authorizing the City Manager to enter into insurance agreements, as recommended by the City Attorney's Office, to obtain insurance for the City including insurance for property, liability, cyber risk, and aviation, and authorizing the ability to purchase and renew additional insurance for the**

City.) (Citywide), on the Regular Council meeting agenda, City Attorney Jim Smith explained the City obtains insurance for the Property and Public Liability (PPL) Trust annually, which includes property and liability insurance as well as insurance for the airport. He advised it has been difficult for municipalities nationwide to secure insurance. He stated in the past, Council would approve the insurance if it was within a three percent increase from the previous year, however, the rate this year is five percent more due to large rate increases. He mentioned insurance companies ask for tremendous amounts of information and will only allow municipalities to purchase insurance one year at a time. He commented the insurance does cover public safety which increases the difficulty of obtaining the insurance.

Deputy City Manager Natalie Lewis provided a presentation on Item 5-b, **(Approving and authorizing the City Manager to enter into a five-year agreement with Visit Mesa, Inc., for the distribution of a portion of the City's transient lodging tax proceeds for the promotion of tourism and destination marketing in Mesa, Arizona and in accordance with Arizona Revised Statute §9-500.06.) (Citywide)**, on the Regular Council meeting agenda.

Downtown Transformation Manager Jeff McVay provided a presentation on Item 4-m, **(Mesa City Center – Fourth Guaranteed Maximum Price (GMP) – The Plaza @ Mesa City Center) (District 4)** on the Regular Council meeting agenda. He provided an overview of what the GMP will include for The Plaza at Mesa City Center. **(See Attachment 1)**

Mr. McVay presented a site plan overview of the layout of The Plaza @ Mesa City Center, followed by a display of each of the key elements. (See Pages 2 through 7 of Attachment 1)

Mr. McVay provided a bird's-eye view of what The Plaza @ Mesa City Center will look like with the signature shade element. (See Page 8 of Attachment 1)

Mr. McVay reported the City Manager's office has worked hard on the design and budget to deliver all key elements over the past year but noted there was not enough funding to cover the entire cost of the signature shade element. He stated the proposed GMP is showing an increase of \$481,000 to cover the remainder of the shade cost, making the overall construction budget \$6,687,956. (See Page 9 of Attachment 1)

In response to a series of questions from Vice Mayor Freeman, Mr. McVay announced construction for The Plaza will begin January 2021, to be completed by November 2021, and that this will be the last GMP requested for The Plaza.

In response to multiple questions from Councilmember Duff, Mr. McVay explained a GMP stands for Guarantee Maximum Price which means the construction manager at risk cannot exceed the price of the project once it is under contract. He stated the budget can cover all key elements except for a portion of the shade structure, which is why the revised GMP was requested.

Councilmember Duff indicated her support of the additional cost for the shade structure.

Mayor Giles voiced support for the project.

Councilmember Thompson expressed concerns about The Plaza being overpopulated with the homeless.

Mr. Brady shared the City does not enforce homelessness but does enforce the laws if there is trespassing or unacceptable behaviors taking place. He shared that additional resources were

found in the budget to hire additional Park Rangers. He noted there will also be additional security in the area of The Plaza and the Arizona State University (ASU) facility.

In response to a question from Mayor Giles, Mr. Smith confirmed the proposed changes to the ordinance will be brought to Council in January.

Mr. Brady commented on Item 8 from the Regular Council meeting agenda. **(Take action on the following resolutions declaring terms/rates/fees/charges to be public records and available to the public, and introducing the following ordinances to modify City-owned utility terms/rates/fees/charges and setting December 1, 2020 as the date of the public hearing on these ordinances.)**

Mayor Giles commented Item 8 is giving notice of a 1.5% increase on residential utility rates.

In response to a question from Mayor Giles, Mr. Brady explained the introduction of the ordinance for utility rates will be on November 16, 2020 and a public hearing and final action will take place on December 1, 2020.

In response to a question from Vice Mayor Freeman, Mayor Giles stated the Budget Department staff previously prepared, presented, and discussed a draft for utility rates at zero percent. He reported the 1.5% increase for residential water is below the cost of living. He expressed concerns with raising the utility rates with so many residents behind on utility bills.

Mr. Brady explained if the City were to defer utility rate increases for a second year in a row, the rate increases would have been at 3.2%. He stated the City is trying to increase rates moderately to recover the number of expenditures that have been drawn down in the reserve balance.

Vice Mayor Freeman commented he does not want the City to increase utility rates at the same rate as other valley cities. He indicated support for modest utility rate increases.

In response to a question from Councilmember Duff, Mr. Brady stated the effective date for the utility rate increases would be January 1, 2021.

In response to a question from Vice Mayor Freeman, Office of Management and Budget Assistant Director Brian Ritschel reported that the 1.5% increase would result in an extra fifty-seven cents per month for an average residential user.

In response to a question from Councilmember Duff, Mr. Ritschel stated the average homeowner uses 6000 gallons of water per month. He mentioned out of the 6000 gallons used, 3000 gallons are provided with the initial monthly service charge which will not increase.

Councilmember Duff commented there is utility assistance for those in need and an incorporated cost savings of 30% for senior citizens.

In response to a question from Mayor Giles, Mr. Brady explained utilities are only shut off when customers are unresponsive, but fees are waived when the customers inquire about turning utilities back on.

Mayor Giles thanked staff for the presentations and information.

2-a. Hear a presentation, discuss, and provide direction on the Fiesta District Alternatives Analysis and Tempe/Mesa Streetcar Feasibility Study.

Transit Services Director Jodi Sorrell introduced Deron Lozano, Project Manager for Valley Metro who displayed a PowerPoint presentation. **(See Attachment 2)** She commented that the City has conducted two studies: the Fiesta District Alternatives Analysis (FDAA) and the Tempe/Mesa Streetcar Feasibility Study (TMSFS).

Ms. Sorrell provided an overview of the purpose of the two studies conducted over the last three years. (See Page 2 of Attachment 2)

Mr. Lozano presented future statistics based on data from the Maricopa Association of Governments (MAG) Regional Travel Forecasting Model for the Mesa area. (See Page 3 of Attachment 2)

Mr. Lozano displayed multiple maps showing the increase in population and employment by the year 2040. (See Pages 4 and 5 of Attachment 2)

Mr. Lozano reported where the FDAA and the TMSFS study areas were located. He noted the City of Chandler has shown interest in providing a type of high-capacity transit to connect to the light rail. (See Page 6 of Attachment 2)

Mr. Lozano discussed the differences between the two completed studies. (See Page 7 of Attachment 2)

Mr. Lozano reviewed the process of how the two studies were completed from 2017 through 2020. He pointed out the types of community outreach that were conducted throughout those years. (See Pages 8 and 9 of Attachment 2)

Mr. Lozano shared that 13 potential corridors were evaluated for TMSFS and 11 for the FDAA. He stated out of the evaluations completed, only five were carried through for TMSFS and four for the FDAA to move forward into the Tier 2 evaluations. (See Page 10 of Attachment 2)

Mr. Lozano provided an overview of the Tier 2 corridor evaluations and the final recommendations of where the FDAA and TMSFS routes would be located. He noted there are five final recommended high-capacity transit corridors. He stated there are multiple transportation options that could be placed in the corridor areas such as a light rail, bus rapid transit, or streetcar with multiple stops. (See Pages 11 through 14 of Attachment 2)

Mr. Lozano presented the steps to prioritize future investments for the FDAA regarding transit and land use. (See Page 15 of Attachment 22)

In response to a question from Councilmember Luna, Ms. Sorrell explained there was no funding available to go beyond the studies of the recommended high-capacity transit corridors. She noted a Prop 400 extension would be needed in order to fund the capital part of the high-capacity transit projects.

Councilmember Luna suggested looking at other transit alternatives moving forward.

In response to a question from Councilmember Heredia, Ms. Sorrell outlined two light rail extension projects the City of Phoenix is working on that will be completed by 2024.

Councilmember Heredia commented it would be an opportunity if west Mesa could be connected with the Tempe Streetcar along Dobson Road. He stated the new technology for autonomous vehicles have the potential for enhancing ridership in the future.

In response to multiple questions from Vice Mayor Freeman, Ms. Sorrell stated she is unaware of an economic impact study being completed but noted that Valley Metro did an economic impact analysis on public and private sector dollars. She shared that ridership on the light rail throughout the pandemic has decreased. She mentioned light rail ridership had been consistent and slightly increasing prior to the pandemic.

Ms. Sorrell commented the benefit of the studies completed by Valley Metro is that they provide the framework for building in the future and to see how the economy balances out from things such as the pandemic.

Mayor Giles commented Prop 400 expires in 2025 so the expansion of the light rail or addition of the streetcar is looking optimistic for 2030.

In response to a question from Councilmember Duff, Deputy City Manager Scott Butler announced the Maricopa Association of Governments (MAG) Regional Council is still undecided on when to bring Prop 400 forward to voters.

Councilmember Duff expressed concern about the affordability of living and having the ability to have transportation alternatives other than owning a vehicle. She commented Arizona has one of the worst air qualities in the nation and would like to see Mesa and other surrounding cities work in the direction of alternative forms of transit.

Mayor Giles thanked staff for the presentation.

2-b. Appointments to the Economic Development Advisory Board and Housing and Community Development Advisory Board.

It was moved by Councilmember Luna, seconded by Councilmember Thompson, that the Council concur with the Mayor's recommendations and the appointments be confirmed. **(See Attachment 3)**

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

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

Vice Mayor Freeman was unavailable for the vote on this item.

3-a. Economic Development Advisory Board meeting held on October 6, 2020.

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

Upon tabulation of votes, it showed:

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

Mayor Giles declared the motion carried unanimously by those present.

4. Current events summary including meetings and conferences attended.

Mayor Giles excused Councilmember Whittaker at 8:53 a.m. from the remainder of the meeting.

Mayor Giles –	East Valley Veterans Day Parade Oakwood Creative Care Tailgate Party at Sloan Park RAF Memorial Event at the Mesa Cemetery
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Vice Mayor Freeman –	East Valley Veterans Day Parade Oakwood Creative Care Tailgate Party at Sloan Park
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Councilmember Duff –	East Valley Veterans Day Parade Achieve60 Arizona Webinar Oakwood Creative Care Tailgate Party at Sloan Park
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Councilmember Luna –	East Valley Veterans Day Parade Oakwood Creative Care Tailgate Party at Sloan Park Old Brick House Vintage Market – Reopening
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Councilmember Thompson –	Eastmark Leadership Class – Veterans Day Program
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Councilmember Luna congratulated Dr. Ruth Tan Lim on being nominated for the Healthcare Heroes Award by the Phoenix Business Journal.

5. Scheduling of meetings.

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

Monday, November 16, 2020, 5:15 p.m. – Study Session

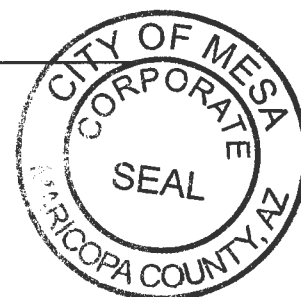
Monday, November 16, 2020, 5:45 p.m. – Regular Council meeting

7. Adjournment.

Without objection, the Study Session adjourned at 9:03 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 12th day of November 2020. I further certify that the meeting was duly called and held and that a quorum was present.


DEE ANN MICKELSEN, CITY CLERK

ig
(Attachments – 3)

The Plaza @ Mesa City Center

Presented to the Mesa City Council
Thursday, November 12th, 2020



Downtown Manager: Jeff McVay
City Engineer: Beth Huning



Mesa Plaza Interactive Water Feature

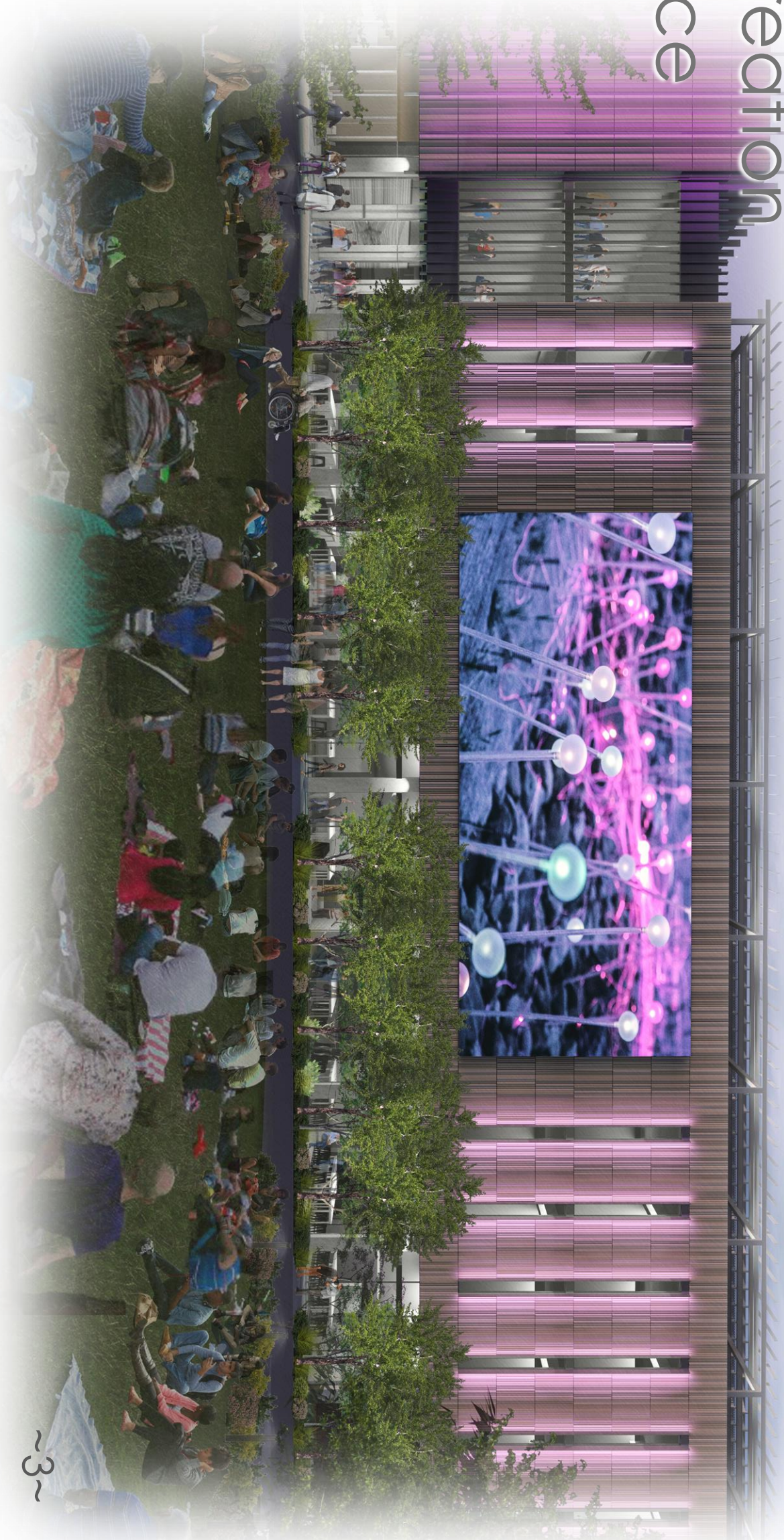


Mesa Plaza
Mesa City Center

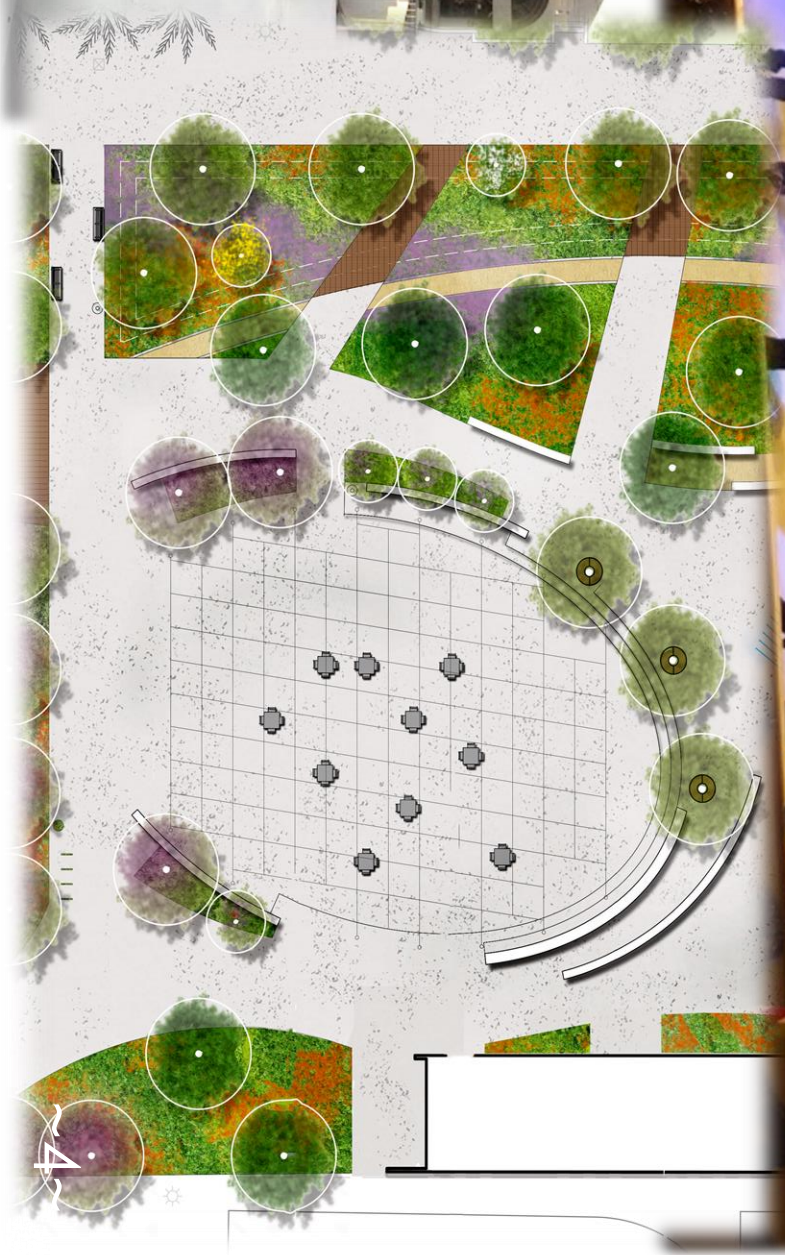
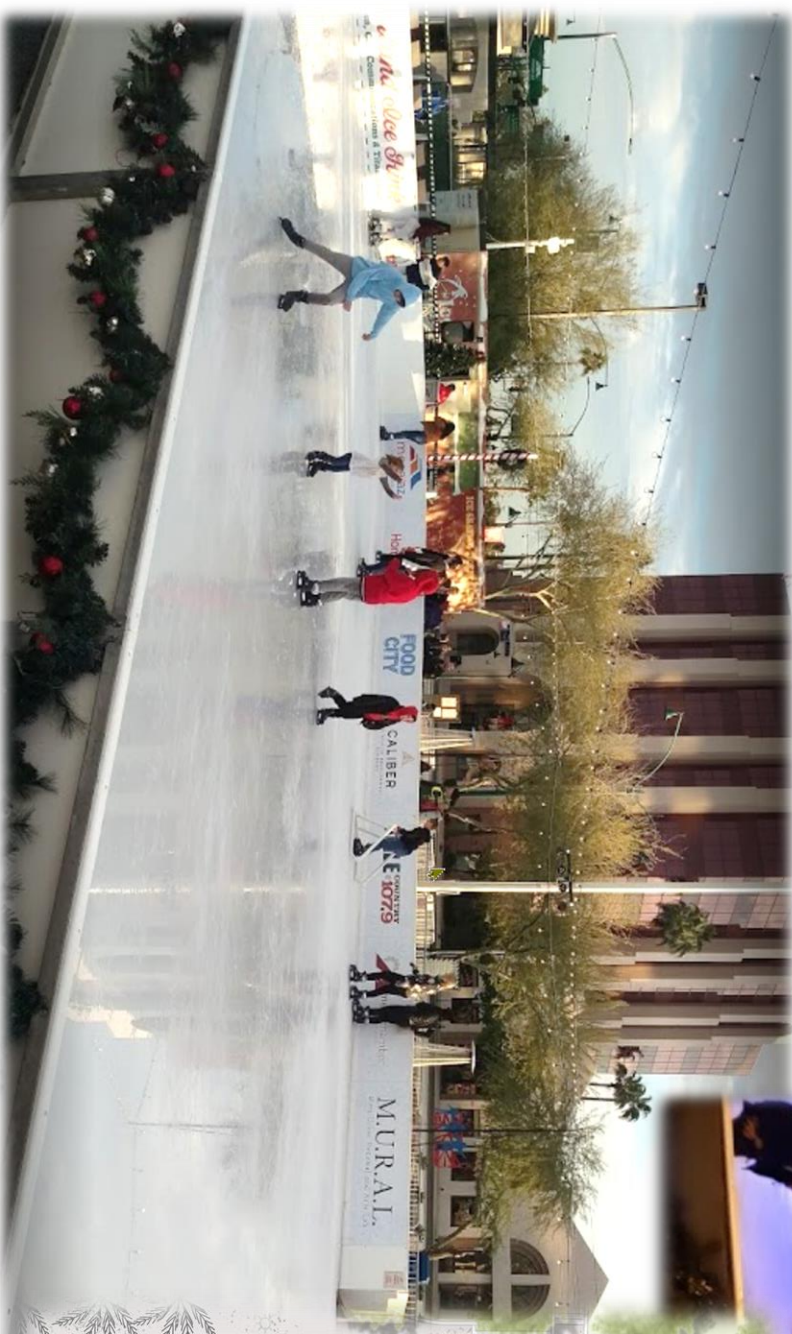
Plaza at Mesa City Center | Water Feature, Ice Canopy, Plaza Bldg

10 Nov 2020 | Holly Street Studio + Bohlin Cowi + Jackson + Co

ne Plaza creation space



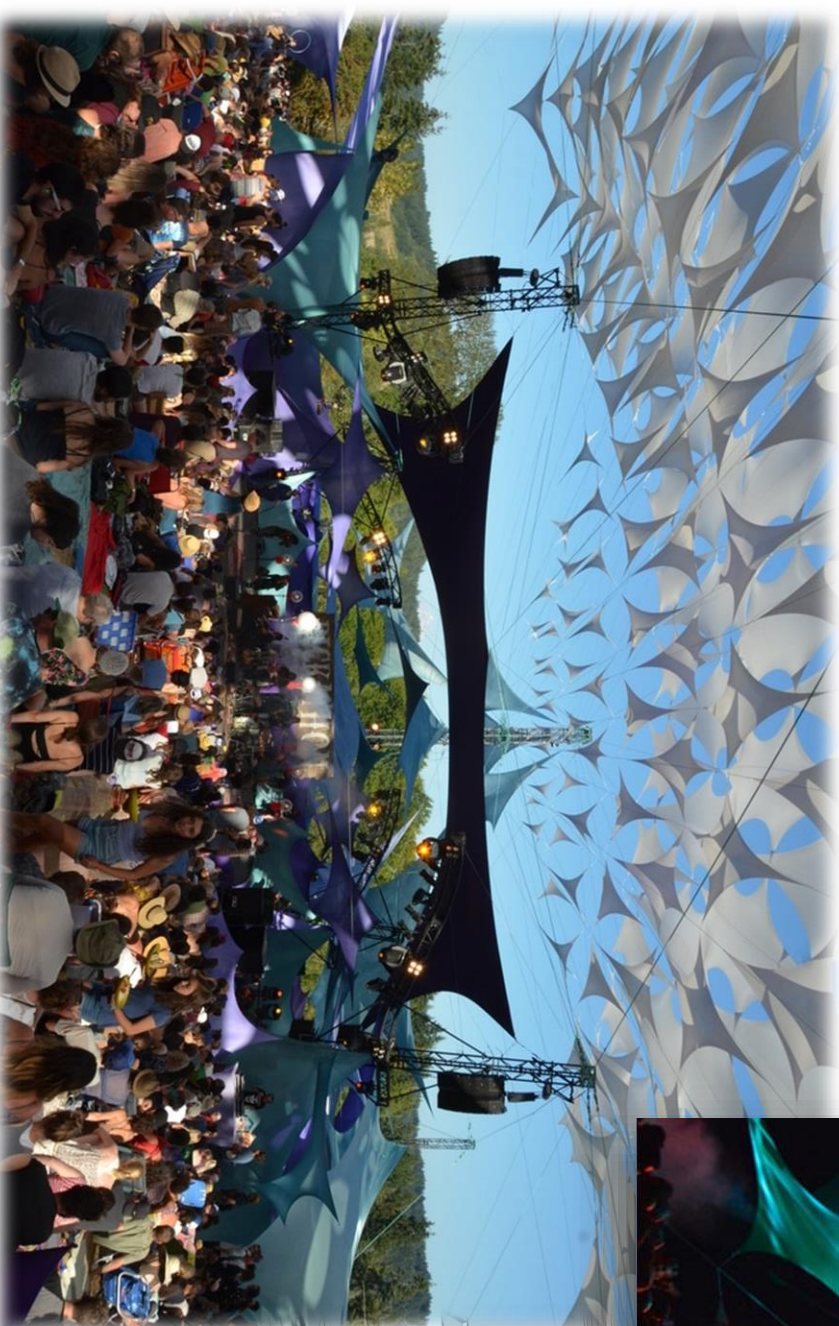
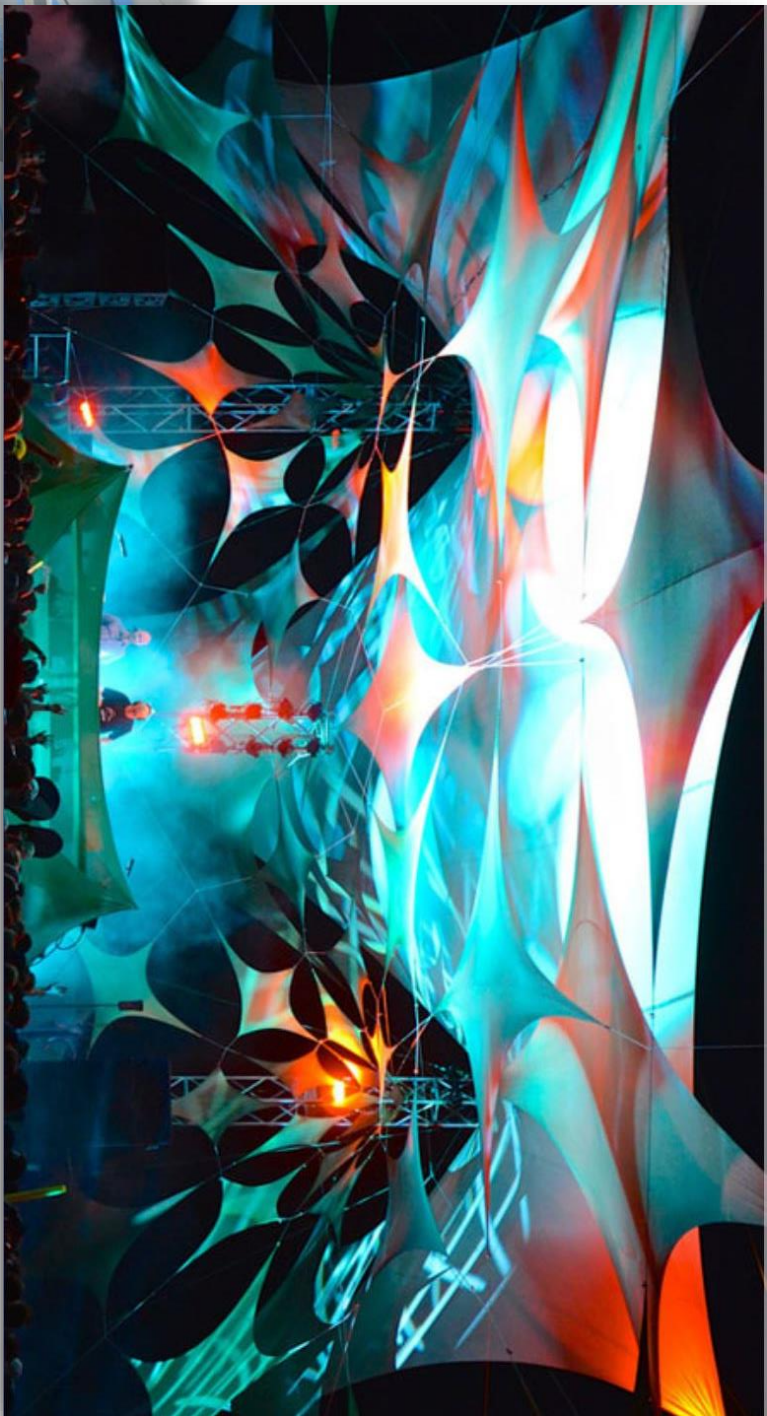
ne Plaza ating plaza



ne Plaza programmable event space



ne Plaza programmable event space



The Plaza Mesa City Center



The Plaza at Mesa City Center | View from Above - SE Corner

10 Nov 2020 | Holly Street Studio + Bohlin Cywinski Jackson + Colwell Sheltor

Proposed Plaza Construction Contract

Construction Contract Award

\$6,369,482

10% Contingency

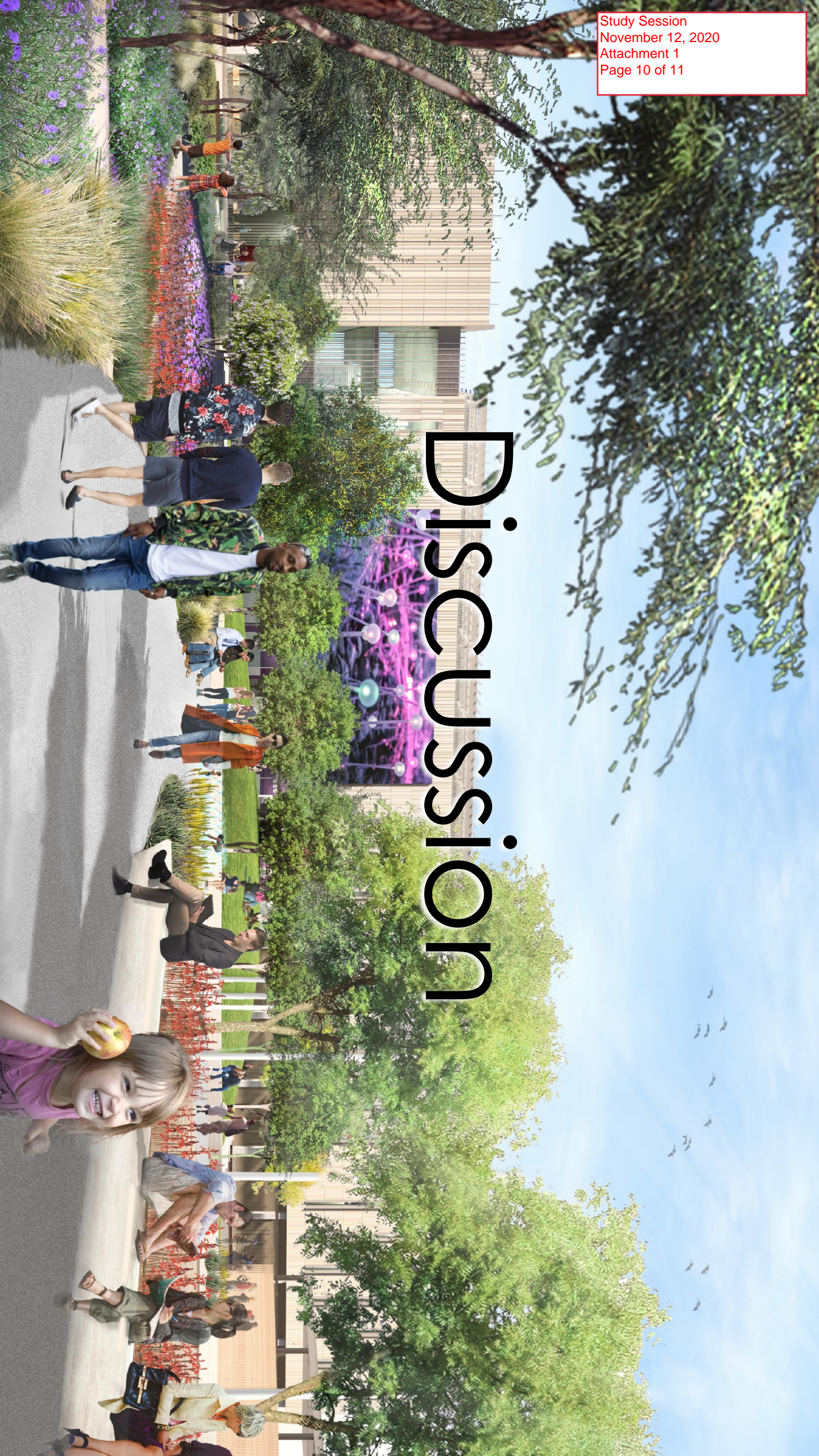
\$318,474

Total Construction Request

\$6,687,956

Additional Budget Request for Canopy

\$481,000



Discussion

research.az



Final Report

Fiesta District Alternatives Analysis Tempe/Mesa Streetcar Feasibility Study

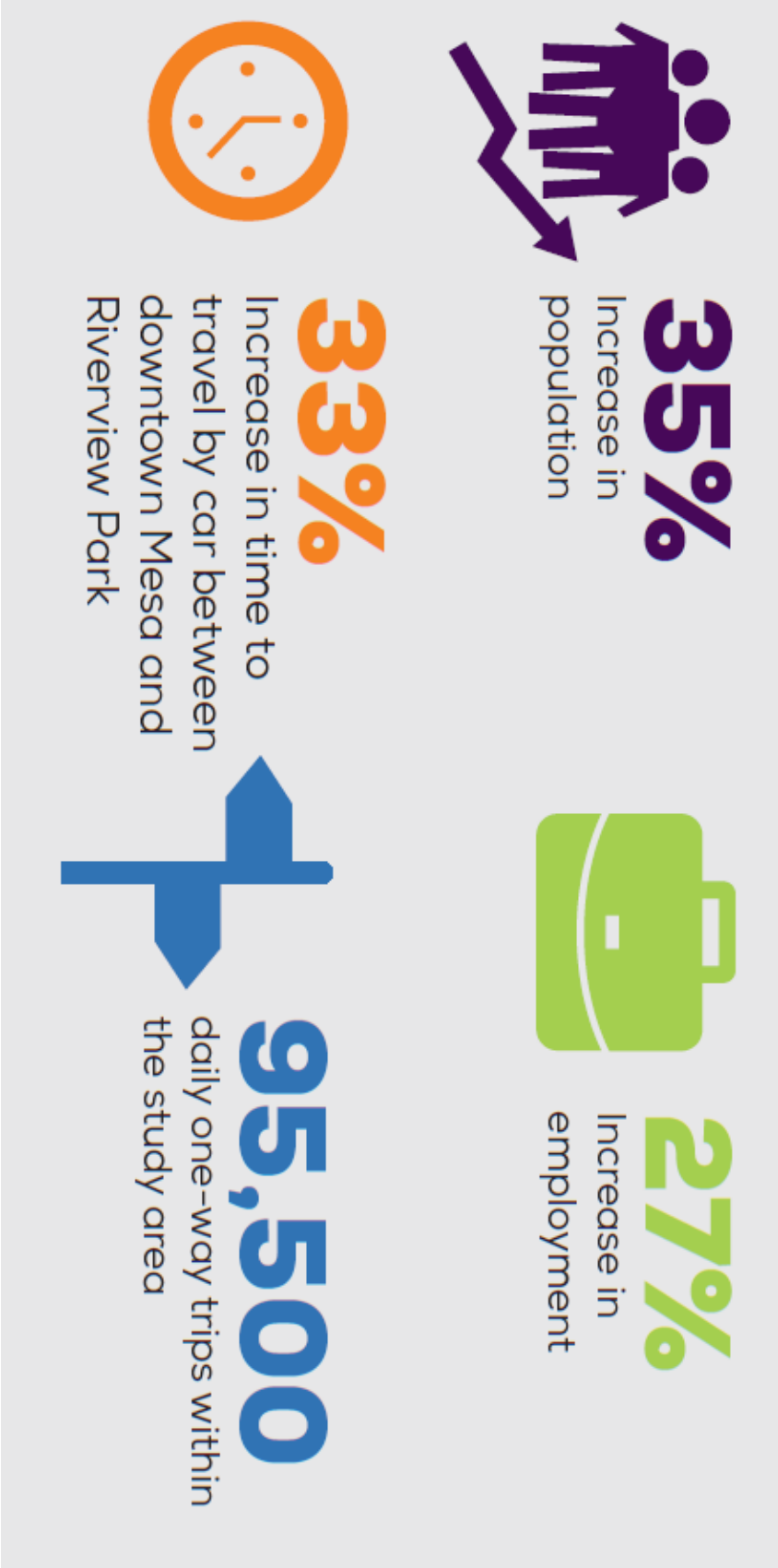
Purpose

- Identify potential high capacity transit corridors for possible inclusion in an extension of Proposition 400

Multi-Modal Needs in Mesa



Based on data from the MAG Regional Travel Forecasting Model, by 2040 the study area* is predicted to have...

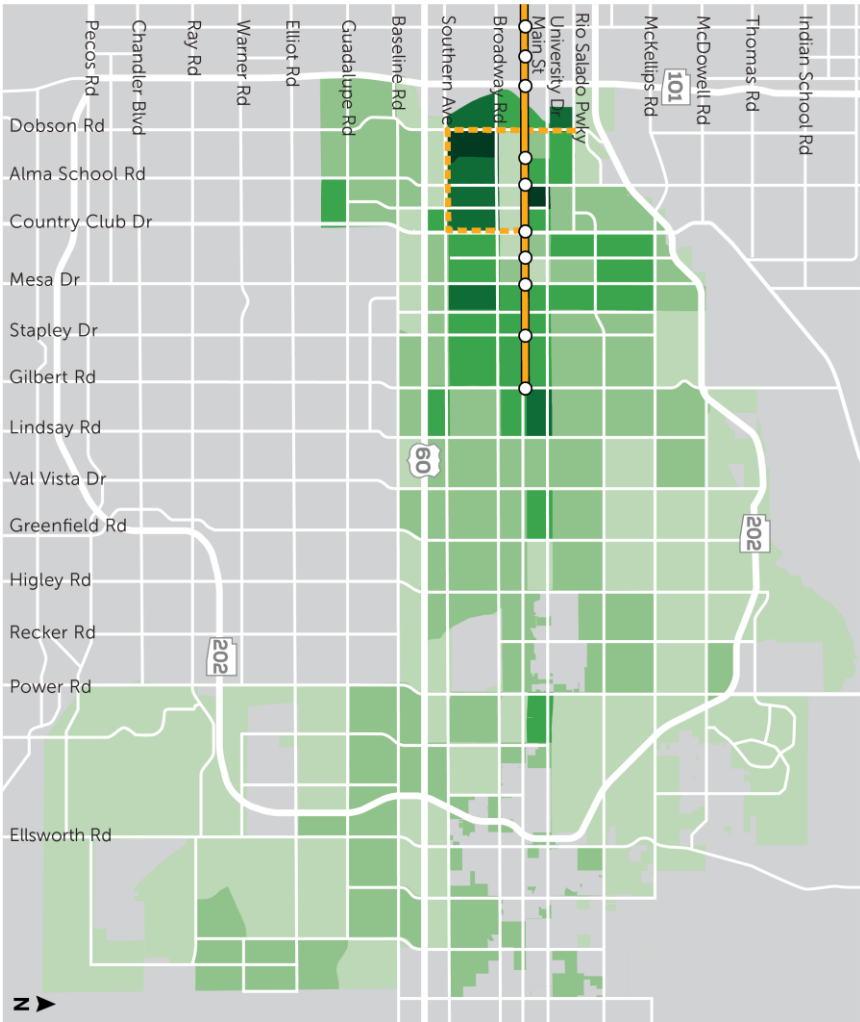


Source: MAG 2017 Regional Travel Forecasting Model
*Fiesta District Alternatives Analysis study area

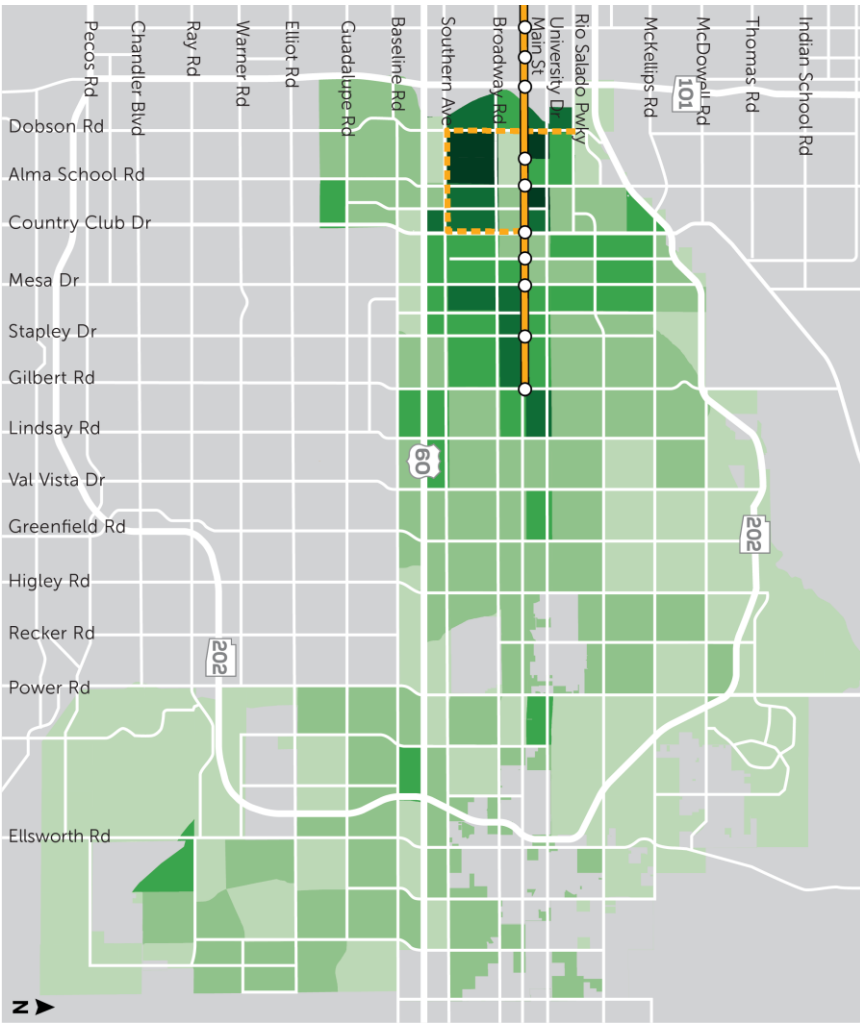


Growing Population

Current



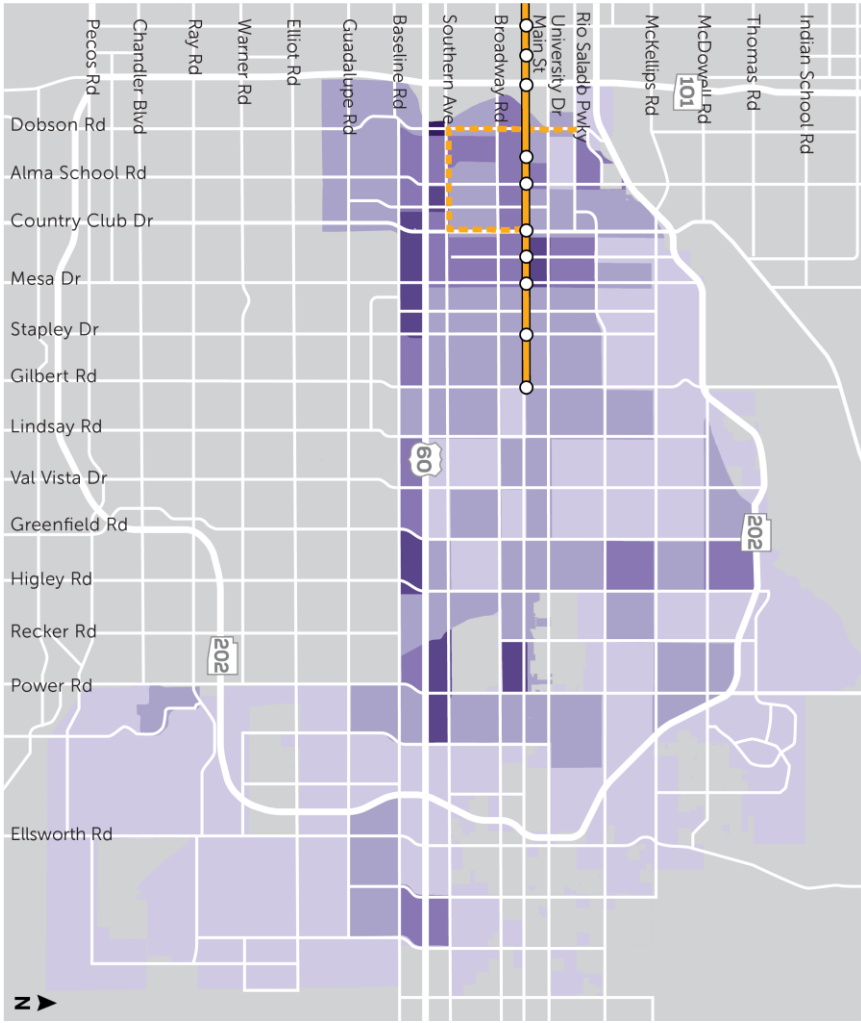
Future (2040)



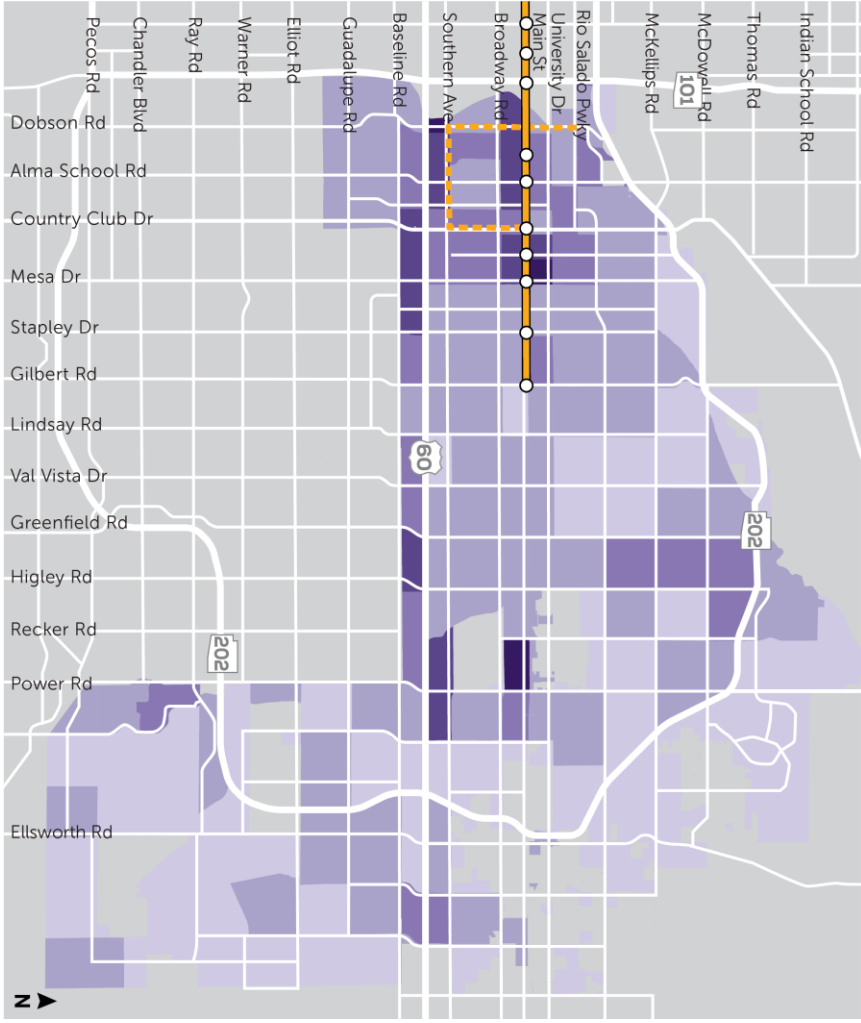
Growing Employment



Current



Future (2040)



Study Area



Tempe/Mesa Streetcar Feasibility Study (TMSFS)

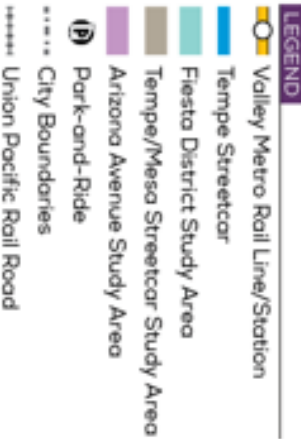
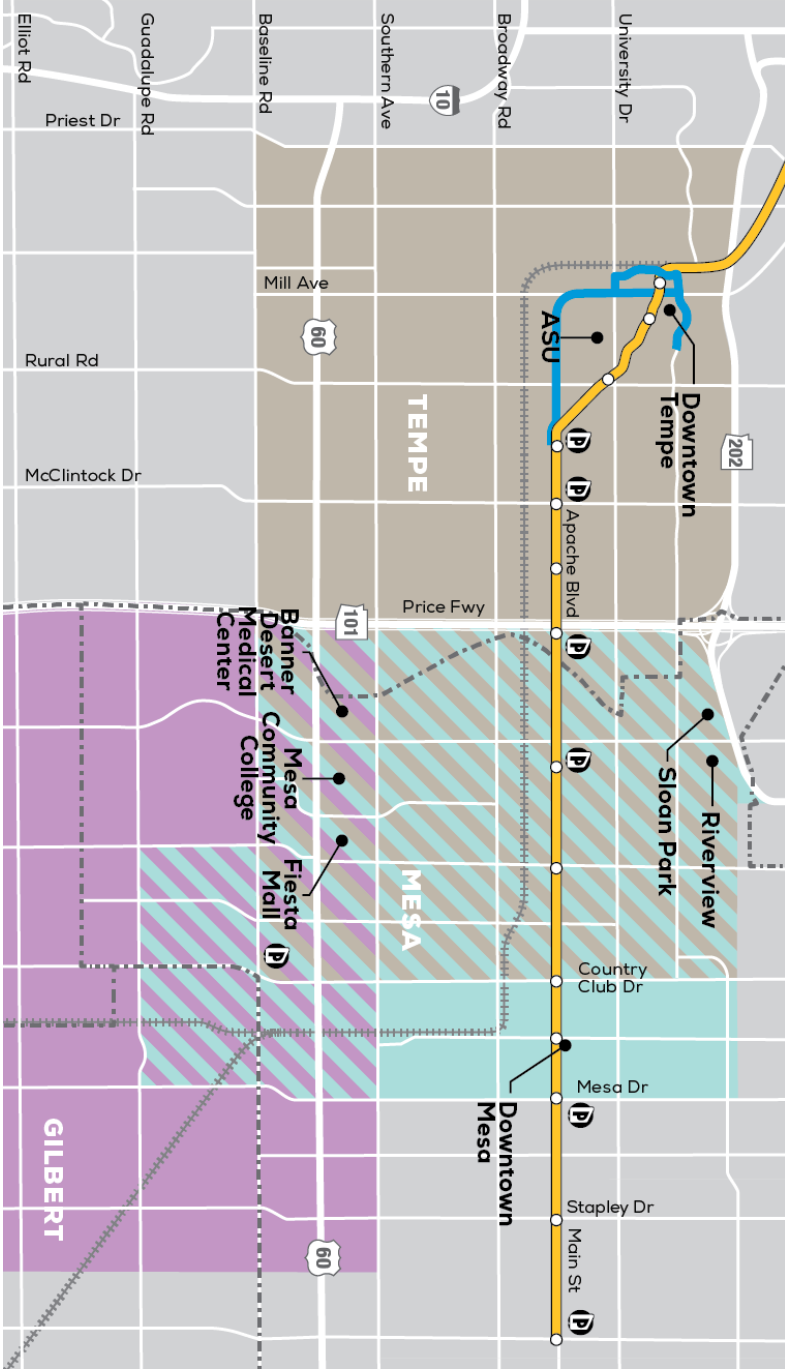
- Evaluate possible streetcar extensions in Tempe and Mesa

Fiesta District Alternatives Analysis (FDAA)

- Evaluate potential High Capacity Transit (HCT) corridors and modes in west Mesa

Related Study: Arizona Avenue Alternatives Analysis (AAAA)

- Downtown Chandler

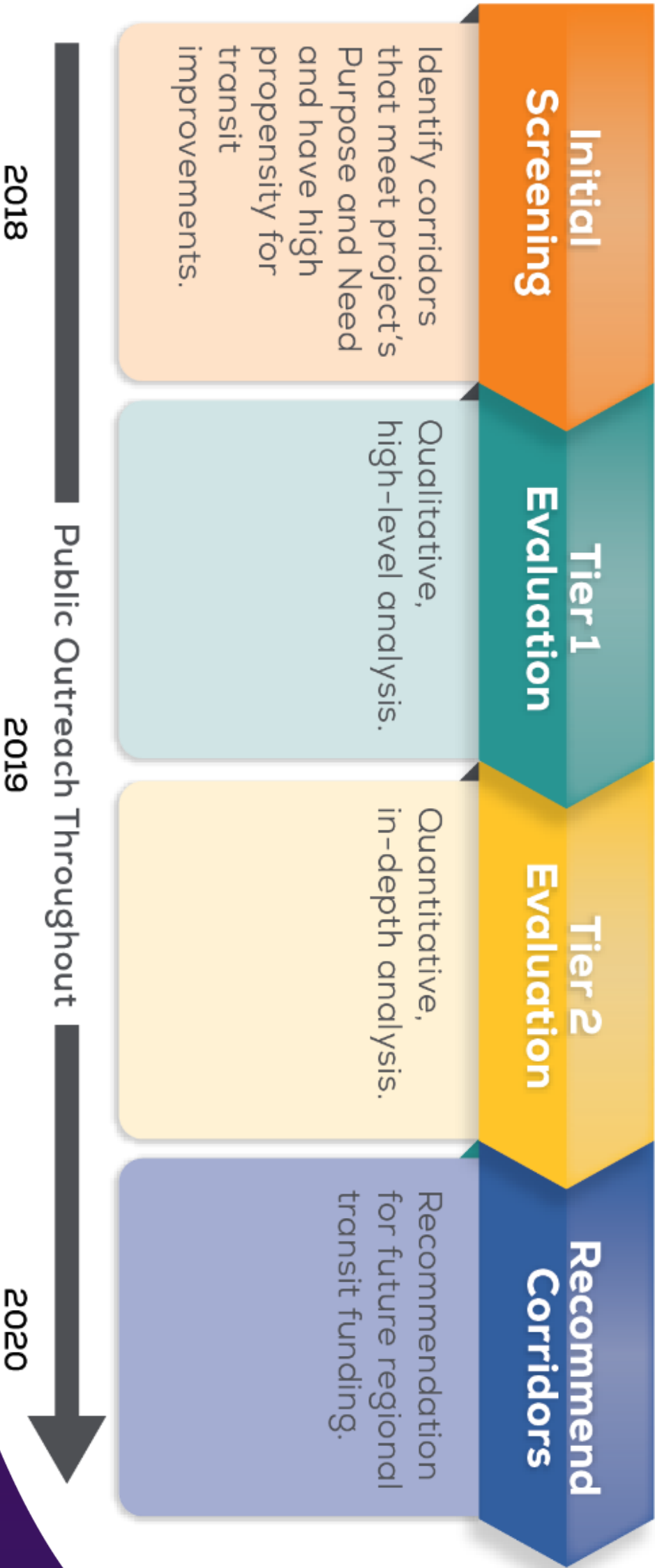


What's the Difference?

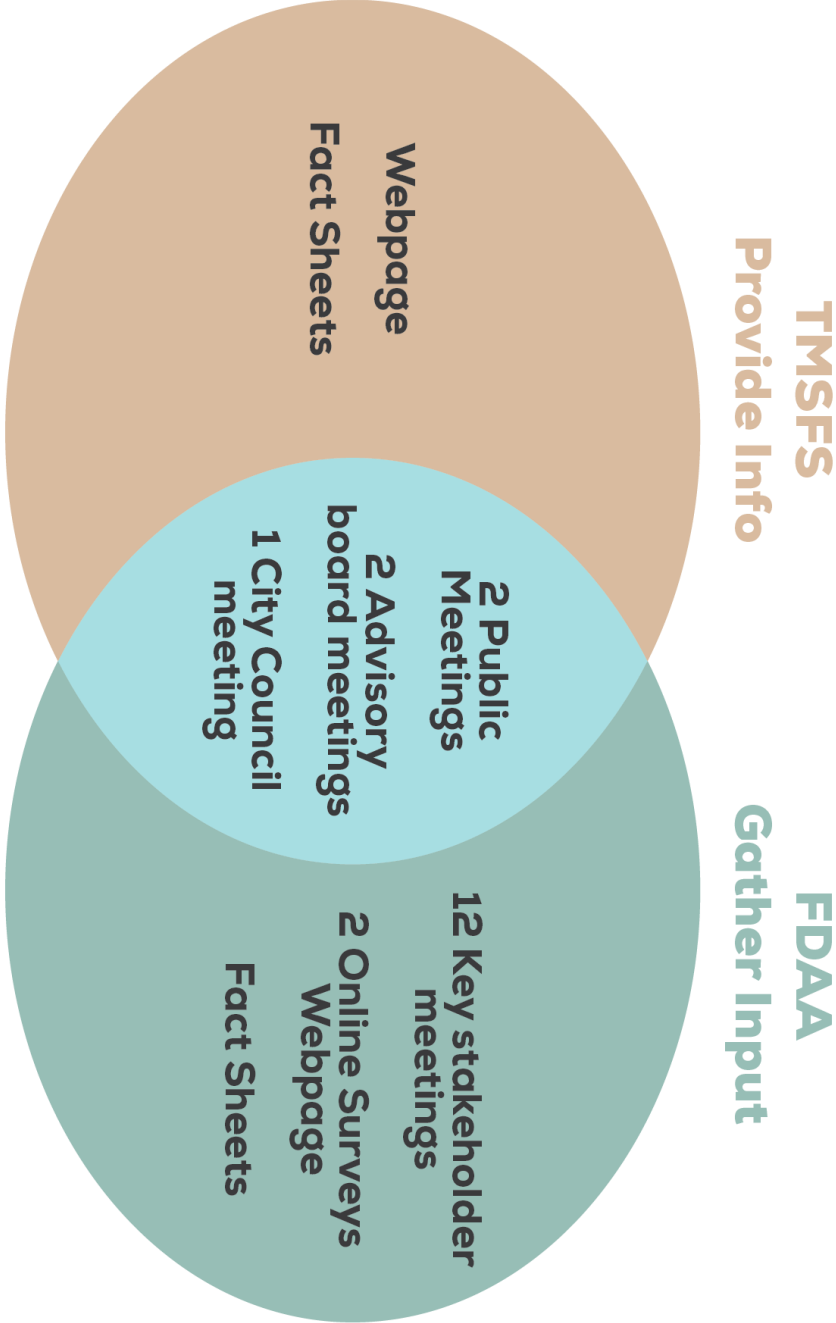


Feasibility Study		Alternatives Analysis	
Goal/Outcome	Multiple corridors	Single corridor	
Transit Type Analyzed	Streetcar	Enhanced Bus Streetcar Light Rail	
Methodology	Technical Analysis	✓	✓
	Community Input		✓
Next Step	Determine appropriate transit mode for Recommended Corridors		

Process



Community Outreach



Public Meetings:
Oct. 26, 2017
Nov. 14, 2018

Tier 1 Evaluation Results

Study Session
November 12, 2020
Attachment 2
Page 10 of 22

MSFS

13 potential corridors evaluated
5 carried through to Tier 2 Evaluation

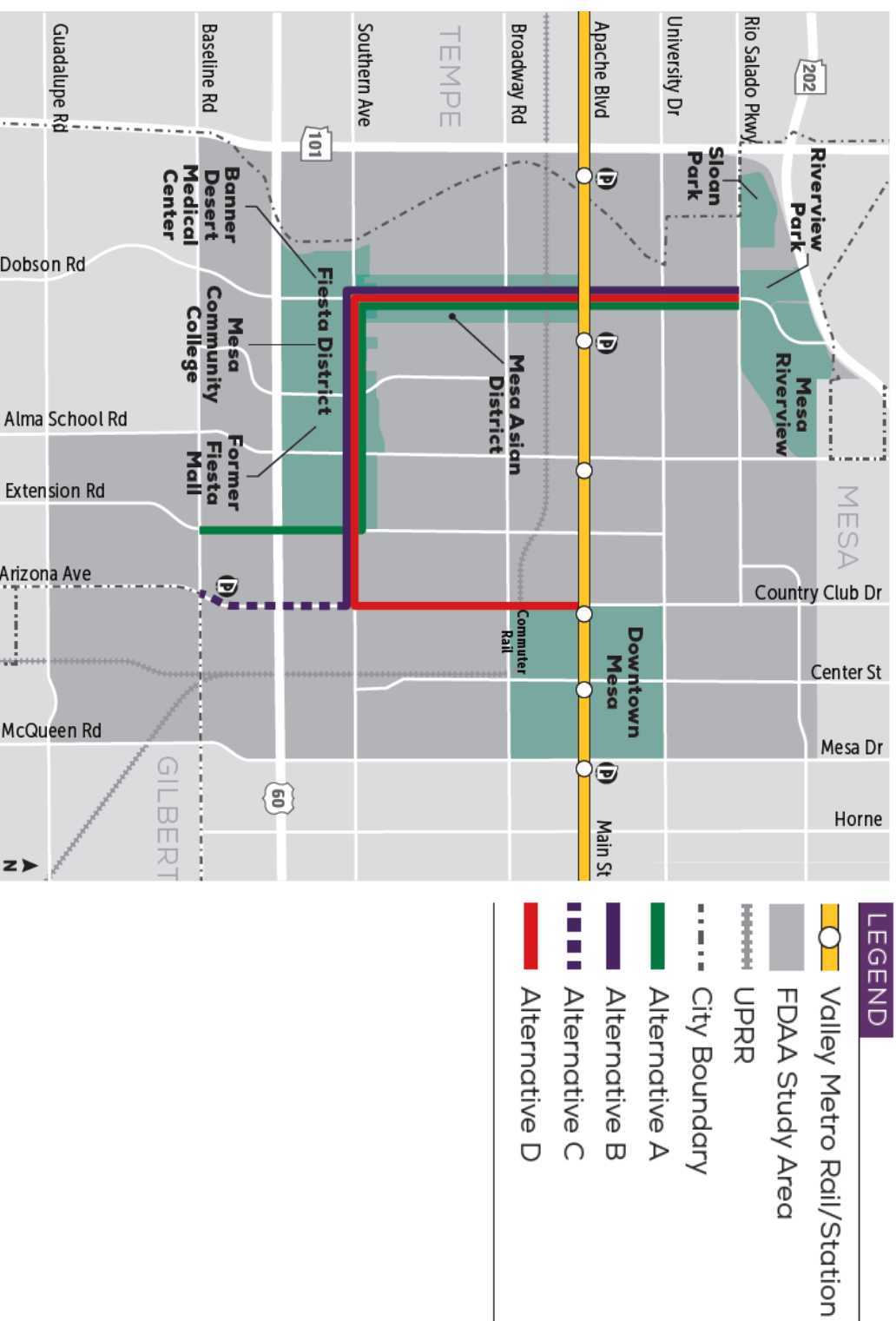


FDAA

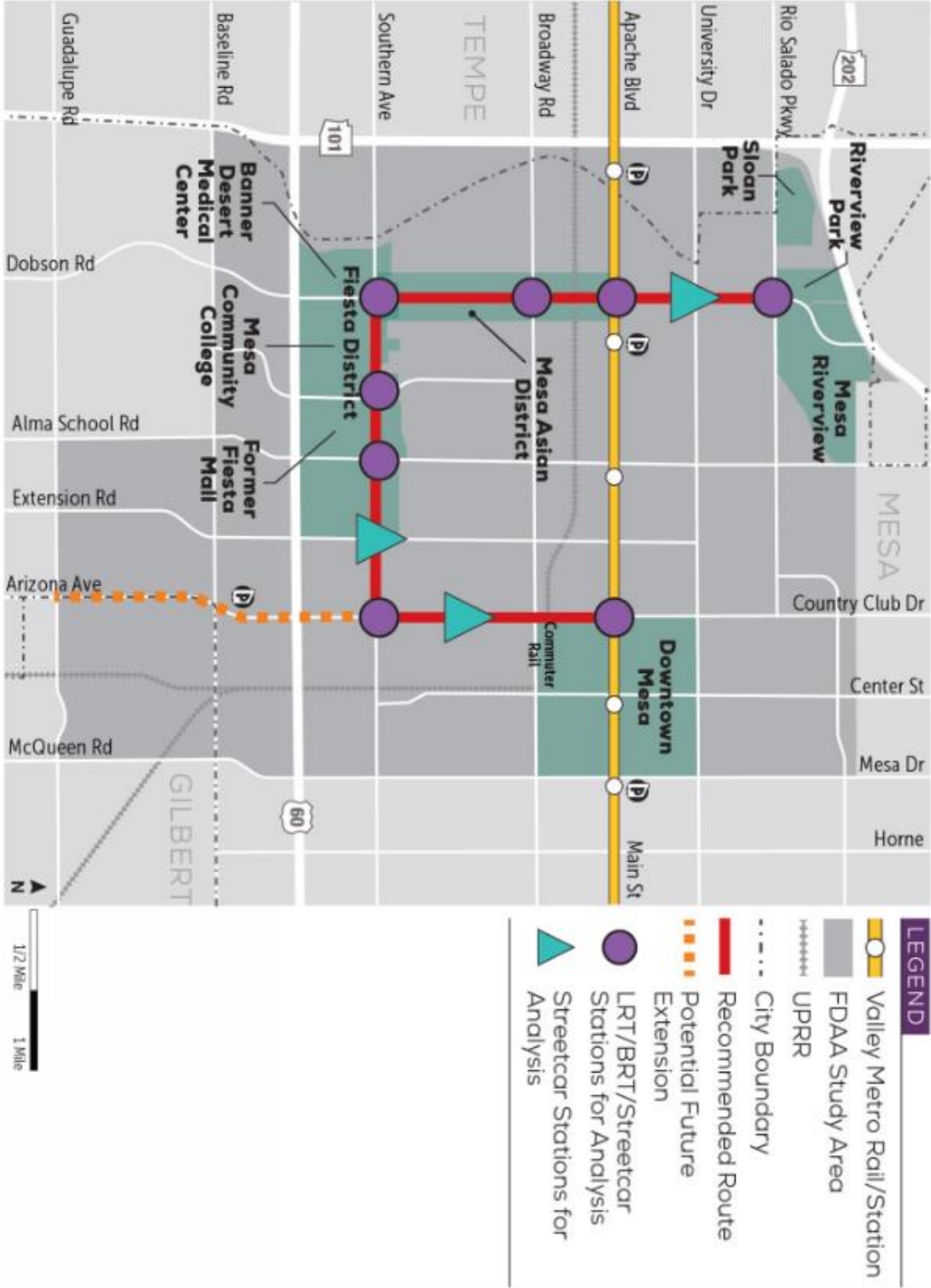
11 potential corridors evaluated
4 carried through to Tier 2 Evaluation



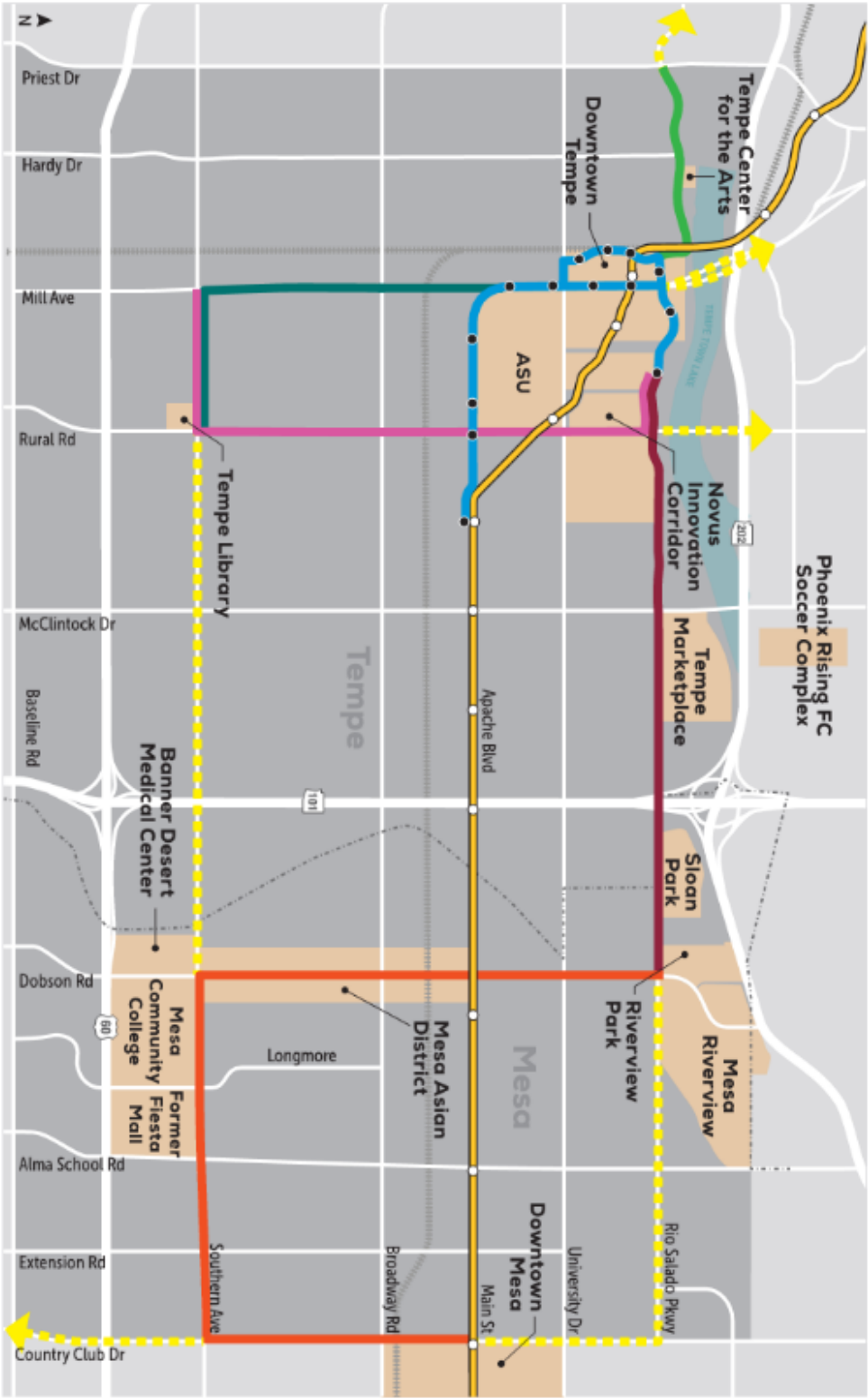
FDA: Tier 2 Corridors



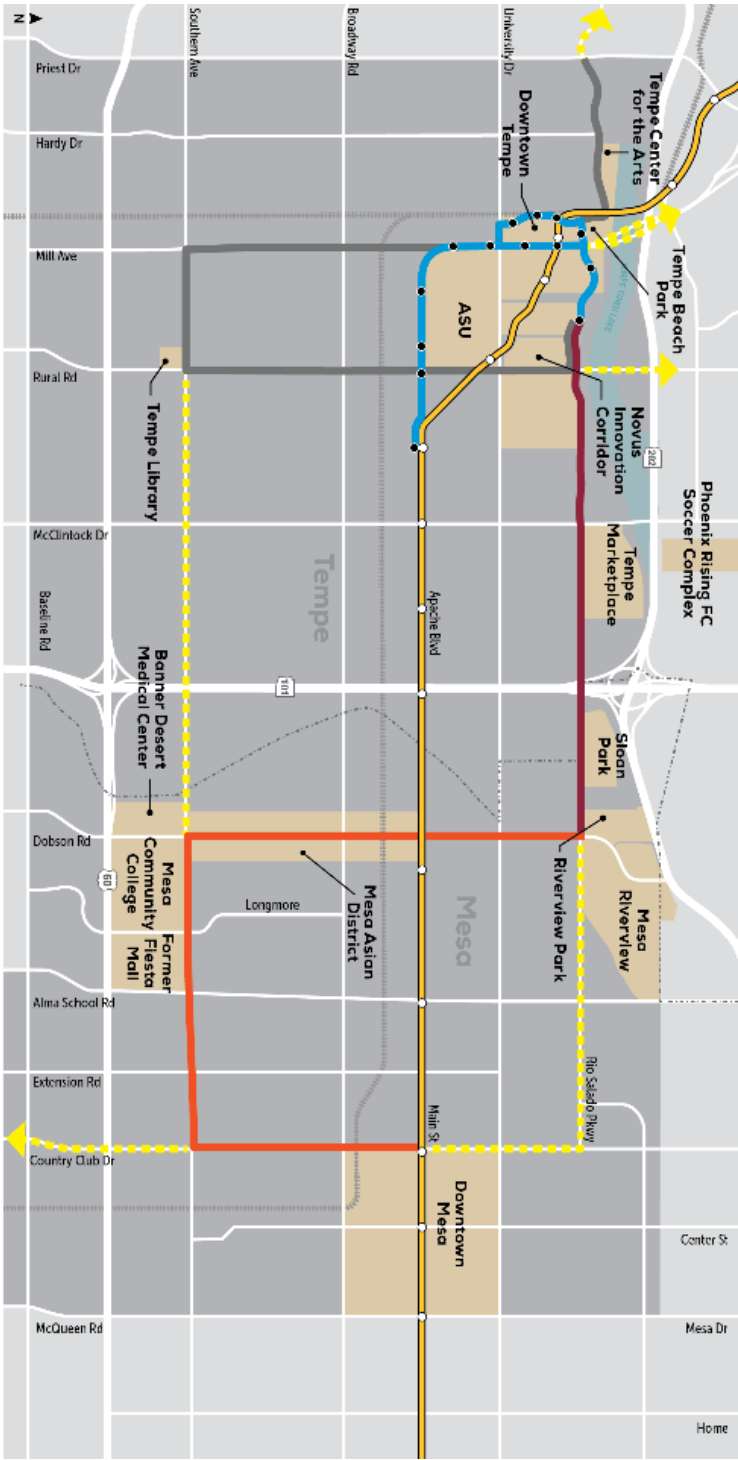
FDAA: Final Recommendation



TMSFS: Tier 2 Corridors



FDAA/TMSFS Final Recommendations



- 1 Rio Salado East: Marina Heights to Dobson
- 2 Rural: Marina Heights to Southern/Mill
- 3 Dobson, Southern, Country Club
- 4 Mill: Apache to Southern/Rural
- 5 Rio Salado West: Ash to Priest

Steps to Prioritize Future Investment

Rio Salado Parkway East & Dobson/Southern/Country Club



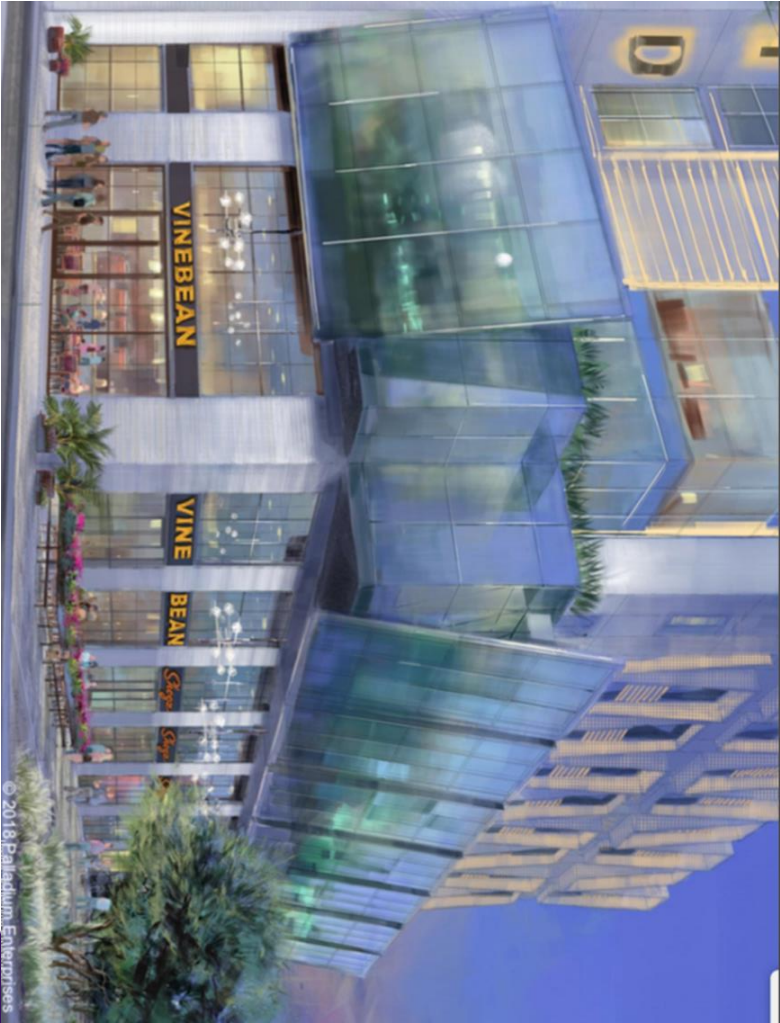
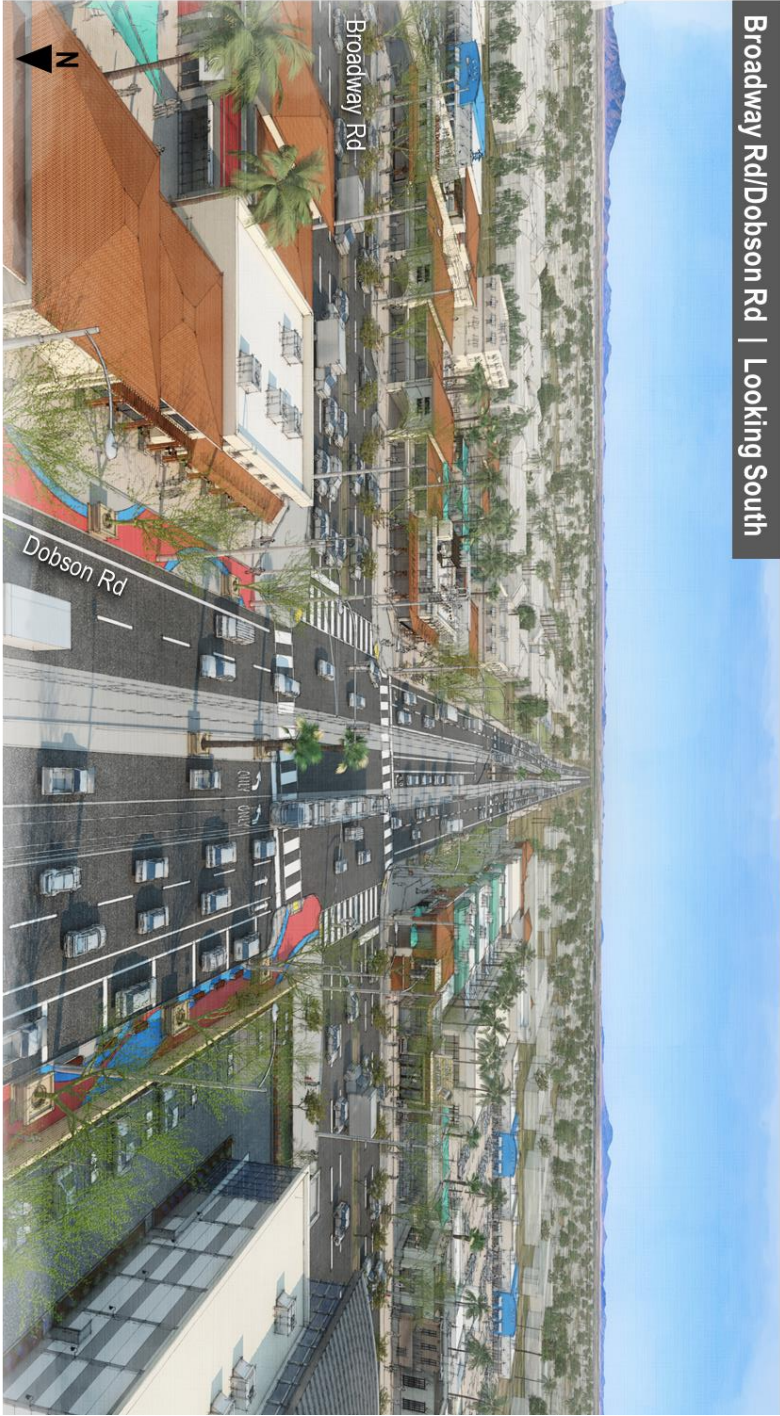
- **Extend Route 48** from Tempe Marketplace to Mesa Riverview on Rio Salado Pkwy
- Enhance service on **Route 30** – University Dr and **Route 45** – Broadway Rd
- Implement a uniquely **branded local circulator route** to further develop transit market



- Integrate corridor into the **city of Mesa's General Plan** update to drive transit-supportive development
- Continue coordination with developers to seek opportunities to **integrate streetcar intodevelopments**
- Encourage developers along the corridor to implement **transit-oriented development elements**

Questions

Broadway Rd/Dobson Rd | Looking South



ONLY FOR ILLUSTRATIVE PURPOSES

Thank You

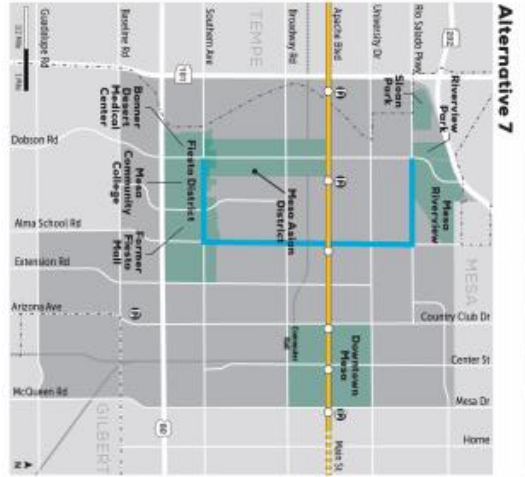
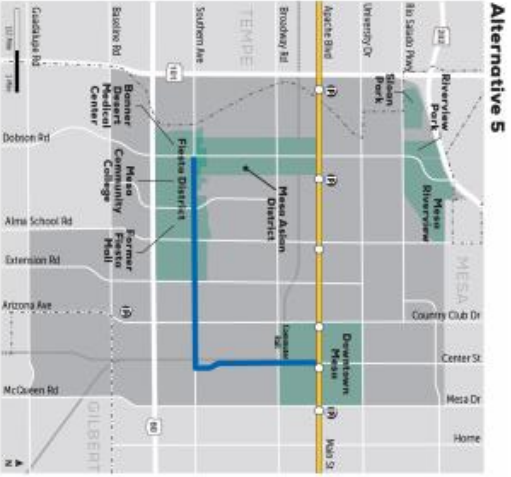
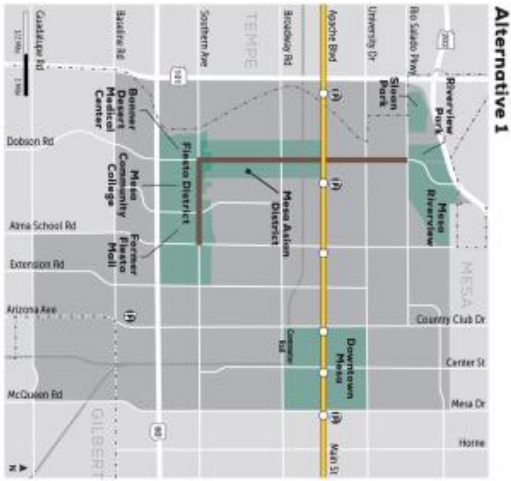


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Appendix

FDAA Tier 1 Results



TMSFS Tier 1 Results



LEGEND

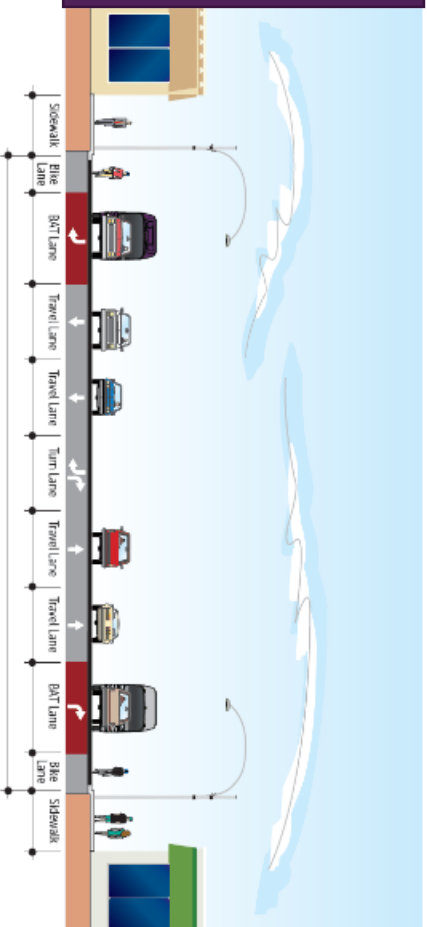
Valley Metro Rail/Station Tempe Streetcar Route/Stop Study Area

Tier 1 Evaluation Score

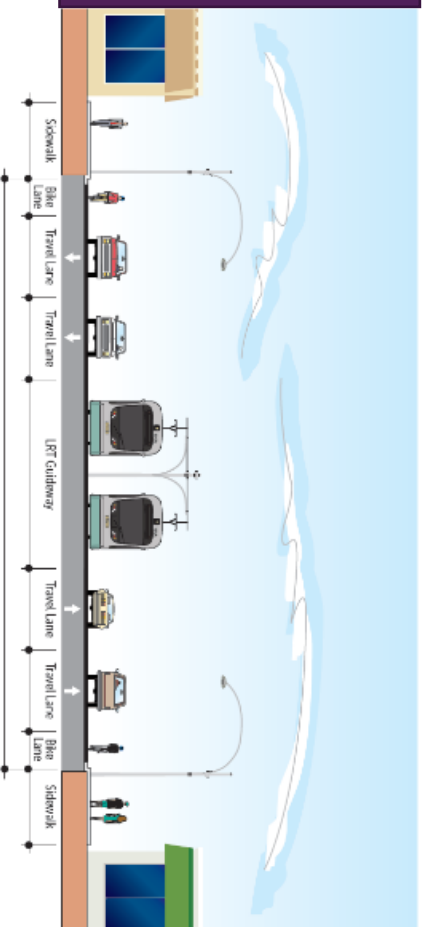
High Medium Low

Conceptual Design Cross Sections

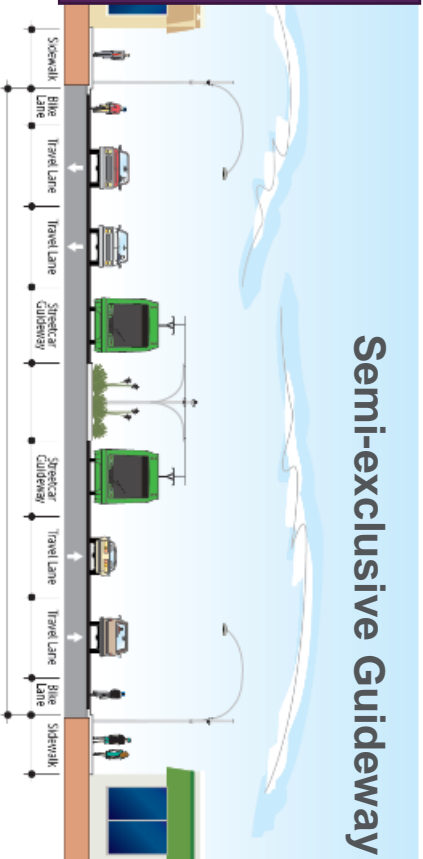
BRT



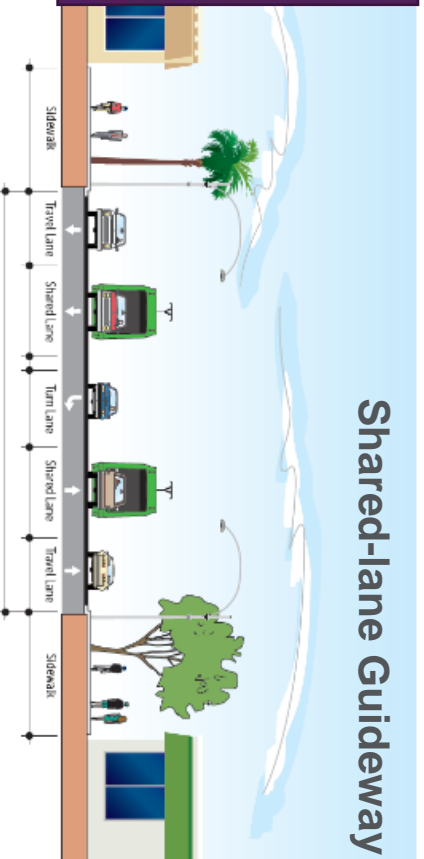
Light Rail



Streetcar 1



Streetcar 2



Shared-lane Guideway

Semi-exclusive Guideway

November 12, 2020

TO: CITY COUNCILMEMBERS

FROM: MAYOR JOHN GILES

SUBJECT: Appointments to Boards and Committees

The following are my recommendations for appointments to City of Mesa Advisory Boards and Committees.

Economic Development Advisory Board – Nine-member board plus up to six ex-officio members including new appointments.

Jennifer Zonneveld, (ex-officio) District 5. Ms. Zonneveld is the Director of Business Development at Northrop Grumman. She has more than 20 years' experience in engineering, program management and business development. She earned a Bachelor's Degree in Mechanical Engineering from Pennsylvania State University and an MBA from Arizona State University. She holds two US Patents and is a member of the Society of Women Engineers.

Housing and Community Development – Eleven-member board including new appointments.

Dr. Nicolle Karantinos, District 5. Dr. Karantinos is a Realtor with Realty Executives. She has an extensive background in education as a Spanish Teacher, Assistant Principal, Director of STEAM and Chief Academic Officer. She earned a Bachelor's Degree in Spanish and Communication from University of Northern Iowa, Master's Degree in Secondary Education from Northern Arizona University and a Ph.D. in Educational Administration and Supervision from Arizona State University. Her term expires June 30, 2023.