

**Tempe City Council
Formal Council Meeting
Harry E. Mitchell Government Center
Tempe City Hall - City Council Chambers
31 East Fifth Street, Tempe, Arizona
Thursday, January 09, 2014
7:30 PM**

Members of the City Council may attend either in person or by telephone conference call.

1. **INVOCATION - Councilmember Granville**
2. **PLEDGE OF ALLEGIANCE**
3. **MINUTES - Vice Mayor Shekerjian**
 - A. Approval of Council Meeting and Council Committee Meeting Minutes
 1. [Formal Council Meeting - November 21, 2013](#)
 2. [Issue Review Session - November 21, 2013](#)
 3. Executive Session - December 12, 2013
 4. [City Council Retreat - August 17, 2013](#)
 - B. Acceptance of Committee, Board & Commission Meeting Minutes
 1. [Aviation Commission - November 12, 2013](#)
 2. [Development Review Commission - November 26, 2013](#)
 3. [Development Review Commission Study Session - November 26, 2013](#)
 4. [Hearing Officer - November 19, 2013](#)
 5. [Historical Museum Advisory Board - September 5, 2013](#)
 6. [Human Relations Commission - November 12, 2013](#)
 7. [Joint Review Committee - June 5, 2013](#)
 8. [Joint Review Committee Study Session - June 5, 2013 and July 10, 2013](#)
 9. [Mayor's Youth Advisory Commission - November 19, 2013](#)
 10. [Parks, Recreation and Golf Advisory Board - November 20, 2013](#)
 11. [Tempe Fire Public Safety Personnel Retirement System Board - November 7, 2013](#)
 12. [Tempe Police Public Safety Personnel Retirement System Board - October 3, 2013 and November 7, 2013](#)
 13. [Transportation Commission - November 12, 2013](#)

4. REPORTS AND ANNOUNCEMENTS

- A. Mayor's Announcements
 - 1. **Board and Commission Reappointments**
- B. Manager's Announcements

5. AGENDA

All items listed on the agenda will be considered as a group and will be enacted with one motion by the City Council unless an item is removed for separate consideration. Members of the public may remove public hearing items for separate consideration. Public hearing items are designated by an asterisk (*). Councilmembers may remove any item for separate consideration.

Agenda items scheduled for Introduction/First Public Hearing will be heard, but will not be voted upon at this meeting. Items scheduled for Second Public Hearing/Final Adoption will be voted upon tonight.

'q-j' indicates quasi-judicial items. The City Council sits as a quasi-judicial body when hearing variances. In this situation, the City Council must conduct itself as a court, not as a legislative body. Pre-meeting contact with the City Council on quasi-judicial matters is prohibited. Any materials or conversations concerning the item shall only be presented to the City Council at the scheduled public hearing.

Legal Advice: If necessary, the City Council may vote to adjourn to executive session for the purpose of obtaining legal advice from the Council's attorney on any matter listed on the agenda pursuant to A.R.S §38-431.03(A)(3).

A. Miscellaneous Items

- A1. [Approve the amended Tempe City Council Rules of Procedure.](#)

Fiscal Impact: N/A

- A2. [Approve a Final Subdivision Plat for DISCOVERY BUSINESS CAMPUS, located at 2100 East Elliot Road. The applicant is Survey Innovation Group, Inc.](#)

Fiscal Impact: There is no fiscal impact on City funds.

- A3. [Approve board and commission reappointments.](#)

Fiscal Impact: N/A

- *A4. [Hold a public hearing to recommend the approval of a Series 09S liquor store with sampling license for Smith's Food & Drug Centers Inc., dba Fry's Food and Drug #22, 1835 East Guadalupe Road.](#)

Fiscal Impact: N/A

- *A5. [Hold a public hearing to recommend the approval of a Series 09S liquor store with sampling license for Smith's Food & Drug Centers Inc., dba Fry's Marketplace #627, 9900 South Rural Road.](#)

Fiscal Impact: N/A

- *A6. [Hold a public hearing to recommend the approval of a Series 09S liquor store with sampling license for B & R Liquors Inc., dba Liquor Express, 1605 East Apache Boulevard.](#)

Fiscal Impact: N/A

- *A7. [Hold a public hearing to recommend the approval of a Series 06 bar liquor license for Crescent Hotels & Resorts, LLC, dba Twin Palms Hotel, 225 East Apache Boulevard.](#)

Fiscal Impact: N/A

B. Award of Bids/Contracts

- B1. [Approve the utilization of a six-month Western State Contracting Alliance cooperative contract with SHI International Corporation for the purchase of desktop and server operating system software, Microsoft Enterprise software support, software licensing, and related services to be overseen by the Finance and Technology Department.](#)

Fiscal Impact: Total cost of this contract shall not exceed \$525,000 for the six-month contract term. Sufficient funds have been appropriated in General Fund cost center 1991 (Finance & Technology; IT Administration) and other City-wide cost centers as needed for the anticipated expenditures during the current fiscal year.

- B2. [Approve the utilization of a one-year Western States Contracting Alliance cooperative contract with Verizon Wireless for the purchase of a wide variety of wireless devices and airtime services to include cellular phones, smart phones, tablets, laptops, and hotspot devices for all City departments.](#)

Fiscal Impact: Total value of this contract shall not exceed \$490,000 for the one-year contract term. Sufficient funds have been appropriated in various City-wide cost centers for the anticipated expenditures during the current fiscal year in the General, Court Enhancement, Governmental, Grants or Donations, Section 8 Housing, Highway User Revenue, Transit, Performing Arts, Solid Waste, and Water/Wastewater Funds. This contract is widely used throughout the City and is charged to 66 different cost centers.

- B3. [Approve the utilization of a one-year National Intergovernmental Purchasing Alliance Company contract sponsored by the City of Tucson with Grainger for a catalog-wide agreement for the purchase of a wide variety of tools, motors, lamps, industrial supplies, and maintenance, repair, and operations materials used by most City departments.](#)

Fiscal Impact: Total cost of this one-year contract will not exceed \$250,000. Sufficient funds have been appropriated in various funds and cost centers Citywide for the anticipated expenditures in the current fiscal year.

- B4. [Approve the utilization of a one-year Mohave Arizona Purchasing Cooperative contract with Konica Minolta Business Solutions U.S.A., Incorporated and Baystone Financial Group, a Division of Kansas State Bank for the lease, installation, and maintenance of multifunctional digital copiers/printers throughout the City on an as-needed basis; and authorize the City Manager to sign the master lease agreement once completed in March 2014.](#)

Fiscal Impact: Total value of this contract will not exceed \$610,000 during the five-year lease term. Sufficient funds have been appropriated in various Citywide cost centers for the anticipated expenditures during the current fiscal year in the General and Section 8 Housing Funds. This contract is widely used throughout the City and is charged to approximately 26 different cost centers.

- B5. [Approve five-year contract renewals with Nationwide Retirement Solutions and Galloway Asset Management LLC to provide 401-\(k\) and 457-\(b\) Deferred Compensation administration and investment services for eligible City employees and retirees.](#)

Fiscal Impact: The City is not charged any expenses under this contract as all plan expenses are paid by participants.

- B6. [Approve an amendment to the 20-year Solar Services Agreement with SolarCity Corporation for the development, construction, and maintenance of the South Water Treatment Plant's solar photovoltaic electric generating system.](#)

Fiscal Impact: The total cost of the 20-year Solar Services Agreement (SSA) for the South Water Treatment Plant is estimated at \$1,646,281. Due to the lower per kilowatt-hour (kWh) cost associated with the solar production portion of the plant's energy demand, the City will realize a net savings over currently approved energy budgets. The 20-year projected Net Present Value (NPV) energy savings is calculated at \$738,895.

- B7. [Approve an addendum to a Construction Manager at Risk construction services contract with PCL Construction, Inc. for fabrication and delivery of the hydraulically operated steel gates for Tempe Town Lake.](#)

Fiscal Impact: The addendum to the Construction Manager at Risk construction services contract is \$11,506,872. Funds to cover this addendum and related costs are appropriated in Capital Improvement Project No. 6504229, Tempe Town Lake Dam Replacement.

- B8. [Award a construction contract to Talis Construction Corporation for improvements to pedestrian and bicycle facilities on Hardy Drive between University Drive and Broadway Road.](#)

Fiscal Impact: The total contract amount is \$1,840,324.29 and the project contingency amount is \$184,000. Fiscal year 2013/14 appropriations in the amount of \$1,113,592 to pay for costs associated with the contract are authorized in Capital Improvement Project No. 6004379, Hardy Drive Streetscape. Planned contract expenditures within the current fiscal year are not projected to exceed current fiscal year project appropriations. The remaining expenditures under the contract will occur in fiscal year 2014/15; when, subject to and contingent upon future appropriation by the Mayor and Council, additional project appropriations sufficient to complete the project will be available in the adopted five-year Capital Improvement Program. The majority of this project is funded by a Congestion Mitigation and Air Quality Improvement grant through the Federal Highway Administration at an amount up to \$1,811,884.

- B9. [Award a construction contract to Talis Construction Corporation for bicycle and pedestrian improvements on University Drive from Priest Drive to Ash Avenue.](#)

Fiscal Impact: The total contract amount is \$1,549,327.33 and the project contingency amount is \$154,000. Funds to cover this construction contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 6004509, University Drive Bicycle/Pedestrian Improvements, and Project No. 6005259, Federal Grant and Project Contingency. Total appropriation currently available for construction in Project No. 6004509 is \$1,046,412 with the additional appropriations needed for construction (\$850,000) being transferred from Project No. 6005259, Federal Grant and Project Contingency, upon contract approval. This project is funded by a Congestion Mitigation and Air Quality Improvement grant through the Federal Highway Administration at an amount up to \$2,349,956 (94.3% federal funding and 5.7% local match).

- B10. [Award a construction contract to B&F Contracting, Inc. for on-call installation of traffic signal foundations and underground infrastructure as needed at locations throughout the City.](#)

Fiscal Impact: The total contract amount is \$260,750. \$147,560 was approved and appropriated in fiscal year 2013/2014 for Capital Improvement Fund No. 6903382, Traffic Signal Foundations. The balance of this contract will be funded by various capital improvement projects that will be utilizing this on-call contract throughout the year.

- B11. [Award a construction contract to Roadway Electric, Inc. for replacement of traffic control cabinets and hardware at various locations throughout the City.](#)

Fiscal Impact: The total contract amount is \$653,300 and the project contingency amount is \$65,300. Funds to cover this construction contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 6905709, Traffic Control Cabinets and Hardware. This project is funded by a Congestion Mitigation and Air Quality Improvement grant through the Federal Highway Administration at an amount up to \$726,110 (94.3% federal funding and 5.7% local match).

- B12. [Award a professional services contract to Carollo Engineers, Inc. to evaluate the drinking water filtration system at the Johnny G. Martinez and South Tempe Water Treatment Plants.](#)

Fiscal Impact: The professional services contract amount is \$107,080. Funds to cover this contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 3205889, Filter Rehabilitation at Water Treatment Plants.

- B13. [Award a professional services contract to Burgess & Niple, Inc. for design of a new groundwater production and recovery well to be located at 8690 South McClintock Drive.](#)

Fiscal Impact: The professional services contract amount is \$200,909. Funds to cover this contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 3200019, New Production Wells.

- B14. [Award a professional services contract to Arcadis U.S., Inc. for design and programming of the supervisory control and data acquisition system for water storage tanks located on Belle, Hayden, and Papago Buttes.](#)

Fiscal Impact: The professional services contract amount is \$697,824. Funds to cover this contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 3204409, SCADA Master Plan and Implementation.

- B15. [Award a construction contract to Sunland Inc. - Asphalt & Sealcoating for pavement rehabilitation on University Drive from the Union Pacific Railroad to 48th Street.](#)

Fiscal Impact: The total contract amount is \$819,076 and the project contingency amount is \$81,900. Funds to cover this construction contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 5499741, Arterial Resurfacing.

- B16. [Award a construction contract to Sunland Inc. - Asphalt & Sealcoating for intersection resurfacing at Broadway Road and Priest Drive.](#)

Fiscal Impact: The total contract amount is \$139,742.02 and the project contingency amount is \$80,000. Funds to cover this construction contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 5499741, Arterial Resurfacing.

- B17. [Award a two-year contract with three, one-year renewal options to Precision Graphics for custom graphic designed t-shirts and sports program clothing for the Community Services Department.](#)

Fiscal Impact: The total project cost shall not exceed \$130,000. Sufficient funds have been appropriated in General Fund - cost centers 2525 (Adult Sports), 2526 (Youth Sports), and 2547 (Youth Athletic Programs) for the anticipated expenditures in the current fiscal year.

- B18. [Award a one-year contract with four, one-year renewal options to Fabiani Painting and Decorating for pole and fixture painting utilized in the maintenance of traffic poles, light poles, and bus shelters for the Public Works Department.](#)

Fiscal Impact: Total cost of this one-year contract will not exceed \$75,000. Sufficient funds have been appropriated in the Transit Fund, cost center 3917 (Bus Stop and Bikeway Maintenance) and the Highway User Fund, cost center 3824 (Street Lights and Signals) for the anticipated expenditures in the current fiscal year.

- B19. [Award two-year contracts with two, two-year renewal options to Foster Electric Motor Service, Inc., The Pump Company, and Weber Water Resources, LLC, for the purchase, maintenance, and repair of equipment and parts for City-owned water well facilities for the Public Works Department.](#)

Fiscal Impact: Total combined cost of the two-year contracts will not exceed \$670,000. Sufficient funds have been appropriated in the General Fund – cost center 2554 (Parks Maintenance – Rio Salado), Golf Fund – cost center 2512 (Ken McDonald Golf Course), and Water/Wastewater Fund – cost centers 3015 (Wells) and 3016 (Water Field Facilities) for the anticipated expenditures during the current fiscal year.

- B20. [Award construction contracts to Visus Engineering Construction, Inc., Alliance Streetworks Inc., and Sunland Inc. – Asphalt & Sealcoating for alley stabilization within the Holdeman, North Tempe, and Evergreen neighborhoods.](#)

Fiscal Impact: The total contract amounts are \$271,519.70 for Visus Engineering Construction, Inc., \$367,719.36, for Alliance Streetworks Inc., and \$164,411.92 for Sunland Inc. – Asphalt & Sealcoating and the project contingency amounts are \$27,151, \$36,771, and \$16,441, respectively. Funds to cover these construction contracts and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project Nos.

5405679, Holdeman Neighborhood Alley Stabilization; 5405689, North Tempe Neighborhood Alley Stabilization; and 5405699, Evergreen Neighborhood Alley Stabilization. These projects are funded by Congestion Mitigation and Air Quality Improvement grants through the Federal Highway Administration at an amount up to \$1,974,259 (94.3% federal funding and 5.7% local match).

C. Ordinances and Items for Introduction/First Hearing - These items will have two public hearings before final Council action

- *C1. [Introduce and hold the first public hearing to adopt an ordinance for an Amended Planned Area Development Overlay for LPC SOUTHBANK, located at 1190 East Vista Del Lago Drive. The applicant is Snell & Wilmer LLP. The second and final public hearing is scheduled for January 23, 2014. \(Ordinance No. 2013.57\) \(This item was continued from the October 24, 2013, November 7, 2013, November 21, 2013, and the December 12, 2013 Formal Council Meetings at the request of the Applicant\)](#)

Fiscal Impact: While this ordinance change does not directly impact revenue, the planned development will result in collection of the standard development fees, calculated according to the approved fee structure at the time of permit issuance.

- *C2. [Introduce and hold the first public hearing to adopt an ordinance authorizing the partial abandonment of a portion of two existing waterline easements located near 2520 South Priest Drive \(north of Alameda Drive\). The second and final public hearing is scheduled for January 23, 2014. \(Ordinance No. O2014.04\)](#)

Fiscal Impact: No impact to City funds.

- *C3. [Introduce and hold the first public hearing to approve an ordinance to amend Chapter 26, Sections 26-70, and 26-71, Article V of the Tempe City Code relating to Security Plans. The second and final public hearing is scheduled for January 23, 2014. \(Ordinance No. O2014.05\)](#)

Fiscal Impact: N/A

- *C4. [Introduce and hold the first public hearing to approve an ordinance to amend Chapter 29, Article II, Section 29-16 and adding Sections 29-24 and 29-25 to the Tempe City Code relating to Public Rights of Way. The second and final public hearing is scheduled for January 23, 2014. \(Ordinance No. O2014.06\)](#)

Fiscal Impact: N/A

- *C5. [Introduce and hold the first public hearing to approve an ordinance to amend Chapter 26, Article III, Section 26-53.1 of the Tempe City Code relating to Disposal of Property in Police Possession. The second and final public hearing is scheduled for January 23, 2014. \(Ordinance No. O2014.07\)](#)

Fiscal Impact: N/A

- *C6. [Introduce and hold the first public hearing to approve an ordinance to amend Chapter 6, Article II, Sections 6-21, 6-32 and 6-49 through 6-53 of the Tempe City Code relating to Animals and Fowl. The second and final public hearing is scheduled for January 23, 2014. \(Ordinance No. O2014.08\)](#)

Fiscal Impact: N/A

D. Ordinances and Items for Second Hearing/Final Adoption

- *D1. [Hold the second and final public hearing to adopt an ordinance amending Chapter 16 of the Tempe City Code, relating to License, Privilege and Excise Taxes. \(Ordinance No. O2014.01\)](#)

Fiscal Impact: The additional and expanded exemptions provided for in this ordinance are expected to result in a loss of transaction privilege tax revenues of approximately \$800,000 to \$900,000 annually, substantially all of which relates to the expansion of the exemption for leases of commercial real property between affiliated entities.

- *D2. [Hold the second and final public hearing to adopt an ordinance authorizing the transfer of a portion of unencumbered budget appropriation from the Transit Fund to the Performing Arts Fund. \(Ordinance No. O2014.02\)](#)

Fiscal Impact: The transfer of the unencumbered budget appropriation from the Transit Fund to the Performing Arts Fund will be cost neutral to the City. There will be no increase in overall City budget appropriation. The fiscal year 2013-14 budget appropriation in the amount of \$42,782 for personnel costs associated with Tempe Center for the Arts (TCA) Maintenance Supervisor position number 1814 will be transferred from the Transit Fund (Fund 39) cost center 3914 to the Performing Arts Fund (Fund 36) cost center 3612.

E. Resolutions

- E1. [Adopt a resolution calling for a Special Election on May 20, 2014, for the purpose of submitting the General Plan 2040 to the voters of Tempe for ratification. \(Resolution No. R2014.01\)](#)

Fiscal Impact: The Special Election is estimated to cost \$255,000. Sufficient funds have been allocated in cost center 1320 (General Fund).

- E2. [Adopt a resolution authorizing the Mayor to execute the First Amendment to Land and Improvements Lease between the City of Tempe and Tempe RI, LLC, relating to the Marriott Residence Inn located at 510 South Forest Avenue. \(Resolution No. R2014.02\)](#)

Fiscal Impact: The requested change in the timing payments will result in no fiscal impact to the City.

- E3. [Adopt a resolution authorizing the Mayor to execute the First Amendment to Permanent Parking Use License Agreement between the City of Tempe and Tempe RI, LLC relating to the Marriott Residence Inn located at 510 S Forest Avenue. \(Resolution No. R2014.03\)](#)

Fiscal Impact: Currently the hotel is allotted 100, 24-hour spaces at \$85 each, per month and 50 night/weekends spaces at \$45 each, per month for a total of \$10,750 per month. These fees will stay the same; however, the number of spaces allocated each quarter will vary. The hotel will also be charged \$60/space/month for any shared parking spaces, \$6 per space, per day for any daily parking and \$0.75 per space, per hour for any hourly parking. It is anticipated that there will be minimal or no fiscal impact to the City as a result of this change as the relinquished spaces will now be available to the public at an hourly parking rate.

- E4. [Adopt a resolution authorizing the Mayor to execute a Development Agreement with Papago Park Center, Inc., an Arizona corporation \("Developer"\), relating to the development of property located on the southeast corner of Priest Drive and Washington Street. \(Resolution No. R2014.04\)](#)

Fiscal Impact: The City has agreed to share up to \$1.5 million of the costs associated with certain "Public Amenities" along the relocated Grand Canal, if the Developer expends not less than \$3 million toward such improvements. The City's share, not to exceed \$1.5 million, will be paid from 70% of the unrestricted portion of future transaction privilege taxes levied and collected from taxable activities at the project. In addition, Developer agrees to contribute \$25,000 toward expenses incurred or to be incurred by City in designing pedestrian/multimodal improvements connecting the Grand at Papago Park Center to Tempe Town Lake.

- E5. [Adopt a resolution authorizing the Mayor to sign an intergovernmental agreement between the Regional Public Transportation Authority and the City of Tempe for Dial-a-Ride and related mobility services. \(Resolution No. R2014.05\)](#)

Fiscal Impact: Net cost to Tempe is estimated to be \$249,751. Gross cost of Tempe's Dial-a-Ride and mobility programs is \$1,286,032. Funding sources include: Regional Proposition 400 funding (\$885,000 - 70%), federal grants (\$57,000 - 4%), fare revenue (\$94,000 - 7%), and Tempe local funds (\$250,000 - 19%). Funding for Tempe's local share is provided by the Transit Fund cost center 3914.

- E6. [Adopt a resolution approving revisions to two intergovernmental agreements with the Regional Public Transportation Authority concerning the provisional unification of Tempe's and the Regional Public Transportation Authority's bus operations. \(Resolution No. R2014.06\)](#)

Fiscal Impact: Tempe will continue funding the personnel expense for the Senior Transit Operations Coordinator position, estimated at \$84,133, for fiscal year 2013/14. This expense is paid from Transit operating budget account no. 3914.

- E7. [Adopt a resolution authorizing the Mayor to execute an Amended and Restated Development Agreement with Farmer Arts Retail, LLC, for the development of property located on the southeast corner of First Street and Farmer Avenue. \(Resolution No. R2014.07\)](#)

Fiscal Impact: No fiscal impact to the City. However, the developer is responsible for all standard development fees except those pertaining to construction of the bicycle and pedestrian path.

6. CURRENT EVENTS/COUNCIL ANNOUNCEMENTS/FUTURE AGENDA ITEMS

7. PUBLIC APPEARANCES

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on this agenda. Matters discussed by the public during public appearances cannot be discussed by the City Council unless they are specifically listed on this agenda. There is a five-minute time limit per speaker. Speaker's visual aids or recorded tapes are not allowed.

Members of the public shall refrain from making personal, impertinent or slanderous remarks and from becoming boisterous while addressing the City Council or while attending the meeting. Unauthorized remarks from the audience, clapping, stomping of feet, yelling or any similar demonstrations are also prohibited. Violations of these rules may result in removal from the City Council meeting.

A. Scheduled

B. Unscheduled

The City of Tempe endeavors to make all public meetings accessible to persons with disabilities. With 72 hours advance notice, special assistance can also be provided for sight and/or hearing impaired persons at public meetings. Please call (480) 350-2905 (voice) or (480) 350-2750 (TDD) to request an accommodation to participate in the City Council meeting.

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