

Minutes City Council Issue Review Session January 5, 2012

Minutes of the Tempe City Council Issue Review Session held on Thursday, January 5, 2012, 6:00 p.m., in the City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

COUNCIL PRESENT:

Mayor Hugh Hallman
Councilmember Robin Arredondo-Savage
Councilmember Mark W. Mitchell
Councilmember Corey D. Woods

Vice Mayor Joel Navarro
Councilmember Shana Ellis
Councilmember Onnie Shekerjian

STAFF PRESENT:

Charlie Meyer, City Manager
Jeff Kulaga, Assistant City Manager
Andrew Ching, City Attorney
Brigitta M. Kuiper, City Clerk

Andy Goh, Deputy Public Works Director – Engineering
Chris Kabala, Sr. Civil Engineer
Chad Heinrich, Government Relations Coordinator
Various Department Heads or their representatives

Mayor Hallman called the meeting to order at 6:12 p.m.

Call to the Audience

None.

Election Nomination Procedures

Brigitta Kuiper, City Clerk, provided an update regarding election nomination procedures as it pertains to a Tempe City Charter amendment. Presentation and discussion highlights include:

- Potential ballot language for a Charter amendment has been drafted by staff.
- Staff has determined that if a Primary election was dispensed with, the General election could be held in March, at the time a Primary election would have been held.
- Tempe City Charter, Article VII. Nominations and Elections, Sections (B) and (C) indicate additional language to the Charter. Section B is the language that would dispense with the Primary election in the event that no more than two candidates filed nomination petitions for each vacancy in office. Subsection C is the language that if the Primary election is dispensed with, then the regular City election can be held at the same time that the Primary election would have otherwise been held. Three additional sections would need to be renumbered if voters approved this language:
 - (B) THE PRIMARY ELECTION SHALL BE HELD FOR THE PURPOSE OF NOMINATING OR ELECTING CANDIDATES FOR CITY ELECTED OFFICE. IN THE EVENT THAT NO MORE THAN TWO CANDIDATES FILE NOMINATION PETITIONS FOR EACH VACANCY IN OFFICE, THE PRIMARY ELECTION MAY BE DISPENSED WITH.
 - (C) IF NO PRIMARY ELECTION IS REQUIRED DUE TO THE NUMBER OF CANDIDATES FILING NOMINATION PETITIONS FOR EACH VACANCY IN OFFICE, THE REGULAR CITY ELECTION SHALL BE HELD AT THE TIME THAT THE PRIMARY ELECTION WOULD HAVE OTHERWISE BEEN HELD.

- The ballot would only contain one question for voters.
- If Council wishes to pursue a Charter amendment for the May 2012 General election, staff will prepare a resolution for the January 19, 2012 Formal Council Meeting agenda; the Resolution will include ballot language for Council consideration.
- There may be situations where there are enough candidates that require a Primary election to be held, as is the case now because there are three candidates for Mayor; however, that is not the case for Council where there are three Council seats and five candidates. There could be the case where there would be a Primary election in March for Mayor, but if this amendment is adopted, there would also be a General election in March for Council.
- There are instances that if all candidates get over 50% of the vote in the primary election, they are automatically elected and there may be no need to hold a General election.
- The sample ballot would be strike/add language so that it is clear to the public what is being added and what is being removed from the Charter language.
- The official and descriptive title for ballot language is very clear; it states that voters are being asked to amend the Tempe City Charter. The City Clerk's Office and the City Attorney's Office work closely together to ensure that the descriptive title of the proposition is clear so the public understands what they are voting on.
- If Council approves a Resolution, then staff would prepare a proposition to add to the May ballot in the form of a Charter amendment.
- It is important that the public understands that if there are less than two candidates per vacancy, then only a Primary election will be held.
- Placing this proposition on a ballot gives the community the ability to make the decision.
- If Council approves a resolution on January 19, 2012 authorizing a ballot proposition to amend the Charter, public notification will begin at that time. The public will be provided an opportunity to file pro/con arguments regarding the proposition; there would be a publicity pamphlet.
- The new process may not necessarily save money if two elections are held.
- There is significant expense to candidates that run in two separate elections; it limits the pool of people that are able to run for office.
- Staff was asked to schedule this item for the next Formal Council Meeting agenda and to further explore whether or not this proposition requires one or two questions on the ballot.

Tempe Town Lake Dam

Jeff Kulaga, Assistant City Manager, Andy Goh, Deputy Public Works Director – Engineering, and Chris Kabala, Sr. Civil Engineer, provided a presentation on the Tempe Town Lake dam replacement recommendation. Presentation and discussion highlights include:

- Staff is recommending a steel hinged crest gate as a replacement for the for the Tempe Town Lake western dam.
- This design provides for safety, reliability, durability, cost effectiveness, and greatest value for the investment.
- Gannett Fleming conducted the engineering analysis; the analysis revealed that the steel gated dam was the best option.
- Timeline – The goal is to have the steel gated dam in place by December 28, 2015 to meet the terms and conditions of the City's agreement with Bridgestone.
 - Phase 1 – Selecting the dam technology – January 2012
 - Phase 2 – Design new dam/acquire various permits – complete by July 2013
 - Bid and procure construction – October 2013
 - Start construction – November 2013
 - Complete construction – December 28, 2015
- Dam Design Criteria – Tempe Town Lake is located within the Salt River; any work in the river bottom might affect the upstream flooding.
 - Maintain or improve current level of flood protection
 - Maintain full lake quickly after flood event
 - Raise, lower and operate reliably at normal lake levels
 - Be cost efficient
 - Have parts easily available

- Be compatible with pedestrian bridge, and existing structures such as Tempe Center for the Arts (TCA)
- Perform well in the Arizona climate
- Meet regulatory requirements
- Regulatory Agencies
 - U.S. Army Corps of Engineers
 - Maricopa County Flood Control District (MCFCD)
 - Federal Emergency Management Agency (FEMA)
 - Arizona Department of Water Resources (ADWR)
- Alternatives Evaluation
 - Approximately 20 dam options studied
- Three Viable Alternatives
 - Sumitomo Rubber Dam
 - Obemeyer Gate
 - Hydraulic Hinged Crest Gate
- Proposed Alternative Locations
 - Sumitomo – Replacing bladders, same location
 - Obermeyer – Adjacent to existing dam
 - Hinged Crest Gate – 100 feet west of existing dam
- Life Cycle Costs – Total construction and 50-year life cycle costs (present value)
 - Sumitomo Rubber Bladder – \$179,200,000
 - Obermeyer Gates – \$74,400,000
 - Hinged Crest Gates – \$68,100,000
- Dam Recommendation
 - Hydraulically operated Hinged Crest Gate
 - Safety & reliability
 - Durability
 - Value (cost competitive)
 - Engineering requirements
 - Regulatory requirements

Additional presentation and discussion highlights include:

- This recommendation is also based on certainty; there is more certainty evaluating and inspecting steel material rather than rubber material.
- The aesthetic look is important; consideration is being given to incorporating design elements that will complement and accent the pedestrian bridge.
- Staff was commended for their thorough analysis and presentation.
- The Obermeyer dam is currently being used at the Granite Reef Dam; it is a shorter dam, approximately six feet in height.
- The Obermeyer dam product comes from a sole source.
- The aesthetics of the dam is important given its proximity to the TCA.
- The previous vendor estimated that the rubber bladders would last ten years; however the bladders were only warranted for two years. If a failure were to occur after the warranty period expires, then the City is responsible for the cost to replace the dams. This is a concern when considering rubber dams.
- The cost benefits and availability of parts with hinged crest gates is important.
- The ability to make this product complement the TCA and the pedestrian bridge, over the lake, is also important.
- The placement of the gates affects the flood carrying capacity of the river. Part of the cost is due to widening the channel. The lake level will be 9 inches shorter; however the proposed gates will increase the lake level back to its initial height.
- Appreciation was voiced for the staff time and energy for the research and information presented. This is the best value for the community.
- Concern was raised about the warranties on some of the products presented.

- Regarding budgeting for 50-year life cycle costs, staff will anticipate infrastructure maintenance; certain components have a two year life and some have a 50-year life. Infrastructure components that have a two year life cycle would be budgeted for replacement on a cyclical basis; the budget would also include maintenance over the life cycle of the dam.
- Typically, items included in the capital plan are expected to last at least 20 years. It is important to plan for the operations portion of the budget, which is a different approach than was taken on the original dams. Warranties on the parts for the steel dam vary, depending on where the parts are coming from; some manufactures have pre-set warranties and some manufacturers are open to negotiation.
- If there is a failure of a gate component, it will be easier and less expensive to replace than having the failure of entire a rubber dam.
- Future Councils will be involved in the construction phases. Every element of this dam system needs to be examined from a probability and warranty perspective.
- Staff has reviewed options with regard to failure and warranty; the hinged crest gates are the best choice for the community.
- Staff was commended for their life cycle costing approach throughout this process.
- Consensus was to select the hinged crest gates. Staff was asked to provide additional detail regarding the warranty provisions with respect to the major items.
- The benefit of moving the dam downstream is that the pedestrian bridge will now have water on both sides and it will create a viewing area from, and of, the TCA.
- In addition to adding approximately 100 feet to the lake, this may add more available lakefront properties.
- Dam Financing:
 - Preliminary capital cost estimates: \$36 Million
 - Includes design, materials, construction
 - Does not include east dam or pump system (\$20 Million)
 - Finance options include:
 - Use remaining \$3,633,000
 - Seek voter approval for bond authorization for capital costs
 - Sale of city properties
 - Lease/purchase agreement
 - Combinations
- For bond authorization to occur in November 2012, Council would have to review and approve a ballot measure no later than the first Formal Council Meeting in July. The following November 2013 is still an option because the major costs and financing elements occur in years 2014/2015. The problem with waiting until November 2013 is that it does not allow much time for plan B, should the ballot measure fail.
- A financing decision should be part of the budget process.
- Staff was asked to move forward on the hinged crest gate and get precise cost estimates and warranty information, including the cost of the parts.
- Staff will return to Council with additional information as requested.
- Council could also consider the sale or lease of City owned property.
- The east dam is not included in calculations for bond authorization because staff does not have a good estimate to offer to the City Council at this time.
- Staff would like to pursue researching cost estimates for the east dam, however it is important to first understand the purpose the east dam serves. An east dam has not been needed for the past five years. If the east dam were not in place today, it would have no consequence.
- One purpose for the east dam is that it keeps the water that is on the east side of the dam from flowing into the lake; that water tends to have higher nutrients that cause water quality challenges. In terms of controlling water, the east dam does nothing because the problem has been that the water flows over the dam, causing high flood events. Perhaps there are better solutions, such as installing a divider.
- There is a correlation between a bypass and the east dam that requires further exploration. The bypass could be used in order to get the higher nutrient water around Tempe Town Lake when the lake is used for full body contact swimming events. Perhaps the City could treat for nutrients without having a dam at all, which might be significantly less expensive.

- Next Steps
 - January 11, 2012, 5:30 p.m. – public meeting to be held at Tempe Center for the Arts.
 - January 19, 2012 – present a resolution seeking Council seeking approval for the hinge crest gate design.

Legislative Principles

Chad Heinrich, Government Relations Coordinator, provided a presentation on legislative principles. Presentation and discussion highlights include:

- The State legislative principles are long standing principles; there are few changes from last year.
- Perhaps consider a legislative solution for the potential sales tax wars among municipalities; specific legislation may help. It would also be advantageous to work through the League of Arizona Cities and Towns to have cities in the region to act in a more regional fashion. Specific language was discussed in 2005-2006; Tempe was involved with crafting those proposals.
- Sales tax is officially referred to as transaction privilege tax. Cities compete against one another to get an auto dealership on one side of the border or another and they give away large amounts of sales tax to accomplish that. When cities start competing like that, it destroys tax revenue sources for all cities because cities in the State of Arizona are dependent on sales tax revenue to survive. A regional approach is a proactive approach.
- Councilmember Mitchell may wish to raise this issue at the Executive Committee meeting of the League of Arizona Cities and Towns.
- Staff is working on this issue with partner stakeholders, elected legislators, party leadership, and the League of Arizona Cities and Towns. Councilmembers can assist as well during this legislative session.
- This issue spans beyond local elected legislators; Council needs to advocate for its position.
- The statewide temporary sales tax for education should go back into the classrooms and benefit local schools.
- Education is one of the Council's priorities; it is important to ensure those sales tax dollars are going where they are intended to go.
- Consensus is to move forward with the principles. In addition, craft legislation to eliminate or reduce the likelihood of transaction privilege tax wars of any variety that will undermine cities.

Formal Council Agenda Items

None.

Future Agenda Items

- Transit Regionalization – Unification of Bus Operations (01/19/2012)
- Indian Gaming Grants Policies and Procedures (01/19/2012)
- Naming Policy for City Facilities (01/19/2012)
- Overview of Tempe's Alley System (02/02/2012)
- Service Line Protection Program (SLiPP) (02/02/2012)
- Annual Long Range Forecast (02/02/2012)
- Special Events – evaluation and return on investment (02/16/2012)
- Golf Business Model Update (02/16/2012)
- Hazardous Waste Center Update (02/16/2012)
- Solid Waste Cost of Business Study (02/16/2012)
- Solid Waste Collection Pilot Program (02/16/2012)
- FY 2012-13 Capital Improvement Program (02/16/2012)
- Council Committee report out on progress (Unscheduled)

Mayor's Announcements/Manager's Announcements

None.

The meeting adjourned at 7:09 p.m.

Brigitta M. Kuiper, City Clerk