



## Minutes Regular City Council Meeting February 12, 2015

Minutes of the Regular Council Meeting of Thursday, February 12, 2015, held at 6:00 p.m. in the Harry E. Mitchell Government Center, Tempe City Hall, City Council Chambers, 31 E. Fifth Street, Tempe, Arizona.

### **COUNCILMEMBERS PRESENT:**

Mayor Mark W. Mitchell

Councilmember Kolby Granville

Councilmember Joel Navarro

Vice Mayor Corey D. Woods

Councilmember Lauren Kuby

Councilmember David Schapira

### **COUNCILMEMBERS ABSENT:**

Councilmember Robin Arredondo-Savage

### **STAFF PRESENT:**

Andrew Ching, City Manager

Judi Baumann, City Attorney

Kay Savard, Deputy City Clerk

Ryan Levesque, Deputy Community Development Director - Planning

Various Department Heads or their representatives

Ken Jones, Deputy City Manager – Chief Financial Officer

Steven Methvin, Deputy City Manager – Chief Operating Officer

Grace Kelly, Public Works Supervisor - Administration

**Mayor Mitchell called the meeting to order at 6:10 p.m.**

1. Councilmember Navarro gave the invocation.
2. Mayor Mitchell led the audience in the **Pledge of Allegiance**.
3. **MINUTES**

#### **A. Approval of City Council Meeting Minutes**

**Motion by Councilmember Schapira to approve agenda items 3A2 and 3A3; second by Vice Mayor Woods. Motion passed unanimously on a voice vote 6-0.**

2. Executive Session - January 29, 2015
3. City Council Special Meeting - January 29, 2015

**Motion by Councilmember Granville to approve agenda items 3A1 and 3A4; second by Vice Mayor Woods. Motion passed on a voice vote 6-0 with Councilmembers Kuby and Schapira abstaining.**

1. [Issue Review Session - October 2, 2014](#)
4. [City Council and SouthEast Valley Regional Association of Realtors' Government Affairs Committee Joint Meeting - October 14, 2014](#)

*City Clerk's Note: Councilmembers Kuby and Schapira abstained from voting on agenda items 3A1 and 3A4, which has the effect*

*of voting on the prevailing side.*

- B. Acceptance of Board, Commission and Committee Meeting Minutes  
**Motion by Councilmember Granville to accept agenda items 3B1 – 3B5; second by Councilmember Navarro. Motion passed unanimously on a voice vote 6-0.**

1. [Development Review Commission - January 13, 2015](#)
2. [Development Review Commission Study Session - January 13, 2015](#)
3. [Hearing Officer - January 20, 2015](#)
4. [Mayor's Youth Advisory Commission - January 20, 2015](#)
5. [Mayor's Youth Advisory Commission C.I.T.Y. Project Subcommittee - December 22, 2014](#)

#### 4. REPORTS AND ANNOUNCEMENTS

- A. Mayor's Announcements – None.
- B. City Manager's Announcements – None.

#### 5. CONSENT AGENDA

All items listed on the Consent 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.

Mayor Mitchell announced the consent agenda and called upon Melanie McClintock to speak on agenda item 5C2. Melanie McClintock, Executive Director of Arizona Center for After-School Excellence, spoke in support of adopting the Arizona Quality Standards for Out-of-School Time Programs. For many years, the Arizona Center for After-School Excellence has worked with the Tempe Kid Zone Programs. Tempe is the first City to adopt standards to measure and improve the quality of youth programming.

**Motion by Vice Mayor Woods to approve the consent agenda with the exception of item 5C1, which was removed for separate consideration; second by Councilmember Navarro. Motion passed unanimously on a roll call vote 6-0.**

##### A. Miscellaneous Items

- 5A1. [Approved an Amended Subdivision Plat for 1010 LEMON, located at 1050 South Terrace Road. The applicant is Darin A. Sender, Sender Associates, Chtd.](#)

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

*The following conditions of approval apply:*

1. The Subdivision Plat shall be put into proper engineered format with appropriate signature blanks and recorded with the Maricopa County Recorder's Office through the City of Tempe's Community Development Department on or before February 12, 2016. Failure to record the plat within one year of City Council approval shall make the plat null and void.
2. All property corners shall be set and verified with staff upon final recordation of the subdivision plat, no later than three (3) months from the date of County recordation or as determined by staff.

- \*5A2. [Held a public hearing and recommended the approval of a series 12 restaurant liquor license for KMH Enterprise, LLC, dba Jorges Chicken & Waffles, 1212 East Apache Boulevard, Suite #107-109.](#)

*Fiscal Impact:* N/A

- \*5A3. [Held a public hearing and recommended the approval of a series 18 in-state craft distiller liquor license for Caskwerks Distilling Co., dba Caskwerks Distilling Co., 1920 East University Drive, Suite #105.](#)

*Fiscal Impact:* N/A

- \*5A4. [Held a public hearing and recommended the approval of a series 12 restaurant liquor license for Texas Roadhouse Holdings, LLC, dba Texas Roadhouse, 8510 South Emerald Drive.](#)

*Fiscal Impact:* N/A

**B. Award of Bids/Contracts**

- 5B1. [Approved the utilization of one-year State of Arizona contracts with Genuine Parts Company \(NAPA\) and Auto Zone for the supply of repair parts for City vehicles and equipment utilized by the Public Works Department.](#)

*Fiscal Impact:* Total cost of these contracts shall not exceed \$200,000 during the one-year contract period. Sufficient funds have been appropriated in the General Fund – cost center 3262 (Fleet Services Maintenance) – for the anticipated expenditures in the current fiscal year.

- 5B2. [Approved the one-year renewal of a contract with Devau Human Resources to provide temporary contract employees to officiate a variety of sporting events as sponsored through the Community Services Department.](#)

*Fiscal Impact:* Total cost of this contract will not exceed \$400,000 during the one-year renewal period. Sufficient funds have been appropriated in the General Fund cost center 2528 (Recreation – Sports Officials) for the anticipated expenditures in the current fiscal year. The vast majority of the cost of this contract represents a pass through expense to pay the sports officials per the City's established rates. Devau Human Resources will be paid approximately \$75,000 per year for their services.

- 5B3. [Approved the one-year renewal of a sole source contract with Physio-Control, Inc. for LIFEPAK heart monitors, defibrillators, and supplies for the Fire Medical Rescue Department.](#)

*Fiscal Impact:* Total cost of this contract will not exceed \$52,400 during the one-year contract renewal period. Sufficient funds have been appropriated in General Fund cost center 2370 (Fire – Medical Services) for the anticipated expenditures in the current fiscal year.

- 5B4. [Awarded a two-year contract with three, one-year renewal options to Freedom Marketing Corporation for printing and door-to-door distribution of door hangers to Tempe households and businesses. \(Contract #2015-23\)](#)

**Fiscal Impact:** Total cost of the contract will not exceed \$55,000 during the initial two-year contract period. Sufficient funds have been appropriated in General Fund cost center 2731 (Planning – Administration), Solid Waste Fund cost center 3717 (Solid Waste – Education and Community Outreach), and Highway User Revenue Fund cost center 3822 (Transportation – Traffic Engineering) for the anticipated expenditures in the current fiscal year.

- 5B5. [Awarded a one-year contract with four, one-year renewal options to Graffiti Protective Coatings, Inc. for graffiti abatement services for commercial properties to be overseen by the Community Development Department. \(Contract #2015-24\)](#)

**Fiscal Impact:** There is no fiscal impact to the City for this contract. Costs for graffiti abatement will be the responsibility of the commercial property owners who agree to utilize the service.

- 5B6. [Awarded a two-year contract with seven, one-year renewal options to GolfNow LLC for on-line tee time distribution, marketing, website, and mobile development services for Ken McDonald Golf Course and Rolling Hills Golf Course. \(Contract #2015-25\)](#)

**Fiscal Impact:** The actual net cost to the City for the initial two-year contract period is estimated at \$30,000. The City estimates that the marketing services provided by GolfNow LLC will generate approximately \$280,000 in revenue during the initial contract period.

- 5B7. [Awarded a professional services design contract to CDM Smith Inc. for improvements to metering stations located at 48th Street north of 1st Street, Priest Drive north of 1st Street, and Priest Drive north of the Salt River channel. \(Contract #2015-26\)](#)

**Fiscal Impact:** The contract amount is \$148,330. Funds are approved and appropriated in fiscal year 2014/15 to cover this contract and related costs in Capital Improvement Project No. 3202551, Metering Station Improvements.

- 5B8. [Awarded a construction contract to Talis Construction Corporation for installation of lighting along the Rio Salado Multi-use Path from Priest Drive to State Route 143. \(Contract #2015-27\)](#)

**Fiscal Impact:** The total contract amount is \$865,537.52 and the project contingency amount is \$86,500. Funds to cover this contract and associated costs are approved and appropriated for fiscal year 2014/15 in Capital Improvement Project No. 6004139, Rio Salado Multi-use Path – Priest Drive to State Route 143.

## C. Resolutions

- 5C1. [THIS ITEM WAS REMOVED FOR SEPARATE CONSIDERATION. SEE BELOW FOR DISCUSSION AND ACTION. Adopt a resolution authorizing the Mayor to execute Exhibit A, regarding food feedstock source mapping and anaerobic digestion project development considerations, to the Intergovernmental Agreement between the City of Tempe and the Arizona Board of Regents for and on behalf of Arizona State University and its Rob and Melani Walton Sustainability Solutions Initiatives. \(Resolution No. R2015.13\)](#)

- 5C2. [Adopted RESOLUTION NO. R2015.14 adopting The Arizona Quality Standards for Out-of-School Time Programs for best practices of quality out-of-school time programs.](#)

*Fiscal Impact:* No impact on City funds.

- 5C3. [Adopted RESOLUTION NO. R2015.15 in support of the Certificate of Necessity application submitted by the Tempe Fire Medical Rescue Department to the Department of Health Services on December 31, 2014 for the ability to provide emergency ambulance services in the City of Tempe.](#)

*Fiscal Impact:* The cost of the application submission was \$100 paid from cost center 2374. A consultant has been retained and limited funds have been appropriated in the City Attorney (cost center 1710) budget for the anticipated expenditures. Contingency funds will be requested to fund consultant expenditures in excess of the appropriated budget.

**CONSENT AGENDA ITEM(S) REMOVED FOR SEPARATE CONSIDERATION:**

- 5C1. **Resolution to execute Exhibit A regarding food feedstock source mapping and anaerobic digestion project development, to the Intergovernmental Agreement with the Arizona Board of Regents for and on behalf of Arizona State University and its Rob and Melani Walton Sustainability Solutions Initiatives.**

Councilmember Granville stated that this item relates to an Arizona State University (ASU) study to analyze if food scraps can be converted into methane. If feasible, this will divert materials from landfills.

Councilmember Kuby voiced support of this project and the partnership with ASU. The City of San Jose, California, has pioneered converting food waste to bio methane gas. This project has great potential. Initially, the food stocks will probably come from institutions, university cafeterias, hospitals, and grocery stores.

**Motion by Councilmember Kuby to approve agenda item 5C1; second by Councilmember Granville. Motion passed unanimously on a roll call vote 6-0.**

- 5C1. Adopted **RESOLUTION NO. R2015.13** authorizing the Mayor to execute Exhibit A, regarding food feedstock source mapping and anaerobic digestion project development considerations, to the Intergovernmental Agreement between the City of Tempe and the Arizona Board of Regents for and on behalf of Arizona State University and its Rob and Melani Walton Sustainability Solutions Initiatives. **(Contract #2014-209.1)**

*Fiscal Impact:* Total cost of the food feedstock source mapping and anaerobic digestion study, Exhibit A, will not exceed \$71,100. Sufficient funds have been appropriated and approved in the Water Utilities Fund – cost center 3002 (Water-Admin) for fiscal year 2014/15.

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**6. NON-CONSENT AGENDA**

All items listed on the Non-Consent Agenda will be considered separately. Agenda items scheduled for Introduction and First Public Hearing will be heard, but will not be voted upon at this meeting. Agenda items scheduled for Second Public Hearing and Final Adoption will be voted upon tonight.

**A. Miscellaneous Items/Bids/Contracts/Resolutions**

- 6A1. Contract renewal with Emergency Vehicle Group, Inc. for the purchase of emergency response vehicles for the Fire Medical Rescue Department.**

There was no discussion on agenda item 6A1.

**Motion by Councilmember Schapira to approve agenda item 6A1; second by Vice Mayor Woods. Motion passed unanimously on a roll call vote 6-0.**

- 6A1. [Approved the one-year renewal of a contract with Emergency Vehicle Group, Inc. for the purchase of emergency response vehicles for the Fire Medical Rescue Department.](#)**

***Fiscal Impact:*** Total cost of this contract will not exceed \$1,200,000 during the one-year renewal period. Sufficient funds have been appropriated in the Fire Protection Capital Improvement Project fund cost center 5603619 (Fire Apparatus Replacement) for the anticipated expenditures in the current fiscal year.

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- 6A2. Agreements with SolarCity Corporation for the development, construction and maintenance of three solar photovoltaic electric generating systems to be installed at the Tempe Public Library complex.**

Councilmember Navarro voiced concern about the unknown impact the Corporation Commission vote (*City Clerk's Note: Salt River Project is the voting entity*) on net metering will have on agenda item 6A2; the vote is scheduled for February 26, 2015. He questioned whether or not this item should be postponed until the City can verify the economic impact of the outcome of the vote. Resources need to be allocated properly to ensure funding is in place. He also questioned if the agreement includes the ability to upgrade systems due to technological advancements.

Mayor Mitchell asked staff to clarify what the City's liability would be if this item moves forward.

Grace Kelly, Public Works Supervisor – Administration, stated that if the project moves forward, the terms of the agreement will be in Salt River Project's (SRP) queue to determine whether or not to grandfather in the project, if net metering is approved. If this project is not grandfathered in, and not net metered, Solar City will return with a new proposal. This contract is based on the existing SRP rate structure, and will save the City approximately \$312,000 saving over 20 years. If net metering is no longer available, the savings would decrease. The City is not liable for a higher rate than what is being proposed in the SolarCity Corporation agreements. Councilmember Schapira clarified that the Corporation Commission is not involved in this process.

**Motion by Vice Mayor Woods to approve agenda item 6A2; second by Councilmember Schapira. Motion passed unanimously on a roll call vote 6-0.**

- 6A2. [Approved 20-year Solar Services Agreements with SolarCity Corporation for the development, construction and maintenance of three solar photovoltaic electric generating systems to be installed at the Tempe Public Library complex. \(Contract #2015-31\)](#)**

***Fiscal Impact:*** This project as currently designed requires no upfront City capital; however the total combined cost of the 20-year Solar Services Agreements (SSA's) is estimated at \$2,944,041. Typical of other SSA's the City will realize annual savings as a result of this award as compared to the historical grid-cost of electricity at this site. This cost estimate is based on using SolarCity's guaranteed

20-year cost per kilowatt (kWh) for the Tempe Public Library (\$0.077) (**Contract #2015-20**), History Museum (\$0.083) (**Contract #2015-32**), and Pyle Adult Recreation Center (\$0.0990) (**Contract #2015-33**) and multiplying it by the estimated kWh production of the proposed solar systems over the 20-year period. The above calculations are based on two key assumptions: 1) there will be no change to the current net metering conditions and 2) approval of the proposed 3.9% Salt River Project rate increase.

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**6A3. Contract with Wilson Engineers, LLC to update the water and sewer infrastructure master plans.**

There was no discussion on agenda item 6A3.

**Motion by Vice Mayor Woods to approve agenda item 6A3; second by Councilmember Kuby. Motion passed unanimously on a roll call vote 6-0.**

**6A3. [Awarded a professional services contract to Wilson Engineers, LLC to update the water and sewer infrastructure master plans. \(Contract #2015-28\)](#)**

**Fiscal Impact:** The contract amount is \$1,135,088. \$1,050,000 was approved and appropriated in fiscal year 2014/15 for Capital Improvement Project No. 3207159, Water/Wastewater Infrastructure Master Plan. An additional \$120,000 will be requested in fiscal year 2015/16 to cover the balance of this contract and related costs.

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**6A4. Contracts with M.R. Tanner Development and Construction, Inc. and Sunland, Inc. – Asphalt & Sealcoating to perform on-call paving and resurfacing of streets and City facilities.**

There was no discussion on agenda item 6A4.

**Motion by Vice Mayor Woods to approve agenda item 6A4; second by Councilmember Granville. Motion passed unanimously on a roll call vote 6-0.**

**6A4. [Awarded job order construction contracts to M.R. Tanner Development and Construction, Inc. \(Contract #2015-29\) and Sunland, Inc. – Asphalt & Sealcoating \(Contract #2015-30\) to perform on-call paving and resurfacing of streets and City facilities.](#)**

**Fiscal Impact:** The maximum annual contract amount for each one of the job order contracts is not to exceed \$2,000,000, for a combined annual not to exceed amount of \$4,000,000. These contracts are funded by various Capital Improvement Projects throughout the contract term as job order contracting is identified as the construction delivery method.

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**\*6A5. [Public hearing for a time extension request for an Amended Planned Area Development Overlay for THE GROVE AT 1000 EAST APACHE, 1000 East Apache Boulevard.](#)**

Mayor Mitchell opened the public hearing and requested a staff presentation.

Ryan Levesque, Deputy Community Development Director – Planning, provided an overview of the project and stated that the applicant is requesting a one-year time extension to January, 2016, for a Planned Area Development Overlay and an extension of a zoning map amendment. No changes to the originally approved plan have occurred. The applicant would have one year to process the development plan or present a modified development plan. If the development plan is modified significantly, the City Council has the option to hear the new development proposal in its entirety.

Mayor Mitchell clarified that no changes have been made to the project since it was originally presented to the City Council and asked the applicant representative why the project had not moved forward.

Nick Wood, applicant representative, explained that there has been a change in ownership to the property. The new owner, CA Ventures, intends to move forward with the project. The one year time extension request is a show of good faith on the part of the applicant.

Mr. Levesque clarified that entitlements run with the property so any successors in interest would be awarded these approval rights. There are no specific conditions in this proposal that limited that authority.

**Motion by Councilmember Granville to approve agenda item 6A5; second by Councilmember Kuby. Motion passed unanimously on a roll call vote 6-0.**

- \*6A5.** Held a public hearing and approved a *one-year* time extension request for an Amended Planned Area Development Overlay for THE GROVE AT 1000 EAST APACHE, (approved January 10, 2013) located at 1000 East Apache Boulevard. The applicant is Snell & Wilmer LLP.

***Fiscal Impact:*** There is no fiscal impact to City funds.

*The following condition of approval was modified:*

1. A building permit application shall be made on or before *January 10, 2016* or the zoning of the property may revert to that in place at the time of application. Any reversion is subject to a public hearing process as a zoning map amendment.

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**B. Ordinances and Items for Introduction and First Hearing**

**\*6B1. [Ordinance for a Zoning Map Amendment for VLACHOS FAMILY ENTERPRISES, 2525 East Rio Salado Parkway.](#)**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B1.

- \*6B1.** Introduced and held the first public hearing to adopt an ordinance for a Zoning Map Amendment from R1-6 Single-Family Residential to CSS Commercial Shopping and Services for VLACHOS FAMILY ENTERPRISES, located at 2525 East Rio Salado Parkway. The applicant is Pew & Lake, PLC. The second and final public hearing was scheduled for February 26, 2015. (Ordinance No. O2015.09)

**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.

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**C. Ordinances and Items for Second Hearing and Final Adoption**

- \*6C1. [Amend the Tempe City Code, Section 2-34 relating to the appointment and qualifications of commissioners in the City Court. \(Ordinance No. O2015.08\)](#)

Mayor Mitchell opened the public hearing. There was no discussion or public comment on agenda item 6C1.

**Motion by Councilmember Schapira to approve agenda item 6C1; second by Vice Mayor Woods. Motion passed unanimously on a roll call vote 6-0.**

- \*6C1. Held the second and final public hearing and adopted **ORDINANCE NO. O2015.08** to amend the Tempe City Code, Section 2-34 relating to the appointment and qualifications of commissioners in the City Court.

**Fiscal Impact:** There is no fiscal impact with this Ordinance.

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**7. CURRENT EVENTS/COUNCIL ANNOUNCEMENTS/FUTURE AGENDA ITEMS**

Councilmember Granville

Thanked Jeff Tamulevich, Code Compliance Manager, for his work on implementing the Tempe Landscape Referral Program.  
Thursday, May 5, 2015 – Geeks' Night Out event at Tempe City Hall.

Mayor Mitchell

March – Spring training for the Los Angeles Angels of Anaheim begins at Diablo Stadium.

**8. PUBLIC APPEARANCES**

A. Scheduled – None.

B. Unscheduled – None.

**The meeting adjourned at 6:41 p.m.**

I, Kay Savard, the duly-appointed Deputy City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the Regular City Council meeting of February 12, 2015, by the Tempe City Council, Tempe, Arizona.

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Mark W. Mitchell, Mayor

ATTEST:

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Kay Savard, Deputy City Clerk