



Minutes City Council Work Study Session March 29, 2016

Minutes of the Tempe City Council Work Study Session held on Tuesday, March 29, 2016, 6:00 p.m., in the City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

COUNCILMEMBERS PRESENT:

Mayor Mark W. Mitchell
Councilmember Robin Arredondo-Savage
Councilmember Kolby Granville (*arrived at 7:24 p.m.*)
Councilmember Lauren Kubly

Vice Mayor Corey D. Woods (*participated telephonically at 6:08 p.m.;
joined the meeting at 6:14 p.m.*)
Councilmember Joel Navarro (*participated telephonically*)
Councilmember David Schapira

STAFF PRESENT:

Andrew B. Ching, City Manager
Judi Baumann, City Attorney
Brigitta M. Kuiper, City Clerk
Shelly Hearn, Community Services Director
Sylvia Moir, Police Chief
Renie Broderick, Internal Services Director
Dave Nakagawara, Community Development Director
Sue Taaffe, Public Works Supervisor

Ken Jones, Deputy City Manager – Chief Financial Officer
Steven Methvin, Deputy City Manager – Chief Operating Officer
Don Bessler, Public Works Director
Greg Ruiz, Fire Medical Rescue Chief
Brenda Buren, Assistant Police Chief
Craig Fredricks, Assistant Fire Medical Rescue Chief
Eric Iwersen, Principal Planner – Transportation
Various Department Heads or their representatives

Mayor Mitchell called the meeting to order at 6:05 p.m.

Call to the Audience

None.

Issue Review Session Items

Fiscal Year 2016-17 Capital Improvement Program (CIP) Presentation

Ken Jones, Deputy City Manager – Chief Financial Officer, provided a slide presentation on the five-year Capital Improvement Program (CIP) for fiscal years (FY) 2016-17 through 2020-21. Mr. Jones outlined the development of the CIP to include an asset management program, establishment of funding capacities, department head input, and staff prioritization of projects based on the criteria approved by the City Council. City Council feedback will be incorporated into the City Manager's recommended budget, which will be presented during the Budget Review Session on April 21, 2016. Mr. Jones reviewed the CIP funding categories, which include the Water/Wastewater, Solid Waste, and Golf Enterprise Funds; Transit Tax, Arts Tax, and Highway User Special Revenue Funds; and General Governmental Funds.

Mr. Jones explained that CIP cash funding competes with the needs of the Operating Budget, avoids the interest expense of issuing bonds, and is subject to an expenditure limitation imposed by the State. State restrictions include debt limits. General Obligation (G.O.) bonds can only be issued for specific public purposes; the City can only use secondary property tax revenue to pay off debt for capital projects. The City can also issue excise tax revenue bonds. The City plans to call a special bond election in November, 2016, where voters can choose whether or not to allow the City additional bonding authorization.

Mr. Jones reviewed the Parks and General Governmental CIP funding for FY 2016-17, noting that due to bond authorization limits in these CIP categories, staff is proposing to use available cash funding for the first half of FY 2016-17, in anticipation of increased authorization after the November 2016 bond election. The combined cash and bond funding proposed in both areas is sufficient to maintain a robust capital program for the entire year. Mr. Jones outlined comparisons between the adopted FY 2016-20 CIP and the proposed FY 2017-21 CIP. Staff prioritizes the CIP project requests based on criteria set by the City Council as follows: public health and safety, asset preservation, and various secondary criteria. Mr. Jones described a graph illustrating the prioritization of G.O. Bond-funded CIP projects and a color coded chart that illustrated project priority and funding statuses. Staff is seeking feedback from Councilmembers regarding specific CIP projects or funding prioritization, and direction to adjust proposed funding for items or categories.

In response to a question from a Councilmember, Mr. Jones stated that the \$1.3 million remaining in Government Property Lease Excise Tax (GPLET) lease and parking revenues has not been dedicated to a specific project this fiscal year, and will therefore be carried forward to FY 2016-17. The City is expecting approximately \$1 million in GPLET revenues and up to \$2.5 million in land sale proceeds in FY 2016-17. In FY 2015-16, the \$6 million Parks Improvements Contingency Fund was funded by land sale proceeds.

Don Bessler, Public Works Director, noted that the CIP projects related to parks, recreation, and aquatics facilities are estimated to cost a total of \$49 million over the next 5 years.

Shelly Hearn, Community Services Director, advised the City Council that in the planning phase for the McClintock Pool renovations, it was discovered that the pool is not up to current Maricopa County Environmental Health Code regulations for diving. An additional \$700,000 will be needed to deepen the pool to meet current Code requirements. Councilmembers discussed and expressed support for pledging available GPLET funding to pay for the additional \$700,000 required to deepen McClintock Pool to meet current regulations for diving, and reimbursing the funds if the increased bond authorization is passed by the voters in the November 2016 bond election.

Mr. Bessler stated that the \$5.9 million requested for miscellaneous neighborhood parks is intended to address repairs and maintenance in the parks to bring elements into compliance with acceptable standards. He explained the prioritization methodology involved in determining the recreational value funding for all neighborhood parks: base level of park amenities, regardless of park size; enhanced amenities that reflect neighborhood interest, based on park size; and, accessibility and compliance with the Americans with Disabilities Act (ADA) for all parks. For every \$1 spent for park recreational value improvements, \$4 will be spent for park asset management activities.

Mr. Bessler reviewed highlights of the Transportation CIP project requests, including streets, rights-of-way, storm drains, and traffic signals/lights. Councilmembers and staff discussed increased traffic back-ups due to the removal of a lane of traffic in certain areas and efforts to alleviate traffic congestion. Mr. Bessler noted that bus pullouts help improve traffic flow along major streets and improve intersection safety by reducing traffic back-ups behind buses. The Bus Pullout Project has identified 35 bus pullout priority locations in Tempe; during FY 2016 to FY 2021, 15 pullouts are expected to be installed at an estimated total cost of \$3.6 million. Other Transportation CIP projects include upgrades to existing transit stops.

Greg Ruiz, Fire Medical Rescue (FMR) Chief, explained the FMR CIP projects in the Public Safety category. In response to questions from a Councilmember, Chief Ruiz stated that CIP funding is requested for safety renovations at FMR Stations 1, 3, 4, 5, and 6. The first phase of the Station Location Study identified numerous structural, mechanical, and functional issues with Station 2. The Study addresses the cost of remodeling versus a complete rebuild of Station 2; Study results and recommendations will be presented at a future meeting.

Sylvia Moir, Police Chief, introduced Brenda Buren, Assistant Police Chief, who explained the Police CIP projects in the Public Safety category. By August, 2016, a total of 330 body cameras will be used by Police Officers.

Renie Broderick, Internal Services Director, reviewed highlights of the Information Technology/Communication and City Facilities CIP project requests.

In response to questions from Councilmembers, Mr. Jones noted several projects in the CIP utilizing smart watering systems, solar power, and LED lighting. Mr. Bessler described a FY 2016-17 CIP project request to fund the Park Irrigation Conversion Study to evaluate the feasibility of converting the bulk of the City's parks from potable water to raw water irrigation systems. This Study will lead to the creation of a masterplan to identify the parks yielding the greatest cost benefit, and to prioritize them accordingly. Councilmembers suggested that staff consider engaging Arizona State University (ASU) to assist in exploring ways to convert the park irrigation systems from potable to raw water.

Mr. Jones stated that based on City Council input, the City is fully funding the installation of conduit and fiber in the Rural Road corridor from the north City border with Scottsdale to the south City border with Chandler, to allow additional wireless communications to be installed in the future. This project also involves a partnership with ASU.

Fire Station Location Update

Greg Ruiz, Fire Medical Rescue (FMR) Chief, stated that at the March 26, 2015 Work Study Session, the City Council was presented with the findings from the 2015 Station Location Study.

Craig Fredricks, Assistant FMR Chief, delivered a slide presentation providing background information on the 2015 Station Location Study and City Council direction to search for a location to place FMR Station 7 (Station) in southeast Tempe, based on the following order of priority: 1) City-owned property, 2) land that could be traded for current City property or purchased with the sale of current City property, and 3) seek out public-private partnerships for land use. This search was undertaken in a collaborative effort between the FMR, Community Development and Public Works Departments. Assistant Chief Fredricks presented a map depicting the existing, optimal, and proposed Station locations.

Dave Nakagawara, Community Development Director, reviewed the site requirements for a Station and the process in determining potential locations. There are limited City-owned properties in south Tempe that meet the requirements for a Station. A possible site that meets the criteria is located at the southwest corner of Estrada Park, north of the intersection of Warner and McClintock Roads.

Assistant Chief Fredricks outlined the existing amenities at Estrada Park, and described two conceptual plans. Staff is asking for City Council approval to move forward with creating a City of Tempe Fire Station Development Team; engaging neighborhood associations in the area, and the Parks, Recreation, Golf, and Double Butte Cemetery Advisory Board; and, initiating design and development of the new Station.

Councilmembers and Chief Ruiz discussed the possibility of constructing a net-zero-energy Station, utilizing solar and other renewable energy sources, and the need to build for future capacity. Staff had explored the concept of a joint Station with the City of Chandler within the vicinity of Alma School Road; however, Chandler's Fire Chief indicated that they were at least ten years out from locating a Station in that area. Staff had also considered locating the new Station within the Arizona State University Research Park, but it did not meet the site requirements.

Councilmembers requested that staff work with the surrounding residents and owner of the adjacent commercial strip center to solicit their input on ideas for the new Station, including amenity upgrades and enhancements to Estrada Park, a community room in the Station, and additional on-site parking. In addition, staff will provide data regarding projected calls for service, response times, and noise levels.

Based on the discussion, Councilmembers agreed to move forward with creating a City of Tempe Fire Station Development Team; engaging area neighborhood associations and the Parks, Recreation, Golf, and Double Butte Cemetery Advisory Board; and, initiating design and development of the new Station.

Bike Share Program Update

Eric Iwersen, Principal Planner – Transportation, recognized Sue Taaffe, Public Works Supervisor, and John Romero, Chief Operations Officer for CycleHop. Mr. Iwersen delivered a slide presentation describing the GR:D brand, reviewing bicycle advertising opportunities, comparing the Bike Share systems in Phoenix and Mesa with the proposed program in Tempe, and outlining the membership fees and rental rates. He also presented membership, ridership, and revenue statistics for

Phoenix's Bike Share system, from January 1, 2015 to November 30, 2015. A public open house was held on March 21, 2016. The following next steps were reviewed:

- The operator contract will be presented to City Council for approval in May or June, 2016.
- An intergovernmental agreement with Arizona State University (ASU) will be developed in late spring, pending the City Council's advertising decision and Sign Code ordinance review process.
- A regional memorandum of understanding and system integration will be implemented in the summer.
- The new Bike Share system will launch in late fall or early winter, 2016.

In response to questions from Councilmembers, Mr. Iwersen stated that capital funding for the initial phase of Phoenix's Bike Share system was lower than what is projected for the Tempe system because the launch of the Phoenix system was at no cost due to the agreement with CycleHop, a new company at the time. The cost per bike in the subsequent phases of the Phoenix system has since increased. Phoenix and Mesa have offset their annual operations expenses entirely through advertising and sponsorships. Similar Bike Share systems in other jurisdictions are operating at less than \$100,000 per year.

Councilmembers and Mr. Iwersen discussed that Tempe may have the opportunity to offer memberships to low income community groups at a discounted annual rate, per contract negotiations. Mesa offers passes for low income users through social service groups.

Councilmembers expressed concern that the \$7-per-hour rate, up to the maximum fee of \$25 per day, may be too expensive for tourists and special event attendees. Councilmembers requested that staff work with the vendor to negotiate a day rate for tourist use that does not compete with local bike shops.

In response to questions, Mr. Iwersen explained that the bikes include locks and do not need to be checked back into a designated Bike Share rack; however, if the bikes are returned outside of these locations, the users must pay a \$2 fee. The vendor monitors the number of bikes available at each kiosk. Users who return a bike from outside a Bike Share location to a Bike Share location receive a \$1 credit.

Councilmembers expressed support for increasing the business and community group usage time limit to 90 minutes per day. Mr. Iwersen noted that hotels and businesses will have the opportunity to sponsor a Bike Share station at or near their facilities. ASU plans to locate Bike Share stations on campus; the Bike Share map will be updated accordingly.

Mr. Iwersen stated that in May, 2016, the City Council will consider changes to Tempe's Zoning and Development Code regarding advertising and signs. For the first year of the Tempe Bike Share Program, the City is contributing \$50,000 with ASU contributing an additional \$50,000, for the \$100,000 annual operating funds. If advertising is allowed on the entire Bike Share system, the City and ASU would not be required to contribute to the annual operations costs, as the costs would be fully funded by advertising.

Future Agenda Items

Councilmembers discussed and agreed to add the following items for discussion at a future Issue Review Session: Structure for boards and commissions' reports to City Council, and, Compact of Mayors on Climate Change.

The meeting recessed at 7:56 p.m. and reconvened at 8:05 p.m. with all Councilmembers present.

Call to the Audience

Aaron Redman, Tempe resident and Tempe Sustainability Commission member, spoke in support of forming a relationship between the Sustainability Commission and Arizona State University (ASU). A Sustainability Coordinator could connect students appropriately to provide research as well as sustainability services for the City.

Kendon Jung, Tempe resident and Vice Chair of the Tempe Sustainability Commission, voiced support for establishing a City Sustainability Coordinator position. Many cities have implemented such a role to activate efficiencies and policies to increase return on investment. Both Phoenix and Mesa have appointed similar coordinator positions.

Arnim Wiek, Tempe resident, Sustainability Scientist and Professor at ASU, and Tempe Sustainability Commission member, supports creating a Sustainability Coordinator position for the City. He has worked with the City of Phoenix for eight years, leading large grants on urban development projects, and would like to assist the City of Tempe in partnering with various organizations to lead projects on renewable energy, water infrastructure, housing issues, and mobility issues.

Committee of the Whole Items

Items ready for City Council Direction or Status Update

Revitalization or Re-purposing of Commercial Strip Centers – City Council Direction

Vice Mayor Woods reported that the working group explored various opportunities in the revitalization of commercial strip centers in south Tempe through arts and culture, restaurants, and interesting gathering places. The group could not reach consensus regarding what housing density would be needed to support additional cultural amenities in the area. The information collected by the working group will be provided to the City Council and staff. As the group had reached an impasse, it was suggested to provide a final report to the City Council and dissolve the working group.

The City Council agreed to dissolve the Revitalization or Re-purposing of Commercial Strip Centers Working Group.

Branding/Communications Ad Hoc Committee Recommendations – City Council Direction

Mayor Mitchell reported that North Star Destination Strategies is currently in the research phase for a City-wide branding initiative. It is recommended to disband the Ad Hoc Committee, although staff will continue to report back to the City Council on the progress with North Star.

The City Council agreed to disband the Branding/Communications Ad Hoc Committee. Staff will present future items related to the branding initiative to the City Council as a whole.

Internet Sales Transaction Location – City Council Direction

Councilmember Granville reported on meetings with Police and Legal staff regarding the creation of an internet sales transaction area. The Police Department did not believe that additional resources or staffing would be required for this program. The Tempe Police Headquarters was identified as an appropriate location to pilot an exchange zone for public use during normal business hours, Monday through Friday, 8 a.m. to 5 p.m. A sign would be posted in the lobby designating the Internet Sales Exchange Zone and information posted on the City's website. The program would be evaluated in one year.

In response to a question from a Councilmember, Judi Baumann, City Attorney, stated that City's liability risks associated with this program would be minimal.

Councilmembers expressed support for establishing the Tempe Police Department's headquarters station lobby, located at 120 East Fifth Street, as the City's "Internet Sales Exchange Zone", as a pilot program for one year, to be evaluated at the end of one year.

New Items for City Council Consideration

Electric Bike Ordinance

Councilmember Kuby stated that she and Councilmember Arredondo-Savage are requesting to explore the development of an ordinance to regulate electric bikes (e-bikes) in Tempe. Stakeholders who should be engaged with this process include Tempe-based e-bike manufacturers and sellers, businesses and commuters who use e-bikes, pedicab companies, Tempe Bike Action Group, and the Tempe Transportation Commission.

Councilmembers suggested adding the Neighborhood Advisory Commission and Police Department to the list of stakeholders, and considering other types of single-rider motorized or electric vehicles, including "pocket rockets", hoverboards, and Segways.

Councilmember Kuby explained that State law does not prohibit a local authority from adopting an ordinance that regulates or prohibits the operation of motorized electric or gas powered bicycles or tricycles, except that a local authority shall not require registration and licensing of such vehicles.

Based on the discussion, City Council moved the item forward for study. Councilmembers Arredondo-Savage, Kuby, and Schapira will participate in the working group.

Sustainability Coordination

Councilmember Kuby discussed her request to evaluate the need to create a more formal structure in the arena of sustainable solutions so that approved concepts can be actualized, consistent with established City of Tempe and Arizona State University (ASU) fiscal processes, and to explore the possibility of establishing a Sustainability Coordinator for the City. This position could be partially funded by ASU or grant opportunities.

Councilmembers expressed concerns regarding the availability of funding in the fiscal year (FY) 2016-17 Operating Budget to support a new position.

Councilmembers suggested including Rio Salado College and the Maricopa County Community College District, non-profits, and the Tempe Sustainability Commission in the stakeholders process.

Councilmember Kuby reported that the National League of Cities has chosen Tempe to be a Resilient City and is providing a \$10,000 grant. She expressed support for exploring other federal and private funding opportunities to support sustainability initiatives in Tempe, including the Sustainability Coordinator position in next year's budget.

Andrew Ching, City Manager, explained that a specified allocation of resources to address City Council priorities will be included in the FY 2016-17 Operating Budget; additional dollars could be allocated during the year.

Based on the discussion, Councilmembers agreed to move this item forward for study. The working group will consist of Councilmember Kuby.

Animal Waste Removal in Right-of-Way

Councilmember Granville is requesting to work with the Police Department to explore revisions to Section 6-31 of the Tempe City Code, Removal of animal defecation from public parks and school grounds, to address the removal of animal defecation from all public areas. The working group would also consider enforcement issues.

Councilmembers expressed support for moving this item forward for study. Councilmember Granville will participate in the working group.

Lobbyist Registration

Vice Mayor Woods discussed his, Mayor Mitchell's, and Councilmember Kuby's request to expand the purview of the Campaign Finance Reform For Tempe City Elections Working Group to include exploring the feasibility of implementing a lobbyist registration program in Tempe.

Councilmember Schapira requested to take Vice Mayor Woods' place on this working group following his final City Council meeting in July, 2016.

The City Council agreed to add the feasibility of implementing a lobbyist registration program to the purview of the Campaign Finance Reform For Tempe City Elections Working Group.

Items in Progress – updates as needed

Kid Zone Program Expansion

Councilmember Schapira thanked the City Council for agreeing to submit the letter of support for the grant application to the Institute for Child Success (ICS). Tempe has been named a finalist to receive technical assistance for a year from ICS; if selected, Tempe would be the first city in Arizona to receive such assistance. The working group is continuing discussions with stakeholders to identify potential facility space for a pilot program. Councilmember Schapira expects to present more information in April, 2016.

Temporary Cables in the Right-of-Way

Councilmember Schapira reported that after meetings with stakeholders and communications companies, the framework for a proposed ordinance was crafted and will be presented at a future Committee of the Whole meeting.

Items Scheduled for Periodic Review

No discussion.

Mayor's Announcements/City Manager's Announcements

None.

Future Meeting Date:

April 7, 2016, at 4:00 p.m., City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

The meeting adjourned at 8:47 p.m.

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the City Council Work Study Session of March 29, 2016, by the Tempe City Council, Tempe, Arizona.

Mark W. Mitchell, Mayor

ATTEST:

Brigitta M. Kuiper, City Clerk