



Minutes Regular City Council Meeting August 4, 2016

Minutes of the Regular Council Meeting of Thursday, August 4, 2016, 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 Lauren Kuby
Councilmember David Schapira

Vice Mayor Robin Arredondo-Savage
Councilmember Randy Keating
Councilmember Joel Navarro

STAFF PRESENT:

Andrew Ching, City Manager
Ken Jones, Deputy City Manager – Chief Financial Officer
Steven Methvin, Deputy City Manager – Chief Operating Officer
Carla Sidi, Executive Assistant
Shelly Seyler, Deputy Public Works Dir.–Transportation/Traffic Eng.

Judi Baumann, City Attorney
Brigitta M. Kuiper, City Clerk
Grace Kelly, Energy Management Coordinator
Greg Ruiz, Fire Medical Rescue Department Chief
Various Department Heads or their representatives

Mayor Mitchell called the meeting to order at 6:11 p.m.

1. Pastor Brenda Valdez, Chair of the Tempe History Museum African American Advisory Committee, 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 Granville to approve agenda items 3A1 – 3A4; second by Vice Mayor Arredondo-Savage. Motion passed unanimously on a voice vote 7-0.

1. [Regular City Council Meeting - May 12, 2016, May 26, 2016, June 9, 2016, June 23, 2016, and July 7, 2016](#)
2. Executive Session - June 23, 2016
3. [City Council Work Study Session - May 5, 2016, May 23, 2016, June 2, 2016, and June 16, 2016](#)
4. [Special City Council Meeting - May 26, 2016, June 9, 2016, and June 23, 2016](#)

B. Acceptance of Board, Commission and Committee Meeting Minutes

Motion by Councilmember Granville to accept agenda items 3B1 – 3B13; second by Vice Mayor Arredondo-Savage. Motion passed unanimously on a voice vote 7-0.

1. [Aviation Commission - June 14, 2016](#)
2. [Development Review Commission - April 12, 2016](#)
3. [Development Review Commission Study Session - April 12, 2016](#)

4. [Enhanced Services Commission - April 12, 2016](#)
5. [Family Justice Commission - April 19, 2016 and May 17, 2016](#)
6. [Hearing Officer - June 7, 2016 and June 21, 2016](#)
7. [Historic Preservation Commission - May 19, 2016](#)
8. [Human Relations Commission - April 12, 2016](#)
9. [Judicial Advisory Board - February 16, 2016, April 1, 2016, and April 11, 2016](#)
10. [Mayor's Commission on Disability Concerns - June 6, 2016](#)
11. [Municipal Arts Commission - May 11, 2016](#)
12. [Tempe Sustainability Commission - May 16, 2016 and June 20, 2016](#)
13. [Tempe Veterans Commission - December 1, 2015, January 5, 2016, February 2, 2016, March 1, 2016, and May 3, 2016](#)

4. REPORTS AND ANNOUNCEMENTS

A. Mayor's Announcements

1. **Drowning Impact Awareness Month**

Mayor Mitchell read a proclamation declaring August 2016, as Drowning Impact Awareness Month in Tempe, Arizona. Mayor Mitchell invited Greg Ruiz, Fire Medical Rescue Department Chief, to the podium. Chief Ruiz discussed the rise in the number of drownings and the importance of drowning awareness.

B. City Manager's Announcements

[Andrew Ching, City Manager, wished Deputy Public Works Director – Engineering Andy Goh well on his retirement from the City of Tempe.](#)

1. **Sustainability Progress Report**

Grace Kelly, Energy Management Coordinator, and Carla Sidi, Executive Assistant, provided a presentation regarding the status of the City of Tempe's Sustainability Program. Ms. Kelly stated that the City Council identified sustainability as being a priority and has adopted goals for renewable energy, water conservation, and waste reduction; staff is working on providing services in a sustainable way, while reducing costs and waste. Ms. Kelly reviewed various projects, City programs, and a matrix of progress associated with each of the goals. City staff has collaborated with Arizona State University officials on reaching the goals.

Ms. Sidi discussed sustainability efforts and initiatives that City departments are pursuing. She reviewed emerging programs that are in the study phases, such as multi-family greywater conservation. City departments are working on developing sustainable programs.

Ms. Kelly stated that the City is making progress in promoting a culture of conservation. The Tempe Sustainability Commission provides input regarding sustainability programs. The City has received a Resiliency Grant and is pledging to reduce greenhouse gas emissions.

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.

Motion by Councilmember Schapira to approve the consent agenda, with the exception of agenda item 5C1, which was removed for separate consideration; second by Vice Mayor Arredondo-Savage. Motion passed unanimously on a roll call vote 7-0.

A. Miscellaneous Items

- 5A1. Approved an amendment to the second agreement for a one-year time extension between Competitor Group, Inc., Tempe Tourism Office, and the City of Tempe to host the start of the Rock 'n' Roll Half Marathon and the finish line of both the Rock 'n' Roll Marathon and Half Marathon. (Contract #2012-177D)

Fiscal Impact: The City of Tempe's payments under this agreement are a \$50,000 base payment and up to an additional \$40,000 based on Competitor Group, Inc., achieving Tempe hotel room nights and registered out of state participant milestones. Sufficient funds for these payments have been appropriated in the Community Services General Fund Cost Center 2522 (Special Events) as part of the fiscal year 2016-17 adopted budget.

- 5A2. Approved a budget transfer of \$191,375 from the Asset Management Software – project number 5508089 to the Telephone / Radio Logger CIP budgeted in fiscal year 2017-18.

Fiscal Impact: \$191,375 of the fiscal year 2016-17 appropriations will be transferred from CIP Project No. 5508089 to Telephone / Radio Logger.

- 5A3. Approved a Final Subdivision Plat for JEFFERSON TOWN LAKE, located at 909 East Playa del Norte Drive. The applicant is Survey Innovation Group, Inc.

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

- 5A4. Approved an Amended Subdivision Plat for ONE HUNDRED MILL, located at 100 South Mill Avenue. The applicant is Douglas Wilson Companies.

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

- 5A5. Approved an Amended Subdivision Plat for FIFTH STREET WEST, located at 1214 West 5th Street. The applicant is EEC, Inc.

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

- 5A6. Approved an Amended Subdivision Plat for VALOR ON EIGHTH, located at 1001 East Eighth Street. The applicant is Gorman & Company, Inc.

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

- *5A7. Held a public hearing and recommended the approval of a series 10 beer and wine store liquor license with sampling privileges for Bottleshop 48 LLC, dba Bottleshop 48, 3316 & 3318 South McClintock Drive.

Fiscal Impact: N/A

- *5A8. Held a public hearing and recommended the approval of a series 12 restaurant liquor license for Kind Foods LLC, dba Ramen Dozo, 3415 South McClintock Drive, Suite 107.

Fiscal Impact: N/A

- *5A9. [Held a public hearing and recommended the approval of a series 06 Bar liquor license for Nickels & Dimes Inc., dba Tilt Studio, 5000 South Arizona Mills Circle, Suite 669.](#)

Fiscal Impact: N/A

- *5A10. [Held a public hearing and recommended the approval of a series 09 liquor store liquor license for Salmar LLC, dba Salmar, 1025 West Broadway Road.](#)

Fiscal Impact: N/A

- *5A11. [Held a public hearing and recommended the approval of a series 11 hotel/motel liquor license for Van Wescomp Tempe Inc., dba AC Hotel Tempe, 100 East Rio Salado Parkway.](#)

Fiscal Impact: N/A

- *5A12. [Held a public hearing and recommended the approval of a series 07 beer and wine bar liquor license for Desert Pizza LLC, dba Happy Joe's Pizza, 1806 East Southern Avenue.](#)

Fiscal Impact: N/A

B. Award of Bids/Contracts

- 5B1. [Approved the utilization of eleven-month NASPO ValuePoint Cooperative Purchasing Organization contracts with Fisher Scientific Company, LLC, and VWR International, Inc. for the purchase of laboratory supplies and equipment.](#)

Fiscal Impact: The total combined cost of these contracts will not exceed \$400,000 for the eleven-month contract term. Sufficient funds have been appropriated in the Water/Wastewater Fund cost centers - 3013 (Johnny G. Martinez Water Plant), 3014 (South Tempe Water Plant), and 3041 (Environmental Laboratory) for the anticipated expenditures during the current fiscal year.

- 5B2. [Approved the utilization of one-year State of Arizona contracts with Gruber Technical, Inc. and Titan Power, Inc. for the purchase of uninterrupted power supply equipment, services and maintenance utilized throughout the City.](#)

Fiscal Impact: Total combined cost of these contracts shall not exceed \$500,000 during the one-year contract period. Sufficient funds have been appropriated in various funds and cost centers for the anticipated expenditures.

- 5B3. [Approved the utilization of one-year Mohave Educational Services Cooperative contracts with Regional Pavement Maintenance of Arizona, Inc. and Ace Asphalt of Arizona, Inc. for maintenance work on City streets.](#)

Fiscal Impact: Total cost of these contracts will not exceed \$250,000. Sufficient funds have been appropriated in the Street Improvement CIP Fund in various cost centers for the anticipated expenditures in the current fiscal year.

- 5B4. [Approved the utilization of a one-year U.S. Communities contract with Insight Public Sector, Inc. to purchase technology products, services and solutions.](#)

Fiscal Impact: Total combined cost of these contracts will not exceed \$300,000 during the one-year contract period. Sufficient funds have been appropriated in various City-wide funds and cost centers for the anticipated expenditures.

- 5B5. [Awarded Job Order No. 2 to Foresite Design & Construction, Inc. for the replacement of lighting infrastructure surrounding playgrounds at Clark, Joyce, Optimist, Harelson, and Campbell parks.](#)

Fiscal Impact: The Job Order No. 2 amount is \$343,132 and the project contingency amount is \$34,313.20. Funds to cover this job order contract and related costs are appropriated for fiscal year 2016/17 in Capital Improvement Project No. 6305489, Park Lighting System Replacement.

- 5B6. [Approved a one-year contract renewal with MHA Consulting, Inc. for disaster recovery consulting services for the City's Information Technology Business Continuity Program.](#)

Fiscal Impact: Total cost of this contract will not exceed \$140,000 during the one-year renewal period. Sufficient funds have been appropriated in the General Fund - cost center 1992 (IT Support Services) and various City-wide funds and cost centers for the anticipated expenditures in the current fiscal year.

- 5B7. [Approved a one-year contract renewal with A Mind for Detail, Inc. for bus stop, shelter, and transit center cleaning services for use by the Transportation Division of the Public Works Department.](#)

Fiscal Impact: Total cost of this contract will not exceed \$450,000 during the one-year renewal period. Sufficient funds have been appropriated in the Transit Fund cost centers 3914 (Transit Operations) and 3917 (Bus Stop & Bikeway Maintenance) for the anticipated expenditures in the current fiscal year.

- 5B8. [Approved one-year contract renewals with Clayton Holdings, LLC, and Banc of America Public Capitol Corp to provide third party lease financing services.](#)

Fiscal Impact: This renewal is necessary in order to maintain the available short list of qualified lease firms available to the City and does not represent a request for expenditures. Any future activation of one of these companies will be brought back for separate approval by Council at which time the cost of the lease will be identified.

- 5B9. [Approved an increase in the contract amount with Salt River Project Agricultural Improvement and Power District for the maintenance and operation of the Tempe Town Lake dams, control systems, seepage wells, and make-up water delivery system.](#)

Fiscal Impact: Total revised spending for this contract will not exceed \$384,771.23 which represents an increase of \$14,771.23. Sufficient funds have been appropriated in the Community Facilities District Fund - cost center 5011 (Community Facilities District Lake Operations) and Rio Salado Capital Improvement Project Fund - cost center 6504221 (Town Lake Dam Replacement) for the anticipated expenditures.

- 5B10. [Ratified the award of a two-year contract with three, one-year renewal options to West Coast Arborists, Inc. for palm tree trimming and maintenance services for use by the Public Works Department. \(Contract #2016-152\)](#)

Fiscal Impact: Total cost for this contract will not exceed \$100,000 during the initial two-year contract period. Sufficient funds have been appropriated in General Fund cost centers 2553 (Diablo Stadium Maintenance), 2554 (Parks Maintenance – Rio Salado), 2555 (Landscape Maintenance), 2556 (North Parks), 2557 (Parks Maintenance – Rio Salado Community Facilities District), 2559 (South Parks), and Golf Fund cost center 2512 (Ken McDonald Golf Course) for the anticipated expenditures in the current fiscal year.

- 5B11. [Ratified the sole source award of a contract with Stabilizer Solutions, Inc. for Hilltopper brand products to be used to renovate the softball fields at Daley Park. \(Contract #2016-153\)](#)
- Fiscal Impact:** Total cost for this contract will not exceed \$103,000. Sufficient funds have been appropriated in the Park Improvement/Recreation Capital Improvement Project Fund cost center 6305969 (Ballfield Infield Renovation).
- 5B12. [Ratified the award of a contract to C.A.S.M, Inc. for the purchase and installation of two, thirty-ton air conditioning units for the North Tempe Multi-Generational Center gymnasium. \(Contract #2016-154\)](#)
- Fiscal Impact:** Total cost of this one-year contract will not exceed \$75,000. Sufficient funds have been budgeted in the General Governmental CIP Fund – cost center 6873 (HVAC Equipment Replacement) – for the anticipated expenditures.
- 5B13. [Awarded a two-year contract with three, one-year renewal options to Bureau Veritas North America, Inc., Shums Coda Associates, Brown and Associates Certified Inspection Service, Inc., Stantec Consulting Services, Inc., and Willdan Engineering for plan review and building inspection services to be used by the Community Development Department. \(Contract #2016-155A-E\)](#)
- Fiscal Impact:** There is no cost to the City for these contracts. The contracts are structured to allow the vendors to be paid directly by the applicants. Total combined value of these contracts shall not exceed \$400,000 during the two-year initial contract period.
- 5B14. [Awarded a one-year contract with four, one-year renewal options to JAN-PRO of Phoenix for the cleaning of 24 high-use park restroom locations. \(Contract #2016-156\)](#)
- Fiscal Impact:** Total cost of this one-year contract will not exceed \$120,000. Sufficient funds have been budgeted in the General Fund – cost center 1876 (Custodial Services) – for the anticipated expenditures.
- 5B15. [Awarded one-year contracts with four, one-year renewal options to Commonwealth Electric Company of the Midwest and Spectra Electrical Company for water plant electrician services on an as-needed basis. \(Contract #2016-157A-B\)](#)
- Fiscal Impact:** Total cost of this contract shall not exceed \$500,000 during the one-year contract period. Sufficient funds have been appropriated in the Water and Wastewater Fund – cost centers 3013 (Johnny G. Martinez Plant) and 3014 (South Tempe Water Plant) – for the anticipated expenditures.
- 5B16. [Approved the First Amendment to the 20-year Solar Services Agreement \(Contract #2015-230A.A\) and Performance Guarantee and Limited Warranty Agreement \(Contract #2015-230A.1A\) with SolarCity Corporation for the development, construction, and maintenance of the East Valley Bus Operations and Maintenance Facility \(EVBOM 1\) solar electric generating system; and cancelled the Solar Services Agreement and Performance Guarantee & Limited Warranty Agreement for the EVBOM 2 solar electric generating system. \(Contract 2015-230B\)](#)
- Fiscal Impact:** The revised total cost of the 20-year Solar Services Agreement for the EVBOM 1 system is \$968,430. Due to the lower per kilowatt-hour cost associated with the solar production portion of the systems' energy demand, the City will realize a revised 20-year net present value savings over currently approved energy budgets of \$411,051.
- 5B17. [Awarded a professional services contract to Brown and Caldwell, Inc. for the Sewage Collection Assessment Project – Phase II, taking place City-wide. \(Contract #2016-158\)](#)

Fiscal Impact: The total professional services contract amount is \$789,700. This project will be funded from fiscal year 2016/17 in Capital Improvement Project No. 3299969, Wastewater Collection System Upgrades and Improvements contingency.

5B18. [Awarded job order no. 8 to Foresite Design & Construction, Inc. for the fence replacement along Ken McDonald Golf Course and the Kyrene Canal Multi-use Path.](#)

Fiscal Impact: The total job order amount is \$318,173 and the project contingency amount is \$32,000. Funds to cover this job order contract and related costs are appropriated for fiscal year 2016/17 in Capital Improvement Project No. 6005249, Pathway Capital Maintenance.

5B19. [Awarded Job Order No. 2 to Hunter Contracting Company for the replacement of assorted electrical timing equipment at Estrada, McKemy, and Papago parks.](#)

Fiscal Impact: The Job Order No. 2 amount is \$73,271.85 and the project contingency amount is \$7,327.19. Funds to cover this job order contract and related costs are appropriated for fiscal year 2016/17 in Capital Improvement Project No. 6307659, Parks Electrical Repair.

C. **Resolutions**

5C1. **THIS ITEM WAS REMOVED FOR SEPARATE CONSIDERATION. SEE BELOW FOR DISCUSSION AND ACTION.** [Adopt a resolution approving and authorizing the Mayor to sign the Second Amendment to Assumption and Modification of the Development Agreement between Tellurian Development Company and the City of Tempe. \(Note: this item was continued from the June 23, 2016 Regular Council Meeting.\) \(Resolution No. R2016.71\)](#)

5C2. [Adopted RESOLUTION NO. R2016.74 acknowledging the City of Tempe's support of the Tempe History Museum as part of the American Alliance of Museums' accreditation process.](#)

Fiscal Impact: No fiscal impact.

5C3. [Adopted RESOLUTION NO. R2016.75 authorizing the Mayor to execute the Grant Agreement between the Arizona Criminal Justice Commission and the City of Tempe to accept and disburse a state grant for the provision of CARE 7 victim services. \(Contract #2016-159\)](#)

Fiscal Impact: The amount of the grant award is \$31,005. Sufficient budget appropriations for expenditure of this grant are authorized in the Governmental Grants Fund (Fund 46), as part of the fiscal year 2016-17 adopted budget. Acceptance of the grant requires matching funds in the amount of \$31,005. City-funded personnel time for supervisor and grant oversight will be paid from existing appropriation in the Human Services Department's General Fund budget (Cost Center 2923) to fulfill the required match.

5C4. [Adopted RESOLUTION NO. R2016.76 amending the Tempe City Code, Appendix A - Fee Schedule, Chapter 19, Motor Vehicles and Traffic, related to parking meter rates.](#)

Fiscal Impact: The introduction of differential pricing is designed to efficiently maintain the availability of on-street parking with little or no increase in operating costs/revenue. Variable pricing may result in additional revenue to the City; however, it is not anticipated to exceed \$50,000 per year.

- 5C5. [Adopted RESOLUTION NO. R2016.77 authorizing the Mayor to sign an amendment to the existing intergovernmental agreement between the Arizona Department of Revenue and the City of Tempe relating to tax simplification legislation. \(Contract #2015-136A\)](#)

Fiscal Impact: There is no fiscal impact associated with the proposed amendment.

- 5C6. [Adopted RESOLUTION NO. R2016.78 authorizing the Fire Medical Rescue Department Chief to sign an intergovernmental agreement with the City of Phoenix to lease an ambulance. \(Contract #2016-160\)](#)

Fiscal Impact: The City of Tempe will be responsible for the monthly lease amount of \$1, and approximately \$500 in Arizona Department of Health Services ambulance registration fees. Fuel and maintenance total costs are projected to be minimal, likely under \$200. Each department responsible for the fiscal implications of this intergovernmental agreement will be able to do so with funds already allocated in their respective operating budgets.

CONSENT AGENDA ITEM REMOVED FOR SEPARATE CONSIDERATION:

- 5C1. Resolution authorizing the Second Amendment to Assumption and Modification of the Development Agreement with Tellurian Development Company

Councilmember Granville voiced concern regarding connectivity issues and asked the City Attorney for suggested language that might help be helpful in encouraging connectivity.

Judi Baumann, City Attorney, stated that she has proposed amendment language for City Council's consideration for the Second Amendment to Assumption and Modification of the Development Agreement, as follows:

Section 3 would be revised to read: The form of lease for the Tellurian Properties ("Exhibit E" to the Development Parcel Agreement) is hereby amended to reflect that the term of the lease will be forty (40) years unless a lesser term is requested by the Owner; the City's commitment to enter into individual forty (40) year lease terms is contingent upon Tellurian providing documentation confirming that the economic impact of each individual improvement being conveyed is calculated at or above the sum previously provided to the City. The Commencement Date of each such lease shall be as set forth in section 5.2.1 of the Development Parcel Agreement.

A new Section 6 would be added to read: Tellurian acknowledges and agrees that it shall use its commercial best efforts and agree to work with other owners to include a circulation plan for connectivity to benefit all adjacent parcels.

Councilmembers, Ms. Baumann, and Brigitta Kuiper, City Clerk, discussed several options on ways that Councilmembers could vote on this agenda item, including the proposed amendments.

Councilmember Granville emphasized the importance of ensuring connectivity to the adjacent parcels and a preference for voting on the amendment separate from the agenda item.

Motion by Councilmember Granville to approve the amendment [Section 6] as read into the record for agenda item 5C1.

Councilmember Granville clarified that his motion would result in two votes, one for the amendment and then there would be a separate vote for agenda item 5C1. He stated that he supports the connectivity component, but not the Government Property Lease Excise Tax (GPLET) component.

Ms. Baumann stated that the amendment could be proposed as agenda item 5C1 as amended, as read into the record, with respect to Section 6.

Councilmember Granville stated that his motion is to amend the amendment.

Second by Councilmember Schapira to approve the amendment as read into the record.

Mayor Mitchell stated that his preference is to vote on agenda item 5C1 with one motion.

Discussion continued as Ms. Kuiper requested clarification of Councilmember Granville's motion. Councilmember Granville clarified that the motion to approve the amendment related to Section 6. **The motion to approve the amendment to Section 6, as read into the record for agenda item 5C1, passed unanimously on a roll call vote 7-0.**

Motion by Vice Mayor Arredondo-Savage to approve agenda item 5C1 as amended; second by Councilmember Keating.

At the request of Ms. Baumann, Councilmembers confirmed that the motion under consideration is to amend agenda item 5C1 with language that would qualify Section 3 along with Section 6, as read into the record.

Councilmember Granville voiced support for the project, the property abatements, and for connectivity. He voiced concern about approving a \$65 million GPLET incentive, of which \$17 million is for property abatements. He stated that he supports the property abatements. He compared the site location conditions and development risk levels for phases 1 and 2 of the Tempe Marketplace project. The loss to the City of Tempe for phase 1 was \$2.6 million; the loss to the City for phase 2 is \$16 million. He disagreed with offering an incentive for a project that is currently in the process of being constructed.

Vice Mayor Arredondo-Savage discussed the economic benefits generated by phase 1 of Tempe Marketplace, which set a precedent and expectations for phase 2. The proposed project is for phase 2 of Tempe Marketplace; there are risks associated with the development. She emphasized that building costs have increased since 2004; Class A office development will generate revenue for the City; and, that the City Council should follow through with phase 2, as originally intended. The developer has shown a commitment to the project. She stated that she will be supporting agenda item 5C1.

Mayor Mitchell voiced support for the project and stated that the economic benefits will exceed the developer's rebate. The developer would receive some form of a GPLET regardless of whether or not a project is built because the property is not fully remediated. He compared the property value and payback to the City over a 40-year period if nothing is built on the property, versus if the phase 2 project is built. Phase 2 will also generate sales, excise, and lease taxes.

Mayor Mitchell stated that there is a motion to approve.

The motion by Vice Mayor Arredondo-Savage to approve agenda item 5C1 as amended [Sections 3 and 6]; second by Councilmember Keating. Motion passed on a roll call vote 6-1 with Councilmember Granville voting no.

- 5C1.** Adopted **RESOLUTION NO. R2016.71** approving the Second Amendment to Assumption and Modification of the Development Agreement, *with a revised Section 3 and adding a new Section 6*, between Tellurian Development Company and the City of Tempe, and authorizing the Mayor to sign the agreement. *(Note: this item was continued from the June 23, 2016 Regular Council Meeting.)*
(Contract #2014-46B)

Fiscal Impact: The total savings from the Government Property Lease Excise Tax (GPLET) is estimated by staff to be \$64.8 million. Tellurian spent \$17.2 million on hard and soft costs to remediate the site and the economic impact of the first phase is expected to be over \$59.7 million. The investment in site improvements, environmental remediation and the economic impact is equal to over \$76.9 million.

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 with Nesbitt Contracting Co., Inc. for street resurfacing at Warner Road from Kyrene Road to Interstate10.](#)

Councilmember Navarro voiced concern about the striping of the bike path. He asked staff to explain how the bike path will function in this area and if there are plans for a bike path expansion.

Shelly Seyler, Deputy Public Works Director – Transportation/Traffic Engineering, stated that this overlay project provides an opportunity to incorporate bike path striping within the existing roadway. She discussed an e-mail that Councilmembers received from Mr. Rice, a citizen concerned about inconsistencies and improving connections at intersections where bike lanes end. Staff will contact Mr. Rice to discuss possible solutions to his concerns.

Councilmember Navarro stated that this bike path is highly used by a variety of different groups; this project will provide connectivity.

Motion by Councilmember Navarro to approve agenda item 6A1; second by Councilmember Kuby. Motion passed unanimously on a roll call vote 7-0.

6A1. Awarded a construction contract to Nesbitt Contracting Co., Inc. for street resurfacing – Warner Road from Kyrene Road to Interstate10. **(Contract #2016-161)**

Fiscal Impact: The construction contract amount is \$968,000 with a construction contingency of \$96,800 for a total amount of \$1,064,800. Funds to cover this contract are appropriated for fiscal year 2016/17 in Capital Improvement Project No. 5499741, Arterial, Collector, and Residential Street Asset Preservation.

6A2. [Contract with R. K. Sanders, Inc. for concrete improvements, on-call maintenance, and emergency repairs.](#)

There was no discussion on agenda item 6A2.

Motion by Councilmember Navarro to approve agenda item 6A2; second by Vice Mayor Arredondo-Savage. Motion passed unanimously on a roll call vote 7-0.

6A2. Awarded a construction contract to R. K. Sanders, Inc. for minor concrete improvements, on-call maintenance, and emergency repairs. **(Contract #2016-162)**

Fiscal Impact: The construction contract amount is \$1,199,475. This on-call contract is funded by various Capital Improvement Projects throughout the one-year contract term as minor concrete work is identified and emergency repairs are needed.

B. Ordinances and Items for Introduction and First Hearing

- *6B1. [Ordinance granting a utility easement to Arizona Public Service Company near the southeast corner of Rural Road and 8th Street, an easement agreement, and related documents.](#)**

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

- *6B1.** Introduced and held the first public hearing to adopt an ordinance authorizing the granting of a utility easement to Arizona Public Service Company over certain City-owned land located near the southeast corner of Rural Road and 8th Street, and authorizing the Mayor or his designee to execute an Easement Agreement and related documents. The second and final public hearing was scheduled for August 18, 2016. (Ordinance No. O2016.42)

Fiscal Impact: N/A

- *6B2. [Ordinance amending the Tempe City Code, Chapter 19, Motor Vehicles and Traffic, relating to parking and civil sanctions.](#)**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B2. Mayor Mitchell closed the public hearing.

- *6B2.** Introduced and held the first public hearing to adopt an ordinance amending the Tempe City Code, Chapter 19, relating to Motor Vehicles and Traffic, parking and civil sanctions. The second and final public hearing was scheduled for August 18, 2016. (Ordinance No. O2016.43)

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

- *6B3. [Ordinance for an Amended Planned Area Development Overlay and approve a Development Plan Review for LPT RIO IV, 1870 West Rio Salado Parkway.](#)**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B3. Mayor Mitchell closed the public hearing.

- *6B3.** Introduced and held the first public hearing to adopt an ordinance for an Amended Planned Area Development Overlay and approve a Development Plan Review for a new office building and parking garage for LPT RIO IV, located at 1870 West Rio Salado Parkway. The applicant is RSP Architects. The second and final public hearing was scheduled for August 18, 2016. (Ordinance No. O2016.44)

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.

- *6B4. [Ordinance amending the Tempe City Code, Section 6-54, relating to the prohibition on the sale of cats and dogs.](#)**

Mayor Mitchell introduced the ordinance and opened the public hearing.

Darlene Justus, Tempe, voiced appreciation for the City Council's support of the ordinance that prohibits the sale of puppy mill animals in pet stores. She is concerned with the State of Arizona pre-empting that ordinance and the possibility of the state withholding taxes owed to cities that do not comply with State law. She discussed how taxes are collected by the State, on behalf of the City. She recently testified at the State capitol about her concerns.

The public hearing was closed.

Councilmember Kuby thanked Ms. Justus for testifying at the state capitol and for her work on the ordinance. She voiced appreciation for the letters that she has received from residents, letters to the editor, and those individuals that testified at the capitol. The sale of puppy mill animals in pet stores is an outdated business model.

- *6B4. Introduced and held the first public hearing to adopt an ordinance to amend the Tempe City Code, Sec. 6-54 relating to Animals, in general, by amending Article III relating to the prohibition on the sale of cats and dogs. The second and final public hearing was scheduled for August 18, 2016. (Ordinance No. O2016.45)

Fiscal Impact: There is no fiscal impact to the City.

- *6B5. [Ordinance amending the Tempe City Code, Chapter 2, by adding Article IX relating to lobbyist registration.](#)

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no public comment on agenda item 6B5. The public hearing was closed.

Councilmember Schapira stated that he will be working with staff on a potential amendment to the ordinance, for consideration at the second public hearing. Areas of concern are the gift provisions and the lobbyist reporting limit of \$50, which is too high. To ensure transparency and accountability, the City should have the same ethical standards as the Arizona State Legislature.

Councilmember Granville stated that the proposed ordinance is an important first step; however, he is open to new suggestions. He questioned why the lobbyist is required to report, versus placing this requirement on the Councilmember.

Councilmember Kuby voiced her support for the ordinance and agreed that this is an important step towards greater transparency in City government and in elections.

- *6B5. Introduced and held the first public hearing to adopt an ordinance amending Chapter 2 to add Article IX to the Tempe City Code relating to lobbyist registration. The second and final public hearing was scheduled for August 18, 2016. (Ordinance No. O2016.46)

Fiscal Impact: There is no fiscal impact to the City.

C. Ordinances and Items for Second Hearing and Final Adoption

- *6C1. **Ordinance amending the Zoning and Development Code, adding a new subsection E for NEIGHBORHOOD LIBRARIES.**

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

Motion by Councilmember Granville to approve agenda item 6C1; second by Councilmember Kuby. Motion passed unanimously on a roll call vote 7-0.

- *6C1. Held the second and final public hearing and adopted **ORDINANCE NO. O2016.40** consisting of changes within the Zoning and Development Code, Section 3-401, adding a new subsection E for NEIGHBORHOOD LIBRARIES. The applicant is the City of Tempe.

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

- *6C2. **Ordinance authorizing a development and disposition agreement, deed and additional documents with Gorman & Company, Inc., 1001 E. 8th Street; and, its development into market rate and affordable housing.**

Mayor Mitchell opened the public hearing. There was no public comment on agenda item 6C2. Mayor Mitchell closed the public hearing.

Vice Mayor Arredondo-Savage thanked City staff, former Councilmember Corey Woods, Gorman & Company, and Save the Family for their work on this veteran's housing project. She noted that this project will fill a gap by assisting female veterans and their families.

Councilmember Kuby acknowledged Vice Mayor Arredondo-Savage and former Councilmember Corey Woods for their work on this project.

Motion by Vice Mayor Arredondo-Savage to approve agenda item 6C2; second by Councilmember Navarro. Motion passed unanimously on a roll call vote 7-0.

- *6C2. Held the second and final public hearing and adopted **ORDINANCE NO. O2016.41** authorizing the Mayor to execute a development and disposition agreement, deed and additional documents necessary for the conveyance to Gorman & Company, Inc. of a three-lot City-owned parcel of land located at 1001 E. 8th Street and its development into market rate and high quality affordable housing. **(Contract #2016-163)**

Fiscal Impact: Nominal consideration will be paid to the City; the primary consideration is the construction of the project.

7. CURRENT EVENTS/COUNCIL ANNOUNCEMENTS/FUTURE AGENDA ITEMS

Councilmember Keating

He is excited to serve the citizens of Tempe as a Councilmember.

Councilmember Kuby

Saturday, August 13, 2016 – Town Hall on Homelessness event. Thanked Darlene Justus and Councilmember Navarro for their participation in this event.

Councilmember Navarro

Saturday, August 13, 2016 – Town Hall on Homelessness event.
Happy birthday to his mother.

Vice Mayor Arredondo-Savage

Thanked Andy Goh, Deputy Public Works Director – Engineering, for his service to the City of Tempe.
Saturday, August 20, 2016 – College Connect event at the Tempe Public Library.
Arizona State University students will be moving into their housing units soon.

Councilmember Granville

Thanked Councilmember Schapira for his collaboration on the neighborhood libraries project.
He is participating in a Celebrity Book Club event at the Tempe Public Library.
Discussed recent events in the police community and his support of Police Chief Sylvia Moir for her responsiveness to community members.

Councilmember Schapira

Welcomed Councilmember Randy Keating to the City Council.
Acknowledged his colleague, Robin Arredondo-Savage, for being selected as the new Vice Mayor.
Thanked Andy Goh, Deputy Public Works Director – Engineering, for his service to the City of Tempe.
Thanked his colleagues, community members, and staff for their participation in a public forum regarding community policing. Discussed his support of Police Chief Sylvia Moir and her responsiveness to community members. Condolences to families that have been negatively impacted by incidents that have recently occurred across the country.

Mayor Mitchell

Thanked Andy Goh, Deputy Public Works Director – Engineering, for his service to the City of Tempe.
School is back in session.
Congratulated his daughter on her cheerleader achievements.
Thanked public safety personnel for their service to the community.

8. PUBLIC APPEARANCES

A. Scheduled – None.

B. Unscheduled

Mary Miller, Tempe, discussed various incidents and observations involving homeless individuals and how displacement impacts these individuals.

Bobbie Taber, Tempe, Desert Rivers Society Audubon member, invited interested individuals to join her on a bird watching trip scheduled for September 24, 2016.

The meeting adjourned at 7:14 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 Regular City Council meeting of August 4, 2016, by the Tempe City Council, Tempe, Arizona.

ATTEST:

Mark W. Mitchell, Mayor

Brigitta M. Kuiper, City Clerk