

TOWN
Of
PARADISE VALLEY



TOWN COUNCIL
Vernon B. Parker, Mayor

Virginia "Jini" Simpson, Vice Mayor
Ronald B. Clarke
Pam Kirby

Bernie Barry
Mary Hamway
Scott LeMarr

**Thursday, March 11, 2010
3:00 pm**

**Meeting Location:
Town Hall 6401 E. Lincoln Drive
Boardroom**

AMENDED MEETING AGENDA

1. CALL TO ORDER / ROLL CALL

2. WORK/STUDY DISCUSSION ITEMS

Work/Study is open to the public however the following items are scheduled for discussion only. The Town Council will be briefed by staff and other Town representatives. There will be no votes and no final action taken on discussion items. The Council may give direction to staff and request that items be scheduled for consideration and final action at a later date. The order of discussion items and the estimated time scheduled to hear each item is subject to change.

- a. Discussion of NewPath Network** **45 minutes**
Staff Contact: Eva Cutro, Planning & Building Director, 480-348-3522
- b. Discussion of Capital Projects** **30 minutes**
Staff Contact: James C. Bacon, Jr., Town Manager, 480-348-3690
- c. Discussion of Residential Alarm User Permit** **30 minutes**
Staff Contact: Lenore Lancaster, Management Services Director, 480-348-3532

3. EXECUTIVE SESSION

The Town Council may adjourn into Executive Session at one or more times during the meeting. Executive Sessions are not open to the public.

- a.** Discussion and consultation with the Town Attorney regarding pending or potential litigation as authorized by A.R.S. §38-431.03.A.4 and discussion of legal advice from the Town Attorney as authorized by A.R.S. §38-431.03.A.3 regarding **Special Use Permit restrictions and zoning regulations related to the school property located at 6050 N. Invergordon Road**

- b.** Discussion and consultation with Town Attorney regarding pending or contemplated litigation as authorized by and A.R.S. §38-431.03.A.4 and discussion of legal advice as authorized by A.R.S. §38-431.03.A.3 related to **Arizona Corporation Commission Docket No. W-01303A-08-0227 and Docket No. SW-01303A-09-0343 regarding Arizona American Water rate consolidation.**

- c.** Discussion of **Town Manager performance review** as authorized by A.R.S. §38-431.03.A.1.

**Meeting Location: Town Hall Council Chambers
Approximate Start Time: 5:30 p.m.**

4. RECONVENE FOR REGULAR MEETING

5. ROLL CALL

6. PLEDGE OF ALLEGIANCE

7. PRESENTATIONS

8. CALL TO THE PUBLIC

Citizens may address the Council on any matter not on the agenda. In conformance with Open Meeting Laws, Council may not have discussion or take action on this matter at this Council meeting, but may respond to criticism, ask that staff review a matter raised, or ask that it be put on a future agenda. Those making comments shall limit their remarks to three (3) minutes. **Please fill out a Speaker Request form prior to addressing the Council.**

9. MAYOR / COUNCIL / MANAGER REPORTS

The Mayor, Council or Town Manager may provide a summary of current events. In conformance with Open Meeting Laws, Council may not have discussion or take action at this Council meeting on any matter discussed during the summary.

10. CONSENT AGENDA

All items on the Consent Agenda are considered by the Town Council to be routine and will be enacted by a single motion. There will be no separate discussion of these items. If a member of the Council or public desires discussion on any item it will be removed from the Consent Agenda and considered separately.

a. Minutes of Town Council Meeting February 25, 2010

b. Minutes of Town Council Special Meeting March 2, 2010

c. Report on Investments

Recommendation: Receive and file the report.

Staff Contact: Lenore P. Lancaster, Management Services Director, 480-348-3532

d. Approval of Special Event Liquor License for Cystic Fibrosis Foundation

Recommendation: Approve the Special Event Liquor License application for the Cystic Fibrosis Foundation subject to the stipulations in the Action Report.

Staff Contact: Duncan Miller, Town Clerk, 480-348-3610

- e. Adoption of Resolution Number 1214; Authorization to Intervene in Arizona Corporation Commission Docket No. SW-01202A-09-0343 Regarding Arizona American Water Rate Consolidation**

Recommendation: Adopt Resolution Number 1214.

Staff Contact: Andrew M. Miller, Town Attorney, 480-348-3691

11. PUBLIC HEARINGS

- a. Consideration of Liquor License Person Transfer for Montelucia Resort and Spa**

Recommendation: Forward the liquor license application from EHENY Montelucia Resort, LLC for Person Transfer and Interim Permit to the Arizona Department of Liquor Licenses and Control with a recommendation for approval.

Staff Contact: Duncan Miller, Town Clerk, 480-348-3610

12. ACTION ITEMS – The Town Council May Take Action on Any of These Matters.

None

13. ADJOURN

AGENDA IS SUBJECT TO CHANGE

The Town of Paradise Valley endeavors to make all public meetings accessible to persons with disabilities. With 72 hours advance notice, special assistance can also be provided for disabled persons at public meetings. Please call 480-948-7411 (voice) or 480-483-1811 (TDD) to request accommodation to participate in the Town Council meeting.

MEMORANDUM

TO: Mayor and Council
FROM: James C. Bacon Jr., Town Manager
DATE: March 11, 2010
SUBJECT: WORK/STUDY SESSION DISCUSSION TOPICS

Next Thursday's study session agenda includes three important topics: a report on the NewPath SUP application; a presentation on the recommended master plan by Robert Smith with the firm of Dick & Fritsche Design Group; and a discussion of capital improvement projects which will be included in the FY2010-2011 recommended budget.

NEWPATH SUP APPLICATION

A staff report on the NewPath SUP application is enclosed. Molly Hood will be available Thursday to discuss it with you. This item has two purposes. First, staff wants to provide you with the most current information on the application. Second, we want to receive your feedback on the items which should be included in the draft statement of direction. Providing that feedback to staff next Thursday should allow us to draft a statement of direction for your consideration on March 25. If the Town Council adopts a statement of direction for this project on March 25, it will be referred to the Planning Commission. Staff does not expect their review to be completed until at least June, 2010. Between March 25 and the time the matter is before the Town Council after the Planning Commission review process has been completed, discussions are expected to be underway between the Town and NewPath to develop an operating agreement for the project. The agreement would include such items as fees and network availability for public safety purposes but is not part of the SUP. Time to discuss the agreement will be part of the March 25 executive session.

CAMPUS MASTER PLAN

Robert Smith with Dick & Fritsche Design Group will present their report on the campus master plan. Town Engineer Bill Mead and Court Services Director Jeanette Wiesenhofer will also be present to answer questions. Adopting a campus master plan provides an important tool for the future development of the campus. While adopting it this spring does not require the Town to commit capital project funds toward any project, you should be aware that the Court is willing to proceed with designing their new facility as part of next year's budget. \$250,000 of Court funds will be included in the recommended budget for that purpose. You may remember that the Court also provided the funds for the master plan.

CAPITAL IMPROVEMENT PROJECTS

It has become clear that a very short list of capital projects should be included in the FY 2010-2011 budget recommendations. I will identify that list for you and ask for your feedback on whether or not to include them in my budget recommendations. Basically, the list will include replacement police vehicles, computers, the municipal court design and APS undergrounding.

Please contact me if you have any questions.

ATTACHMENT

NewPath Distributed Antenna System Memo



Memorandum

TO: Honorable Mayor and Town Council
FROM: Molly Hood, Senior Planner *MH*
DATE: March 11, 2010
SUBJECT: NewPath Distributed Antenna System (SUP-10-4)

BACKGROUND

NewPath Networks recently submitted a Special Use Permit application to allow the installation of a Distributed Antenna System (DAS) in the Town of Paradise Valley right-of-way. A Distributed Antenna System consists of a fiber-optic backbone that connect a series of antenna nodes that wireless carriers may use to improve system capacity, coverage, voice quality, high speed data, and Internet access. The fiber connects to a "hub" which contains the carrier's base station equipment.

Newpath's proposal for Paradise Valley consists of the fiber optic cable and 42 signal antenna nodes located above ground on vertical structures such as street light poles, traffic signals, or faux cactus. The hub is located in the City of Scottsdale.

NewPath is proposing 42 antenna node locations throughout Paradise Valley's right-of-way including:

- 6 street light nodes
- 21 faux cactus nodes (24' high)
- 2 traffic signal nodes
- 13 stop sign or other street sign nodes (24' high)

Staff and the Town's wireless consultant, Christine Malone, visited each proposed antenna node location with the NewPath team. Each site was evaluated and the group collaboratively decided on the most appropriate position and design for each node location.

This will be a Major Special Use Permit. Per the Town's new SUP ordinance, Major SUP Amendments shall go to the Town Council for a Statement of Direction. A Statement of Direction is intended to provide general guidelines or project parameters as the application progresses through the Planning Commission and Town Council review. A Statement of Direction is not a final decision and shall create no vested rights to the approval of a Special Use Permit. Nor shall the applicant rely on the matters addressed in the Statement of Direction as those that may become part of an approved Special Use Permit.

Staff believes the NewPath Statement of Direction should address the following:

- proposed antenna node heights
- preferred antenna node design
- siting guidelines (i.e. avoid view corridors, blend with surrounding landscape, etc.)

Staff will take Council's input and draft a Statement of Direction which will be brought back to the Town Council on March 25, 2010.

MEMORANDUM

To: James C. Bacon, Jr., Town Manager

From: Jeanette Wiesenhofer, Municipal Court Director
William C. Mead, Town Engineer

Re: Discussion of Town Hall Campus Master Plan *JW
WCM*

Date: March 11, 2010

Background

For many years the Town has identified the need to construct a separate court building on the Town Hall campus. In 2001, Architecture Plus was contracted by the Town to prepare conceptual plans for a new court building to be located between the police building and the fire station. More recently, the Capital Projects budget included funds for the design of a new court building on a yet undetermined location. Because there are several locations on the Town Hall campus that could support a new court facility, it was appropriate to have an architect experienced in the design of courts perform a Campus Master Plan prior to proceeding with an actual building design. On May 14, 2009 the Town Council awarded a contract to Dick & Fritsche Design Group to prepare a Town of Paradise Valley Campus Master Plan, a site location study for a new court facility and a plan on how the current court office might be used by the Town when vacated by the court.

Discussion

For the past six months the project team consisting of Presiding Judge Ty Tabor, Associate Presiding Judge John Auran, Jim Bacon, Town Manager, Jeanette Wiesenhofer, Municipal Court Director, Bill Mead, Town Engineer, Andrew Cooper, Public Works Director, Elsa Lynch, prior Municipal Court Director, and Steve Zraick, Deputy Town Attorney worked closely with the architects in the preparation of a Town Hall Campus Master Plan. The attached study includes the proposed Campus Master Plan, recommended court facility location and probable use for current court office space. Highlights of the study include:

- A new proposed road alignment coming off of Casa Blanca Drive running westerly into the campus just south of the new fire station and connecting to the existing drive along the Police Building.
- New driveway entry from Invergordon Road into the Town Campus along with geometric improvements south of Town Hall to accommodate the proposed court facility building.
- The recommended new Court building location between Public Works building and Town Hall
- Potential use for new office space vacated by current Court staff for option A.

Architects from Dick & Fritsche Design Group will attend the work session and present their study to the Town Council.



TOWN COUNCIL MEETING
6401 E. LINCOLN DRIVE
PARADISE VALLEY, ARIZONA 85253
SUMMARIZED MINUTES
February 25, 2010

CALL TO ORDER

Mayor Parker called to order the Town Council meeting of the Town of Paradise Valley, Arizona, held at Town Hall 6401 E. Lincoln Drive, on Thursday, February 25, 2010 at 4:00 PM.

COUNCIL MEMBERS PRESENT

Mayor Vernon B. Parker
Vice Mayor Virginia "Jini" Simpson
Council Member Bernie Barry
Council Member Ron Clarke
Council Member Mary Hamway
Council Member Pam Kirby
Council Member Scott LeMarr

STAFF MEMBERS PRESENT

Town Manager James C. Bacon, Jr.
Town Attorney Andrew Miller
Town Clerk Duncan Miller
Town Engineer William C. Mead
Police Chief John Bennett
Planning & Building Director Eva Cutro
Management Services Director Lenore Lancaster
Planner George Burton
Public Works Director Andrew Cooper

Second Quarter Budget Review

Mr. Bacon reported that for the first six months of Fiscal Year 2010 the Town was financially healthy. He said the Town was on target for revenues and has favorable variances on expenditures.

Ms. Lancaster explained the methodology used to develop quarterly financial reports. Revenues including local taxes, franchise fees, and certain miscellaneous revenues are developed by month with all other revenues straight-lined. Expenditures including salaries, social security/medicare, and retirement are allocated based on the number of work weeks per month. Most other expenditures are straight-lined.

She said construction sales and use taxes and permits fees were strong. Revenues did not meet budget for the second quarter, but year-to-date revenues exceed budget. She said the Town continues to monitor and control expenditures with a year-to-date savings of \$306,022.

Responding to a question from Councilmember Barry about normalizing Phoenix Fire contract payments, Ms. Lancaster believed it was important to use the same methodology for the year and normalize the payments next fiscal year.

Mr. Bacon noted that the past practice of lease purchasing capital assets would not be utilized for the foreseeable future. The delta between the capital lease and investment income is currently not in the Town's favor. Moreover, the state expenditure limitation is no longer a factor in capital purchases.

Discussion of Regulations for Solar Installations

Mr. Mead explained that over the past year the Town received a number of requests to install roof mounted solar panels on hillside properties. Although encouraging sustainability is one of the Town's goals, there are two obstacles preventing some property owners from installing solar equipment. He said some requests were denied because the addition of the solar panels raised the overall height of the house beyond the allowable 24-foot height limitation. Secondly, the fees assessed for hillside properties are higher than those charged for non-hillside properties. One reason for the higher fees is that these installations must be reviewed by the Hillside Committee.

Staff proposed amending the administrative relief section of the Code to allow the Planning & Building Director to grant administrative relief of up to 10% additional height for solar panels on hillside properties to be consistent with non-hillside properties. Secondly, staff suggested amending the fee schedule by creating a separate solar panel hillside building committee review fee of \$200.

There was Council consensus to reduce the hillside review fees. After discussion about eliminating the need for solar applications to be reviewed by the Hillside Committee or developing a Staff/Hillside Committee Chair hybrid committee to approve these requests, it was decided to amend the Code to extend administrative relief to hillside properties. If approved the application would still be reviewed by the Hillside Committee. This solution would still give neighbors who are below or at the same elevation as the applicant's property to provide feedback at a public hearing. The only remaining concern was that applicants may have to wait a month to receive approval from the Hillside Committee.

Motion and vote - Councilmember Clarke moved to go into executive session. Vice Mayor Simpson seconded the motion which passed unanimously at 4:51 pm.

EXECUTIVE SESSION

- a. Discussion and consultation with the Town Attorney regarding pending or potential litigation as authorized by A.R.S. §38-431.03.A.4 and discussion of legal advice from the Town Attorney as authorized by A.R.S. §38-431.03.A.3 regarding **Special Use Permit restrictions and zoning regulations related to the school property located at 6050 N. Invergordon Road**
- b. Discussion of **Town Manager and Town Attorney performance review** as authorized by A.R.S. §38-431.03.A.1.

RECONVENE FOR REGULAR BUSINESS MEETING

CALL TO ORDER

Mayor Parker reconvened the meeting of the Town Council at 5:47 P.M.

COUNCIL MEMBERS PRESENT

Mayor Vernon B. Parker
Vice Mayor Virginia "Jini" Simpson
Council Member Bernie Barry
Council Member Ron Clarke
Council Member Mary Hamway
Council Member Pam Kirby
Council Member Scott LeMarr

STAFF MEMBERS PRESENT

Town Manager James C. Bacon., Jr
Town Attorney Andrew Miller
Town Clerk Duncan Miller
Police Chief John Bennett
Public Works Director Andrew Cooper, Jr.
Town Engineer William C. Mead
Planning & Building Director Eva Cutro
Management Services Director Lenore P. Lancaster

PLEDGE OF ALLEGIANCE

Mayor Parker led the Pledge of Allegiance.

CALL TO THE PUBLIC

There were public comments.

MAYOR / COUNCIL / MANAGER REPORT

There were no reports.

CONSENT AGENDA

- a. **Minutes of Town Council Meeting January 14, 2010**
- b. **Minutes of Town Council Special Meeting January 25, 2010**
- c. **Minutes of Town Council Meeting January 28, 2010**
- d. **Minutes of Town Council Special Meeting February 11, 2010**
- e. **Authorization to Purchase a PM-10 Certified Street Sweeper**
Recommendation: Authorize the purchase of a PM-10 certified street sweeper in an amount not to exceed \$187,423.
Staff Contact: Andrew Cooper, Jr., Public Works Director, 480-348-3573
- f. **Renewal of Police CAD/ Records Management System Software Maintenance Agreement**
Recommendation: Authorize the Town Manager to approve payment for annual software maintenance support of the Computer-Aided Dispatch/Records Management System in the amount of \$37,549.
Staff Contact: Lenore P. Lancaster, Management Services Director, 480-348-3532
- g. **Adoption of Resolution Number 1200 Authorizing the Town Clerk to Hold a Consolidated Election on May 18, 2010**
Recommendation: Adopt Resolution Number 1200 authorizing the Town Clerk to conduct the Council General (Runoff) Election on May 18, 2010 as a polling place election.
Staff Contact: Duncan Miller, Town Clerk, 480-348-3610
- h. **Approval of Ordinance Number 620 Establishing a Public Safety Fee and Prosecution Assessment**
Recommendation: Approve Ordinance Number 620, authorizing the Municipal Court to impose a public safety fee and prosecution assessment.
Staff Contact: Andrew M. Miller, Town Attorney, 480-348-3691
- i. **Approval of Resolution Number 1210 Amending the Town's Financial Management Policies**

Recommendation: Adopt Resolution Number 1210 amending the Town of Paradise Valley Financial Management Policies to incorporate changes to the emergency appropriation policy.

Staff Contact: Andrew M. Miller, Town Attorney, 480-348-3691

j. Adoption of the Salary and Classification Plan and Authorization for the Town Manager to Recruit and Hire a Budget & Finance Director/Assistant Town Manager

Recommendation: Adopt the Town's salary and classification plan thereby establishing positions, titles, and salary ranges resulting from the newly recognized restructuring plan; and authorize the recruitment and hiring of a Budget & Finance Director/Assistant Town Manager.

Staff Contact: Andrew M. Miller, Town Attorney, 480-348-3691

k. Approval of Resolution Number 1211; Adopting the November 2009 Maricopa County Multi-Jurisdictional Multi-Hazard Mitigation Plan

Recommendation: Approve Resolution Number 1211, adopting the November 2009 Maricopa County Multi-Jurisdiction Multi-Hazard Mitigation Plan

Staff Contact: Eva Cutro, Planning & Building Director, 480-348-3522

l. Adoption of Resolution Number 1213, Amending the Master Fee Schedule to Reflect a Reduction of the Fees for a Hillside Review of Plans for the Addition of Solar Photovoltaic and Solar Hot Water Heater Only

Recommendation: Adopt Resolution Number 1213, reducing the fees for a Hillside Building Committee's review of plans for the addition of solar photovoltaic or solar hot water heater only applications.

Staff Contact: Andrew M. Miller, Town Attorney, 480-348-3691

Mr. Bacon summarized the remaining items on the Consent Agenda.

Councilmember LeMarr removed item 11e for separate discussion.

Motion and vote – Councilmember Clarke moved to approve the Consent Agenda with the exception of item 11e. Vice Mayor Simpson seconded the motion which passed by a vote of 7-0.

e. Authorization to Purchase a PM-10 Certified Street Sweeper

Recommendation: Authorize the purchase of a PM-10 certified street sweeper in an amount not to exceed \$187,423.

Mr. Cooper said the Town operates two sweepers to maintain 140 linear miles of paved streets. He said the older of the two sweepers has been out of service for two months. The cost to repair the sweeper is estimated at \$5,500. Instead of repairing it the Town investigated replacing the sweeper. However, the purchase of a new sweeper was not in the budget so the Town's \$37,485 matching share would come out of the contingency fund.

Councilmember LeMarr suggested that even though the Town's share was relatively small it would be preferable not to purchase a replacement. He said the Town could either rely on the other sweeper or contract with a third party to provide sweeping services.

Mr. Cooper responded that maintenance costs would increase if only one sweeper was used for all streets. He said sweepers can only be operated about 4 or 5 years before the maintenance costs start increasing significantly. Moreover, cleaning the streets less often would accelerate asphalt deterioration.

Resident Christine Larkin spoke in opposition to the expenditure. She suggested that the Town contract for the service instead.

Motion: Vice Mayor Simpson moved to approve item 11e. Councilmember Clarke seconded the motion.

Vote: The motion passed by a vote of 5 to 2.

AYE
Parker
Simpson
Barry
Clarke
Kirby

NO
LeMarr
Hamway

PRESENTATIONS

a. Recognition of Paradise Valley Police Officers, Detectives, US Marshal Service and Town Residents

The Mayor and Council recognized the following Paradise Valley police officers, detective, the US Marshal Service, and Town residents for meritorious service to the Town:

July 29,2009 Arrest of a homicide suspect- Letter of Appreciation

Corporal Donald Fanning
Officer Lindsay McCall

December 11, 2009 Missing Person - Certificate of Appreciation

Town resident - Marcus Mitchell
Town resident - Mcghann Will
Town resident - Jason Maxham

December 4,2009 Assistance in the arrest of the home invasion suspects - Certificate of Merit

Officer Gregg Smith

December 4, 2009 Arrest of home invasion suspects - Unit Citation

Detective Sergeant Dennis Dodd
Detective Corporal Steven Schrimpf
Detective Frank Hoekstra
Detective John Wagner

December 4, 2009 Assistance in the arrest of the home invasion suspects - Citation

United States Marshal David Gonzales
Senior Inspector United States Marshal Service Joshua Butout

b. Presentation of Volunteer Service Awards

Mayor Parker presented the years of service awards to the following volunteers:

5 Years

Mary Hamway, Town Council
Robert Coulter, Municipal Property Corporation
James Otto, Personnel Appeals Board
Neal Tyner, Personnel Appeals Board
Emily Kile, Board of Adjustment
Maureen Strom, Historical Advisory Committee

10 Years

Kathryn Gasser, Historical Advisory Committee
Louise McCall, Arts Advisory Committee
Sandy Slaton, Municipal Court Judge

20 Years

Scott LeMarr, Board of Adjustment, Planning Commission and Town Council

PUBLIC HEARINGS

There were no public hearings.

ACTION ITEMS

There were no action items.

ADJOURNMENT

Motion and vote – Vice Mayor Simpson moved to adjourn. Councilmember Hamway seconded the motion which passed by a vote of 7-0

Mayor Parker adjourned the meeting at 6:20 p.m.

ATTEST:

Vernon B. Parker, Mayor

Duncan Miller, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Paradise Valley Town Council held on then 25th day February 2010. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2010.

Duncan Miller, Town Clerk



TOWN COUNCIL MEETING
6401 E. LINCOLN DRIVE
PARADISE VALLEY, ARIZONA 85253
SUMMARIZED SPECIAL MEETING MINUTES
MARCH 2, 2010

CALL TO ORDER

Mayor Parker called to order the Town Council special meeting of the Town of Paradise Valley, Arizona, held at Town Hall 6401 E. Lincoln Drive, on Tuesday, March 2, 2010 at 2:00 PM.

COUNCIL MEMBERS PRESENT

Mayor Vernon B. Parker
Vice Mayor Virginia "Jini" Simpson
Council Member Bernie Barry
Council Member Ron Clarke
Council Member Mary Hamway
Council Member Pam Kirby
Council Member Scott LeMarr

STAFF MEMBERS PRESENT

Town Manager Andrew M. Miller

Motion and vote – Councilmember Hamway moved to go into executive session at 2:00 p.m. Council Member Barry seconded the motion which passed by a vote of 7 – 0.

Motion and vote – Council Member Clarke moved to adjourn. Councilmember LeMarr seconded the motion which passed by a vote of 7 – 0.

ADJOURNMENT

Mayor Parker adjourned the meeting at 2:50 p.m.

ATTEST:

Vernon B. Parker, Mayor

Duncan Miller, Town Clerk

**TOWN OF PARADISE VALLEY
COUNCIL ACTION REPORT**

TO:	MAYOR AND TOWN COUNCIL
FROM:	Lenore Lancaster, Management Services Director
SUBJECT:	Report on Investments
DATE:	March 11, 2010

RECOMMENDATION

It is recommended that the Town Council receive and file this report.

FACTS

The Town's Investment Policy adopted September 14, 2006 requires the Management Services Director to prepare and submit to the Council a report of the Town's purchases of investments. The Town purchased the following investments:

Investment	Settlement	Maturity	Coupon	Yield	Amount	Broker
Federal National Mortgage Association	1/29/10	1/29/13 Callable quarterly starting 7/29/10	1.0% Step up to 2.5% 1/29/11, 3% 7/29/11, 4% 1/29/12, 5% 7/29/12	2.72% YTM 1% YTC	\$1,000,000	UBS Financial Services
Federal Home Loan Mortgage Corp.	1/15/10	10/15/12 Callable 10/15/10	1.875%	1.819% YTM 1.673% YTC	\$1,000,000	Jefferies & Co
Federal National Mortgage Association	2/19/10	2/19/13 Callable quarterly beginning 8/19/10	2%	2.0% YTM 2.0% YTC	\$1,143,000	UBS Financial Services
Federal National Mortgage Association	3/1/10	3/1/13 Callable quarterly starting 9/1/10	2%	1.98% YTM 1.87% YTC	\$800,000	UBS Financial Services
Federal Farm Credit Bureau	2/25/10	10/26/11 Callable on or after 4/26/10	.95%	.95% YTM .95% YTC	\$800,000	Jefferies & Co

FISCAL IMPACT

The fiscal year 2010 budget assumed that all maturing bonds and all potentially callable bonds would be replaced with bonds yielding 2.5%. The impact of the above investments on the FY 2010 budget is an unfavorable variance of approximately \$15,900 on the General Fund.



Lenore Lancaster
Management Services Director



James C. Bacon, Jr.
Town Manager

TOWN OF PARADISE VALLEY
COUNCIL ACTION REPORT

TO: Mayor and Town Council
FROM: Duncan Miller, Town Clerk
SUBJECT: Approval of Special Event Liquor License for Cystic Fibrosis Foundation
DATE: March 11, 2010

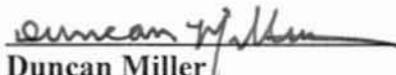
RECOMMENDATION:

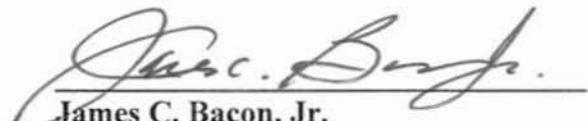
It is recommended that Town Council approve the Special Event Liquor License application for the Cystic Fibrosis Foundation subject to the following stipulations: only those people authorized by law be allowed to dispense and/or consume alcoholic beverages; consumption shall be limited to the premises as indicated in the application; and Section 10-7 Control of Excess Noise be observed.

FACTS

The Arizona Chapter of the Cystic Fibrosis Foundation will be holding a fundraising event on Saturday, March 27, 2010 from 6:00 pm to 11:00 pm at the Montelucia Resort and Spa located at 4949 E. Lincoln Drive in Paradise Valley. Donated wine will be served and auctioned off at the event thus requiring them to obtain a special event liquor license. Montelucia has agreed to suspend their liquor license for the Castillo Lucena meeting room and the Cortijo Plaza for duration of the event.

State law requires the Town approve special event liquor licenses before the State Liquor Board can issue a license. Assistant Chief Larry Scott and Planning & Building Director Eva Cutro have reviewed the application and find no reason to oppose it as long as the stipulations listed above are observed.


Duncan Miller
Town Clerk


James C. Bacon, Jr.
Town Manager

**TOWN OF PARADISE VALLEY
COUNCIL ACTION REPORT**

TO:	HONORABLE MAYOR AND TOWN COUNCIL
FROM:	Andrew M. Miller, Town Attorney
SUBJECT:	Intervention in Arizona Corporation Commission in ACC Docket No. SW-01303A-09-0343 re Rate Consolidation
DATE:	March 11, 2010

RECOMMENDATION

It is recommended that the Mayor and Council adopt Resolution No. 1214.

DISCUSSION

Pursuant to Town Council Resolution #1185, the Town filed as an intervener in an Arizona-American water rate case involving the Paradise Valley Water District ("PV District"), that case being Arizona Corporation Commission ("ACC") Docket No. W-01303A-08-0227 (the "PV Rate Case"). One of the areas of concern to be monitored by the Town Attorney in the PV Rate Case was the consideration of the consolidation of all of the Arizona-American Water rate districts in Arizona. The PV Rate Case did not include any actions on the consolidation issue, however, the Judge's December 8, 2009 decision kept the case open for future consideration of "consolidation in the Company's next rate case with a separate docket in which a revenue-neutral change to rate design of all Arizona-American Water Company's water districts."

The Town Attorney has not received any further procedural orders in the PV Rate Case regarding a schedule for consolidation proposals. However, at a February 10, 2010 meeting at the offices of Arizona-American, staff from the company disclosed that ACC staff would be making a rate consolidation proposal on March 22, 2010 in the docket of a separate rate case, ACC Docket No. SW-01303A-09-0343 ("Rate Case 08-0343") and that responsive testimony to the ACC Staff's proposal would be due on April 5, 2010. Despite the lack of appropriate notice, the Town should now intervene in Rate Case 08-0343 in order to properly monitor the issue of rate consolidation and ensure that the Town has information and can appropriately monitor any efforts made in Rate Case 08-0343 to adopt a state-wide consolidated rate structure. Adoption of Resolution No. 1214 will allow the Town Attorney to file a Motion to Intervene in ACC Rate Case 08-0343 and to report back to the Council on Arizona-American water district rate consolidation issues that might impact the Town.

FISCAL IMPACT

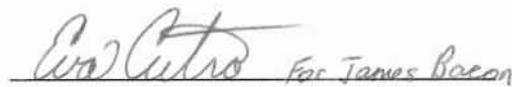
Uncertain at this time.

COMMUNITY IMPACT

Uncertain at this time.



Andrew M. Miller, Town Attorney
Attachment: Resolution No. 1214



James C. Bacon, Jr. Town Manager

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RESOLUTION NUMBER 1214

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA, AUTHORIZING AND DIRECTING THE FILING OF A MOTION TO INTERVENE AS AN INTERESTED PARTY IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM/AGUA FRIA WATER DISTRICT, ITS SUN CITY WASTEWATER DISTRICT, AND ITS SUN CITY WEST WASTEWATER DISTRICT, DOCKET NO. SW-01303A-09-0343

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA THAT:

WHEREAS, on March 12, 2009, Town Council Resolution #1185 authorized the Town Attorney to represent the Town’s interests in an Arizona-American water rate case involving rate requests by Arizona-American for its Paradise Valley Water District (“PV District”), that case being designated as Arizona Corporation Commission (“ACC”) Docket No. W-01303A-08-0227 (the “PV Rate Case”); with direction to the Town Attorney to file Resolution #1185 in the docket of the PV Rate Case and to represent the Town with respect to four identified issues of concern in the PV Rate Case;

WHEREAS, the Town had previously filed as an intervener in the PV Rate Case on October 7, 2008;

WHEREAS, one of the issues to be monitored by the Town Attorney in the PV Rate Case was the consideration of the consolidation of all of the Arizona-American

1 Water rate districts in Arizona, as raised by ACC Commissioner Kristin Mayes in her
2 letter to the parties to the docket dated November 10, 2008;

3 WHEREAS, the final decision in the PV Rate Case, Decision
4 No.71410, docketed December 8, 2009, contained the following order
5 regarding the consolidation issue:

6 IT IS FURTHER ORDERED that this docket shall remain
7 open for the limited purpose of consolidation in the
8 Company's next rate case with a separate docket in which
9 a revenue-neutral change to rate design of all Arizona-
10 American Water Company's water districts or other
11 appropriate proposals or all Arizona-American's water and
12 wastewater districts or other appropriate proposals may be
13 considered simultaneously, after appropriate public notice,
14 with appropriate opportunity for informed public comment
15 and participation.

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17 WHEREAS, on February 10, 2010, the Town Attorney attended a meeting at the
18 offices of Arizona-American entitled, "Training and Development in Rate Consolidation
19 Scenarios" during which staff from Arizona-American disclosed that ACC Staff would
20 be making a rate consolidation proposal on March 22, 2010 in the docket of the
21 "Company's [Arizona-American's] next rate case," ACC Docket No. SW-01303A-09-
22 0343 (hereinafter "Rate Case 08-0343") and that responsive testimony to the ACC Staff's
23 proposal would be due on or about April 5, 2010;

24 WHEREAS, the Town has never received any formal notification that the docket
25 in the PV Rate Case and Rate Case 08-0343 have been consolidated; February 10, 2010
26 being the first time that the Town had notice that a consolidation proposal for all rate
27 districts was being considered in Rate Case 08-0343;

28 WHEREAS, the Town should intervene in Rate Case 08-0343 in order to properly
29 monitor the issue of rate consolidation because there may be some efforts made in Rate

1 Case 08-0343 to adopt a state-wide consolidated rate structure that would then be applied
2 to the other districts that are not part of Rate Case 08-0343, such as the PV District.

3 WHEREAS, Although the timeframe for intervention has passed, based upon the
4 lack of consolidation of the two dockets and therefore lack of notice, the Town will
5 respectfully request a waiver of the intervention deadline and ask that the Commission
6 grant a motion allowing the Town to intervene in Rate Case 08-0343.

7 NOW, THEREFORE, BE IT RESOLVED, that the Town Attorney is authorized
8 to file a motion to intervene in Rate Case 08-0343;

9 FURTHER RESOLVED, that the Town Manager and Town Attorney are
10 authorized to report back to the Council on the matter of rate consolidation and to take all
11 actions necessary to protect the Town's interests in both the PV Rate Case, Rate Case 08-
12 0343, or any future ACC docket which considers the rate consolidation issue in a
13 combined docket.

14 PASSED AND ADOPTED by the Town Council this 11th day of March, 2010.

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Vernon B. Parker, Mayor

ATTEST:

Duncan Miller, Town Clerk

APPROVED AS TO FORM

Andrew M. Miller, Town Attorney

**TOWN OF PARADISE VALLEY
COUNCIL ACTION REPORT**

TO:	Mayor and Town Council
FROM:	Duncan Miller, Town Clerk
SUBJECT:	Approval of Liquor License Transfer for Montelucia Resort & Spa
DATE:	March 11, 2010

RECOMMENDATION:

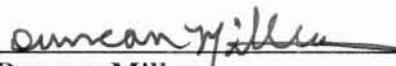
It is recommended that Town Council forward the EHNH Montelucia Resort, LLC liquor license application for Person Transfer to the Arizona Department of Liquor Licenses and Control with a recommendation for approval.

FACTS

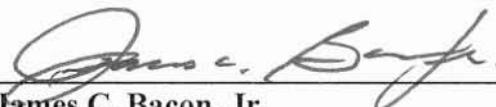
The Montelucia Resort & Spa, located at 4949 E. Lincoln Drive, requests a liquor license person transfer from Patricia Ann Martin, agent, Montelucia Hotel, LLC, to Andrea Dahlman Lewkowicz, agent, EHNH Montelucia Resort, LLC.

Although liquor license applications are filed with the State, which has the primary responsibility for reviewing the application and conducting background checks on the owners and agents, A.R.S. §4-201 requires that the Town Council hold a public hearing to receive comment on whether or not the issuance of the liquor license is in the best interest of the community. Notice of the application was posted on the applicant's premises for 20 days in accordance with state law. The Town did not receive any arguments in support of or opposition to this application. There are no violations on file with the Arizona Department of Liquor Licenses and Control against PV Resort Associates/Montelucia.

The Paradise Valley Police Department has reviewed the application and finds no reason to oppose it. Additionally, the Planning and Building Department has no objections to the application insofar as issuance of a liquor license is consistent with the Special Use Permit for this property.



Duncan Miller
Town Clerk



James C. Bacon, Jr.
Town Manager