



**TOWN COUNCIL MEETING**  
**6401 E. LINCOLN DRIVE**  
**PARADISE VALLEY, ARIZONA 85253**

**SUMMARIZED MINUTES**  
**JUNE 26, 2008**

**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, June 26, 2008 at 4:04 PM.

**COUNCIL MEMBERS PRESENT**

Mayor Vernon B. Parker  
Vice Mayor Ron Clarke  
Council Member Brian Cooney  
Council Member Mary Hamway  
Council Member ~~Eleet~~ Pam Kirby attended by telephone conference call.  
Council Member Scott LeMarr  
Council Member Virginia "Jini" Simpson

**STAFF MEMBERS PRESENT**

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

**DISCUSSION ITEMS**

**Discussion of Convention and Visitors Bureau Funding for FY 2009**

Mr. Bacon introduced Rachel Sacco, President & CEO of the Scottsdale Convention and Visitors Bureau. Mr. Bacon remarked that the Town recognizes the important role the CVB continues to play in marketing local resorts. He reminded the Council that the current budget includes \$675,000 for the financial support of the CVB, however, the CVB has asked that the amount be increased to \$700,000.

Ms. Sacco introduced Richard Bibee, General Manager of Renaissance Paradise Valley Resort and Chairman of the Board of the CVB. She also introduced Mike Surguine, General Manager of the Sanctuary Camelback Mountain. She noted that this is her 21<sup>st</sup> year coming before the Council with a request to support the CVB's marketing efforts.

Ms. Sacco explained that the resort travel industry is subject to constant change. With a weakening U.S. economy, the CVB is adapting its marketing strategies to appeal to Canadians and other foreign travelers. She suggested that during a faltering economy it is even more important to increase investments in marketing the brand of Scottsdale and Paradise Valley Resorts. She requested that the Town authorize \$625,000 for general marketing services and \$75,000 for the Town's Fiesta Bowl commitment.

Richard Bibee stated that the CVB generates a tremendous return on investment. He stated that the changing face of the industry requires new strategies and development of new markets. He noted that it takes time for a brand to be successful in foreign markets.

Ms. Sacco stated that the CVB returns \$12 million in economic impact and \$5.4 million in editorial coverage to Paradise Valley as a direct result of the Town's investment. She said for every \$1 the Town invests, \$32 is returned in economic value.

Responding to a question from the Council, Ms. Lancaster stated that bed tax collections have historically been flat over the previous 15 years even though investment in the CVB has nearly doubled.

There was Council consensus to schedule consideration of the Scottsdale Convention and Visitors Bureau funding agreement at the next Council meeting at the requested \$700,000 amount.

### **Discussion of Sustainability**

Ms. Hood summarized the concept of sustainability, defined as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (*Our Common Future*, 1987) She discussed why sustainability is important and how it is measured.

She stated that if the Council is interested in developing policies supporting sustainability there are a number of action steps that can be taken including:

- Adding a sustainability element to the General Plan
- Identify and document the current policies, ordinances and programs that support the Town's commitment to sustainability
- Examine the initiatives of other communities in the Valley and State and provide a comparison

- Produce a list of new sustainability policies/programs (i.e. green building program, electric vehicles, sustainable guidelines for resort development) with estimated costs, timelines, and priority level.

There was Council interest in studying sustainability. An update on the methodology and specific action steps was requested for sometime in the Fall. The Council stressed the importance of project management and prioritization of effort.

### **Discussion of Floor Area Ratio**

Ms. Cutro explained that the building community has expressed concerns with how the Town measures floor area. Recently, several architects and builders have challenged the Town's interpretation of Floor Area Ratio.

She reviewed that "Floor Area, Total" is defined as: The area under roof added to the floor area of any second story. The total floor area includes, in addition to the main building or premises, all area under roof in accessory buildings such as gazebos, ramadas and other accessory buildings, but excluding the floor area of any fully subterranean portions of a building.

"Floor Area Ratio" is defined as: The total floor area divided by the total lot area.

These zoning tools are how the Town controls density on most lots. On most lots this means density is limited to 25% which equals about 11,000 square feet under roof plus a second story.

The building community objects because the Town defines Floor Area Ratio differently from most other communities. Most use a lot coverage methodology. It is similar but does not include the second story.

She said the building community requests the following changes:

- Eliminate overhangs from 25% FAR calculations. She said staff believes that this would allow the builder to build a bigger home and does not serve the purpose of encouraging "green building" as architects claim
- Eliminate overhangs from FAR calculations and lower FAR. She said this proposed change may result in Proposition 207 claims as it may decrease the maximum allowable square footage for homes
- Calculate trellises at a lower percentage than solid roof structures. She said there is some Staff support for this suggestion as the Council recently allowed a lesser percentage for trellises on SUP projects. Both Montelucia and Ritz Carlton are calculating trellises at 25%.
- Change "Floor Area Ratio" to Roof Area Ratio". The building community believes that this is a better title since the measurement is taken to the roof edge.

There was Council consensus to consider calculating trellises at a lower percentage and changing FAR to "Roof Area Ratio. There was no support to investigate the first two suggestions.

**Motion and vote** – Councilmember Hamway moved to go into executive session at 5:20 p.m. Councilmember Clarke seconded the motion which passed by a vote of 7 - 0.

**EXECUTIVE SESSION**

- a. Discussion and consultation with Town Attorney regarding pending or contemplated litigation regarding **Husam Khazen v. Town of Paradise Valley, et. al., CV2008-013810** as authorized by A.R.S. §38-431.03.A.4.
- b. Discussion of **Town Manager goals and objectives for 2008** as authorized by A.R.S. §38-431.03.A.1.

**CALL TO ORDER**

Mayor Parker reconvened the meeting of the Town Council at 7:08 P.M.

**COUNCIL MEMBERS PRESENT**

Mayor Vernon B. Parker  
Vice Mayor Ron Clarke  
Council Member Brian Cooney  
Council Member Mary Hamway  
Council Member ~~Eleet~~ Pam Kirby attended by telephone conference call  
Council Member Scott LeMarr  
Council Member Virginia "Jini" Simpson

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Town Engineer William Mead  
Police of Chief John J. Bennett  
Public Works Director Andrew Cooper  
Management Services Director Lenore Lancaster  
Planning & Building Director Eva Cutro  
Public Safety Director John D. Wintersteen

**PLEDGE OF ALLEGIANCE**

Jeffrey Thomas, Katherine Thomas, and Emily Thomas led the Pledge of Allegiance.

**PRESENTATIONS**

**Recognition of Ed Winkler**

Mayor Parker recognized former Mayor Ed Winkler for his 10 years of service on the Council and two years as Mayor. During his term as Mayor, the Town successfully transitioned from Rural/Metro to the City of Phoenix Fire service. Vice Mayor Clarke presented Karen Winkler with a bouquet of roses. He thanked her on behalf of the Council.

Mayor Parker presented Mayor Winkler with a gift from the Town in recognition of his valuable and distinguished service to the community.

Mayor Winkler thanked he residents, staff, and Council.

**Recognition of John D. Wintersteen**

Mayor Parker recognized John Wintersteen for his 13 years as Paradise Valley Chief of Police. During his tenure as Chief, the Paradise Valley Police Department was repeatedly recognized for its high levels of service.

**CALL TO THE PUBLIC**

Resident Jane Cole introduced Reverend Debra Avery who is the new Pastor at Palo Cristi Presbyterian Church. She recently moved from Springfield, Illinois. Reverend Avery asked about the church's responsibility to water the landscaping along the new Lincoln Drive sidewalk. She requested that she be invited to the meetings at which this is discussed.

Resident Ken Bragg introduced the Cool Cities Campaign. He said the Sierra Club formed the Cool Cities Campaign in 2005 to provide guidelines, support, and empower city residents and local leaders to join and implement smart energy solutions. Today, over 1,000 cities including 10 in Arizona have signed the pledge to reduce their greenhouse gas emissions. He said there are 128 Sierra Club members in Paradise Valley. He encouraged the Council to join the Cool Cities campaign by signing the U.S. Mayor's Climate Protection Agreement.

**MAYOR / COUNCIL / MANAGER REPORT**

Mr. Bacon introduced the new Chief of Police, John J. Bennett. Chief Bennett joined the Town on Monday after a long career in law enforcement in suburban Philadelphia.

Mr. Bacon also acknowledged John Wintersteen's wife Elaine on the occasion of Mr. Wintersteen's retirement as police chief.

**CONSENT AGENDA**

- a. Minutes of Town Council Retreat June 6, and 7, 2008**
- b. Minutes of Town Council Meeting June 12, 2008**
- c. Cancellation of Council Meetings for July 24, August 14, and August 28**  
*Recommendation:* Cancel the regularly scheduled meetings of July 24, 2008, August 14, 2008, and August 28, 2008.
- d. Report on Investments**  
*Recommendation:* Receive and file the report
- e. Renewal of Contract for Audit Services**

*Recommendation:* Renew the contract for audit services with Cronstrom Osuch & Company in the amount of \$23,520.

**f. Adoption of Resolution Number 1174 Intent to Reimburse Certain Capital Items**

*Recommendation:* Adopt Resolution Number 1174 declaring the Town's intention to reimburse certain capital items through capital lease.

**g. Approval of Sewer Payback Agreement with John Deakin**

*Recommendation:* Authorize a future payback for Mr. John Deakin in the amount of \$90,277.14 from five additional properties that could potentially connect to the sewer main.

**h. Award of Construction Contract for Town Entry Monuments**

*Recommendation:* Award a contract to ELS Construction, Inc. in the amount of \$14,084 for the construction of one prototype entry monument to be constructed at the southeast corner of 32<sup>nd</sup> Street and Lincoln Drive.

**i. Approval of Reappointment of Russell Mosser as Member and Chair of the Public Safety Personnel Retirement System Paradise Valley Police Department Local Board**

*Recommendation:* Re-appoint Russell Mosser as a member and chair of the Public Safety Personnel Retirement System Paradise Valley Police Department Local Board for the four year term July 1, 2008, to June 30, 2012.

**j. Approval of Lease Purchase of Police Department and Planning & Building Department Vehicles**

*Recommendation:* Approve the lease purchase of two replacement vehicles for the Planning & Building Department and one new and one replacement vehicle for the Police Department.

**k. Renewal of Contract for Custodial Services for Town Hall Complex**

*Recommendation:* Authorize the Town Manager to renew the contract with Building Maintenance Services, Inc for custodial services at the Town Hall Complex and Kiva Field restrooms.

**l. Renewal of Contract for Annual Landscape Maintenance and Litter Removal Services in Public Streets and Grounds**

*Recommendation:* Authorize the Town Manager to renew the contract with Grounds Control, Inc. for annual landscape maintenance and litter removal services in public streets and grounds in an amount not to exceed \$163,712.

**m. Renewal of Contract for Solid Waste Removal Services at Town Facilities**

**Recommendation:** Authorize the Town Manager to renew the contract with Sonoran Waste Disposal, LLC for solid waste removal services at Town facilities on a unit cost basis.

**n. Award of Construction Contract for Police Communications Facilities**

**Recommendation:** Approve a construction contract for the remodel and construction of the Paradise Valley police communications facilities.

**o. Approval of Renewal of Standard Life, AD&D, and Disability Insurance Contracts**

**Recommendation:** Approve renewal of the Group Life, Accidental Death & Dismemberment, and Disability Insurance contracts with The Standard Insurance Company.

**p. Adoption of Resolution Number 1173 Employee Compensation Plan**

**Recommendation:** Adopt Resolution Number 1173.

Mr. Bacon summarized the consent agenda.

Mr. Bacon asked that item 11f be removed from consideration.

Councilmember Simpson asked that item 11j be removed.

**Motion and vote** – Councilmember Simpson moved to adopt the Consent Agenda as submitted with the exception of item 11j. Councilmember Hamway seconded the motion which passed by a vote of 7-0.

Councilmember Simpson asked what vehicles would be purchased and why they were not hybrids. Mr. Cooper explained that the batteries for the Prius's to be replaced are no longer under warranty and cost \$7,000 each. He also stated that when the air conditioner is running the vehicle is always burning gas. As a result it is more economical and fuel efficient to purchase Ford Escapes.

**Motion and vote** – Councilmember Simpson moved to approve item 11j. Councilmember Clarke seconded the motion which passed by a vote of 7-0.

**SPECIAL MEETING** – Mayor Parker recessed the regular meeting and convened the special meeting pursuant to A.R.S. §42-17105 for consideration and adoption of the budget.

**PUBLIC HEARINGS****Adoption of Resolution Number 1168 Approving the Tentative Budget for Fiscal Year 2008-2009**

Ms. Lancaster stated that the Council approved the tentative budget for Fiscal Year 2008-2009 on May 15, 2008. This was following a budget policy retreat on March 8, 2008 and a detailed budget review retreat on May 6, 2008.

She stated that, as in past years, a zero-base budget model was used. She explained that the Base Operating Budget is presented as the cost to continue operations as they currently are and the cost of Enhanced Services, Special Projects and the Capital Improvement Program are presented as "layers" or optional additions to the budget.

She said the Fiscal Year 2008-2009 budget summary clearly shows projected excess revenues above annual operational expenditures. The total budgeted operating expenditures will be approximately \$22.7 million and are well below the projected revenues of approximately \$25.4 million. The entire operation base budget represents a 7.0% increase over the current base budget. The fiscal year 2008-2009 budget includes a \$20.1 million base budget for departmental operations. Enhanced services total \$249,512 and special projects total \$1,026,854. Next year's planned capital projects total \$11.3 million, some of which will be debt financed. Debt service totals \$1,191,043.

She highlighted the following enhanced services:

- Expanded sales tax audit services
- Information technology additional position
- Facilities maintenance additional position
- Increase in scope of maintenance services Kiva Field
- Capital lease payments on radio system

Fiscal Year 2008-2009 special projects include:

- Host city for League of Arizona Cities & Towns conference
- Salary, benefits, expenses for Public Safety Director
- Set-aside for potential changes in salary plan
- Network design evaluation for MDTs
- Contract planning and consulting for resort development
- Replacement of cabinets in squad room
- Parking lot seal coat and striping
- Rewire traffic signals at 2 intersections
- Capital lease of traffic signal system controller hardware upgrade
- Fire service start-up costs

Notable capital projects include:

- Sanitary sewer west pump back
- Underground projects
  - APS districts 18, 31, 36
- Road Improvements
  - Residential street resurfacing
  - 56th St, Lincoln Drive to McDonald Drive
  - Video detection system
  - Town entry monument construction
- Continuation of construction of fire stations
- Design of municipal court building

Councilmember Simpson asked that the project on McDonald Drive and 51<sup>st</sup> Street be put back in the Capital Projects budget. This project had been promised to the residents on Rovey Drive during the Tatum McDonald intersection. The project had been in the five-year capital improvement project budget for several years but this year during the budget policy retreat it was removed from the CIP completely.

Resident Pam Azin said she worked hard with the Council on the Tatum Blvd / McDonald Drive intersection project. At the time the residents agreed to the closure of Rovey Drive at Tatum Blvd for safety reasons. The 51<sup>st</sup> exit on McDonald Drive is still very dangerous because of the dip in the road. Drivers on McDonald Drive cannot see cars entering traffic. A serious vehicle collision occurred recently at the intersection demonstrating the need for the hump to be removed.

Resident Alex Haas stated that the residents were promised that the hump would be removed. He said the Council should stop delaying and do the project.

Resident Jock Holman agreed that there is a public safety problem at that intersection. He said some residents gave up personal property when Rovey Drive was closed so that the intersection realignment project could be completed. This requested project on McDonald Drive was always intended to be part of the intersection project.

Resident David McCaleb questioned the 56<sup>th</sup> Street improvement project. He suggested that since the work will not be done this fiscal year that it should be removed from the budget.

Mayor Parker closed the public hearing.

The Council asked staff to provide information, plans and maps on the McDonald Drive at 51<sup>st</sup> Street project so that the Council could consider it at the July 10 meeting.

**Motion and vote** – Councilmember LeMarr moved to adopt Resolution Number 1170, Approving the Fiscal Year 2008-2009 Budget with the following exception. The 56th Street improvement project between Lincoln Drive and McDonald Drive be excluded from the list of approved Capital Improvement Projects for Fiscal Year 2008-2009 with those funds being retained in the budget as undesignated. Councilmember Cooney seconded the motion which passed by a vote of 7-0.

Mayor Parker adjourned the special meeting and reconvened the regular meeting.

**ACTION ITEMS**

There were no action items.

**ADJOURNMENT**

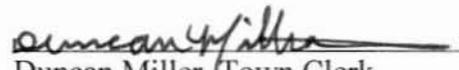
**Motion and vote** – Vice Mayor Clarke moved to adjourn. Councilmember LeMarr seconded the motion which passed unanimously.

Mayor Parker adjourned the meeting at 8:39 p.m.



Vernon B. Parker, Mayor

ATTEST:

  
Duncan Miller, Town Clerk