



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

**SUMMARIZED MINUTES
JANUARY 24, 2008**

CALL TO ORDER

Mayor Winkler called to order the Town Council meeting of the Town of Paradise Valley, Arizona, held at Town Hall 6401 E. Lincoln Drive, on Thursday, January 24, 2008 at 4:05 PM.

COUNCIL MEMBERS PRESENT

Mayor Ed Winkler
Vice Mayor Scott LeMarr
Council Member Ron Clarke
Council Member Brian Cooney
Council Member Mary Hamway
Council Member Dan Schweiker
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
Chief of Police John D. Wintersteen
Management Services Director Lenore Lancaster
Planning & Building Director Eva Cutro
Public Works Director Andrew Cooper
Deputy Town Attorney Steven Zraick
Senior Planner Molly Hood

ALSO PRESENT

Planning Commission Chair Dolf Strom

DISCUSSION ITEMS

Discussion of The Ritz Carlton Special Use Permit

Ms. Cutro reviewed the history of the Special Use Permit for the property located at 7000 E. Lincoln Drive. It was annexed into the Town in 1964. In 1987, the Town Council granted a

Special Use Permit and re-zoning for Sun Valley Resort to include a mix of resort units, residential lots, and a golf course. The permit allowed for 500 resort keys, 39 R-43 cluster plan lots, and a golf course. In 2005, the property changed ownership and an application was submitted for a Ritz Carlton resort community. The Planning Commission held 17 work session and three hearings on the application. On December 18, 2007, the Commission voted to forward the application to the Town Council with 30 stipulations.

The current plan includes the following:

- A resort hotel with 225 rooms, spa, restaurants, and meeting space.
- 100 resort patio homes
- 46 luxury detached residential homes on 20,000 square foot lots
- 15 one-acre home lots
- Site improvements including parking, landscaping, and lighting

She said the lot coverage for the 110 acre site is estimated at 24.15%. The resort is laid out in a sprawling design with low lying buildings and separate resort casitas surrounded by residential components around the perimeter. Due to its location at the center of the site, the resort is setback hundreds of feet from any right of way. The main buildings will have varying roof lines ranging in height from 20' to 33' with one ornamental tower element reaching a height of 39'.

The casitas are spread throughout the site in one and two-story configurations. The one story casitas are approximately 18' high and the two story casitas are proposed at 28' high.

One acre Estate Custom Lots are planned along Mockingbird Lane and portions of Lincoln Drive and Indian Bend Road. The front and rear setbacks on the one-acre lots are 40' and the side yard set-backs are 20'. Homes may be 24' in height, measured from the finished grade, and either one story or two story so long as they meet the open space criteria. The one acre lot located at the northeast corner of Lincoln Drive and Mockingbird lane is limited to one story in height. The floor area ratio is limited to 25% per lot.

The second type of residential lot is called Luxury Detached Residences on lots averaging 21,000 square feet. They are planned along the Lincoln Drive entrance. The front and rear setbacks will be 35' and the side yard setbacks are 15'. Homes may be 18' in height. All Luxury Homes are limited to one-story in height. The average floor area ratio is proposed at 29.59%.

The final residential element is called Patio Homes. They will be located on the eastern side of the property. These will be privately owned but may be part of the resort rental pool. Patio homes may be either one-story at 18' in height or two-story with a maximum height of 28'.

There was Council discussion about tightening accessory structure regulations so that guest houses could not be built to the setback. However, this would mean treating these homes differently than they would be treated in other parts of the Town.

The Council requested an exhibit comparing density, heights, and setbacks between Montelucia and the Ritz Carlton.

Planning Commission Chairman Dolf Strom summarized the Commission's recommendation. He said at the Commission level the applicant was asked if they understand the recommended stipulations and if they would comply with all stipulations. The answer was 'yes'.

He said the Commission took into consideration lessons learned from previous resort SUP approvals. These included (1) do the perimeter work first, then work from the inside out; (2) give special attention to setbacks on the perimeter of the project and the space between the buildings, particularly patio homes. The Ritz Carlton proposal provides for a 20; separation if the units are parallel and 15' if they are offset. He said the Commission used Cheney Estates as a model for the Luxury Detached portion of the resort. He also said Gainey Ranch is an example of how Ritz will be lighted.

David Schmid, Vice President of Development for Five Star Development, spoke on behalf of the applicant.

Council requested more detailed information on perimeter walls and landscaping at the next meeting. There was a desire for the walls to meander or be broken up with view fencing and articulation.

There was a general preference for all residential components to follow the same heights as other residential and limit all residential heights to a maximum of 24'. There was also concern that the some of the homes on Lincoln Drive may be too close to the right-of-way.

Council requested that the Town Manager meet with the City of Scottsdale to discuss the development of the project within Scottsdale's jurisdiction, the off-site improvements on Lincoln Drive to Scottsdale Road, and the increased sanitary sewer flow generated by the resort.

There was Council consensus not to hold another work study on this topic until the computer models have been completed. A Special Meeting is tentatively scheduled for February 21, 2008, provided that the models are completed. In addition, the Council asked to focus on grading, landscaping, the wall design, and the traffic study.

Motion and vote – Mayor Winkler moved to go into executive session at 5:52 p.m. Councilmember Schweiker seconded the motion which passed unanimously.

EXECUTIVE SESSION

- a.** Legal advice with attorneys regarding **Mountain Shadows development agreement and current application to rezone Mountain Shadows** as authorized by A.R.S. §38-431.03.A.3.

- b.** Discussion and consultation with Town Attorney regarding the **development agreement with Five Star Development** as authorized by A.R.S. §38-431.03.A.4.

- c.** Discussion of **Town Manager goals and objectives for 2008** as authorized by A.R.S. §38-431.03.A.1.

CALL TO ORDER

Mayor Winkler reconvened the meeting of the Town Council at 7:00 P.M.

COUNCIL MEMBERS PRESENT

Mayor Ed Winkler
Vice Mayor Scott LeMarr
Council Member Ron Clarke
Council Member Brian Cooney
Council Member Mary Hamway
Council Member Dan Schweiker
Council Member Virginia "Jini" Simpson

STAFF MEMBERS PRESENT

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

PLEDGE OF ALLEGIANCE

Public Works Director Andrew Cooper led the Pledge of Allegiance.

PRESENTATIONS

There were no presentations.

TOWN COUNCIL DISCUSSION ITEMS

Mayor Winkler moved and Councilmember Clarke seconded a motion to consider Agenda Item 14 regarding Arizona American Water at this time.

Discussion of Arizona-American Water Company Recent Contamination Notification and Related Issues

Mayor Winker announced that a meeting was held this morning to discuss a time-line of what occurred last week regarding the Arizona American Water contamination event. As a result of that discussion an Action Plan was developed. The Plan is as follows:

1. Develop a Document of Concern to be sent to the Arizona American Water Company with copies sent to the Scottsdale, the Arizona Department of Environmental Quality, and the Arizona Corporation Commission
2. The Town will partner with the City of Scottsdale on all possible long-term solutions.
3. Evaluate the databases the Town has and those it has access to in emergency situations and determine which are the best used.
4. Hire a consultant or consultants to help the Town develop a long-term water strategy.
5. Update the Town's incident command system which tracks major disasters

Mayor Winkler read the incident time-line

Noon, Tuesday 1/15: Arizona American learned that the TCE removal equipment at the treatment plant failed

3:00 PM Wednesday 1/16: Town was notified and notification was sent to customers via reverse 911 reaches some customers

6:00 PM: Water distribution begins at Town Hall

7:00 PM: AZ American out of water, Town uses its reserves

8:30 PM: Out of water

9:00 PM: New water shipment

8:00 AM Thursday 1/17: one AZ American employee distributing water

9:00 AM: Call placed to president of AZ American by Mayor and Town Manager

10:00 AM: Out of water

3:00 PM: Town parking lot fully staffed for distribution by AZ American

1:00 PM Friday 1/18: AZ American calls customers via reverse 911, ban not lifted

10:00 AM Saturday 1/19 ban lifted

AZ American notifies customers via their reverse 911, ban lifted

11:30 AM: Town begins its reverse 911 to 50,000 phones

The Mayor said the Town will follow the same 60-day timeline as the City of Scottsdale to consider options and report back to Council. Scottsdale and Paradise Valley will cooperate and view this as one service area.

The Council committed to do everything it takes to protect health, safety, and welfare of the Town.

The Mayor opened up the discussion to the audience.

Resident Paul J. Cody stated he was not notified by the water company about the contamination event. The only call he received was from the Police Department when the ban was lifted.

Stephanie Passinin expressed concerned about the health risk to residents. She noted that friends and neighbors were very helpful during the event by sharing information.

Resident Mel Kowal thanked the police chief for his efforts during the event and announced that on April 19, 2008, the Town will sponsor a VIN etching program.

Pam Kirby spoke as a resident and co-president of Kiva School PTO. She said she called the principle to notify him and was told that the Town had already called. Steps were taken to protect the safety of the children, by taping off the drinking fountains and changing the menu.

Resident Robert Rasmussen stated that he was not notified by Arizona American. He was not satisfied with the company's explanation about how to flush the system and who would pay to flush the system. He was concerned that if the EPA fines Arizona American that it will be passed on to the rate payers.

Resident Stan Goldberg asked what is the true health risk from this exposure? He said that answer should come from the EPA or the CDC and not from the water company or a politician. He asked what should have been done to flush the system.

Resident Janine Brown asked what is the boundary of the Superfund site? She asked if the Arizona Corporation Commission will study this in the future rate case hearing in May.

CALL TO THE PUBLIC

There were no public comments.

MAYOR / COUNCIL / MANAGER REPORT

Mayor Winkler stated that the Town received recognition from the Baha'i Community of Paradise Valley for supporting Martin Luther King, Jr. Day at Town Hall for the last 10 years.

CONSENT AGENDA

- a. Minutes of Town Council January 10, 2008**
- b. Cancellation of February 14, 2008 Council Meeting**
Recommendation: Cancel the regularly scheduled Council Meeting for February 14, 2008.
- c. Adoption of Resolution Number 1159 Approving the 2008 Master Fee Schedule**
Recommendation: Adopt Resolution Number 1159 Adopting the 2008 Master Fee Schedule.

d. Authorization to Enter into an Intergovernmental Agreement with the Arizona Department of Revenue for Tax Collection and Joint Audits

Recommendation: Authorize the Mayor to execute an Intergovernmental Agreement with the Arizona Department of Revenue for collection of taxes and joint tax audit services.

e. Continuation of the Construction Contract for Town Entry Monument

Recommendation: Continue this item to the February 28, 2008 Council Meeting.

f. Authorization for the Town Manager to Execute an Employment Agreement with John Wintersteen to Serve as Director of Public Safety

Recommendation: Authorize the Town Manager to execute an Employment Agreement with John Wintersteen to have him serve in a temporary position of Director of Public Safety upon his retirement as Chief of Police.

Mr. Bacon summarized the consent agenda.

Vice Mayor LeMarr asked that item 11e be removed.

Motion and vote – Mayor Winkler moved to approve the consent agenda with the exception of item 11e. Vice Mayor LeMarr seconded the motion which passed by a vote of 7-0.

Vice Mayor LeMarr stated that he showed the entry monument engineering plan to a metal sign fabrication business and was told that the sign is over designed but the bid price is fair for what is designed. He said the sign fabrication and installation is a multistep process involving several different subcontractors. The sign could be redesigned to make it cheaper and could be the same quality.

Council directed Mr. Mead to meet with the architect and contractor to try to reduce the scope. The item will be brought back to Council on February 28 to reject the bid and rebid with new specifications.

Vice Mayor LeMarr moved to continue item 11e to February 28, 2008. Mayor Winkler seconded the motion which passed by a vote of 7-0.

Motion and vote – Councilmember Schweiker moved to go into executive session. Councilmember Simpson seconded the motion which passed by a vote of 7-0.

PUBLIC HEARINGS

There were no public hearings.

ACTION ITEMS

There were no action items.

ADJOURNMENT

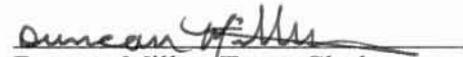
Motion and vote – Councilmember Schweiker moved to adjourn. Councilmember Simpson seconded the motion which passed unanimously.

Mayor Winkler adjourned the meeting at 8:45 p.m.



Ed Winkler, Mayor

ATTEST:


Duncan Miller, Town Clerk