TOWN
Of
PARADISE VALLEY

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

SUMMARIZED MINUTES
JANUARY 22, 2009

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, January 22, 2009 at 4:03 PM.

COUNCIL MEMBERS PRESENT
Mayor Vernon B. Parker
Vice Mayor Ron Clarke
Council Member Brian Cooney
Council Member Mary Hamway.
Council Member Pam Kirby
Council Member Scott LeMarr

Council Member Virginia "Jini" Simpson was not present

STAFF MEMBERS PRESENT
Town Manager James C. Bacon, Jr.
Town Attorney Andrew Miller
Town Clerk Duncan Miller
Town Engineer William Mead
Planning & Building Director Eva Cutro
Chief of Police John J. Bennett
Public Works Director Andrew Cooper, Jr.

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

Motion and vote – Vice Mayor Clarke moved to go into executive session at 4:04 p.m. Councilmember Kirby seconded the motion which passed unanimously.

WORK SESSION DISCUSSION ITEMS

Mayor Parker reconvened the regular meeting at 5:00 p.m.

Discussion of Sustainability

Ms. Hood updated the Council on the Town's sustainability efforts. She noted that with the help of two ASU School of Sustainability graduate students, Lisa Dwyer and Molly Cresto, the Town conducted a sustainability survey, a waste audit, an energy audit, opened a dialogue with the Global Institute of Sustainability about partnership opportunities, developed information brochures, and established a landscape conversion rebate program to reduce outdoor water use and encourage low-water and drought tolerant landscaping options.

She said in the coming months, the Town will continue to advance sustainability goals in the following ways:

- Assess whether the Landscape Conversion Rebate Program requirements and limits should be adjusted to facilitate more landscape conversions.
- Increase participation in the Landscape Conversion Rebate Program by promoting the program to Homeowner's Associations and the owners of neglected properties.
- Report to management on the energy audit recommendations.
- Assess the Town's purchasing practices and determine if the student's suggested guidelines can be implemented.
- Actively participate in the GIOS Sustainable Cities Network.

Council Hamway introduced resident Beverly Westgaard who will assist with a Citizens' Advisory Council to find creative ways to improve resident outreach and involvement in sustainability programs.

Additionally, second year ASU graduate student Gavin Paul will research the Town's Zoning Ordinance and make recommendations about how the Code could be amended to encourage "green building." An example may be recommendations on overhangs and exempting solar panels from building height restrictions. The Council was agreeable but cautioned that any recommendations should not include mandates.

Discussion of Arizona American Water

Mr. Bacon updated the Council on the Arizona American rate increase proposal filed with the Arizona Corporation Commission. He reminded the Council that the Town filed as an intervener in the case which allows the Town the option to provide testimony. He said the purpose of the work session was to receive direction from the Council about whether to testify at the rate case hearing. He said there are two relevant issues the Council may wish to address. The first is whether the Town wishes to take a position on the need to include fire flow capital needs as part

of the rate calculations. The second is whether the rats should include provisions for water conservation programs and rate adjustments for Paradise Valley customers who implement water conservation measures on their properties.

Regarding the first issue of fire flow, there was Council direction not to submit formal testimony to the Arizona Corporation Commission to include fire flow improvements in the rates.

Regarding the second issue of water conservation there was Council direction for the Water Utility Committee to meet with Arizona American to learn more about Arizona American's water conservation program. Arizona American's preference is for the Town to design the program and submit it to them. They also want the Town to identify how many residents would participate in a conservation program. One likely proposal would be for residents to have a choice between the upfront payments from the Town for turf removal or to be placed in a lower a tariff.

The Arizona Corporation Commission asked the Town to take a position on whether it believes Arizona American rate cases should continue to be heard individually by service area or to have all Arizona American service area rates consolidated. There was Council direction not to take a position until more information is gathered on the advantages and disadvantages of the two options. On one hand, the various districts are physically distinct and it may not be possible to customize services and programs if all districts are combined together. On the other hand, there may be some cost savings for Arizona American to combine the rate cases.

Previously, the Town Council discussed having a separate informational meeting on the proposed rate increases. However, Arizona American is willing to have a joint meeting on Monday, February 9, 2009 at 5:00 p.m. at the Paradise Valley United Methodist Church. There was Council consensus to combine the meetings and for staff and Councilmembers to make appropriate comments.

Report on the Palmeraie Project

Mr. Bacon reported that the City of Scottsdale is currently reviewing a proposal for development of the 20 acre parcel adjoining The Ritz-Carlton, Paradise Valley. The project, known as Palmeraie, is a mixed use development that includes a hotel, condominiums, restaurants, offices, retail space, and a two-level underground parking garage. She noted that building heights are proposed at e up to 60' in some areas and buildings are set back less than one foot from the Paradise Valley property line.

He said that the property is currently zoned for Resort/Town house Residential District (R4R), but Five Star Development is requesting a rezoning to a Planned Regional Center (PRC) zone. The rezoning will allow for increases in height from 35' to 60' and a Floor Area Ratio of up to 80%. The applicant is also requesting a text change to the PRC zone to reduce the minimum property size from 25 acres to 20 acres.

Mr. Bacon announced that the Scottsdale staff will recommend approval of the rezoning and development project.

The Council remarked that the Town did not contemplate this intensity of use when considered traffic plan on Indian Bend Road or the drainage study. Council asked if there had been any coordination between the two drainage engineers particularly since there will be a parking garage. It was also stated that the Council was under the impression during the Ritz-Carlton approval process that the adjoining property in Scottsdale would remain zoned as R-4-R.

Mr. Bacon stated that Town staff will be meeting with Scottsdale officials to discuss the project and that the Scottsdale Planning Commission will be reviewing the proposal on January 27, 2009.

Jason Morris, representing Five Star Development, stated that no development plans for the Scottsdale parcel were available during the project approval process in Paradise Valley. He said an offer was made to design the projects together but it was rejected.

Mr. Morris stated that the Palmeraie project will complement The Ritz-Carlton and provide amenities to guests and residents. He noted that the proposed 60 foot height is only in a small portion of the property and is stepped. He also stated that the same traffic engineer that conducted the study for the Paradise Valley project will be used for the Scottsdale parcel and it available to the Town. Five Star would consider installing a "pork chop" to divert traffic east on Indian Bend. Additionally, the City of Scottsdale is reviewing the drainage impacts across the entire parcel and not just the Scottsdale section. Finally, he said the Paradise Valley property most impacted by the development, The Scottsdale Plaza Resort, has already submitted a letter of support.

Motion and vote – Councilmember LeMarr moved to go into executive session at 6:14 p.m. Councilmember Kirby seconded the motion which passed unanimously.

EXECUTIVE SESSION

a. Discussion and consultation with Town Attorney regarding pending litigation or contract negotiations related to the application by **Arizona-American Water Company to the Arizona Corporation Commission for approval of a rate increase for the Paradise Valley Water District** DOCKET NO. W-O1303A-08-0227 as authorized by and A.R.S. §38-431.03.A.4 and legal advice as authorized by A.R.S. §38-431.03.A.3.

b. Legal advice from the Town Attorney as authorized by A.R.S. §38-431.03.A.3 regarding **zoning law and platting standards.**

CALL TO ORDER

Mayor Parker reconvened the meeting of the Town Council at 7:15 P.M.

COUNCIL MEMBERS PRESENT

Mayor Vernon B. Parker
Vice Mayor Ron Clarke
Council Member Brian Cooney
Council Member Mary Hamway
Council Member Pam Kirby
Council Member Scott LeMarr

Council Member Virginia "Jini" Simpson was not present

STAFF MEMBERS PRESENT

Town Attorney Andrew Miller
Town Clerk Duncan Miller
Town Engineer William Mead
Police of Chief John J. Bennett
Planning & Building Director Eva Cutro
Public Safety Director John D. Wintersteen
Public Works Director Andrew Cooper, Jr.

PLEDGE OF ALLEGIANCE

Boy Scout Troop Number 49 led the Pledge of Allegiance.

PRESENTATIONS

Recognition of John D. Wintersteen

Paradise Valley Public Safety Personnel Retirement Board Chair Russ Mosser thanked Mr. Wintersteen for his 12 years of service on the Board. Mayor Parker presented Mr. Wintersteen with a plaque.

The Mayor noted that Mr. Wintersteen was also recognized by the Arizona Game and Fish Department for his education outreach efforts in coyote awareness.

CALL TO THE PUBLIC

Resident Russ Mosser asked the Town to reconsider the speed limit on McDonald Drive from 56th Street to Tatum Blvd. He suggested that the speed limit be increased to 35 MPH.

Mr. Mosser also suggested that the 8 striped-out spaces on Invergordon Road should be removed to allow more parking for people hiking Camelback Mountain.

MAYOR / COUNCIL / MANAGER REPORT

Mayor Parker expressed condolences to Vice Mayor Clarke and his family upon the death of his father-in-law.

CONSENT AGENDA

a. **Minutes of Town Council Meeting December 18, 2008**

b. **Report on Investments**
Recommendation: Receive and file the report.

c. **Ratification of Adoption of Resolution Number 1179 Relating to the 401(A) Qualified Retirement Plan**
Recommendation: Ratify the adoption of Resolution Number 1179.

d. **Award of Trenching Contract for Underground Utility Conversion District 36**
Recommendation: Award a contract to Beecroft, LLC for $914,925 to install underground conduits for Underground Utility Conversion District 36.

e. **Adoption of Ordinance Number 608 Amending Section 2-5-6 of the Town Code Regarding Hillside Building Committee Membership and Terms**
Recommendation: Adopt Ordinance Number 608, authorizing minor amendments to Section 2-5-6(C) of the Town Code relating to the terms of members of the Hillside Building Committee, filling vacancies, and quorum requirements.

f. **Authorization to Purchase Video Detection Traffic Systems Cameras**
Recommendation: Authorize the purchase of 19 video detection cameras from AM Signal, Inc. in an amount not to exceed $128,090.

g. **Authorization to Lease Purchase Traffic Signal System Controllers**
Recommendation: Authorize the lease purchase of 14 traffic signal system controllers from Safetran in an amount not to exceed $34,808.

h. **Adoption of Resolution Number 1180 Establishing the Water Utility Committee**
Recommendation: Adopt Resolution Number 1180.

i. **Appointment of Members to the Water Utility Committee**
Recommendation: Appoint Councilmember Simpson, Councilmember Kirby, Robert Hobbs and Janice Stoney to the Water Utility Committee.

Mr. Bacon summarized the consent agenda.

Motion and vote – Councilmember LeMarr moved to approve the consent agenda as submitted. Councilmember Hamway seconded the motion which passed by a vote of 6-0.

PUBLIC HEARINGS

There were no public hearings.

ACTION ITEMS

Consideration of Ordinance Number 606 Providing for the Direct Election of the Mayor

Mr. Miller stated that following the December 4, 2008 work study session, staff prepared two alternative ordinances calling for a special election in September 2009 to seek voter approval for the direct election of the mayor. Since that meeting, the Mayor asked that a third ordinance be drafted to defer the election date to the next regular election in March 2010 and thus avoid the expense of holding a special election. The main provisions of the final draft and the one recommended for adoption are as follows:

- the Mayoral term of office is 2 years
- the ordinance is placed on the March 9, 2010 regular election ballot
- it takes effect for the Council (and Mayor) elections in Spring 2012
- any vacancies in the Mayoral office will be filled by an appointment from among the then-sitting Council Members
- this results in future election cycles where 3 Council Members and 1 Mayoral position will be up for election every Spring of even-numbered years

Motion and vote – Councilmember LeMarr moved to adopt Ordinance Number 606. Vice Mayor Clarke seconded the motion which passed by a vote of 6 – 0.

ADJOURNMENT

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

Mayor Parker adjourned the meeting at 7:36 p.m.

Vernon B. Parker, Mayor

ATTEST:

Duncan Miller, Town Clerk