

TOWN
of
PARADISE VALLEY



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

September 13, 2012

CALL TO ORDER

Mayor LeMarr called to order the Town Council meeting of the Town of Paradise Valley, Arizona, held at Town Hall 6401 E. Lincoln Drive, on Thursday, September 13, 2012 at 3:06 PM.

COUNCIL MEMBERS PRESENT

Mayor Scott P. LeMarr
Vice Mayor Michael Collins
Council Member Paul E. Dembow
Council Member Pam Kirby arrived at 3:53 p.m.
Councilmember Dan Schweiker
Council Member Lisa Trueblood

STAFF MEMBERS PRESENT

Town Manager James C. Bacon, Jr.
Town Attorney Andrew M. Miller
Town Clerk Duncan Miller
Community Development Director Eva Cutro
Planner George Burton
Police Chief John Bennett
Municipal Court Director Jeanette Wiesenhofer
Public Works Director Jim Shano
Commander Alan Laitch
Finance Director Scott McCarty

WORK SESSION

Councilmember Schweiker moved to go into executive session at 3:07 p.m. Vice Mayor Collins seconded the motion which passed by a vote of 5-0.

Discussion of Mountain Shadows

Community Development Director Eva Cutro briefed Council on the Planning Commission meeting held on Tuesday, September 11, 2012. She said the Commission spent three hours drafting and discussing 103 Special Use Permit (SUP) stipulations. The stipulations were developed by development area. They started with Development Area E which is on the east side of 56th Street. The Commission was most concerned with Area E.

She said Staff read the Statement of Direction (SOD) and Council Resolution 1261 clarifying and reconfirming the SOD and reminded the Commission that their stipulations should not be contrary to the (SOD). However, she said the Commission felt strongly that it was worthwhile to draft stipulations that were in opposition to the SOD. They changed Area E to 10 thousand square foot lot minimums. They changed the setbacks to mimic those of an R-10 subdivision. They wanted 50' roadways, 20' driveways, 6' tall guard gates, and 100' lot widths in the preliminary plat. These are all inconsistent with the SOD.

The Commission was also concerned with the maintenance facility at the south end of the golf course. They included a stipulation that all entrances must be to the east - away from any residences and limited the hours of operation. They were also concerned with the phasing of construction. The Town Attorney explained to the Commission that phasing would be better addressed in the Development Agreement. The Commission drafted a stipulation regarding screening during demolition and construction.

Finally, she said a resident spoke during the meeting expressing concern with the rapid speed with which the SUP has been reviewed. The resident stated that they have not had ample time to review and provide feedback on the application and stipulations. The Commission responded that they were under a timeline to forward a recommendation to Council. The Commission will hold a public hearing on September 18 and, if necessary, September 24.

Discussion of Committee Reappointment Process and Discussion of Appointment Process to Fill the Vacancy on Town Council

Town Manager Jim Bacon briefed the Council on the committee, commission, and board appointment process. He said that the Council will meet at 2:30 p.m. on Thursday, September 20, 2012 to interview applicants for the Planning Commission, Board of Adjustment, Hillside Committee, and Water Committee. He explained that applicants for the other advisory committees, including Arts, Historical, Municipal Property Corporation, and Mummy Mountain Preserve Trust will not be interviewed. The Council agreed at their meeting on June 28 that if the incumbents asked to be reappointed they would be reappointed. He said that there is a vacancy on the Mummy Mountain Preserve Trust and that the Mayor nominated former Mayor Ron Clarke. He also stated that, in the past, a Councilmember has served as liaison to the Arts

Advisory Committee. There is no requirement to have a Council liaison so unless a Councilmember expresses interest the Mayor will not make an appointment. Appointments will be made on September 27 and effective October 1.

Secondly, Mr. Bacon explained the recommendation to restructure the Personnel Appeals Board and Public Safety Personnel Retirement Board. Staff drafted an ordinance providing that citizen membership on the two boards would be identical. The change would be phased on over a two year period to allow the current members to serve out their terms. There was Council consensus to schedule the ordinance for a vote.

Lastly, Mr. Bacon stated that it would appropriate for the Council to make an interim appointment to fill the vacancy created by Vernon B. Parker's resignation. State statute allows the Council to fill a portion of the four-year term by appointment until the next regular election in the fall of 2014. He said the Mayor suggested a process whereby each Councilmember would submit three names to the Town Clerk. The top candidates from that list would then be selected for interview.

The Council agreed to submit names to the Town Clerk by October 15. They also agreed that the appointment would be made in January.

Discussion of Fire Service Fee Rate Structure Recommendation

Mr. Bacon stated that Staff held meetings with residents during the summer regarding fire and emergency medical services and proposed rate structure. Based on the feedback, the rate tiers were recalculated. He said in order to meet the implementation deadline of January 1, 2013, the proposed rates must be posted on the Town's website for 60-days and the rates must be approved on November 15, 2012.

Finance Director Scott McCarty summarized the feedback received from residents at the two open houses held over the summer. There was general interest in recalculating the tiers or establishing a fixed rate per square foot. It was also suggested that vacant land should be included in the fee structure. There was interest in quarterly billing, discounts if the fee is paid in full for the year, and the ability to pay electronically.

Mr. McCarty discussed the cost recovery elements. The expenses related to the annual intergovernmental agreement with the City of Phoenix for fire and emergency medical services are approximately \$3 million. This includes staffing and equipment, both new and replacement. Administrative costs for billing and collection would also be included in the rate structure. Expenses excluded from the rate design included construction and maintenance of the two fire stations.

He said 90%-95% of the cost of service is related to readiness. Only 5%-10% of costs are associated with calls for service. Of the calls for service 80% are for emergency medical services and 20% are for fire or other services. He explained that 90% of the town is residential (5,600 properties) versus 10% nonresidential (40 properties). As a result of this data, the functional population in the rate design model is the presence of people. To generate \$3 million, revenues approximate occupied space: residential \$2.7 million (90%) and \$0.3 million (10%). Non-residential rates correlate to the residential base rate.

He presented the following tier structure for residential properties.

Updated Options	Tier 1 (Base)	Tier 2	Tier 3
<u>A: \$360 Base + Tiers</u>	3,500 SF or less	3,501-5,000 SF	More than 5,000 SF
% of Homes	34%	32%	34%
Rate: Month/Annual	\$30/\$360	\$40/\$480	\$50/\$600
<u>A1: \$240 Base + Tiers</u>	3,500 SF or less	3,501-5,000 SF	More than 5,000 SF
% of Homes	34%	32%	34%
Rate: Month/Annual	\$20/\$240	\$40/\$480	\$60/\$720
<u>B: \$360 Base + Tiers</u> STAFF RECOMMENDATION	3,000 SF or less	3,001-6,000 SF	More than 6,000 SF
% of Homes	25%	55%	20%
Rate: Month/Annual	\$30/\$360	\$40/\$480	\$50/\$600

He presented the following calculation and example for non-residential properties:

	Retail/ Resort	Public/ Institutional	Office
A. Square Feet	280,845	175,844	52,360
B. Units (A / 3,000 SF)	94	59	17
C. Functional Population Factor	55%	61%	63%
D. Equivalent Homes (B x C)	52	36	11
E. Bill (D x \$360)	\$18,720	\$12,960	\$3,960

Council asked for a comparison of what residential and non-residential customers used to pay Rural/Metro with what they would pay under the proposed rate structure. Council directed staff to meet with all non-residential properties to discuss the proposal. The Town should also prepare a summary of the rate model explaining that residential and non-residential properties are being impacted equitably.

Council directed Staff to research the impact of including golf courses and public open space in the vacant land calculation.

Mr. McCarty discussed the billing and payment process. He recommended that billing occur monthly to take advantage of monthly sewer and alarm billing processes. The Town would maintain the database and electronic billing. A third party would process the paper bills. By November 1, the Town will be able to accept credit cards in addition to checks and automatic deduction.

He recommended offering a reduction equal to one month if the customer pays the entire annual amount by January 31st.

Mr. McCarty announced that a communications plan will be in place by the end of September. A unique location on the Town's website will be created with the rate structure, timeline FAQs, and a searchable database. Letters will also be sent to property owners explaining billing and payment options.

There was Council consensus to proceed with the Staff's recommendations.

Resident Dorothy Smith spoke regarding the public open houses held this summer. She felt the smaller homes would be paying more because the many homes are less than 3,000. She argued that there should be more tiers more homes much smaller than 3,000.

Discussion of Regional Wireless Cooperative

Mr. Bacon introduced David Felix, Executive Director of the Regional Wireless Cooperative Network, Bill Phillips, Phoenix ITS Enterprise Manager, and Doug Mummert Phoenix Deputy Chief. He stated that the Council will vote during the business meeting to enter into an intergovernmental agreement with the Regional Wireless Cooperative for public safety communications services. He said Mr. Felix was here to brief Council on the mission of the RWC and the benefits of membership.

Mr. Felix stated that the Mission of the Regional Wireless Cooperative (RWC) is to provide seamless operable and interoperable communications for all Members through a governance structure founded on the principle of cooperation for the mutual benefit of all members.

The RWC was formally established in 2009. It is a large Public Safety radio network based on the Project 25, Phase I Standard. The network is an ASTRO 25™, Integrated Voice and Data,

trunked radio system and operates in the 700/800 MHz frequency bands. It consists of 7 major simulcast systems and 10 intelligent site repeaters (ISR). The system provides seamless, wide area coverage across the entire metropolitan area.

He stated that RWC benefits members by providing improved regional coverage, roaming for officers transporting inmates to county jail, and interoperability. It is a shared infrastructure with shared costs.

He stated the projected costs for town membership in the prorated first would be \$58,165. The second full year cost would be \$68,976.

Mayor LeMarr noted that participation in the RWC is required as part of the IGA signed with the City of Phoenix for Fire and Emergency Medical services.

Motion and vote: Councilmember Schweiker moved to go back into executive session at 3:32 p.m. Vice Mayor Collins seconded the motion which passed by a vote of 6 – 0.

EXECUTIVE SESSION

- a. Discussion and consultation with town representatives concerning the purchase, sale or lease of real property in the vicinity of the 7000 block of Highlands Drive, 4200 block of East Lamar Road, and 7000 block of Invergordon Road as authorized by A.R.S. §38-431.03.A.7.
- b. Discussion and consultation with the Town Attorney regarding intergovernmental agreement with the Regional Wireless Cooperative for public safety communication services as authorized by A.R.S. §38-431.03.A.4.
- c. Discussion and consultation with legal counsel regarding pending or potential litigation regarding current development agreement with Potomac Hotel Limited Partnership and future development agreement with MTS Land LLC and MTS Golf LLC related to the Mountain Shadows Resort as authorized by A.R.S. §38-431.03.A.4; and legal advice related to bankruptcy and other legal matters connected with the Mountain Shadows Resort project as authorized by A.R.S. §38-431.03.A.3.
- d. Discussion and consultation with town representatives concerning the purchase, sale or lease of real property in the vicinity of McDonald Drive and Echo Canyon Parkway as authorized by A.R.S. §38-431.03.A.7. Discussion and consultation with the Town Attorney regarding intergovernmental agreement with the City of Phoenix for Camelback Mountain shuttle service and parking as authorized by A.R.S. §38-431.03.A.4.
- e. The Town Council may go into executive session at one or more times during the meeting as needed to confer with the Town Attorney for legal advice regarding any of the agenda items listed on the agenda as authorized by A.R.S. §38-431.03.A.3

RECONVENE FOR REGULAR BUSINESS MEETING

CALL TO ORDER

Mayor LeMarr reconvened the meeting of the Town Council at 6:20 P.M.

COUNCIL MEMBERS PRESENT

Mayor Scott P. LeMarr

Vice Mayor Michael Collins

Council Member Paul E. Dembow

Council Member Pam Kirby

Councilmember Dan Schweiker

Council Member Lisa Trueblood attended by telephone conference call

STAFF MEMBERS PRESENT

Town Manager James C. Bacon, Jr.

Town Attorney Andrew M. Miller

Town Clerk Duncan Miller

Community Development Director Eva Cutro

Planner George Burton

Commander Alan Laitsch

Finance Director Scott McCarty

Public Works Director Jim Shano

PLEDGE OF ALLEGIANCE

Mayor LeMarr led the Pledge of Allegiance.

PRESENTATIONS

There were no presentations

CALL TO THE PUBLIC

Resident Robert Rasmussen asked Council to consider changing the proposed fire service fee rate structure.

CONSENT AGENDA

a. Minutes of Town Council Special Meeting June 20, 2012

b. Minutes of Town Council Meeting June 28, 2012

- c. Minutes of Town Council Special Meeting July 20, 2012**
- d. Minutes of Town Council Special Meeting August 6, 2012**
- e. Minutes of Town Council Special Meeting August 27, 2012**
- f. Minutes of Town Council Special Meeting August 29, 2012**
- g. Acceptance of Vernon B. Parker's Resignation from Town Council**
Recommendation: Accept the resignation of Vernon B. Parker from his position on the Town Council.
- h. Approval of Special Event Liquor License for Phoenix Children's Hospital Foundation**
Recommendation: Approve a Special Event Liquor License for Phoenix Children's Hospital Foundation for an event on Saturday, October 20, 2012 at a private residence located at 5780 N. Saguaro Road, 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.
- i. Approval of a Citizen Review Plan for the Cottonwoods Resort Major General Plan Amendment Application (GP-12-1)**
Recommendation: Approve the Citizen Review Plan for the Cottonwoods Resort Major General Plan Amendment Application.
- j. Approval of Amending to Human Resources Policy and Procedure Handbook Regarding Public Safety Personnel Workers' Compensation Insurance**
Recommendation: Approve amendments to the Human Resources Policies and Procedure Handbook by revising Section 903 Workers' Compensation Policy which incorporates the requirements of A.R.S. §38-961 and clarifies eligibility for supplemental pay and the Town and employee's obligations for payment of health plan insurance premiums while the employee is out on workers' compensation leave.
- k. Removal of James Baker from the Planning Commission**
Recommendation: Remove Mr. Baker from the Commission immediately pursuant to Town Code §2-5-1.

Mr. Bacon summarized the items on the consent agenda.

Resident Robert Rasmussen requested more information Item I. Community Development Director Eva Cutro responded that the applicant has scheduled a neighborhood meeting on October 3, 2012 at the Cottonwoods Resort from 6:00 p.m. to 7:30 p.m. At that time they will

discuss the project with all the neighbors. Notices will be sent out tomorrow to the neighbors within 1,000 feet of the development. Town Attorney Miller added that the action tonight is to approve a citizen participation plan which is required by state law.

Motion and vote: Councilmember Kirby moved to adopt the Consent Agenda as submitted. Vice Mayor Collins seconded the motion which passed by a vote of 6 – 0.

PUBLIC HEARINGS

There were no public hearings.

ACTION ITEMS

Adoption of Resolution Number 1262 Authorizing the Town Manager to Enter into an Intergovernmental Agreement with the Regional Wireless Cooperative for Public Safety Communication Services

Town Manager Bacon stated that this item was discussed at length during the work session. The Resolution before Council would authorize the Town Manager to enter into an intergovernmental agreement with the Regional Wireless Cooperative (RWC) to provide for improved public safety communications services. The Mayor noted that one of the requirements in intergovernmental agreement between the Town and the City of Phoenix Fire Department is that the Town joins the RWC. Responding to a question from the Council, Mr. Bacon stated that the Phoenix Fire Department has been well represented in the Town's meetings with the RWC regarding the Town's participation.

Motion and Vote – Vice Mayor Collins moved to adopt Resolution Number 1262. Councilmember Dembow seconded the motion which passed by a vote of 6-0.

Award of Design and Construction Contract for Stanford Drive Reconstruction Project

Public Works Director Jim Shano presented a request to award a contract for the design and reconstruction of Stanford Drive. He said the Town received 17 responses to the request for qualifications. Of those, five firms were selected to present proposals. The interview committee selected CK Group to provide design and construction phase services.

He presented options for street including a curvilinear design and median islands. He also noted technical issues including accommodating traffic Phoenix Country Day School, drainage, SRP underground, and on-street parking.

He recommended awarding the contract to CK Group in the amount of \$349,906. The budgeted amount is \$350,000. The design is estimated to take 12 months and construction will take about 9 – 12 months.

Responding to a question from Council, Mr. Shano stated that the Town has met with the City of Phoenix about improving Stanford from 40th to 44th Street. A joint neighborhood meeting will be planned with Phoenix residents. If there is enough interest Phoenix will reconstruct their portion of the street also.

Mayor LeMarr expressed concern about awarding the construction administration contract at the same time as the design services contract. Mr. Shano stated that construction administration accounted for \$106,677. The construction cost is estimated at \$1.5 million. He said typically design and construction management is 18% of the total budget. The CK Group proposal falls within those guidelines.

Council discussed the proposed parking lot for Arizona Canal trail users. It was noted that this should be discussed during neighborhood meetings and with the designers to determine the best location and construction phasing to maximize safety.

Responding to a question from Council, Mr. Miller stated that under state law engineering design firms so not submit cost proposals as part of their design proposal. Once a firm is selected, the Town negotiates a price. If the parties cannot agree on a price, the Town can reject the first proposal and negotiate with the second-ranked design firm.

Motion and Vote – Vice Mayor Collins moved to award a design and construction phase services contract to CK Group, Inc., in the amount of \$349,906 for the reconstruction design of Stanford Drive between 32nd Street and 40th Street. Councilmember Dembow seconded the motion which passed by a vote of 6-0.

Aye: LeMarr, Collins, Dembow, Schweiker, Trueblood

Nay:

Abstain: Kirby

REQUESTS FOR FUTURE AGENDA ITEMS

There no items

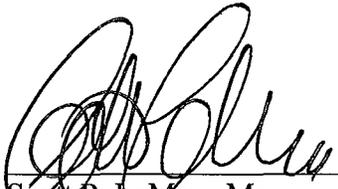
MAYOR / COUNCIL / MANAGER REPORT

Mr. Bacon reported that the Town Hall audio video improvement project is about 90% complete.

ADJOURNMENT

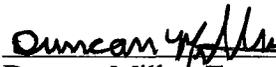
Motion and vote – Vice Mayor Collins moved to adjourn. Councilmember Dembow seconded the motion which passed by a vote of 6 - 0.

Mayor LeMarr adjourned the meeting at 6:40 p.m.



Scott P. LeMarr, Mayor

ATTEST:



Duncan Milley, Town Clerk