



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

October 11, 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, October 11, 2012 at 4:05 PM.

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 arrived at 4:10 p.m.

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
Presiding Judge Ty Taber
Public Works Director Jim Shano
Finance Director Scott McCarty
Town Engineer William C. Mead

WORK SESSION

Discussion of Mountain Shadows Resort Special Use Permit

Community Development Director Eva Cutro reviewed the Special Use Permit (SUP) as recommended by the Planning Commission. She said that the application is a mix of resort, residential, and golf course uses in five development envelopes. The east side of 56th Street would be residentially subdivided while the west side would contain a resort hotel (100 key minimum), resort residential units, resort retail, and golf facilities. The golf course would be

modified with the relocation of several holes and the practice area would be reconfigured. She said the 56th St. concept includes improvements such as bike lanes, pedestrian paths, and medians, a meandering alignment, hardscaping and landscaping.

She said the Planning Commission originally forwarded 105 stipulations that were consolidated into 102 stipulations. She presented the following stipulations identified as needing further discussion due to conflicts with the Statement of Direction (SOD) or disagreements between staff, Council, Commission, and / or the applicant.

- Stipulation 11 (demolition and phasing) – there was consensus that this should be included in the development agreement (DA). There was concern that if the phasing schedule appears in both the SUP and DA the exact wording might not be the same which would cause confusion in the future.

Mr. Bacon stated that a draft of the DA would be available for public review before the first public hearing, hopefully by October 25.

- Stipulation Number 31 (golf maintenance facilities) – Council was willing to consider this stipulation so long as staff created a definition of “club house” and asked that the setbacks be better defined. The Council also asked staff to clarify the definition of square footage in areas A and B.
- Stipulation 40 and 41 (25% FAR and total square footage for third stories) There was consensus that this stipulation would be discussed by the Development Team. The Council asked for a copy of Camelback Inn’s stipulation and asked staff to create a definition of “resort residential” with which both the applicant and town could agree.
- Stipulation Number 43 and 44 (Tall structure plan) – It was agreed that the Development Team would discuss this in greater detail. It is possible that a tall structure plan would not be needed.
- Stipulation Number 51 (resort amenities access by existing Mountain Shadows East and West residents) – It was agreed that this is a private matter between the residents and resort owner. The Town does not enforce CCNRs. This stipulation should be removed from the SUP.
- Stipulation Number 59 (Hours of Operation) There was consensus that the restaurant(s) and retail would be allowed to operate until 2 AM.
- Stipulation Number 66 (designation of Area D as open space) Applicant wants to locate a road on part of Area D which staff does not support. The continued this stipulation for more discussion.

- Stipulation Number 69 (Number of residential lots) – There was consensus that the Council would establish metrics for the residential lots which would determine the number. Secondly, there was consensus to allow a 30 foot ROW roadway width in the residential development.
- Stipulation Number 70 (Lot size) The SOD called for mean average lot size of at least 7,500 net square feet. The Planning Commission approved a stipulation requiring a minimum lot size of 10,000 square feet with a minimum width of 100 feet. There was consensus that this stipulation should be brought back for further discussion. The Development Team will discuss this as part of the Development Agreement and then discussed with the full council for inclusion in the SUP also.
- Stipulation Number 72 (minimum heights and setbacks) There was consensus that the stipulation should allow for 7 foot side yard setback and 20 foot rear yard setback. There was no consensus regarding heights. Council asked for additional information.
- Stipulation Number 75 (Interior fences) There was consensus to allow a 13 foot fence setback adjoining public ROW
- Stipulation Number 78 (guardhouse standards) There was consensus to allow an 8 foot tall gate in accordance with SUP Guidelines.
- Stipulation Number 94 (Unified management) There was Council discussion regarding defining the line between resort residential and a subdivision. Council asked for examples from The Ritz Carlton SUP. This stipulation would be brought back for further discussion.
- Stipulation Number 102 (Town manager review) The Planning Commission approved a stipulation requiring a committee of Commissioners to advise the Town Manager regarding review and approval of subsequent applicant submittals such as parking and lighting. There was consensus to delete this stipulation.
- Stipulation Number 103 (Requirement for master developer) There was consensus to delete this stipulation.

Mr. Bacon announced that the first public hearing on the Mountain Shadows SUP would be held on October 25, 2012. The Council would have an opportunity to discuss the stipulations again and receive comments from the public. It is unlikely the Council would be ready to vote on the SUP and would want to continue the hearing to November 1, 2012.

Mayor LeMarr recessed the meeting for 15 minutes.

Discussion of FY 2012-2013 Pavement Management Program**ALSO PRESENT**

Public Works Operations Manager Brent Skoglund

Public Works Supervisor Jerry Cooper

Capital Projects Coordinator Jeremy Knapp

Public Works Director Jim Shano presented a series of recommendations to change the town's approach to pavement management. He discussed the basics of pavement preservation, pavement life cycles, the various methods to maintain and extend the useful life of pavement, and explained the town's current process.

He said there are 141 linear miles or 2.6 million square yards of pavement in the town. In today's dollars it would cost more than \$20 million to mill and overlay all the streets in town. This amount far exceeds the funds budgeted for street maintenance under the current 15 year overlay cycle.

He then explained the steps the town would take to implement a new pavement management program. He stated that the town would replace the process of in-person review and categorization of street conditions in the town's 14 pavement districts with by contracting for a road service tester. This is an automated service that uses lasers, distance measuring instruments, accelerometers and gyroscopes, inertial navigation-based GPS and high resolution video to take readings of every street in town. He stated that this data would be entered into a new pavement management computer program that would be integrated with the town's GIS maps.

In addition to new data collection methods, he also stated that the town will start conducting maintenance treatments on streets recently overlaid with sealcoats like high density mineral bonds or modified tire rubber. These treatments are typically applied two to four years after a new surface has been laid down to prevent oxidation of the roadway.

He reported that the FY 2012-13 pavement maintenance program would include mill and overlay of a portion of District 14 at a cost of approximately \$866,000, mill and overlay of Cheney Drive and Hummingbird Land at a cost of approximately \$135,000, and surface treatment on District 7 with modified tire rubber at an approximate cost of \$165,000.

He concluded that this new pavement management plan would save \$10 million over a 25 year period by reducing life cycle costs and extending the life of the pavement.

Responding to a question from Council, Mr. Bacon stated that staff would be seeking Council authorization to increase annual spending on pavement maintenance from to \$1.2 to \$1.4 million.

Discussion of Municipal Court Building**ALSO PRESENT**

Presiding Judge Ty Taber
Judge Larry King
Judge Stanley Marks
Court Clerks Elizabeth Rivas and Charlene Jehn

Mr. Bacon stated that four years ago the Paradise Valley Municipal Court identified that its current space was inadequate for their needs and lacked proper security. In 2008 and 2009 a Master Plan study of the municipal complex was commissioned, and various site plans were designed for a new court building. The Court's preference was to build a new building; however, plans were put on hold as a result of the Recession. Alternatively, the Court and the Town agreed to remodel the existing Court and Post Office areas to provide space for enhanced court security.

Mr. Bacon said once the remodeling began some council members questioned whether the remodeled space would be big enough, and if it was financially feasible to proceed with the original plan to build a separate building.

Judge Taber stated that it has always been the Court's preference is to have its own building. He said there is approximately \$1.2 million in the Court Enhancement Fund which could be used to build a court. The estimated project cost would be \$1.95 million.

Mr. Bacon stated that the balance of the project cost could be in the form of a \$1 million inter-fund loan that would be paid back to the Town over 10 years at 2.5% interest. He said this would be a new investment instrument for the town that would yield better interest than any other instrument the town could by today. It is also a more flexible loan with no extra fees and the term could be easily modified.

Judge Taber explained that the Paradise Valley Municipal Court was established in 1964. It primarily handles criminal cases and that only 2% of the workload is related to photo enforcement. A new Court building is needed regardless of whether photo radar is no longer used as an enforcement tool. The elimination of photo radar would simply increase the amount of time necessary to pay off the inter-fund loan.

Judge Taber said the Court could design a new building based on site plans already developed two years ago. The design and construction schedule would last approximately 18 months.

Chief Bennett acknowledged that the Court's use of the police auditorium as the temporary court is working well. He said he would have no concerns with the Court continuing to use the space for an additional year during construction of a new building.

The Council directed the Town Manager to verify that this would not prevent PMT ambulance from operating out of their current facility during and after construction of the Court building. There was Council consensus to proceed and authorize staff to work with the Municipal Court on financing and construction management.

Review of Selection Process to Fill the Vacancy on Town Council

Mr. Bacon stated that the Council requested to add this item to the agenda to clarify the process to select a replacement for Council Member Parker. He said the process outlined in the September 13 staff report allowed each councilmember to submit a list of three names to the town clerk in rank order of preference. The town clerk would then tabulate those responses and provide council with a list of the top three candidates. An interview and appointment process would then be conducted by the council.

The council expressed concerns regarding ranking the candidates and determining how many were to be interviewed. There was consensus to amend the process. It was agreed that each member would submit a maximum of three names to the town clerk by November 1. A special meeting / executive session would be schedule soon thereafter for the Council to narrow the list to a group of finalists. A second special meeting / executive session would be scheduled to interview the finalists. The appointment would be made December 6 in time for the new member to take part in Fiscal Year 1012-13 budget discussions.

RECONVENE FOR REGULAR BUSINESS MEETING

CALL TO ORDER

Mayor LeMarr reconvened the meeting of the Town Council at 7:01 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

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
Public Works Director Jim Shano
Town Engineer William C. Mead

PLEDGE OF ALLEGIANCE

Mayor LeMarr led the Pledge of Allegiance.

PRESENTATIONS

There were no presentations

CALL TO THE PUBLIC

Joanne Fried, Director of Media and Public Relations for U-Haul International, spoke on behalf of The Wounded Warrior Project Soldier Ride. The 5th annual bike ride will be held in Paradise Valley on October 19. The event benefits recently wounded veterans. The veterans are released from recovery hospitals and provided with adaptive bicycles for the event. It provides recovering service members with an outlet to overcome physical, mental, and emotional wounds of war.

CONSENT AGENDA

- a. Minutes of Town Council Meeting September 27, 2012**

b. Approval of Planning Commission Chair

Recommendation: Approve the Planning Commission's selection of Rick Mahrle to serve a one-year term as Chair of the Planning Commission.

c. Approval of Appointments to the Mummy Mountain Preserve Trust

Recommendation: Make the following appointments to the Mummy Mountain Preserve Trust: Ronald B. Clarke for the term ending September 30, 2014 and G. Bernard Barry and Phil Schneider for the term-ending September 30, 2015.

d. Approval of Special Event Liquor License for The Wounded Warrior Project Soldier Ride

Recommendation: Approve the liquor license with 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.

Mr. Bacon summarized the items on the consent agenda.

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

PUBLIC HEARINGS

There were no public hearings.

ACTION ITEMS

There were no public hearings.

REQUESTS FOR FUTURE AGENDA ITEMS

Mayor LeMarr announced that the discussion of the Capital Budget process would be moved to November 15. The discussion of code amendments regarding Walls and Fences would be held on November 15 also.

MAYOR / COUNCIL / MANAGER REPORT

There were no reports.

Motion and vote: Councilmember Schweiker moved to go into executive session at 7:13 p.m. Councilmember Kirby seconded the motion which passed by a vote of 6 – 0.

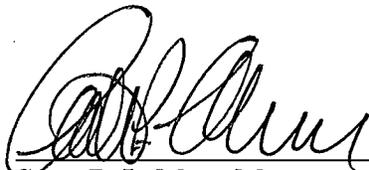
EXECUTIVE SESSION

- 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 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.
- c. 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

ADJOURNMENT

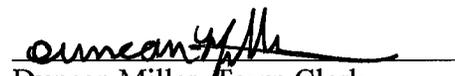
Motion and vote – Vice Mayor Collins moved to adjourn. Councilmember Kirby seconded the motion which passed by a vote of 6 - 0.

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



Scott P. LeMarr, Mayor

ATTEST:



Duncan Miller, Town Clerk