

**TOWN OF PARADISE VALLEY
MINUTES
TOWN COUNCIL MEETING
JUNE 22, 2006
4:00 p.m.**

CALL TO ORDER

Mayor Pro Tem Clarke called the meeting of the Town Council of the Town of Paradise Valley, Arizona, to order at 4:01 p.m. on Thursday, June 22, 2006, in the Town Hall, 6401 East Lincoln Drive, Paradise Valley, Arizona, 85253.

COUNCIL MEMBERS PRESENT

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

STAFF MEMBERS PRESENT

Town Manager Thomas M. Martinsen
Town Attorney Andrew Miller
Town Clerk Duncan Miller
Police Chief John Wintersteen
Management Services Director Lenore Lancaster
Town Engineer William Mead
Public Works Director Andrew Cooper
Planning Director Eva Cutro
Senior Planner Molly Hood

DISCUSSION ITEMS

Discussion of Horseshoe Road Traffic Calming Improvements Cost Sharing Proposal

Mr. Mead presented a request on behalf of the Camelback Country Estates Unit I Home Owners Association located at the southeast corner of Doubletree Ranch Road and Invergordon Road. The HOA asks for permission and participation to construct a new median island on Horseshoe

Road just east of Invergordon Road to serve as a traffic calming measure. The median would measure 30 feet long by 11 feet wide. The HOA would install appropriate signage and landscaping. The HOA hired URS Corporation to prepare the median design. URS is the same engineering firm that designed the Invergordon Road project. He stated that the proposal would mitigate cut through traffic. The total cost quote is \$14,000. The HOA requests that the Town pay one half of the cost or a maximum of \$7,000 whichever is less.

Mr. Mead recommended the following agreement points should the Council be agreeable to participate in the project:

1. The HOA would be responsible for the construction of the median island.
2. Upon completion and approval of the median island the Town will reimburse the HOA one half of the cost for the curbs and gutter, or \$7,000.
3. The HOA would be responsible for the watering and maintenance of the landscaping in the median.
4. The agreement would be recorded so that the maintenance obligation would be a permanent obligation of the HOA.

There was Council consensus to proceed with final consideration during the regular meeting.

Discussion of Building Services Implementation

Ms. Eva Cutro updated the Council on the status of the Building Division expansion and in-house plan review program. She stated that based on the recommendations of the building community, residents, and customers, the Council approved the creation of an in-house plan review program. The Town is on schedule to begin the program July 1, 2006 with all appropriate staffing and equipment.

Ms. Cutro introduced the building division staff including Planner George Burton, Plan Reviewer Russell Louman, Building Safety Manager Robert Lee, Building and Zoning Inspector Supervisor Armando Rivas, Building Inspectors Don Sandoval, Dennis Schnick, and Paul Schechter.

Discussion of Camelback Inn Minor Special Use Permit Amendment

Ms. Molly Hood reported that on June 20, 2006, the Planning Commission voted 4-0 to approve a minor amendment to the Camelback Inn Special Use Permit to allow an increase in the ballroom height from 30-feet to 36-feet. A stipulation was added requiring additional landscaping and an increase in wall height for the residence directly east of the ballroom.

She stated that the Camelback Inn is allowed to make improvements in accordance with the original Special Use Permit stipulations approved in 1983. The proposed ballroom improvements will have a maximum building height of 36 feet for the parapets on the four

corners, six feet above what is allowed under the original Special Use Permit. The improvements comply with the other provisions of the Special Use Permit including:

1. Minimum forty (40) foot setback from property lines.
2. Ground coverage requirements of twenty (20) percent of the Property's gross acreage, with Public Areas not to exceed thirty (30) percent of the aforementioned twenty (20) percent maximum ground coverage.
3. Required number of parking spaces with one (1) parking space for each Housing Unit, plus one (1) additional parking space for each two hundred fifty (250) square feet of Public Area.

Discussion of Town Attorney Research Assignments Related to Private Roads, Wireless Facilities and Residential Homes Built to the Maximum Floor Area Ratio

Mr. Andrew Miller stated that the long summer break provided an opportunity for the Town Attorney's office to devote research time to certain issues of potential Council interest. He stated that the following topics will be researched and options will be brought back to the Council for consideration:

- Feasibility of using the conditional use permit for all private road applications as compared to when a special use permit might be required instead.
- Re-examining the current conditional use permit standards for personal wireless service facilities to see if changes need be made so as to include publicly owned land and Town right-of-way as sites for these facilities.
- Feasibility of using zoning overlay districts and other alternative strategies such as private covenants for dealing with impacts created by homes that are built to the maximum of available floor area ratio or that are otherwise so large as to create perceived negative impacts.
- Clarification or modification of the nonconformance standard that requires homes and fences to meet current zoning standards for remodeling projects that involve more than 50% of the structural elements of the home.

EXECUTIVE SESSION

Mayor Pro Tem Clarke moved to adjourn into Executive Session. Vice Mayor Pro Tem Winkler seconded the motion which was adopted 7-0.

Mayor Clarke adjourned the Work Session at 4:35 p.m.

- a. Discussion of **Town Attorney performance review** as authorized by A.R.S. §38-431.03.A.1.
- b. Discussion and consultation with the Town Attorney regarding **intergovernmental agreement with the City of Scottsdale for police forensic services** as authorized by A.R.S. §38-431.03.A.4.
- c. Discussion and consultation with Town representatives regarding **property in the vicinity of Tatum Blvd and Mockingbird Lane** as authorized by A.R.S. §38-431.03.A.7.
- d. Discussion and consultation with the Town Attorney regarding **agreement between the Town of Paradise Valley and the City of Phoenix for fire and emergency medical services** as authorized by A.R.S. §38-431.03.A.4.
- e. Discussion and consultation with the Town Attorney regarding **Cox Communications Settlement Agreement** as authorized by A.R.S. §38-431.03.A.4.
- f. Discussion of **appointment of Town Officers** as authorized by A.R.S. §38-431.03.A.1.

CALL TO ORDER AND ROLL CALL

Mayor Pro Tem Clarke reconvened the Town Council of the Town of Paradise Valley, Arizona, at 7:02 p.m. on Thursday, June 22, 2006, in the Town Hall, 6401 East Lincoln Drive, Paradise Valley, Arizona, 85253.

COUNCIL MEMBERS PRESENT

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

STAFF MEMBERS PRESENT

Town Manager Thomas M. Martinsen
Town Attorney Andrew Miller
Town Clerk Duncan Miller
Management Services Director Lenore Lancaster
Police Chief John Wintersteen
Town Engineer William Mead
Public Works Director Andrew Cooper
Information Technology Analyst Carl Hollish
Public Works Superintendent Bob Senita

PLEDGE OF ALLEGIANCE

Council Member Cooney led the pledge of allegiance.

PRESENTATIONS

Recognition of Joe and Evie Miller for their Contributions to the Law Enforcement

Chief Wintersteen stated that Joe and Evie Miller, who have owned El Chorro Lodge since 1973, helped the Paradise Valley Police Department raise approximately \$14,000 for the Special Olympics. For the past two years, the Millers have allowed Town police officers to serve customers at El Chorro Lodge. All the tips collected by the police officers were then donated to the Special Olympics. Additionally, the Millers matched the tips collected. The Millers were

also recognized for their donations to the Town’s anniversary, and for their donations to Bay St. Louis, MS.

Recognition of Retiring Public Works Technician Herb Schaefer

Mr. Andrew Cooper recognized Herb Schaefer for his 20 years of service to the Town upon his retirement. In his time with the Town, Herb demonstrated his skills in a number of technical areas. Herb received the Town’s Mary Ann Brines Exceptional Performance Award in 1996.

CALL TO THE PUBLIC

There were no public comments.

MAYOR / COUNCIL / MANAGER REPORT

Mayor Clarke announced that the American Cancer Society named Council Member Simpson as the volunteer of the year for her work with the Paradise Valley Relay For Life.

Mayor Clarke reminded residents about the Police Department’s vacation watch program and recommended residents complete the application form and take it to the Department before they go on vacation.

CONSENT AGENDA

- a. **Minutes of Town Council Special Meeting June 5, 2006**
- b. **Minutes of Town Council Meeting June 8, 2006**
- c. **Report on Investments**
Recommendation: Receive and file the report.
- d. **Approval of Extension of Agreement with Phoenix Silent Witness, Inc for Matching Reward for “Rock Burglars”**
Recommendation: Approve a second extension of agreement with The Silent Witness, Inc., headquartered in Phoenix, under which the Town has provided \$10,000 to match rewards offered by the Town of Paradise Valley Silent Witness Board, the Phoenix Silent Witness and the community to offer a total of \$26,000 for information leading to the arrest of the Rock Burglars, and authorize the Town Manager to sign the amendment to the “Private Supplemental Reward Fund Agreement” with Phoenix Silent Witness.
- e. **Approval of Intergovernmental Agreement with the City of Scottsdale**
Recommendation: Approve a three-year intergovernmental agreement with the City of Scottsdale for forensic laboratory services and use of the Family Advocacy Center.

- f. Adoption of Resolution Number 1129 Master Capital Lease Purchase Agreement**
Recommendation: Adopt Resolution Number 1129 authorizing a master capital lease purchase agreement coupled with a lease line of credit with Bank of America for \$10,000,000 for personal property, real property and infrastructure for each of the 2006-07 and 2007-08 fiscal years.
- g. Adoption of Resolution Number 1128 Intent to Reimburse Certain Capital Items**
Recommendation: Adopt Resolution Number 1128 declaring the Town’s intention to reimburse certain capital items through capital lease.
- h. Approval of Lease Purchase of Audio/Visual Equipment for Conference Room and Council Chambers**
Recommendation: Approve the lease purchase of upgrades to the Town Hall audio/visual equipment in the amount of \$18,959.
- i. Renewal of Annual Software Maintenance Agreement for Permitting and Code Compliance System**
Recommendation: Approve renewal of an annual software maintenance agreement with Accela, Inc. in the amount of \$15,295.
- j. Renewal of Maintenance Agreement for Telephone Switch/Voicemail System**
Recommendation: Authorize the Town Manager to renew a four-year service agreement with Avaya, for telephone switch/voicemail system maintenance and support in the amount of \$54,204 for the term of the agreement, or \$13,551 annually.
- k. Award of Contract for Salary and Compensation Study Review**
Recommendation: Award a contract to Fox Lawson and Associates, LLC to conduct a classification and compensation review.
- l. Award of Contract for Annual Traffic Signal Maintenance**
Recommendation: Award a contract to Phoenix Highway Services for annual traffic signal maintenance of the Town’s traffic signals in the amount not to exceed \$24,000.
- m. Award of Contract for Custodial Services for Town Buildings**
Recommendation: Award the custodial services contract for the Town buildings to Building Maintenance Services, Inc in the amount not to exceed \$53,760 annually.
- n. Award of Contract for Annual Landscape Maintenance and Litter Removal in Public Streets and Grounds**
Recommendation: Award a contract to Grounds Control, Inc. for annual landscape maintenance and litter removal in public streets and grounds in the amount not to exceed \$132,045.

- o. Approval of Delegation of Change Order Authority During July and August 2006**
Recommendation: Delegate the Mayor Pro Tem and Council Member LeMarr authorization to approve any change orders that may arise with the construction of Invergordon Road improvements during the months of July and August.
- p. Award of Contract for Underground Utility Conversion District 29**
Recommendation: Award a contract to The Fishel Company, Inc for a total price of \$298,816.36 to install underground conduits for Underground Utility Conversion District 29.
- q. Authorization of Final Payment to Arizona Public Service Company for Underground Utility Conversion District 1**
Recommendation: Authorize payment to Arizona Public Service Company in the amount of \$14,266.18 for Underground Utility Conversion District 1.
- r. Authorization of Final Payment to Arizona Public Service Company for Underground Utility Conversion District 12**
Recommendation: Authorize payment to Arizona Public Service Company in the amount of \$8,885.17 for Underground Utility Conversion District 12.
- s. Approval of Agreement with Camelback Country Club Estates I for Traffic Calming Improvements on Horseshoe Road**
Recommendation: Authorize the Town Manager to execute an agreement with the Camelback Country Estates Unit I Homeowners Association for the installation of a median island to be constructed on Horseshoe Road just east of Invergordon Road at a cost not to exceed \$7,000.

Mr. Martinsen reviewed the items on the consent agenda.

MOTION AND VOTE

Vice Mayor Pro Tem Winkler moved to approve the consent agenda as submitted. The motion was seconded by Council Member Simpson which passed by a vote of 7-0.

PUBLIC HEARINGS

Vice Mayor Pro Tem Winkler moved to adjourn into a special meeting to consider the 2006-2007 final budget. It was seconded by Mayor Clarke and approved by a vote of 7-0.

Adoption of Resolution Number 1127 Approving the Final Fiscal Year 2006-2007 Budget

Ms. Lancaster presented the Fiscal Year 2006-07 Budget. She stated that the total budgeted operating expenditures, approximately \$20.2 million, are well beneath projected revenues of approximately \$23.9 million.

She reported that the entire operating base budget represents a 7.2% increase over the current base budget, generally reflecting the actual increase in cost of doing business. A “zero base” approach was used wherever possible to establish minimum requirements for departmental line item accounts. The primary factors, for the increase in base budget expenses are:

- Increased employment costs.
- Increased retirement rates
- Increased cost of medical and dental insurance
- Increased sewer user charges paid to the City of Scottsdale.

She stated that if approved, the enhanced services would become part of the next year's base budget, and represent an expenditure of approximately \$2,274,935 in the coming year. Of this, \$1,882,150 relates to the addition of fire service.

Special projects or one-time expenses proposed for fiscal year 2006-07, total \$636,036.

Capital Projects total \$11,916,000, of which some projects will be debt financed or partially grant funded. Actual expenditures for Capital Projects in 2006-07 total \$6,714,208.

MOTION AND VOTE

Council Member LeMarr moved to adopt Resolution Number 1127. Council Member Simpson seconded the motion which was approved by a vote of 7-0.

Mayor Clarke Pro Tem adjourned the Special Meeting and reconvened the Regular meeting.

Adoption of Resolution Number 1126 and Ordinance Number 581 Adopting the 2006 Amendments to the Tax Code

Mr. Duncan Miller presented the 2006 Amendments to the Model City Tax Code. He stated that Ordinance 581 proposes two categories of amendments to the Tax Code.

- The first amendment concerns taxation of low income housing. This change is not relevant in Paradise Valley as the Town has no IRC Section 42 housing. However since the Town adopted the Model City Tax code it is necessary to make this change so that our Code conforms to all other cities and towns who operate under this code.
- The second amendment makes numerous changes to the sales tax refund process. This new language was adopted by the state legislature to clarify and resolve disputes between the tax payer and tax collector when refund claims are made or denied based on a new interpretation or application of the law. It provides for the calculation of interest paid on excess tax and allows for the reimbursement of attorney's fees.

MOTION AND VOTE

Council Member Simpson moved to adopt Resolution Number 1126 and Ordinance Number 581. Council Member Schweiker seconded the motion which passed by a vote of 7-0.

ACTION ITEMS

Adoption of Resolution Number 1130 Authorizing the Sale by Public Sealed-Bid of Town-Owned Property

Mr. Andrew Miller reported that the Town Council had previously authorized the Town to place a ballot measure on the May General Election ballot to obtain voter permission to sell excess public property on the corner of Scottsdale Road and Doubletree Ranch Road. Proposition 401 was subsequently approved by a 3 to 1 margin. He stated that the next step is to allow the Town Manager to sell the property by a public sealed bid auction. The terms of the auction are as follows:

- A minimum bid amount of one million dollars;
- All bids may be rejected, and if the property is not sold at the time of the initial bid submission, another bid process can be held at a later date;
- If the successful bidder uses an escrow for the purchase, they shall pay one-half of all costs associated with the escrow;
- If the successful bidder wants an ALTA survey, the bidder pays for it; and
- The Town will pay a two and one half percent commission fee to the licensed agent of the successful bidder, if any.

MOTION AND VOTE

Council Member Hamway moved to adopt Resolution 1130. Vice Mayor Pro Tem Winkler second the motion which passed by a vote of 7-0.

EXECUTIVE SESSION

Vice Mayor Pro Tem Winkler moved to adjourn into Executive Session. Council Member Simpson seconded the Motion which passed by a vote of 7-0.

Mayor Pro Tem Clarke adjourned the meeting at 7:40 p.m.

Election of Mayor

Mayor Pro Tem Clarke reconvened the Regular Meeting at 8:38 p.m.

Mayor Pro Tem Clarke opened the floor for nominations for the office of Mayor. Council Member Simpson nominated Ed Winkler. Council Member LeMarr nominated Ron Clarke. Mayor Pro Tem Clarke closed nominations.

MOTION AND VOTE

Council Members Cooney, Simpson, Schweiker, and Winkler voted for Ed Winkler. Council Members Clarke, Hamway, and LeMarr voted for Ron Clarke.

Ed Winkler was elected Mayor by a vote of 4-3.

Election of Vice Mayor

Mayor Winkler opened the floor for nominations for the office of Vice Mayor. Council Member Schweiker nominated Mary Hamway. Council Member Cooney nominated Virginia “Jini” Simpson but the nomination was declined.

MOTION AND VOTE

Mayor Winkler moved to elect Mary Hamway to the position of Vice Mayor by acclamation.

Mary Hamway was elected Vice Mayor by acclamation.

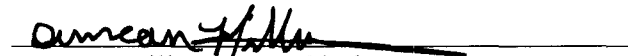
ADJOURNMENT

Mayor Winkler adjourned the meeting at 8:41 p.m.



Ed Winkler, Mayor

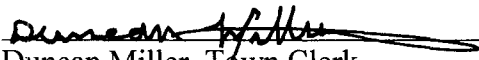
ATTEST:


Duncan Miller, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of Paradise Valley held on then 22nd day June 2006. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18 day of July, 2006.


Duncan Miller, Town Clerk



**OFFICIAL SEAL
OFFICE OF THE TOWN CLERK
TOWN OF PARADISE VALLEY
DUNCAN MILLER, TOWN CLERK**