**MINUTES OF THE PEORIA CITY COUNCIL**
CITY OF PEORIA, ARIZONA
CITY COUNCIL CHAMBER
June 21, 2022

A **Special Meeting** of the City Council of the City of Peoria, Arizona convened at 8401 West Monroe Street in open and public session at 4:31 p.m.

**Members Present:** Mayor Cathy Carlat; Vice Mayor Bill Patena; Mayor Pro Tem Hunt; Councilmembers Denette Dunn, Jon Edwards, Michael Finn, and Brad Shafer.

**Members Absent:** None.

**Other Municipal Officials Present:** Jeff Tyne, City Manager; Andy Granger, Deputy City Manager; Erik Strunk, Deputy City Manager; Vanessa Hickman, City Attorney; Lori Dyckman, City Clerk; Gary Bernard, Fire-Medical Chief; Kevin Burke, Finance and Budget Director; Jay Davies, Public Works Director; Chris Hallett, Neighborhood and Human Services Director; Adina Lund, Development and Engineering Director; Art Miller, Police Chief; Cape Powers, Water Services Director, and Sharon Roberson, Assistant to the City Manager.

**Audience:** Approximately 6 members of the public were present in the Council Chamber.

# STUDY SESSION AGENDA

**Subject(s) for Discussion Only**

**1. Capital Improvement Program Update**

Adina Lund, Development and Engineering Director, presented an update on the economic impact on Capital Improvement Program projects. Information included:

- Current issues
- Cost and price indexes
- Construction material prices
- Shortages and delays caused by supply chain issues
- Labor market
- Peoria projects impact
- Projects currently in the design and planning stages
- Projects moving forward
- Significant projects achieved under the Capital Improvement Program
- Council's input on projects
- Staff recommendation

Discussion ensued regarding:

- The original projected costs of Paloma Park's Phase II and current projected costs
- Beardsley well issues and timeframe
- Consequences of delaying water projects
- Availability of federal funds to offset current project costs
- Safety related projects
- Deferral of existing projects but not neglecting maintenance, leading to further issues
- Prioritizing of projects
- Phases of construction projects and timeframes
- Unprecedented economic instability and projections for the future
- Moving forward with design projects so that the City will be prepared for development when the economy stabilizes

**2. <u>Peoria Sustainability Plan Update</u>**

Cape Powers, Water Services Director, presented an update on Peoria's Sustainability Plan. Information included:

- Introduction
- Current projects and past successes

**Clerk's Note:** Councilmember Finn left the Chamber at 5:13 p.m. and returned at 5:14 p.m.

Discussion ensued regarding the locations and associated costs of the Blue Lid Program.

Victoria Castro, Sustainability and Conservation Coordinator, presented on sustainability. Information included:

- Peoria's Green Team
- Citizen engagement process
- Partnership with Arizona State University's Project Cities
- Pillars of sustainability and relation to livability initiatives
- Strategic approach to sustainability
- Structured measurement and management
- Visual engagement

Discussion ensued regarding:

- Current financial rebates to encourage sustainability
- Availability of xeriscape grants

- Reduction plan for City properties
- Concerns over artificial turf
- Rebate program funding to expand use of sustainability programs
- The current progress of the program

**ADJOURNMENT:**

Being no further business to come before the Council, the meeting was duly adjourned at 5:31 p.m.

A **Regular Meeting** of the City Council of the City of Peoria, Arizona convened at 8401 West Monroe Street in open and public session at 6:01 p.m.

Following a moment of silent reflection, Councilmember Shafer led the Pledge of Allegiance.

**Members Present:** Mayor Cathy Carlat; Vice Mayor Bill Patena; Mayor Pro Tem Hunt; Councilmembers Denette Dunn, Jon Edwards, Michael Finn, and Brad Shafer.

**Members Absent:** None.

**Other Municipal Officials Present:** Jeff Tyne, City Manager; Andy Granger, Deputy City Manager; Katie Gregory, Deputy City Manager; Erik Strunk, Deputy City Manager; Vanessa Hickman, City Attorney; Lori Dyckman, City Clerk; Thomas Adkins, Intergovernmental Affairs Director; Gary Bernard, Fire-Medical Chief; Kevin Burke, Finance and Budget Director; Chris Calcaterra, Parks and Recreation Director; Jay Davies, Public Works Director; Jennifer Stein, Economic Development Director; Lorie Dever, Planning and Community Development Deputy Director; Chris Hallett, Neighborhood and Human Services Director; Adina Lund, Development and Engineering Director; Art Miller, Police Chief; Christine Nickel, Human Resources Director; Cape Powers, Water Services Director; Sharon Roberson, Assistant to the City Manager; and Kelsea Holian, City Clerk Specialist.

**Audience:** Approximately 30 members of the public were present in the Council Chamber.

**Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.**

**Presentation:**

**3. Certificates of Election to the Newly Elected Public Safety Personnel Retirement System Local Board Members**

Mayor Carlat presented Certificate of Elections to Gary Bernard, Fire-Medical Chief, and Art Miller, Police Chief, on behalf of the newly elected Public Safety Personnel Retirement System local board members Michael Pool and Michael Griffin.

**4. Recognition of Parks and Recreation Staff, Life Saving Award, from Peoria Fire and Medical**

A video recognizing the lifesaving efforts of Parks and Recreation staff was displayed. Mayor Carlat was joined by Fire-Medical Chief Gary Bernard to present certificates of appreciation to Parks and Recreation Staff.

**CONSENT AGENDA:** All items listed with a "C" are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items. If the Presiding Officer receives a timely notice of a request for removal, an item may be removed from the Consent Agenda for consideration on the Regular Agenda.

Mayor Carlat asked if any Councilmember wished to have an item removed from the Consent Agenda. Having received an earlier request to remove items 8C, motion was made by Mayor Pro Tem Hunt, seconded by Councilmember Shafer, to approve the Consent Agenda with the exception of item 8C.

Upon vote, the motion carried unanimously 7 to 0.

**5C. Minutes**

Approved the June 7, 2022, City Council meeting minutes.

**6C. Intergovernmental Agreement Amendment, Regional Public Transportation Authority, Transit Services Agreement**

Approved Intergovernmental Agreement Amendment #151-75-2023 with the Regional Public Transportation Authority for transit services, in accordance with budget authority previously approved by Council in the Fiscal Year 2023 City Budget.

**7C. Award of General Liability Insurance Package and a Budget Adjustment to Fund Additional Insurance Costs in Fiscal Year 2023**

(a) Approved a budget amendment and use of reserves in the amount of $500,000; and

(b) Approved the Fiscal Year 2023 Property and Casualty Insurance package in the amount of $2,025,421.

**8C. Contract Amendment, Talis Construction Corporation, Deer Valley Road Wall Improvements, 109th Avenue to Lake Pleasant Parkway**

Clerk's Note: Agenda Item 8C was pulled from the Consent Agenda for separate discussion.

Adina Lund, Development and Engineering Director, presented on the contract amendment with Talis Construction Corporation for Deer Valley Road Wall improvements along 109th Avenue to Lake Pleasant Parkway. Information included:

- Project history
- Increased traffic volumes
- Proposed amendment

Discussion ensued regarding:

- Building materials of current and proposed new walls
- Viability of adding height to existing walls

Motion was made by Councilmember Edwards, seconded by Vice Mayor Patena, to:

(a) Approve a contract amendment in the amount of $2,884,973 to Talis Construction Corporation to construct the Deer Valley Wall Improvements, 109th Avenue to 105th Avenue, in accordance with budget authority previously approved by Council; and

(b) Authorize the Development & Engineering Director to execute the temporary land rights needed to construct the wall improvements.

Upon vote, the motion carried unanimously 7 to 0.

**9C. Budget Amendment, Arizona State University**

Approved a budget amendment in the amount of $47,350 from the General Fund Contingency account, using General Fund reserve one-time funds, providing authority for the payment of invoices to Arizona State University for obligations incurred during Fiscal Year 2020.

**10C. Fiscal Year 2022 Quarterly Investment Reports**

Received and filed the Fiscal Year 2022 Quarterly Investment Reports as presented.

**11C. Designation of Chief Fiscal Officer for Submittal of Annual Expenditure Limitation Report**

Adopted **RES. 2022-65** designating Kevin Burke, Chief Financial Officer, to submit the Annual Expenditure Limitation Report to the Arizona Auditor General.

**12C. Maintenance Improvement District No. 1259, Parcel A-10 Mystic at Lake Pleasant Heights, Westland Road and El Mirage Road (Project No. R210070)**

Approved the Petition for Formation, adopted **RES. 2022-66** intention and ordering the formation of proposed Maintenance Improvement District No. 1259, Parcel A-10 Mystic at Lake Pleasant Heights, located at Westland Road and El Mirage Road, and adopted **RES. 2022-67** ordering the improvements within the proposed Maintenance Improvement District and declared an emergency.

**13C. Street Light Improvement District No. 1163, Parcel A-10 Mystic at Lake Pleasant Heights, Westland Road and El Mirage Road (Project No. R210070)**

Approved the Petition for Formation and adopted **RES. 2022-68** intention and ordering the formation of proposed Street Light Improvement District No. 1163, Parcel A-10 Mystic at Lake Pleasant Heights, located at Westland Road and El Mirage Road, and adopted **RES. 2022-69** ordering the improvements within the proposed Street Light Improvement District and declared an emergency.

**14C. Final Plat for Aloravita North Phase 3 – Parcel 10, Jomax Road and Eastwing Vista Trail (Project No. R210092)**

Approved a Final Plat for Aloravita North Phase 3 – Parcel 10, located at the northeast corner of Jomax Road and Eastwing Vista Trail intersection, subject to stipulations.

**15C. Replat of Building E of Arrowhead Ranch Office Park, Condominium Plat of 7727 West Deer Valley Road Suites 215 and 220**

Approved a Replat of Building E of Arrowhead Ranch Office Park, Condominium Plat of 7727 W. Deer Valley Road Suites 215 and 220, located on 77th Avenue and Deer Valley Road, subject to stipulations.

**16C. PUBLIC HEARING - Liquor License, Jocelyn & Co, 8550 North 91st Avenue #55**

Recommended approval to the State Liquor Board for a New Wine and Beer (Series 10) Liquor License for Jocelyn & Co, located at 8550 North 91st Avenue Suite #55, Alex Quintana, Applicant, LL#21-010957.

## REGULAR AGENDA

**New Business:**

**Clerk's Note: Agenda items 17R and 18R were presented together.**

**17R. PUBLIC HEARING – Minor General Plan Amendment, Moderne Park West, 95th Avenue and Olive Avenue**

Lorie Dever, Planning and Community Development Deputy Director, presented on the Minor General Plan Amendment and Rezone of Moderne Park West, 95th Avenue and Olive Avenue. Information included:

- Project overview
- Summary of requests
- Minor General Plan Amendment
- Site and area context
- Historical perspective
- Conceptual development plan
- Traffic access and improvements
- Public outreach
- Support and opposition
- Planning and Zoning Commission deliberations
- Key findings
- Staff recommendations

Mayor Carlat called the Public Hearing open to public comment.

Dennis Templeton, resident, spoke in support of the project.
Kenneth Oppedisano, resident, spoke in support of the project.
Waseem Hamadel, resident, spoke in support of the project.

Nico Howard, landowner, spoke in support of the project.

Having no further requests to speak on the matter, Mayor Carlat closed the Public Hearing.

Motion was made by Councilmember Dunn, seconded by Councilmember Edwards, to adopt **RES. 2022-70** to the General Plan Land Use Map for a 5.7 acre site located northeast of the northeast corner of 95th Avenue and Olive Avenue, modifying the land use designation from Commercial to Urban Residential (12+ du/ac).

Upon vote, the motion carried unanimously 7 to 0.

**18R. PUBLIC HEARING - Rezone, Moderne Park West, 95th Avenue and Olive Avenue**

Motion was made by Mayor Pro Tem Hunt, seconded by Councilmember Dunn, to adopt **ORD. 2022-14,** approving the rezoning of a 5.7 acre site located northeast of the northeast corner of Olive Avenue and 95th Avenue, from Planned Neighborhood Commercial (PC-1) to the Moderne Park West Planned Area Development.

Upon vote, the motion carried unanimously 7 to 0.

**19R. Colorado River System Conservation Agreement, United States Bureau of Reclamation and Central Arizona Conservation District**

Cape Powers, Water Services Director, presented on the conservation agreement with the United States Bureau of Reclamation and the Central Arizona Conservation District. Information included:

- Colorado River System Conservation
- Gila River Indian Community proposal and conditional participation therein
- Agreements required
- Budget authorization
- Agreement and financial commitment schedule
- Staff recommendation

Discussion ensued regarding:

- Risks associated with Bureau of Reclamation
- Revenue offset
- Future water costs
- Time constraint of project

- Alignment of associated contracts
- Multiple partnership agreement
- Long-term storage credits
- Portfolio diversity

Councilmember Shafer amended the motion to include a revision to enter into several agreements that would result in leaving 10,000 acre-feet of Peoria's Colorado River water allocation in Lake Mead rather than having the water delivered and recharged at a Salt River Project groundwater savings facility, as currently planned, and amend the agreement to 35,000 acre-feet per year with the strategic partners.

The amended motion was seconded by Vice Mayor Patena.

Upon vote, the amended motion carried unanimously 7 to 0.

**20R. Sale of City Property, 7701 West Paradise Lane**

Katie Gregory, Deputy City Manager, presented on the proposed sale of property located at 7701 West Paradise Lane. Information included:

- Site background
- Ground Lease Agreement with Arizona Broadway Theater
- Purchase and Sale Agreement
- Staff recommendation

Discussion ensued regarding:

- City contributions to the Arizona Broadway Theatre during the COVID-19 pandemic
- Appraised value
- Crediting rent payments toward purchase price
- Ground Lease Agreement terms from 2017

Motion was made by Mayor Pro Tem Hunt, seconded by Councilmember Finn, to:

(a) Authorize the sale of 4.194 acres of improved real property located at 7701 West Paradise Lane; and

(b) Approve a Real Estate Purchase Agreement with KLOS ENTERPRISES, LLC an Arizona limited liability company.

Upon vote, the motion carried 6 to 1, with Councilmember Dunn voting "no".

**21R. Intergovernmental Agreement, City of Phoenix, Recycling Services**

Jay Davies, Public Works Director, provided background on the proposed intergovernmental agreement with the City of Phoenix's Recycling Services. Information included:

- Agreement history
- Proposed amendment
- Staff recommendation

Discussion ensued regarding:

- Environmental benefits
- Uses of pulverized glass in commodities market

Motion was made by Mayor Pro Tem Hunt, seconded by Councilmember Edwards, to approve an Intergovernmental Agreement with the City of Phoenix's Recycling Services to fund an investment in the Phoenix Material Recycling Facility, in an amount not to exceed $200,000.

Upon vote, the motion carried unanimously 7 to 0.

**22R. Contract, FPS Civil, LLC, Reclaimed Water Project 1 – Segment 2**

Adina Lund, Development and Engineering Director, provided background on the proposed contract with FPS Civil, LLC. Information included:

- Project 1 overview
- Segment 2 of Project 1
- Project budget
- Staff recommendation

Discussion ensued regarding:

- Current construction inflation effects on the bid
- Force majeure clause in contract and stipulations therein
- Fiscal impact of saving reclaimed water
- Importance of Purple Pipe Program

Motion was made by Councilmember Shafer, seconded by Vice Mayor Patena, to approve a contract in the amount of $6,513,407 with FPS Civil, LLC to provide construction services for Segment 2 of Project 1 of the Reclaimed Water Project, in accordance with budget authority previously approved by Council.

Upon vote, the motion carried 6 to 1, with Councilmember Dunn voting "no".

**23R. <u>Grant, Department of Economic Security COVID19 Child Care Stabilization Grant Workforce</u>**

Chris Hallet, Neighborhood and Human Services Director, provided background on the Department of Economic Security Childcare grant. Information included:

- Current Childcare Stabilization Grant
- Childcare Stabilization Grant workforce
- What the grant covers
- Staff recommendation

Motion was made by Councilmember Edwards, seconded by Mayor Pro Tem Hunt, to:

(a) Accept and approve the use of up to $3,000,000 of additional grant funding awarded to the City from the Department of Economic Security; and

(b) Approve a budget amendment up to an additional $3,000,000 from contingency accounts to various Family and Youth services grant accounts; and

(c) Authorize to use the funds as recommended.

Upon vote, the motion carried unanimously <u>7</u> to <u>0</u>.

**24R. <u>Development Agreement and Sale of City Property, Common Bond Development Group Peoria LLC</u>**

Katie Gregory, Deputy City Manager, provided background on the proposed Development Agreement and Sale of City Property to Common Bond Development Group Peoria, LLC. Information included:

- Site of City Property
- Proposed project
- Developer and City obligations outlined in the Development Agreement
- Additional Developmental Agreement stipulations
- Staff recommendation

Councilmember Dunn motioned to table the item to a future meeting. The motion failed for lack of a second.

Discussion ensued regarding:

- Definitions of "top-tier" and "quality" restaurants
- Parking space exclusivity

Motion was made by Mayor Pro Tem Hunt, seconded by Councilmember Finn to:

(a) Adopt **RES. 2022-71** approving a Development Agreement with Common Bond Development Group Peoria, LLC for the sale and development of approximately 2.66 acres of City owned property located within the north parking lot at the Peoria Sports Complex, and authorize the City Manager to complete all transactions contemplated within the agreements subject to such additional terms and conditions deemed necessary; and

(b) Approve the use of reserves and a budget amendment in the amount of $50,000 from the Half Cent Sales Tax Contingency account 1210-0350-570000 to the Other Professional Services account 1210-0350-520099.

Upon vote, the motion carried 6 to 1, with Councilmember Dunn voting "no".

**Call To The Public (Non-Agenda Items)**

Tom Bottorf, Peoria resident, advocated for more public pickleball courts.

George Rutledge, Peoria resident, expressed concerns about the Hancock development at 93rd Avenue and Olive.

**Reports from City Manager:**

**39. Reports**

**A. Police Incident Mapping Tool**

Art Miller, Police Chief, and Douglas Steele, Deputy Police Chief, explained the functionalities that will be available on the new public-facing incident mapping tool, scheduled to launch July 1, 2022.

**B. POGO Video**

A video highlighting the POGO transit system was displayed.

**ADJOURNMENT**:

Being no further business to come before the Council, the meeting was duly adjourned at 7:56 p.m.

______________________________________

Cathy Carlat, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the City Council Meetings of the City Council of Peoria, Arizona held on the 21 day of June 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 23 day of August 2022.

(Seal)

______________________________________

Lori Dyckman, City Clerk