

**Minutes
Enhanced Services Commission
April 9, 2014**

Minutes of the Enhanced Services Commission held on April 9, 2014, 8:30 AM, at the City of Tempe Orchid House, Tempe, Arizona.

Members Present:

Mark Sanford, Chairman of the Board
Ken Jones, Treasurer
Dave Nakagawara , Secretary
Shelley Hearn, Community Services Director
Kelly Rafferty, Community Services Deputy Director
Kate Borders, Downtown Tempe Community Member
Cheryl Hornyan, At-Large Residential Owner

City Staff Present:

Chris Messer, Community Development
Roger Hallsted, Community Development
Nancy Ryan , Community Development
Eric Iwersen, Public Works
Julie Stennerson, Community Development

Members Absent:

Neil Calfee, President - Excused
Heidi Kimball, Vice President - Excused
Don Bessler, Public Works Director - Excused
Gordon Cresswell, Public Member - Excused

Guests Present:

Adam Jones, Downtown Tempe Community

Meeting convened at 8:35 am.

Agenda Item 1 – Consideration of meeting minutes: January 15, 2014

Mark Sanford confirmed the commission members had reviewed the minutes.

MOTION: Ken Jones
SECOND: Shelley Hearn
DECISION: Approved

Agenda Item 2 – Public Appearances

There were no public appearances.

Agenda Item 3 – Election of New Member

Chris Messer stated Nancy Hormann has retired. He introduced Kate Borders. Kate Borders has been nominated to fill the position of Downtown Tempe Community Member for the Commission. This is a non-voting position. The Commission Members voted, and approved Kate Borders as member of the Commission.

MOTION: Mark Sanford
SECOND: Ken Jones
DECISION: Approved

Agenda Item 4 – 2014/2015 Budget Review and Recommendation

Chris Messer stated the City is looking for a recommendation regarding the budget from the Commission that will be taken to the Rio Salado Board which is the City Council. The introduction of the Community Facilities District Budget will be presented in May. The formal adoption of the Community Facilities District Budget will take place in June.

Roger Hallsted gave an overview of the Rio Salado Community Facilities District (CFD) budget. The budget that the assessments will be based off for total operations and maintenance will be \$3,342,000. This is almost \$300,000 more than the FY 2013/14 budget. The main reason for the increase is due to the infrastructure replacement. The docks at Tempe Beach Park are in bad shape and need to be replaced next year. The FY 2014/15 assessment cost for the infrastructure replacement is \$743,270. The costs for the docks alone are approximately \$200,000. The other item increasing the FY 2014/15 Operations and Maintenance Budget is the replacement water budgeted at \$334,200. The water that once came from the Mesa Water Treatment Plant upstream is no longer flowing into the lake. The replacement water is now purchased unless there is a significant rainfall.

Mark Sanford stated the estimated expenses are significantly lower than the actual budget, but the budget is still being increased by 6% for the next fiscal year. There seems to be a 16-17% difference in the assessments collected and the actual budget expenses.

Roger Hallstead stated the funding for the Operation and Maintenance Budget has to be able to cover the worst case scenario. The budget must cover the water, lake operations, annual reports for the Arizona Department of Environmental Quality, time and material. There is usually a credit applied to the second assessment each year that reduces the assessment payments.

Mark Sanford would like to tighten up the budget to get it closer to the actuals.

Ken Jones stated the budget does not show a fund balance on the schedule. The schedule shows how much the assessments were to the City and to the private sector. If the expenses are under budget there would be a surplus of funds. The expenditure authority involves budgeting conservatively. The assessments are offset by the fund balance, so the ability to spend is high but the assessments should not be any higher than they need to be because of the ability to spend the fund balance. If there is money sitting in the fund balance it should offset the assessments. It would be helpful to see the yearly surplus being applied before the assessment numbers are created. It was suggested to collect 95% of the budget in assessments at the beginning of the year and collect more later in the year if additional money is needed. As long as you have your budget, the assessments are completely separate. The assessments are the revenue stream.

The Commission approved moving forward with the budget with the assumption that the dock replacement cost collected last year will offset the amount in the budget and that the assessments will be reduced by a percentage (5%) that will comfortably leave enough money above the actual expenses.

MOTION: Ken Jones
SECOND: Mark Sanford
DECISION: Approved

Agenda Item 5 – Tempe Beach Parking Lot

Adam Jones gave an update on the Tempe Beach Parking Lot. There has been an issue with limited parking at Tempe Beach Parking Lot. The parking lot is currently being used by construction workers, students and employees that work in nearby buildings. The parking problem will become more of an issue once Splash Park opens. There has been a recommendation to limit the time people are allowed to park in the Tempe Beach Parking Lot. The suggested time limit is three hours. The three hour time limit would not apply to handicapped parking, event days, or holidays. Signs will be posted stating the parking lot is for park use only, limited to three hours, Monday – Friday or Saturday, 8:00 am – 6:00 pm. This item will be recommended to the City Council in a Friday Packet Memo. The posting of the parking signs may push people to the Tempe Center for the Arts parking lot, but this should not create a problem.

Agenda Item 6 – Public and Private Development Update

Public

- Bike path extension (Priest to SR 143 and McClintock to Mesa) – (Eric Iwersen) Construction of the railing and multi-use path between Priest and SR143/Hohokam Freeway has almost been completed. Lighting will be installed this summer. The path will be open for use by August or September. The design of a bike/pedestrian underpass at Priest Drive on the south bank will begin after July 1, 2014. Phoenix will be designing a path from 32nd Street to the 143. The path will eventually connect to downtown Phoenix. On the east end another mile of pathway from McClintock to the Mesa border will be constructed on the south bank. This path will be on the north side of Marketplace. The path will consist of a concrete surface, lighting and landscaping. This path will go under the 101 and 202 to connect into Mesa.
- Downstream low flow channel – (Nancy Ryan) The City has been working with the City of Phoenix and Sky Harbor on bird strike related issues. With the Salt River having water flowing from 2005 there has been a large amount of cattail reeds that have cropped up in the low-flow and in the main channel. A study has been done to evaluate what could be done to prevent further expansion of the cattail areas west of Priest Drive. This particular area is getting close to the airport and the cattails are an attractant for birds. The study determined re-grading would need to be done to the low-flow channel and some of the cattail vegetation would need to be removed with filling in of some low spots. In the past six months to a year there has been less water coming down the Salt River channel and this area is naturally drying up. The City of Phoenix may not need to fill in many areas, but will need to remove some of the vegetation. A beaver dam is also going to be removed from the environmental restoration area between Priest Drive and the Town Lake dam. The intent is not to harm the beavers, but to remove the restriction so the water will continue to flow.
- Army Corp Upstream Restoration Project – (Nancy Ryan) The City has been partners with the Army Corp of Engineers on Environmental Restoration Habitat Projects over the past decade. The third phase of the original concept anticipated planting upstream of the Tempe Town Lake dam. This area has been filled with water for a number of years. It was decided a few years ago to work on the north and south bank around the water. The south bank plantings and a path were completed in 2010. The remainder of this phase has the potential to bring a path from McClintock to the Indian Bend Wash Path. If obligated construction would begin in October 2014.
- New Dam update – (Don Bessler) An update will be presented to the City Council on April 10, 2014 at the Issue Review Session.

Private

- Stables – (Messer) The plans for an apartment complex have been submitted and approved through the Development Review Commission. The project is on the City Council Agenda for formal approval on April 10, 2014.
- Pier 202 – (Messer) The RFP had been issued, but only received one response that is currently being evaluated. The property consists of five City owned parcels, located on the south bank east of Rural Road.
 - Lincoln Properties Lot 5 and 6 – (Messer) Lincoln Properties are two of the properties in the same development listed above (Pier 202). They are the two middle properties adjacent to the lake. A project for an apartment complex has been submitted and denied. The developer redesigned the project and submitted preliminary plans. The project was not what the City was looking for on that piece of property.
- Hayden Ferry Lakeside – Lofts 9 (Messer) This project is moving forward. The developer will probably be submitting for permits towards the end of May.
- Office Tower – (Messer) The Office Tower on the north east corner of Mill Avenue and Rio Salado Parkway will be 260,000 square feet, 10 stories. The target date for completion is September 2015.
- RFQ – (Messer) The City will be re-issuing a RFQ for the Flour Mill Property within the next few weeks.

Agenda Item 7 – Future Meeting Dates and Agenda Items

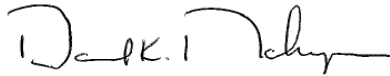
Wednesday, July 9, 2014

- Security Patrol Contract Renewal - (DTC and Tempe PD)
Wednesday, October 8, 2014
Wednesday, November 5, 2014
- (Annual Meeting) Election of Officers

The next meeting will be July 9, 2014 at the City of Tempe, Orchid House, 21 East Sixth Street.

Meeting adjourned at 9:45 AM.

Prepared by: Julie Stennerson
Reviewed by: Chris Messer



Dave Nakagawara
Secretary