

**Minutes
Enhanced Services Commission
October 11, 2016**

Minutes of the Enhanced Services Commission held on October 11, 2016, 8:30 AM, at the Tempe City Hall - Community Development, Conference Lobby Room, 31 East Fifth Street, Tempe, Arizona.

Members Present:

Don Bessler, Vice President/Public Works Director
Ken Jones, Treasurer/Finance & IT Director
Ted Rabban, Landowner Member/Area 3 Rep
Shelley Hearn, Community Services Director
Kelly Rafferty, Community Services Deputy Director
Kate Borders, Downtown Tempe Authority Member
Gordon Cresswell, Public Member
Mark Clouch, At-Large Residential Property Owner

City Staff Present:

Jeff Tamulevich, Interim Comm. Dev. Director
Ryan Levesque, Deputy Director of Planning
Roger Hallsted, Rio Salado Financial Analyst
Alex Smith, Deputy Director of Special Projects
Sarah Adame, Community Development
Caggiano, Craig, Water Utility Operations Manager

Members Absent:

Matt Mooney, Chairman of the Commission/Area 1 Rep
John Creer, President of the Commission/ASU Member
Jason Anzalone, Landowner Member/Area 2 Rep

Guests Present:

Dawn Cartier, Civil Tech
2 ASU Students

Meeting convened at 8:30 am.

Agenda Item 1 – Consideration of Meeting Minutes: July 19, 2016

Don Bessler confirmed the commission members had reviewed the minutes.

MOTION: Kate Borders
SECOND: Shelley Hearn
DECISION: Approved

Agenda Item 2 – Public Appearances

2 ASU students were present. They were attending the meeting for observation as a class assignment.

Agenda Item 3 – Town Lake Operations

Don Bessler introduced Craig Caggiano, Water Utility Operations Manager, who will be attending the Rio Salado Enhanced Services Commission quarterly meetings to give current updates on the Town Lake and the Dam.

Craig Caggiano discussed cleaning activities above and below the lake and the dam, continuing to monitor insects and mosquitoes around the lake, in November we'll be adding more fish to the lake, and starting the phase 2 of the rental boat dock with shade structure over the larger portion of the dock. Staff is planning on moving the buoys when construction is done or if the need for them to be moved arises. Craig also advised the Commission that Engineering has advised staff to keep the bottom of the dam clear of vegetation for the even flow of the water. The City is

responsible for keeping the channel clear for the flow of water. A member of the Commission who lives near the lake and the dam expressed that he is disappointed that there is not a plan for vegetation beyond the west end dam. He stated, without vegetation in the area, it looks like an eye sore. Mr. Bessler advised that he would like to take a look to see if there were any opportunities for vegetation opportunities.

Agenda Item 4 – Budget Update

Roger Hallsted gave an update on the Community Facilities District Budget graph and the request for a CFD Board action. Mr. Hallsted explained this year's annual expenses and the budget is doing well. Mr. Hallsted explained the fund balance reserve policy that could be used for lake water beyond evaporation and seepage in case of a release event. The CAP rate has gone up a small amount this year in case the lake had to be completely refilled. Using the fund balance reserve policy there would be a contingency available for replacing water or hydraulic oil for example, the fund balance policy would allow the budget to keep about fifteen to twenty five percent available. This would allow staff to budget for less replacement water in the budget and help lower the assessment amount every year.

Ken Jones advised that the Commission has always over budgeted for this over the past five years and haven't maintained a fund balance like this. The request is to show a simplified presentation of all the income and expenditures spent and what is left over to be in a fund balance reserve. The money is considered to be owned by all the property owners into a fund for circumstances that could occur to the lake or dam.

Don Bessler clarified for members' of the Commission to discuss how they would like to pay the cost to fund the fund balance reserve. Mr. Jones explained that the City is responsible for the infrastructure of the dam and are not collecting capital reserves to replace the dam at some point. This fund is for operating costs. Mr. Bessler explained that the Council adopted a new business model that the city would be responsible for both dams and anything outside and inside of the seatwall.

Mr. Hallsted explained that this year's assessment is three million two hundred and ninety thousand dollars and adding this fund balance reserve policy would not affect this year's budget.

Mr. Bessler advised that the budget for this year won't be changed and that the Board members have plenty of time to review an estimated cost if this assessment would be in one charge or amortized into smaller payments with normal monthly assessments. Mr. Jones would be able to come to the Board with an estimate of cost at the end of this year for the new year's budget in July 2017.

Agenda Item 5 – Draft Reserve Policy

Mr. Hallsted discussed that he wants action on the resolution on the fund balance reserve policy because the Commission has to have a vote on this prior to presenting to Council.

MOTION TO RECOMMEND: Ken Jones
SECOND: Kelly Rafferty
DECISION: Recommend Approval

Agenda Item 6 – ASU/City of Tempe Traffic Study

Dawn Cartier from CivTech with ASU and the City of Tempe gave a Power Point presentation. Data has been collected to predict what the transit and pedestrian environment will look like for the City of Tempe in the future. Items that have been accounted for in this traffic study are taken from entitlements approved by the City of Tempe, ASU Facilities District, Arena's Master Plan, State Farm, Rio Salado Corridor, and pressure of the off campus student housing which could include pedestrian traffic. Ms. Cartier discussed different categories that were used to show different uses of current transportation and future use of transportation. The model presented was also shown in different times of the day on peak and off peak hours. The model showed where the increases of high traffic volume and conflict areas between automobiles and pedestrians in the future of Tempe. The information from the study will

be used as a tool for future projects and growth. A Commission member asked about implementing automated cars. Ms. Cartier advised that the trend right now for everyone to go out and buy driverless cars. She stated in the future driverless cars will have an impact in transportation by getting people around and also have an impact on parking standards where there will be less parking to plan for.

Agenda Item 7 – Events Overview

Shelley Hearn and Kelly Rafferty gave an events update. Octoberfest just passed and it was a good turnout and The Half Ironman on October 16th. There are two walking events that are coming to the lake, November 11th is the Veteran's parade, and November 13th is The Full Ironman and not too much at the end of November and December. October 1st and 2nd was the Tempe Tardeada in which about two thousand people had attended. November 22nd is the Welcome Back Trout event.

Agenda Item 8 – Downtown Tempe Update

Kate Borders gave the Downtown Tempe update. October 18th is the annual meeting and the Art Festival is coming soon.

Agenda Item 9 – Water Taxi Concession

Ted Rabban gave a quick update on Marina Heights. He stated that there are about six thousand people there at this time. The last building should be completed by the end of the year and people should be moving into that building by the end of the first quarter. Starbucks is open, a new café is open and Matt's Big Breakfast is opening at the end of the month. Mountainside Fitness will be opening as well. Many developers are interested in getting together to work on more projects to be developed there including a water taxi. The water taxi would be able to move people across the lake to visits stores and restaurants that may come in the near future. Among the Commission members it was discussed, would the water taxi be a mode of transportation just to get people across the lake when they come to downtown Tempe. When people come to downtown Tempe, where would they park? Currently, there is insufficient parking in the area. Would the water taxi be a private or public mode of transportation? This area is part of the Stadium District and there is need to move people around from the lake across Rio Salado, to the stadium and access to the Transportation Center. Would the water taxi go from marina to marina or would it only travel laterally along the lake with several stops. There may be a need for more loading docks. The Commission concluded that the appropriate time to engage in pursuing a boating activity to the lake would be in January when procurement sends out bids.

Mr. Jones advised in January when RFPs are issued the Rio Salado Enhanced Services Commission should take a look at them to review any possible boating activities. Ms. Hearn stated that there may be a draft of a RFP in January to review before it goes to Council. Mr. Bessler would like the Commission to have a future conversation about how permitted boating companies are using the lake for profit. Mr. Caggiano will be working with Ryan and Roger to create an item on the agenda to reintroduce this discussion under Lake Management Plan.

Agenda Item 10 – Public and Private Development Update

Ryan Levesque provided the following updates regarding public and private development.

- Watermark (Hayden Harbor) – 2 Formal submittals has been turned in, west of Scottsdale Road, north of the Tempe Town Lake for a master planned area, proposing two separate applications, one for a residential project (The Aura at Watermark) and one for an office project site with retail.
- The Aura at Watermark is multifamily residential 355 units.
- Possible Public Hearings in mid-December, then Council in January.
- Athletics Facility District joint meeting with Council in late November.

Agenda Item 11 – Commission Elections & Annual Meeting (November 15th)

Appointing positions

Acting officer positions: Chairman of the Board

President

Vice President

Secretary

Treasurer

The next meeting will be the Annual meeting November 15, 2016 at the Tempe City Hall - Community Development, Conference Lobby Room, 31th East Fifth Street.

MOTION TO AJOURN: Shelly Hearn

SECOND: Ted Rabban

DECISION: Approved

Meeting adjourned at 9:54 am.

Prepared by: Sarah Stennerson

Reviewed by: Ryan Levesque



Jeff Tamulevich

Interim Community Development Director

Secretary