

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE REGULAR MEETING OF THE
FOUNTAIN HILLS TOWN COUNCIL
APRIL 16, 2019
REGULAR MEETING**

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE – Mayor Ginny Dickey

Mayor Dickey called the meeting of April 16, 2019, to order at 5:30 p.m.

2. INVOCATION – Pastor Todd Forrest, Fountain Hills Christian Center

There being no pastor present, Mayor Dickey asked for a Moment of Silence.

3. ROLL CALL – Mayor Ginny Dickey

COUNCILMEMBERS PRESENT: Mayor Ginny Dickey; Vice Mayor Art Tolis; Councilmembers Mike Scharnow, Dennis Brown, Alan Magazine, Sherry Leckrone and David Spelich.

COUNCILMEMBERS ABSENT: None.

STAFF PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson, and Town Clerk Elizabeth A. Burke.

4. REPORTS BY MAYOR, COUNCILMEMBERS AND TOWN MANAGER

Councilmember Spelich reported on a tour he attended with County Supervisor Steve Chucri at a farm in Mesa where they learned a lot of things about produce in Arizona. He said that it was an informative tour and Fountain Hills was represented.

Councilmember Leckrone reported that she and the Mayor had the pleasure of attending a luncheon at the home Gilbert Mayor Jenn Daniels. They learned a great deal about other towns and shared their experiences. She said that she is anxious to continue to meet with them and grow in their roles. Mayor Dickey said that this meeting had come about from a conversation that Councilmember Leckrone had with Mayor Daniels at the New Officials Training put on by the League.

Mayor Dickey reported that the *Eggstravaganza* was held last weekend and it was a great event. She and other Councilmembers recently attended the Volunteer Reception with the theme of Under the Sea. She recognized Tom Aiello as Volunteer of the Year and thanked Heather Ware and all of the staff that was involved. It was noted that Mr. Aiello was in the audience at the Council meeting and he received a standing ovation.

Mayor Dickey said that she and other members of Council attended a Joint Meeting that was hosted by the Salt River Pima-Maricopa Indian Community where they talked about their opportunities to partner and Prop. 202 funding. She said that they thanked the Town for notifying them of the upcoming Off-Track Betting application recently received, on which they had no position. She was glad that so many members of Council and staff

could attend, and she said that it was the first of several joint meetings coming up this year.

Mayor Dickey reported that she attended a recent Arizona Transit Association Luncheon for transportation officials from all over, at which her husband was recognized. She mentioned that Fountain Hills is currently having a transit study performed, at no cost to the Town.

She said that she was also honored to meet with the Order of Purple Hearts. Her sister reposted the photo in front of the sign and her cousin in Cape Cod asked how they can also become a Purple Heart Community.

A. PROCLAMATION recognizing Purple Heart Tuesday in Fountain Hills.

Mayor Dickey invited Bill Yin forward, read the proclamation and presented it to him.

Mr. Yin said that there are 28 counties, cities and towns in Arizona that are deemed Purple Heart Communities. He said that on August 7, 2019, at the Community Center there will be a Purple Heart Celebration at which everyone is welcome. Along with several speakers, they are hoping to have five Medal of Honor recipients attend. They will have the State Band and National Color Guard presenting the Colors.

B. PROCLAMATION recognizing April 22, 2019, as Earth Day in Fountain Hills.

Mayor Dickey invited Amy Burnett forward, representing Arizona Game & Fish and Liberty Wildlife, read the proclamation, and presented it to her. Ms. Burnett said that she was honored to receive the Proclamation.

C. PROCLAMATION recognizing May 2, 2019, as Fountain Hills Day of Prayer.

Mayor Dickey invited Nate VanKeuren and guests forward as she read the proclamation and presented it to the group. Mr. VanKeuren said that this was the 68th Anniversary of National Day of Prayer. They will be holding a prayer service on May 2, 2019, at the Fountain Park Amphitheater at 6:30 a.m. and they were doing a walk around the Overlook Trail.

D. Report by Town Manager

Mr. Miller introduced the new Acting Development Services Director, John Wesley. He said that they were pleased to have him and he has started right away working on the many development projects they have going.

Mr. Wesley said that it was good to be here and it was a pleasure to have the opportunity to serve Fountain Hills. Prior to coming here, he said that he was the Planning Director for the City of Mesa for 15 years and is very familiar with Arizona laws. Prior to that, he was the Community Development Director for Stillwater, Oklahoma, a town of approximately 35,000, similar to Fountain Hills.

Mr. Miller said that staff was recently asked to look into a couple of items and he would like to report on those.

He said that they were asked to meet with the leasing agent representing Park Place to get more information regarding their occupancy numbers. The Town's Acting Economic Development Director did meet with the leasing agent and got some preliminary information; however, the agent is trying to get approval from his bosses to share further.

He said that a meeting has been set up for May to get with the Plat 208 area representatives and the downtown merchants association. He said that they are trying to reenergize the area and be more visible. They will come back and report to Council.

i. Update on lemonade stands.

With regard to information on lemonade stands, Mr. Miller asked Mr. Martella to come forward.

Mr. Martella said that there was not a lot out there in terms of codes or ordinances that address lemonade stands. He called the County and talked with their environmental services department and found that they do not issue permits as long as they are on private property. Additionally, even if there was a complaint received they would not forcibly shut them down. He said that with regard to licensing, they would not license garage sales contained on private property so they would apply similar thinking as to lemonade stands.

Vice Mayor Tolis said that he would like to invite the merchant's association to a meeting and have them share their initiatives they are using and ask what the Town Council could do to help them be successful. He would like to hear from them directly. He would also like to extend the invitation to Shea Connolly, to understand what they can do as a town to assist in filling those business locations downtown. Mr. Miller said that part of the concern is that there was not a "downtown merchants association," that is why they would invite Plat 208 representatives.

Brief discussion was held on contacting Shea Connolly versus the leasing company. It was clarified that Vice Mayor Tolis would like to talk with whoever is appropriate for assisting with economic development in the downtown.

Mayor Dickey said that when they do reports they should not be having discussing. She said that their department directors and staff have their contact information on the Town's website. The fastest way to get questions answered would be to contact them directly.

5. PRESENTATIONS

A. PRESENTATION by Captain Larry Kratzer, MCSO, with monthly update.

Captain Kratzer with MCSO gave a monthly update that addressed:

Emails from residents have indicated concerns/questions on the activities of deputies. He said that on a regular basis the deputies will do 600 to 700 welfare checks in a given month. They go out on their own, check businesses, park areas, other locations where residents have contacted them with concerns. He said that they recently had a business found unlocked. It was a vacant office and in the last four to five months they have found three to four unsecured. They were able to contact the property owners.

He said that they recently had an arrest of a resident of Scottsdale that had been going to various Targets and stealing electronic devices and selling them on Offer Up. The detectives were able to identify the individual and arrest him on April 3. Based on the arrest, he confessed to that and other thefts. They were able to work with the Scottsdale Police Department and Mesa Police Department, to get other charges on him.

Captain Kratzer reported that over the last month traffic stops have been up by 62%. He explained that calls for service come first, but on their downtime they can make traffic stops and welfare checks.

He said that some of the prime trends is with the elderly being targeted for fraudulent schemes. He gave an example of a lady who received an e-mail from a subject stating they were with the local internet service and they had charged her for the next year's services. She called the number back and ended up withdrawing several thousand dollars. He said that this was done from another country so it is difficult to follow up on them.

Another example was someone seeking employment who had someone respond to her resume. She accepted a job and they sent her a check for airfare, but then determined they sent her too much and she needed to send money back. She lost about \$3,500.

In March they had three more incidents of "smash and grab" at Fountain Park, and the individuals were using credit cards at local stores and buying gift cards. He reminded residents to not bring their purses with them when walking and be aware of their surroundings.

He reported that on April 27, 2019, at the Town Hall parking lot they would have the National Prescription Drug Take Back. He said that they would also be having another Coffee with a Cop on May 17, 2019, from 8:00 a.m. to 10:00 a.m. at the local McDonald's, who had asked them to host with them.

Councilmember Spelich said that he had read a news feed about the Neighborhood Program from Ring. They are able to link doorbells that use Ring, to local law enforcement so they can be monitored. Captain Kratzer said that he did not know much about it, but he did know that MCSO has been working with Ring.

Councilmember Magazine asked how many deputies they had in Town. Captain Kratzer said that they have 3 on every squad and they have 5 squads, so a total of 15, and the County covers 1 for Rio Verde. Brief discussion was held on whether that was enough and what national recommendations were.

Councilmember Scharnow reminded everyone, on behalf of the Fountain Hills Coalition, that there is a prescription drug box in the lobby of Town Hall and thanks to the Town and Sheriff's Office, and the Sanitary District, it has been increasingly popular during business hours.

6. CALL TO THE PUBLIC

Pursuant to A.R.S. 38-431.01(H), public comment is permitted (not required) on matters NOT listed on the agenda. Any such comment (i) must be within the jurisdiction of the Council and (ii) is subject to reasonable time, place, and manner restrictions. The Council will not discuss or take legal action on matters raised during "Call to the Public" unless the matters are properly noticed for discussion and legal action. At the conclusion of the Call to the Public, individual councilmembers may (i) respond to criticism, (ii) ask staff to review a matter, or (iii) ask that the matter be placed on a future Council agenda.

None

7. CONSENT AGENDA ITEMS

All items listed on the Consent Agenda are considered to be routine, non-controversial matters and will be enacted by one motion and one roll call vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a councilmember or member of the public so requests. If a councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The items will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

- A. APPROVAL OF the minutes of the Special Meeting of March 26, 2019; and the Regular Meeting of April 2, 2019.
- B. CONSIDERATION OF approval of a grant application with Salt River Pima-Maricopa Indian Community for tourism-related efforts.
- C. CONSIDERATION OF approval of a grant application with Fort McDowell Yavapai Nation for tourism-related efforts.
- D. CONSIDERATION OF approval of a grant application with the Arizona Office of Tourism for tourism-related efforts.
- E. CONSIDERATION OF approving a Special Event Liquor License Application submitted by the Fountain Hills VFW Post 7507 (George Bernert), for the chamber of Commerce Gala event to be held in the Grand Ballroom of the Fountain Hills Community Center, 13001 N. La Montana Drive, Fountain Hills, Arizona from 4:30 p.m. to 11:00 p.m. on Friday, April 26, 2019.

Councilmember Magazine **MOVED** to approve Consent Agenda Items 7-A through 7-E; **SECONDED** by Councilmember Brown; passed unanimously.

8. REGULAR AGENDA

- A. PUBLIC HEARING AND CONSIDERATION OF request by an applicant for Off-Track Pari-Mutuel Wagering as a permitted use at Parkview TapHouse Bar and Grill.

Mayor Dickey opened the Public Hearing. Mr. Miller said that this was a request from Arizona Downs to allow for off-track pari-mutuel wagering at the Parkview TapHouse Bar and Grill. He said that the place has been there for many years, but it is now under new management. He said that the process is similar to liquor licenses; the Council takes public testimony and formulates a recommendation to approve or deny, which then goes to the Arizona Racing Commission.

He said that they found only one other such application to the Town that was many years ago. There is no process for these applications included in the Town Code. Since they are recipients of Prop. 202 funding, it was important that they notify both of the neighboring tribes. He said that they heard back from the Salt River Pima-Maricopa Indian Community that they were neutral. Mayor Dickey said that the President of Fort McDowell did say they were looking into it.

Mr. Joe Jackson said that Arizona Downs purchased what used to be Yavapai Downs in Prescott Valley in January 2018. They have undergone extensive remodeling of the facility to provide for live racing and they will open on May 24, 2019, after being closed since 2010.

He said that they have discovered through the process that the way they fund their purses for the riders is through the off-site wagering. When they open it will allow horse racing to stay year-round in Arizona. In the last several years, Turf Paradise has operated September through May. With them opening up it will allow them to run May through September. This is a shot in the arm for the entire industry, from breeders, vets, etc. He said that Arizona used to be one of the top states for breeding.

He said that the purses depend on the off-track betting from facilities set up throughout the state. What they get from that is split 50/50 with the horsemen to go to their purses. Their 50% covers the cost to operate. He said that they do not make a lot of money off the regular Off-Track Betting, but it is a mechanism to raise purses so they can provide live racing.

Mr. Jackson said that it is strictly horse racing. They have one simulcast room at the race track itself, and then they have three other locations—one in Phoenix, one in Flagstaff and one in Lake Havasu City, and they are currently opening one in Pinetop.

He said that they were approached by the Italian American Club and just finished their second week. It is a private club and for members only. He said that they work hand in hand with the restaurant/bar to get them opened and going.

Councilmember Brown said that his wife was a general manager of an Off-Track Betting facility in Denver. It was a very successful sports bar, but when they came

in the patrons would come in and get a cup of coffee, saving their money for betting. He would hate to see that happen to a good restaurant.

Mr. Jackson said that is a comment that comes up all the time. Sports bars are better places than a formal restaurant. He has a good friend that runs an OTB in northwest Phoenix, one of the more successful ones in the Valley, and he does \$400,000 in handling. That is the motivation behind the bar owners, to get people in to sell them drinks and food.

Councilmember Scharnow said that he and he wife went to Tavern Grill on Via Linda and there was a booth there. He did not even know it was there. He said that the place was packed, and not just for betting.

At the risk of being a politician, he asked if the Town would see any revenue if they approved it, or if it all goes to the establishment and the state. Mr. Jackson said that there are taxes paid for the revenue through sales tax, so the Town would see that revenue.

Milton Galbaldon, owner of TapHouse, said that he was learning about this just as much as the Council. He opened in October of last year and it is flourishing. He has talked with a lot of his customers asking if it would affect the business and they all said it would not hurt them one way or another. He said that he is investing \$15,000 in providing ice cream. He said that even if the Council approves this today, he still has more research to do.

Councilmember Magazine asked why it was coming before Council if the owner was still having reservations. Mr. Miller said that he was led to believe that the applicant and restaurant were on board.

Councilmember Magazine **MOVED** to table the item; motion died for lack of a second.

Vice Mayor Tolis said that he appreciates the owner's efforts to look outside the box for ways to increase his revenues. This is a venture in Arizona that is looking to expand and grow. Other communities have already been approved. He asked Mr. Jackson if they would be talking to other businesses if this one did not come to fruition. Mr. Jackson said that they have only talked with TapHouse. He is hoping they do not have to look for a different place. If they got this one, it would not make sense to open another. It is expensive to open with the cost of equipment, etc.

Mayor Dickey closed the Public Hearing.

Vice Mayor Tolis **MOVED** to approve Off-Track Pari-Mutuel Wagering as a permitted use at Parkview TapHouse Bar and Grill; **SECONDED** by Councilmember Scharnow; passed unanimously.

B. CONSIDERATION OF a new trail proposal on the south leg of the Fountain Hills Preserve.

Mr. Bill Myers said that he was on the McDowell Mountain Preservation Commission and also the Sonoran Conservancy of Fountain Hills. He was there

to introduce Bill Craig who has experience with trail design, building and maintenance. He has a design for the new south leg. He designed the lower Sonoran Trail and also part of the Andrews Kinsey Trail. He has taken seminars and courses, and is an expert at designing and creating trails, and he is very safety conscious. He said that last week the MMPC voted to support the new trail 100%.

Mr. Craig said that he was one of the happy hundreds of volunteers in Fountain Hills. One of his duties on the Board of the Conservancy is the duty of designing, building and maintaining the trails. He said that this proposed trail has been approved by the McDowell Mountain Preservation Commission and the Town.

He said that in the late 1990's the Town formed a group headed by Paul Nordin that looked out to the west and saw the McDowell Mountains, and decided it would be better to preserve it instead of having it developed. They worked over a number of years to purchase the land and they worked to obtain development fees to set money aside for the trailhead which has been a long time in coming.

He said that they feel there are a lot of benefits, not only with recreational facilities, but trails, including health, physical and mental, and economic benefits of bringing in day trippers, overnight, snowbirds that purchase homes and spend money here. There have been many studies that found that the closer a property is to recreational facilities, the higher the value.

Mr. Craig said that the National Homebuilders Association did a survey of amenities that home purchasers look for and the amenity that was mentioned second was trails. The trailblazers required a few hundred dollars for tools and signs, but they estimate that this year they produced over 800 hours of service.

He then showed a few slides of the new proposed trail. He said that one of questions being asked is why they need another trail. He said that this is their Town, their land, and the area along that ridge that the trail will be on is a beautiful area to hike and there are wonderful views at the end.

Councilmember Magazine said that he thought that what he and the trailblazers do is extraordinary and he wanted to express his thanks.

Bill Hinz, owner of Copperwynd, voiced support for the trail. He said that they are spending a lot of money to bring people here and within their branding, the DNA of their resort is the fact that they are focused on getting people out in the Sonoran Desert.

Sarah Nolan provided written support for the trail.

Edith Burns said that she lives right next to the Overlook Trail and they are supposed to be hiking from dawn to dusk, but they have people with baby buggies going up and down the trails in the middle of the night. She asked if there would be any way to monitor the trail use. Mr. Arnson said that he and the Town Manager will look into that concern further.

Councilmember Magazine **MOVED** to approve the new trail proposal on the south leg of the Fountain Hills Preserve, **SECONDED** by Councilmember Leckrone; passed unanimously.

- C. CONSIDERATION OF approving the Third Amendment to Cooperative Purchase Agreement C2017-045 between M.R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work in an amount not to exceed \$3,500,000.

Mr. Miller explained that back on March 19, they had an item on the agenda for consideration of a contract with M.R. Tanner. Due to concerns that he and the Council had, the item was pulled and is now being brought back for further consideration.

Public Works Director Justin Weldy said that he had asked the Finance Director what the fund balance was and had been told approximately \$2 million, but later it went to \$5 million, when in reality it was only \$2 million.

He said that there was an actual budget sheet that shows that number, but based on concerns that the Vice Mayor and Councilmember Brown had, they went through and met with the Finance Director. They confirmed the number and found that they have always carried a balance of \$595,000 to \$3 million. He apologized for the numbers and will do a better job in the future to prevent this from happening. He said that tonight is the third amendment and what they are proposing, based on their available budget for FY18-19, to accomplish a majority of the items to be shown in the presentation.

WHERE DOES THE MONEY COME FROM Fund Balance

He said that they are proposing to do approximately \$3.5 million of work. They have done their homework up front and have identified utility companies and contacted them to make sure changes are not being required unnecessarily.

FISCAL YEAR 18-19 PROPOSED BUDGET \$3.5M

Mr. Weldy said that this is through a cooperative purchasing agreement, which is often used between municipalities. The one difference is that although they are using the City of Chandler's agreement, their dollar amount is considerably more than Fountain Hill's. He said that through negotiations with M.R. Tanner, they have agreed to extend those rates and he will review some of the cost comparisons.

BENEFITS

He then reviewed the bid tabulation, showing that they entered into an agreement with the lowest bidder. Chandler's rate was \$1.10 while Fountain Hills' was \$1.15, but that is because the Town does not have the ability to store the materials nor do they have a use. Additionally, the Town's disposal site is 1.5 to 2 hours to haul down the Beeline into Mesa at Alma School and the 202.

WHAT OTHER CPAS...

PAVEMENT MANGEMENT PROGRAM

Mr. Weldy said that staff will be back early after the summer break to review the Pavement Management Program. He said that they are looking to use the funds they have based on data collected to save the roads they can save right now. There are several roads that cannot be saved at this time. Staff will bring that back to Council in the future for discussion on how to address it.

Mr. Miller said that they will be back in September to ask for Council's input on what PCI they want to have on the Town's roads.

Councilmember Magazine asked if this would be on the local streets. Mr. Weldy said that the mill and overlay are mostly on the collectors and locals, but the percentage of movements upwards will be very minimal. He said that their arterials have a good PCI at this time; they need to make sure they maintain that level in the future.

Mr. Weldy said that they are now asking for Council's approval to move forward with this portion of the program. They would like to start and finish in May.

Vice Mayor Tolis said that in the last three years he has heard a lot of presentations and prior to Mr. Weldy taking this position, he heard about zone coverage. He said that in 2016 he asked for the records and what maintenance had been done and was told there were no records.

He said that in looking at the map it looks very scattered. He said that they are moving away from zones and into identifying particular streets. He said that the downtown is the heart of the Town and it should be perfect. He said that when he drives down Palisades from Saguaro, it is a mess. Parkview is in very poor shape and he wanted Mr. Weldy's opinion on those streets. He asked him why they would not do everything they can for the downtown.

Mr. Weldy said that to his knowledge the former Public Works Director did provide the information that was requested. He said that there is a folder that staff has; they will provide that. The record keeping prior to that does have some challenges. He said that the entire community is important in regard to pavement management, the downtown area included. They are challenged by limited funding. He said that they are using the limited funding they have to save the streets they can save.

Mr. Weldy said that the zone program was on a seven year rotation, but they now know that it did not work because they were not getting to the streets that needed work. He said that he does understand that the downtown core and the Shea corridor are important areas, but the entire community is important and it all deserves improvement.

Vice Mayor Tolis said that the entire community is important, but when they have businesses and people coming here to invest, they want to make sure that the downtown is pristine.

Councilmember Magazine said that he agreed that the downtown is important, but he would guess that 95% of their citizens do not live in the downtown. He said that they have to be careful about how they allocate their resources. He said that the downtown is not in bad shape; there are streets throughout town that are in worse shape. He would rather put money on local streets than the downtown.

Brief discussion was held on the sealing of Saguaro and Shea. Mr. Weldy said that they will most likely do those next year. They will do a visual inspection and determine the PCI. Right now, they intend to bring that forward for the next budget.

Mr. Miller said that the list they reviewed was the Capital Facilities Replacement Fund. They did a study and the total was about \$18 million. A lot of the items mentioned have been deferred or pushed back. To properly fund the items in that listing was about \$1 million a year. They will probably need to jumpstart it with a few million dollars.

Councilmember Spelich said that the \$2 million different was a big deal. He said that by moving the work to multiple zones from the zone process, they are not neglecting one area over the other. He asked when staff foresaw the Pavement Management Plan moving forward.

Mr. Weldy said that based on the information collected, the data, and their history, they need a comprehensive Pavement Management and Maintenance Plan. They will bring it back and present it to the Council for approval, changes, etc. and once the Council decides on the PCI preference, staff will determine the budget needed to complete that level.

Mr. Weldy said that it is critical that they follow the plan as it will build trust and that trust will be needed when they ask for support through a bond issue for the larger projects in the future.

Councilmember Brown said that they have been talking about a new pavement plan for ten years. He said that it is not just the pavement plan, it is a lot of plans in Fountain Hills that need to be put to bed. The Pavement Management Plan needs to be brought together and lived with.

Mr. Miller said that IMS has helped staff identify their needs, but one of the things missing is they need from the Council what they believe the PCI should be. Then they will work with IMS to determine a plan and associated costs. He said that this is a policy decision. They will then need to look at a possible bond question in 2020.

Councilmember Leckrone asked, based on Councilmember Brown's comments, if they are putting the cart before the horse. Mr. Miller said that last year they did not undertake any pavement management. The fund balance they have will be able to get going on the maintenance. The longer they wait the longer it will cost them. He said that this is near-term, but they are going to put together mid-term and longer-term.

Councilmember Leckrone asked if the streets identified were identified because if they do not act, they will be on the list of streets that cannot be saved. Mr. Weldy

said that was correct. He said that those streets can be saved if they apply treatment right now.

Mr. Weldy briefly reviewed the various types of improvements. He said that the zone approach that was adopted identified seven zones in Town and applied a treatment to those zones. For any particular zone, if they ran out of funding, they did not come back to it for seven years.

The triage approach stops the bleeding. They have a few small wounds and they patch those up. It provides an opportunity to save a limb. For the ones beyond that cannot be fixed, they cannot focus this limited funding at this time.

Vice Mayor Tolis said that he agreed with Councilmember Brown; he has heard this over and over again. It is groundhog day in Fountain Hills; they continue to talk about the same issues without any true resolution. He said that the problem is with turnover; they have different councils with different thoughts and opinions. His policy is that he wants the downtown to be pristine.

Councilmember Scharnow said that in light of this discussion, he read the pavement report and he did see a sense of urgency. He remembered when they were still doing zones and moved into the Four Peaks area they ran into issues.

Mr. Weldy said that the challenge back then was the base and areas of clay. Based on their knowledge they do not anticipate encountering any of those types of situations.

Mr. Weldy said that the Town pays IMS to host the software. Whenever staff reaches out they ask them to provide a segment and project based on the funding available. They are conservative in the mapping. The challenge is staying within the limits. They do not have the staffing to host the software and provide that information.

Mayor Dickey said that everyone knows this discussion is driven on cost. She agreed that none of the councils have had the technical expertise, but they thought they had a plan with the zones. It does not seem like groundhog day to her. They have learned things along the way. Now they have this data driven information from IMS. She said that the bond money is different than what they are talking about here.

Councilmember Brown **MOVED** to approve the Third Amendment to Cooperative Purchase Agreement C2017-045 between M.R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work in an amount not to exceed \$3,500,000; **SECONDED** by Councilmember Scharnow; passed 6-1 with Vice Mayor Tolis casting the dissenting vote.

- D. CONSIDERATION OF approving the Fourth Amendment to Cooperative Purchasing Agreement C2017-079 with Utility Construction, Inc. in the amount of \$100,000.00 for additional lighting upgrades, maintenance and new construction town-wide, as necessary.

Mr. Weldy said that the amendment before Council is for a contract that they have been using for several years. There was a separate contract that came before Council recently that involved a variety of departments, and that was approved. This contract has one project identified and that is to make the changes to the traffic signals on Shea for Fountain Hills Blvd. and Palisades, at an estimated cost of \$40,000. The remaining amount is available for any department for any changes but it will not be spent if not needed.

Mr. Miller clarified that if other departments used any of this, it would be charged to them. Mayor Dickey asked if the remaining \$60,000 could be used for stop sign lighting. Mr. Weldy said that he would need to look at the underlying contract; he was not able to answer that tonight.

Mayor Dickey clarified that approving the contract does not mean they are going to spend it. She said that if they approve something and do not spend it, it would appear as a fund balance. Mr. Weldy said that in regard to the street fund balance, the monies not spent in the 18-19 budget will not be available in the future; at the close of this year the budget would have already been open for next year.

Vice Mayor Tolis said that if they do not approve this, there is already budgeted funds in the maintenance budget to deal with upgrades, etc. Mr. Weldy said that they do have a limit of funding. They have to have a contract; they currently do not have another traffic signal contractor under contract.

Mr. Weldy said that they are not asking for a budget increase or transfer. The contract is with Utility Construction and the current contract expired. He said that this is a renewal. Mr. Miller said that he had read through the agenda action form and did not understand that. He said that they would work on being more cautious in their forms in the future.

Councilmember Leckrone **MOVED** to approve the Fourth Amendment to Cooperative Purchasing Agreement C2017-079 with Utility Construction, Inc. in the amount of \$100,000.00 for additional lighting upgrades, maintenance and new construction town-wide, as necessary; **SECONDED** by Councilmember Spelich; passed unanimously.

- E. DISCUSSION WITH POSSIBLE DIRECTION relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

Mayor Dickey said that of the bills the Town liked, some have stalled and others are going to the Governor.

9. COUNCIL DISCUSSION/DIRECTION to the TOWN MANAGER

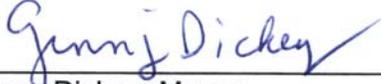
Item(s) listed below are related only to the propriety of (i) placing such item (s) on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council:

Vice Mayor Tolis said that they have a problem in the community with a lack of leadership in moving forward. He said that the Chamber's CEO and three board members have resigned. He asked that they invite the business leaders to help the Council understand what they can be doing to help them to be successful. He said that they need to be reaching out to the business owners in the community. He said that if they do not start to create a buzz in Fountain Hills, he is worried about the future of the community.

10. ADJOURNMENT.

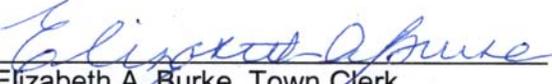
Councilmember Magazine **MOVED** to adjourn; **SECONDED** by Councilmember Brown; passed unanimously. The Regular Meeting of the Fountain Hills Town Council held April 16, 2019, adjourned at 8:01 p.m.

TOWN OF FOUNTAIN HILLS



Ginny Dickey, Mayor

ATTEST AND PREPARED BY:

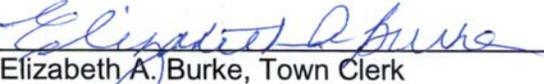


Elizabeth A. Burke, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 16th day of April, 2019. I further certify that the meeting was duly called and that a quorum was present.

DATED this 7th day of May, 2019.



Elizabeth A. Burke, Town Clerk

NOTE: For further details on the discussion of a particular agenda item, please visit <http://www.fh.az.gov/agendacenter> to view a video of the entire Council Meeting.