

**TOWN OF FOUNTAIN HILLS  
MINUTES OF THE REGULAR MEETING OF THE  
FOUNTAIN HILLS TOWN COUNCIL  
MAY 21, 2019  
REGULAR MEETING**

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

Mayor Dickey called the meeting of May 21, 2019, to order at 5:30 p.m.

**2. INVOCATION – Pastor Adele Resmer from the New Journey ELCA Lutheran Church**

Pastor Resmer gave the invocation.

**3. ROLL CALL – Mayor Ginny Dickey**

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

COUNCILMEMBERS ABSENT: Councilmember Alan Magazine.

STAFF PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson, and Acting Town Clerk Angela Padgett-Espiritu.

**4. REPORTS BY MAYOR, COUNCILMEMBERS AND TOWN MANAGER**

Mr. Miller reported that Mr. Rudolphy was retiring and he introduced his replacement, David Pock. Mr. Pock came forward and gave a brief background of his work history.

Councilmember Spelich reported that he had attended the Memorial Service in Washington DC for law enforcement officers who have lost their lives in the line of duty this past year. It was an honor to be there and he asked everyone to keep those officers and their families in their thoughts and prayers.

Councilmember Scharnow reminded the Council and public that the Council had previously approved the Blue Christmas Tree for law enforcement officers, noting that they are still looking for donations.

He reported that he had attended the Valley Metro Board Meeting last week and attended the opening of another two-mile stretch of Light Rail in Mesa at Gilbert Road and Main Street.

Councilmember Leckrone reported that she attended the League Policy Committee for Neighborhoods and Sustainability. There are some good ideas and she will be bringing back those ideas. They are also working on the short-term rental issue.

Mayor Dickey said that she has been meeting with honorary consuls from different countries over the last few weeks and she and Grady attended the Canada-Arizona

Business Council Quarterly meeting which was very enlightening. She will be going with a delegation from MAG to Calgary next week for a few days.

She met with Epcor and then they had their open house. She has attended some ribbon cuttings and she and Councilmember Scharnow attended the rededication of Golden Eagle Park. She thanked staff for those improvements.

She reported that the Mayor's Youth Council held their graduation recently and she thanked Heather for all of her work on that program.

She reported that she had placed poppies on the dais for each of the Councilmembers. They had met with representatives of the VFW and the proceeds are used for the benefit of the disabled veterans.

A. RECOGNITION OF outgoing Commissioner.

Mayor Dickey recognized Stan Ruden for his service on the McDowell Mountain Preservation Commission.

**5. PRESENTATIONS**

A. PRESENTATION by Plat 208 Associates on downtown activities.

Mr. Miller said that the Vice Mayor had previously requested an update on what is happening around the downtown area. He then introduced Edward Camans and Ron Tavila,

Mr. Tavila said that Plat 208 is the downtown business area. Their objective is to provide a cohesive environment where businesses can grow and succeed. A major accomplishment was reducing their assessment dues by 40%. They have heard from their property owners and worked with them to reduce the association dues. Another cost was the trash program, and they were able to reduce the operational costs. They spent over \$80,000 paving their parking lot and restriping. They were also able to convince many of the restaurants to get rid of the grease traps that were outside. They have repainted and redone some of the properties providing new gates. They want to keep their property up to date and clean.

He said that they were becoming a storage facility for vehicles, so they were able to address a number of abandoned vehicles and trailers and they have implemented an overnight parking plan for those businesses that want to park overnight. They also implemented a security program.

Mr. Tavila said that they worked with the Town to integrate their event parking application into the Town's permit process. When an event promoter applies for a permit, they are handed their application to apply for parking.

Mr. Camans said that he and Ron are the chief trouble makers in their group. He said that they do have an idea of where this could go—a vision. He was asked to provide the Council with some pre-reading material, which he had done. He said that almost no one knows what a plat is, so they have decided to change the name

of their group to Fountain Hills Square. Their idea is to bring all of the 140 property owners and many businesses together to be part of the process.

He said that their next step is a website. It will be a vehicle for every business owner in the community with which to connect. It will include a calendar of event and news. He said that it would have all of those things that one would expect from a website, but it will also allow for the businesses to either create a space on their site, or link their own website to it. He said that they are hoping to launch in the fall.

Vice Mayor Tolis thanked the Town Manager for coordinating the presentation and thanked the gentlemen for their presentation. He said that he would also like to know what the Town could do to help them. Mr. Tavila said that he met with Michael (in Economic Development) a few weeks back and shared ideas with him.

Vice Mayor Tolis said that when the Town Council talks about traffic, changing routes, etc. he wants to hear from their leadership as to how that will positively and negatively impact their businesses. He said that he would like to see them come back periodically with updates.

Councilmember Scharnow said that the Plat 208 has always been an independent organization. He asked if there has ever been discussion about the Town taking over.

Mr. Miller said that their previous Economic Development Director and Michael had always talked about institutional type users, such as medical or educational, and there are many opportunities in that area. He said that it would provide an opportunity for redevelopment. He said that they have always included them in the vision for attracting and retaining companies for certain uses.

Mr. Camans said that they are both business owners. They have no tie to keeping things the way they are; they want to take it to the next level. They want to be a part of the Town, and whatever works best they would support.

B. PRESENTATION by Captain Larry Kratzer, MCSO, with a monthly update.

Captain Kratzer gave his monthly update.

Crime trends: During the weekend of 05/06-05/08 he said that they had vehicle burglaries as well as stolen vehicles; most were isolated near Saguaro and Shea. Most of the vehicle owners left them unlocked. A lot said they typically have never locked them. There were no signs of forced entries. Out of these, they had three stolen firearms, iPads, tablets, cash, gift cards, etc. He said that they are trying to get the word out and encourage residents to take personal items into their home and lock their vehicles. He said that the three stolen vehicles all had keys left in them.

He said that he worked with Grace to get the word out and he did a podcast through the Chamber recently.

He said that the deputies on normal patrol, in addition to business checks, will also look at open garage doors, which is a way that makes it easy for criminals to victimize people.

Captain Kratzer said that another issue receiving a lot of attention recently is barking dogs. He reminded residents that if they have issues with dogs barking, they should call MCSO. The deputy will come out, determine if they hear it barking, and in conjunction with the Town Code, can leave a notification as a warning. They are entered into a database and if there are multiple notices, the Town can fine them.

He reported that they recently did another Coffee with a Cop at the newly-redone McDonalds. They were able to do child identification, fingerprinting, and pass out information on fraud and identity theft.

He said that in response to Councilmember Spelich's inquiry last month, he has checked further into the Ring application and the County is currently working with them to get a contract in place. He noted that Ring is not the only company that provides the service, but they have taken the lead. He does not have the equipment on his house, but he does have the Ring app, and he gets notifications when something is posted. It is a valuable tool for law enforcement. Once the contract is in place, they will get material pushed out to the residents. At this time, he did not know the timetable.

Councilmember Spelich thanked Captain Kratzer for checking into that app further. He then asked if the Captain was able to provide information regarding the suspects or vehicles regarding the auto break-ins. Captain Kratzer said that he was able to say that they took many items from the crime scenes and processed them for DNA. They have gotten a few hits back and the detectives are working on them.

He said that earlier a resident had called in to the office regarding some suspicious activity and they were unable to respond in a timely manner as there had been a vehicle accident and the officers on duty were attending to that. He said that she was able to get a good recording of vehicles and the suspects and they are following up on that as well. He said that it was one black male, two white males and one white female.

Captain Kratzer reported that during the Drug Take-Back Day they received 92.2 pounds of prescription medication. He said that during a normal month they received between 50 and 70 pounds.

Additionally, Captain Kratzer said that he has been meeting with Bob Burns with the Fountain Hills Times and they have developed a good line of communication.

He reported that they have a new program called P3, which has not been rolled out yet, but it is another tool that may be used. It is up and running, but they are still working on issues. He reminded everyone that while this new app will allow residents to report an activity anonymously, they are currently able to call in to 9-1-1 or the nonemergency line and report anonymously.

C. PRESENTATION regarding the Intersection/Pedestrian Safety Status Committee Report.

Mr. Miller said that last year they had some tragic situations with pedestrians and vehicles. The Council has taken this matter seriously to the point that they formed a subcommittee. The subcommittee met in March and they are going to go over those things that have been implemented to date and talk about things in progress as well as those that are planned for the future. He said that the Public Works Director had a family emergency and was not able to do the presentation, so Jeff Pierce, Streets Superintendent, would be presenting.

Mr. Pierce came forward to give a PowerPoint presentation which addressed:

#### BACKGROUND

#### RECENT ACTIVITIES

- Wrong Way Driver Awareness Measures on Palisades
- Arterial Long and Short Line traffic Markings Refreshed
- Installation of curb opening ramps of Avenue of the Fountains for ADA compliance
- Mill and Overlay of Arterial Intersection ADA Ramps

#### IMPROVEMENTS UNDERWAY

- Roundabout
- Verde River Closure
- Palisades Blvd. @Hampstead Drive Pedestrian Crossing Signals
- Fountain Hills Blvd. Shoulder Widening Project
- Median Improvement in Front of Post Office
- Relocation of Existing Light Pole in front of Sofrita's Restaurant to meet ADA compliance

#### FUTURE IMPROVEMENTS

- Installation of LED enhanced signage at various intersection locations controlled by stop signs (these are on backorder)
- Safe Routes to School
- Town-wide Sidewalk Infill Program (\$100,000 increase)
- MCSO Traffic Enforcement

#### RECOMMENDATIONS

Mayor Dickey thanked Mr. Pierce for the presentation and asked that it be included in the packet online.

Councilmember Brown asked how long the work in front of the post office would be taking. Mr. Pierce said that they are hoping to have that work done by next week. He said that the Fountain Hills Shoulder Widening project is anticipated to be completed just before or just after the next fiscal year.

The following individuals then addressed Council with concerns on El Lago with the traffic and speeding, and asked for assistance from the Council: Virgil Fanning;

Dan Barrett; Jan Parisian, Nancy Merritt, Paul Righello, Tony Urdi, and Edward Bubak.

Mayor Dickey thanked the residents for coming to the meeting. She said that their comments were duly noted and they will be working on ways to address their concerns. She said that some may be cost prohibitive, but others may not be.

Mr. Miller said that they would continue to have MCSO do enforcement in that area and will look into some type of traffic calming. With regard to trucks, that is not a truck route, so he would be asking staff to look into whether more signs are needed.

Mayor Dickey said that there are a few areas that need to be studied, such as the intersection at La Montana and Saguaro and Mountainside and Palisades.

Mr. Miller said that they will look into those areas further. He said that years ago the Town Council passed a Traffic Calming Policy which requires traffic to meet a certain threshold to have measures taken. He said that it was designed by the traffic engineer, and it takes the whole neighborhood to buy into any improvements. He said that they will look into the area further.

## 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.*

Greg Dudash, Chairman of the Fountain Hills Sanitary District, gave a quick update on the well-vault project at Fountain Park. He said that the fencing will go up the week of June 3 and they anticipate one being done around the beginning of October and the other, a few weeks later.

Mr. Dudash said that there has been some negativity directed at both FHSD and the Town Council. He said that when the Mayor is attacked and the Council is attacked, the School Board, FHSD Board, he pays particular attention. He has noticed a monovalent force, negative and hostile, that seeks to destroy rather than be uplifting. He does not believe it embraces Fountain Hills' values and they all need to speak up against it.

## 7. 3CONSENT 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 Town Council Special Meeting of April 18, 2019; the Special Meeting of April 23, 2019; the Joint Meeting with the Fountain Hills

Unified School District Board of April 30, 2019; and the Regular Meeting of May 7, 2019.

- B. CONSIDERATION OF Resolution 2019-28 abandoning whatever right, title, or interest the Town has in the certain northerly 20' Sewer Easement located on Lot 6 of the final re-plat of "Redrock Business Center" (96y37 North Saguardo Blvd.) as recorded in Book 920, Page 41, records of Maricopa County, Arizona. (EA 2019-10)
- C. CONSIDERATION OF approving five (5) Special Event Liquor License applications submitted by the Fountain Hills River of Time Museum (Cheri Koss), for fundraising dinners to be held in the ballrooms of the Fountain Hills Community Center, 13001 N. La Montana Drive, Fountain Hills, Arizona on the following dates: (i) Saturday, August 10, 2019, from 6:00 PM to 10:00 PM; (ii) Wednesday, November 13, 2019, from 5:00 PM to 10:00 PM; (iii) Wednesday, January 29, 2020, from 5:00 PM to 10:00 PM; (iv) Wednesday, February 19, 2020, from 5:00 PM to 10:00 PM; and (v) Wednesday, March 25, 2020, from 5:00 PM to 10:00 PM.
- D CONSIDERATION OF approving a Special Event Liquor License application submitted by the Fountain Hills Athletic Booster Club (Gregory Cardello), for a fundraising event to be held in Ballrooms 3 and 4 of the Fountain Hills Community Center, 13001 N. La Montana Drive, Fountain Hills, Arizona from 6:00 PM to 10:00 PM on Saturday, June 22, 2019.

Councilmember Leckrone **MOVED** to approve the Consent Agenda Items 7-A through 7-D; **SECONDED** by Councilmember Scharnow; passed unanimously.

## 8. REGULAR AGENDA

- A. PUBLIC HEARING AND CONSIDERATION OF approval of a Special Use Permit to allow Verizon Wireless to install a 40-foot tall faux saguaro cactus cellular antenna with associated power meter pedestal to be located within 300 feet of a residential zoning district, that exceeds the maximum building height by 15 feet, and to be constructed 14 feet from the property line located at 13300 N. Eagle Ridge Drive. (Case \*SU2019-01)

Mayor Dickey opened the Public Hearing.

Senior Planner Marissa Moore gave a brief PowerPoint presentation on this application, which addressed the following:

REQUEST  
LOCATION MAP  
SITE PLAN  
GENERAL PLAN 2010 CRITERIA  
ZONING CRITERIA: SEPARATIONS  
CRITERIA: SEPARATIONS  
CRITERIA: HEIGHT  
OTHER CRITERIA  
MAP OF EXISTING AND PROPOSED WCF

STAFF FINDINGS  
PLANNING AND ZONING RECOMMENDATION

Councilmember Scharnow asked what the policy is on locating other carriers at the same location. Ms. Moore said that co-locating is up to the tower owner. She said that this was discussed last year and they could actually end up with several saguaro cactus towers in that area.

Councilmember Brown said that provisions are there for the electrical and there has been a cell tower approved for that location. It was going to be a fiberglass tank to look like the old water tanks. Ms. Moore said that she could not speak to why, but they did not move forward in the time required.

Councilmember Leckrone asked if there were any residents opposed to this. Ms. Moore said that no opposition has been communicated to staff to date.

Steven Jacobson, Fountain Hills, said that they just moved to Fountain Hills and as a resident and business owner once they step outside their home they have no cell service. It is a popular hiking area. For safety purposes, they would support this installation as soon as possible.

Mayor Dickey closed the Public Hearing.

Ms. Moore said that the request for the temporary facility is not specifically spelled out in the proposed motion, and they may want to include that staff review a site plan for the temporary facility. Brief discussion was held on the need for a formal site plan review and Councilmember Brown emphasized the need to have cell service out there as soon as possible.

Councilmember Brown **MOVED** to approve as recommended and allow the temporary facility as soon as possible; **SECONDED** by Vice Mayor Tolis; passed unanimously.

B. CONSIDERATION OF approval of the Emergency Operation Plan (EOP).

Mr. Miller said that all cities and towns have emergency operation plans that prepare them for natural disasters. Due to the safety and security of the plan, it was not included in the packet, but the Chief will give a brief overview.

Chief David Ott gave a brief PowerPoint presentation on the purpose of the Emergency Operation Plan. He said that the Maricopa County Emergency Planning Planner is present should they have any questions.

Mayor Dickey asked who was responsible, and who would be familiar with it. Chief Ott said that in the event that there was an emergency, that onus would fall on him. At that point, they would also notify the County that the EOP is ready. Once the EOP is approved, they will be working on some tabletop exercises and larger.

Mr. Miller said that they may provide a hard copy of the plan for each of the Councilmembers if they prefer. He added that the County provides the backbone for the communities within the County.

Councilmember Scharnow **MOVED** to approve the Emergency Operation Plan; **SECONDED** by Councilmember Leckrone; passed unanimously.

- C. CONSIDERATION OF Resolution 2019-31 approving a grant application and Town funding in the amount of \$85,000 for the Arizona Sports and Tourism Authority Youth and Amateur Sports Biennial Grant for the purpose of a basketball court addition at Four Peaks Park.

Community Services Director Rachael Goodwin said that they are looking to apply for this grant, which they do every other year. This grant is specific to youth and sports. They have well over several millions of dollars, with up to \$250,000 available for each entity. They will be applying for a full, single-court basketball court at Four Peaks Park. She noted that it is a two-thirds match grant and they should find out this fall.

Councilmember Scharnow asked if it would be similar to the Golden Eagle Park courts. She said that it would and staff has been in contact with the Boys and Girls Club as they use this park for some of their activities and they support the location.

Vice Mayor Tolis asked where the \$85,000 would come from. Mr. Miller said that it is in the grants fund that was tentatively approved at the last Council meeting.

Vice Mayor Tolis said that if they are able to receive two-thirds of the funds to provide this project, that would be good.

Councilmember Scharnow **MOVED** to adopt Resolution 2019-31; **SECONDED** by Vice Mayor Tolis; passed unanimously.

- D. CONSIDERATION OF approving the Fountain Hills General Plan 2020 Update Public Participation Plan.

Interim Development Services Director John Wesley said that they have been working on the General Plan for many months based on the public participation plan, but it is required to be approved by the Council so that is what before Council this evening.

Within the plan there are three basic levels: 1) technical advisory level (primarily staff), 2) major stakeholders, and 3) citizens at large.

He said that they are starting to work with the consultant to draft parts of the plan. They are scheduled to come back to the Planning and Zoning Commission and the Council in the fall. They plan to have a full draft in November.

Vice Mayor Tolis asked what efforts were being made to reach out to the public and get their participation. He does not think that the meetings have been well attended.

Mr. Wesley said that he has been involved in many of these over the years, and they never have the numbers they would like. Their primary efforts are through the web site.

Councilmember Brown **MOVED** to approve the proposed Public Participation Plan; **SECONDED** by Vice Mayor Tolis; passed unanimously.

- E. CONSIDERATION OF adoption of Resolution 2019-32 approving the First Amendment to the Intergovernmental Agreement with Maricopa County Animal Care and Control (Contract C2019-011) relating to basic animal care and control services for July 1, 2019, through June 30, 2022, in the amount of \$20,683.00 for the first year.

Councilmember Leckrone explained that while it may not be a legal issue, she was going to recuse herself from voting due to her employment contract with the County.

Mr. Miller said that the Town has had an agreement with the County for many years for animal control services and they have done a great job. He said that Rachael Goodwin, Community Services Director, oversees these efforts and her staff has been very responsive in addressing recent issues raised by residents. He said that they have recently had some meetings regarding the recent leash law and will probably be bringing back amendments after the summer break.

Councilmember Scharnow **MOVED** to adopt Resolution 2019-32; **SECONDED** by Councilmember Brown; passed 5 – 0 with Councilmember Leckrone recusing herself.

- F. CONSIDERATION OF Building Code Amendments:

Mr. Miller said that it has been several years since building codes had been adopted. Through the ISO process the Town was notified that they should be bringing forward the updated codes for adoption.

Chief Building Official Peter Johnson said that it has been over six years since they adopted codes. As mentioned, the ISO considers what year of codes a community is using to determine their insurance rating. He said that the amendment to these codes are minor changes, other than those dealing with the Fire Code, and those were prepared by the Fire Department.

Councilmember Brown said that he spent about an hour with Mr. Johnson to review these changes and he agrees that there is nothing major within the changes.

Councilmember Brown **MOVED** to adopt Resolution 2019-27 and Ordinance 19-06; **SECONDED** by Councilmember Leckrone; passed unanimously.

- i. CONSIDERATION OF Resolution 2019-27 declaring as public records those certain documents filed with the Town Clerk and entitled the "2018 International Building Code," the "2018 International Residential Code for

One and Two-Family Dwellings,” the “2018 International Mechanical Code,” the “2018 International Plumbing Code,” the )2017 National Electrical Code,” the “2018 International Swimming Pool and Spa Code,” the “2018 International Energy Conservation Code,” the “2018 International Fire Code,” the “2018 International Fuel Gas Code,” the “Uniform Code for the Abatement of Dangerous Buildings, 1997 Edition,” and the “2018 Fountain Hills Amendments to the 2018 International Building Code, the 2018 International Residential Code for One and Two-Family Dwellings, the 2018 International Energy Conservation Code, and the 2018 International Fire Code.”

- ii. CONSIDERATION OF Ordinance 19-06 adopting by reference the “2018 International Building Code,” the “2018 International Residential Code for One and Two-Family Dwellings,” the “2018 International Mechanical Code,” the “2018 International Plumbing Code,” the )2017 National Electrical Code,” the “2018 International Swimming Pool and Spa Code,” the “2018 International Energy Conservation Code,” the “2018 International Fire Code,” the “2018 International Fuel Gas Code,” the “Uniform Code for the Abatement of Dangerous Buildings, 1997 Edition,” and the “2018 Fountain Hills Amendments to the 2018 International Building Code, the 2018 International Residential Code for One and Two-Family Dwellings, the 2018 International Energy Conservation Code, and the 2018 International Fire Code.”

- G. 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 reported that the smoking legislation is still moving through the legislature and although they have tweaked it, the Town still has concerns. She said that the bill regarding short-term rental is on the Governor’s desk for signature but things are on hold at this time while they finalize the budget.

Mayor Dickey reported on the flight path issue and Mr. Miller and Mr. Arnson will be working together on a letter for the Mayor’s signature to be filed before the Thursday deadline noting that the Town was fine with the current flight paths, but would not want to see them moved any further west which would disrupt the residents of Fountain Hills.

**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:

- A. DISCUSSION with possible direction to staff regarding the Saguaro Frontage Road Abandonment.

Mr. Miller reported that awhile back the Vice Mayor requested that the Town Manager look into the Saguaro frontage road. About 13 years ago the Town

discuss the opportunity for those businesses to move their properties out to the road. Staff recommends the Council provide direction on this project.

Vice Mayor Tolis reported that back in 2006 the Chamber of Commerce initiated this issue. Businesses on Saguaro could benefit from improvements to their lots from Saguaro. He said that Mr. Miller has ideas on how to improve the prior plans.

He said that it will eventually be up to the businesses to decide if this is something they would like do.

The following individual speakers addressed the Council on this issue:

Mr. Lange said that he was a property owner of two parcels on the frontage road and appreciates that they are looking into this. It has been a problem. There were several owners in attendance, but they left already. He said that he has spoken with several property owners and so far the negative concerns had to do with semi-trucks making deliveries and the two-way traffic on the frontage road.

Councilmember Scharnow asked if they allowed parking on the service drive. Maybe the businesses like parking out there, but it can also add to issues with the drive. Reading through the report and what occurred in 2008, it said that one owner did not want to participate and that killed the whole thing. He asked if they were looking at that this time as well.

Vice Mayor Tolis said that he believed the gentleman that just spoke had concern before; however, this is why they need to move forward with meeting with the property owners and business owners to discuss the concerns. This has been going on way too long. With Council's support, they could move forward on the best way to address the issue.

Mayor Dickey noted that the General Plan does address this as a goal.

Councilmember Scharnow asked Mr. Miller how he planned to address this process. Mr. Miller said that the Vice Mayor had asked the Town Manager to look into this. He wanted to have the full Council provide direction. Tonight if they say yes, it is not saying to make it happen, but it is giving staff the green light to meet with the property owners and business owners to see if there is any interest in this. If not, they will bring it back to the Council. If there is support from the Council, then they will invest more staff time.

When this was approached the last time they were talking about selling the land at a per square foot rate. He said that this is cost avoidance for the Town, but the improvements, sidewalks, landscaping and driveways would need to be done through an improvement district. The Town could develop the improvement district, assist with that process and the property owners would be assessed over a long period of time.

Vice Mayor Tolis said that he has been meeting with several of the business owners, such as Rex Foley, Sign Art, U-Haul, and they are in favor of looking into this further. The owner of Sipori's is 100% in favor of this and has offered his restaurant for a meeting to get everyone involved.

Vice Mayor Tolis **MOVED** to move forward with studying the issue; **SECONDED** by Councilmember Brown; passed unanimously.

B. DISCUSSION with possible direction to staff regarding the Municipal Sponsorship and Naming Rights Policy.

Mr. Miller said that a few meetings ago Councilmember Spelich asked that Council have a discussion on the Sponsorship and Naming Rights Policy. He said that he asked staff to look into this further and they reviewed the Sponsorship and Naming Rights Policy developed a few years ago due to some issues raised at that time. The Legacy Events were the St. Patrick's Day Activities, the Oktoberfest and the two Great Fairs (in the spring and fall). They were called the Legacy Events because they were in place before Fountain Hills was incorporated.

Councilmember Spelich said that he had questioned this during the budget workshop and found that the Chamber was not paying for events. He said that the Town is having budgetary problems and he believes that, with all due respect, times have changed and the Chamber should now be paying their share. He believed that the Town Council is asking the residents to reach into their pockets for a public safety fee and the same should go for any fees being charged by the Town.

He said that he had learned during the tours with departments when he first got on Council that the Town was making very little on these events. It is not fair when the Town charges \$7,000 for Concourse in the Hills for a one-day event that brings in over 20,000 to Town. The time of such organizations not paying their fair share is over.

Sharon Morgan said that since the beginning there have been 78 total art shows. Using a figure of 75,000 per show that has brought in roughly 5,850,000 people. Their main industry is tourism. Homes have been bought because they have come to the fairs. International people have moved here. They have calls all the time at the Chamber asking about the dates of 2020 shows. They come from the east and west coast, Europe, Central America, Hawaiian Islands.

Before the Council goes altering these events, some of them may go away. She said that they also have sales tax, the hotels fill up, restaurants are full. She said that there is nothing else going on in town except these types of events.

Councilmember Spelich said that he appreciates all that Ms. Morgan has done for the town, but business is business. He agreed that many people come, visit the hotels, purchase homes, but he does not believe that the operations should not have to cover \$24,000 for two fairs a year. This is not just Councilmember Spelich, he said that he and Mayor Dickey were at a recent Kiwanis event and there were many inquiries as to why the Chamber was not paying these fees. He said that he wants everyone to know that it is nothing personal. It is simply what is fair and equitable for all of the residents. He believes that there would be more residents in favor of charging this fee than not.

Mayor Dickey read from the minutes from the 2016 meeting where the Legacy Policy was adopted. She said that the Town is a member of the Chamber, but do not pay. She feels that many things should be considered such as their "not for profit" status, the fact they have been in place for years and years, and the partnerships that have been built.

Ms. Morgan said that the Chamber pays for everything for the fair. They do not need Town staff support; they do not use any of their services. If these fees were put in place, they would probably pay, but they will not have the same amount of artists because they would have to charge more to them. She said that the sales tax, restaurants, service clubs (concessionaires) will not have money to give back.

Vice Mayor Tolis acknowledged Councilmember Spelich's efforts. In this case, he said that he does not agree. He said that they need a strong partnership with the Chamber. He would rather see the \$10,000 go into Sharon's salary because he knows how much effort their staff puts in to the events.

Councilmember Spelich asked what they tell the other sponsors, such as Concourse in the Hills, who gives their revenues to Children's Hospital. He said that they talk on the Council regarding money and what is expensive; \$24,000 is a lot of money to him and it should be a lot of money to the rest of the Council.

Mayor Dickey said that she has been resident for almost 36 years and she values the partnerships developed over those years.

Michelle Webb, Fountain Hills resident, suggested that they consider a percentage of profits from each of the organizations.

Councilmember Scharnow said that he is with Kiwanis and they do not make as much as they used to because of the competition now coming in. He said that he did not think that the \$21,000 would be a problem for the Chamber, but he can see both sides.

Councilmember Brown suggested that they have the Community Services Director and Chamber Director sit down and professionally hash out what is fair and equitable. He said that they are not going to be able to make any decisions this evening.

Councilmember Scharnow agreed, and suggested that Christine Colley also be present for the meeting, as she represents Oktoberfest and they make much less of a profit.

Mayor Dickey said that if they change the policy, she believed that they needed to look at everything and everyone that is charged for those services. Councilmember Brown said that with the fair coming up shortly, he would suggest they focus on the two fairs at this time.

Mr. Miller said that it was clear that the consensus of Council was to make changes. He said that when the policy was developed and they included the assistance for new events, the idea was that the additional profits would stay within

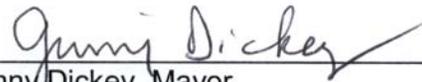
the community. He said that the Mayor has requested a joint meeting with the Chamber. Staff will move forward with meeting with the Chamber.

**10. ADJOURNMENT.**

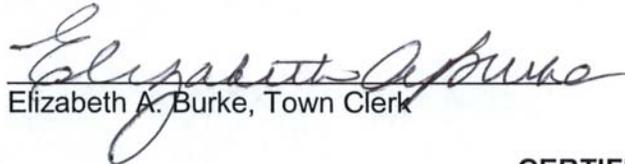
Vice Mayor Tolis **MOVED** to adjourn; **SECONDED** by Councilmember Brown; passed unanimously.

The Regular Meeting of the Fountain Hills Town Council held May 21, 2019, adjourned at 8:57 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 21<sup>st</sup> day of May, 2019. I further certify that the meeting was duly called and that a quorum was present.

DATED this 13th day of August, 2019.

  
\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk