

CITY COUNCIL
REGULAR MEETING
May 17, 2016

The regular meeting of the City Council of the City of Apache Junction, Arizona, was held on May 17, 2016, at the Apache Junction City Council Chambers pursuant to the notice required by law.

CALL TO ORDER

Mayor Insalaco called the meeting to order at 7:00 p.m.

INVOCATION

Councilmember Waldron gave the Invocation.

PLEDGE OF ALLEGIANCE

Councilmember Wilson led the Pledge of Allegiance.

ROLL CALL

Councilmembers Present: Mayor Insalaco
Vice Mayor Barker
Councilmember Evans
Councilmember Rizzi
Councilmember Serdy
Councilmember Waldron
Councilmember Wilson

Staff Present: City Manager Bryant Powell
Assistant City Manager Matt Busby
City Clerk Kathleen Connelly
City Attorney Joel Stern
Public Safety Director Tom Kelly
Public Works Director Giao Pham
Development Services Director Larry Kirch

Others Present: Public Information Officer Al Bravo
Senior Planner Rudy Esquivias
Planning Intern Jesse Regnier

Economic Development Administrator
Janine Solley
Presiding Magistrate James Hazel

ACCEPTANCE OF CONSENT AGENDA)

) Vice Mayor Barker MOVED
THAT THE CONSENT AGENDA BE ACCEPTED AS PRESENTED; AND

THAT APPROVAL BE GIVEN FOR THE FIRST AMENDMENT TO THE EMPLOYMENT
AGREEMENT WITH PRESIDING MAGISTRATE JAMES HAZEL; AND

THAT WE ACCEPT THE RECOMMENDATIONS OF THE HEALTH AND HUMAN
SERVICES COMMISSION AS OUTLINED IN THE MEMO FROM THE CITY CLERK
DATED APRIL 20, 2016, AND THAT APPROVAL BE GIVEN FOR
PROFESSIONAL SERVICES AGREEMENTS FOR FISCAL YEAR 2015-2016
BETWEEN THE CITY OF APACHE JUNCTION AND THE APACHE JUNCTION FOOD
BANK IN THE AMOUNT OF \$32,000; THE BOYS AND GIRLS CLUB OF THE
EAST VALLEY-APACHE JUNCTION BRANCH IN THE AMOUNT OF \$20,000;
COMMUNITY ALLIANCE AGAINST FAMILY ABUSE IN THE AMOUNT OF \$20,000
AND EAST VALLEY ADULT RESOURCES FOR THE APACHE JUNCTION SENIOR
CENTER IN THE AMOUNT OF \$28,000; FOR A TOTAL AMOUNT OF \$100,000;
AND THAT AUTHORIZATION BE GIVEN FOR THE MAYOR TO SIGN THE
AGREEMENTS; AND

THAT THE AWARD OF CONTRACT BETWEEN THE CITY OF APACHE JUNCTION
AND REGIONAL PAVEMENT MAINTENANCE FOR STREET MAINTENANCE WORK IN
THE PALM SPRINGS SUBDIVISION AREA IN PARTIAL FULFILLMENT OF
FISCAL YEAR 2016-2017 STREET MAINTENANCE PLAN THROUGH THE CITY
OF BUCKEYE COOPERATIVE CONTRACT #2014-007 IN THE AMOUNT OF
\$162,074.71 PLUS TEN PERCENT FOR CONTINGENCY IN THE AMOUNT OF
\$16,207.00 FOR A TOTAL AMOUNT NOT TO EXCEED \$178,281.71; AND
THAT AUTHORIZATION BE GIVEN TO THE MAYOR TO SIGN THE CONTRACT.

Councilmember Wilson SECONDED
THE MOTION.

VOTE: Unanimous.

The motion carried.

AWARDS, PRESENTATIONS AND PROCLAMATIONS

Mayor Insalaco read a proclamation designating May 15-21, 2016 as National Public Works Week and presented it Public Works Director Giao Pham.

Mr. Sam Leyvas, Chief Executive Officer of First Things First, presented the 2016 First Things First Champion for Young Children Award for the Pinal Region to City Manager Bryant Powell.

City Manager Bryant Powell thanked them for the honor and stated it has been an honor to serve in a volunteer role as it presents itself.

ANNOUNCEMENT OF CURRENT EVENTS

Councilmember Rizzi thanked the police department and Chief Kelly for participating in the Eagle Pathway event for youth on Saturday, an organization raising awareness and funds for foster children that come of age and may become homeless.

Vice Mayor Barker commented she substituted for the mayor at Headstart on their water day where they had hoses and buckets. It was great fun.

Vice Mayor Barker commented on Saturday a group of them went out and helped weed and rake the Field of Dreams at the Boys and Girls Club.

Vice Mayor Barker commented on Saturday she stopped by where the police were having a bike event in the parking lot, racing the children on bicycles.

Vice Mayor Barker commented she attended the Gateway board meeting today, the executive director's last board meeting, who had done amazing things. An interim director was appointed.

Councilmember Waldron commented he, the mayor and vice mayor attended a ceremony in Florence last week honoring police officers killed in the line of duty.

Councilmember Serdy commented there is a new radio station, 99.1 on the FM dial that just went live a few days ago. It will be

classic country and talk format on the weekends highlighting the rural issues.

CITY MANAGER'S REPORT

City Manager Bryant Powell commented on the partnership between the postal service and the post office, staff assistance at the free dump week, open house to celebrate Jeff Bell's retirement, read a thank you to the police department and introduced 2016 Division IV State Baseball Champions Apache Junction High School and showed a video presentation of the championship game.

PUBLIC HEARINGS

ORDINANCE NO. 1431, CASE PZ-6-16,
PLANNED DEVELOPMENT MAJOR AMENDMENT
REQUEST BY SUPERSTITION COMMONS LLC
TO AMEND THE CONDITIONS OF THEIR
HIGH DENSITY MULTI-FAMILY
RESIDENTIAL BY PLANNED DEVELOPMENT
ZONED 5-ACRE SUBDIVISION PROPERTY
KNOWN AS SUPERSTITION COMMONS
TOWNHOMES SUBDIVISION, FORMERLY THE
HAYSTACKS, BY ALLOWING THE LAST
FIVE BUILDINGS TO BE CONSTRUCTED AS
TWO-STORY FOUR-PLEX TOWNHOME
BUILDINGS INSTEAD OF ONE-STORY
FOUR-PLEX TOWNHOME BUILDINGS WITH
BASEMENTS

)
) Planning Intern Jesse
Regnier briefed the council on the item.

Vice Mayor Barker asked what the depth is of the lot from the rear of the proposed two-story buildings to the wall that would have to be constructed.

Planning Intern Jesse Regnier stated it is 25' to the nearest portion of the building.

Vice Mayor Barker asked if there is already a wall there.

Planning Intern Jesse Regnier stated that is correct, at a height of six feet.

Mayor Insalaco requested the applicant address the council.

Mr. Charles Duck, Blackwing Real Estate, 7352 E. Plata Avenue, Mesa, addressed the council to advise Mr. Stratton was in a snowboarding accident and is having major surgery on his leg. He would not be able to attend this evening. He represents the marketing and sales on this project. Through this planning and zoning process they have gotten far away from what they are trying to do. They want to maintain the platted community that is there and slip away from the basement townhomes. All the other items involved in the discussions have very little to do with the community. The community, impact and walls are there. The trees will be there. The only part of the amenities that are not in yet is the pool which is about to get started next week. The community was started in 2004. It failed in 2007 with two buildings built and sat there until they took it over. Six previous developers have failed with it. During the time it was rezoned it was a commercial property. The reason he thinks an 8' wall keeps coming into play is because an 8' wall is designated to separate a commercial and residential property. Between two residential properties the 6' wall is fine. He thinks the 8' wall is an oversight. He has met with staff a couple of times the past two weeks on a solution for the wall and where to put it. He thinks the best solution is to amend it and leave it as a 6' wall. It is already there and there has never been any problems or complaints. One of the problems is it was originally designed as an apartment building after it was rezoned multi-family. There were no patios, pantries or storage. There were undersized bedrooms and no real master bathroom in the current design. It has created a problem in selling the product. No one wants a home with no patio or storage. They were not thought out in the plan. They have progressed each time and changed the homes a little bit inside to add some of these features. He believes the change from the rentable apartments to the townhomes occurred in the middle of it. The original developer decided he wanted to do townhomes instead of apartments. That is where the salability of the townhomes came into play. The original design was a two-story design that was

switched to a basement because of opposition from primarily Golden Sun RV Park that is next to it. There was also the unknown factor of the appraisals concerning basements. They were also affected by unknown additional impact fees. They had been told prior to buying the project that all of the impact fees had been paid up by the previous developer. They found out when constructing the last building a couple of months ago that the actual impact fees for the last six buildings had not been paid. That was an \$85,000 hit. Over the last three years they have had increased construction costs and losses in key profits or income because of the appraisal issues. After due diligence they bought the investment property in 2012. They thought they would be able to build them and do a quick turnaround. They are a small builder that builds a few homes at a time and sells them before building the next few homes in the project. The appraisals came in at \$135,000. They build three buildings in the first year with the first sales coming in at \$122,000, which became the benchmark for the community. They built five buildings, sold a few and rented a few, rehabbed those and sold them when the market improved. They are currently pricing them at \$129,000. They have gained \$7,000 over the three years they have been there. The approved zoning plan is already in place. The impact of any value on homes is already there. When you go from a single-story home to a two-story home there is nothing on an appraisal that says the two-story home will affect the single-story home. It might deter some people that might not want to look at a two-story, but it does not change the value. He has sold real estate in the valley for 11 years now and has about \$200 million in commercial and residential sales. As a small developer they are in the hole on this thing. They want to finish this thing and are asking the city to help them finish it. He described the building costs. Their total cost to build is \$134,000 and the average sales price is \$124,500. They are showing a net loss on each home. The first five buildings they have completed and sold are a loss of \$204,000, and they estimate the total loss of the project to be \$571,000 in construction costs. There are additional costs they have put into the community that have not been realized yet, such as subsidizing the homeowners association, insurance, loan costs from the original loan and the remaining amenities and carports. They are at a net loss of \$1,279,332. By changing the zoning they will gain \$51,000 by removing the basement. That is the total construction cost of each basement. The community wins by

getting new families to move in. It will be a completed, upscale project for 56 new families. The appraisal showed a loss of \$60,000 per building. He commented on the different types of housing designations for appraisers. They have to use closed sales in the last 6 months if available and use like properties. There are very few townhomes in Apache Junction. Acoma Estates is the only one he knows of.

Mayor Insalaco commented that he lives in a townhouse.

Mr. Charles Duck stated their community is the only basement townhome community in the entire state. There are no like properties to compare it to. There are 308 homes with basements that are for sale out of 27,304 homes for sale. There are 332 homes in Apache Junction for sale and three have basements; two of them are theirs. There is nothing to compare them to other than their own sales. Gross livable area is above ground; anything below ground is not considered in square footage. They give the basement a percentage of the upstairs value depending on how it is finished. A full finished basement gets 80% of the value of the upstairs. It gives them about \$15,000 on unrealized value in the home. He showed them one of their appraisals and how they were valued. They are currently under a planned development. The maximum height for a single family home around them is thirty feet. Most of the homes are about twenty-five feet. He commented on other homes in the area and showed pictures of all the two-story developments surrounding their community. They wanted to mimic what is there. They did not see good drawings last night; renditions are still being done that will be photo enhanced. It is the basic concept with the same color, roof line and everything else. The drawing last night did not include the pop-outs. He showed photos of the inside of the homes. They are now putting a pantry under the stairs. They used to have a dual use master bathroom/laundry room. It was not private and they have been separated. He again commented he would like to do away with an 8' wall. Most cities do not like a wall next to a wall as it creates an area for trash and there is lack of maintenance. For some reason it stayed in the plan as an 8' wall when it is really not necessary as they are separating residential. They would be happy to put it up if there was a way or replace the wall on the south side. They

have found out that the wall on the west is actually theirs and they can replace it. It is on the property line but they put it up. There has been some talk about the public safety of the waterway. The waterway is now done and has been turned over to the homeowners association. It has a plan to care and maintain it. They worked with the public works department to come up with some solutions for that and make it safe and healthy. There is still some fencing that is going to go around it as the community gets finished but other than that it is finished. This is the south end. He showed them slides of the area brought up regarding safety from Golden Sun RV Park. The waterway from the 100 year rain was full. The fence was knocked over by debris. The fence is creating a damming effect. Any debris that comes down that canal from up the street on to their property and through their property hits that fence. They did not put the fence up. That was put up by Golden Sun RV Park. The debris pushes water up and creates a dam. That fence is not connected to an engineered wall. It is just connected, it was never permitted and so it was rebuilt. It will get knocked over again if there is a big storm. The reason it is so full when it has never been like that before is the retaining wall that was constructed. The waterway is big and it holds 187 cubic feet per second of water, which is a lot of water. The way that they built their retaining wall funneled it into this and caused that major back up into their community. They have now realized this and have major flooding concerns because of this. If it backs up again, it will back up into the basement homes. He was told by development services that it is a civil matter because it is separating two private properties. They have talked about rentals, trees, walls, police calls, waterway safety and lighting and none are super relevant to what they are dealing with. Regarding building height, 30' is the standard for the city in that area. Thirty-five feet for multi-family is the standard. They are asking for 25', six feet from where they are right now. The neighbors to the south are against two-story structures and against the community a little bit as well. They do not want anyone renting over there. They do not want noise or police calls. Neither do they. The homeowners association and the homeowners do not want anything going on over there either. He showed a depiction from the south wall and depictions of what would be seen with 6' and 8' walls. He does not know how many people sit at their windows and stare at someone's backyard. There is a little peculiarity there. As a

realtor and developer he has no control over that. Sunrise Shadows was concerned about the impact on property values. He looked up the last five years of sales for that community. In 2011/2012 homes were selling for \$54 a square foot. This year they are averaging \$109 a square foot. Their values have actually doubled since they started on this project. Being next to a commercial development or a mobile home park would have affected those homes. This is a really good increase for them. It does not look like they have had a negative effect. They have no control over who rents the homes. They have sold to homeowners. He described their buyers.

Councilmember Waldron asked what it means where it says developer maintains several of the investor's rentals.

Mr. Charles Duck stated when they started the project in order to buy the project \$960,000 was borrowed. It was collateralized with the two first buildings that had been there in 2007. They were rehabbed but maintained as rentals. Those are the ones servicing our interest note on the \$960,000. At the end of the project the agreement with the investor is that those homes will be sold and he will be paid off. The reason the same investor owns Building 4 is they got tight and needed to continue to move the project to finish it. They collateralized another building and borrowed another \$500,000 from him in order to build 6 and 7. It was said they are already marketing the two-story homes on their website. They are trying to market, sell and keep excitement going. When he first talked to Rudy it seemed to him all they had to do was bring in a set of plans and they would be good. When Rudy went back and read the case file he found they had a planned development amendment so this requires a major planned development amendment to the project. The original community lighting was a floodlight streetlight, downward flood, halogen bulb. When they put in the street lighting, they upgraded to downward facing, inside the community facing, LED lights which are more energy efficient. They upgraded the heads and lowered the heights. He showed a night view of the community. The homeowners association is responsible for the police and safety. They cannot discriminate on who buys the home. There is nothing that says they cannot rent them. He is guessing it will

probably be 20% rentals when finished like most communities. He is hoping they will give them a continuance.

Councilmember Rizzi requested he bring up the slide with the sight line again. It looked like a little laser and he talked about the height of the windows. She commented the green and the yellow are where the windows are.

Mr. Charles Duck stated that is correct. The yellow line on the bottom would be if you are five feet tall, standing at the window, that would be the lowest sight line into their backyard. He knows the protestors are going to bring up a video of a drone that they flew on the property. They will get a better view with that. He did not want to fly a drone on someone's property and get into trouble.

Councilmember Rizzi asked if the height of the windows will change at all. The rooftop, if it goes forward for the 25', the rooftop is where the rooftop will be and the windows will be where the windows are going to be. The windows are not going to be any higher.

Mr. Charles Duck stated in order to maintain the 25' height, currently the upstairs are 9' and the downstairs are 8' in height. They have made them both 8' ceilings so they could bring that. They also will be putting up shorter, flatter roofs. They still have the tile but they are flat on the top. If they had not it would have been more than 30' for the rooftop.

Mayor Insalaco commented the roofline will not be the same as the rest of the buildings.

Mr. Charles Duck stated they would not. It will be close, but if they change the pitch a little it will be a little different.

Councilmember Rizzi asked who would be passing the background check.

Mr. Charles Duck stated that is the property manager for those homes right now. The

developer owns a number of homes in Apache Junction and has a property management company that manages all of those properties, including those rentals there. They do full background checks, full financial background checks, criminal background checks, job references and the usual stuff.

Councilmember Rizzi commented there was a mention of 73 police calls. She asked where those calls were coming from.

Mr. Charles Duck stated a lot of the calls came from them. When he, Josh or the property manager are over there they notice which cars have stickers on them that belong at the development. If they do not see a sticker on a car after it has been there a few days they call the police to check the car. They had two abandoned cars there during the construction phase. They got them towed off.

Councilmember Rizzi commented it was not calls from the neighbors.

Mr. Charles Dick stated they were not. He only knows of one domestic dispute and they have no control over that kind of stuff. According to the police chief the amount of calls is normal. He was told that came from development services who had met with the police chief. They have never had any shootings or anything like that go on. He is not aware of any impact to the people around them other than kids throwing debris over the wall at one point. They cannot control that.

Mayor Insalaco opened the public hearing on the item.

Mr. Christopher Ragowski, 893 W. 10th Avenue, south of the project, addressed the council. He stated that theft, burglary, public urination and indecent exposure are some of the police calls. The project was bought by a man clearly knowledgeable in his field. He had to have known these problems were here, the zoning and the problems with the basements. The fact is real estate is a volatile market. He is asking the city to rubber stamp a projected profit so he does not lose money. A lot of them are business owners and he

does not think the city rubber stamps their profit margins, projected profits, unrealized profits or made sure you would make the money you assumed you would make when opening your businesses. He has been in the construction business for 25 years and seen projects change. There is no reason this project could not have been changed to something else that would drastically reduce the costs and realize at least a break even if not profit. They could have been turned into single level duplexes. They were told at the last two meetings that it was \$300,000 to build one building. That is four units selling at \$125,000 each which is a profit. At the last meeting they brought up the fact that money is not the issue. Clearly it is and is the only issue. The homeowners have been living here for a long time. The reason why there are only five sold in our neighborhood is because we are all long term residents. He has no tie to the city or how we like to live. One of the big draws to Apache Junction is there is not a lot of apartment-looking buildings here. There are a lot of trailer parks with some being better than others, but that is one of the draws. We have a lot of winter visitors. This will look like an apartment complex right across the street from his house. Across the street from them it looks like a really nice neighborhood. It is high density and is set up to be an apartment complex. Individual owners renting out their houses is not the issue with any of them. It is someone coming in and buying a whole building, the next building and the next until there is one owner that owns half the complex and they are renting it out. They are less involved whereas a single owner is very involved in their investment. He wants to protect his investment. He does not think the city needs to set a precedent of rubber stamping a business owner's development.

Mr. Frank Schambeck, 525 E. Fred, Apache Junction, addressed the council. He stated this decision will send a message to the developer and the community. The basic thing they are talking about is the profit and loss of the developer versus the living standards of the neighborhood. The units are not as profitable as they had hoped for. He is coming up with a lower sale price than planned for and the production costs are higher. The research was not there. They brought in machinery that was not built to handle this tough ground and some broke. The residents' issues are lost views, bad views made worse, a loss of privacy and a loss of property

value. A loss of 6' of view makes a big difference. They are also worried about infill. He believes someone will build on those four acres no matter what. They will not sit empty. He asked the council members if they would invest in this project. He has been hearing about a small town atmosphere. They do not lessen the livability of their citizens and give in to developers outside who make mistakes in calculating their bottom line. The only issue here is an outside developer's wallet.

Mr. Robert Lewis, 896 W. 10th Avenue, Apache Junction, right across the south fence from the project, addressed the council. He showed them pictures of what his backyard would look like from the second story that would be behind his house. His privacy is shot. It looks straight down into his house. He will not have a view of Four Peaks or the Superstitions if the two story is built. They also used the dirt of the basement to raise the grade about a foot on the east side and 3 feet on the west side. His house is on the west side. It is a 6' fence on his side and a 3' fence on their side. They can look right down. If they approve the two story homes they will take away the privacy, view and quality of life from everyone on the south side of the fence.

Mr. Reggie Callenger, 820 W. 10th Avenue, Apache Junction, addressed the council. He showed three short clips showing 28' from the fence. They were told three different measurements at the first meeting: 25'; 28' and 29'. He had a shot of a go-pro camera on his pool rod, 14' tall, which is about the center of the upstairs windows, showing what they would see in his backyard. His privacy is gone. He added it will take a long time for a 24" box tree to mitigate this. He showed pictures of his previous views before the planned development destroyed them and thinks planned developments are dangerous things. The first few homes on San Marcos were single story but the planned development allowed them to go to two story. The planning and zoning commission recommended these not be built. He urged the council to do the same.

Mr. Daniel Mitchell, 854 S. San Marcos, Apache Junction, addressed the council. He has not fully read up on the transfer from the original buildings to the current company. He moved in September of last year. He has

not heard any domestic disputes. If anything, he has noticed that when they have changed from previous renters to current owners they are seeing more younger families moving in. He can appreciate their obstructed views; they need to look at that, but it seems like it will be a small obstruction. He would like to see people find a way to move past this and finish the community. It will increase the property values, whether two story or single story. Two story will drive the property value up but he does respect their view.

Mr. David Ameril, 860 W. 10th Avenue, Apache Junction, directly behind the proposed two story buildings, addressed the council. He moved to Apache Junction so he would not have an apartment building looking into his backyard. They love it here and have a nice view of the mountains. His neighbor, who rents, was considering buying the house, but he will not live there if they are going to build the two story buildings. He believes everyone on the street feels the same way.

Ms. Anna Taylor, 837 W. 10th Avenue, Apache Junction, south of the Haystacks, addressed the council. She stated the only thing that has not been mentioned is that it will look really weird. Right now it all looks uniform and is very pretty. If there are a couple of buildings that will be two stories it will look strange and not very uniform. It is not her only reason but it has not been mentioned yet. The housing market is going up so they should get more money for their townhouses. They are getting more than they used to. The housing market is what it is. Sometimes it goes up and sometimes it goes down. He mentioned he would save money by not making basements but he would have to put more money into it to make it taller. They never mentioned how much it would cost to go up.

Mr. Scott Brown, employed by the owner of Golden Sun RV Park, 8700 E. University, Mesa, addressed the council. He wanted to clarify something the developer brought up. He requested the slide of the aerial view of the project and their common fence. He took the pictures of the storm event which is not the worst he has seen. Golden Sun did not build the retaining wall on their side of the property years ago. It is not the cause of any water backing up onto

this development. They built the wall after the first of the several floods they have seen happen in the last several years. What happened after that was there was excessive garbage on their property. It blocked the metal wrought iron grate that was intended to be the pass through for storm water through their channel and onto the neighbor's property to the south. It blocked the flow of water. It blew down the whole fence including some of the block wall to the south and channeled through their property and through a number of residences all the way to the west side of the property. They built the wall a couple of years ago to protect their homeowners and to help channel the storm water into the storm water drainage system to the south. If they allow the development to continue they want to make sure that the storm water system on their side is maintained properly because it is a health and safety problem. It channels directly at the corner of their property.

Mayor Insalaco closed the public hearing with no one else wishing to speak. He reopened the item to council discussion.

Councilmember Waldron commented they have to continue it.

Mayor Insalaco commented it is a nice-looking project but it is going to ruin the uniformity. He does feel sorry for the developer but he cannot worry about that and destroy everybody else's property around it, not only their views but their lifestyle. They bought there for certain reasons even though development goes on. He bought a house off 16th Avenue. Four months after he built the house the city came along and put a water tank in front of his house. He lost his view but that was understandable. To change the project from one, while there are still going to be four families, and make it something that looks like an apartment building is not right. It does not look like a house anymore. What is currently there looks like a house. He does not care for the project.

Vice Mayor Barker commented they were requested by Chris Stratton to continue this item so he would have the opportunity to speak on it. He is currently incapacitated and will not be able to come back to the city

until June. We have always tried very hard to honor this type of request and at least allow the person to speak. She asked if they want it just at a regular session or at both work and regular.

Mayor Insalaco commented he thinks it should be at both work and regular.

City Attorney Joel Stern stated that is a policy decision. It is not a legal one. If they want to have another work session they can. They could also have another public hearing but it has to be to a date certain.

Vice Mayor Barker commented she has the date here. Personally she would rather see it on a regular session rather than a work session because she believes they have worked it to death.

Assistant City Manager Matt Busby asked if the applicant can speak during the work session.

City Attorney Joel Stern stated it has to be a public hearing.

Vice Mayor Barker commented if they are doing this to allow this man to speak then there is no sense in having a work session. Let us have it at a regular session, let him speak and then they can make the decision.

City Attorney Joel Stern stated the public would also be able to speak as it is a public hearing.

Vice Mayor Barker commented everybody can talk again. She MOVED THAT WE CONTINUE THIS UNTIL JUNE 21, THE REGULAR MEETING.

Councilmember Rizzi SECONDED THE MOTION.

VOTE: Unanimous.

The motion carried.

Mayor Insalaco called for a
five minute break.

Mayor Insalaco reconvened the
meeting.

OLD BUSINESS

None.

NEW BUSINESS

APPROVAL OF AMENDMENT TO INMATE
TELEPHONE)

) Public Safety Director Tom
Kelly briefed the council on the item.

Mayor Insalaco called for a
motion.

Councilmember Waldron MOVED
THAT THE AMENDMENT TO THE INMATE TELEPHONE SERVICE AGREEMENT BE
APPROVED.

Councilmember Wilson SECONDED
THE MOTION.

VOTE: Unanimous.

The motion carried.

DIRECTION TO STAFF

PROCESS FOR FILLING VACANT BOARD
MEMBER POSITIONS AT SUPERSTITION
MOUNTAINS COMMUNITY FACILITIES
DISTRICT NO. 1)

) City Manager Bryant Powell
briefed the council on the item.

City Clerk Kathleen Connelly stated the council preference on the regular boards and commissions is back to back, the work session one night for the interviews and the regular session the next night for the appointments. They are then dealing with a lot more people. The two week gap for these might be okay for them.

City Manager Bryant Powell stated it is up to them. They are looking for direction if they want to do it as he outlined or how they want to give that direction.

Councilmember Waldron commented he thinks Darrin is going to check with the existing board members to see if they are going to be interested.

City Manager Bryant Powell asked Darrin if he would. He indicated he would.

Councilmember Waldron asked if they would be advertising in the paper.

City Clerk Kathleen Connelly stated they do.

City Manager Bryant Powell stated they can direct them on how much in the newspaper and in their normal process for social media and other avenues to get the word out.

Mayor Insalaco closed the discussion and called for a motion.

Vice Mayor Barker MOVED THAT THE FOLLOWING DIRECTION BE GIVEN TO STAFF REGARDING THE PROCESS OF FILLING VACANT BOARD MEMBER POSITIONS AT SUPERSTITION MOUNTAINS COMMUNITY FACILITY DISTRICT NO. 1: THAT WE FOLLOW THE SAME PROCEDURE AS WE DID TO FILL THE LAST POSITION, WE PUT OUT APPLICATION BEGINNING MAY 23 AND CONTINUE FOR THREE WEEKS, TO GATHER THOSE APPLICATIONS, THAT WE DO THE ADVERTISING IN THE SAME MANNER THAT WE HAVE IN THE PAST, AND THAT WE BRING THOSE FOLKS IN FOR INTERVIEWS ON THE WORK SESSION OF JUNE 20 WITH SELECTION ON JULY 5.

Councilmember Rizzi SECONDED

THE MOTION.

VOTE: Unanimous.

The motion carried.

DATE, TIME AND LOCATION FOR MEETING
WITH THE SOUTHEAST VALLEY REGIONAL
ASSOCIATION OF REALTORS)

) Assistant City Manager

Matt Busby briefed the council on the item.

Councilmember Wilson
commented the week of the 12th to the 18th he will be going back
east for his 50th class reunion.

Mayor Insalaco commented he
is going back for his 60th.

Councilmember Waldron
commented he is going back for his 20th.

Vice Mayor Barker asked what
day of the week would be good if they are looking at the week of
the 27th.

Councilmembers Rizzi and
Waldron commented Wednesday would be good.

The consensus was Wednesday
would be good.

Assistant City Manager stated
they might want to select a couple days just in case or they
could do just one.

Vice Mayor Barker commented
they said they were open.

Mayor Insalaco commented they
were open for tonight so let us see what they say.

Councilmember Waldron asked what time they want to do it.

Assistant City Manager Matt Busby stated it is up to them. Staff thought the lunch format worked well. It would get more membership here.

Vice Mayor Barker commented she likes the lunch format.

The consensus was to start at 11:30 a.m.

Councilmember Serdy asked if they could ask them to bring the food since they make more money than them.

City Manager Bryant Powell stated they can ask them for sure. He asked Matt to leave a little flexibility in the Multi-gen in case they have to do it elsewhere. It should be flexible in the direction.

City Clerk Kathleen Connelly stated she would put the word or in the motion.

Assistant City Manager Matt Busby stated or other available city facilities.

City Clerk Kathleen Connelly stated there would have to be an agenda with the date, time and location on it.

Mayor Insalaco called for a motion.

Vice Mayor Barker MOVED THAT THE FOLLOWING DIRECTION BE GIVEN TO STAFF REGARDING THE DATE, TIME AND LOCATION FOR MEETING WITH THE SOUTHEAST VALLEY REGIONAL ASSOCIATION OF REALTORS: THAT WE SET UP A LUNCH MEETING AT THE MGC OR ANY OTHER AVAILABLE CITY FACILITY ON WEDNESDAY, JUNE 29 AT 11:30 A.M.

Councilmember Wilson SECONDED

THE MOTION.

VOTE: Unanimous.

The motion carried.

REQUEST FOR QUALIFICATIONS FOR
VISITOR CENTER SERVICES)

) Economic Development

Administrator Janine Solley briefed the council on the item.

Councilmember Rizzi commented she does not feel comfortable making the decision tonight in the selection of the provider. She has some concerns. They have had a lot of things brought to their attention over the last year and she feels they need more information. She would like to continue this in order to give each provider the opportunity to give them a ten minute presentation. They heard a long presentation from one party but they did not get a presentation from the other party. The presentation seemed more to be about the chamber than the visitor center. She would like to see if other council members would agree to have both parties come back and give a short, ten minute presentation. She would also like to open it to a public hearing. She feels that because they have two applicants, two different groups that are interested in this, she would be interested in hearing from the public. She thinks it affects the public so she is asking that they bring it back. There has been a lot things that have been brought to our attention over the past year. She just feels they heard from one party and not the other.

Councilmember Serdy asked what the time frame is on this; when they have to decide by.

Economic Development

Administrator Janine Solley stated the current contract is up June 30. They would look to have a contract in place by July 1. However, she does not think a contract was approved in the current fiscal year until October.

Councilmember Waldron commented they both gave a presentation. He asked what her expectations from another presentation would be.

Councilmember Rizzi commented just a very brief ten minute presentation on what their abilities and capabilities would be with the visitor center. She feels like they heard from one side, a lengthy presentation that was more about the chamber than the visitor center and she feels the second applicant really did not make a presentation. They came up and answered a couple of questions. She has more questions and concerns.

Councilmember Waldron commented he thought the other group did a very good presentation.

Vice Mayor Barker asked what specifically she would like these folks to present to the council. She asked what it was she had in her head. She has kind of a time frame in mind. They do not want this lengthy meandering thing. She wants some very specific things. She asked what she was looking for here so that they know if they were to continue this. They need to know precisely what she would like to hear.

Councilmember Rizzi commented she would like the presentations to stick to the visitor center, what their plans are, what their goals are and what their experiences are. She does not have any more clarification than that.

Vice Mayor Barker commented she is trying to go back through the information they have already received and the information that was given. She agreed that they got one extremely long presentation that did leave some questions but they did get plans, goals and experience from both of them. She is trying to help out here, trying to pull something out.

Councilmember Rizzi commented she understands. She just feels that a short ten minute presentation and open up to the public as she feels they should

hear from the public on the matter. The public should have the opportunity to voice their opinion. She thinks this is a big deal. She has more questions and concerns.

Vice Mayor Barker commented she sees no harm in continuing it until June 7.

Councilmember Waldron asked if there is something specific she is looking for. That is what he is curious about.

Vice Mayor Barker agreed.

Councilmember Rizzi commented she does not have anything more than that.

Councilmember Serdy commented the public that is affected are the visitors. He does not know if she can really talk to the people that are actually going to relate how their experience was, what they were looking for and did not see. It will be tough to get local opinions.

Vice Mayor Barker commented she guesses that is what she is trying to find out and is precisely what she is looking for. It seems pretty obvious she is looking for something. There is something she did not see before that she feels is really important for us to hear before that decision is made. They did get plans, goals and experience earlier. There is this other thing somewhere.

Councilmember Rizzi commented she thinks the visitors do have a say in it and the visitors are gone. She also thinks there are others in the community that are affected by this visitor center. She would like to give people the opportunity to come speak if possible. She does not remember having two applicants for this. To her knowledge it has always been one applicant. She thinks it is a big deal. It is something that we have not done before.

Vice Mayor Barker commented they had two applicants last year. The same two.

Councilmember Wilson commented he has had several people make comments to him about the visitor center. Some of them are asking questions. This gives them the opportunity to bring them their questions from the public. A couple of the questions he could not answer. He agrees with Christa in allowing the general public to make comments on their concerns or not concerns or pro one way or the other.

Councilmember Waldron asked what kinds of questions they are getting. He has not gotten any.

Councilmember Wilson commented one question was why they are using the Chamber instead of a true visitor center. His only answer to that was it is a cooperative joint agreement with the city.

Councilmember Waldron commented it is designated by the Arizona Office of Tourism as a visitor center. They will not do two in one city.

Councilmember Wilson commented he understands that. They wanted to know why the Chamber was picked in the aspect of making this agreement. He could only think there was an agreement that we made many years ago.

Mayor Insalaco closed the discussion and called for a motion.

Councilmember Rizzi MOVED THAT THE FOLLOWING DIRECTION BE GIVEN TO STAFF REGARDING THE REQUEST FOR QUALIFICATIONS FOR VISITOR CENTER SERVICES: STAFF SCHEDULE A PUBLIC HEARING ON THIS ITEM FOR TUESDAY, JUNE 7, 2016 AT WHICH TIME PROSPECTIVE SERVICES PROVIDERS BE INVITED TO GIVE A TEN MINUTE PRESENTATION ON THEIR QUALIFICATIONS TO PERFORM THE REQUESTED SERVICES. AFTER THE PRESENTATIONS THE MATTER WILL BE OPEN FOR PUBLIC COMMENT. COUNCIL SHALL THEN DISCUSS AND WILL SELECT SERVICE PROVIDERS AND WILL DIRECT STAFF TO PLACE THE MATTER ON THE CONSENT AGENDA WITH THE PROFESSIONAL SERVICES AGREEMENT WHICH SHALL BE ONE YEAR IN DURATION.

Councilmember Wilson SECONDED
THE MOTION.

Councilmember Waldron asked
if they could drop the one year off that motion.

Vice Mayor Barker agreed.

Councilmember Waldron
commented that motion should go after the public hearing.

Vice Mayor Barker agreed,
adding time frame would be part of the direction for the
decision made.

Councilmember Rizzi commented
for the contract.

Vice Mayor Barker commented
that is correct.

Councilmember Waldron asked
if she would amend the motion.

Councilmember Rizzi AMENDED
HER MOTION TO TAKE OUT THE ONE YEAR IN DURATION.

Councilmember Wilson SECONDED
THE AMENDED MOTION.

VOTE: Unanimous.

The motion carried.

SELECTION OF MEETING DATES, TIMES, LOCATIONS, AND PURPOSES

Vice Mayor Barker MOVED THAT
AN EXECUTIVE SESSION AT 5:45 P.M. AND A WORK SESSION AT 7:00
P.M. BE HELD ON MONDAY, JUNE 6, 2016, IN THE CITY COUNCIL
CONFERENCE ROOM AND CITY COUNCIL CHAMBERS RESPECTIVELY; AND

THAT AN EXECUTIVE SESSION AT 5:45 P.M. BE HELD ON TUESDAY, JUNE
7, 2016, IN THE CITY COUNCIL CONFERENCE ROOM.

Councilmember Wilson SECONDED

THE MOTION.

VOTE: Unanimous.

The motion carried.

CALL TO THE PUBLIC

Mr. George Schroeder, 2444 W. Virginia, Apache Junction, filled out a form but did not stay to speak.

Mr. Chris Coyle, Republic Services, 4050 S. Tomahawk, Apache Junction, addressed the council to give an update on the free dump week that occurred last week.


ADJOURNMENT)
) Mayor Insalaco adjourned
the meeting at 8:56 p.m.

Consent Agenda Items are as follows:

1. Consideration of acceptance of agenda.
2. Consideration of approval of minutes of regular meeting of April 19, 2016.
3. Consideration of approval of minutes of special meeting of April 19, 2016.
4. Consideration of approval of minutes of regular meeting of May 3, 2016.
5. Consideration of the First Amendment to Employment Agreement with Presiding Magistrate James Hazel.
6. Consideration of health and human services contracts for Fiscal Year 2015-2016.
7. Consideration of award of contract to Regional Pavement Maintenance for street maintenance work in the Palm Springs subdivision area in partial fulfillment of the 2016-2017 fiscal year Street Maintenance Plan.


ACCEPTED THIS 17TH DAY OF JUNE, 2016, BY THE
MAYOR AND CITY COUNCIL OF THE CITY OF APACHE JUNCTION, ARIZONA.

SIGNED AND ATTESTED TO THIS 14TH DAY OF JUNE, 2016.



JOHN S. INSALACO
Mayor

ATTEST:




KATHLEEN CONNELLY
City Clerk

CITY COUNCIL MINUTES
CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the city council of the City of Apache Junction, Arizona, held on the 17th day of May, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 24th day of May, 2016.



KATHLEEN CONNELLY
City Clerk