

**CITY OF BUCKEYE
REGULAR COUNCIL MEETING
AND
BOARD OF ADJUSTMENTS
MARCH 17, 2015
MINUTES**

**City Council Chambers
530 E. Monroe Ave.
Buckeye, AZ 85326
6:00 p.m.**

1. Call to Order/Invocation/ Pledge of Allegiance/Roll Call

Vice Mayor Orsborn called the meeting to order at 6:00 p.m. Pastor John Morningstar of Buckeye Outreach Ministries led the invocation; Boy Scout Troop No. 199 led the Pledge of Allegiance.

Members Present: Councilmember Garza, Councilmember Strauss, Councilmember Hess, Councilmember McAchran, Councilmember Heustis, Vice Mayor Orsborn, and Mayor Meck (via telephone).

Members Absent: None.

Departments Present: City Manager Stephen Cleveland, Assistant City Manager Roger Klingler, City Attorney Scott Ruby, City Clerk Lucinda Aja, Deputy City Clerk Summer Stewart, Assistant to Council Carol Conley, Police Chief Larry Hall, Fire Chief Bob Costello, Finance Director Larry Price, Public Works Director Scott Lowe, Development Services Director George Flores, Water Resources Director Dave Nigh, Information Technology Director Greg Platacz, Economic Development Director Len Becker, Government Relations Manager George Diaz, Planning Manager Terri Hogan, and Library Manager Jana White.

2A. Comments from the Public – None.

2B. Awards/Presentations/Proclamations

Vice Mayor Orsborn proclaimed the month of April, 2015 as “Fair Housing Month”.

3. Minutes

A motion was made by Councilmember Heustis and seconded by Councilmember Hess to approve the minutes of the February 17, 2015 Council Workshop and Regular Council Meeting. Motion passed unanimously.

4. Expenditures

A motion was made by Councilmember Hess and seconded by Councilmember Heustis to ratify the payment of the accounts payable expenditures made. Copies of invoices are available at City Hall. Motion passed unanimously.

CONSENT AGENDA ITEMS

Approval of items on the Consent Agenda - All items with an (*) are considered to be routine matters. A motion was made by Councilmember Heustis and seconded by Councilmember Hess to approve Consent Item *5A. Motion passed unanimously.

***5. New Business**

- *5A. Resolution No. 16-15 Ratifying the Submission of a Grant Application to the Arizona Department of Homeland Security Relating to an Equipment Project for the Hazardous Materials Response Team to Enhance the City's Response to Man-Made and Natural Disasters, Accepting the Grant Award; Authorizing the Police Department Chief to Execute and Deliver Said Agreement on Behalf of the City**
Staff Liaison: Larry Hall, Police Chief
District No. All

Council adopted Resolution No. 16-15 ratifying the submission of a grant application to the Arizona Department of Homeland Security relating to an equipment project for the Hazardous Materials Response Team and to enhance the City's response to man-made and natural disasters, accepting the resulting grant award; authorizing the Police Department Chief to execute and deliver said Agreement on behalf of the City.

6. Continued / Tabled Items – None.

7. Public Hearings / Non-Consent - New Business

- 7A. Action Resolution No. 17-15 Declaring as a Public Record That Certain Document on File With the City Clerk Entitled "City of Buckeye 2015 Development Code Site Plan Review Process Amendments"**
Staff Liaison: Ed Boik, Senior Planner
District No. All

Mr. Boik provided an overview of the request to declare as a public record the "City of Buckeye 2015 Development Code Site Plan Review Process Amendments". A motion was made by Councilmember Strauss and seconded by Councilmember Heustis to adopt Resolution No. 17-15 declaring as a public record that certain document on file with the City Clerk entitled "City of Buckeye 2015 Development Code Site Plan Review Process Amendments". Motion passed unanimously.

- 7B. Public Hearing and Action Ordinance No. 03-15 Amending the Code of Ordinances of the City of Buckeye, Arizona, Chapter 7, Development Code, Article 8, Review and Approval Procedures, Related to the Site Plan Review Process**
Staff Liaison: Ed Boik, Senior Planner
District No. All

Vice Mayor Orsborn opened the public hearing at 6:34 p.m. to receive citizen input regarding Ordinance No. 03-15 amending the Code of Ordinances, Chapter 7, Development Code, Article 8, Review and Approval Procedures, related to the Site Plan Review Process. Mr. Boik provided information related to the request to amend the Development Code Site Plan Review Process. A local comparison was presented along with an overview of the proposed changes. A summary of the changes was provided and includes early neighborhood notification, streamlined administrative and commission processes, enhanced application extension provisions, and clarification of the appeals process. Proposed amendments have been reviewed by the Planning and Zoning Commission. Staff recommends approval of the amendments. Mr. Boik clarified that recommended amendments do not require additional staff related to site plan review and approval. There being no public comment, Vice Mayor Orsborn closed the public hearing at 6:36 p.m. A motion was made by Councilmember Heustis and seconded by Councilmember Strauss to adopt Ordinance No. 03-15 amending the Code of Ordinances of the City of Buckeye, Arizona, Chapter 7, Development Code, Article 8, Review and Approval Procedures, related to the Site Plan Review Process. Motion passed unanimously.

7C. Public Hearing and Action Preliminary Plat for Sun City Festival Parcels Q1, S1, T1 and Z1, Consisting of 389 Single-Family Detached Lots on 168.51 Acres Generally Located at the Southwest Corner of Beardsley Parkway and Desert Oasis Boulevard
Staff Liaison: Ed Boik, Senior Planner

District No. All

Vice Mayor Orsborn opened the public hearing at 6:36 p.m. to receive citizen input regarding approval of the Preliminary Plat for Sun City Festival Parcels Q1, S1, T1 and Z1, consisting of 389 single-family detached lots on 168.51 acres generally located at the southwest corner of Beardsley Parkway and Desert Oasis Boulevard. Mr. Boik provided information related to the request for a preliminary plat for Sun City Festival parcels Q1, S1, T1 and Z1. Characteristics of the site were presented along with a conceptual landscape and wall plan. Staff recommends approval of the preliminary plat. Richard Lopez with Pulte Homes provided clarification related to the location of the area and amenities currently at the site. Rick Enman (610 North Elm Street) requested further information related to watering of hydroseed at the site. Mr. Boik clarified the area will not be landscaped as it is a power line corridor. There being no further public comment, Vice Mayor Orsborn closed the public hearing at 6:44 p.m. A motion was made by Councilmember Strauss and seconded by Councilmember Hess to approve the Preliminary Plat for Sun City Festival Parcels Q1, S1, T1 and Z1, consisting of 389 single-family detached lots on 168.51 acres generally located at the southwest corner of Beardsley Parkway and Desert Oasis Boulevard. Motion passed unanimously.

7D. Action Resolution No. 09-15 Authorizing the Issuance and Sale From Time to Time of City of Buckeye Water and Sewer Systems Revenue Bonds; Authorizing the Issuance and Sale of \$250,000 Aggregate Principal Amount of City of Buckeye Water and Sewer Systems Senior Revenue Bonds, Series 2015; Authorizing the Issuance From Time to Time of City of Buckeye Water and Sewer Systems Subordinate Revenue Obligations; Prescribing the Form of and Other Details of the Senior Revenue Bonds and the Subordinate Revenue Obligations; Providing for the Collection and Disposition of the Revenues to be Derived From the City's Water and Sewer Systems; Making Other Provisions With Respect to the Operation of Said Water and Sewer Systems; Providing for the Security and Payment of Both the Senior Revenue Bonds and the Subordinate Revenue Obligations; Authorizing the Purchase of Bond Insurance and Reserve Fund Surety Bonds or Guaranties; Awarding the Bonds to the Winning Bidder; Approving the Distribution of an Official Statement Relating to the Senior Revenue Bonds; Ratifying the Actions of All Officers and Agents of the City With Respect to the Senior Revenue Bonds and the Preliminary Official Statement;
Declaring an Emergency

Staff Liaison: Larry Price, Finance Director

District No. All

Mr. Price provided information related to the request to authorize the issuance and sale of water and sewer system revenue bonds. Approval would allow for reimbursement to the City for purchase of Hopeville Water Company and would create a tool for future authority to secure debt. Descriptions of Senior Revenue Bonds and Subordinate Revenue Obligations were provided. The City will be required to establish and maintain schedules of rates, fees and charges for all services supplied by the system to produce revenues each year sufficient to pay the operation and maintenance expenses of the system, and produce an aggregate amount of net revenues equal to the sum of 120% of the debt service. Mr. Ruby provided information related to final closing documents; closing is set to take place in April, 2015. A motion was made by Councilmember Strauss and seconded by Councilmember Hess to adopt Resolution No. 09-15 authorizing the issuance and sale from time to time of City of Buckeye Water and Sewer Systems Senior Revenue Bonds and Subordinate Revenue Obligations; authorizing the issuance and sale of not to exceed \$250,000 City Water and Sewer Systems Senior Revenue Bonds, Series 2015, to reimburse the City for a portion of the costs to acquire the Hopeville Water Company; providing for the collection of revenues from the City's water and sewer systems; authorizing the purchase of bond

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insurance and reserve fund guaranties; awarding the bonds to the Winning Bidder; authorizing the distribution of an official statement regarding the Senior Revenue Bonds; ratifying the action of all Officers and Agents of the City with respect to the Senior Revenue Bonds and Preliminary Official Statement; declaring an emergency. Motion passed unanimously.

- 7E. **Action Resolution No. 15-15 Authorizing the Execution and Delivery of an Agreement, a Trust Agreement, a Depository Trust Agreement, a Continuing Disclosure Agreement, and an Obligation Purchase Contract; Approving a Preliminary Official Statement; Approving the Issuance and Sale of Not to Exceed \$7,000,000 of City's Excise Tax Revenue Refunding Obligations, Series 2015, Evidencing a Proportionate Interest of the Owners Thereof in the Agreement; Authorizing the Prepayment and Refinancing in Advance of Maturity of a Certain Outstanding Loan Repayment Agreement; Authorizing the Taking of All Other Actions Necessary to the Consummation of the Transactions Contemplated by This Resolution; Declaring an Emergency**
Staff Liaison: Larry Price, Finance Director
District No. All

Mr. Price provided an overview of the request to authorize execution and delivery of certain agreements related to excise tax revenue refunding obligations. The objective is reimbursement of the Greater Arizona Development Authority (GADA) 2005 loan and debt service coverage. The City will realize a net interest expense savings by prepaying the agreement; the expected savings is \$70-80 thousand annually. Beginning in 2005, 90% of the debt has been paid by water and sewer system revenues with the remaining 10% paid by the Streets Department; the debt does not affect the general fund. Debt service coverage was reviewed and addressed. A motion was made by Councilmember Heustis and seconded by Councilmember McAchran to adopt Resolution No. 15-15 authorizing the execution and delivery of an Agreement, Trust Agreement, Depository Trust Agreement, Continuing Disclosure Agreement, and an Obligation Purchase Contract; approving a Preliminary Official Statement; approving the issuance and sale of not to exceed \$7,000,000 of the City's Excise Tax Revenue Refunding Obligations, Series 2015, evidencing a proportional interest of the owners thereof in the Agreement; authorizing the prepayment and refinancing in advance of maturity of a certain outstanding loan repayment agreement; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this Resolution; declaring an emergency. Motion passed unanimously.

- 7F. **Action Resolution No. 14-15 Establishing Water and Wastewater Rates and Charges; Establishing an Effective Date; Repealing Conflicting Resolutions**
Staff Liaison: Dave Nigh, Water Resources Director
District No. All

Mr. Nigh provided information related to water and wastewater rates and charges. A history of events was listed and includes a 2012 cost of service study, several presentations to Council, and previously approved amendments to rates. Current and proposed residential rate plans and landscape rate plans were presented; staff is recommending a decrease in rates from the previously approved rate plan set to begin in 2015. A table representing City of Buckeye water and sewer rates in comparison to other municipalities was provided. At the direction of Council, staff has reviewed all potential options to reduce expenses. Councilmember Garza presented statements regarding the impact increased rates will have on residents. Mr. Nigh discussed the historic waterline project currently underway; the project will result in a better quality of water to the downtown area. Councilmember Strauss discussed the need to make decisions in the best interests of the City and residents. Councilmember Hess discussed the extensive conversations held regarding water and sewer rates. Mr. Nigh stated future rate increases are anticipated with the rising cost to provide the service and there are currently no funds set aside for repair and replacement of the water and sewer systems. Landscape accounts and qualifications to meet landscape rates were addressed; single family homes do not qualify for landscape rates. Councilmember McAchran discussed the continued conversations held regarding this issue since 2013; stated rates should not result in a profit, but

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should cover the cost to provide the service along with repair and maintenance. Councilmember Heustis stated residents have requested a bill be provided that more clearly identifies rates, fees and charges; bills from the water resources department will be modified with the implementation of the Enterprise Resource Planning system. General discussion was held regarding groundwater recharge and the purchase of water credits. Mayor Meck provided statements related to the difficulty in making decisions to increase rates and the necessity of ensuring revenues cover the cost of expenses, including the expense of maintenance and repair. Mr. Nigh stated significant water rate increases have not taken place for several years. Patrick McNulty (1517 East Orange Street) provided statements related to incentives for water conservation. Tom Campanella (21755 West Mohave Street) stated his interest in incentives being offered to customers reducing water usage. Lori Inman (610 North Elm Street) discussed the quality of water at her home and expressed concerns related to increased water rates. Mr. Nigh addressed concerns related to water quality, proposed capital improvement projects, purchase of long-term storage credits, and testing at well sites. Louis Saide (Edison Avenue) expressed concerns related to rate increases and the continued growth of the City. Garth Oldham (30345 West Catalina) stated he approved efforts related to ensuring increases are limited; stated he would like to see communication between the City and residents improve. Mr. Nigh provided clarification regarding replenishment obligations and the Central Arizona Groundwater Replenishment District (CAGRDR). Mr. Harris (Tartesso Community) requested information related to the ability to recover storm water. General discussion was held regarding water conservation efforts and incentives, establishing a replacement and repair fund, and the need to adopt rates and fees that cover the cost to provide water and sewer services. Vice Mayor Orsborn clarified the rates currently before Council for approval are a decrease in rates adopted on September 17, 2013; rates were scheduled to increase effective January, 2015, but were suspended pending further examination. After extensive research and discussion, an updated and amended rate schedule is recommended by staff, with an effective date of April 16, 2015. Ongoing review of rates and charges will take place and adjustments may be made as necessary. A motion was made by Councilmember Heustis and seconded by Councilmember McAchran to adopt Resolution No. 14-15 establishing water and wastewater rates and charges; establishing an effective date; repealing conflicting resolutions. Motion passed unanimously.

7G. Council to Convene into the Board of Adjustments to Consider the Approval of a Variance Requested by Greg Boyd of LGI Homes
Staff Liaison: Ed Boik, Senior Planner
District No. 1

a) Council to Convene into the Board of Adjustments.

A motion was made by Board Member Strauss and seconded by Board Member McAchran to convene into the Board of Adjustments at 6:08 p.m. Motion passed unanimously.

b) Council to receive instruction from the City Attorney related to variance procedures before the Board of Adjustments.

Mr. Ruby provided instruction to the Board related to variance procedures and was available for questions.

c) Board to consider granting a variance to applicant Greg Boyd of LGI Homes seeking a variance to allow a reduction of the required front yard setback from 21-feet to 11-feet, 3 inches and the rear setback from 20-feet to 18-feet on property zoned Planned Residential and located within the Blue Hills subdivision at 25400 West Maldonado Court.

Mr. Boik provided an overview of the variance request by Greg Boyd of LGI Homes; a description of the variance was presented. Variance criteria are defined by statute and must be met prior to approval. A map of the lot and surrounding neighborhood was provided. Staff recommends approval of the variance request subject to provided stipulations. Joel John (25328 West Carter Court) requested clarification of a variance. Mr. Boik provided further information related to variance criteria and the request by the applicant with respect to the lot. Mr. Boyd (LGI Homes) stated the home that will be built on the lot has the smallest footprint of the homes in the neighborhood; the two-story home is 2,546 square feet. A motion was

made by Board Member McAchran and seconded by Board Hess to grant a variance to applicant Greg Boyd of LGI Homes to allow a reduction of the required front yard setback from 21-feet to 11-feet, 3 inches and the rear setback from 20-feet to 18-feet on property zoned Planned Residential and located within the Blue Hills subdivision at 25400 West Maldonado Court. Motion passed unanimously.

d) Board to Reconvene into Regular Council Session.

A motion was made by Board Member Hess and seconded by Board Member Strauss to reconvene into Regular Council Session at 6:21 p.m. Motion passed unanimously.

8. City Manager's Report and Government Relations

See attached City Manager's Report.

9. Comments from the Mayor and Council

Councilmember Garza: thanked Dave Nigh and staff for all research done related to water and wastewater rates

Councilmember Strauss: discussed recent trip to Washington D.C. and productive meetings held with Senators and Congressional Members.

Councilmember Hess: no comment.

Councilmember McAchran: no comment.

Councilmember Heustis: discussed upcoming events in the City including the 48th Annual Melodrama and Spring Celebration; residents and staff were encouraged to attend.

Vice Mayor Orsborn: discussed Committee meetings and projects recommended at the meetings.

Mayor Meck: no comment.

10. Adjournment

A motion was made by Councilmember Hess and seconded by Councilmember Strauss to adjourn the meeting at 8:50 p.m. Motion passed unanimously.

Jackie A. Meck, Mayor

ATTEST:

Lucinda J. Aja, City Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the Regular Council Meeting held on the 17th day of March, 2015. I further certify that a quorum was present.

Lucinda J. Aja, City Clerk