

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE SPECIAL AND REGULAR SESSIONS OF THE
FOUNTAIN HILLS TOWN COUNCIL
SEPTEMBER 1, 2016**

* **CALL TO ORDER AND ROLL CALL**

Mayor Kavanagh called the Special Session to order at 5:02 p.m. in the Fountain Hills Council Chambers.

Present for the roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Nick DePorter, Councilmember Henry Leger, and Councilmember Cecil Yates. Town Manager Grady E. Miller, Town Attorney Andrew McGuire, and Town Clerk Bevelyn Bender were also present.

Councilmember Alan Magazine, Councilmember Cassie Hansen and Councilmember Dennis Brown were absent.

AGENDA ITEM #1 – DISCUSSION WITH DIRECTION TO STAFF REGARDING THE FOUNTAIN LAKE WATER QUALITY.

Grady Miller stated that the Town had recently experienced on-going odor issues primarily due to build up of algae in the lake and noted that various consultants would speak to Council on their findings and proposed recommendations, addressing the water odor and water quality. Mr. Miller explained that the water entering the lake was a reservoir for the Fountain Hills Sanitary District used to irrigate park vegetation. Mr. Miller introduced Community Services Director Mark Mayer who reported that the Town had experienced odor issues in years past, but with the application of either coy fish, additional fountain running time late at night, or applying algaecide the problem had been resolved. Mr. Mayer explained that this year along with the implementation of five different types of water treatments there were continued odor issues. Mr. Mayer stated the Town brought in experts to evaluate the lake and was requesting direction from Council. He pointed out that money was allocated in this fiscal year's budget for an aeration system. He also mentioned that other upgrades recommended may have to be completed in phases due to their costs. Mr. Mayer stated that the consultants were experts in their field and acknowledged those present were Dr. Rick Alalfi, owner of Aquatics Consulting, Incorporated, who previously consulted with the Town in an analysis of their water quality. Mr. Mayer also introduced Gaylon Coates, owner of Coates Irrigation, who designed the current irrigation system in the park; Patrick Kelly, a professional Engineer with Quantum Integration Solutions, who also contracted with the Fountain Hills Sanitary District; and Kevin Baker, Senior Electrical Engineer with Keller Electric, the original designer and installer of the fountains electrical controls currently in use. Mr. Mayer remarked that he and Mr. Miller agreed the aeration system project needed to be started under this fiscal year so to expedite relief from the odor problem and explained the budget had an excess of \$200,000 allocated and the estimated cost received for the aeration system was \$205,000; \$25,000 for design and \$180,000 for construction with some additional costs to be explained further in the presentation.

Dr. Rick Alalfi stated he would address the aeration system and its impact on lake conditions along and discussed information contained in a PowerPoint presentation (available on-line and in the office of the Town Clerk).

Councilmember Yates asked if the slides describing the algae growth in Mr. Alalfi's PowerPoint presentation were taken of the Fountain Hills system and Dr. Alalfi answered that his slide pictures were only examples and not of the Fountain Hills system. Dr. Alalfi explained the benefits of water delivered directly from the Sanitary District versus direct reuse from the lake for park irrigation and for the Town's golf courses.

Mayor Kavanagh asked how much better was the AWT system compared to other waste water systems that had been installed. Dr. Alalfi answered that the AWT system was superior over most other systems that used a lake system accumulating less salt, less calcium and proved to be overall good reclaimed water, but he stated that the water still contained significant amounts of algae and aquatic plant nutrients and had not lowered phosphorus and nitrogen to an acceptable level.

Dr. Alalfi noted the impact of direct reuse of water would have on lake water quality and would involve an increased possibility of water stagnation, increase of nutrients (nitrogen and phosphorus) and the minerals may increase as evaporation losses outweigh withdrawal losses, along with the accumulation of organic sludge on the lake bottom that would accelerate and cause odor formation.

Dr. Alalfi explained that the number one mitigation measure would involve mechanical aeration, circulation and possible oxygenation along with adding algacides more frequently, with flocculants (if cost effective) and oxidizers, which did not hurt fish, but would kill algae and eliminate odors very quickly. He added another solution would be to use lake dyes slowing photosynthesis and algae growth and maintain the “utility fish” population to promote seed and insect management.

Dr. Alalfi addressed the mechanical aeration circulation bottom diffusers that would move the water in a vertical and horizontal pattern, allowing the fountain to run during the day instead of the night for a power cost savings.

Mayor Kavanagh inquired how many diffusers were recommended for Fountain Lake. Dr. Alalfi answered approximately 24 with 10 horizontal diffusers with some diffusers moved around to areas where odor accumulated. Mayor Kavanagh asked if the diffusers would all run at the same time and Dr. Alalfi stated the diffusers would run continuously and explained that after one-year they may be maintained with a replacement kit available costing \$100-\$200. He also mentioned that another option would be a larger blower unit, which may be more cost effective.

Dr. Alalfi presented the benefits of a mechanical circulation aeration system that would move the water around the lake, remove odors and would keep the water in the lake at the same temperature preventing service blooms of algae, and reduce cases of fish kills, which the fountain has never seen, but would be a preventive system to eliminate odors. Dr. Alalfi expressed that these steps would help “better” water going to the golf courses, which are the biggest users and the lake would overall be better.

Councilmember Yates requested Dr. Alalfi to quantify “better” in more detail. Dr. Alalfi answered that the lake would never be so clear that you could see the fish swimming around because it was reclaimed water, but if he could clarify the water to approximately three feet, stop the algae from producing on the surface and completely eliminate the odor along with utility fish surviving, those would be realistic goals.

Mayor Kavanagh asked since the lake was not aerating could that breed mosquitoes and Dr. Alalfi stated that would be highly unlikely since mosquitoes liked shallow water with sloped areas and the fish would also eliminate any mosquitoes.

Councilmember Leger thanked Dr. Alalfi for his presentation and asked if the main culprit were the phosphates and nitrogen and Dr. Alalfi agreed. Councilmember Leger asked which one would the aeration eliminate and Dr. Alalfi answered that the aeration would prevent any phosphates caused by lack of oxygen and would be handled by the vertical circulation and keep the phosphates in place. Councilmember Leger asked how the nitrogen issue would be addressed and Dr. Alalfi stated that nitrogen was almost impossible to remove, so the main focus would be the phosphates, which could be managed.

Vice Mayor DePorter asked if the Town could afford fresh water, would the lake have the same issues. Dr. Alalfi answered that the lake would have the same issues, but at a lesser degree and he added changing to fresh would be a longer process. Vice Mayor DePorter then asked if the lake could be used for recreation purposes, an example was Tempe Town Lake that allowed boating and fishing. Dr. Alalfi answered that the State authorities would have issues since the lake was reclaimed water. Vice Mayor DePorter wanted to suggest researching another kind of water source since the lake was a huge attraction for the Town, but expressed it probably would be expensive.

Councilmember Yates thanked Dr. Alalfi for the information and asked if he recommended a particular type of diffuser and Dr. Alalfi reiterated 24 diffusers and 10 horizontal were recommended with possible repositioning.

Councilmember Leger asked Mr. Mayer how many aerators were in the lake currently and were they in working condition. Mr. Mayer reported there were 12 aerators and some of the aerators had been repaired due to damage and were very expensive to repair. Mr. Mayer added that the system was in good repair at this time, but the compressors were old and the current system would not allow more capacity. Councilmember Leger asked with the new system would the Town be repairing the existing parts or replacing and Mr. Mayer answered replacing. Councilmember Leger asked Mr. Mayer to confirm the proposed upgrade was within budget and had been listed in the Town's Capital Project's for approximately the last four years and Mr. Mayer agreed with his statement.

Councilmember Yates stated the Town had previously received reclaimed water from the Sanitary District, but now the District was by-passing the Town's lake and he questioned why the process had changed. Mr. Mayer answered he did not have an answer and he understood the Town was not involved in the decision, but had been made aware of the change by the Sanitary District.

Gaylon Coates, Coates Irrigation, stated that he was involved in the Town's previous park irrigation system and pump station renovation six years ago and was familiar with the Town's lake condition. Mr. Coates reviewed the information on his PowerPoint presentation (available on-line or in the office of the Town Clerk) and stated his company was asked to look at alternatives to separate the lake water irrigation system. He noted his report had been revised due to the quantity of water needed for the park turf irrigation, which he was informed increased from 300,000+ gallons per day to over 600,000 gallons per day of housed water.

Mr. Coates explained that alternatives included a steel storage tank above ground, a vault enclosure underground and ground tanks underground that would hold 800,000 gallons of water involving 16 tanks holding 50,000 gallons each. Mr. Coates addressed the pump bay and recommended the existing pump station be left in its current location.

Mayor Kavanagh mentioned Mr. Coates' report did not recommend above ground facility and Mr. Coates expressed that he may have miss quoted the information and that he did recommend the above ground tank and added it was the dam they did not recommend due to the lack of storage capacity.

Councilmember Yates asked what the annual maintenance costs would be on each of the three suggested storage units over and above the installation costs. Mr. Coates answered that the costs would be similar on all three alternatives in maintenance and operation costs. Councilmember Yates requested the project's average cost and Mr. Coates responded he did not have a calculated cost, but the cost would be the same as maintaining what the Town currently had at around \$20,000 per year.

Councilmember Leger asked if the aeration system and water quality was to enhance the grounds to a pristine level and Mr. Mayer agreed and added along with maintaining the irrigation system. Councilmember Leger asked if consideration had been made to aerating the turf and Mr. Coates stated

aerating the turf should be completed two to three times each year. Mr. Mayer confirmed this process had been completed annually along with the preferred method of plugging the turf to aerate.

Mr. Miller asked since the water would be cleaner and less water used for turf irrigation, would it be possible to require less storage of water. Mr. Coates remarked yes in theory and explained that under sizing the bridge tank could become a problem since all the water from the tank could not be removed completely each day and then considering a refill time of approximately 11 hours would not give an added buffer factor if the plant did not deliver. Mr. Miller questioned what the cost of maintenance would be of a steel storage with the possibility of shut down time needed versus the concrete storage. Mr. Coates stated that the quality of the water would determine maintenance and he did not have a study on either tank with the Town's current filter system. Mr. Miller pointed out that the concrete storage would cost \$1.3M and seemed to be more durable. Mr. Coates added that concrete storage was not only more durable, but unless something grew in the concrete storage, the water quality would be better and the temperature of the water in the concrete would be considerably different than in a steel tank.

Patrick Kelly, with Quantum Integration Solutions a local Electrical Engineering firm that specializes in process control reviewed information contained in his PowerPoint presentation (available on-line or in the office of the Town Clerk) and stated he was asked to investigate upgrades to the fountain's controls. Mr. Kelly suggested a modern PLC that would run continuously for 20+ years and described the system, which would include a touch screen to adjust variables in weather and time along with a weather station to be located in the current area with remote access and manual for an estimated \$50,000 budget.

Councilmember Yates asked if the system had a manual override and Mr. Kelly answered that staff could physically control the system at the base station in manual mode. Councilmember Yates inquired about cyber security and Mr. Kelly stated the system could be taken off-line and then provided an air-gap so no control could be made from the outside. Mr. Kelly added there were "Best Standards Practices" upheld including "Homeland Security Guidelines" for industrial infrastructure and he noted the same practices were used at the Fountain Hills Sanitary District.

Vice Mayor DePorter expressed he liked the remote access to the system and asked if the system was web based. Mr. Kelly answered that was an option and could include the fountain run time, energy used, down times, wind speed and would contain a secured password protected access web page. Mayor Kavanagh expressed that these features had been asked for but the Town's current technology was outdated. Mr. Kelly added that this system was totally expandable for the future.

Mr. Miller requested clarification that the first part of this system was the controls, which did not control the fountain and the second part of the system was the fountain controllers. Mr. Kelly agreed and stated these were variable frequency drivers turning the outputs on and off. Mayor Kavanagh stated she had requested the variable drivers to be part of the presentation and was looking forward to these features.

Kevin Baker, professional Engineer from Keller Electric, stated he was asked to address the motor control system to replace the current system and he included a PowerPoint presentation (available on-line and in the office of the Town Clerk). Mr. Baker explained that the Town's current system was running at full capacity and the pump equipment dated back to the 1970's. He explained that the pumps were starting to show wear and tear and would need to be replaced soon since no spare parts were available. Mr. Barker noted that the Town's current running costs of the pumps totaled \$148,000 per year for electricity and that calculated to \$400.00 per day by best estimate. Mr. Baker recommended a VFD operator system running two motors for the majority of the time and when needed the additional soft starter would be used to start the third motor to power the fountain at full height.

Mayor Kavanagh wanted to know why the system could not be run on the soft starter on the first motor to eliminate full power at the beginning when Salt River Project (SRP) charged power at a lower cost. Mr.

Baker explained with the VFD system was used a limited start up because the VFD was controlled starting at the beginning to full speed and the soft starter would draw more current than the VFD since the soft starter runs the current at full speed. He added that VFD was popular because it reduced power consumption called the “infinite law” when flow was proportional to pump speed, along with pressure and power “Q” was proportional to the pump speed. Mr. Baker remarked that running two pumps at 90% speed would allow the height of the fountain to be reduced to approximately 80% due to head pressure and lift height to 80% or 240’ and the power goes down to 73% of the power currently used. He continued that at the cost of \$400.00 per day and by keeping the fountain at 240’ instead of 300’ would reduce the cost to \$300.00 per day for the 15 minutes without SRP demand charges.

Mayor Kavanagh asked if the Town decided to pay the \$400.00 per day, could the fountain run at the same height and Mr. Baker agreed. Mayor Kavanagh then asked could the fountain run longer and Mr. Baker answered that it could. Councilmember Yates asked compared to the current system at full height then the system would be cheaper per day while paying the same. Mr. Baker answered that the cost would be somewhat higher due to the drive requiring more power to run with less efficiently by adding the third drive to reach full height, but slowing them down would save. Councilmember Yates noted that on the existing system there was no way of cutting the power down and Mr. Baker answered that the existing system only had three speeds and either on or off.

Mayor Kavanagh asked if the VFD system would save on wear and tear on the pumps and Mr. Baker answered it would along with a lot less shock loading on the pumps upon starting and full control of the motor up and down. Mr. Baker suggested the Town talk with SRP and negotiate better rates since the VFD system can start gently and SRP may offer incentives for the VFD system application to off-set costs.

Mr. Baker noted the equipment recommended could adjust for when the wind came up so the fountain could run at a lower height; had been in operation since 1992, with approximately 200 units installed in Arizona, and included servicing and start-up with high reliability of the equipment and a life of approximately 20 years.

Mayor Kavanagh remarked that she wished Council had more time for questions, but a Town Council meeting was scheduled immediately after this presentation and acknowledged all presentations were excellent and thanked everyone for their work. The Mayor expressed that this information was needed for a long time and thanked them for explaining the systems in a way so all the Town’s residents could understand.

Councilmember Leger asked what the estimated cost for the VFD system was and Mr. Baker stated about \$750,000.

Mayor Kavanagh thanked the presenters again and said there may be additional questions coming through the Town Manager.

Mr. Miller summarized that there seemed to be a consensus to move forward on the aerators in this fiscal year due to resources available in the Capital Improvement Project Budget and since it appeared this major action would help with the smell and odor issues. Mr. Miller added that the other items recommended were middle or long-term solutions that would be best addressed through the Capital Improvement program. Mr. Miller asked if there were any questions from Council and there were none.

AGENDA ITEM #2 – ADJOURNMENT

Mayor Kavanagh requested a motion to adjourn the meeting.

Vice Mayor DePorter **MOVED** to adjourn the meeting and Councilmember Yates **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**, by those present. The Special Session adjourned at 6:29 p.m.

REGULAR SESSION

* CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Linda Kavanagh called the meeting to order at 6:40 p.m. in the Fountain Hills Town Hall Council Chambers.

* Mayor Linda Kavanagh announced that today with them was Pastor David Taylor, First Baptist Church of Fountain Hills.

* ROLL CALL - Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Nick DePorter, Councilmember Cecil Yates, Councilmember Henry Leger. Town Manager Grady E. Miller, Town Attorney Andrew McGuire and Town Clerk Bevelyn Bender were also present.

Councilmember Alan Magazine, Councilmember Cassie Hansen and Councilmember Dennis Brown were absent.

* MAYOR'S REPORT

i) THE MAYOR WILL READ A PROCLAMATION DECLARING SEPTEMBER 2016 GRANDFAMILY/KINSHIP CARE MONTH IN THE TOWN OF FOUNTAIN HILLS.

Mayor Kavanagh read the proclamation (available on line or in the office of the Town Clerk) declaring September 2016 Grandfamily/kinship care month in Fountain Hills.

ii) THE MAYOR WILL READ A PROCLAMATION DECLARING SEPTEMBER 17, 2016 AS PLAY DAY IN THE TOWN OF FOUNTAIN HILLS.

Mayor Kavanagh read the proclamation (available on line or in the office of the Town Clerk) declaring September 17, 2016 as "Play Day" month in the Town of Fountain Hills.

* SCHEDULED PUBLIC APPEARANCES/PRESENTATIONS

i) MAYOR KAVANAGH MAY REVIEW RECENT EVENTS ATTENDED RELATING TO ECONOMIC DEVELOPMENT.

Mayor Kavanagh gave her update on the "Statewide Tourism and Shopping Initiative" commenting that she sits on the Economic Development Committee for the Maricopa Association of Governments. She noted the topic of the meeting was extending the current 75-mile zone for shopping or visiting so that Mexicans can get to the entire state. According to Arizona State University, the economic impact of extending the border zone statewide for Mexican tourists who held a border crossing card could generate up to \$181M in additional estimated spending and result in 2,179 additional jobs. She explained that most of the Mexicans who could obtain these cards were middle class and they were highly vetted and was supported by the Maricopa Association of Governments (MAG).

Mayor Kavanagh also added there was a presentation by "Local Motors" a manufacturing company that designed using 3D printing, which was located in the Chandler area. This company was a collaborative that used a co-creation model that collected design ideas from all over the world and had over 50,000 members focused on engine design alone. Mayor Kavanagh added they unveiled their vehicle called "Okki", which was a 3D printed autonomous electric and recyclable shuttle bus and added these buses would be available for cities and towns to rent.

Mayor Kavanagh stated there was a presentation on the “Sister Cities” programs discussing how communities could leverage existing “Sister Cities” for economic development opportunities and she expressed that the speaker singled out Fountain Hills as one of the best run “Sister Cities” program under Sharon Morgan. Mayor Kavanagh congratulated former Mayor Sharon Morgan for being recognized for all the work she has done with the Town’s program.

ii) **RECOGNITION OF RETIRING STRATEGIC PLANNING ADVISORY COMMISSIONER LINA BELLENIR.**

Mayor Kavanagh presented Lina Bellenir with a “Certificate of Appreciation” for her voluntary time served on the Strategic Planning Advisory Commission (SPAC) along with her participation in the updated “Strategic Plan”. Ms. Bellenir thanked Mayor Kavanagh and Council and added her congratulations to the Mayor on being re-elected for another term.

iii) **PRESENTATION ON 2016 LEGISLATION BY THE LEAGUE OF ARIZONA CITIES AND TOWNS DEPUTY DIRECTOR TOM BELSHE AND SENIOR LEGISLATIVE ASSOCIATE DALE WIEBUSCH.**

Mayor Kavanagh introduced Deputy Director Tom Belshe and Senior Legislative Associate Dale Wiebush who thanked Mayor and Council for allowing them to give a Legislature update and reviewed a PowerPoint presentation (available on-line and in the office of the Town Clerk).

Mr. Wiebush stated that this was his 10th year and Mr. Belshe 16th year with the League and mentioned that the League would be in its 80th year next year. Mr. Wiebush pointed out the number of bills sent to the Governor in the last session and expressed his appreciation to Mayor Kavanagh for her push to pass some of these bills. He also brought up the Leagues’ focus of this past Legislative session as being the Supremacy Bills and their outcome of signed or failed bills and listed the highest profile issues along with the State’s budget. Mr. Wiebush noted the bills the League helped to fix and then introduced Tom Belshe who spoke to the bills the League worked on for a successful vote. Mr. Belshe and expressed his appreciation to Mayor Kavanagh and Senator Kavanagh for their support especially on Bill HB 2483, Municipal Population Estimates, which passed. Mr. Belshe also expressed his thoughts on the wonderful Town staff and noted their appreciation for Town Attorney Andrew McGuire assistance by looking over Legislature language. He also pointed out Town Clerk Bevelyn Bender had served as President of the Arizona Municipal Clerks’ Association...

Mayor Kavanagh asked if there were any questions or comments from Council.

Councilmember Leger expressed his appreciation and the opinion that both presentations were great. Mayor Kavanagh also stated her appreciation and remarked that she knew how hard both the gentlemen worked during session and after and it was her pleasure to work with them.

iv) **RECOGNITION OF THE TOWN RECEIVING THE OUTSTANDING SPORTS PROGRAM AWARD FROM THE ARIZONA PARKS AND RECREATION ASSOCIATION FOR THE TOWN’S ARCHERY PROGRAM.**

Mr. Miller was delighted to have the opportunity to forward the well deserve recognition for designing the new archery program that was acknowledged through the Arizona Parks and Recreation Association. Mr. Miller stated that Anjelica Giardino, Fountain Hills Recreation Coordinator was responsible for the program and noted there was a lot of participation within the community. Mr. Miller introduced Anjelica Giardino and Rachael Goodwin, Recreation Supervisor who accepted the plaque from Mayor Kavanagh.

CALL TO THE PUBLIC

Mayor Kavanagh asked if there were any requests to speak and Town Clerk Bender answered no requests were received.

CONSENT AGENDA

AGENDA ITEM #1 - CONSIDERATION OF APPROVING THE TOWN COUNCIL MEETING MINUTES FROM AUGUST 18, 2016.

AGENDA ITEM #2 - CONSIDERATION OF APPROVING THE FIRST AMENDMENT TO THE COOPERATIVE PURCHASE AGREEMENT C2015-164.1, WITH VINCON ENGINEERING CONSTRUCTION, LLC FOR CURB REPAIR AND SIDEWALK RAMP MODIFICATIONS IN THE AMOUNT OF \$49,371.34.

AGENDA ITEM #3 – CONSIDERATION OF APPROVING A SPECIAL EVENT LIQUOR LICENSE APPLICATION FOR FOUNTAIN EVENTS, INC. (SAMUEL COFFEE) IN CONJUNCTION WITH THE 2016 OKTOBERFEST EVENT TO BE HELD AT FOUNTAIN PARK, LOCATED AT 12925 N. SAGUARO BOULEVARD, ON FRIDAY, SEPTEMBER 30 AND SATURDAY, OCTOBER 1, 2016, FROM 5:00 PM TO 11:00 P.M.

Mayor Kavanagh requested a motion on the consent agenda items as written.

Councilmember Yates **MOVED** to approve the Consent Agenda as listed and Vice Mayor DePorter **SECONDED** the motion.

A roll call vote was taken with the following results.

Mayor Kavanagh	Aye
Vice Mayor DePorter	Aye
Councilmember Yates	Aye
Councilmember Leger	Aye

The motion **CARRIED UNANIMOUSLY (4-0)**, by those present.

REGULAR AGENDA

AGENDA ITEM #4 – CONSIDERATION OF APPOINTING FOUR (4) PLANNING AND ZONING COMMISSIONERS FOR TWO (2) YEAR TERMS BEGINNING ON OCTOBER 1, 2016 UNTIL SEPTEMBER 30, 2018.

Mayor Kavanagh stated that the residents who volunteer to serve on a Commission were greatly appreciated.

Mayor Kavanagh **MOVED** to appoint Howie Jones, Erik Hansen, Amberleigh Dabrowski and Gene Mikolajczyk to serve on the Town of Fountain Hills Planning and Zoning Commission for two year terms beginning October 1, 2016 until September 30, 2018 and Vice Mayor DePorter **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**, by those present.

AGENDA ITEM #5 – PUBLIC HEARING TO RECEIVE COMMENTS ON A PROPOSED SPECIAL USE PERMIT BY FEARLESS KITTY CAT RESCUE TO ALLOW INDOOR KENNELS AT 16832 E. AVENUE OF THE FOUNTAINS, LOCATED IN THE “C-2” ZONING DISTRICT. CASE #SU2016-03

Mayor Kavanagh opened the Public Hearing at 7:18 p.m.

Mr. Miller introduced Robert Rodgers, Interim Development Services Director Bob Rodgers, who presented the staff report and information included a PowerPoint presentation (available on-line and in the office of the Town Clerk). Mr. Rodgers stated that “Fearless Kitty Cat Rescue” was a non-profit, no kill cat rescue facility currently located at 16913 E. Enterprise Drive, which was in a C-3 zoning district, and was in the process of purchasing a vacant commercial building at 16832 E. Avenue of the Fountains and the facility would be relocated to the new building. Mr. Rodgers pointed out that this application was a request for a Special Use Permit to allow Fearless Kitty Rescue to relocate within the C-2 zoning district as required in the Town’s Zoning Ordinance. Mr. Rodgers listed the factors contained in this staff report that Council should consider in this request.

Mr. Rodgers stated that staff recommended approval of the Special Use Permit subject to the stipulations recommended by the Planning and Zoning Commission.

Councilmember Yates asked if any changes to the facade of the building were requested and if so, would the applicant have to follow the normal process for approval. Mr. Rodgers answered that no changes were requested at this time and if requested, the normal process would be followed.

Councilmember Leger requested the stipulations be announced for the public’s information. Vice Mayor DePorter listed the following stipulations from the Planning and Zoning Commission’s August 11, 2016.

1. The applicant shall not store any inventory, supplies, or kennel related equipment outside the existing building.
2. Signage is not included in this approval. All signage shall comply with the requirements of the Fountain Hills Zoning Ordinance, Chapter 6 and shall require separate Building Permits.

Mayor Kavanagh requested speaker cards.

Kim Kamins, a Fountain Hills resident and applicant, owner and founder of the Kitty Cat Rescue, thanked Robert Rodgers, staff, the Planning and Zoning Commission and the Fountain Hills Chamber of Commerce for their support through this process. Ms. Kamins listed reasons this rescue was important to the community and the nation and that all people were involved in the rescue movement. Ms. Kamins stated she was excited to move to the main street of Fountain Hills and approval of this request would show the compassion the Town had for animals and would be a measure of integrity. She stated that people adopt pets from rescues because they know they save lives and would this rescue would help promote Fountain Hills when people visit the rescue by eating, shopping, walking the park and then they may stay. Ms. Kamins explained that 90% of their cats roam freely, which enrich the lives of the animals. Ms. Kamins asked for Council’s approval of her request.

Mayor Kavanagh closed the public hearing at 7:26 p.m.

AGENDA ITEM #6 – CONSIDERATION OF A PROPOSED SPECIAL USE PERMIT BY FEARLESS KITTY CAT RESCUE TO ALLOW INDOOR KENNELS AT 16832 E. AVENUE OF THE FOUNTAINS, LOCATED IN THE “C-2” ZONING DISTRICT. CASE #SU2016-03

Mayor Kavanagh acknowledged that Fountain Hills was animal friendly and asked for further comments or discussion from Council.

Councilmember Yates stated he was an animal lover and had visited Fearless Kitty Rescue and declared it was a well run operation and also met several SPAC requirements, which he felt was tremendous and would help Fountain Hills with a sense of place; the rescue had his full support.

Mayor Kavanagh also explained she and her grandson visited the rescue and left with two additional cats. Mayor Kavanagh asked for a motion.

Councilmember Yates **MOVED** to approve the Special Use Permit to allow Fearless Kitty Cat Rescue to operate an indoor kennel at 16832 E. Avenue of the Fountains, located in the “C-2” zoning district, subject to the stipulations outlined in the staff report and Vice Mayor DePorter **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**, by those present.

AGENDA ITEM #7 – PUBLIC HEARING FOR COMMENT ON ORDINANCE 16-05, TO AMEND SECTION 2.07 OF THE FOUNTAIN HILLS SUBDIVISION ORDINANCE TO ALLOW THE ADMINISTRATIVE APPROVAL OF MINOR REPLATS SUCH AS LOT LINE ADJUSTMENTS, LOT SPLITS AND LOT JOINS. CASE #Z2016-03

Mayor Kavanagh opened the Public Hearing at 7:29 p.m.

Grady Miller explained that Mr. Rodgers would be giving the staff report and pointed out that re-plats were typically approved legislatively on minor re-plats.

Mr. Rodgers stated that Ordinance 16-05 was a text amendment to the Subdivision Ordinance and was recommended by staff as a time saving measure to allow for administrative approval of minor re-plats of no more than two lots and if no new roads were created. He added that simple re-plats would no longer need Town Council approval at a public meeting since these items were almost always placed on the Council’s consent agenda and approved without discussion. This amendment would save time and was more of a housekeeping measure. Mr. Rodgers noted that Planning and Zoning had forwarded a recommendation to approve as presented.

Mayor Kavanagh asked if there was further discussion or questions from Council.

Councilmember Leger supported the amendment and expressed he relied on staff’s recommendations and expertise. Councilmember Leger questioned the right of neighbors to express their objections to a requested re-plat and asked if there were provisions if objections occurred. Mr. Rodgers answered there were not and mentioned that currently neighboring property owners were not notified on lot splits or lot joins. Councilmember Leger remembered when a homeowner’s association or neighbor was made aware of a lot spit, but pointed out that if a lot spit was questioned, staff could be contacted to answer their concerns. Mr. Rodgers stated he was unsure of what their standing would be.

Councilmember Leger questioned if a homeowner’s association (HOA) could over-ride staff’s approval decision. Mr. McGuire explained there were two separate processes one included the plat process of re-plats governed by the Town’s processes and the HOA had no authority over. He then explained there was the private contract owner’s signed in their closing documents giving the HOA authority that went deeper into the regulatory process than the Town’s. Mr. McGuire added that what may be legal under the Town’s codes and ordinances may be different.

Councilmember Leger acknowledged that his question had been addressed and expressed again that property owners could notify staff with any questions.

Mayor Kavanagh asked for further questions and none were asked.

Mayor Kavanagh asked for speaker cards and Town Clerk Bender answered there were no requested received.

Mayor Kavanagh closed the public hearing at 7:34 p.m.

AGENDA ITEM #8 – CONSIDERATION OF ORDINANCE 16-05, TO AMEND SECTION 2.07 OF THE FOUNTAIN HILLS SUBDIVISION ORDINANCE TO ALLOW THE ADMINISTRATIVE APPROVAL OF MINOR REPLATS SUCH AS LOT LINE ADJUSTMENTS, LOT SPLITS AND LOT JOINS. CASE #Z2016-03

Mayor Kavanagh asked if there was further Council discussion or a motion.

Vice Mayor DePorter thanked Mr. Rodgers for proposing the time saving measures.

Vice Mayor DePorter **MOVED** to approve Ordinance 16-05 a text amendment to Article II, Section 2.07 of the Fountain Hills Subdivision Ordinance, to allow the administrative approval of minor re-plats and Councilmember Yates **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**, by those present.

AGENDA ITEM #9 – CONSIDERATION OF RESOLUTION 2016-16, APPROVING THE FIRST AMENDMENT TO AMENDED AND RESTATED FINAL SETTLEMENT AGREEMENT BETWEEN THE TOWN AND MCO PROPERTIES INC., EN LLC AND ADERO CANYON LLC.

Mr. Miller stated this request was a win-win situation for both the Town and MCO Properties. He explained that Adero Canyon was currently being constructed by builders and MCO Properties had recently excavated soils and approached the Town to inquire if the Town would be interested in taking the fill materials from Adero Canyon. The Town had accepted the idea that involved approximately 12,000 cubic yards of fill material with MCO agreeing to store the material on their property. Mr. Miller maintained by accepting the materials it would save the Town \$90,000 for the trailhead project along with a reduction in the number of truck trips through Fountain Hills that would have occurred to dispose of the fill material outside of Town. Mr. Miller noted that this amendment would also remove the obligation of MCO Properties to provide temporary utilities at the Adero Canyon Trailhead site since the fill and temporary utilities were approximately the same dollar amount.

Mayor Kavanagh asked for speaker cards and Town Clerk Bender answered there were no requests received. Mayor Kavanagh asked for questions or discussion and there were none. Mayor Kavanagh asked for a motion.

Councilmember Yates **MOVED** to adopt Resolution 2016-16 that authorizes the Mayor to execute an Amended and Restated Settlement Agreement between the Town of Fountain Hills and MCO Properties, Inc. and Councilmember Leger **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**, by those present.

AGENDA ITEM #10 – PRESENTATION OF THE TOURISM PROGRAM AND CONSIDERATION OF A TOURISM STRATEGIC PLAN FOR 2016 – 2019.

Mr. Miller introduced Rachael Goodwin, Recreation Supervisor and Grace Guetter, Tourism Coordinator who presented a tourism plan and laid-out their plan to reach tourism goals in a document.

Ms. Goodwin and Ms. Guetter explained where they were at this time in their plan, plan of deliverables and finally the Strategic Plan through information contained a presentation that included a PowerPoint presentation (available on-line and in the office of the Town Clerk).

Ms. Goodwin noted that the Town had seen an 18% increase in gross hotel room sales tax and, which would also add more tourism funding for the Town. She mentioned the number of Facebook “likes” showing a 14% increase, web site “experiencefountainhills.org” had an increase of 255% and a 1.46 minute per view session from June 2015 to June 2016 due to the recent overhaul of the Town’s web site.

Councilmember Yates asked if there were a base used due to the increase of view time. Ms. Goodwin explained that due to the increase of information on the web site longer public viewing had occurred.

Vice Mayor DePorter asked if the facebook site was “organic” or had the Town put any money into sponsorship. Ms. Goodwin answered the Town did add some money towards upcoming special event announcements and were timed to get maximum impact, but the “organic” content of the fountain appeared to receive the top viewing and received 50,000 views of fountain and those pictures were submitted by local photographers.

Ms. Goodwin listed the most viewed sites from cities, towns, and stated where the Town’s web site views were coming from. She also pointed out that Fountain Hills advertised at the “Cub Spring Training” venue and mentioned some of the returning events to Fountain Hills this fall.

Ms. Guetter explained that public surveying was compiled at the Town’s special events, gave analytics about the Town and its economic impact study.

Councilmember Yates asked if there were “barkers” at these events due to the 3 ½% returns on their surveys and incredible numbers. Ms. Guetter stated they looked at fun give-a-ways or draws that could be used to encourage people to fill out the survey and mentioned the use of glow sticks at night for kids that engaged families.

Ms. Guetter listed from their surveys the top five reasons people stated they would return to Fountain Hills.

Mayor Kavanagh asked if the 79% were returning visitors or were they new visitors. Ms. Guetter answered that she did not have that information, but it could be extrapolated as that was part of the survey. Mayor Kavanagh stated that would be nice to know.

Ms. Guetter continued that the value of the Town’s tourism program calculated with a population of 8,000 to 10,000 and eliminating residents, this indicated that visitors spent \$50.00 or more at the events and visited local restaurants and food from vendors. Mayor Kavanagh pointed out that these were not local residents and Ms. Guetter agreed.

Councilmember Yates expressed the opinion they had done an excellent job on tabulating the metrics and he suggested getting benchmarks to compare the numbers for the future.

Councilmember Leger stated they did a nice job and mentioned that last time there was talk about ROI and requested taking a look at ROI and to calculate those figures with sales tax from quarterly reports and historical data. Ms. Guetter agreed that would be a goal of staff’s along with benchmarks to achieve the most accurate data possible.

Councilmember Yates pointed out that based on the estimates that this was an incredible return on the Town’s investment.

Ms. Goodwin and Ms. Guetter presented the five year overview (highlighting the goals and measurements) of the proposed Tourism Strategic Plan.

Ms. Guetter discussed: (1) communication and outreach; (2) Destination marketing and promotion; and (3) Research, planning and measurement.

Ms. Goodwin discussed: (4) industry, education, training and recognition; (5) tourism product development; and (6) strategic alliances.

Ms. Goodwin also explained the success factors and measurability and that community effort and communication, along with stake holder participation, culture renovations to reposition the Town as dynamics changed to be in the forefront of new trends in tourism. She expressed that success factors were in the numbers and quality vision on what customers were telling the Town on their likes and dislikes.

Ms. Goodwin explained the timeline for the plan, which included adoption of the plan in 2016 and applied from 2018-2020, including regular updates semiannually. She added in 2020 a benchmark review would be presented and an updated version adopted in 2020-2021.

Mayor Kavanagh mentioned that when she attended various meetings and would talk with a lot of people, she would bring flyers notifying them on Fountain Hill's activities, but now everyone seemed to know what, when and how to attend the Town's events since they were so popular and would express the events were good.

Mayor Kavanagh thanked both Ms. Goodwin and Ms. Guetter for their presentation and mentioned how both ladies go over and beyond their working hours. Mayor Kavanagh pointed out that Mr. Goodwin and Ms. Guetter had been encouraged to take some time off for them since they moved from event to event.

Mayor Kavanagh asked for further discussion or if the Council had additional questions.

Councilmember Leger commented on the tremendous presentation and noted the quality and quantity since it was hard to measure the ROI on tourism and he pointed out there plan was well done.

Vice Mayor DePorter echo Councilmember Leger remarks and stated their plan was well thought out and congratulated Mr. Mayer for his great hiring of these staff members.

Mr. Goodwin and Ms. Guetter finalized their presentation with a video focused on Fountain Hill's tourism as a destination and visual welcome and acknowledged Town staff, local residents, businesses, and surrounding areas for this community effort.

Mayor Kavanagh thanked staff and noted everyone appreciated and was impressed with their work. Mayor Kavanagh asked for speaker cards and Town Clerk Bender answered there were no requests received. Mayor Kavanagh asked for a motion.

Councilmember Leger **MOVED** to approve the Tourism Strategic Plan for 2016-2019 and Councilmember Yates **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**, by those present.

AGENDA ITEM #11 - COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER

None

AGENDA ITEM #12 - SUMMARY OF COUNCIL REQUESTS AND REPORT ON RECENT ACTIVITIES BY THE MAYOR, INDIVIDUAL COUNCILMEMBERS, AND THE TOWN MANAGER.

Mayor Kavanagh thanked Vice Mayor DePorter for giving all the staff a great presentation on "LinkedIn". Mayor Kavanagh commented that she had represented the Town at the opening night of the Fountain Hills Community Theater presentation and that she and the Senator had attended the first meeting of the newly formed Marine Corps League at the American Legion.

Mayor Kavanagh said she attended the “Back 2 School Water Bash” at Four Peaks Neighborhood Park with Councilman Yates and Vice Mayor DePorter and observed it was a hugely successful event and everyone expected about 200 families, but easily got 400 plus families to attend. The Town hoped to make this free event an annual one and she wanted to thank Rachael Goodwin, Grace Guetter, Anjelica Giardino and Corey Povar for the incredible job they did with this event along with sponsors who were the Fountain Hills Coalition, Thrivent Financial and the Town School District.

Mayor Kavanagh noted there was a ribbon cutting for the opening of the renovations of the Town’s dog park. Councilman Yates and Vice Mayor DePorter were also on hand to help cut the ribbon along with Town Manager Grady Miller, Community Services Director Mark Mayer and Senator John Kavanagh. The President of ADOG, John Thompson, spoke and thanked his group for all their hard work and commended the Town, especially our Parks Supervisor Kevin Snipes for the great job in the renovations. The Mayor stated that she and Mr. Miller had attended the ceremony at Fort McDowell with School Superintendent Dr. Patrick Sweeney to accept the Prop 202 donations and she thanked the Tribal Council and President Bernadine Burnette for their generous donations to the Town and schools.

Mayor Kavanagh stated she had attended “The League of AZ Cities & Towns” Conference with Councilman Yates, Vice Mayor DePorter and Town Manager Grady Miller. She expressed it was an excellent conference while each attended different seminars to leverage how much we could learn to bring back with us. I said she attended one on the consequences of the legalization of marijuana and a very interesting one on new housing trends and had learned from that session that the Town’s “Park Place” was the type of building that was not only going on here in Arizona, but across the country and downsizing into smaller units was the new norm for retired people and apartments were the new attraction for young people. She also attended one on the new use of body cameras by the Police Departments, which the Maricopa County Sheriff’s Deputies were using at this time.

Mayor Kavanagh networked with other Mayors, Legislators, and the Town’s service companies EPCOR, Salt River Project and Republic Services. She pointed out the Mayor’s Youth Council once again attended the day long youth groups seminars and activities with youth coordinator Heather Ware and proudly carried our Town flag in the opening ceremony of the “Parade of Flags”. She indicated that Fountain Hills took part in the “Showcase”, which culminated the conference. Each city had a booth where they gave a little trinket away representing their Town. She thanked Rachael Goodwin, Grace Guetter, Heather Ware and Ken Valverde for all their hard work to make the Town’s booth attractive and fun. Mr. Miller, Councilmember Yates, Vice Mayor DePorter and the Mayor also took shifts and helped out at the booth and everyone was very proud to showcase Fountain Hills.

Vice Mayor DePorter noted the seminar he attended on “Economic Development on a Small Town Budget” was a good session and complimented Scott Cooper, the Town’s Economic Development Director on his plan for the Town.

Councilmember Yates mentioned that many at the conference who visited the Town’s booth complimented them on Fountain Hills while receiving a “Chocofin” chocolate bar.

Mayor Kavanagh thanked Councilmember Yates for representing the Town for the recent ribbon cutting and pointed out that Angela McGee had previously visited Fountain Hills from New Jersey and had loved the community and decided to open an “Avon” business in this district. Mayor Kavanagh added it was great to have another business in Town. Mayor Kavanagh also congratulated Councilmember Yates and Councilmember Brown on their re-election to Town Council.

AGENDA ITEM #13 - ADJOURNMENT

Councilmember Yates **MOVED** to adjourn the meeting and Vice Mayor DePorter **SECONDED**, which **CARRIED UNANIMOUSLY (4-0)**. The Regular Session adjourned at 8:18 p.m.

TOWN OF FOUNTAIN HILLS

By _____
Linda M. Kavanagh, Mayor

ATTEST AND
PREPARED BY:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special and Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 1st day of September, 2016. I further certify that the meeting was duly called and that a quorum was present.

DATED this 15th day of September, 2016.

Bevelyn J. Bender, Town Clerk