

**TOWN OF FOUNTAIN HILLS  
MINUTES OF THE WORK-STUDY AND REGULAR SESSIONS OF THE  
FOUNTAIN HILLS TOWN COUNCIL  
MARCH 6, 2018**

**WORK-STUDY SESSION**

**\* CALL TO ORDER AND ROLL CALL**

Mayor Linda Kavanagh called the Work Study Session to order at 4:37 p.m., in the Fountain Hills Town Hall Council Chambers.

Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Dennis Brown, Councilmember Art Tolis, Councilmember Cecil Yates, and Councilmember Alan Magazine. Town Manager Grady E. Miller, Interim Town Attorney Mitesh Patel, Dickerson Wright Phoenix Law Firm and Town Clerk Bevelyn Bender were also present.

Councilmember Henry Leger and Councilmember Nick DePorter were absent for the roll call.

Councilmember DePorter connected via conference call at 4:38 p.m. and attended the meeting telephonically for the remainder of the meeting.

**AGENDA ITEM #1 – PRESENTATION BY JOE FACKEL, EXECUTIVE VICE PRESIDENT AND BEAR BURNETT, RETAIL DEVELOPMENT DIRECTOR, FROM RETAIL STRATEGIES, LLC REGARDING DISCOVERY PHASE FINDINGS AND RETAIL RECRUITMENT PLAN.**

Mr. Miller addressed the Council and stated that Retail Strategies was hired to assist the Town in developing a strategy to development Fountain Hill's commercial vacancies and track attracted additional businesses to Fountain Hills. He introduced Retail Strategies LLC adding they would present their findings and discuss information with the assistance of a PowerPoint presentation (available on-line or in the office of the Town Clerk). Mr. Miller introduced Fountain Hill's Development Services Director Scott Cooper who presented additional details on the importance of utilizing the services of Retail Strategies as part of his plan for Fountain Hill's economic development.

Mr. Cooper stated that the presenters' would be attending remotely and introduced them by name: Joe Fackel, Executive Vice President who was calling in from his office in Fort Worth, Texas; and Lacey Beasley, President and Chief Executive Officer, who was calling in from her office in Birmingham, Alabama.

Ms. Beasley explained the recruitment plan created by Retail Strategies for Fountain Hills and their listed their available connections and how they researched the retail market. Ms. Beasley asked Mr. Fackel to continue the presentation and review Retail Strategy's staffing and goals. Mr. Fackel stated their company would be an extension of the Fountain Hill's team and stressed their company understood the importance of retail in Fountain Hills, which is to grow revenue, services and create quality of life for its residents. Mr. Fackel thanked Mr. Cooper for his assistance for providing information and contacts and the Town Council for their participation and views on realistic opportunities for Fountain Hills. He noted that Retail Strategies would present facts to achieve success. Mr. Fackel mentioned that his colleague Bear Burnett was originally suppose to attend this meeting tonight, but was currently in route to a conference in California for the "International Conference of Shopping Centers". He explained this was one of the deal-making conferences they attend, which was critical outreach on behalf of Fountain Hills.

Mr. Fackel explained there were two paths taken in the beginning of this process; the "research path" and the "real estate path". Mr. Fackel presented the research path that involved Retail Strategies partnership, executive team, marketing and research and accounting areas. Mr. Fackel reviewed the Retail Strategies process that included market analysis data, strategic planning and retail recruitment.

Mr. Fackel discussed the data and analytics access to 87 categories specific reports from seven different geographic areas and the unique variables while analyzing Fountain Hills, where it was found that Fountain Hills had a high level of variables along with drive times and market radius. He commented that the collected information was possible

using mobile phone tracking for location information and explained the users in this program had given their approval in advance.

Mr. Fackel spoke of the custom trade area and addressed specific formula for market criteria the businesses use to determine if their store would be profitable by using the 2017 estimated Fountain Hills population custom trade area with projected growth rate, along with estimated households by size, average income for residents and educational attainment.

Ms. Beasley discussed the “focus categories” and stated this category involved three steps, (step one) retail gap analysis, (step two) peer analysis where they looked at other markets and their make-up that were not currently in Fountain Hills, and (step three) what we knew and what was going on in the market place by comprising information to focus on this ever changing market.

Ms. Beasley addressed the total market where businesses were collecting revenues and the total market demand that showed what Fountain Hills household expenditures were currently. Ms. Beasley explained the current opportunity gaps found along with the customized retail category gap analysis that determined if there was a gap or a surplus and she described the leakage in the Fountain Hills area, since there was more demand from households than supplied by retail businesses within the Fountain Hills area.

Ms. Beasley presented the peer analysis/trade area comparison report necessary to fill the gaps and find businesses that fit these categories and use Fountain Hills real estate so people would shop locally. Peer analysis by retail category showed a list of businesses that would fill the gaps and were necessary to create revenue.

Councilmember Magazine asked about the lack of information regarding auto dealerships. Ms. Beasley replied that information was not included since Retail Strategies dealt mainly on retail services and not auto dealerships, but there was a category for auto parts and offered to supply the Councilmember with the requested information.

Ms. Beasley addressed the real estate/market SWOT summary that listed Fountain Hill’s strengths, weaknesses, opportunities and threats. Mr. Fackel stated that one of the Town’s weaknesses included topographical issues and competition with the City of Scottsdale.

Ms. Beasley stated that the peer market with national brands expanding into the market place in retail showed 500 brands and found the ones missing across the board in Fountain Hills were quick service restaurants and showed an immediate opportunity for expansion. Ms. Beasley stressed those businesses wanted all criteria met for success and to be in-line before expanding into the area.

Ms. Beasley pointed out the five metrics needed when businesses considered and choose a site in the real estate analysis (1) clustering of retail, (2) high traffic count, (3) good signage, (4) available parking and easily to enter and (5) access.

Ms. Beasley explained the necessary steps that would be taken by their company to encourage businesses to take a look at Fountain Hills.

Ms. Beasley provided a real estate analysis of Fountain Hills as retail focus (Zone 1) Park Place Development, (Zone 2) the 12 acres east side of the Avenue of the Fountain behind Ace Hardware for new development, (Zone 3) infill opportunities in the areas with leased spaces. Ms. Beasley pointed out the 10% vacancy rate in Fountain Hills that could be filled and included Plat 208 vacancies that was a positive and (Zone 4) the Target Plaza area. She also added the former Arby’s building and other vacancies allowing Retail Strategies to be a matchmaker for businesses in these locations

Ms. Beasley was not able to give the retail prospects currently looking at properties in Fountain Hills for confidentiality reasons.

Ms. Beasley commented it would take approximately 18 to 36 months or more to open a retail store in a new market and their goal was to market sites and find opportunities.

Ms. Beasley addressed the top categories for recruitment in the retail business as restaurants and stated the sit-down dining was not doing well at this time but the stand-box restaurant would be a great choice for Fountain Hills and coffee shops were seeing a big expansion at this time. She commented that automotive products and other auto stores brands available were known to be recession proof and should be considered. General merchandise was a catch all with different categories and was also found to have a large leakage in Fountain Hills, such as pets, beauty and Urgent Care facilities were opportunities. Apparel/shoe stores both luxury and discount were now thriving with a lot of opportunities, but was also hit by on-line shopping, and stressed one new store would have a big impact on Fountain Hills and worth the investment.

Ms. Beasley discussed their company outreach on retail recruitment and mentioned that their staff attended conferences all over the country along with a database of 9,700 contacts to help with matchmaking. Staff attends the "International Conference of Shopping Centers" where staff meets with retailers, brokers, real estate managers and developers to discuss their marketing guide that provides a summary of the information on Fountain Hills along with detailed maps distributed at conferences. She added their staff reaches out by phone calling and emails along with conference representation, ultimately reporting back to Fountain Hills. Ms. Beasley explained the implementation of Fountain Hill's strategy and asked for questions.

Councilmember Magazine questioned the population growth number that appeared to be presented as high and wanted to know how they came up with the numbers and Ms. Beasley replied staff reviewed a five-year growth trend and Fountain Hills was approximately double typically seen for drive-time and noted Arizona being a high growth state. Mr. Fackel added the numbers included the area towards Scottsdale to the north and east.

Councilmember Magazine also questioned the number of non-primary residents and how those numbers were determined at 30.4%. Mr. Fackel replied a non-based metric and Ms. Beasley added that information was received by a data company using the postal service and post office box rentals to incorporate the number of people staying in a particular location.

Councilmember Magazine wanted to know the criteria used for automotive sales and stressed Fountain Hills did not want acres of automobile sales and Mr. Fackel replied Retail Strategies was looking at service centers and not automobile sales.

Councilmember Magazine asked how did they define measure of success and Ms. Beasley replied by creating a new look for the community with increase businesses and revenue for Fountain Hills.

Councilmember Yates discussed functional obsolesce, the creation of inventory, and other ideas they may have such as code review and process streamlining. Ms. Beasley agreed with streamlining codes and pointed out the challenges in planning when there were multiple owners of properties. She also mentioned the Town should identify and address qualifications necessary for businesses such as signage and parking access, but did not have a recommendation to create big box areas for retail opportunities in Fountain Hills.

Councilmember Tolis expressed disappointment in the report presented by Retail Strategies and pointed out that most of the information Council received was readily available. Councilmember Tolis wanted more unique stores in Fountain Hills such as the Tracker Supply Store known to bring people from outside Fountain Hills to shop. Councilmember Tolis added Fountain Hills was an island location with traffic count and demographics being a factor along with population and rental rates charged compared to Scottsdale. Councilmember Tolis felt a valid comment was the risk associated with a big-box store built outside Fountain Hills, which would take away from Fountain Hills' retail generators. Councilmember Tolis requested to see a list of targeted retailers that would create the highest sales tax revenue and that they target those market unique stores. Mr. Fackel replied that data was a small part and agreed the information presented was easily accessible, but their company provide outreach to retailers and talk about Fountain Hills; that was the value Retail Strategies brought to Fountain Hills.

Mayor Kavanagh thanked the presenters for their time and stated Council would continue to consult with Mr. Cooper on their progress.

## AGENDA ITEM #2 - ADJOURNMENT

Councilmember Henry Leger arrived at 5:32 p.m.

Councilmember Yates **MOVED** to adjourn the work-study and Vice Mayor Brown **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0). The meeting adjourned at 5:33 p.m.

### REGULAR SESSION AGENDA

Mayor Kavanagh called the meeting to order at 5:34 p.m., in the Fountain Hills Town Hall Council Chambers.

- **CALL TO ORDER AND PLEDGE OF ALLEGIANCE** - Mayor Linda M. Kavanagh
- **INVOCATION** - Pastor Rod Warembourg, Desert Creek Fellowship

Mayor Kavanagh acknowledged students from the “Mayor’s Youth Council” who were in attendance.

Mayor Kavanagh announced that the Town’s next public information meeting on the proposed Primary Property Tax would be held on Thursday, March 8, 2018 at 9:00 a.m. at the Fountain Hill’s Community Center.

- **ROLL CALL** - Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Dennis Brown, Councilmember Alan Magazine, Councilmember Cecil Yates, Councilmember Art Tolis and Councilmember Henry Leger. Town Manager Grady E. Miller, Interim Town Attorney Mitesh Patel, Dickenson Wright Phoenix Law Firm and Town Clerk Bevelyn Bender were also present.

Councilmember Nick DePorter attended via conference call.

- **MAYOR’S REPORT**

- i) None.

- **SCHEDULED PUBLIC APPEARANCES/PRESENTATIONS**

- i) **MAYOR KAVANAGH AND/OR COUNCIL MAY REVIEW RECENT EVENTS ATTENDED RELATING TO ECONOMIC DEVELOPMENT.**

None.

- ii) **UPDATE BY THE MCDOWELL MOUNTAIN PRESERVATION COMMISSION REGARDING RECENT ACTIVITIES.**

Mr. Miller introduced Bill Myers, the McDowell Mountain Preservation Commission (MMPC) chairman who presented a few of the commission’s 2018 objectives and noted the most important objective was the completion of the Adero Canyon Trailhead. He thanked Mayor Kavanagh and Councilmembers for their support for this project.

Mr. Myers stated there were four work groups within the MMPC. He mentioned the grand opening of the trailhead would be held later this year and that a group of people would be visiting the trailhead this Thursday to inspect the progress. Mr. Myers brought up the past two successful Fountain Hills fairs where the MMPC had handed out trail maps.

Mr. Myers acknowledged the MMPC Trailhead work-group and the trail counters who count the number of people visiting the trails. Mr. Myers discussed the great “Safety 911” work performed in Fountain Hills and those who assisted in keeping one of the safest trails in the State from having zero deaths in the Fountain Hills preserve. Mr. Myers acknowledged Assistant Fire Chief Jason Payne for his coordination of a “911 Test” recently so as to provide excellent coverage in the preserve. Mr. Myers stated MMPC had coordinated with Scottsdale on their preserve new master plan that included

the regional park to the north of Fountain Hills, which could have some affect on Fountain Hills' area and Scottsdale's southern borders.

Mr. Myers asked for questions from Council. Mayor Kavanagh commented on the great partnership with the Sonoran Conservancy and the Town. She indicated that everyone should know that Mr. Myers was instrumental in these partnerships and she thanked him for his involvement and commitment. Mr. Myers expressed that the trailhead access to the preserve would be a positive draw for Fountain Hills.

### CALL TO THE PUBLIC

Mayor Kavanagh asked if there were any requests to speak and Town Clerk Bevelyn Bender answered none had been received.

### CONSENT AGENDA

#### AGENDA ITEM #1 - CONSIDERATION OF APPROVING THE TOWN COUNCIL MEETING MINUTES FROM JANUARY 30 AND FEBRUARY 6, 2018.

#### AGENDA ITEM #2 - CONSIDERATION OF RESOLUTION 2018-20, ABANDONMENT OF THE PUBLIC UTILITY AND DRAINAGE EASEMENT ON PLAT 506A, BLOCK 4, LOT 7 (15806 N. EAGLES NEST DRIVE), AS RECORDED IN BOOK 159, PAGE 30, RECORDS OF MARICOPA COUNTY, ARIZONA. (EA 2018-03)

Councilmember Leger moved to APPROVE Consent Agenda items as listed and Councilmember Yates SECONDED the motion.

A roll call vote was taken with the following results:

Mayor Kavanagh	Aye
Councilmember DePorter	Aye
Vice Mayor Brown	Aye
Councilmember Yates	Aye
Councilmember Tolis	Aye
Councilmember Magazine	Aye
Councilmember Leger	Aye

The motion CARRIED UNANIMOUSLY (7-0).

### REGULAR AGENDA

#### AGENDA ITEM #3 - CONSIDERATION OF APPOINTING THREE (3) PLANNING AND ZONING COMMISSIONERS TO EACH SERVE A TWO-YEAR TERM BEGINNING ON MARCH 7, 2018, AND ENDING SEPTEMBER 30, 2020.

Mayor Kavanagh MOVED to appoint N'Marie Crumbie, Scott Schossberg and Mathew Boik to each serve on the Town of Fountain Hills Planning and Zoning Commission for a two year term beginning March 7, 2018 until September 30, 2020 and Councilmember Leger SECONDED.

Mayor Kavanagh asked if there were any speaker cards and Ms. Bender stated none had been received.

Mayor Kavanagh asked for a vote, which CARRIED UNANIMOUSLY (7-0).

Mayor Kavanagh thanked the new commission members appointed who bring their expertise to serve on this Commission.

#### AGENDA ITEM #4 - CONSIDERATION OF A COOPERATIVE PURCHASE AGREEMENT CONTRACT NUMBER C2018-083 WITH PRO EM PARTY AND EVENT RENTALS FOR UP TO \$75,000.00 WITH THE OPTION OF FOUR (4) ONE YEAR RENEWAL TERMS.

Mr. Miller stated Fountain Hills had used this company for many years, which provided portable restrooms for events along with other rental items as required. Mr. Miller added that staff recommended approval and noted the Town's Communications and Marketing Coordinator Grace Rodman-Guetter was present to answer questions.

Mayor Kavanagh asked for Council questions and none were asked.

Mayor Kavanagh asked if there were any speaker cards and Ms. Bender stated none were received.

Mayor Kavanagh requested a motion.

Councilmember Magazine **MOVED** to approve awarding a Cooperative Purchase Agreement Contract Number C2018-083 with Pro Em Party and Event Rentals for up to \$75,000.00 with the option of four (4) one year renewal terms and Councilmember Yates **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0).

**AGENDA ITEM #5 - CONSIDERATION OF FOUR (4) BUDGET TRANSFERS FROM THE GENERAL GOVERNMENT CONTINGENCY: (I) \$2,246.25, FOR HOLIDAY LIGHTING OF TOWN HALL; (II) \$600,000.00, FOR ADDITIONAL CONTRACT COSTS FOR THE FIRE STATION #2 RELOCATION; (III) \$50,000.00 FOR THE MAY 15, 2018 SPECIAL ELECTION FOR THE PRIMARY PROPERTY TAX BALLOT QUESTION; AND (IV) \$160,000.00, FOR ADDITIONAL;/UNBUDGETED INTERIM TOWN ATTORNEY COSTS; AND ONE (1) BUDGET TRANSFER FROM PUBLIC WORKS TO THE COTTONWOODS MAINTENANCE DISTRICT IN THE AMOUNT OF \$900.00, FOR AN UNBUDGETED INCREASE IN LANDSCAPING COSTS.**

Mr. Miller explained that the Fire Station #2 funding of \$600K was a funding request that should have been approved with the original contract and stated this expenditure must be approved in this fiscal year. Mr. Miller noted that Finance Director Craig Rudolphy was available to answer Council questions.

Councilmember Leger asked Mr. Rudolphy if the additional funding requested for the Interim Town Attorney was requested since the budgeted amount was expended for legal services in fiscal year 2017-18 and Mr. Rudolphy replied that was correct and Councilmember Leger inquired if the additional amount of \$160K would cover the additional five months in this fiscal year and Mr. Rudolphy replied that the \$160K was an estimated amount and that it would hopefully be less than the amount being requested. Councilmember Leger asked how Mr. Rudolphy calculated the \$160K. Mr. Rudolphy replied that staff reviewed the current Attorney's average billing, taking into consideration the Attorney's learning of the Town's functions.

Councilmember Yates asked what the status was regarding next steps for future legal services. Mr. Miller replied that during the last Council's Retreat, the consensus was for staff to look at the RFP process and consider a fixed price contract with a law firm with the experience the Town required. Mr. Miller mentioned that some municipalities were contracted in this way and the price was negotiated each year. Mr. Miller said staff would bring something forward in May 2018. Mr. Miller stated the Town would continue to use the Dickerson Wright Law Firm until the end of this fiscal year. Mr. Miller added that a flat rate contract would be a way for the Town to contain legal costs.

Councilmember Leger pointed out the total of \$466K requested for legal serves this fiscal year; hopefully a fixed contract for legal services would come in lower. Mr. Rudolphy maintained the Town did not have a fixed contract with their previous law firm, but was based on an hourly rate. Councilmember Leger requested the Town look at realistic costs for legal services.

Councilmember Magazine asked for the remaining approximate balance in the Contingency Fund if the requested items were approved and Mr. Rudolphy replied there would be a minor amount through this fiscal year. Mr. Miller added the contingencies provided appropriation authority and the Town budgeted money annually for Contingency. Mr. Miller pointed out the \$600K for Fire Station #2 was budgeted in the Capital Improvement Projects (CIP), and explained the request was for the approval to transfer CIP to Contingency. Councilmember Magazine asked what funds were available if the Town experienced an emergency within this fiscal year and Mr. Rudolphy replied he would advise staff that the additional requested items should not be undertaken. Councilmember Magazine requested staff not bring additional funding requests forward unless they were absolutely necessary.

Councilmember Tolis commented and questioned the additional \$7K per month for legal costs expended over and above what had been approved for the year. Mayor Kavanagh replied that Mr. Rudolphy would provide that information to Councilmember Tolis.

Councilmember Leger mentioned this year the amount in the Contingency Fund was larger than in previous years and asked for an explanation on how this happened. Mr. Rudolphy replied that since his employment with the Town, the

Contingency Fund held at between \$100K and \$200K and since the contract with the Maricopa County Sheriff's Office (MCSO) cost was lower than expected, those funds were redirected into the Contingency Fund. Mr. Rudolphy added the League of Cities and Towns estimate for State Shared Revenues was lower than received and those additional funds were directed to the Contingency Fund, after discussions with Mr. Miller. Mr. Rudolphy pointed out that this action eliminated additional work on staff to realign the budget documents numbers and allowed for an additional \$600K to \$700K in the Contingency Fund.

Councilmember Yates requested an update on the current collection of sales tax and Mr. Rudolphy replied that January and most likely February were above his estimated totals. Councilmember Yates stated if that was true would there be more funds available with that additional incoming revenue. Mr. Rudolphy explained the Town did not have the expenditure authority for those funds since they were unbudgeted. Mr. Miller added that in previous years there have been savings found in the Town's Operating Budget and used in case of an emergency. Mr. Rudolphy agreed those funds could be transferred, if not used in the current fiscal year.

Councilmember Magazine stated if there were no additional funds available, Fountain Hills could have a serious problem, and this situation showed the lack of available funding currently and would only get worse.

Mayor Kavanagh asked for further questions for Mr. Rudolphy and none were initiated.

Mayor Kavanagh asked for speaker cards and Ms. Bender stated none had been received.

Mayor Kavanagh asked for a motion.

Councilmember Yates **MOVED** to approve budget transfers in the amount of \$813,146.25 and Vice Mayor Brown **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0).

**AGENDA ITEM #6 - CONSIDERATION OF THE SECOND AMENDMENT TO COOPERATIVE PURCHASE AGREEMENT C2017-045, BETWEEN M. R. TANNER DEVELOPMENT AND CONSTRUCTION, INC. AND THE TOWN OF FOUNTAIN HILLS, IN AN AMOUNT NOT TO EXCEED \$2,500,000.00, FOR ASPHALT REPLACEMENT AND MISCELLANEOUS WORK.**

Mr. Miller addressed the Council and stated that a M.R. Tanner Company contract had been approved by Council last fall, but that the contract had expired in January 2018 and that was the reason staff was requesting Council to authorize its continuation at this meeting. Mr. Miller pointed out that with the budget limitations, additional work would be done in Zone 1 with a scheduled completion date FY2017-18, with slurry seal in FY 2018-19, using this contract. Mr. Miller pointed out that staff had recommended approval noting that without Council's approval the Town would not be able to move forward with the Pavement Management Program this fiscal year. Mr. Miller pointed out that Public Works Director Justin Weldy was present to answer Council questions.

Mayor Kavanagh asked for Council questions.

Councilmember Magazine stated the Town had informed residents that \$2M was budgeted each year for this program and if the proposed Primary Property Tax passed, there would be an additional \$4M for a total of \$6M. He asked how this related to these numbers. Mr. Miller replied this contract overlapped two fiscal years and Mr. Weldy agreed. Mr. Miller added that \$2M would be spent this fiscal year and \$500K was anticipated to be spent next fiscal year with additional needs next year.

Councilmember Leger inquired if Zone 1 would be completed next year if the Town stayed with the zone approach and Mr. Weldy replied work would take another two years based on the current funding level, with completion anticipated in Zone 1, in fiscal year 2019-20. Councilmember Leger inquired if the proposed Primary Property Tax passed, could the work schedule be expedited. Mr. Weldy replied this was an unknown, but staff would present information to Council for direction to staff in April 2018 to possibly address the worse streets.

Mayor Kavanagh asked for further questions and none were initiated.

Mayor Kavanagh asked if there were any speaker cards and Ms. Bender stated none had been received.

Mayor Kavanagh asked for a motion.

Councilmember Yates **MOVED** to approve the second amendment to Cooperative Purchase Agreement C2017-045 between M.R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work, in an amount not to exceed \$2,500,000.00 and Councilmember Magazine **SECONDED** the motion, **CARRIED UNANIMOUSLY** (7-0).

**AGENDA ITEM #7 - CONSIDERATION OF COOPERATIVE PURCHASE AGREEMENT C2018-092, BETWEEN ROADS SAFE TRAFFIC SYSTEMS, INC. AND THE TOWN OF FOUNTAIN HILLS, IN AN AMOUNT NOT TO EXCEED \$30,000.00 ANNUALLY, FOR TEMPORARY TRAFFIC CONTROL DEVICES.**

Mr. Miller explained this agreement was for the primary use of temporary traffic control devices or barricades to control traffic used for the Town's scheduled special events along with other necessary safety measures. Mr. Miller said Public Works Director Justin Weldy was available to answer any questions.

Councilmember Yates asked how many events would this contract fund and Mr. Weldy replied all special events currently scheduled in this fiscal year and would then carry over to the next fiscal year. Councilmember Yates asked if this item was unbudgeted and Mr. Weldy replied that the current contract had expired and the Town was piggybacking onto the Maricopa County contract. Mayor Kavanagh asked if an event not currently scheduled and was approved, could the event use any company to cover the safety requirements. Mr. Weldy replied the event could contract with any license, bonded and insured company as outlined in the Town Code.

Mayor Kavanagh asked for further questions and none were initiated.

Mayor Kavanagh asked if there were any speaker cards and Ms. Bender stated none had been received.

Mayor Kavanagh asked for a motion.

Councilmember Yates **MOVED** to approve Cooperative Purchase Agreement C2018-092, with Roadsafe Traffic Systems, Inc. in the amount of \$30,000.00 annually and Councilmember Magazine **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0).

**AGENDA ITEM #8 - DISCUSSION WITH POSSIBLE DIRECTION TO STAFF RELATING TO ANY ITEM INCLUDED IN THE LEAGUE OF ARIZONA CITIES AND TOWNS WEEKLY LEGISLATIVE BULLETIN OR RELATING TO ANY ACTION PROPOSED OR PENDING BEFORE THE STATE LEGISLATURE.**

Mr. Miller commented that he had attended the East Valley Manager's Meeting in Gilbert recently where the Executive Director of the League of Cities and Towns provided an overview of SB1395 and HB2479, which would impact a our State, Cities and Towns and removed the collection of the Sales Tax (TPT) on digital goods and services. Mr. Miller recommended opposing the bills and listed some of the cities and towns the bills would impact the most that collect their own taxes along with an approximate \$100M lost on Arizona's portion.

Councilmember Yates and Mayor Kavanagh spoke of the feedback they had received relating to the education Resolution Fountain Hills sent out to all municipalities in the state and he pointed out that Fountain Hills' opinion made a difference. Mr. Miller added the House Bill was sponsored by Fountain Hills' Representative Ugenti and with the Town's opposition would make a difference. Mayor Kavanagh stated that the bill currently was retained in the Senate and had not moved.

Councilmember Magazine **MOVED** to oppose HB2479 and SB1392 and Councilmember Yates **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0).

Councilmember Magazine asked for an update on the bill being considered for Home Based Business Zoning. Mayor Kavanagh replied the bill was moving and would be discussed in two different committees and noted the bill did pass the House. Mr. Miller stated that the Town's Development Services Director was closely monitoring this bill due to staff's concerns, along with Mayor Kavanagh's Monday call in for updates.

**AGENDA ITEM #9 - COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER.**

**ITEM(S) LISTED BELOW ARE RELATED ONLY TO THE PROPRIETY OF (I) PLACING SUCH ITEM(S) ON A FUTURE AGENDA FOR ACTION OR (II) DIRECTING STAFF TO CONDUCT FURTHER RESEARCH AND REPORT BACK TO THE COUNCIL:**

- i) None.

Councilmember Tolis requested an update on the replacement of the Shea entrance signage. Mr. Weldy indicated that the order had been placed and the signs should be here this week with installation planned for the following week.

**AGENDA ITEM #10 - SUMMARY OF COUNCIL REQUESTS AND REPORT ON RECENT ACTIVITIES BY THE MAYOR, INDIVIDUAL COUNCILMEMBERS, AND THE TOWN MANAGER.**

ii) None.

**AGENDA ITEM #11 - ADJOURNMENT.**

Councilmember Leger **MOVED** to adjourn the meeting and Councilmember Yates **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0). The Regular Session adjourned at 6:13 p.m.

**TOWN OF FOUNTAIN HILLS**

By \_\_\_\_\_  
Linda M. Kavanagh, Mayor

ATTEST AND  
PREPARED BY:

\_\_\_\_\_  
Town Clerk Bevelyn J. Bender

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work-Study and Regular Sessions held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 6<sup>th</sup> day of March, 2018. I further certify that the meeting was duly called and that a quorum was present.

**DATED** this 3<sup>rd</sup> day of April, 2018.

\_\_\_\_\_  
Bevelyn J. Bender, Town Clerk