



Minutes
Regular Session
Queen Creek Town Council
Community Chambers, 20727 E. Civic Parkway
March 6, 2019
5:30 PM

1. **Call to Order:** The meeting was called to order at 5:30pm.
2. **Roll Call:** (one or more members of the Council may participate by telephone)

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|----------------|----------------|---------|
| Jeff Brown | Council Member | Present |
| Jake Hoffman | Council Member | Present |
| Dawn Oliphant | Council Member | Present |
| Emilena Turley | Council Member | Present |
| Julia Wheatley | Council Member | Present |
| Robin Benning | Vice Mayor | Present |
| Gail Barney | Mayor | Absent |

3. **Pledge of Allegiance:**

Led by Council Member Oliphant.

4. **Invocation/Moment of Silence:**

A moment of silence was held for men & women in uniform and Mayor Barney's family health situations.

5. **Motion to Adjourn into Executive Session (to be held in the Ironwood Conference Room in the Community Chambers Building) for the following purposes):**

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| MOTION: | To adjourn to Executive Session at 5:31pm: |
| RESULT: | Approved unanimously |
| MOVER: | Council Member Wheatley |
| SECONDER: | Council Member Oliphant |
| AYES: | Wheatley, Benning, Brown, Oliphant, Turley, Hoffman |
| ABSENT: | Barney |

- A. Discussion and consultation with the Town's attorney for legal advice and with the Town's representatives regarding the Arizona Corporation Commission actions related to Johnson Utilities. A.R.S. 38-431.03(A)(3) & (4)
- B. Discussion and consultation with the Town's attorney and with the Town's representatives regarding annexations and providing utility services. A.R.S. 38-431.03(A)(3) & (4)

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- C. Discussion and consultation with the Town's attorney for legal advice and with the Town attorney and representatives to consider the Town's position and instruct its attorneys regarding the pending lawsuit(s): Johnson Utilities vs. Town of Queen Creek. A.R.S. 38-431.03(A)(3) & (4)
- D. Discussion and consultation with the Town's attorneys for legal advice and with the Town's attorneys and representatives to consider the Town's position and to instruct the Town's attorneys and representatives regarding contracts and agreements related to the Town's acquisition of water rights. A.R.S. 38-431.03(A)(3) & (4)

The Regular Session reconvened at 6:45pm.

6. **Consent Agenda:** Matters listed under the Consent Agenda are considered to be routine and will be enacted by one motion and one vote. Members of the Council and or staff may comment on any item without removing it from the Consent Agenda or remove any item for separate discussion and consideration.

Council request Item G removed for discussion.

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| MOTION: | To approve the Consent Agenda minus "G": |
| RESULT: | Approved unanimously |
| MOVER: | Council Member Hoffman |
| SECONDER: | Council Member Brown |
| AYES: | Wheatley, Benning, Brown, Oliphant, Turley, Hoffman |
| ABSENT: | Barney |

Item G: Discussion was in regard to having proceeds from the sale go to pay down any inter-fund loans for Town Center.

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| MOTION: | To approve Item "G" on the Consent Agenda: |
| RESULT: | Approved unanimously |
| MOVER: | Council Member Turley |
| SECONDER: | Council Member Hoffman |
| AYES: | Wheatley, Benning, Brown, Oliphant, Turley, Hoffman |
| ABSENT: | Barney |

- A. Consideration and possible approval of Expenditures over \$25,000. (FY19 budgeted items)
 - 1. Water Movers - pump and equipment rental: \$25,000 (Utilities)
 - 2. Dana Kepner - meters, meter fittings and services for water: \$300,000 (Utilities)
 - 3. Southwest Waterworks - well maintenance and repairs: \$250,000 (Utilities)
 - 4. Sentinel Technologies - network equipment: \$134,000 (Various)

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5. BPG Technologies - fiber to Desert Mountain Park: \$50,000 (Workforce/Technology)

- B. Consideration and possible approval of Resolution 1253-19 creating new Street Light Improvement District Number 103 (No. 2019-001) for Hastings Farms Parcel F and Resolution 1254-19 creating new Street Light Improvement District Number 104 (No. 2019-002) for Hastings Farms Parcel G.
- C. Consideration and possible approval of the "Final Plat" of Malone Place Parke Parcel 3, a request by JB Holdings Inc.
- D. Consideration and possible approval of a long term lease of premises located at 22407 South Ellsworth Road with AZ Aspire Academy.
- E. Consideration and possible approval of an Intergovernmental Agreement with Maricopa County for design and construction of Ocotillo Road from 228th Street to Meridian Road in an amount not to exceed \$1,002,596. (This is a budgeted item)
- F. Consideration and possible approval of Resolution 1254-19 for the Third Amendment to the purchase agreement with Queen Creek Hospitality Group, LLC, for an extension of the close of escrow until May 24, 2019 and a reduction in the amount of Town-owned land to be sold on the northwest corner of Ellsworth and Maya Roads.
- G. Consideration and possible approval of Resolution 1255-19 authorizing the Purchase Agreement with Ryu Enterprises 1968, LLC for the sale of Town-owned property located north of the northwest corner of Ellsworth Road and Ocotillo Road for \$12,360.
- H. Consideration and possible action on Ordinance 691-19, Case P18-0167 "Ranchos Legante Annexation", a proposed annexation of Maricopa County parcels totaling approximately 71.79 acres, generally located at the southwest corner of Ellsworth and Riggs Roads.

7. **Items for Discussion:** These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

A. Discussion on the Transportation Improvement Plan.

Public Works Director Troy White provided updates on the recent Popcorn with Public Works Open House and discussed cost changes to the Transportation Improvement Plan (TIP); current project delays; upcoming projects and challenges for several projects.

Mr. White discussed the increase costs for projects since 2017 due to contractor's increasing profit margins, material & labor shortages and fewer bidders for large projects. Mr. White also discussed leveraging costs using the Job Order Contract (JOC) method.

Mr. White reviewed the new projects added to the TIP, resulting in an \$18.5M increase to the TIP with a \$12M reimbursement: a) Signal Butte Rd: Germann Rd -

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SR24 - \$12M with reimbursement in 2030; b) Meridian Road: Queen Creek Rd SR24 - \$13M with 50/50 cost share with Pinal County. He also commented on a tentative project for an Ellsworth Rd/SR24 interchange participation estimated at \$25M. There were also project delays due to rain and unanticipated material delays and utilities.

Mr. White discussed significant challenges for the Riggs Road - Ellsworth to Meridian project that will require an extended closure of the railroad crossing and the Rittenhouse Road - Ocotillo to Riggs Road project where a bypass road is not feasible during the bridge construction.

Council discussed getting projects out to bid sooner to lock in costs.

8. Ceremonial Matters (Presentations, Proclamations, Awards, Guest Introductions and Announcements):

None.

- 9. Public Comments:** Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please complete a "Request to Speak Card", located on the table at the rear of the Community Chambers and turn it in to the Town Clerk prior to the beginning of the meeting. The Town Council may not discuss or take action on any issue raised during public comment until a later meeting. There is a time limit of three (3) minutes for each speaker.

None.

10. Committee Reports:

A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

See attached report.

B. Committee and outside agency reports (only as scheduled)

1. Economic Development Commission - February 28, 2019
Council Member Oliphant reported on the recent Economic Development Summit and QC Entrepreneurship workshop and updates from staff and Commission members.

- 11. Carryover Consent Agenda Items:** Any Consent Agenda item that was pulled for a separate discussion and vote will be heard at this time.

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None.

- 12. Public Hearings Consent Agenda:** Prior to consideration of the Public Hearings Consent Agenda, the Mayor will ask whether any member of the public wishes to remove a Public Hearing item for separate consideration. Members of the Council and or staff comment on any item without removing it from the Consent Agenda or remove any item for separate discussion and consideration.

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| MOTION: | To approve the Public Hearings Consent Agenda: |
| RESULT: | Approved unanimously |
| MOVER: | Council Member Hoffman |
| SECONDER: | Council Member Turley |
| AYES: | Wheatley, Benning, Brown, Oliphant, Turley, Hoffman |
| ABSENT: | Barney |

- A. Public Hearing and possible action on "Dutch Brothers Coffee Shop" Conditional Use Permit (P18-0136) and Site Plan (P18-0137), a request by Matthew Rasmussen (Tectonics Design Group) for a Conditional Use Permit and Site Plan to allow construction of a new coffee shop with a drive-thru within the Shops at Terravella, located east of the northeast corner of Ellsworth and Queen Creek roads. (A continuance to April 3, 2019 is requested)
- B. Public Hearing and possible action on Ordinance 692-19, P18-0166 "Ranchos Legante PAD", a request from Sean Lake, Pew and Lake PLC, to Rezone from R1-43 to R1-12/PAD for a 116 lot subdivision on approximately 58.52 acres located at the southwest corner of Ellsworth and Riggs Roads.

- 13. Public Hearings:** If you wish to speak to the Council on an item listed as a Public Hearing, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

None.

- 14. Final Action:** If you wish to speak to the Council on an item listed under Final Action, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

- A. Consideration and possible approval of amendments to the Town's Procurement Policy to increase the single-project limit for projects awarded under a job-order contract from \$1 million to \$3 million. Town Council approval would still be required for individual job orders as provided in the Town Procurement Policy.

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Deputy Finance Director Dan Olsen stated that using the Job Order Contract (JOC) procurement method increases the efficiencies in the procurement process and allows projects to be completed faster. Mr. Olsen reviewed the prior Delegation Resolution approval to streamline individual contract approvals for a project and staff's request to further streamline infrastructure projects by using the JOC method. He reviewed the Town's current process for approving a JOC for various projects. Mr. Olsen also reviewed the state statutes regarding the \$1M limit unless a municipality sets their own project limit. Mr. Olsen explained that for any job over \$1M, a bid is required and the process can take 4-6 weeks, while using a JOC can save that same time.

Mr. Olsen provided examples of other municipalities JOC limits. Council discussed Gilbert's policy of \$1M with the option to exceed on a case-by-case basis. Town Attorney Patel explained that having that option in the policy provides clarity that the threshold can be higher than \$1M.

Utilities Director Paul Gardner provided additional information on how JOC's are more efficient especially with utility projects that often have unanticipated jobs associated with a project (repairs etc) and clarified that staff is requesting an increase to the dollar threshold.

Further discussion was in regard to tracking costs between a JOC and traditional bids to ensure best pricing; risks of adding a case-by-case option and the possibility of Council not approving the JOC.

Discussion continued on the use of JOC's, particularly in the utilities area. Staff further explained how JOC's are used for specific project or job with a specific scope of work, and the cost for the project under a JOC can't increase for the term of the JOC.

MOTION: To approve amendments to the Town's Procurement Policy to increase the single-project limit for projects awarded under a Job Order Contract from \$1M to \$3M:

RESULT: Approved 4-2

MOVER: Council Member Wheatley

SECONDER: Council Member Oliphant

AYES: Wheatley, Benning, Brown, Oliphant

NAYS: Turley, Hoffman

ABSENT: Barney

- B. Consideration and possible approval of a Job Order with B&F Contracting for the construction of the Power Road Lining Rehabilitation Project (WW070) in an amount not to exceed \$1,493,778; and necessary budget adjustments.

MOTION: To approve a Job Order with B&F Contracting for the construction of the Power Road Lining Rehabilitation Project (WW070) in an amount not to exceed \$1,493,778; and necessary budget adjustments:

RESULT: Approved unanimously

MOVER: Council Member Brown

SECONDER: Council Member Hoffman

AYES: Wheatley, Benning, Brown, Oliphant, Turley, Hoffman

ABSENT: Barney

- 15. Items for Discussion:** These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

None.

- 16. Motion to Adjourn to Executive Session** The Council may reconvene the Executive Session for any of the items listed on the Executive Session Agenda.

None.

17. Adjournment

The meeting was adjourned at 8:02pm.

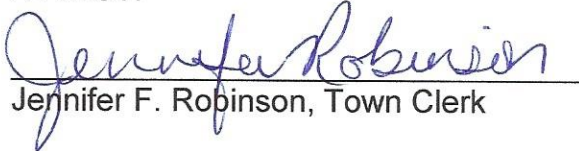
TOWN OF QUEEN CREEK



Gail Barney, Mayor

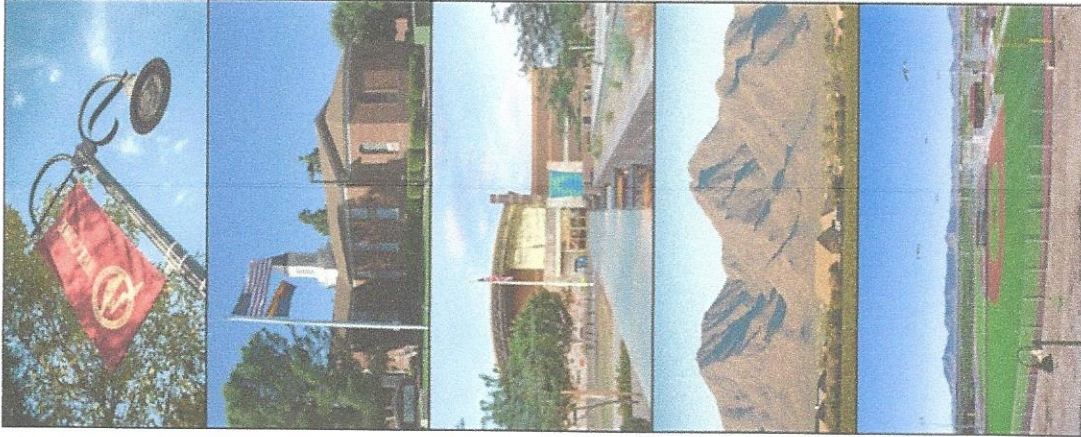
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ATTEST:


Jennifer F. Robinson, Town Clerk

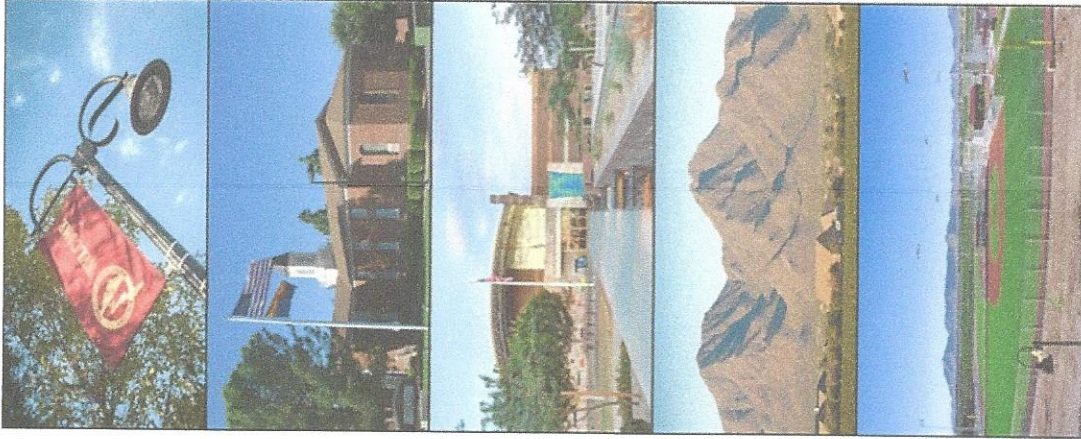
I, Jennifer F. Robinson, do hereby certify that, to the best of my knowledge and belief, the foregoing Minutes are a true and correct copy of the Minutes of the March 6, 2019 Regular Session of the Queen Creek Town Council. I further certify that the meeting was duly called and that a quorum was present.

Passed and approved on April 17, 2019



Council Committee Reports (1)

- 02/07 – Speaking to a Women’s Group at HPEC (Wheatley)
- 02/07 – EVP Board of Directors Meeting (Hoffman)
- 02/08 – League Executive Committee Meeting (Barney)
- 02/09 – Salute to Farming Freedom Event (Barney)
- 02/12 – QCUSD Business Partner Breakfast (Benning)
- 02/13 – 2019 Apache Junction State of the City Address (Barney, Benning)
- 02/14 – TAC Meeting (Brown)
- 02/15 – Toll Brothers’ Crossings at Meridian Community Ribbon Cutting (Barney)
- 02/15 – Toll Brothers’ Crossings at Meridian Community VIP Event (Wheatley)
- 02/19 – Phoenix-Mesa Gateway Board Meeting (Barney)
- 02/19 – MAG Chair Briefing with Eric Anderson (Barney)
- 02/20 – MAG Transportation Policy Committee (Barney)
- 02/21 – Canyon State Academy “The Union” Ribbon Cutting (Oliphant)
- 02/21 – Power Tags, Titles, & More Ribbon Cutting (Barney)
- 02/21 – Queen Creek’s Entrepreneurship Workshop (Oliphant)
- 02/22 – Breakfast with Legislative District 12 (Barney)



Council Committee Reports (2)

- 02/22 – Municipal Tax Code Commission Meeting (Barney)
- 02/23 – Kids Inc. Grand Opening (Barney, Benning)
- 02/25 – Police Services Discussion (Barney, Brown, Wheatley)
- 02/26 – Agenda Briefing with Town Manager John Kross (Hoffman, Turley)
- 02/26 – Speaking at Eagle Scout Ceremony (Turley)
- 02/27 – EDC Meeting (Oliphant)
- 02/27 – MAG Regional Council Meeting (Barney)
- 02/28 – Meeting with Warde Nichols from ASU (Wheatley)
- 02/28 – Popcorn with Public Works (Brown, Turley)
- 03/01 & 03/02 – Town Council Strategic Planning Session (Barney, Benning, Brown, Hoffman, Oliphant, Turley, Wheatley)
- 03/04 – Meeting with Warde Nichols From ASU (Brown)
- 03/04 – Meeting with Representative David Cook (Benning)
- 03/05 – Nando's Ribbon Cutting (Barney, Brown, Oliphant, Wheatley)
- 03/06 – High School Star Students (Barney, Brown, Turley, Wheatley)