

Minutes Enhanced Services Commission Wednesday, April 14, 2010

Minutes of the Enhanced Services Commission held on April 14, 8:30 AM, at the SunCor Conference Room in Hayden Ferry Lakeside, Tempe, Arizona.

Members Present:

Chris Anaradian
Kathy Berzins
Neil Calfee
Gary Cheek
Gordon Cresswell
Jerry Hart
Nancy Hormann
Mark Richwine
Chris Salomone

City Staff Present:

Roger Hallsted
Diane Johnson
Nancy Ryan

Members Absent:

Greg Loper
Randy Levin

Guests:

Mitch Rosen

Meeting convened at 8:33AM.

Agenda Item 1 – Consideration of meeting minutes: January 13, 2010

Neil Calfee asked if the commission members had reviewed the minutes from January 13, 2010.

MOTION: Gary Cheek moved to approve the minutes.

SECOND: Chris Salomone

DECISION: Minutes were unanimously approved.

Agenda Item 2 – Public Appearances

There were no public appearances.

Agenda Item 3 – Landowner Member & Chairperson Selection

Nancy Ryan announced Randy Levin has resigned from SunCor and resigned as member & chair of the Enhanced Services Commission. Neil, as commission president, will be residing as the chairperson today. She stated the commission will need to replace a landowner member and elect a new chairperson. Nancy R. stated we have the opportunity to replace a landowner representative from HFL West & HFL East.

General discussion regarding the **landowner member and chairperson selection**, including:

- Commission members asked Mitch Rosen to join the commission to represent HFL West. Mitch agreed to accept the position.
- Gary Cheek stated there will be a lot of personnel changes in the next few months for the city and landowners. He would like to wait until the annual meeting in October to elect a new chair and have Neil reside as chairperson until then. The commission members concurred.
- Chris Anaradian asked who the ESC representation is from Playa del Norte. Nancy stated Greg Loper from Weststone is the representative and has not attended a meeting in awhile.

MOTION: Nancy Hormann moved to have Mitch Rosen replace Randy Levin and Neil Calfee reside as chairperson until the annual ESC meeting in October.

SECOND: Chris Anaradian

DECISION: The motion was unanimously approved

Agenda Item 4 – Reserve Study

Nancy R. reported the ESC commission had asked staff to find out what it would cost to do a Town Lake Reserve Study. She received three proposals ranging in cost from \$3400 to \$6500. The scope of the study includes dams, recirculation wells, dock systems, and emergency warning system. Nancy R. stated none of the respondents had prepared a study with dams before but had prepared studies with lakes.

General discussion regarding the **Reserve Study**, including:

- Mitch Rosen said of the three companies the one he recognized was RDA and stated it is the best known in the valley. Nancy R. reported RDA was the highest priced proposal. Mitch would like to see the bench line reserve study done this year and then one every 3 to 4 years.
- Nancy R. stated that RDA spent the most time with staff looking at the scope of work.

Committee Consensus: Commission members asked staff to go back to all three respondents to get a “best & final” offer. Also to look at the history of the people doing the study and what experience does the employee have in this type of facility. The commission members would like a bench line reserve study done this year.

Agenda Item 5 – Financial Update

Roger Hallsted, Rio Salado Financial Analyst gave a CFD financial update. He stated the maintenance and security cost that are shown on the handout are through February. He reported the lake operation is good at 59% of the budget with $\frac{3}{4}$ of the year completed. He also stated water also affects the cost of running the lake. This year water replacement is at 0.5% of the budget because of the water flows in the river.

General discussion regarding the **Financial Update**, including:

- Mitch asked why the operating budget jumped in 2005/06 and each year thereafter. Roger stated the increase in budget is due to water costs and new park areas.
- Neil asked if the city will have a water quality issue because of the water flows and warmer temperatures. Nancy R. said the city will soon be treating for midge flies at the lake. She also stated this summer we will need to watch the mosquito counts because of the abundance of water.

Agenda Item 6 – FY 2010-11 CFD Budget Recommendation

Roger gave an overview of the proposed CFD budget for the FY 2010-11. He reported replacement water budget is reduced \$90,000 from last year to account for the water flows. The budget for water and electricity are now closer to the actual costs. The infrastructure replacement has not been modified pending the reserve study and decision on the dam replacement system.

General discussion regarding the **FY 2010-11 CFD Budget Recommendation**, including:

- Jerry Hart asked about the costs for water quality management and security. The water quality management budget has increased because of shared costs for bypass pumping. Roger stated the bypass pumping costs are split-half from CFD and half from the city. Roger stated security costs have gone down \$100,000 due to city budget cuts. Rio Salado went from 8 to 6 authorized Park Ranger positions.
- Chris Anaradian stated the city hopes to have a permanent pump station in the future. Roger reported the pump station is a CIP item and has been submitted each year for 4 or 5 years. Chris A. suggested combining the permanent pump station and dam replacement as one CIP.
- Mitch said the private property owners are interested in the infrastructure replacement dollar amount and how it may affect the O & M assessments. Nancy suggested staff will revisit infrastructure replacement costs after the reserve study is completed.

MOTION: Nancy Hormann moved to accept the proposed FY 2010-11 CFD budget with it not to exceed as presented.

SECOND: Chris Anaradian

DECISION: Motion was unanimously approved

Agenda Item 7 – Private Project Update

- 1) Nancy reported because of a Northshore Condominiums auction and Grigio being resold staff has received numerous calls about lake O & M assessments and the Miller Road ID.
- 2) Chris Salomone reported staff is discussing ways to protect Town Lake development from underdevelopment (not at highest & best use) of properties purchased during the recession.
- 3) Gary reported there is a formal notice of a trustee sale for the HFL hotel site.

Agenda Item 8 – Public Project Update

- 1) Rio East Linear Park located on the south bank of the lake from Rural Road to east dam has been completed.
- 2) USACE Project-Phase III is in construction on the south bank from the east dam to McClintock Dr. and should be completed in June. The north bank portion of Phase III has been delayed due to ADOT 202 widening. This portion of the project should begin construction in the fall.
- 3) Dam replacement will begin when the water flows subside. Pedestrian Bridge is now being fabricated and will be placed on the downstream dam after the dam replacement has been completed.
- 4) A boat concession RFP will be out soon. The kiosk in TPB is open for use by a new concessionaire.
- 5) The Rio Salado Operations Center is moving to Orchid House.
- 6) Nancy H. reported since opening Robbie Fox's Public House is doing 30% over their projections. She also said Uno's space is under construction for a Sushi Wine Bar opening

the end of summer. Also there are two letters of intent for Mills End space, and two gift shops going into the Brickyard building.

- 7) Chris S. reported Dixon Golf has leased space on 3rd floor in the Transit Center for their 60 employee corporate headquarters. There are also two offers for leased space in the city's parking garage.

Nancy R. announced Mark Richwine is retiring from the City in June and this will be his last ESC meeting. She thanked him for his years of service and wished him well in retirement.

The Committee's next meeting will be July 14, 2010.

Meeting adjourned at 9:48AM.

Prepared by: Diane Johnson
Reviewed by: Nancy Ryan

Nancy Ryan
Rio Salado Project Manager