

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCILCITY OF ELOY
595 NORTH C STREET
OCTOBER 28, 2024
6:00 P.M.**

Staff Present: David Malewitz-City Manager, Mackenzie Letcher-Assistant City Manager; Stephen R. Cooper-City Attorney, Mary Myers-City Clerk, Sylvia Payne-HR Director; Brian Wright-Finance Director, Dan Symer-Community Development Director, Matt Rencher-Public Works Director/City Engineer, Sergio Banales-Police Chief, Paul Anchondo-Community Services Director

I. CALL TO ORDER

Mayor Micah Powell called the meeting to order at approximately 6:00 p.m.

II. ROLL CALL

Council Members Present: Mayor Micah Powell, Vice Mayor Sara Curtis, Councilmember Sylvia G. Rodriguez, Councilmember Andy Sutton, Councilmember Dan Snyder, Councilmember Jose Garcia, Councilmember Michelle McKinley-Tarango

Council Members Absent: None

III. MOMENT OF SILENCE

Mayor Powell called for a moment of silence.

IV. PLEDGE OF ALLEGIANCE

Councilmember Snyder led the Council and the public in the Pledge of Allegiance.

V. PUBLIC APPEARANCES

A. Scheduled

B. Unscheduled

VI. REPORTS AND ANNOUNCEMENTS

A. Council Member Announcements

1. Councilmember Sutton made the following announcements:

- October 16th & 17th - Attended the Rural Transportation Summit in Prescott with Mayor Powell, Mr. Malewitz, and Mr. Letcher. Mayor Powell received an award for being a champion of transportation. Councilmember Sutton commended the mayor for bringing over \$12.0 million to the city for transportation and road improvements.
 - October 26th – Attended the city's annual harvest festival at Main Street park. Commendations were given to Mr. Anchondo and his staff for another great event.
2. Vice Mayor Curtis reminded the Council and the public of the upcoming Eloy Glow event, November 9th at the Eloy Jr. High School. She, along with several other skydivers, will be skydiving onto the school's track field.
3. Councilmember Tarango thanked the police department for their presence at the Harvest Festival. She said their presence was very well noticed.

B. Mayor Announcements

Mayor Powell conveyed the following announcements:

- Also attended the harvest festival; it was well attended.
- Appreciated being recognized at the transportation summit. He said it was a lot of hard work, but very much worth it. He said the award was for everyone who put in the time and effort.

C. City Manager Announcements

Mr. Malewitz announced the following communications:

- The Chamber luncheon will be held on Wednesday, October 30th at Robson Ranch. Mayor Powell and Chief Banales are the guest speakers.
- The harvest festival was very successful. Thirteen (13) vendors participated. The city gave away 75th anniversary Halloween bags and safety lights to children.
- The high school will have its annual homecoming parade this Friday on Main Street, starting at 1:00 p.m. Police officers and Arizona Rangers will be at the homecoming game that evening.
- Day of the Dead celebration will be held at the cemetery, November 2nd.
- G.A.I.N. night will be held at the Troy Thomas Community Center on Wednesday, November 6th.
- City offices will be closed November 11th in observance of Veterans Day. There will be an annual veterans day event held at the Main Street park on that day. Mr. Malewitz also noted that the next regularly scheduled city council meeting will be held on Tuesday, November 12th, due to the holiday.

1. **Presentation of the Certificate of Achievement for Excellence in Financial Reporting to the Mayor and City Council in recognition of outstanding financial reporting for the fiscal year ending June 30, 2023.**

Mr. Wright came forward to present the mayor with two awards the city received. The first award was for excellence in financial reporting (12th year receiving recognition) and second award was for popular annual financial reporting (1st year receiving award).

2. **Presentation of the Government Finance Officers Association (GFOA) Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the Mayor and City Council in recognition of the Popular Annual Financial Report for the fiscal year ending June 30, 2023.**

The award was presented to the mayor in conjunction with the first award.

VII. CONSENT AGENDA

- A. Approval of Minutes: 10/14/2024 (regular)
- B. Acceptance of the Federal Fiscal Year (FFY) 2024 High Intensity Drug Trafficking Area (HIDTA) grant # HT-24-2918 for the purpose of continued funding of a sworn police officer position with the Pinal County HIDTA Narcotics Task Force (PCNTF).
- C. ~~Authorization to renew a Lease Agreement with the Eloy Chamber of Commerce to occupy a City owned office building located at 515 N. Main Street. (Removed for separate discussion/action)~~
- D. Approval of purchase and installation of one Poligon shade structure for Maddox Park for an amount not to exceed \$45,000.
- E. Approval of a grant of a utilities easement by the City of Eloy to Arizona Public Service (APS) for a utility easement across Parcel 405-02-272A to allow for design and relocation of an existing power pole and electric utility lines.
- F. ~~Approval to enter into an agreement with Commonwealth Electric Company of the Midwest for the purchase and installation of a 125 kilowatt Cummins natural gas generator for an amount not to exceed \$225,000.00 to be installed at Eloy City Hall. (Removed for separate discussion/action)~~

Councilmember Sutton requested item C removed from the Consent Agenda.

Councilmember Snyder requested item F removed from the Consent Agenda.

A motion was made by Councilmember Garcia and seconded by Councilmember Rodriguez to remove items C and F from the Consent Agenda, and approve remaining Consent Agenda items as presented, passed unanimously by roll call vote (7-0).

C. AUTHORIZATION TO RENEW A LEASE AGREEMENT WITH THE ELOY CHAMBER OF COMMERCE TO OCCUPY A CITY-OWNED OFFICE BUILDING LOCATED AT 515 N. MAIN STREET.

Staff Cover Sheet Report - *Staff recommends that Mayor and Council approve a renewed Lease Agreement with the Eloy Chamber of Commerce to occupy the City-owned building located at 515 N. Main Street.*

In 2019, the Mayor and Council entered into a lease agreement with the Eloy Chamber of Commerce, the Santa Cruz Valley Historic Museum, and the Sunland Visitor Center for the use of the Santa Cruz Valley Museum property at 3725 North Camelot. However, within two years, it became apparent that the Visitor Center required additional space, and the location was not suitable for the Chamber's operations. As a result, a more central location in downtown Eloy was deemed preferable for the Chamber.

In 2020, the City of Eloy acquired a property at 515 N. Main Street, formerly a law office. The building was prepared to house the Chamber of Commerce after necessary repairs, asbestos abatement, and interior and exterior painting. The Chamber relocated to this location under a new lease agreement in exchange for providing a range of services to the City, including business retention and expansion support, special event assistance, distribution of business resource information, tourism promotion and management of the Sunland Visitor Center and Museum.

The proposed lease agreement will grant the Eloy Chamber of Commerce an initial one-year term, with the option for annual renewal, contingent upon the Chamber fulfilling its obligations under the Community Outreach Program scope of services referenced as exhibit (A) within the lease agreement.

For the 2024 renewal, the Chamber will continue to occupy approximately half of the 2,295-square-foot building. The Chamber remains responsible for covering all utility costs (water, sewer, electricity, phone, and internet), while the City will handle reasonable repairs to the building that exceed \$2,500. The Chamber is also required to submit quarterly financial reports and a year-end report detailing revenues and expenses.

The Chamber's Board of Directors reviewed and approved the terms for the 2024 renewal in January 2024. However, staff postponed bringing the renewal to Council for approval until the Chamber updated its by-laws, which occurred in July 2024.

FISCAL IMPACT:

- 1. The base rent for the lease agreement with the Eloy Chamber of Commerce for the City-owned building at 515 N. Main Street is set at \$1.00, payable annually on or before the first day of each lease anniversary year.*

2. *Community Services will cover necessary repairs to the premises that exceed \$2,500.*

Councilmember Sutton inquired about Provision 4 in the contract (Termination Without Cause). It states that the tenant may terminate the lease at any time with a 90-day notice. However, if the city choose to terminate the contract, it must give the tenant a one-year notice, which he believes is too long. Councilmember Sutton said he would prefer both parties to be given a 60-day notification.

Mr. Letcher said reducing the notification from one-year to 90 days can be done, however, typically the tenant will have determined that they do not plan to renew the lease. If the city gives the tenant a 90 or 60 day lease, it gives the tenant a really short time frame to relocate.

Councilmember Sutton said he does not believe the Chamber is in any kind of jeopardy of leaving the building. He has never seen a one-year notification on a lease.

Mr. Letcher said if it is the desire of the Council to amend the provision, staff could do this.

Councilmember Snyder wanted clarification on the subleasing and parking. He wanted to know where those businesses would park. He also asked who would be responsible for the utilities if a business came in and leased one of the offices in the building.

Andrew Rodriguez, executive director for the Eloy Chamber of Commerce said because the city does not own the property next to the building, patrons will have to park on the street in front of the building. As far as utilities, Mr. Rodriguez stated that sublessees will share in the cost of the utilities.

Councilmember Garcia said he was fine with reducing the time to 120 or 180 days.

Mr. Cooper pointed out that Mr. Rodriguez would have to go to his board to seek approval to change the notification timeline. If the Council wish to reduce the one-year time frame, Council would make a motion to approve the agreement with the amendment to the notice of termination by the city.

Councilmember Snyder and Vice Mayor Curtis both supported keeping the one-year notification.

Mr. Letcher pointed out that the one-year clause is termination without cause. The city would essentially force the Chamber out because of another tenant.

Mayor Powell said he thought the city had a five-year lease with the Chamber.

Mr. Letcher said the original lease is renewed on an annual basis. What was put into effect in 2019-2020 allowed for endless renewals.

Councilmember Sutton said he was comfortable with the agreement and would support the one-year termination notice on the city's part.

A motion was made by Councilmember Snyder and seconded by Councilmember Tarango to authorize the renewal of a Lease Agreement with the Eloy Chamber of Commerce to occupy a city-owned office building located at 515 North Main Street, passed unanimously (7-0).

F. APPROVAL TO ENTER INTO AN AGREEMENT WITH COMMONWEALTH ELECTRIC COMPANY OF THE MIDWEST FOR THE PURCHASE AND INSTALLATION OF A 125 KILOWATT CUMMINS NATURAL GAS GENERATOR FOR AN AMOUNT NOT TO EXCEED \$225,000.00 TO BE INSTALLED AT ELOY CITY HALL.

Staff Cover Sheet Report: *Staff recommends Council approval to enter into an agreement with Commonwealth Electric Company of the Midwest to install a 125 kilowatt Cummins natural gas generator for an amount not exceeding \$225,000.00 to be installed at Eloy City Hall.*

Eloy City Hall lacks an emergency power supply system, leaving it vulnerable to power outages that can disrupt operations, compromise safety, and result in significant financial losses. A reliable emergency power source has become critical with increasing severe weather and other unforeseen events. Installing a 125 KW generator will provide reliable backup power to the facility's essential systems, including the building's community room and atrium, adjacent restrooms, and emergency lighting throughout the facility. This initiative is crucial for ensuring the continuous operation of identified essential services during power outages and emergencies. The project scope will provide electrical equipment, material, and labor to install a new 125-kilowatt natural gas generator and 400-amp automatic transfer switch.

The purchase can be made through the City of Mesa "SAVE" Contract #25-04-30 for an amount not exceeding \$225,000. The project cost includes a contracted amount of \$194,860.89, with an additional thirty thousand dollars (\$30,000) in owner's contingency to be applied towards any unforeseen costs related to additional modifications to the facility's existing electrical system beyond what has been identified in the original scope of work.

The Cummins generator includes a two-year part, labor, and travel warranty and a one-year comprehensive warranty for the automatic transfer switch. The cost of an annual preventative maintenance contract for the generator is currently \$1,700. This

cost will be budgeted for on an annual basis through the facilities division's maintenance and operations budget.

FISCAL IMPACT: *Funding for the purchase and installation of the generator has been budgeted and approved by the City Council through the City's 2024-2025 Capital Improvement Plan, in the amount of \$350,000.*

Councilmember Snyder conveyed that in reviewing the agreement, he saw no provision for the cost of the gas hookup.

Mr. Malewitz explained that cost for the gas hookup would cost between \$10,000 to \$12,000. The contractor, Commonwealth Electric, does not provide these services. The city will have to contract this out. Mr. Malewitz said \$350,000 was budgeted for the project.

Councilmember Snyder asked did Council already approve this amount.

Mr. Malewitz said yes.

Mayor Powell wanted to know would the generator have enough power to generate city hall.

Councilmember Sutton, who is well verse in the electrical industry, said he reviewed the plans with Mr. Anchondo. He suggested hiring a professional company to come in and perform a complete maintenance on the switch gear, before installing the generator. Councilmember Sutton said the switch gear probably have not been exercised or maintained, which is common. He wanted to know if the engineering includes the test and maintenance procedures on the generator on a form that the city can utilize.

Mr. Anchondo said these procedures are not included in the contract and would have to be outsourced.

A motion was made by Councilmember Snyder and seconded by Councilmember Garcia to enter into an agreement with Commonwealth Electric Company of the Midwest for the purchase and installation of a 125-kilowatt Cummins natural gas generator for an amount not to exceed \$225,000 to be installed at Eloy city hall, passed unanimously (7-0).

VIII. BUSINESS

A. ACCEPTANCE OF A PROFESSIONAL SERVICES CONTRACT BETWEEN PROPERTY COUPLE LLC AND THE CITY OF ELOY FOR THE CITY'S OWNER-OCCUPIED HOUSING REHABILITATION PROGRAM.

Staff Cover Sheet Report: *Staff recommends the City Council enter into a professional services contract with Property Couple LLC to implement the City's Owner-Occupied Housing Rehabilitation Program.*

The City of Eloy has contracted with BBAR Consulting for housing rehabilitation services for ten years. On May 13, 2024, a meeting was held with City staff and Brandon Bruce, owner of BBAR Consulting, to discuss BBAR's contract, which was set to expire on May 25, 2024. At this meeting, City staff and Brandon discussed the current contract, Brandon's current work obligations versus consulting services, and future consulting services with the City. After the meeting, Brandon informed City staff he would decide within a few days if he would continue his housing rehabilitation services. On June 3, 2024, BBAR informed the City he would not renew the contract due to his current work obligations. This decision has led to a halt in the City's Owner-Occupied Housing Rehabilitation Program, as the City does not have the internal resources to provide these services.

Staff contacted other agencies, like Pinal County and the City of Casa Grande, to inquire about joint housing rehabilitation services, but those agencies did not have the resources to accommodate the City. In response, the City issued a Request for Proposal (RFP) for housing services in September 2024, with a submission deadline of October 7, 2024. Only one proposal was received from Property Couple LLC. The proposed contract with Property Couple LLC is for a four-year term, expiring on October 28, 2028, unless either party terminates it with a ten-day written notice. The contract also includes two possible one-year extensions.

Brian Tardif, the owner of Property Couple LLC, has over 20 years of experience in community development, neighborhood rehabilitation, and construction. Property Couple LLC has worked with the City of Casa Grande's Housing Department on various low-income housing projects and brings expertise in general contracting, code compliance, and housing rehabilitation using funding from HOME, Community Development Block Grants (CDBG), and Housing Trust Funds (HTF). As the former Chief Building Official for Casa Grande, Tardif has built a strong relationship with the city and earned a reputation for positively impacting communities through his work in development and contracting.

The Property Couple LLC contract includes a lump sum payment of \$7,000 per unit for rehabilitation services. These services will include a needs assessment, technical architectural plans and scope of work and specification writing, procurement of contractors, construction management, and final inspection.

Additionally, those services may be performed at \$60 per hour if grants administration and management are needed. This task includes record maintenance, audit-ready files, monthly and quarterly reports, fiscal management of payables and receivables of all active grant funds, eligibility verification, and individual program beneficiary files. Currently, the staff is completing this work.

FISCAL IMPACT: *The fiscal impact of \$7,000 per home is funded out of the CDBG Grant. Each housing grant application has 3–4 homes. The total housing rehabilitation services will be around \$28,000 per grant with funding coming from the grant and city in-kind services. This contract has been reviewed and approved by the City Attorney.*

Mr. Wright provided a brief overview of the proposed contract with Property Couple Inc., to provide services for the city's owner-occupied housing rehabilitation program.

There being no questions, Mayor Powell called for direction from the Council.

A motion was made by Councilmember Sutton and seconded by Councilmember Garcia to approve a professional services contract with Property Couple, LLC for the city's owner-occupied housing rehabilitation program, passed unanimously (7-0).

B. ACCEPTANCE OF A SUBRECIPIENT AGREEMENT BETWEEN PINAL COUNTY AND THE CITY OF ELOY FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROJECTS 30122 (TOLTEC SENIOR CENTER IMPROVEMENT PROJECT).

Staff Cover Sheet Report: *Staff recommends the City Council accept the Subrecipient Agreement between Pinal County and the City of Eloy for Community Development Block Grant Projects 30122 for the Toltec Senior Center Improvement Project.*

Under this program, Pinal County is allocated funding under the CDBG and HOME programs. The City of Eloy elected to join the County and receive funding under the County's allocation. The allotment for each city within the Pinal County entitlement consortium (Eloy, Mammoth, Florence, Maricopa) is approximately \$130,000.

Pinal County is sending subrecipient agreements to the communities for Community Development Block Grant Projects, which have been identified by the communities. The City of Eloy identified project number 30122 (Toltec Senior Center Improvement Project) with the award of \$173,090. The Toltec Senior Center Improvement Project will include the removal and replacement of approximately 3,000 sq ft of ADA concrete sidewalks, ramps, and curbs, two self-operating ADA entry doors including any/all required electrical upgrades to the building's existing service panel,

installation of CMU dumpster enclosure, and application of approximately 8,000 sq ft of asphalt seal coating to the building's parking area in addition to a restripe.

Below is the project time schedule:

- *Execute Subrecipient Agreement* 11/30/2024
- *Release of Funds from Pinal County* 12/31/2024
- *Completed procurement* 3/31/2025
- *Project completion* 9/30/2025
- *Davis Bacon and Section 3 compliance, if applicable* 9/30/2025
- *Project closeout and closeout report due* 12/31/2025

The official subrecipient agreement and award terms/conditions are attached for review.

FISCAL IMPACT: *The fiscal impact will be a maximum of \$173,090 from CDBG grant revenue. The City will leverage additional funding in the Capital Projects for FY 25-26 to complete any necessary project cost associated with the project.*

Mr. Wright reviewed the proposed subrecipient agreement with Pinal County for the CDBG Toltec Senior Center improvement project.

Mayor Powell wanted to know would the county take any of the unused CDBG funds back. He also wanted to know would the city apply again next year.

Mr. Wright said no, funds would not be returned. He said the city would apply for funds again next year.

There being no further questions, Mayor Powell asked for direction from the Council.

A motion was made by Councilmember Sutton and seconded by Councilmember G. Rodriguez to approve a Subrecipient Agreement with Pinal County for Community Development Block Grant project 30122 (Toltec Senior Center Improvement Project), passed unanimously (7-0).

C. ACCEPTANCE OF A PUBLIC UTILITIES EASEMENT FROM I-10 ELOY ELEVEN MILE CORNER AND BATTAGLIA DR H53, LLC TO THE CITY OF ELOY FOR PARCEL 404-12-005, FACILITATING THE DESIGN AND CONSTRUCTION OF A SEWER MAIN AND OTHER UTILITIES.

Staff Cover Sheet Report: *Council Approval of the Dedication of a Public Utilities Easement from I-10 Eloy Eleven Mile Corner and Battaglia Dr H53, LLC to the City of Eloy for the Design and Construction of Sewer Main and Other Utilities.*

In March 2023, the City Council approved a contract with Wilson Engineers to design a new sewer line along Eleven Mile Corner Road to replace the existing force main that crosses private property and increase sewer capacity, particularly along Battaglia Road. The new sewer line will be placed within the public right-of-way, improving accessibility and system reliability. A section of the design requires the sewer main to extend west and south, crossing private property to reach the City's wastewater treatment facility's influent lift station. This alignment was strategically planned to accommodate future growth and enhance service in the area.

In February 2024, the property where the easement is needed changed ownership from TES Farms to a new owner. City staff met with the current owners, who are supportive of the easement and committed to collaborating with the City and project contractors to advance the project efficiently. This cooperation is vital to keeping the project on schedule. Additionally, the new sewer alignment allows the property owner to connect to the expanded system, supporting potential development around the wastewater treatment facility. This infrastructure upgrade aligns with the City's long-term objectives of fostering growth, improving utility services, and promoting economic development.

The council's approval of the easement is essential to maintaining the project timeline, expanding the sewer system, and ensuring infrastructure is in place to support future development.

FISCAL IMPACT: None

Mr. Rencher provided an overview of staff's request for Council acceptance of a public utilities easement to facilitate the design and construction of a sewer main and other utilities.

Mayor Powell wanted to know what would happen to the current sewer line.

Mr. Rencher said it would be abandoned and remain in place. He said the line is deep enough where it should not impact any development on the property.

There being no further questions, Mayor Powell asked for direction from the Council.

A motion was made by Councilmember Tarango and seconded by Councilmember Garcia to approve a Public Utilities Easement from I-10 Eloy Eleven Mile Corner and Battaglia Drive H53, LLC to the City of Eloy, for parcel 404-12-005, facilitating the design and construction of a sewer main and other utilities, passed unanimously (7-0).

C. CONDUCT A PUBLIC HEARING AND CONSIDER ADOPTING RESOLUTION NO. 24-1595 APPROVING CASE NO. CUP2024-002: ELOY VALLEY I AND II SOLAR ENERGY CENTER, A CONDITIONAL USE

D. PERMIT IS TO ALLOW SOLAR, UTILITY SCALE GENERATION, AND BATTERY ENERGY STORAGE SYSTEM FACILITIES ON AN IRREGULARLY SHAPED PROPERTY CONTAINING APPROXIMATELY 2,237 ACRES SITE ZONED RURAL RESIDENTIAL (RR-20) AND ESTATE

Staff Cover Sheet Report: *The staff recommends that the City Council find that the Conditional Use Permit Criteria have been met and adopt Resolution No. 24-1595 approving the Conditional Use Case No. CUP2024-002: Eloy Valley I and II Solar Energy Center in accordance with the attached Conditions of Approval.*

Request:

The applicant, Pew and Lake, PLC, c/o Ralph Pew, on behalf of NextEra Energy Resources, LLC ("NextEra") and various property owners, has submitted an application for a Conditional Use Permit (CUP) to allow a Solar, Utility Scale Generation, and Battery Energy Storage System Facility on an irregularly shaped property containing approximately 2,237 acres site zoned Rural Residential (RR-20) and Estate Residential (R1-43), and located between West Shay Road, West Pretzer Road, South Sunshine Road and South Tweedy Road.

Context

The site is primarily surrounded by farms and vacant land. The General Plan land use map designations adjacent to the site are primarily Estate Density Residential, Low-Density Residential, Medium Density Residential, Medium-High Density Residential, High-Density Residential, and Community Commercial. The surrounding properties are primarily zoned Rural Residential (RR-20), Estate Residential (R1-43), Single-Family Residential (R1-6) Multiple Family Residential (R-3), and General Commercial.

Background

In August 2023, the City Council adopted Ordinance 23-950, which amended the Zoning Ordinance and established criteria for all Utility-Scale Solar developments. These provisions provide guidance to applicants, staff, and appointed and elected officials in the City of Eloy pertaining to the location and use of specific development standards for these types of developments. If this request is approved, the applicant will be subject to the provisions of Section 21-3-1.39 as well as any other conditions.

Conditional Use Permit Criteria

Conditional Use Permits, which may be revocable, conditional, or valid for a specified time period, may be granted only when expressly allowed after the Planning and Zoning Commission has made a recommendation and City Council has found as follows (Staff's analysis of the consideration is included in bold italic text, and the applicant's analysis is included in their narrative, attached):

- A. *The proposed use will not be detrimental to the health, safety, or general welfare of persons living or working in the vicinity, to adjacent property, to the neighborhood, or to the public in general;*
- *The proposed Utility Scale Solar facility will not be detrimental to the health, safety, or general welfare of persons living or working in the vicinity, to adjacent property, to the neighborhood, or to the public in general. Also, the developer will be required to provide a minimum of 25,000-gallon onsite water tank to assist in providing fire protection onsite fire fighting service.*
- B. *The proposed use conforms with the purposes, intent, and policies of the adopted Eloy General Plan and its policies and any applicable area, neighborhood, or other plan officially adopted by the City Council;*
- *The proposed Utility Scale Solar facility use is consistent with specific goals and policies in the Eloy General Plan. In addition, as part of the Site Plan and permit application and approval processes, the developer will be required to demonstrate compliance with all applicable requirements.*
- C. *The proposed use conforms with the conditions, requirements, or standards prescribed by this chapter and any other applicable local, State, or Federal requirements; and*
- *The application narrative and plans submitted with this CUP demonstrate general compliance with the applicable CUP criteria. The developer will be required to demonstrate compliance with all finite applicable requirements as part of the site plan and permit application and approval processes. In addition, the developer is required to maintain compliance with these standards until the facilities are decommissioned and removed.*
- D. *The proposed conditional use shall conform to the character of the neighborhood, within the same zoning district, in which it is located. In making such a determination, consideration shall include the location, type and height of the buildings or structures and the type and extent of landscaping and screening on the site.*
- *The proposed Utility Scale Solar facility is located in an area of the City that is primarily undeveloped and used for agricultural uses. In conformance with the property development standards for the Utility Scale Solar facility use, the improvements will be setback a minimum of 75 feet, with larger setbacks (minimum of 100 feet) provided adjacent to properties with higher density residential zoning. Also, the developer will be provided landscaped buffers in accordance with the zoning ordinance provisions around the entire perimeter of the development. The development's structures will conform with the building heights allowance of the zoning ordinance, and the utility poles proposed to be generally consistent with the height of other utility poles in the area.*

- E. Adequate utilities, access roads, drainage, fire protection, and other necessary facilities shall be provided.*
- With the development of the proposed Utility-Scale Solar facility, the developer will be required to demonstrate conformance with all City of Eloy and the Eloy Fire District requirements, including providing street, utility, drainage, and fire protection improvement for the development.*
- F. Adequate measures shall provide ingress and egress so designed as to minimize traffic hazards and traffic congestion on the public roads.*
- The proposed Utility-Scale Solar facility access locations have been reviewed by City Engineering staff, and the locations are not anticipated to cause a traffic hazard or traffic congestion on the abutting public streets. To assist in reducing traffic hazards and congestion, Conditions of Approval have been incorporated requiring that the access gates to the facility be set back to a minimum of 50 feet right-of-way. The minimum 50 set back will allow vehicles to exit the roadways before being stopped so that the access gates into the facility may be open.*
- G. The proposed use shall not be noxious or offensive by reason of vibration, noise, odor, dust, smoke, or gas.*
- The proposed Utility-Scale Solar facility is not anticipated to produce noxious or offensive vibration, noise, odor, dust, smoke, or gas. The equipment cabinet will contain air conditioning units for cooling purposes, but the noise should be minimal and not have an impact on any adjacent properties.*
- H. The proposed use shall not be injurious to the use and enjoyment of the property in the immediate vicinity for the purposes already permitted, nor substantially diminishes or impair the property values within the neighborhood.*
- The proposed Utility-Scale Solar facility is not anticipated to be injurious to the use and enjoyment of the property in the immediate vicinity for the purposes already allowed, nor substantially diminish or impair the property values.*
- I. The establishment of the proposed use shall not impede the orderly development and improvement of surrounding property for uses permitted within the zoning district.*
- The proposed Utility-Scale Solar facility is not anticipated to impede the orderly development and improvement of surrounding property.*

Planning and Zoning Commission Meeting

On September 18, 2024, the Planning and Zoning Commission held a public hearing on the above-referenced application. The Commission voted 3-0 to recommend approval of this application.

FISCAL IMPACT: *There is no anticipated fiscal impact on the proposed changes.*

Mayor Powell declared a public hearing open.

Mr. Symer came forward to give a brief overview of a proposed request by NextEra Energy for a Conditional Use Permit for a solar, utility scale generation, and battery energy storage system facilities.

Mr. Ralph Pew, from Pew and Lake, PLC, representing NextEra Energy, gave a brief oral presentation of the proposed project. He said the project is located along the Eleven Mile Corner alignment, and is in an area where there are no services available, and expected growth and development is not anticipated for some time.

Councilmember Snyder wanted to know the location of the substation.

Ms. Stephanie Rush, from NextEra, said they are waiting to hear from APS about where they will locate the substation within the property.

Mayor Powell opened the floor for public comments.

There being no further questions and no public comments, Mayor Powell closed the public hearing.

A motion was made by Councilmember Snyder and seconded by Councilmember G. Rodriguez to read Resolution No. 24-1595 by title only, passed unanimously (7-0).

The city clerk read the resolution title into the record.

A motion was made by Councilmember Sutton and seconded by Councilmember G. Rodriguez to adopt Resolution No. 24-1595 as presented, passed 5-2 by the following roll call votes:

Yeas: Councilmember G. Rodriguez, Councilmember Snyder, Councilmember Sutton, Mayor Powell, Vice Mayor Curtis

Nays: Councilmember Tarango, Councilmember Garcia

E. ADOPTION OF RESOLUTION NO. 24-1596 DECLARING AS A PUBLIC RECORD FOR THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "RZPAD2006-035.A1: 1ST AMENDMENT TO THE PICACHO VIEW II PLANNED AREA DEVELOPMENT"

Staff Cover Sheet Report: *Staff recommends that the City Council adopt Resolution No. 24-1596 declaring a public record that certain document filed with the City Clerk*

and entitled "RZPAD2006-035.A1: 1st Amendment to the Picacho View II Planned Area Development."

This is a request by staff to adopt Resolution No. 24-1596, which establishes a public record for the document titled "RZPAD2006-035.A1: 1st Amendment to the Picacho View II Planned Area Development." The goal of this request is to create a public record that is filed with the City Clerk that can be referenced in an ordinance related to the associated zoning text amendment application (Case No. RZPAD2006-035.A1). With the creation of the public record, the City Clerk would not need to publish the multipage document in the local newspaper with the ordinance if the City Council approves the zoning code text amendment application. The ordinance will refer to this public record by reference, which thereby provides notification to the public that there is an additional record associated with the ordinance that is available to be viewed at the City Clerk's office upon request.

FISCAL IMPACT: *No fiscal impacts are anticipated from this agenda item.*

Mr. Symer conveyed that Council adoption of the resolution would allow the city to publish it and declare it a public record, whereby eliminating the need to publish Ordinance No. 24-976 (next agenda item) in its entirety, and saving publication costs for the city.

A motion was made by Councilmember Sutton and seconded by Vice Mayor Curtis to read Resolution No. 24-1596 by title only, passed unanimously (7-0).

The city clerk read the resolution title into the record.

A motion was made by Councilmember Snyder and seconded by Councilmember Sutton to adopt Resolution No. 24-1596 as presented, passed 6-1 by the following roll call votes:

Yeas: Mayor Powell, Councilmember Tarango, Councilmember G. Rodriguez, Councilmember Sutton, Vice Mayor Curtis, Councilmember Snyder

Nays: Councilmember Garcia

- F. CONDUCT A PUBLIC HEARING AND CONSIDER THE ADOPTION OF ORDINANCE NO. 24-976, APPROVING AN AMENDMENT TO THE ZONING MAP, CASE NO. RZPAD2006-035.A1: PICACHO VIEW II PLANNED AREA DEVELOPMENT-NEXTERA. THE PROPOSED AMENDMENT TO THE ZONING MAP WILL MODIFY THE PICACHO VIEW II PLANNED AREA DEVELOPMENT TO PERMIT SOLAR, UTILITY SCALE GENERATION, AND BATTERY ENERGY STORAGE SYSTEM FACILITIES AS AN ALLOWED USE. CONSISTING OF APPROXIMATELY**

1,040 ACRES OF LAND, THE SITE IS LOCATED BETWEEN W KENYON RD, W HARMON RD, S TWEEDY RD, AND S CURRY RD.

Staff Cover Sheet Report: *The staff recommends that the City Council find that the Planned Area Development Approval Criteria, have been met and adopt Ordinance No. 24-976, approving the Amendment to the Zoning Map outlined in Case No. RZPAD2006-035.A1: Picacho View II Planned Area Development-NextEra, in accordance with the attached Conditions of Approval.*

Request:

The applicant, Pew and Lake, PLC, c/o Ralph Pew, on behalf of NextEra Energy Resources, LLC and Linkmark, LLC, has applied for a Zoning Map Amendment to modify the existing Picacho View II Planned Area Development (PAD). The amendment incorporates Solar, Utility-Scale Generation, and Battery Energy Storage Facility, also known as Solar Generation Facility, in the Zoning Ordinance (hereafter, "Utility-Scale Solar") as an allowed use on approximately 1,040 acres of land.

Context

Farms and vacant land primarily surround the site. The surrounding properties are primarily zoned single-family residential and there is a dairy farm within Unincorporated Pinal County. The General Plan land use map designations, zoning, and land uses of the property abutting and adjacent to the property are identified in the table below and in the attachments.

Direction	General Plan Land Use Map Designation	Existing Property Zoning	Existing Use of the Property
North	<i>Medium and Low-Density Residential</i>	<i>Estate Residential (R1-43/PAD)</i>	<i>Agricultural</i>
South	<i>Estate Density Residential</i>	<i>General Rural (GR) (Unincorporated Pinal County)</i>	<i>Caballero Dairy</i>
East	<i>Community Commercial, Medium, and Estate Density Residential</i>	<i>Estate Residential (R1-43)</i>	<i>Agricultural</i>
West	<i>Estate Density Residential and Medium Density Residential</i>	<i>Rural Residential (RR-20), Estate Residential (R1-43/PAD), General Rural (GR) (Unincorporated Pinal County)</i>	<i>Agricultural</i>

Zoning Ordinance Issues for Consideration:

In determining whether to approve, approve with conditions, or deny the proposed Official Zoning Map amendments, issues for consideration shall include but not limited to (Staff's analysis of the consideration is included in bold italic text, and the applicant's analysis is included in their narrative, attached):

- A. Consistency (or lack thereof) with the adopted Eloy General Plan, and other adopted plans;*
 - The Utility Scale Solar use may also be allowed in any zoning district and land use designations when incorporated as an allowed use of a PAD zone.*

Adding the Utility Scale Solar to the PAD will assist in providing for a more sustainable community as specified in the General Plan Goal 3.1.1.1. It should be noted that according to the applicant, the Utility Scale Solar use is interim until such time that the development of the property for the zones and uses specified in the PAD is more viable and utilities are available.

B. Compatibility with the existing zoning and conforming uses of nearby property and with the character of the neighborhood;

- The proposed Zoning Map Amendment and associated uses are consistent and compatible with the abutting and adjacent properties and character of the area/neighborhood. The PAD amendment will allow that property to be developed with a Utility-Scale Solar development for interim use. In accordance with the Zoning Ordinance, with the development of the property as a Utility-Scale Solar use, landscape buffers and setbacks that are 75 feet and greater will be provided to provide transitional buffers adjacent to streets and property zoned with the residential district.*

C. Suitability of the subject property for uses permitted by the proposed zoning district;

- The property is relatively flat farmland. To develop it as a Utility-Scale Solar site and to develop it in the future for the uses allowed in its designated zoning, the property owner/developer will be required to provide all necessary infrastructure improvements to serve the property.*

D. Suitability of the subject property for uses permitted by the existing zoning district; and;

- The approximate 1,040-acre site is currently zoned in various districts with the PAD Overlay. The property may be developed under its existing zoning designations, provided that the property owner/developer provides all necessary infrastructure improvements to serve it. The property may also be developed as a Utility-Scale Solar site with limited infrastructure improvements.*

E. Availability of sewer and water facilities.

- The approximate 1,040-acre subject site currently does not have immediate Eloy water or sewer/wastewater service to the site. The nearest water and waste service lines are located in S. Sunshine Boulevard, approximately 600 feet south of the W. Milligan Road and S. Sunshine Boulevard intersection. Several private well locations exist on the site. With the development of the property as a Utility Scale Solar use, the property owner/developer will be required to provide septic infrastructure for sewer/wastewater for any occupiable buildings and a minimum of 25,000-gallon water storage tank for landscaping, restrooms, fire suppression, etc. purposes. When the property is developed for any other use, the property owner/developer will be*

required to provide all sewer/wastewater and water facilities to serve the development in accordance with city, county, and state requirements.

Approval Criteria for a PAD:

In determining whether to approve, approve with conditions, or deny a proposed Zoning Map Amendment for a PAD, the City Council shall make a determination in accordance with the provisions specified below (Staff analysis of the considerations included in bold italic text, and the applicant's analysis is included in their narrative, attached):

A. A PAD District may be approved only when the City Council determines that the proposed PAD would result in a greater benefit to the City as a whole than would develop under conventional zoning district regulations and would not adversely affect the existing and/or future permissible uses of adjacent properties. Such greater benefits may include the implementation of adopted planning policies/design standards, natural resources preservation/conservation, enhanced provision of utilities, urban design, neighborhood/community amenities, or an overall level of increased development quality.

- The incorporation of the Utility Scale Solar facility as an allowed use in the Picacho View II PAD will assist in providing a sustainable community through the provision of enhanced/alternative utility-scale solar energy production (GP Goal 3.1.1.1.). The proposed modifications to the PAD are not anticipated to alter the City Council's previous determination of the PAD Approval Criteria when the Picacho View II PAD was originally approved.***

Planning and Zoning Commission Meeting

On September 18, 2024, the Planning and Zoning Commission held a public hearing on the above-referenced application. The Commission voted 3-0 to recommend approval of this application.

FISCAL IMPACT: *No fiscal impacts are associated with this discussion.*

Mayor Powell declared a public hearing open.

Mr. Symer gave a brief overview of the proposed amendment that would modify the current zoning for the Picacho View II Planned Area Development for a solar, utility scale generation, and battery energy storage system facilities. He stated that the Planning and Zoning Commission is recommending approval of the request. Mr. Symer conveyed that the city clerk provided Council with an updated ordinance to correct an error in stipulation #8 to reflect the correct name of the development.

The city clerk stated that she had forgotten to make copies of the updated ordinance for Council and offered to make copies at that time.

Mayor Powell asked the city clerk to make copies for Council to review.

Mr. Symer said the development name in stipulation #8 should be "Picacho View II Planned Area Development" instead of "Rancho Del Sol Brillante."

Mr. Pew, representing NextEra Energy, provided a short overview of the amendment that inserts into the approved PAD uses the utility scale generation and storage of energy.

It was at this time that Ms. Rush came forward to answer questions from the Council about the timeline for completing the project and interconnection of the substation by APS.

The Council reviewed the updated ordinance with the corrected project name.

Mayor Powell opened the floor for public comment.

There being none, he closed the public hearing.

A motion was made by Councilmember Sutton and seconded by Vice Mayor Curtis to read Ordinance No. 24-976 by title only, passed unanimously (7-0).

The city clerk read the ordinance title into the record.

A motion was made by Vice Mayor Curtis and seconded by Councilmember Snyder to adopt Ordinance No. 24-976 with the correction in stipulation #8 as noted by Mr. Symer, passed 5-2 by the following roll call votes:

Yeas: Councilmember Snyder, Councilmember Sutton, Councilmember G. Rodriguez, Mayor Powell, Vice Mayor Curtis

Nays: Councilmember Garcia, Councilmember Tarango

G. ADOPTION OF RESOLUTION NO. 24-1597 DECLARING AS A PUBLIC RECORD FOR THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "RZPAD2007-007.A1: 1ST AMENDMENT TO THE STEVEN FARMS PLANNED AREA DEVELOPMENT."

Staff Cover Sheet Report: *Staff recommends that the City Council adopt Resolution No. 24-1597 declaring a public record that certain document filed with the City Clerk and entitled "RZPAD2007-007.A1: 1st Amendment to the Steven Farms Planned Area Development."*

This is a request by staff to adopt Resolution No. 24-1597, which establishes a public record for the document titled "RZPAD2007-007.A1: 1st Amendment to the Steven Farms Planned Area Development." The goal of this request is to create a public record that is filed with the City Clerk that can be referenced in an ordinance related to the associated zoning text amendment application (Case No. RZPAD2007-007.A1). With the creation of the public record, the City Clerk would not need to publish the multipage document in the local newspaper with the ordinance if the City Council approves the zoning code text amendment application. The ordinance will refer to this public record by reference, which thereby provides notification to the public that there is an additional record associated with the ordinance that is available to be viewed at the City Clerk's office upon request.

FISCAL IMPACT: No fiscal impacts are anticipated from this agenda item.

Mr. Symer conveyed that Council adoption of the resolution would allow the city to publish it and declare it a public record, whereby eliminating the need to publish Ordinance No. 24-977 (next agenda item) in its entirety, and saving publication costs for the city.

A motion was made by Councilmember Sutton and seconded by Councilmember Snyder to read Resolution No. 24-1597 by title only, passed unanimously (7-0).

The city clerk read the resolution title into the record.

A motion was made by Councilmember Sutton and seconded by Councilmember G. Rodriguez to adopt Resolution No. 24-1597 as presented, passed unanimously by roll call vote (7-0).

- H. CONDUCT A PUBLIC HEARING AND CONSIDER THE ADOPTION OF ORDINANCE NO. 24-977, APPROVING AN AMENDMENT TO THE ZONING MAP, CASE NO. RZPAD2007-007.A1 STEVEN FARMS PLANNED AREA DEVELOPMENT - NEXTERA. THE PROPOSED AMENDMENT TO THE ZONING MAP WILL MODIFY THE STEVEN FARMS PLANNED AREA DEVELOPMENT TO PERMIT SOLAR, UTILITY SCALE GENERATION, AND BATTERY ENERGY STORAGE SYSTEM FACILITIES AS AN ALLOWED USE. CONSISTING OF APPROXIMATELY 640 ACRES OF LAND, THE SITE IS LOCATED BETWEEN WEST HARMON ROAD, WEST HOTTS ROAD, SOUTH ELEVEN MILE CORNER ROAD, AND SOUTH TWEEDY ROAD.**

Staff Cover Sheet Report: *Staff recommends that the City Council find that the Planned Area Development Approval Criteria have been met and adopt Ordinance No. 24-977 approving the Amendment to the Zoning Map outlined in Case No.*

RZPAD2007-007.A1 Steven Farms Planned Area Development - NextEra in accordance with the attached Conditions of Approval.

Request:

The applicant, Pew and Lake, PLC, c/o Ralph Pew, on behalf of NextEra Energy Resources, LLC and BT Eloy, LLC, has applied for a Zoning Map Amendment to modify the existing Steven Farms Planned Area Development (PAD). The amendment incorporates Solar, Utility-Scale Generation, and Battery Energy Storage Facility, also known as Solar Generation Facility, in the Zoning Ordinance (hereafter, "Utility-Scale Solar") as an allowed use on approximately 640 acres of land.

Context

Farms and vacant land primarily surround the site. The surrounding properties are primarily zoned single-family residential and there is a dairy farm within Unincorporated Pinal County. The General Plan land use map designations, zoning, and land uses of the property abutting and adjacent to the property are identified in the table below and in the attachments.

Direction	General Plan Land Use Map Designation	Existing Property Zoning	Existing Use of the Property
<i>North</i>	<i>Community Commercial, High-Density Residential, Estate Density Residential</i>	<i>Estate Residential (RI-43)</i>	<i>Agricultural</i>
<i>South</i>	<i>Community Commercial, High-Density Residential, Medium Density Residential</i>	<i>Rural Residential (RR-20)</i>	<i>Agricultural</i>
<i>East</i>	<i>Estate Density Residential</i>	<i>Estate Residential (RI-43)</i>	<i>Agricultural</i>
<i>West</i>	<i>Estate Density Residential</i>	<i>General Rural (GR), (Unincorporated Pinal County)</i>	<i>Agricultural</i>

Zoning Ordinance Issues for Consideration:

In determining whether to approve, approve with conditions, or deny the proposed Official Zoning Map amendments, issues for consideration shall include but not limited to (Staff's analysis of the consideration is included in bold italic text, and the applicant's analysis is included in their narrative, attached):

- A. Consistency (or lack thereof) with the adopted Eloy General Plan, and other adopted plans;*
 - The Utility Scale Solar use may also be allowed in any zoning district and land use designations when incorporated as an allowed use of a PAD zone. Adding the Utility Scale Solar to the PAD will assist in providing for a more sustainable community as specified in the General Plan Goal 3.1.1.1. It should be noted that according to the applicant, the Utility Scale Solar use is interim until such time that the development of the property for the zones and uses specified in the PAD is more viable and utilities are available.*
- B. Compatibility with the existing zoning and conforming uses of nearby property and with the character of the neighborhood;*

- *The proposed Zoning Map Amendment and associated uses are consistent and compatible with the abutting and adjacent properties and character of the area/neighborhood. The PAD amendment will allow that property to be developed with a Utility-Scale Solar development for interim use. In accordance with the Zoning Ordinance, with the development of the property as a Utility-Scale Solar use, landscape buffers and setbacks that are 75 feet and greater will be provided to provide transitional buffers adjacent to streets and property zoned with the residential district.*
- C. *Suitability of the subject property for uses permitted by the proposed zoning district;*
- *The property is relatively flat farmland. To develop it as a Utility-Scale Solar site and to develop it in the future for the uses allowed in its designated zoning, the property owner/developer will be required to provide all necessary infrastructure improvements to serve the property.*
- D. *Suitability of the subject property for uses permitted by the existing zoning district; and;*
- *The approximate 640-acre site is currently zoned in various districts with the PAD Overlay. The property may be developed under its existing zoning designations, provided that the property owner/developer provides all necessary infrastructure improvements to serve it. The property may also be developed as a Utility-Scale Solar site with limited infrastructure improvements.*
- E. *Availability of sewer and water facilities.*
- *The approximate 640-acre subject site currently does not have immediate Eloy water or sewer/wastewater service to the site. The nearest water and waste service lines are located in S. Sunshine Boulevard, approximately 600 feet south of the W. Milligan Road and S. Sunshine Boulevard intersection. Several private well locations exist on the site. With the development of the property as a Utility Scale Solar use, the property owner/developer will be required to provide septic infrastructure for sewer/wastewater for any occupiable buildings and a minimum of 25,000-gallon water storage tank for landscaping, restrooms, fire suppression, etc. purposes. When the property is developed for any other use, the property owner/developer will be required to provide all sewer/wastewater and water facilities to serve the development in accordance with city, county, and state requirements.*

Approval Criteria for a PAD:

In determining whether to approve, approve with conditions, or deny a proposed Zoning Map Amendment for a PAD, the City Council shall make a determination in accordance with the provisions specified below (Staff analysis of the considerations

included in bold italic text, and the applicant's analysis is included in their narrative, attached):

A. A PAD District may be approved only when the City Council determines that the proposed PAD would result in a greater benefit to the City as a whole than would develop under conventional zoning district regulations and would not adversely affect the existing and/or future permissible uses of adjacent properties. Such greater benefits may include the implementation of adopted planning policies/design standards, natural resources preservation/conservation, enhanced provision of utilities, urban design, neighborhood/community amenities, or an overall level of increased development quality.

- The incorporation of the Utility Scale Solar facility as an allowed use in the Steven Farms PAD will assist in providing a sustainable community through the provision of enhanced/alternative utility-scale solar energy production (GP Goal 3.1.1.1.). The proposed modifications to the PAD are not anticipated to alter the City Council's previous determination of the PAD Approval Criteria when the Steven Farms PAD was originally approved.*

Planning and Zoning Commission Meeting

On September 18, 2024, the Planning and Zoning Commission held a public hearing on the above-referenced application. The Commission voted 3-0 to recommend approval of this application.

FISCAL IMPACT: *There is no anticipated fiscal impact on the proposed changes..*

Mayor Powell declared a public hearing open.

Mr. Symer gave a brief overview of the proposed zoning amendment that would modify the current zoning for Steven Farms Planned Area Development for a solar facility. He said the Planning and Zoning Commission has recommended approval of the request.

Mayor Powell opened the floor for public comment.

There being no comments or questions from the public, Mayor Powell closed the public hearing.

It was brought to Mr. Symer's attention by the applicant that the name of the project is incorrect in stipulation #8. The name "Rancho Del Sol Brillante" is incorrect. The correct project name is "Steven Farms Planned Area Development."

Mr. Symer apologized to the Council for the error.

A motion was made by Councilmember G. Rodriguez and seconded by Councilmember Snyder to read Ordinance No. 24-977 by title only, passed unanimously (7-0).

The city clerk read the ordinance title into the record.

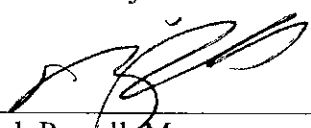
A motion was made by Councilmember Snyder and seconded by Councilmember Sutton to adopt Ordinance No. 24-977 with the correction in stipulation #8 as noted by Mr. Symer, passed 5-2 by the following roll call votes:

Yeas: Councilmember G. Rodriguez, Councilmember Snyder, Councilmember Sutton, Mayor Powell, Vice Mayor Curtis

Nays: Councilmember Tarango, Councilmember Garcia

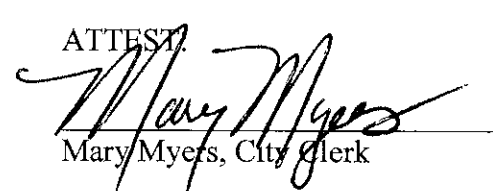
X. ADJOURNMENT

There being no further business, Mayor Powell adjourned the meeting at approximately 7:31 p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk