

City of Glendale Council Meeting Agenda

January 8, 2013 – 7:00 p.m.

City Council meetings are telecast live at 7:00 p.m. on the second and fourth Tuesday of the month. Repeat broadcasts are telecast the second and fourth week of the month – Wednesday at 2:30 p.m., Thursday at 8:00 a.m., Friday at 8:00 a.m., Saturday at 2:00 p.m., Sunday at 9:00 a.m. and Monday at 1:30 p.m. on Glendale Channel 11.

Welcome!

We are glad you have chosen to attend this City Council meeting. We welcome your interest and encourage you to attend again.

Form of Government

The City of Glendale has a Council-Manager form of government. Legislative policy is set by the elected Council and administered by the Council-appointed City Manager.

The City Council consists of a Mayor and six Councilmembers. The Mayor is elected every four years by voters city-wide. Councilmembers hold four-year terms with three seats decided every two years. Each of the six Councilmembers represent one of six electoral districts and are elected by the voters of their respective districts (see map on back).

Council Meeting Schedule

The Mayor and City Council hold Council meetings to take official action two times each month. These meetings are held on the second and fourth Tuesday of the month at 7:00 p.m. Regular meetings are held in the Council Chambers, Glendale Municipal Office Complex, 5850 W. Glendale Avenue.

Agendas may be obtained after 4:00 p.m. on the Friday before a Council meeting, at the City Clerk's Office in the Municipal Complex. The agenda and supporting documents are posted to the city's Internet web site, www.glendaleaz.com

Questions or Comments

If you have any questions about the agenda, please call the City Manager's Office at (623) 930-2870. If you have a concern you would like to discuss with your District Councilmember, please call (623) 930-2249, Monday - Friday, 8:00 a.m. – 5:00 p.m.

Public Rules of Conduct

The presiding officer shall keep control of the meeting and require the speakers and audience to refrain from abusive or profane remarks, disruptive outbursts, applause, protests, or other conduct which disrupts or interferes with the orderly conduct of the business of the meeting. Personal attacks on Councilmembers, city staff, or members of the public are not allowed. It is inappropriate to utilize the public hearing or other agenda item for purposes of making political speeches, including threats of political action. Engaging in such conduct, and failing to cease such conduct upon request of the presiding officer will be grounds for ending a speaker's time at the podium or for removal of any disruptive person from the meeting room, at the direction of the presiding officer.

How to Participate

The Glendale City Council values citizen comments and input. If you wish to speak on a matter concerning Glendale city government that is not on the printed agenda, please fill out a blue Citizen Comments Card located at the back of the Council Chambers and give it to the City Clerk before the meeting starts. The Mayor will call your name when the Citizen Comments portion of the agenda is reached. Because these matters are not listed on the posted agenda, the City Council may not act on the information during the meeting but may refer the matter to the City Manager for follow-up.

Public Hearings are also held on certain agenda items such as zoning cases, liquor license applications and use permits. If you wish to speak or provide written comments about a public hearing item on tonight's agenda, please fill out a gold Public Hearing Speakers Card located at the back of the Council Chambers and give it to the City Clerk before the meeting starts. The Mayor will call your name when the public hearing on the item has been opened.

When speaking at the Podium, please state your name and the city in which you reside. If you reside in the City of Glendale, please state the Council District you live in and present your comments in five minutes or less.



**** For special accommodations or interpreter assistance, please contact the City Manager's Office at (623) 930- 2870 at least one business day prior to this meeting. TDD (623) 930-2197.**

**** Para acomodacion especial o traductor de español, por favor llame a la oficina del administador del ayuntamiento de Glendale, al (623) 930-2870 un día hábil antes de la fecha de la junta.**

Councilmembers

Norma S. Alvarez - Ocotillo District
Ian Hugh - Cactus District
Manuel D. Martinez - Cholla District
Joyce V. Clark - Yucca District
Yvonne J. Knaack – Barrel District



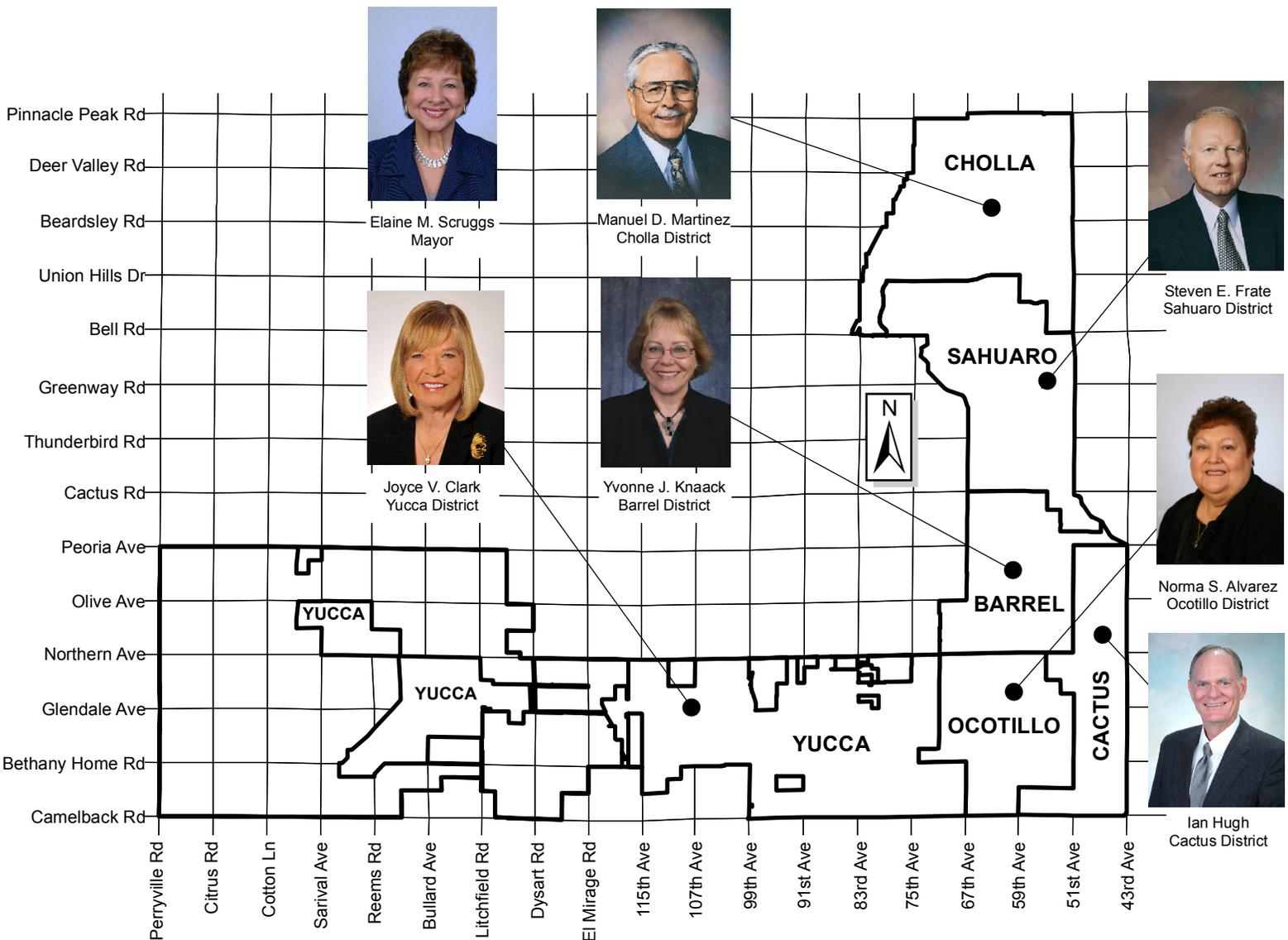
MAYOR ELAINE M. SCRUGGS
Vice Mayor Steven E. Frate - Sahuaro District

Appointed City Staff

Horatio Skeete – Acting City Manager
Craig Tindall – City Attorney
Pamela Hanna – City Clerk
Elizabeth Finn – City Judge



Council District Boundaries





**GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
January 8, 2013
7:00 p.m.**

One or more members of the City Council may be unable to attend the Council Meeting in person and may participate telephonically, pursuant to A.R.S. § 38-431(4).

CALL TO ORDER

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

APPROVAL OF THE MINUTES OF December 11, 2012

CONSENT AGENDA

Items on the consent agenda are intended to be acted upon in one motion. If you would like to comment on an item on the consent agenda, please come to the podium and state your name, address and item you wish to discuss.

CONSENT RESOLUTIONS

1. DESIGNATION OF APPLICANT'S AGENT FOR STATE DISASTER REIMBURSEMENT

PRESENTED BY: Mark Burdick, Fire Chief

RESOLUTION: 4634

2. AMENDMENT TO CITY COUNCIL GUIDELINES REGARDING COUNCIL ITEMS OF SPECIAL INTEREST

PRESENTED BY: Horatio Skeete, Acting City Manager

RESOLUTION: 4635

LAND DEVELOPMENT ACTIONS

3. FINAL PLAT APPLICATION FP12-02: NORTHERN PLACE – 8707 WEST NORTHERN AVENUE

PRESENTED BY: Jon M. Froke, AICP, Planning Director

BIDS AND CONTRACTS

4. FIRE SUPPRESSION SYSTEM MAINTENANCE AGREEMENT

PRESENTED BY: Frank Lomeli, Deputy Director, Field Operations

5. REQUEST TO PURCHASE 18 REPLACEMENT POLICE PATROL VEHICLES

PRESENTED BY: Stuart Kent, Executive Director, Public Works

ORDINANCES

6. ARIZONA PUBLIC SERVICE POWER DISTRIBUTION EASEMENT AT 57TH AVENUE AND GLENN DRIVE

PRESENTED BY: Gregory Rodzenko, P.E., Acting City Engineer

ORDINANCE: 2832

7. SALT RIVER PROJECT POWER DISTRIBUTION EASEMENT AT 67TH AND NORTHERN AVENUES

PRESENTED BY: Gregory Rodzenko, P.E., Acting City Engineer

ORDINANCE: 2833

8. FISCAL YEAR 2013 BUDGET AMENDMENTS – WATER/SEWER AND GENERAL FUND (ITEM TABLED DURING DECEMBER 11, 2012 COUNCIL MEETING)

PRESENTED BY: Sherry Schurhammer, Executive Director, Financial Services

ORDINANCE: 2830

9. FISCAL YEAR 2013 BUDGET REDUCTIONS

PRESENTED BY: Sherry Schurhammer, Executive Director, Financial Services

ORDINANCE: 2834

PUBLIC HEARING - RESOLUTIONS

10. NEIGHBORHOOD STABILIZATION PROGRAM THIRD SUBSTANTIAL AMENDMENT (PUBLIC HEARING REQUIRED)

PRESENTED BY: Gilbert Lopez, Revitalization Administrator

RESOLUTION: 4636

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

CITIZEN COMMENTS

If you wish to speak on a matter concerning Glendale city government that is not on the printed agenda, please fill out a Citizen Comments Card located in the back of the Council Chambers and give it to the City Clerk before the meeting starts. The City Council can only act on matters that are on the printed agenda, but may refer the matter to the City Manager for follow up. Once your name is

called by the Mayor, proceed to the podium, state your name and address for the record and limit your comments to a period of five minutes or less.

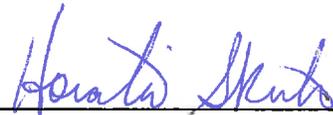
COUNCIL COMMENTS AND SUGGESTIONS

ADJOURNMENT

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. § 38-431.03(A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. § 38-431.03(A)(2));
- (iii) discussion or consultation for legal advice with the city's attorneys (A.R.S. § 38-431.03(A)(3));
- (iv) discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. § 38-431.03(A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. § 38-431.03(A)(7)).

Items Respectfully Submitted,



Horatio Skeete
Acting City Manager



**GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
December 11, 2012
7:00 p.m.**

The meeting was called to order by Mayor Elaine M. Scruggs, with Vice Mayor Steven E. Frate and the following Councilmembers present: Norma S. Alvarez, Joyce V. Clark, Ian Hugh, Yvonne J. Knaack and Manuel D. Martinez.

Also present were Horatio Skeete, Acting City Manager; Jamsheed Mehta, Interim Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk.

Mayor Scruggs called for the Pledge of Allegiance and a moment of silence was observed.

COMPLIANCE WITH ARTICLE VII, SECTION 6(c) OF THE GLENDALE CHARTER

A statement was filed by the City Clerk that the 2 resolutions and 5 ordinances to be considered at the meeting were available for public examination and the title posted at City Hall more than 72 hours in advance of the meeting.

APPROVAL OF THE MINUTES OF THE NOVEMBER 26th AND NOVEMBER 27th, 2012 CITY COUNCIL MEETING

It was moved by Councilmember Martinez, and seconded by Councilmember Clark, to dispense with the reading of the minutes of the November 26th and the November 27th, 2012 Regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. The motion carried unanimously.

Mayor Scruggs made a comment and said in reading through the minutes from November 27th, there are areas that are less than clear in terms of their meaning and she suggested that anyone who needs to refer to those minutes for any reason also view the video that is available online to make sure there is a clear understanding of statements that were made.

BOARDS, COMMISSIONS AND OTHER BODIES

This is a request for City Council to approve the recommended appointments to the following boards, commissions and other bodies that have a vacancy or expired term and for the Mayor to administer the Oath of Office to those appointees in attendance.

Arts Commission

Darren Fosdick	Mayoral	Appointment	12/11/2012	08/23/2014
Kaitlyn MacKay	Yucca	Appointment	12/11/2012	08/23/2014

Aviation Advisory Commission

Walter Chaney – Vice Chair	Barrel	Appointment	12/11/2012	11/24/2013
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Citizens Bicycle Advisory Committee

Garrett Simpson	Barrel	Reappointment	01/16/2013	01/16/2015
Scott Richmond	Yucca	Appointment	12/11/2012	07/18/2013

Personnel Board

Richard Westby	Mayoral	Reappointment	01/23/2013	01/23/2014
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Risk Management/Worker’s Compensation Trust Fund Board

Yvonne Knaack – Councilmember	Barrel	Appointment	01/15/2013	07/24/2014
John Stern – Chair	Cholla	Appointment	01/15/2013	07/24/2013

It was moved by Vice Mayor Frate, and seconded by Councilmember Clark, to appoint Darren Fosdick and Kaitlyn MacKay to the Arts Commission; Walter Chaney to the Aviation Advisory Commission; Garrett Simpson and Scott Richmond to the Citizens Bicycle Advisory Committee; Richard Westby to the Personnel Board, and Yvonne Knaack and John Stern to the Risk Management/Worker’s Compensation Trust Fund Boards for the terms listed above. The motion carried unanimously.

CONSENT AGENDA

Items on the consent agenda are intended to be acted upon in one motion.

1. SPECIAL EVENT LIQUOR LICENSE, ARIZONA SPORTS FOUNDATION

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a special event liquor license for the Arizona Sports Foundation. The event will be held at University of Phoenix Stadium's Parking Lot located at 1 North Cardinals Drive on Thursday, January 3, 2013, from 12:30 p.m. to 5:30 p.m. The purpose of this special event liquor license is for the 2013 Fiesta Bowl pregame party.

Staff is requesting Council to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

2. LIQUOR LICENSE NO. 5-7869, SO

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a person-to-person, location-to-location transferrable series 7 (Bar - Beer and Wine) license for SO located at 10630 North 59th Avenue, Suite 104. The Arizona Department of Liquor Licenses and Control application (No. 07070501) was submitted by Chang Hui So.

Staff is requesting Council to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

3. TOWING AGREEMENT EXTENSION

PRESENTED BY: Debora Black, Interim Police Chief

This is a request for City Council to authorize the City Manager to enter into a month-to-month extension, for no longer than one year, to the towing agreement with DV Towing, LLC.

It was moved by Vice Mayor Frate and seconded by Councilmember Clark, to approve the recommended actions on Consent Agenda Item Nos. 1 through 3, and to forward Special Event Liquor License Application for the Arizona Sports Foundation on January 3, 2013 and Liquor License Application No. 5-7869 for SO to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.

LAND DEVELOPMENT ACTIONS

4. GENERAL PLAN AMENDMENT GPA12-01 (RESOLUTION) AND REZONING APPLICATION ZON12-04 (ORDINANCE): MIDWESTERN UNIVERSITY – 19555 NORTH 59TH AVENUE (PUBLIC HEARING REQUIRED)

PRESENTED BY: Jon M. Froke, AICP, Planning Director

RESOLUTION: 4632

ORDINANCE: 2827

This is a request by Midwestern University for City Council to approve a General Plan Amendment and a Rezoning Application to add 32 acres to the existing 123 acre Midwestern University Planned Area Development (PAD). The properties are located south of the Loop 101 Freeway, between 51st and 59th Avenues.

Staff is requesting Council conduct a public hearing, waive reading beyond the title, and adopt a resolution for GPA12-01 and an ordinance for ZON12-04, subject to the stipulation as recommended by Planning Commission.

Mr. Froke said GPA12-01 is for two areas on the Midwestern campus that are recent land acquisitions. The first request is to amend the general plan land use map from business park (BP) to education (EDU). The second request will amend the general plan from low density residential (LDR) to education (EDU), like the rest of the campus on the general plan. The 32 acres included in the request for the zoning case include the property that Midwestern has acquired over the last 10 years north of the U.S. Post Office. The request is to rezone from A-1,

Agriculture and C-2, General Commercial to PAD, Planned Area Development , which the rest of the campus is zoned. The parcel adjacent to the Loop 101 frontage road would go from A-1 to PAD. It is the property north and east of the Post Office and north of the primary core of campus, the area east of the student housing, the parcel north of Honeywell and the parcel east of the 55th Avenue drainage channel.

Mr. Froke said the original zoning approval for Midwestern occurred in 1996. A new project, a Veterinary Clinic, will come out of this zoning change. The Planning Commission had some general questions about future development. Staff recommends approval of both the general plan amendment and zoning case and request a public hearing be conducted on both items and take a separate action on the general plan amendment and the zoning case.

Mayor Scruggs asked for comment. Kathleen Goepfinger, President and CEO of Midwestern, spoke. She thanked the City for the support in developing the Midwestern campus. She said three additional buildings were going to be built and more than \$100 million will be invested.

Mayor Scruggs opened the public hearing on Agenda Item No. 4. As there were no comments, Mayor Scruggs closed the public hearing.

RESOLUTION NO. 4632 NEW SERIES, A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE ARROWHEAD RANCH SPECIFIC PLAN AND GENERAL PLAN MAP OF THE CITY OF GLENDALE, ARIZONA, BY APPROVING GENERAL PLAN AMENDMENT GPA12-01 FOR PROPERTY LOCATED AT 19555 NORTH 59th AVENUE.

ORDINANCE NO. 2827 NEW SERIES, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REZONING PROPERTY FROM A-1 (AGRICULTURAL), C-2 (GENERAL COMMERCIAL), AND B-P (BUSINESS PARK) TO PAD (PLANNED AREA DEVELOPMENT) FOR DEVELOPMENT PLAN TITLED "MIDWESTERN UNIVERSITY" LOCATED AT 19555 NORTH 59TH AVENUE; AMENDING THE ZONING MAP; AND PROVIDING FOR AN EFFECTIVE DATE.

Mayor Scruggs asked that the record show that she will not be voting on this item due to a possible conflict of interest.

It was moved by Councilmember Martinez, and seconded by Councilmember Knaack, to pass, adopt and approve Resolution No. 4632 New Series. Members voting "nay": none. Mayor Scruggs abstained from the vote for possible conflict of interest. The motion carried.

It was moved by Councilmember Martinez, and seconded by Councilmember Knaack, to approve Ordinance No. 2827 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Alvarez, Clark, Hugh, Knaack, Martinez, and Frate. Members voting "nay": none. Mayor Scruggs abstained from the vote for possible conflict of interest. The motion carried.

BIDS AND CONTRACTS

5. FEDERAL LEGISLATIVE REPRESENTATION SERVICES FOR THE PROTECTION OF THE MISSION OF LUKE AIR FORCE BASE

PRESENTED BY: Jenna Goad, Interim Assistant to the Mayor

This is a request for City Council to authorize the City Manager to enter into a special procurement professional services agreement with Hyjek & Fix, Inc. for the continuation of federal legislative consultant services for continued protection of the mission of Luke Air Force Base (AFB).

Ms. Goad stated the City has been contracting with this firm since 2006 to protect Luke Air Force Base. In August of this year, Luke Air Force Base was announced as the future home of the F35 Joint Strike Fighter. There are still factors which face Luke Air Force Base, so federal representation is still necessary. The total contract cost is \$144,000 annually. Glendale's share of that cost is just over \$27,000 per year. The rest is split between the remaining 13 other partners who jointly participate in the contract. In the past, Glendale's portion of the cost for this representation was about \$65,000. The current contract expires on December 31, 2012. The new contract would begin January 1, 2013 with an initial term of two years, with three one year agreement renewal options.

Mayor Scruggs said she wanted to give special thanks and recognition to Ms. Goad, who picked this up without having any previous familiarity with the contract and really did a great job in working with Glendale Procurement and thirteen other jurisdictions in bringing this to conclusion, so thank you.

It was moved by Councilmember Clark, and seconded by Councilmember Martinez, to enter into a professional services agreement with Hyjek & Fix, Inc. for the continuation of federal legislative consultant services. The motion carried unanimously.

6. CONSTRUCTION AGREEMENT WITH MCKENNA CONTRACTING, LLC

PRESENTED BY: Elaine Adamczyk, Housing Services Administrator

This is a request for City Council to authorize the City Manager to enter into a construction agreement with McKenna Contracting, LLC, in an amount not to exceed \$110,480. This construction agreement will allow the City of Glendale's Community Housing Division to replace aging windows and doors within Glendale Public Housing.

Ms. Adamczyk said an RFP was issued and bids were received and McKenna Contracting was the most qualified bidder. The funding source is federal CDBG funds. Council approved funding for this project during the adoption of the FY10-11 CDBG Annual Action Plan. No general funds will be used for this contract.

It was moved by Vice Mayor Frate, and seconded by Councilmember Knaack, to enter into a construction agreement with McKenna Contracting, LLC, in an amount not to exceed \$110,480. The motion carried unanimously.

7. AWARD OF PROPOSAL 13-01, PHILIPS DEFIBRILLATOR SERVICE AGREEMENT
PRESENTED BY: Mark Burdick, Fire Chief

This item was pulled administratively and not heard.

8. AWARD OF BID 13-03, LIGHT TOWER RENTALS FOR STADIUM AND ARENA EVENTS
PRESENTED BY: Debbie Albert, Principal Engineer, Transportation Services

This is a request for City Council to award the bid and authorize the City Manager to enter into an agreement with Pride Group, LLC in an amount not to exceed \$100,000 annually for rental of light towers for events held at Jobing.com Arena and University of Phoenix Stadium.

Ms. Albert said the City is responsible for the parking for events held at Jobing.com and the University of Phoenix Stadium, including which provides for improved safety and security within the parking lots. Lighting is also needed in high pedestrian areas to assist in effectively moving people to and from the event. As a result of moving part of the parking allotment from a large location to three temporary lots near Westgate City Center, there has been an increase in the number of towers required. The anticipated annual cost to provide light towers for 58 arena and stadium events is \$80,000 including equipment and fuel charges. The recommended not to exceed contract amount of \$100,000 will account for additional, unplanned events that may arise. The contract is for a one year period with the option of four 1 year renewals. Expenditures will be based on need. Staff recommends the City enter into an agreement with Pride Group in an amount not to exceed \$100,000 annually.

Councilmember Clark asked about the number of 23 light towers. Ms. Albert said depending on the type of event, the number of light towers required will vary. For a large stadium event or football game, 23 lights towers would be needed. Councilmember Clark asked about renting light towers for a maximum of \$100,000. She asked about the purchase cost for a light tower would be \$9,000, so it would be about \$207,000 to purchase 23 light towers. With the contract renewable for four years, the City could pay up to \$400,000 for the light towers. She asked why the City isn't just buying the towers, as the City could recoup its purchase cost by the 46th event.

Ms. Albert said the nature of some of the lots is they are temporary and there is only a 1 or 2 year agreement for those lots. Because of uncertainty of the needs, it was determined it is in the City's best interest to rent the towers for the time being.

Councilmember Clark said she didn't think the cost of the light towers had anything to do with where the towers will be placed. She understands the locations could change, but the need for the light towers will remain. She will not vote to rent the towers when it would be most cost effective to purchase them.

Mayor Scruggs asked if there were any further explanation from any staff regarding why staff directed the rental because it appears there was a significant analysis and they came up with a different answer.

Ms. Albert said as the area is developed, additional agreements could be made for more permanent parking lots. As parking lot plans are developed and built, this would relieve the City of this temporary lighting problem.

It was moved by Councilmember Knaack, and seconded by Councilmember Martinez, to enter into an agreement with Pride Group, LLC in an amount not to exceed \$100,000 annually. Councilmember Clark voted nay on the motion. The motion carried.

9. PROFESSIONAL SERVICES AGREEMENT WITH STANLEY CONSULTANTS, INC. FOR 67TH AVENUE INTELLIGENT TRANSPORTATION SYSTEMS DESIGN

PRESENTED BY: Debbie Albert, Principal Engineer, Transportation Services

Staff is requesting Council authorize the City Manager to enter into a professional services agreement with Stanley Consultants, Inc., for the design of intelligent transportation systems (ITS) infrastructure on 67th Avenue, between Glendale Avenue and Cholla Street, in an amount not to exceed \$194,878.

Ms. Albert said this would allow the City to deploy ITS infrastructure along arterial streets to enhance the management of traffic, including the ability to remove and control traffic signals and monitor them. This project allows for 7 additional signals and four CCTV cameras to be added to the system. The amount for this project is funded in the GO Transportation Program's Smart Traffic Signals account. The construction of this project is funded through the Federal Congestion Mitigation and Air Quality Program.

Councilmember Clark asked if this project included the roadway all the way to Union Hills. Ms. Albert said the project is approximately 3.5 miles and does not connect to Union Hills. Councilmember Clark asked why the project takes place in the middle of 67th Avenue, instead of starting at a main intersection and then going 3.5 miles up. She asked if there would be a bigger traffic mess by not starting the project at a main intersection.

Ms. Albert said there are two other projects currently under design and also federally funded that will connect many of the intersections along 67th Avenue, between Union Hills and Peoria Avenue. Also, there was a previous project along Olive Avenue that covered some of the project area. This project is part of a larger picture.

Councilmember Clark asked about the area from Camelback to Glendale. Ms. Albert said this is within the strategic plan that the City is developing for ITS. This will come along with a funding request in the future. Councilmember Clark asked if the ITS system is activated right away after it is constructed and how it works with systems that are not tied to it.

Ms. Albert said the system is activated immediately as soon as testing is completed. There are challenges in managing the transportation system because there are some locations that are not connected. Transportation relies heavily on federal funds and the money that is available to build the system out. They program the limitations of the resources into the projects that they feel would best build the system in order to complete it.

Councilmember Clark asked on what basis was the middle portion chosen, rather than starting from the north and working down or starting from the south and working up.

Ms. Albert said in 2003, the project was started with cable on 59th Avenue and they have branched out from there. A likely starting point would be Glendale Avenue because that ties them back into the existing communications infrastructure.

Mayor Scruggs said since you are talking about going end to end on 67th Avenue. As you well know, 67th Avenue doesn't end at Union Hills, but rather we go up to Beardsley and then Deer Valley and then Pinnacle Peak Road and the congestion in that area is just beyond anything that can be described. She didn't know if that ties into the backbone system anywhere. Could you tell us what the future plans are for the stretch between Union Hills north to the limit of our City.

Ms. Albert said that already is connected to the system. A couple of years ago, the City was able to connect up everything north of Bell Road into the system.

Mayor Scruggs asked so if things aren't working well, we can complain and ask for modifications.

Ms. Albert said they do routinely speak to residents and are able to make adjustments as they can given the limitation of the system.

Mayor Scruggs asked is there a limitation because of the freeway, because of the 101 going through there, and does ADOT get some sort of control that overrides us.

Ms. Albert said that is one of the challenges they face as they do not control the signals along the Loop 101.

Mayor Scruggs said and the monitoring system does the staff that monitors the area notice situations that could be smoothed out or improved during morning rush hours and evening rush hours, particularly between Union Hills and Deer Valley.

Ms. Albert said that is definitely something they are concerned about. They have looked at regional fund as well as federal funding to get the best information so they can make decisions on how to time the signals given the traffic demands in that area.

Mayor Scruggs said she was trying to think how many signals there are between Beardsley, Loop 101 and Deer Valley, a couple, three, maybe. The City of Glendale would have control over timing sequencing of those signals, would we not?

Ms. Albert said that was correct.

Mayor Scruggs said quite honestly, there are some serious situations, one of which is the design of the off ramp from the 101 at 67th Avenue and the limited space. She realized this is not something that may change, but the limited space for those exiting the 101 to move over to the lanes closest to the north so they can then turn right on 67th Avenue is a problem. There is a lot of backup, and a tremendous amount of cross traffic in a very short amount of space. Is there anything that can be done with timing of signals, maybe north of Beardsley, to allow more people to access through more quickly and alleviate the very serious backups that happen right there?

Ms. Albert said staff would have look at that specific issue to see if there is something that can be done.

Mayor Scruggs said for anyone who has traveled that, it is really a situation of extreme danger. She believed the root cause is the short space between where people exit the 101 and getting into whatever lane they need to get into to continue their travels. So, then, if there is a backup when you go further north because there are shopping centers at Rose Garden and everything going on with the apartments and so forth. Is something that can be done, she thought it might save a lot of vehicles and a lot of damage and maybe some injuries, too. The evening rush hour, in particular, she believed you are aware of the situation.

Ms. Albert said they will look into it.

It was moved by Councilmember Knaack, and seconded by Councilmember Martinez, to enter into a professional services agreement with Stanley Consultants, Inc., in an amount not to exceed \$194,878. The motion carried unanimously.

**10. PROFESSIONAL SERVICES AGREEMENT WITH RIDER LEVETT BUCKNALL, LTD.
FOR LIFE-CYCLE COST ASSESSMENT**

PRESENTED BY: Stuart Kent, Executive Director, Public Works

Staff is requesting Council authorize the City Manager to enter into a professional services agreement with Rider Levett Bucknall, Ltd. (RLB) in an amount not to exceed \$120,341 to develop a total life-cycle cost assessment for the following city-owned facilities: Jobing.Com Arena, the Renaissance Glendale Convention and Media Center, and Camelback Ranch in Glendale.

Mr. Kent said the City owns all of the above-mentioned facilities and is responsible for capital maintenance and repairs for each of them. The facility operators are responsible for routine operational and maintenance costs. RLB will do an independent assessment of the overall condition of the facilities and the findings will be shared with each of the facility operators so the operators can have input into the report before it is finalized. The report will include a schedule of anticipated capital repairs for each of the next five fiscal years individually as well as subsequent years in five year increments over the anticipated life of the facility. An assessment

of the buildings and the capital placement schedule is appropriate now for proper financial planning. RLB has conducted these types of assessments for more than twenty years.

Councilmember Clark asked why the Civic Center wasn't included in this assessment. Before the economy went bad, the City was allocating \$100,000 a year for maintenance costs, but that hasn't been done for a couple of years.

Mr. Kent said they have assessed a number of other City facilities and the Civic Center currently has \$50,000 per year in ongoing funding to do some of the capital repairs that need to be done. This assessment is to plan for the future to address what costs there might be.

Councilmember Clark said the criteria seems to be if the facility is commercially operated, the assessment will be done, but if it is the City owned and operated facility, the City doesn't need to do an assessment.

Mr. Kent said that is not exactly correct. The three facilities have agreements that the City is obligated to have a capital reserve account set up for them and is obligated to fund that. Unlike the other facilities where there is no contractual obligation to set aside a certain amount of money each year for certain components that need to be replaced, these facilities have contracts which require this.

Councilmember Clark said she understood this, but the Civic Center has always been rated as a number one facility in the Valley and the City would like to keep it in that condition with that rating. She believes the City owned and operated facilities should be on a regular schedule as well so major maintenance and repair can be scheduled.

Mayor Scruggs addressed Mr. Kent the fiscal impact section of the write up says that this will involve an appropriation authority transfer, \$120,341 from the GIS Enterprise System Pago Capital Project to a new Pago project. Additionally, the remaining appropriation authority of \$294,966 in the GIS Pago Capital Project will be transferred, and so forth. What was originally planned for that money, which is the GIS Enterprise System Pago Capital Project account?

Mr. Kent said the original project titled the GIS Enterprise System, was an expansion of server capacity supporting the City network. Mr. Murphy and his staff have been able to give us a virtualization process. This creates additional capacity without having to buy additional servers. The project is no longer needed, so the appropriation authority in the project, the \$120,341, is moved to fund this account. The remainder is being put back into contingency so it is not being appropriated and not being spent, but put back as reserve in the event that any other projects were needed.

Mayor Scruggs said so you are saying that the intended use of that money has been accomplished in a different format.

Mr. Kent said that was correct.

Mayor Scruggs said when you bring up IT and we are aware of all the raids on the technology replacement fund that has caused some concerns.

Mr. Kent said this is not part of the IT reserve, just like it is not part of the vehicle replacement fund account. This is a separate account that is a cash capital project. When the necessity for the project went away, they made the determination that a portion of the funding could be used for this project and the remainder set aside for future projects as needed.

Mayor Scruggs said that helps a lot. She asked if Mr. Murphy was in the audience. She wanted to congratulate him on his innovativeness and creativity in making it so both things can be done.

Mr. Murphy said through training, they were able to implement this new technology. They leveraged the current hardware they have and took a single server and made it look like three or four servers. That allowed them to not have to make the purchase as originally planned.

Councilmember Clark asked if IT went to the cloud to increase server capacity.

Mr. Murphy said they did not; this is in-house capacity that is in place.

Councilmember Clark asked if IT developed a program or if there was a program already that allowed them to expand the capacity of the current servers.

Mr. Murphy said it is commercially available and they have used it in other applications. They worked with the GIS vendor and got clearance from them that they would support it if the City virtualized it. The added benefit was when the servers are leveraged like this, maintenance costs are reduced, so instead of paying maintenance on additional computers, they only pay maintenance on one.

Councilmember Alvarez asked about a new CIP department being created. She said we don't have any money to create a new department.

Mr. Kent said they are creating an account to fund this RLB project, \$120,000. That account will be created from the \$120,000 in savings from the IT project, so they are not creating a new expenditure. They are appropriating and transferring dollars from a project that doesn't need to be spent and moving a portion of that to this project.

Councilmember Alvarez asked if the account was going to be managed by IT.

Mr. Kent said the account would be managed by himself and the Engineering Department. The remaining funds will go back into account reserve and that will be managed by the Budget and Finance staff.

Mayor Scruggs said the only remaining question she had is about the appropriation authority transfer, so she will look to Mr. Tindall to ask for his comment on whether this is the right time of the year, the right process and all of these transfers are legal according to the information he has provided regarding when such things can happen.

Mr. Tindall said the transfer is consistent with the state budget law and with respect to the restrictions of the transfer, they are not moving money between departments, which is the other secondary restriction. This is all being done in the CIP account. This is consistent with both the City Charter and the budget law.

Mayor Scruggs said in keeping with our new era of full disclosure, she would probably be asking Mr. Tindall similar questions as Council talks about appropriations and transfers and so forth.

It was moved by Councilmember Martinez, and seconded by Councilmember Knaack, to enter into a professional services agreement with Rider Levett Bucknall, Ltd. in an amount not to exceed \$120,341. The motion carried unanimously.

11. PROFESSIONAL SERVICES AGREEMENT WITH BLACK & VEATCH CORPORATION FOR EFFLUENT PIPELINE CONDITION ASSESSMENT

PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

This is a request for City Council to authorize the City Manager to enter into a professional services agreement for an assessment of the Arrowhead Ranch effluent pipeline and recharge well system. This agreement is with Black & Veatch Corporation in an amount not to exceed \$682,050.

Mr. Johnson said the pipeline conveys treated effluent from the Arrowhead Ranch Reclamation Facility to the Arrowhead Ranch Master Planned Community Lake System. Due to the pipeline age and well system efficiency issues, an assessment is recommended. The assessment will allow the City to remain proactive to minimize risks, system failures and service interruptions. It is planned during the winter months when the flows are lower. An RFQ was issued in June 2012 and Black & Veatch was determined to be the most qualified firm. Funds for the project were budgeted in the 2012/13 Capital Improvement Program.

Councilmember Clark asked if there have been any interruptions in service as a result of the aging equipment to date.

Mr. Johnson said there have not been any interruptions.

Councilmember Martinez said in the background summary, it said no problems were found. He asked at what point would another assessment be done.

Mr. Johnson said once the initial test is done and a determination is made as to what is going on with the system right now, the computer system is not providing efficiency for the flow of recharge fluid below ground the way they anticipate it should be and that is why this assessment is needed. Once the assessment is completed and the changes are made, they won't make another assessment for the recharge system until it gives them some indication that it needs to happen again.

It was moved by Vice Mayor Frate, and seconded by Councilmember Clark, to enter into a professional services agreement with Black & Veatch Corporation in an amount not to exceed \$682,050. The motion carried unanimously.

12. PURCHASE OF ULTRAVIOLET EQUIPMENT PARTS AND SUPPLIES

PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

This is a request for City Council to authorize the purchase of parts and supplies for the ultraviolet (UV) disinfection systems at the West Area and Arrowhead Ranch Water Reclamation Facilities. These purchases will be made from DC Frost Associates Inc. in an amount not to exceed \$400,000 annually.

Mr. Johnson said both reclamation facilities use UV disinfecting light along with supplemental chlorine addition to complete the final disinfection phase of the reclamation treatment process. This helps the reclaimed water maintain an A plus quality rating, which is what is required by permit. The systems have parts being replaced on a regular basis. These systems are proprietary in nature and Trojan Technologies is the only manufacturer of the UV systems and has designated DC Frost as the sole authorized representative for Arizona. Materials Management concurs with the sole source purchase and funds are available in the 2012/13 Water Services Operating Budget.

Vice Mayor Frate asked if this was the first time parts were being replaced or is this an ongoing process.

Mr. Johnson said this has been ongoing.

It was moved by Councilmember Clark, and seconded by Councilmember Martinez, to authorize the purchase of parts and supplies from DC Frost Associates Inc. in an amount not to exceed \$400,000 annually. The motion carried unanimously.

13. AUTHORIZATION FOR WATER RECLAMATION BLOWER MAINTENANCE SERVICES

PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

This is a request for City Council to authorize the purchase of equipment and services for the maintenance of blowers at the West Area Water Reclamation Facility. Maintenance services will be done by Western Environmental Equipment Company in an amount not to exceed \$177,604.90.

Mr. Johnson said the blowers at the West Area Water Reclamation Facility are used to provide the high volume of air needed during the biological process for treating sewage. The West Area Water Reclamation Facility has three blowers which run 24 hours a day, every day. All blowers are due for scheduled maintenance. The blower system is proprietary in nature and Sings Energy, Incorporated is the sole provider of Turbo X products and has designated Western Environmental Equipment Company as their exclusive representative for maintenance and

repairs. Materials Management concurs with the sole source purchase and funds are available in the 2012/13 Water Services Operating Budget.

It was moved by Councilmember Knaack, and seconded by Councilmember Martinez, to authorize the purchase of equipment and services by Western Environmental Equipment Company in an amount not to exceed \$177,604.90. The motion carried unanimously.

ORDINANCES

14. TRANSFER OF PROPERTY WITH MIDWESTERN UNIVERSITY

PRESENTED BY: Gregory Rodzenko, P.E., Acting City Engineer

ORDINANCE: 2828

This is a request for City Council to adopt an ordinance authorizing the City Manager to authorize the transfer of property of a city-owned parcel to Midwestern University in exchange for roadway improvements constructed by Midwestern University. Staff is requesting Council waive reading beyond the title and adopt an ordinance authorizing the City Manager to execute the documents necessary to complete the land transfer.

Mr. Rodzenko said in 2011, at the request of City staff, Midwestern University constructed roadway improvements to 57 Avenue and the Loop 101 frontage road, including 57th Avenue intersection safety concern. The City is obligated to construct these safety improvements relative to standards for municipal road design. The City-owned parcel to be transferred was deeded to Glendale by Arrowhead Ranch in 1985 for drainage purposes. The parcel was split into two and each parcel was required for the 55th Avenue drainage channel. The west parcel is a remnant and is of no use to the City and should be transferred to Midwestern. It is about 50,000 square feet in size, a little over an acre. Midwestern spent approximate \$900,000 for the intersection and street improvements, compared to the fair market value of the City parcel, which is estimated at no more than \$46,000. There are no costs incurred by the City as a result of this action.

Mayor Scruggs asked that the record show that she will not be voting on this item due to a possible conflict of interest.

ORDINANCE NO. 2828 NEW SERIES, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE TRANSFER OF PROPERTY TO MIDWESTERN UNIVERSITY OF REAL PROPERTY LOCATED SOUTH OF BEARDSLEY ROAD BETWEEN 57TH AVENUE AND THE 55TH AVENUE DRAINAGE CHANNEL AND NEAR THE INTERSECTION WITH THE LOOP 101 FRONTAGE ROAD; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

It was moved by Councilmember Martinez, and seconded by Councilmember Knaack, to pass, adopt and approve Ordinance No. 2828 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Clark, Hugh, Knaack, Martinez, and Frate. Members voting “nay”: none. Mayor Scruggs abstained from vote for possible conflict of interest. The motion carried unanimously.

15. CITY CODE CHAPTER XIII ORDINANCE AMENDMENTS

PRESENTED BY: Elizabeth Finn, Presiding Judge

ORDINANCE: 2829

This is a request for City Council to waive reading beyond the title and adopt an ordinance amending provisions of the Glendale City Code contained in Chapter XIII concerning compensation of Glendale City Court judicial officers.

The existing ordinance was adopted in 2002. The proposed amendment is intended to address current circumstances and future changes in court operations and administration.

Judge Finn said this issue has been addressed in the past and has been discussed in executive session and at a Workshop. The existing Ordinances were enacted to limit the occasions Council was required to address the salaries of City Court Judges and the Court Hearing Officers. The current Ordinance does not adequately address what may occur in the event a new presiding judge is appointed at a lesser salary. In such case, there would be inequitable adjustments to the salaries of the City Court Judges and the Court Hearing Officers. Judge Finn evaluated the situation with Mr. Tindall and their recommendation to best address this situation is Ordinance No. 2829. There is no fiscal impact.

Councilmember Clark asked what the solution was.

Judge Finn said the solution was to revise the Ordinance so that if a presiding judge is appointed at a lesser salary, the City Court Judges and the Court Hearing Officer maintain the same salary until the 85% and the 60% are established. The City Ordinances currently say that the City Court Judges receive 85% of the presiding judge's salary and the Court Hearing Officer receives 60%. The ordinance revision provides if those percentages shrink because a new presiding judge is appointed at a lesser salary, the City Court Judge's and the Court Hearing Officer would be frozen until the percentage gap could be established again.

Councilmember Knaack thanked Judge Finn for being proactive and taking care of this issue.

ORDINANCE NO. 2829 NEW SERIES, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING GLENDALE CITY CODE, CHAPTER 13 (CITY COURT), ARTICLE 1 (IN GENERAL), SEC. 13-6 (COMPENSATION OF JUDICIAL OFFICERS; AND SETTING FORTH AN EFFECTIVE DATE.

It was moved by Vice Mayor Frate, and seconded by Councilmember Clark, to pass, adopt and approve Ordinance No. 2829 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Alvarez, Clark, Hugh, Knaack, Martinez, and Frate and Scruggs. Members voting "nay": none. The motion carried.

16. FISCAL YEAR 2012-13 BUDGET AMENDMENTS – WATER/SEWER FULL-TIME EMPLOYEES TO GENERAL FUND

PRESENTED BY: Sherry Schurhammer, Executive Director, Financial Services
ORDINANCE: 2830

This is a request for City Council to waive reading beyond the title and adopt an ordinance approving the transfer of 3.5 Full Time Employees (FTEs) from the Water/Sewer Enterprise Fund, and the associated appropriation authority from the Water/Sewer Fund to the General Fund (GF), both of which are within the Financial Services Department.

Ms. Schurhammer said the appropriation authority will transfer between divisions within the same department, the financial services department. The transfer of 3.5 FTEs involves the transfer of appropriation authority. The duties of one of the 3.5 FTEs has changed over the last few years from primarily water/sewer billing issues to sales tax and licensing issues as a result of the implementation of several new technology systems. The remaining 2.5 FTEs for temporary removal by the Human Resources from the general fund to the water and sewer fund. The employees were moved back in 2009 and that move should have been reversed by HR at that time when other general fund positions became vacant through attrition. That did not happen and they are attempting to fix the situation with this request. Glendale's total appropriation authority across all funds remains unchanged.

Councilmember Clark commented that this is another situation where HR has had to fix something. She wanted to make it clear that Mr. Brown inherited a mess in HR and he has spent time fixing a lot of things that occurred under the previous HR Manager. She didn't want to give the impression that this happened on Mr. Brown's watch because she knows it didn't.

Councilmember Alvarez said they are transferring from the general fund to the water trust fund.

Ms. Schurhammer said they are not transferring funds. They are moving the authorized FTE positions.

Councilmember Alvarez said she thought there was no money in the general fund.

Ms. Schurhammer said this is one of the items that was included in the 20 year financial analysis that was shown to the Council on November 27th. The forecasts included the fixes that needed to be done for the Risk Management Trust Fund and Workers' Comp Trust Fund. They also included this in there. All of that will be covered by the reductions that will be brought forward on December 18th.

Councilmember Alvarez said the trust funds was something that was legally done and asked if the transfer were okay to be done.

Ms. Schurhammer said this specific item just addresses the water/sewer FTEs that are moving over to the general fund. The other two items coming forward tonight will deal with Risk and Workers' Comp.

Councilmember Alvarez asked if there was enough money in the general fund for those 3.5 FTEs.

Ms. Schurhammer said they have accounted for that in the updated analysis.

Mayor Scruggs asked Ms. Schurhammer, she thought the reasoning for the temporary move does not quite match up with what was really going on at that time. What was the year in which we were paying incentives to people to retire?

Ms. Schurhammer indicated the retirement incentive program was offered in early calendar year 2009, which was the last half of fiscal year 2009. That program was offered at that time in order to help balance the budget for FY10. The reality was that some of the individuals who participated in the program did not leave by the end FY09. Some of them stayed until early summer because a couple of them needed an extra month or two to reach their retirement eligible age. There were just a few exceptions to everyone being out the door by the end of 2009.

Mayor Scruggs said so we helped them out the door so we could free up money in the general fund, but as she recalled, there was quite a contentious workshop discussion about why the positions were being held as vacant positions. She was very concerned about the large number of positions and she was told we have to have those for flexibility because if there is a vacancy in a critical area, HR has to be able to go out and recruit so the critical position could be filled. She thought at that time, there were something like 67 open positions. She knew that she was certainly not in the majority in her concern about why we were holding these positions open and Assistant City Manager Kavanaugh was very adamant those positions had to stay there. She was trying to fit that in with how there was this need to transfer these 2.5 FTEs to water/sewer fund because it would have been detrimental to the department and organization if they were gone. So, in other words, these 2.5 positions directly fit the reason why Ms. Kavanaugh was giving for the absolute requirement that these vacant FTEs be retained. So, why was this decision to move people over when we were holding vacant FTEs.

Ms. Schurhammer said she does not know the answer. She is trying to explain what another department did three years ago and now we are trying to fix it. She recalled that some of the positions left open were in public safety. Those were separate.

Mayor Scruggs said you always like to use public safety as a reason for everything, but the positions were throughout the organization.

Ms. Schurhammer said yes and agreed they were throughout the organization, but there were some in public safety. She said as part of the FY10 budget, they eliminated about 110 positions, but they would have been eliminated with a July 1st date of the fiscal year.

Mayor Scruggs said the premise was always that critical positions would not be eliminated if they were needed to carry on the duties, so the appearance is that these positions were moved to water and sewer because that is an enterprise fund and that is not going to get touched and then we have more money available in the general fund. She had two questions. What caused somebody to suddenly decide maybe we should go back and rectify this? That is question number one. Question number two is are we going to repay the water and sewer fund for the salaries that were paid out of that fund because we needed to relieve the general fund? Just as

we are going back and repaying Risk Management Trust Fund for improperly paying salaries out of there, are we going to go back and repay the water and sewer trust fund? Are there any other FTEs that are being paid out of the enterprise funds that belong in the general fund, and what is the impact of this on the rate payer?

Ms. Schurhammer said they are trying to fix this now because they have known about this problem and are trying to fix it.

Mayor Scruggs asked what suddenly has caused you to decide to go back and fix these old problems. This one should not have existed in the first place, but go on.

Ms. Schurhammer said at this point, they are trying to implement these fixes and they are bringing all three of these items forward tonight to try and get this done at this point in time. As far as repaying the water and sewer fund, if the consensus decision is to do that, they can bring something back to take care of that.

Mayor Scruggs asked are there any other positions that are being paid out of water and sewer, or sanitation for that matter, or any of the enterprise funds that should belong in the general fund.

Ms. Schurhammer said she was not aware of any.

Mayor Scruggs said she suggested that in order to complete the reversal of an action that she guessed was assumed to be for a very short period of time, but to her, makes no sense whatsoever, that staff look into the amount needed to repay the water and sewer fund for the payment of these FTEs' salaries and benefits. She realized that she was one person making that request, but she thought under our new way of Council getting to bring matters of special interest forward, just as Councilmember Clark has asked you to look into coming up with a plan for capital improvements to the Civic Center, she believed that in order to complete the rectification of actions taken that were less than appropriate, this should be done.

Councilmember Alvarez said on this decision of the FTEs, isn't this going through budget or is it the decision of the director. She said she was not allowed to do that as a program administrator, which is the same as a director.

Ms. Schurhammer said budget was not aware that this was done until after the fact. At that time, that is what happened.

Councilmember Alvarez asked why wasn't budget aware of what was happening.

Ms. Schurhammer said they were not informed this was going to be done. She couldn't explain why they were not informed. She did not know that it was going to be done.

Councilmember Alvarez said her vote will be no. She said not being aware of what was happening is no excuse, especially when they are dealing with taxpayers' money. The people that made the decisions are gone, but there are people still here that held responsibility.

Mayor Scruggs followed up on Councilmember Alvarez's statements by saying it wasn't just the originating end, which is HR. You are portraying that Human Resources made this decision. She just can't even imagine how Human Resources would have pulled this out of the sky to do this without talking to budget or getting direction from upper management, but they are the receiving end. Why did the directors over utilities department agree to accept three FTEs into their budget that did not even belong on their department? How does something like that happen? You have the end that is originating it and then the end that is receiving it and budget you are saying did not know any of this was going on. Councilmember Alvarez is saying this type of action is one more that is coming forward that they are finding out about. How many more are there? What prevents these types of things from happening again? How did this happen in the first place? How can another department, especially one that has an enterprise fund, accept this new cost and not tell anybody and not say well these people don't work for me, I don't need them? You are going to answer that you are only the budget director and you are just reporting the transfer of numbers. Mr. Skeete had mentioned to her a while back that, meaning about a week ago, that maybe it's high time that people who were involved in actions such as these, start explaining what they were doing and why they were doing it, versus having someone who says we didn't know anything about it, we are just the number keeper.

Ms. Schurhammer said they have implemented procedures so that it does not happen in the future. They found out about these transfers after the fact. Once they found out about it, they went to HR and they figured out how to prevent it from happening in the future, so now when they get paperwork, personnel action forms, that are requesting, that they always call budget first and ask if this can be done based on where the funding it. A process has been implemented so it cannot happen in the future.

Mayor Scruggs asked when did staff discover this.

Ms. Schurhammer said it would have been in 2010 and they discovered it sometime after that.

Mayor Scruggs said two years ago? And now you are going to correct this?

Ms. Schurhammer said it has been brought forward now to correct.

Councilmember Clark said she thought they were spending a lot of time killing the messenger. She said the reason many of these things are being brought to light and corrected is the result of Mr. Skeete and his willingness to acknowledge there were practices that were less than kosher and they are being corrected. Councilmember Clark said she didn't even remember who was the water director in 2009, but it was someone who is not there anymore. She acknowledged there were bad practices going on that they did not know about, but she commended staff for the fact that they are willing to bring them to light now and to put procedures in place to correct them. She acknowledged the issues that Mayor Scruggs and Councilmember Alvarez had, but she wanted to acknowledge that the issues are being corrected and the people bringing these items forward are not necessarily the people who conspired at the time of the bad acts.

Mayor Scruggs said she had some agreements and some disagreements with what Councilmember Clark said. She doesn't mean to shoot the messenger. Ms. Schurhammer is the

only person that is offered to us for an explanation. Perhaps, the better thing would have been to have the department that originated this bad act and the department that went along with it by receiving it, but you are the person put in front of us. She didn't think we were shooting the messenger. She didn't think the messenger was going to refuse to come forward with information in the future, because she thought the situation has reached a critical point where no more will there be information that is withheld. It will be discovered one way or the other. She wanted to agree with Councilmember Clark that during Mr. Skeete's short time as the Acting City Manager, he has brought many matters forward for disclosure, albeit painful to him, she was sure in many instances, especially since he was in positions that were part of the chain of individuals who were involved, so she wanted to commend him. At the same time, she couldn't say this is all great because this was discovered in 2010 and here we are two years later, correcting it. She can't say that at all. She can't agree at all. She thought, perhaps, the reason why now two years later it is being corrected is because so many other things have been brought to light that people are going back and saying well maybe we should rectify this that we knew about two years ago. She appreciated that there are practices in place and she will remain in direct contrast and opposition with the majority of the City Council who believe these things happened, they are over and done with, let's not talk about them anymore because this is a new day and everything is great and it doesn't do any good to talk about these things. She disagreed with that one hundred percent. She would share with you a comment that was made to her by an employee of the City of Glendale who sat through our very painful workshop last Tuesday. That employee said Mayor, we, the employees, need to know what happened, why it happened, who caused it to happen, because only then can the healing begin. So, she would remain in opposition with your position that it is over, it's done with, let's not talk about it. These things must be talked about, our citizens demand this.

She was going to ask Mr. Tindall if there is a way in which she could offer an amendment to the Ordinance and that amendment is that the general fund repay the water and sewer fund for all costs of compensation for the FTEs that were transferred over there supposedly on a temporary basis. You don't have to answer this second, Councilmember Alvarez wishes to speak, but before we vote on this or before the Ordinance is read, she was going to ask if there is a way for her to offer that amendment.

Councilmember Alvarez agreed with Mayor Scruggs and said there are too many things going on and employees have brought her proof of what was happening. She said this should never have happened. There are too many people in upper management for this to happen. It affects people that are going to hurt when they are laid off at the end of the year. Those people are going to be without jobs because of somebody's mistake or not knowing what was going on and that is not acceptable by the public. The employees need a salary and we need to know. She is always going to be asking. The first year she didn't ask questions, but after learning of the favoritism, the money and things that were happening, it is not going to happen. People are going to come and let them all know who they hired, who crossed the line and they are taking a job away from someone else, they are taking taxpayers' money. She is not placing blame, but they have to be more alert to justify their pay.

Councilmember Knaack asked that there were only 3.5 employees moved from the general fund to the water and sewer fund in the last four or five years. She said she knows of one person who was moved just this year from the general fund to the water fund.

Ms. Schurhammer said there is a difference between moving an authorized position and moving an employee from a position that is funded in one fund to a vacant position that is funded in another fund. She said she didn't know what case Councilmember Knaack was talking about.

Councilmember Knaack said there aren't supposed to be any vacant positions at this point. In 2009 or 2010, there were 90 vacancies at that point which they questioned why are we holding onto all these vacancies. She said they should have pushed it because they wouldn't be in this bad position.

Mayor Scruggs said they did push it and thank you for correcting it. It was 90 something. She and Councilmember Knaack did push it and boy it was pushed back right at us.

Councilmember Knaack said a lot of the management people are gone now that held a great responsibility for the things that have happened, especially in HR. Her question to Mr. Skeete was he was over Finance since 2008, so her concern if he had been, why he would not know that this is going on. There is more stuff coming out every day.

Mr. Skeete said there have been a number of general fund and other employees across the organization that go from one fund to another. There have been vacancies in the water and sanitation departments that employees for the general fund have applied for and were filled with employees from other departments across the organization. All vacant positions are not frozen and there have been a number of employees that feel qualified and met the qualifications and went through the internal interview process and were selected by the departments to fill vacancies in other departments and in other funds across the organization. There have been much more than three positions of people moving from the general fund into the enterprise funds over the last three to five years. Currently, vacant positions are reviewed by the HR Department and submitted to Mr. Skeete for final review and authorization as to whether it is deemed essential and necessary and is approved for filling. Because of the state of the general fund and the economy, the process has always been any vacant position available is first posted internally for one or two weeks. If it is not filled or there are not enough applicants, then it is posted externally for recruitment. This has been a long-standing practice and that practice continues. When the positions are posted, if there are adequate qualified internal employees, they are given the opportunity to apply for those positions. There are about 20 vacancies in the water and sewer department. They are actively recruiting for at least 10 of those vacancies. He said last week he approved 4 vacancies in the police department for recruitment. If there are not enough qualified applicants within the organization, those will then go to an external recruitment process.

Councilmember Knaack said she felt like the enterprise fund is a catch all fund for everything. She said that is her perception. She understands the situation that those employees are no longer focused on water billing and should not be funded out of that and moved back to the general fund.

Councilmember Martinez said to Mr. Skeete that someone had to give the final approval for these actions. He asked who that person would have been in these instances.

Mr. Skeete said the process of evaluating the actions taken during the budget reductions and reorganization that took place in 2010 was a collective decision made by the management team. Various departments and individuals were given responsibility for presenting to the City Manger solutions and alternatives for his consideration.

Councilmember Martinez asked if it followed the chain of command and came to the management team. He said Mr. Skeete was the head of the management team and his recommendation went to the City Manager.

Mr. Skeete said he was only appointed head of the management team in June of this year. He never considered himself head of any management team for the 7 ½ years before that.

Mayor Scruggs asked what was your position, were you Deputy City Manager, were you a director? They are thinking you were either City Manager or Assistant City Manager back in 09/10.

Mr. Skeete said back in 09/10, he was Deputy City Manager over Finance, Budget, IT and HR.

Mayor Scruggs asked so did you know about it?

Mr. Skeete said he was not aware of the fact that those positions were paid for by the water fund. When he became aware of that fact recently, he instructed Ms. Schurhammer and the sales tax department that they immediately had to fix that issue.

Councilmember Martinez said Ms. Schurhammer has advised that although these things have happened, that they won't happen again. He also said that Human Resources will keep them advised.

Ms. Schurhammer said Human Resources calls her whenever there are any requests for changes to existing positions.

Councilmember Martinez asked if it was just a call or a piece of paper that goes out to show exactly what is happening so it is recorded.

Ms. Schurhammer said sometimes when it is something very simple; it is just a phone call. Other times, when the issue is more complicated, they will get a copy sent by email to them of what has been proposed and then her office will respond.

Councilmember Martinez said in his experience there was a piece of paper for every action taken that you could point to in order to prove what happened. He recommended very strongly that, in the future, there be a paper trail from the very beginning showing who authorized everything down the line.

Ms. Schurhammer said she believed that is what is happening now.

Councilmember Martinez said Mr. Skeete has submitted a corrective action plan and rather than continuing to point fingers, they need to move on, as long as there is a procedure in place that these things will not happen again.

Mayor Scruggs said she needed to go back to this, we have rehashed and gone over and there is no reason to talk about it. There is a reason to talk about it because financial statements were prepared and presented to the public and to the financial community, some of whom assisted in bond issues. Those financial statements and those budget books were not accurate. To say there is no reason to talk about this, you know we might just hear from some of those bond underwriting companies or others involved in this that say there were irregularities and we acted upon those irregularities. Do you say that was in the past, let's not talk about.

Councilmember Martinez said he did not say that.

Mayor Scruggs said but there is a reason why we continue to pursue this. Now, she wanted to go back to some things. Mr. Skeete, where did Mr. Lynch fit in all of this, Art Lynch? Did you report to Art Lynch? Where was he in all of this? Wasn't he in the financial world in the City of Glendale?

Mr. Skeete said that is correct. He said he did not report to Mr. Lynch. Mr. Lynch was advising the City Manager and was responsible for a lot of the financing operations and recommendations.

Mayor Scruggs said but usually when there was a need to find money, it was Mr. Lynch who determined how money could be moved around and come forward. Now, where did Ms. Kavanaugh fit in all of this, because there seems to be some feeling that you were directly responsible for all of this? Where did Ms. Kavanaugh fit with relation to Mr. Beasley and Mr. Lynch and you?

Mr. Skeete said Ms. Kavanaugh was the Assistant City Manager and she was responsible for the operations. They all reported to Ms. Kavanaugh.

Mayor Scruggs said we all, meaning?

Mr. Skeete said all of the Deputy City Managers reported to Ms. Kavanaugh.

Mayor Scruggs said and she reported to Mr. Beasley. What about Mr. Lynch, did he report to Ms. Kavanaugh?

Mr. Skeete said Mr. Lynch had a dual reporting mechanism where he reported to Ms. Kavanaugh and to Mr. Beasley.

Mayor Scruggs said so this is a very complicated situation. She was still just intrigued with how budget would not know this was happening. Budget prepared the budget books and the budget books detail how many FTEs there are in each department.

Ms. Schurhammer said they do prepare the budget book. Every year when the preliminary budget book is prepared that is done in the beginning of May. They run a staffing report out of the HRMS system which is part of PeopleSoft. It is based on what is in HRMS as of May 1st. If there are changes that occur after May 1st, they don't know about them immediately, but they will eventually find out about them. As of May 1st, what they put in the budget book, it reflects what was in HRMS at that time. If some of the changes or temporary moves were done, if they occurred after that date, they wouldn't have known about it immediately. Although they do run reports out of HRMS, they don't run them daily.

Mayor Scruggs asked what does HRMS stand for.

Ms. Schurhammer said Human Resource Management System. PeopleSoft is the financial end and HRMS keeps track of the people end of it. They rely on the information that is in that system. The responsibility for that system for inputting the information and insuring it is accurate falls within the Human Resources department.

Mayor Scruggs said so then if the moves were made, and she thought Ms. Schurhammer was leading up to surmising that the moves were made after the May 1st date of the HRMS that she used to build the budget book?

Ms. Schurhammer said she believed that is what happened. She would have to go back and pull the records to verify that.

Mayor Scruggs said so let's assume that happened. At what point, then, would budget find out there are now 3.5 more FTEs in water and sewer than there were. When would you have found that out?

Ms. Schurhammer said she could not pinpoint a date.

Mayor Scruggs asked would it be before you prepared the next budget book, when you were doing payroll and you said there's more people over here than what we had in the budget?

Ms. Schurhammer said by the time they did the following year's budget book, we would have known. More than likely, it would have been sometime later in the summer or early fall. Usually, they do checks then on staffing. She said at the time there were a lot of positions that needed to be eliminated. They assumed those positions were going to be eliminated as of July 1st. Some positions did not become vacant until after July 1st. It was very complicated and they were trying to work with the HR director at that time, trying to keep everything straight, and it was quite confusing. She said she knows this is not an acceptable answer, but it was the reality at the time.

Mayor Scruggs said she believed she'd cut off Councilmember Alvarez with her comments, so she would go to her next.

Councilmember Alvarez asked about the forms used.

Ms. Schurhammer explained they were personnel action forms. She said the forms were being used but budget did not get a copy of them.

Councilmember Alvarez said they have always had those form and with any change the forms had to be sent to Human Resources.

Ms. Schurhammer said they have worked something out so now when HR gets those forms, they call budget to make sure that the proposed action is feasible.

Councilmember Martinez commented said they have beaten this issue to death because they have been talking about it for a long time. He said there are new things that have come up, but he said now there is a procedure in place to correct it; there has been talk about doing an audit which will probably happen. He said that will answer a lot of questions.

Mayor Scruggs said she remained in disagreement with Councilmember Martinez.

Councilmember Martinez said the Mayor can disagree all she wanted.

Mayor Scruggs said she understands that. She didn't believe we have beat this to death. This is new information that is coming out tonight.

Councilmember Martinez said the Mayor has her opinion and he has his.

Mayor Scruggs said and that's exactly right and that is how she started it. So, this all took place, Ms. Schurhammer didn't know. It went over to water and sewer, but she didn't recognize any salary savings in the departments they came from. Nothing showed up in budget to peak budget's interest that there were salary savings now because these people were gone.

Ms. Schurhammer said that did occur and that is what caused them to go back and run some reports. She said the first couple of months in the fiscal year, the salary savings are relatively insignificant and it is not until several pay periods later that you begin to see the salary savings, and that is probably when they discovered it.

Mayor Scruggs she believed that's all the rehashing. Mayor Scruggs asked Mr. Tindall do you have an answer to my question.

Mr. Tindall said her question was can the Ordinance be amended. He said a motion could be made to amend the Ordinance prior to the motion to pass the Ordinance.

Mayor Scruggs said so we would have the Ordinance read and then the motion to amend it. Is that the appropriate way.

Mr. Tindall said he thought the title of the Ordinance should be changed and if the motion passed, then a motion for amendment might be best and see if that passes and then alter the title of the Ordinance so in the future, they can see the amendment reflected in the title as well.

Mayor Scruggs asked is that something that should be done from the dais here tonight or go back to staff or first she had to propose a motion and see if there is majority support. Is that correct?

Mr. Tindall said if she wanted to amend the motion. He said the other thing that can be done, which would give them time to reflect on the language, is to have direction to bring back to Council the transfer of funds to repay water and sewer. He said that could be done by a voice vote and then this Ordinance wouldn't have to be amended at all.

Mayor Scruggs said but there would be no way to secure any knowledge of whether there is consensus, majority approval of repaying the fund by doing it the way Mr. Tindall was talking about?

Mr. Tindall said the majority of Council could give direction.

It was moved by Scruggs, and seconded by Knaack, to make a motion that staff be directed to determine the amount of money that was paid from the water and sewer fund for the employees that should have been paid out of the general fund, and to bring back to Council, a Resolution authorizing the transfer of those funds. Members voting "nay": Alvarez. Motion carried.

ORDINANCE NO. 2830 NEW SERIES, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING TRANSFERS OF APPROPRIATION AUTHORITY WITHIN THE WATER AND SEWER FUND TO THE GENERAL FUND IN THE ADOPTED FISCAL YEAR 2012-2013 BUDGET.

It was moved by Clark, and seconded by Frate, to table the item. Councilmembers voting "aye": Alvarez, Clark, Hugh, Knaack, Martinez, Frate and Scruggs. The motion carried unanimously.

Mr. Tindall said the actions are for Council to bring back both the Ordinance and the direction is also to bring back the appropriate action to Council to repay the water and sewer fund from the general fund for the amount expended for the 3.5 employees.

Mayor Scruggs said yes from the initial time to the present.

17. FISCAL YEAR 2012-13 BUDGET AMENDMENTS – RISK MANAGEMENT TRUST FUND

PRESENTED BY: Sherry Schurhammer, Executive Director, Financial Services

ORDINANCE: 2831

This is a request for City Council to waive reading beyond the title and adopt an ordinance approving an operating cash transfer from the General Fund (GF) to the Risk Management Trust Fund (RMTF); and the transfer of three Full Time Employees (FTEs), and the associated appropriation authority, from the RMTF to the GF, both of which are within the Human Resources and Risk Management Department.

Ms. Schurhammer said this issue was discussed at the December 4th workshop. The operating cash transfer of \$489,000 from the general fund to the risk management trust fund is required to repay the fund for the salaries charged to it in FY11 and FY12. The transfer of the 3 FTEs and the associated appropriation authority from the risk fund to the general fund for FY13 is required to fix the funding source for FY13 and beyond. The transfers to accomplish this will be between two separate funds, but within the same department. Glendale's total appropriation authority across all funds remains unchanged and the recommendation is to waive reading beyond the title and adopt an Ordinance for a cash transfer from the general fund to the risk management fund, as well as a transfer of 3.0 FTEs in the associated appropriation authority from the risk fund to the general fund.

Councilmember Clark said they have thoroughly discussed this and they gave direction on these actions at the end of the workshop meeting.

Mayor Scruggs said she would like to ask a question. In background summary, it says the FY2012 ending budget basis fund balance for the risk management trust fund is \$2.9 million, exceeding the 55% confidence level identified in the April 2012 actuarial report. Can you tell us what the confidence level is?

Ms. Schurhammer said she has the information and she could send it by email.

Mayor Scruggs asked do you remember if it was exceeding it by 1% or maybe 5%, 10%, do we have a buffering there?

Ms. Schurhammer said she thought they had a few hundred thousand dollars as a buffer.

Mayor Scruggs said what would that mean out of \$2.9 million?

Ms. Schurhammer said \$290,000 is 1%.

Mayor Scruggs asked so we were at 56%?

Ms. Schurhammer said she believed the 55% confidence level was \$2.2 million, but she would need to verify that.

Councilmember Clark said recently there was another risk management report and she thought the confidence level was now about 60%.

Mayor Scruggs said there are two members of the public who wish to speak so maybe you can find it real quick while they are speaking. Before you go away, are there any other questions.

Ken Jones, an Ocotillo resident, said no one wants to admit what went on and everyone is innocent. They were told improper funds were taken from the risk management fund, and now the City is going to transfer lots of money back into the fund. He wanted to know how the City is putting the money back. He said the City reserve had over \$70 million in it a short time ago, and now it has been reported the City is \$20 million in the red. He said it is disgusting the way IOUs are being passed around, because the City does not have the money. He said everything the Council does ends up robbing and hurting the citizens. The taxpayers don't have anything else to give.

Arthur Thruston, a Cactus resident, first welcomed Councilmember Hugh to the Council. He said he has been listening and asked who is at fault. He said when a business is run; the people that are responsible are sitting in the chairs right now. He said the City has hired management, department heads to do a job and the responsibility starts here. He spoke to Mr. Weiers and said he will have the responsibility and it will be his fault if it fails and his win if he succeeds. He said he wants answers and audits of every department to look at everything.

Ms. Schurhammer said the 55% confidence level based on the 2012 actuarial report for risk fund is \$2 million. The budget basis ending fund balance is \$2.9 million. There is a cushion of about 3%.

Mayor Scruggs asked how do we build it higher? She knew we didn't have any claims against risk management, but how else does it get bigger?

Ms. Schurhammer said every year they determine what the contribution levels are and will set the contribution level at \$2 million for FY14. A new actuarial report will come out at the end of April 2013 and if it calls for a 55% confidence level, funding that is more than \$2 million; they will have to go back to Council with a new funding plan.

Mayor Scruggs said she'd learned this risk management trust fund, which is something Ms. Schurhammer understands better, can drop below 55%. However, if the city has significant claims that have to be paid out of the fund, was she understanding that correctly?

Ms. Schurhammer said she was not certain and they would have to ask the manager of the fund.

Councilmember Clark said the city doesn't know the extent of the claims and last year there were many claims that drew down the fund, in addition to finding other irregularities. They had always maintained a confidence level of 70% to 90%. It was a combination of extraordinary claims plus finding out the money had been used inappropriately that drew it down to 55%. She said it will go back up again.

Mayor Scruggs said the funding is adjusted to build it up so there is a buffer so if claims come in again at a high level, there is something there, because if it appears it is not left with enough of a

cushion to pay the claims, then you have to have these big transfers later on to bring it back to the required confidence level.

Councilmember Clark said we don't have a history of transferring a lot of general fund money into the risk management. We do have a history of taking money out of risk management for other purposes, but typically we have always had risk management well-funded.

Ms. Schurhammer said at one point that fund balance was about \$8 million so it was quite high, even though the required funding level was significantly less.

ORDINANCE NO. 2831 NEW SERIES, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AN OPERATING CASH TRANSFER; AND AUTHORIZING TRANSFERS OF APPROPRIATION AUTHORITY FOR THE RISK MANAGEMENT TRUST FUND IN THE ADOPTED FISCAL YEAR 2012-2013 BUDGET.

It was moved by Councilmember Clark, and seconded by Vice Mayor Frate, to pass, adopt and approve Ordinance No. 2831 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Alvarez, Clark, Hugh, Knaack, Martinez, Frate, and Scruggs. Members voting "nay": none. The motion carried unanimously.

18. WORKERS' COMPENSATION TRUST FUND CASH TRANSFER (NO ORDINANCE REQUIRED)

PRESENTED BY: Sherry Schurhammer, Executive Director, Financial Services

This is a request for City Council to consider and approve Fiscal Year (FY) 2012-13 budget amendments related to the Workers' Compensation Trust Fund (WCTF).

Ms. Schurhammer said for FY13, as of the end of the calendar year, a transfer of cash up to \$1.4 million from those funds that currently pay into the workers' comp trust fund, is required to maintain the reserve requirement at the end of this calendar year as established by the Arizona Industrial Commission. During the 4th quarter of this fiscal year, the transfer will be reversed and unused appropriation authority will be transferred to departments to accommodate the increased requirements for the workers' comp trust fund. The City's total appropriation authority across all funds remains unchanged and the recommendation is to consider and approve FY13 budget amendments related to the transfer of cash between funds for the workers' compensation trust fund.

Councilmember Clark said the Arizona Industrial Commission used to work on a fiscal year basis and they switched to a calendar year basis. When they did that, the City's accounting process did not work. That is why the transfer has to be made, because of the movement from a fiscal year accrual basis to a calendar year accrual basis. Once that has been accomplished, the fund can be reviewed on a calendar basis and can transfer the appropriate amounts back into the general fund as required.

Mayor Scruggs said well, but then it is still not back to, we've known about it for a year or two. We are taking care of it. We are doing it right, because it has to be done within the next 20 days.

Councilmember Alvarez asked what the date was that Ms. Schurhammer found out about this, changing to a calendar year.

Ms. Schurhammer said the Industrial Commission changed to a calendar basis as of the end of calendar year 2011. It became effective over a year ago and the City is doing the transfer to calendar year 2012 with the appropriate fund balance based on the April 2012 actuarial report.

Councilmember Alvarez asked the Mayor if she got a letter or if HR received a letter from the Industrial Commission because the City was red flagged.

Mr. Brown said the Human Resources department has been in contact with the Industrial Commission all along, as is required, to inform them if the City workers' comp trust fund falls below the confidence level. They know the City's status and know of the presentation this evening and they are awaiting the result.

Councilmember Alvarez asked if a letter was sent advising the City they were below the level.

Mr. Brown said they had been notified about that. He said the City did not wait for the Industrial Commission to send the notification; the City has been proactive about communicating with them up front.

Councilmember Alvarez said Mr. Brown was not the director or interim director when the letter was received.

Mr. Brown said he has been interim director since February of 2012.

Councilmember Alvarez said this was in effect in 2011.

Mr. Brown said that is when the change was made.

Councilmember Alvarez asked what month the notification was received.

Mr. Brown said he did not recall.

Councilmember Alvarez asked if the Industrial Commission notified them that they were below.

Mr. Brown said he had not seen that, but was aware of what Councilmember Alvarez was talking about and that would have been back in the time she was referring to.

Mayor Scruggs said during our workshop last Tuesday, the answer was given that the Industrial Commission made this change in 2010 and if I understood Ms. Schurhammer correctly, she said it went into December 31, 2011.

Mr. Brown said it was 2011 and that might have been announced in 2010, but Ms. Schurhammer was correct when that went into place.

Mayor Scruggs asked did we adhere to the calendar year requirement in 2011, or did we ignore it.

Mr. Brown said the City adhered to that. He said in the past, this had been done by funding the workers' comp trust fund via transfer from the risk management trust fund to insure that the confidence level was met.

Mayor Scruggs said so this is not something new that we didn't know about.

Mr. Brown said the funding mechanism now needs to be different.

Mayor Scruggs said is the city now going to be right at the 55% confidence level?

Mr. Brown said with this transfer of the \$1.4 million, based on the information he had from the November 30th balance, which was approximately \$3.2 million, this would put the City at \$4.6 million, which is over the requirement of \$4.2 million.

Councilmember Clark said as the economy allows the payments by departments will be adjusted and there will be rate changes.

Mayor Scruggs said there is no room in the general fund to build up the payments to the level they should be because the general fund is trying to provide services and the previous solution was to go take it from over here and use it over there, and then we didn't have to worry about it. Somehow or other, she guessed the Industrial Commission found out about this.

Mayor Scruggs commented she was informed by both Councilmember Clark and Mr. Brown that the city self-reported about this. The Industrial Commission then sent a letter confirming what the City had told them. That is the red flag letter that everyone is talking about. Councilmember Clark said the City has been working with the Industrial Commission and they are fully aware of what the situation is the proposed action and they will be notified if the action is taken tonight.

Mayor Scruggs said and so the audit that was done, the internal audit, is what drew attention to the fact of the solution to the calendar year problem was to take the money from a fund that had extra money and so that is what is being corrected at this time, and stopped.

Mr. Brown said yes.

Arthur Thruston, a Cactus resident, who had submitted a speaker card, passed on speaking.

It was moved by Councilmember Knaack, and seconded by Councilmember Clark, to approve the recommended action. The motion carried unanimously.

RESOLUTIONS

19. INDUSTRIAL COMMISSION OF ARIZONA WORKERS' COMPENSATION EXEMPTION

PRESENTED BY: Jim Brown, Interim Executive Director, Human Resources & Risk Management

RESOLUTION: 4633

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to request an exemption from the requirement by the Industrial Commission of Arizona to post a security deposit for City of Glendale's self-insured workers' compensation claims in calendar year 2013.

Mr. Brown said the Industrial Commission requires self-insured employers to annually post financial security for claim liabilities. The Industrial Commission revised the rules in March of 2005 to exempt public entities from posting financial security provided a certified statement signed by the governing body is provided annually to the Industrial Commission prior to January 1st of each year. The certified statement must state funds are sufficient to pay liabilities for workers' compensation claims. This is accomplished through a Resolution adopted by Council and submitted to the Industrial Commission. By adopting this Resolution, the City is not required to provide a security deposit to the Industrial Commission.

Councilmember Alvarez had a copy of a document done by a previous Risk Manager and this was introduced to HR for the Council to pass. She said the Council was not aware that this should have been presented to the Council. She said that this should not be turned down by management and the Council should be advised that this was presented to the City. This was introduced to management, but management never did anything about that.

Mayor Scruggs asked is there anybody here who has knowledge of this.

Mr. Skeete said this Resolution is required every year to be presented and approved by the City Council, certifying that the City either has the funds or the deposit will have to be made. He said it has been presented to Council every year for an action.

Councilmember Alvarez said she would provide Mr. Skeete with a copy. She said this was done by the previous risk manager.

Councilmember Clark asked what amount of money the City would have to come up with if this Resolution does not pass.

Mr. Brown said the Industrial Commission would require a deposit of approximately \$3.9 million and the claims would have to be funded as they come in.

Mayor Scruggs said she couldn't remember exactly where, but she thought it is in something that Ms. MacLeod wrote, that talks about an Ordinance that had been presented for consideration and refused or declined by management, but she doesn't remember the purpose of that Ordinance. She would have to go back through her memos and her writings, but she had read that sometime

in the last week or so. She asked Mr. Skeete, if he could think of what else it might be. It was an Ordinance that was recommended, but was never moved forward to the Council.

Mr. Skeete said in creating the action plan to the audit, they discovered a recommendation from the previous risk manager, Mr. Jim Lowe, that a recommendation be brought to the City Council to amend the risk management Ordinance to charge fees for the risk management fees. That was the recommendation that was not brought forward. Council was provided copies of that recommendation in the back up material last week.

RESOLUTION NO. 4633 NEW SERIES, A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REQUESTING EXEMPTION FROM THE REQUIREMENT BY THE INDUSTRIAL COMMISSION OF ARIZONA TO POST SECURITY FOR THE CITY OF GLENDALE'S SELF-INSURED WORKERS' COMPENSATION CLAIMS.

It was moved by Vice Mayor Frate, and seconded by Councilmember Martinez, to pass, adopt and approve Resolution No. 4633 New Series. The motion carried unanimously.

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

It was moved by Vice Mayor Frate, and seconded by Councilmember Knaack, to hold a City Council Workshop at 1:30 p.m. in Room B-3 of the City Council Chambers on Tuesday, December, 18th, 2012, to be followed by an Executive Session pursuant to A.R.S. 38-431.03, and to vacate the regularly scheduled City Council Meeting on Tuesday, December 25, 2012 and the regularly scheduled City Council Workshop on Tuesday, January 1, 2013, due to scheduled City holidays. The motion carried unanimously.

CITIZEN COMMENTS

Andrew Marwick, a Phoenix resident, said there will be new faces on City Council in about three weeks. He said it will be a different Council since Mayor Scruggs will be gone after 20 years. There are still a lot of problems for the City to clean up. He discussed the Coyotes and said City matters get pushed back when Coyotes issues come up. He talked about the NHL lockout and the possibility of the season being cancelled. He said he was at Westgate last weekend and it was very busy. He said Westgate will survive without the Coyotes. He said the Coyotes issue will have to be dealt with by the new Council and the City cannot afford to spend the money.

Ken Jones, an Ocotillo resident, extended a welcome to Councilmember Hugh. He spoke of a report card for the Council on their performance this past year. He spoke about water bills being up 80%. He said the Council used tax money to refurbish a building for the Bechtel Corporation way out west. He said this emptied a large building up on Bell Road and that building is being foreclosed on. He said the Council's report card should be an "F" minus.

Arthur Thruston, a Cactus resident, said there are many people who know where Arizona is due to the Powerball Winner in Fountain Hills. He talked about the casino at 95th Avenue and Northern. He asked that the new City Council quit wasting millions of dollars and apply it to

employees' paychecks and City services. He asked the new Council to build the casino to bring in business. He said a lot of money woes await the new Mayor, Mr. Weiers. He talked about the NHL being broke. He said he likes hockey, but they should pay their own way. He talked about the City's bond rating being lowered. He said businesses are supposed to pay for themselves.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Hugh said it was nice to be back serving with the Mayor.

Councilmember Alvarez suggested that the meeting be started with comments from the floor. She thinks citizens should be allowed to speak first, before the meeting. She commented also on the Boards and Commissions where Councilmembers sit on several boards. She said this should be reviewed and Councilmember shouldn't sit on boards or commissions. She is happy the Council is in agreement to hire a forensic, independent auditor, but the City can save money by not hiring a lawyer. She thinks the present lawyer we have should be looking for an auditor to do an audit. They need someone who is impartial and who has never worked for the City. Councilmember Alvarez also commented about the attendees at the Council meetings. She believed everyone should be allowed to come into the meetings and express their opinions, even though they don't live in Glendale. Councilmember Alvarez also addressed rumors that she is resigning in January. She is going to finish her term. She is here to support and represent the employees of the City 100%.

Councilmember Clark wished everyone a Merry Christmas and a Happy New Year.

Vice Mayor Frate also wished everyone a Merry Christmas and a Happy New Year. He asked everyone to be generous as many needy people are served by the Salvation Army. He reminded everyone to watch children around water.

Councilmember Martinez wished everyone a joyous and happy holiday season.

Councilmember Knaack wished everyone a Merry Christmas and a Happy New Year. She reiterated Vice Mayor Frate's comments about the Salvation Army and the food banks.

Mayor Scruggs said Councilmember Hugh, thank you for the nice comment. It is amazing, isn't it, twenty years later, but it is good to serve with you also. She would save her Merry Christmas for another week. There is a meeting a week from now and she didn't know how Merry Christmas we will be after we have that meeting, so she would hold it. She thanked everybody on the staff that put together the reception out in the lobby this evening. She had thought who in the world is going to show up at five o'clock and the reporter from the Arizona Republic said he stopped counting at 350 people. To everybody who showed up and made the time to come down at that awkward time of 5 p.m. on Tuesday, thank you very, very much. Thank you, Mr. Skeete for assigning people to organize the reception. Good evening, everybody, the meeting is adjourned.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:16 p.m.

Pamela Hanna - City Clerk



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **DESIGNATION OF APPLICANT'S AGENT FOR STATE DISASTER REIMBURSEMENT**
Staff Contact: **Mark Burdick, Fire Chief**

Purpose and Recommended Action

This is a request for City Council to designate Glendale's Emergency Manager, Mitchell Lach, as the City of Glendale's representative with the federal and state government to administer the recovery and reimbursement of funds used in supporting declared disasters and emergencies. Staff is requesting City Council waive reading beyond the title and adopt a resolution approving the designation.

Background Summary

During times of catastrophic emergency or disaster, the Mayor of Glendale, the Governor of Arizona, or the President of the United States may declare emergencies or disasters that have reimbursable costs for the City of Glendale (Glendale). Glendale may be eligible to apply for state disaster and federal relief funds through the Arizona Department of Emergency and Military Affairs, Division of Emergency Management (ADEM) and the Federal Emergency Management Agency (FEMA) during the inclusive dates of those catastrophic events. The applicant's agent is the person designated by the city as the point of contact for all matters pertaining to federal and state disaster assistance. The applicant's agent is authorized to execute and file applications for public assistance on behalf of Glendale for the purpose of obtaining state and federal assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

Previous Related Council Action

On September 27, 2005, City Council approved the designation of the applicant's agent to finalize state disaster reimbursement.

Community Benefit/Public Involvement

Identification of an applicant's agent formalizes the process by which the city can apply for and administer, state and federal disaster relief funding. This funding is essential in the aftermath of catastrophic emergency or disaster to restoring the community to pre-disaster conditions and reducing the impact on its citizens.



CITY COUNCIL REPORT

Budget and Financial Impacts

There are no fiscal impacts with designating a representative.

Attachments

Staff Report

Resolution

Other



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Mark Burdick, Fire Chief**
Item Title: **DESIGNATION OF APPLICANT'S AGENT FOR STATE DISASTER REIMBURSEMENT**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

This report contains information on designating Mitchell Lach, the city's Emergency Manager, as the City of Glendale's representative with the federal and state government to administer the recovery and reimbursement of funds used in supporting declared disasters and emergencies.

The purpose of this report is to request the City Manager forward this item to the City Council for their consideration and approval.

BACKGROUND

During times of catastrophic emergency or disaster, the Mayor of Glendale, the Governor of Arizona, or the President of the United States, may declare emergencies or disasters that have reimbursable costs for the City of Glendale (Glendale). Glendale may be eligible to apply for state disaster and federal relief funds through the Arizona Department of Emergency and Military Affairs, Division of Emergency Management (ADEM) and the Federal Emergency Management Agency (FEMA) during the inclusive dates of those catastrophic events. As part of the cost recovery process, the State Department of Emergency and Military Affairs requires the formal designation of an "Applicant's Agent," who is the city's authorized representative for the purpose of obtaining financial assistance under the Disaster Relief Act.

The applicant's agent is the person designated by the city as the point of contact for all matters pertaining to federal and state disaster assistance. This designation of an applicant's agent is used to inform FEMA and the State of Arizona that the Glendale City Council has appointed and approved the designee to engage with FEMA and ADEM regarding assistance related to grants applied for by Glendale related to catastrophic emergencies and disasters. The applicant's agent is authorized to execute and file applications for public assistance on behalf of Glendale for the purpose of obtaining state and federal assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. This designee ensures that city identified disaster assistance projects comply with FEMA regulations, policies, guidelines, and requirements as they relate to the application for assistance.



STAFF REPORT

ANALYSIS

This request will ensure Glendale has completed the necessary paperwork to receive state and federal disaster relief funds. This request will be effective upon Council's approval.

FISCAL IMPACTS

There are no fiscal impacts with designating a representative.

RESOLUTION NO. 4634 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, DESIGNATING AN AGENT AND AUTHORIZING THE AGENT TO EXECUTE APPLICATIONS WITH THE ARIZONA DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS, DIVISION OF EMERGENCY MANAGEMENT AND THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FOR THE PURPOSE OF OBTAINING FINANCIAL ASSISTANCE UNDER THE DISASTER RELIEF ACT.

WHEREAS, during times of catastrophic emergency or disaster, the Governor of Arizona or the President of the United States may declare emergencies or disasters that have reimbursable costs for the City of Glendale;

WHEREAS, the City of Glendale may be eligible to apply for state disaster and federal relief funds through the Arizona Department of Emergency and Military Affairs, Division of Emergency Management and the Federal Emergency Management Agency (FEMA) during the inclusive dates of those catastrophic events;

WHEREAS, as part of the cost recovery process, the State Department of Emergency and Military Affairs requires the formal designation of an "Applicant's Agent," who is the City of Glendale's authorized representative for obtaining financial assistance under the Disaster Relief Act.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That Mitchell Lach, Emergency Manager, is hereby designated as the City of Glendale's Agent and is hereby authorized to execute for, and on behalf of, the City of Glendale, an entity established under the laws of the State of Arizona, any applications and all other required documents, and file them in the appropriate state office, for the purpose of obtaining certain financial assistance under the Disaster Relief Act, or otherwise available disaster relief funds.

SECTION 2. That the Agent is hereby authorized to provide the state and federal units all materials pertaining to disaster assistance applications.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2013.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager

**ARIZONA DIVISION OF EMERGENCY MANAGEMENT
DESIGNATION OF APPLICANT'S AGENT FORM**

The intent of this **DESIGNATION** is to appoint an **APPLICANT'S AGENT** for the following term:

- For PCA No. _____ only For the period of ____ to ____ Until further notice
 Until further notice for HAZMAT incident

Applicant Name: CITY OF GLENDALE

CERTIFICATION

I, HORATIO SKEETE, duly appointed and ACTING CITY MANAGER of
(Authorizing Official's Name) (Title)

CITY OF GLENDALE, do hereby certify that the information below is true
(Applicant Name)

and correct, based on a resolution passed and approved by the GLENDALE CITY COUNCIL
(Governing Body)

of CITY OF GLENDALE on the _____ day of _____,
(Applicant Name) (day) (month) (year)

MITCHELL LACH has been designated as the Applicant Agent
(Name of Designated Applicant Agent)

to act on behalf of CITY OF GLENDALE
(Applicant Name)

(Authorizing Official's Signature)

(Title)

(Date)

Designated Applicant's Agent

Name MITCHELL LACH

Title/Official Position EMERGENCY MANAGER

Mailing Address 11550 W GLENDALE AVE

City, State, Zip GLENDALE, AZ, 85307

Daytime Telephone Number 623-872-5002 Fax 623-972-5095
(Please include area code and extension if not a direct number)

E-mail Address MLACH@GLENDALEAZ.COM Pager/Cell 623-363-0914

For ADEM Use Only

Received By: _____
(Initials & Date)

July 2000

Form # AZ PA 204-4



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **AMENDMENT TO CITY COUNCIL GUIDELINES REGARDING COUNCIL ITEMS OF SPECIAL INTEREST**
Staff Contact: **Horatio Skeete, Acting City Manager**

Purpose and Recommended Action

This report contains information on the proposed amendment to the City Council Guidelines for placing items of special interest on a Workshop agenda.

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing an amendment to the City Council Guidelines.

Background Summary

As a result of an item of interest presented during the December 4, 2012 Workshop, Council has requested that the procedure for placing items of special interest on a Workshop agenda, as provided in the City Council Guidelines, be revised.

The City Council Guidelines currently provide for placing items of special interest on the first Workshop agenda of each quarter. The current City Council Guidelines further state that at the first Workshop of the next quarter the City Manager reports back to the Council on each item and the Council discusses to determine if they want to pursue any item further through more detailed analysis and/or policy action.

The amended City Council Guidelines will provide for placing "Council Items of Special Interest" on every Workshop agenda. This item will be a standing item and will be placed last on the Workshop agenda. The City Council Guidelines will further be amended to state that in 30 days the City Manager, or designated management staff, will report back to the Council on each item during a regularly scheduled Workshop. If for any reason, a Workshop is not scheduled shortly after the 30 day time period, the report will be presented at the next regularly scheduled Workshop.

Previous Related Council Action

At the December 4, 2012 Workshop, Council discussed revising the process for bringing items of special interest forward.



CITY COUNCIL REPORT

At the May 26, 2009 Council Meeting, the City Council Guidelines were adopted which provide for bringing items of special interest forward.

Attachments

Resolution

Other

RESOLUTION NO. 4635 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THE “AMENDED GLENDALE, AZ CITY COUNCIL GUIDELINES.”

WHEREAS, the Mayor and City Council adopted the “Glendale, AZ City Council Guidelines by Resolution No. 4269 New Series on May 26, 2009.

WHEREAS, the Mayor and the City Council agree that Glendale, AZ City Council Guidelines previously adopted are, and continue to be, fundamentally important to the effective conduct of the public’s business; and

WHEREAS, the Glendale, AZ City Council Guidelines represents an agreed upon set of behaviors that will be evident in the performance of the Mayor’s and City Council’s duties as policy makers and representatives of their constituencies.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the document known as the “Glendale, AZ City Council Guidelines,” is amended as “Amended Glendale, AZ City Council Guidelines,” three copies of which are on file in the office of the City Clerk, and is hereby adopted and said copies are ordered to remain on file with the City Clerk.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2013.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager
c_council guidelines.doc

May | 09

Glendale, AZ

City Council Guidelines

City Council Guidelines

City of Glendale, AZ

Adopted:

Amended: January 8, 2013

INTRODUCTION

The Mayor and City Council agree to the following as fundamentally important to the effective and efficient conduct of the public's business. The Guidelines as adopted represent an agreed upon set of behaviors that will be evident in the performance of their duties as policy makers and representatives of their constituencies.

GLOSSARY OF TERMS

To avoid confusion in understand the intent of this document the following defines important terms being used:

- Council... The Council shall consist of a mayor and six (6) other members to be elected by the qualified electors of the City of Glendale.
- Councilmember... refers to each individual constituting the Council and includes the Mayor unless specifically excluded or referred to by the title Mayor.
- Mayor... The Mayor is the chairman of the Council and presides over its deliberations. When it is necessary to specifically identify the Mayor as separate from the other Councilmembers, the term "Mayor" is used.

1. STAFF ASSISTANCE FOR COUNCILMEMBERS

The City Manager's office will respond to requests from Councilmembers for information, assistance or research calling for multi departmental involvement. City Manager will designate staff to assign these requests to appropriate City staff and to track progress on the assignments. Councilmembers must use this process when contacting the City Manager's office for assistance.

Requests that involve more than eight hours of staff work by non-Council staff, a multi-department approach or expenditure of city monies other than budgeted Council funds must go through the process for placement of an item on the Workshop Agenda. The staff will be responsible for reporting such requests to the City Manager's office where the designee will notify the Councilmember(s) who made the original request.

2. PLACING ITEMS OF SPECIAL INTEREST ON A WORKSHOP AGENDA

1. "City Council Workshop Items of Special Interest" is listed on ~~the first~~ **every** Workshop agenda ~~of each quarter~~. **This item will be a standing item and will be placed last on the Workshop agenda.**

1. Under that agenda item, Councilmembers may indicate topic(s) they would like to have discussed by the Council at a future Workshop and the reason for their interest. The Council does not discuss the new topics at the Workshop where they are introduced.
2. Each item introduced is referred to the City Manager for preparation of a brief initial assessment report including resources required, impact on other projects, relationship to work program priorities and Council strategies, and other related observations.
3. ~~At the first Workshop of the next quarter the City Manager reports back to the Council on each item and the~~ **In 30 days the City Manager, or designated management staff, will report back to the Council on each item during a regularly scheduled Workshop. If for any reason, a Workshop is not scheduled shortly after the 30 day time period, the report will be presented at the next regularly scheduled Workshop.** Council discusses to determine if they want to pursue any item further through more detailed analysis and/or policy action.
4. Council gives direction to the City Manager regarding the disposition of items discussed.

3. COUNCILMEMBER BUDGET/EXPENSES

Each Councilmember elected from a district is provided \$18,000 each budget year for various expenses that have benefit to the City of Glendale and meet applicable budget expenditure laws. For example, the monies may be used for postage, attending conferences and seminars, equipment, and newsletters. Items purchased are for the use of the Councilmembers during their tenure, for City business only, and remain the property of the City of Glendale. All bidding requirements and conditions of the City's Purchasing Ordinance must be met. Monies not expended may not be carried over to subsequent years. The Mayor is not included in this appropriation.

4. COUNCIL DISTRICT IMPROVEMENT FUNDS

Each Councilmember elected from a district is provided \$15, 000 each budget year for projects related to the placement, replacement or enhancement of facilities or equipment within the City of Glendale. The Mayor is not included in this appropriation.

When a Councilmember determines a use for the funds, Council staff requests information from the relevant department. The department obtains cost estimates based on the project scope as outlined by the Councilmember. After cost estimates have been obtained, a Council staff completes a District Improvement form and sends to the Councilmember for comment and approval.

Departmental staff is responsible for making sure that all requirements of the City's Purchasing Ordinance have been met. If necessary, the assigned staff will be responsible for preparation, approval of and monitoring of agreements or contracts.

The Council Services Administrator must approve requests or other financial documents.

The Council staff retains copies of the related paperwork to follow up and assure that District Improvement funds are properly tracked.

The District Improvement fund accounts are charged for all expenses associated with the project with the exception of departmental charge backs for internal labor expenses.

Ongoing maintenance costs of capital projects enabled through this funding mechanism must be paid from related district funds in future years.

5. CITY TRAVEL POLICY

The Council agrees to conform to the regulations that govern all City employees on this matter. Accordingly, the current City Travel Policy is attached and will be replaced as changes are made in the future. *See attachment A: City Travel Policy, 6th Revision, 11/02/07*

6. OFFICIAL INVITATION EXPENSES

The City will cover expenses for any Councilmember and a guest at local events when the Councilmember and guest are jointly invited and the Councilmember is serving in an official capacity. The City does not otherwise reimburse Councilmembers for expenses incurred by their guests.

7. COUNCIL RETREAT

At a mutually agreed upon date, the Council will hold an annual retreat to discuss Council goals and other important issues.

8. SELECTION AND RESPONSIBILITIES OF THE VICE MAYOR

The Vice Mayor is selected by a majority vote of the Council. At the first workshop of June each year the Council will consider the appointment of a Vice Mayor for the following fiscal year. At that meeting nominations for Vice-Mayor will be discussed by the Council. If nominations are indicated by Councilmembers at the workshop, a

formal nomination and selection process will be placed on the agenda for the next regular meeting following the workshop.

If the Vice Mayor vacates the position for any reason, the selection for replacement will proceed in a timely fashion following the process above and the selected Councilmember will serve for the remainder of the one-year term.

City Charter: Sec. 7. Vice mayor.

The Council shall designate one (1) of its members as vice mayor, who shall serve in such capacity at the pleasure of the council. The vice mayor shall perform the duties of the mayor during the mayor's absence or disability. (3-15-88)

9. COUNCIL COMMITTEES

At the first Workshop of June each year, the Council will appoint membership to standing Council committees for the following fiscal year. The Mayor will ask the Councilmembers to indicate on which committee they wish to serve .

Each committee will be comprised of three members. The members of each committee will select their own chairperson at their first committee meeting. Councilmembers may not serve as Chairperson of more than one committee at a time unless the number of committees is greater than the number of Councilmembers. In that case, the limit is two chairmanships.

If new Councilmembers are seated prior to the annual selection of committee membership, the new Councilmembers will fill vacant committee positions for the remainder of the one-year term.

If any Councilmember wishes to add, delete or adjust any committee, the process indicated in City Council Guidelines, Section 2, "*Placing Items of Special Interest on Workshop Agenda*" is followed.

10. BOARD AND COMMISSION APPOINTMENTS

Board and Commission members will be appointed to serve by the Council in accordance with the Ordinance related to each Board and Commission. When vacancies occur, Councilmembers making recommendations to the Council are required to forward the application and his/her written recommendation to the government Services Committee. The Government Services Committee will be responsible for reviewing the applications and making recommendations. The Committee will forward recommendations for Board and Commission membership and Chair designation to the full Council for discussion at Executive Session. The

Council will approve Board and Commission members and the respective Chairs unless otherwise prescribed by ordinance. The appointment will be made when the majority of the Council agrees with a recommendation and a vote taken at a Regular Council meeting.

An appointment is made when the majority of the Councilmembers agree with a recommendation and a vote is taken at a Regular Council meeting. When consensus cannot be reached, the Councilmember will be responsible for bringing forward another nomination. Councilmembers should recommend appointment of individuals from their geographical district. If the district councilmember believes that an exception should be made, the issue shall be brought to the full Council for consideration.

If a Board or Commission member is not carrying out their assigned duties, it is the responsibility of the Councilmember who recommended the appointment of the individual to counsel the member.

If a Board or Commission member has been properly counseled and is still not carrying out their assigned duties, the Code of Ethics addresses the removal of Board or Commission members for cause as follows, "Inappropriate behavior can lead to removal. Inappropriate behavior by a Board or Commission member should be communicated to the Chair of the Government Services Committee who will communicate to the Councilmember who presented the member for appointment. If inappropriate behavior continues, the situation will be brought to the attention of the Council and the individual is subject to removal from the Board or Commission in accordance with any applicable ordinance."

11. CONSTITUENT CONTACTS IN ANOTHER COUNCILMEMBER'S DISTRICT

As a courtesy, Councilmembers agree to keep each other informed of requests, telephone or personal contacts with constituents, businesspersons, etc., which may be of interest to another Councilmember or will impact them.

12. WRITTEN COMMUNICATIONS FROM COUNCILMEMBERS

"City letterhead may be used only when the Councilmember is representing and speaking on behalf of the City and within the Councilmember's official capacity. A copy of official correspondence should be given to the council office and mayor's office staff to be maintained as a public record." *Sec. 4.c, Code of Conduct*

If the council member is representing the City, that Councilmember must consistently support and advocate the City's official position on an issue and cannot foster or further a personal viewpoint that is inconsistent with the official City position.

14. STATE/FEDERAL LOBBYING

“If a Councilmember appears before another governmental agency or organization to give a statement on an issue, the council member must clearly state 1) whether his or her statement reflects personal opinion or is the official stance of the City; 2) whether this is the majority or minority opinion of the council.” *Sec. 4.a, Code of Conduct*

15. VIOLATIONS AND SANCTIONS

A. Process

- (1) The first and most important step in this section is the requirement that the offended Councilmember address the concern with the offending Councilmember including a description of the specific action observed, the relationship of that event to the Council Guidelines and, if applicable, the impact it had on the offended Councilmember. The purpose of this first step is to assure that an attempt has been made to discuss the issue and resolve the conflict without proceeding further. This step requires no formal action and no involvement of other Councilmembers.
- (2) Either party may request, and both must agree, to seek a third party who will assist in facilitating the discussion toward a mutually satisfactory conclusion. If any expenses are incurred they will be paid for equally from the district funds of each member engaged in the mediation.
- (3) If the situation cannot be settled through the process in steps (1) and (2), either Council member may choose to refer the concern to the entire Council for their review. The Council will serve as a committee of the whole for purposes of Guidelines violation and sanction consideration.
- (4) To present the concern to the Council, the offended member must advise the offending Councilmember that the issue will be taken to the Council and subsequently ask the City Manager to post the issue for the earliest upcoming executive session. All laws pertaining to executive session will apply. Included in those rules is the option for the offending Council member to exercise their right to request that the discussion be held in an open hearing. The City Attorney's Office will prepare notice to the Councilmember or Councilmembers that are to be discussed in executive session as required by law.
- (5) The Council will discuss the issue in order to:
 - a. become fully informed;
 - b. determine if there appears to be a violation of the Council Guidelines;

- c. seek resolution without further action or, if necessary schedule the issue for an upcoming public hearing for final determination regarding whether a violation occurred and if necessary;
 - d. determine what sanction is most appropriate; customarily, sanctions are limited to a letter of reprimand or censure.
- (6) A 2/3 vote of the Council at a regular council meeting will be required for a determination that a violation has occurred and likewise, a 2/3 vote for the sanction to be imposed.
- (7) If a sanction is imposed, the language will follow a specific format to be established by the Council and used consistently as such situations occur.

B. Effects of Violations

The Council Guidelines document alone does not provide a basis for challenging the validity of any final enactment, resolution, decision, determination, or recommendation of the council, a board or a commission.



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **FINAL PLAT APPLICATION FP12-02: NORTHERN PLACE – 8707 WEST
NORTHERN AVENUE**
Staff Contact: **Jon M. Froke, AICP, Planning Director**

Purpose and Recommended Action

This is a request by Malouf Homes for City Council to approve a final plat for Northern Place, a Planned Residential Development, located at the southeast corner of 87th and Northern Avenues.

Staff recommends approval of Final Plat Application FP12-02.

Background Summary

Northern Place is a 27 lot single-family subdivision on 11.2 acres with a density of 2.4 dwelling units per acre (du/ac). Lot sizes vary from 10,000 square feet to 11,461 square feet with an average lot size of 10,127 square feet. The proposed minimum lot width is 80 feet, and the minimum lot depth is 125 feet.

Previous Related Council Action

On August 14, 2007, City Council approved Rezoning Application ZON06-07 for this subdivision.

Community Benefit/Public Involvement

This project provides for new development and housing that is compatible with the surrounding area.

The applicant held a neighborhood meeting on April 20, 2007 to discuss the zoning case and proposed development. There were 900 individuals invited to the meeting and twelve people attended the meeting. Issues discussed included: base price of homes, access to the site off of Northern Parkway, future traffic signal at 87th Avenue, notification to future owners of nearby farm animals, and proposed height of wall along the eastern property line. The developer was able to answer all of the residents' questions and the local residents were in support of the zoning request and subdivision.



CITY COUNCIL REPORT

Attachments

Staff Report

Map

Map

Other

Other



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Jon M. Froke, AICP, Planning Director**
Item Title: **FINAL PLAT APPLICATION FP12-02: NORTHERN PLACE – 8707 WEST NORTHERN AVENUE**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

This is a request by Malouf Homes for City Council to approve a final plat for Northern Place, a Planned Residential Development (PRD), located at the southeast corner of 87th and Northern Avenues.

BACKGROUND

1. The applicant proposes a 27 lot single family subdivision titled Northern Place on 11.2 acres with a density of 2.4 dwelling units per acre (du/ac). Lot sizes vary from 10,000 square feet to 11,461 square feet with an average lot size of 10,127 square feet. The proposed minimum lot width is 80 feet, and the minimum lot depth is 125 feet.
2. Vehicular access is provided by one connection on Northern Avenue.
3. There are four storm water retention tracts within the project. Two tracts are located along the Northern Avenue frontage of the site. The third tract is located near the main entrance where 87th Avenue enters the site and the fourth tract is at the southeast corner of the site.
4. The plat includes 1.8 acres of common open space or 15% of the total site.
5. All perimeter landscaping, landscape tracts, recreational amenities, perimeter walls, theme walls, and entry features within the project will be owned and maintained by a homeowners association.
6. The applicant held a neighborhood meeting on April 20, 2007. There were 900 individuals invited to the meeting and twelve people attended the meeting. Issues discussed included: base price of homes, access to the site off of Northern Parkway, future traffic signal at 87th Avenue, notification to future owners of nearby farm animals, and proposed height of the perimeter wall along the eastern property line. The developer was able to answer all of the residents' questions and the local residents were in support of the subdivision.



STAFF REPORT

7. On June 7, 2007, the Planning Commission approved PP06-05. On August 14, 2007, the City Council approved the Rezoning Application ZON06-07.
8. Prior to final plat submittal, the applicant submitted to the United States Government for the purchase and abandonment of an irrigation delivery system which bisected the site. The process for the U.S. Government to sell this deed and have it removed can take three to nine years. This process affected the timing of the final plat. The applicant was able to purchase this deed, abandon it, and proceed with the final plat process.

ANALYSIS

- The proposed final plat is consistent with the General Plan land use designation of MDR (Medium Density Residential, 3.5-5 du/ac) and the existing R1-10 PRD (Single Residence, Planned Residential Development) zoning district.
- All requirements of the Subdivision and Minor Land Division Ordinance have been met. The final plat meets the intent of the Residential Design and Development Manual.
- The request is consistent with the Northern Place Development Plan.

Staff recommends approval of Final Plat Application FP12-02.

City Of Peoria

NORTHERN AVENUE

Maricopa County

Maricopa County

PA *
ZON07

R1-10
PRD
*
ZON06-07

R1-7
PRD
*
Z-01-20
Z-02-18

R1-6

A-1

SR-12
PRD
*
Z-01-20
Z-02-18

R1-8
PRD
*
Z-01-20
Z-02-18

A-1

A-1

A-1
*
Z-88-03

SR-17
*
Z-98-32

EMIL ROVEY PARKWAY

83RD AVENUE



CASE NUMBER

FP12-02

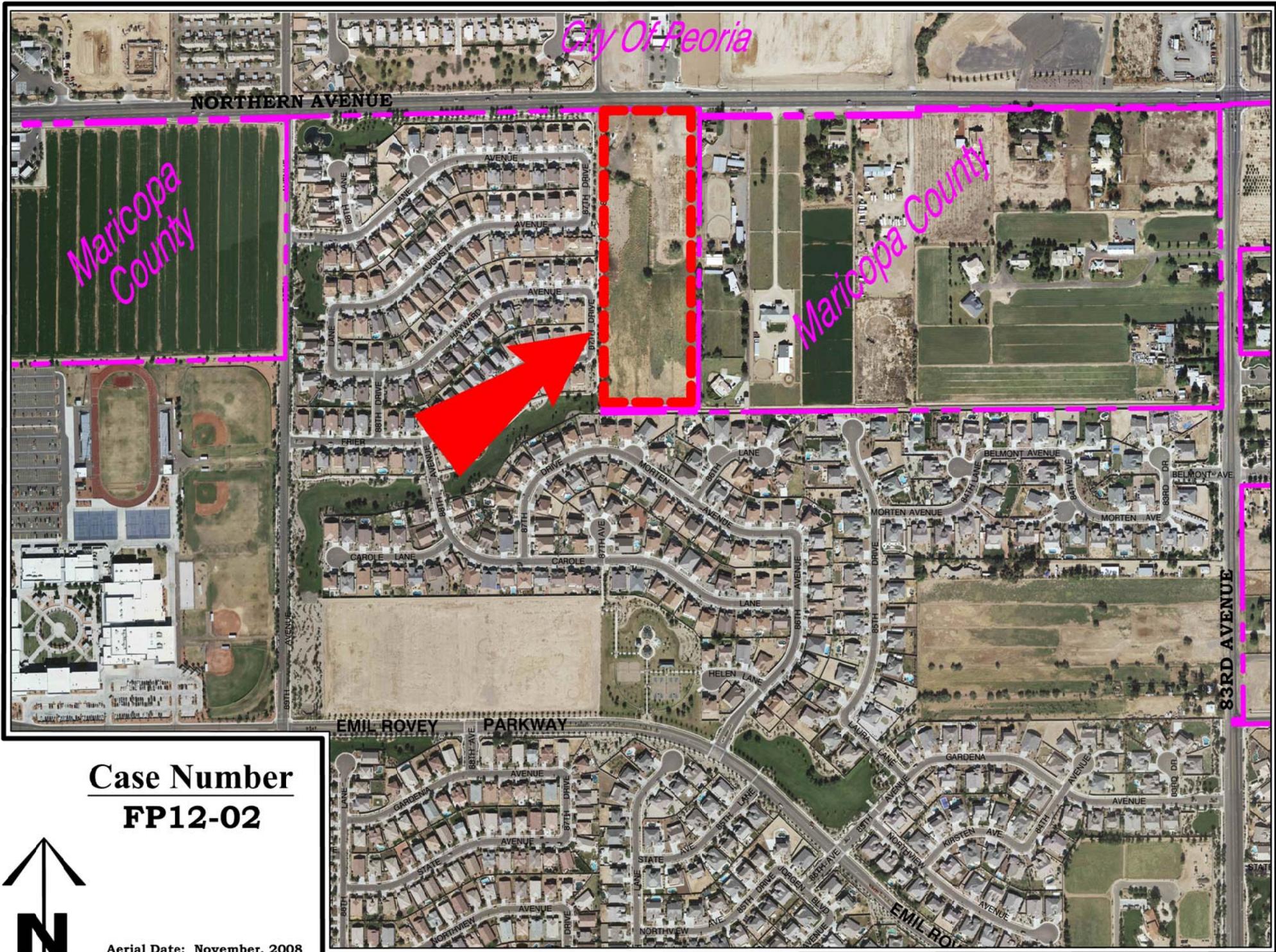


REQUEST

FINAL PLAT APPROVAL FOR
"NORTHERN PLACE"

LOCATION

8707 W. NORTHERN AVENUE



City Of Peoria

NORTHERN AVENUE

Maricopa County

Maricopa County

83RD AVENUE

EMIL ROVEY PARKWAY

Case Number
FP12-02



Aerial Date: November, 2008

Northern Place Project Narrative FP12-02

Entitlements Summary

- The property was annexed into the City of Glendale, by the City Council, in 2007 as a part of the zoning and preliminary plat process.
- RE-zoning to R1-10 PRD and Preliminary Plat approval were linked together as Case ZON06-07 which was approved by the City Council in 2007
- We are now submitting this final plat for City Council consideration. Our submission has been designated at FP12-02.

Location

The project is an approximate 11.2 acre rectangular shaped parcel generally located along the south side of Northern Parkway, aligning with 87th Avenue on its west side. Northern Place is directly adjacent to the Rovey Farms community.

Program

Northern Place is a proposed residential community located at the southeast corner of 87th Avenue and Northern Parkway. It is designed to contain twenty-seven 10,000 square foot lots in a single development phase. The detached single family homes will range in size from approximately 2,500 square feet to 3,800 square feet. We will utilize several unique and classical styles of architecture throughout the community designed to provide a sense of cohesiveness while avoiding extreme similarity between homes.

Builder and Developer

Bob Malouf, of Malouf Homes, the developer for the project, has been operating in the Valley for 40 years. The Malouf family brings three generations of commitment to designing and building award winning boutique subdivisions of lasting value. Their developments set a high standard for excellence in design, construction and, above all, customer service. Northern Place is designed to appeal to the City's growing upper income population and proved a unique and elegant community in the heart of the City's growing lifestyle corridor.

7301 EAST EVANS ROAD
SCOTTSDALE, AZ 85260
PHONE (480) 922-0780
FAX (480) 922-0781
WWW.SIGSURVEYAZ.COM



SIG
SURVEY INNOVATION
GROUP, INC.
Land Surveying Services

FINAL PLAT NORTHERN PLACE GLENDALE, ARIZONA



REVISIONS:
1. 10/16/12
2. 10/16/12
3. 10/16/12
4. 10/16/12

DRAWING NAME:
6028 FP

JOB NO.: 6028

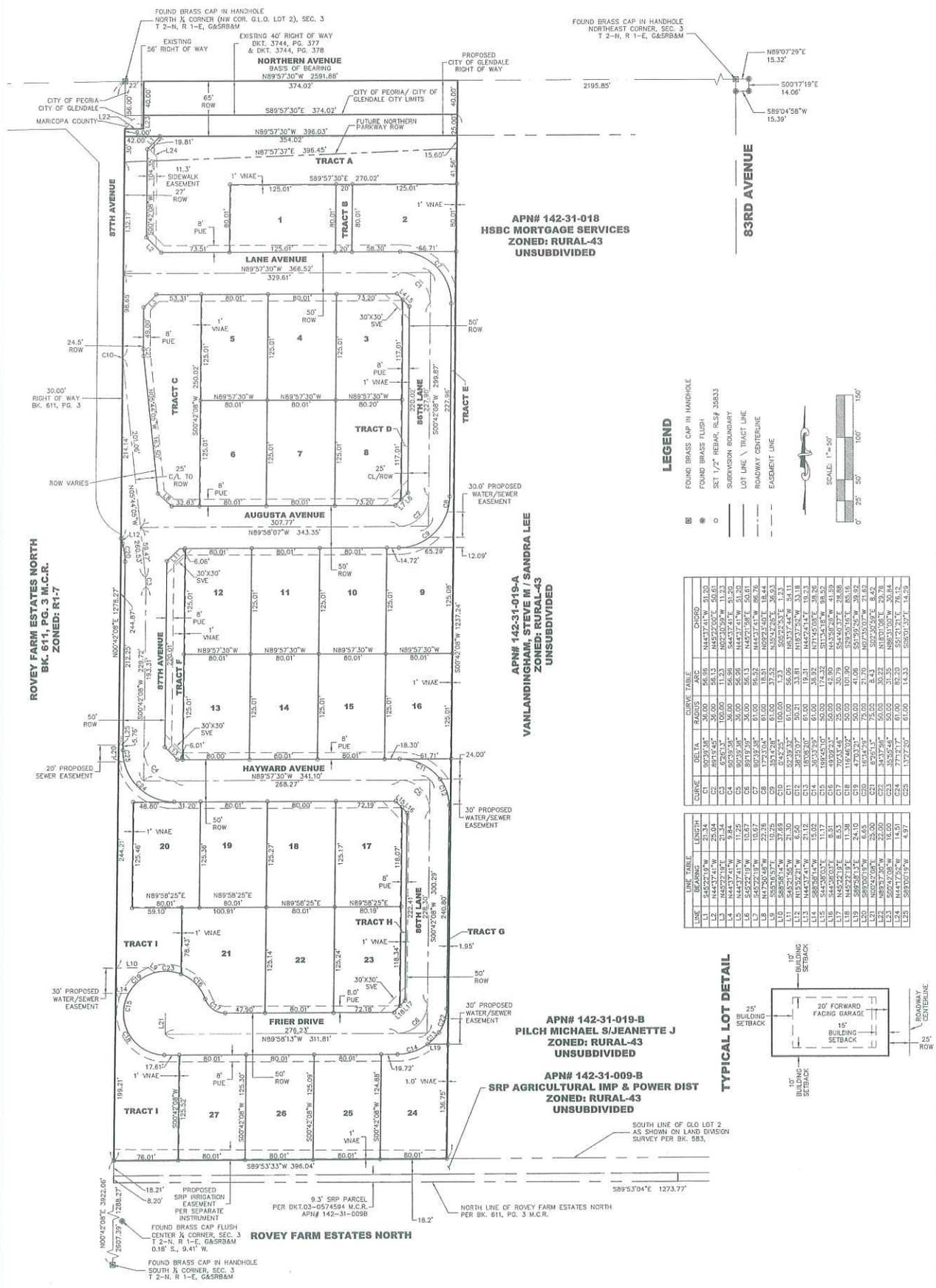
DRAWN BY: RMH

CHECKED BY: JAS

DATE: 10/16/12

SCALE: 1"=50'

SHEET: 2 OF 2



APN# 142-31-018
HSBC MORTGAGE SERVICES
ZONED: RURAL-43
UNSUBDIVIDED

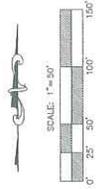
APN# 142-31-019-A
VANLANDINGHAM, STEVE M / SANDRA LEE
ZONED: RURAL-43
UNSUBDIVIDED

APN# 142-31-019-B
PILCH MICHAEL S/ JEANETTE J
ZONED: RURAL-43
UNSUBDIVIDED

APN# 142-31-009-B
SRP AGRICULTURAL IMP & POWER DIST
ZONED: RURAL-43
UNSUBDIVIDED

LEGEND

- FOUND BRASS CAP IN HANDHOLE
- FOUND BRASS FLUSH
- SET 1/2" REBAR, 18" x 18" x 36" x 36"
- SUBDIVISION BOUNDARY
- LOT LINE \ TRACT LINE
- ROADWAY CENTERLINE
- EASEMENT LINE



LINE	BEARING	LENGTH	CURVE	DELTA	RADIUS	ARC	CHORD	CHORD BEARING
L1	N89°57'30"W	36.00						
L2	N89°57'30"E	36.00						
L3	N89°57'30"W	36.00						
L4	N89°57'30"E	36.00						
L5	N89°57'30"W	36.00						
L6	N89°57'30"E	36.00						
L7	N89°57'30"W	36.00						
L8	N89°57'30"E	36.00						
L9	N89°57'30"W	36.00						
L10	N89°57'30"E	36.00						
L11	N89°57'30"W	36.00						
L12	N89°57'30"E	36.00						
L13	N89°57'30"W	36.00						
L14	N89°57'30"E	36.00						
L15	N89°57'30"W	36.00						
L16	N89°57'30"E	36.00						
L17	N89°57'30"W	36.00						
L18	N89°57'30"E	36.00						
L19	N89°57'30"W	36.00						
L20	N89°57'30"E	36.00						
L21	N89°57'30"W	36.00						
L22	N89°57'30"E	36.00						
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L41	N89°57'30"W	36.00						
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L44	N89°57'30"E	36.00						
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L51	N89°57'30"W	36.00						
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L63	N89°57'30"W	36.00						
L64	N89°57'30"E	36.00						
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L89	N89°57'30"W	36.00						
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L98	N89°57'30"E	36.00						
L99	N89°57'30"W	36.00						
L100	N89°57'30"E	36.00						

LINE	BEARING	LENGTH	CURVE	DELTA	RADIUS	ARC	CHORD	CHORD BEARING
L1	N89°57'30"W	36.00						
L2	N89°57'30"E	36.00						
L3	N89°57'30"W	36.00						
L4	N89°57'30"E	36.00						
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CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **FIRE SUPPRESSION SYSTEM MAINTENANCE AGREEMENT**
Staff Contact: **Frank Lomeli, Deputy Director, Field Operations**

Purpose and Recommended Action

This is a request for Council to ratify the entering into of a cooperative purchasing agreement with Johnson Controls, Inc. for the support, repair, and maintenance of the city's fire suppression systems within city-owned buildings, in an amount not to exceed \$119,262 annually.

Background Summary

Fifty-one of the buildings owned and managed by the city require periodic maintenance of the fire suppression systems in order to remain in compliance with fire code requirements and provide for the health and safety of people within the buildings. The specialized maintenance and scope of work required is beyond the expertise of city maintenance staff; therefore, a contractor has been used to provide this service for over 10 years.

Beginning in July 2010, the Public Works Department utilized a cooperative purchasing agreement with the State of Arizona in order to purchase this service from Johnson Controls, Inc. At that time, services and pricing were agreed to until April 2016.

Budget and Financial Impacts

Cost	Fund-Department-Account
\$87,711.10	1000-13450-518200 (Facilities Maintenance)
\$548.25	1740-11710-518200 (Civic Center)
\$2,746.75	1000-14720-518200 (Foothills Recreation and Aquatics Center)
\$456.88	2440-17710-518200 (Landfill)
\$548.02	1000-13461-518200 (Downtown Parking Garage)



CITY COUNCIL REPORT

\$11,208.00	2400-17250-518200 (Pyramid Peak WTP)
\$7,380.00	2360-17170-518200 (WARF WTP)
\$5,411.00	2360-17160-518200 (Arrowhead WTP)
\$3,252.00	2400-17260-518200 (Cholla WTP)

Capital Expense? Yes No

Budgeted? Yes No

Requesting Budget or Appropriation Transfer? Yes No

If yes, where will the transfer be taken from?

Attachments

Staff Report

Agreement



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Frank Lomeli, Deputy Director, Field Operations**
Item Title: **FIRE SUPPRESSION SYSTEM MAINTENANCE AGREEMENT**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

The purpose of this report is to request Council ratification of the entering into a cooperative purchasing agreement with Johnson Controls, Inc. for the support, repair, and maintenance of the city's fire suppression systems within city-owned buildings.

BACKGROUND

Fifty-one of the buildings owned and managed by the city require periodic maintenance of the fire suppression systems in order to remain in compliance with fire code requirements and provide for the health and safety of people within the buildings. The specialized maintenance and scope of work required is beyond the expertise of city maintenance staff; therefore, a contractor has been used to provide this service for over 10 years.

Beginning in July 2010, the Public Works Department utilized a cooperative purchasing agreement with the State of Arizona in order to purchase this service from Johnson Controls, Inc. At that time, services and pricing were agreed to until April 2016. Past procurement practices allowed for the purchase of goods and services from state and county Cooperative Purchase Agreements administratively as long as there was budgeted funding for the purchase. It has been clarified that all purchases over \$50,000, regardless of whether or not it's a state or county Cooperative Purchase Agreement, must have formal Council approval. Therefore, this item is being brought forward to Council for ratification of the current contract with Johnson Controls, Inc. to continue providing critical fire suppression system maintenance on city facilities.

ANALYSIS

Discontinuing required maintenance and repair services of the fire system is not a safe or viable option to consider. Therefore, staff analyzed different possibilities related to acquiring the needed fire system maintenance and repair services. Staff concluded that, due to the cost savings generally realized through the use of cooperative purchasing agreements, seeking another cooperative purchasing agreement to join is the best option for the city.

Staff found a cooperative purchasing agreement through the State of Arizona which fits the scope of work desired for the services needed. The agreement reached with Johnson Controls, Inc. in July 2010 was procured with a purchase order, and a formal Council action was not taken at that time.

The agreement is for a term to end in April 2016.

FISCAL IMPACTS

The cost for the maintenance agreement with Johnson Controls, Inc. is in an amount not to exceed \$119,262 for Fiscal Year 2012-13, which is budgeted in the Public Works and other department's operating budgets.

**AGREEMENT FOR
Fire Alarm and Suppression Systems Maintenance
City of Glendale Solicitation No.**

This Agreement for Fire Alarms and Suppression System Maintenance ("Agreement") is effective and entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and Johnson Controls, Inc., a Wisconsin corporation, authorized to do business in Arizona, (the "Contractor"), as of the ____ day of _____, 2013.

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, pursuant to Solicitation No. Arizona State SPIRIT # EPS 060026 (the "Project");
- B. City desires to retain the services of Contractor to perform those specific duties and produce the specific work as set forth in the Project attached hereto;
- C. City and Contractor desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows:

1. Key Personnel; Sub-contractors.

1.1 Services. Contractor will provide all services necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors or consultants, retained by City.

1.2 Project Team.

(A) Project Manager.

- (1) Contractor will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's option, complete the Project and handle all aspects of the Project such that the work produced by Contractor is consistent with applicable standards as detailed in this Agreement;
- (2) The City must approve the designated Project Manager; and
- (3) To assure the Project schedule is met; Project Manager may be required to devote no less than a specific amount of time as set out in Exhibit A.

(B) Project Team.

- (1) The Project manager and all other employees assigned to the project by Contractor will comprise the "Project Team."
- (2) Project Manager will have responsibility for and will supervise all other employees assigned to the project by Contractor.

(C) Discharge, Reassign, Replacement.

- (1) Contractor acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in the response to the Project's solicitation.
- (2) Contractor will not discharge, reassign or replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Contractor, in which event the substitute must first be approved in writing by City.
- (3) Contractor will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties or if the acts or omissions of that person are detrimental to the development of the Project.

(D) Sub-contractors.

- (1) Contractor may engage specific technical contractor (each a "Sub-contractor") to furnish certain service functions.
- (2) Contractor will remain fully responsible for Sub-contractor's services.
- (3) Sub-contractors must be approved by the City, unless the Sub-contractor was previously mentioned in the response to the solicitation.
- (4) Contractor shall certify by letter that contracts with Sub-contractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Contractor's Work.**

3.1 **Standard.** Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among contractors having substantial experience with the successful furnishing of services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 **Licensing.** Contractor warrants that:

- (A) Contractor and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"); and
- (B) Neither Contractor nor any Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").

- (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability.
- (2) Contractor must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default under the Agreement.

3.3 **Compliance.** Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

3.4 Coordination; Interaction.

- (A) For projects that the City believes requires the coordination of various professional services, Contractor will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- (B) Subject to any limitations expressly stated in the Project Budget, Contractor will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- (C) For projects not involving Coordinating Project Professionals, Contractor will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- (A) Ownership. Upon receipt of payment for services furnished, Contractor grants to City, and will cause its Sub-contractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Contractor warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- (B) Delivery. Contractor will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- (C) City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Contractor, the City agrees to indemnify and hold Contractor harmless from any claim arising out of the Work Product.
 - (3) In such case, City shall also remove any seal and title block from the Work Product.

4. Compensation for the Project.

4.1 Compensation. Contractor's compensation for the Project, including those furnished by its Sub-contractors will not exceed \$119,262.00 annually, as specifically detailed in **Exhibit B** (the "Compensation").

4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified.

- (A) Adjustments to the Compensation require a written amendment to this Agreement and may require City Council approval.
- (B) Additional services which are outside the scope of the Project contained in this Agreement may not be performed by the Contractor without prior written authorization from the City.

- (C) Notwithstanding any other provision of this Agreement, should any conflict arise between the terms of this Agreement and the terms in the attached Exhibits, the terms of this Agreement shall prevail.

5. Billings and Payment.

5.1 Applications.

- (A) Contractor will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- (B) The period covered by each Payment Application will be one calendar month ending on the last day of the month or as specified in the solicitation.

5.2 Payment.

- (A) After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- (B) Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Contractor and its Sub-contractors; and
 - (2) Unconditional waivers and releases on final payment from Sub-contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- (A) If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- (B) City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. Termination.

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 30 days following the date of delivery.

- (A) Contractor will be equitably compensated for Service and Repair furnished prior to receipt of the termination notice and for reasonable costs incurred.
- (B) Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- (A) Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service and Repair furnished, City will pay the amount due to Contractor, less City's damages, in accordance with the provision of § 5.

- (B) If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Contractor acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 **Requirements.** Contractor must obtain and maintain the following insurance ("Required Insurance"):

- (A) Contractor and Sub-contractors. Contractor, and each Sub-contractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Contractor's Policies"), until each Party's obligations under this Agreement are completed.
- (B) General Liability.
 - (1) Contractor must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate for each property damage and contractual property damage.
 - (2) Sub-contractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$1,000,000 per occurrence.
 - (3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
 - (4) These limits may be met through a combination of primary and excess liability coverage.
- (C) Auto. A business auto policy providing a liability limit of at least \$1,000,000 per accident for Contractor and \$1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles.
- (D) Workers' Compensation and Employer's Liability. A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.
- (E) Notice of Changes. Contractor's Policies must provide for not less than 30 days' advance written notice to City Representative of:
 - (1) Cancellation or termination of Contractor or Sub-contractor's Policies;
 - (2) Reduction of the coverage limits of any of Contractor or and Sub-contractor's Policies; and
 - (3) Any other material modification of Contractor or Sub-contractor's Policies related to this Agreement.
- (F) Certificates of Insurance.
 - (1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificates of insurance for each of Contractor and Sub-contractor's Policies, which will confirm the existence or issuance of Contractor and

Sub-contractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Contractor and Sub-contractor's Policies in accordance with the provisions of this section.

- (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Contractor and Sub-contractor's Policies, or to examine Contractor and Sub-contractor's Policies, or to inform Contractor or Sub-contractor in the event that any coverage does not comply with the requirements of this section.
- (3) Contractor's failure to secure and maintain Contractor Policies and to assure Sub-contractor policies as required will constitute a material default under the Agreement.

(G) Other Contractors or Vendors.

- (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
- (2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).

(H) Policies. Except with respect to workers' compensation and employer's liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.

- (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
- (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Sub-contractors.

- (A) Contractor must also cause its Sub-contractors to obtain and maintain the Required Insurance.
- (B) City may consider waiving these insurance requirements for a specific Sub-contractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Sub-contractor does have is appropriate for the Sub-contractor's work under this Agreement.
- (C) Contractor and Sub-contractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- (A) To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Contractor) and that arises out of or results from the breach of this Agreement by the Contractor or the Contractor's negligent actions, errors or omissions

(including any Sub-contractor or other person or firm employed by Contractor), whether sustained before or after completion of the Project.

- (B) This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible.
- (C) Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. Immigration Law Compliance.

- 9.1 Contractor, and on behalf of any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under subsection 9.1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Contractor or subcontractor employee who performs work under this Agreement to ensure that the Contractor or any subcontractor is compliant with the warranty under subsection 9.1 above.
- 9.4 City may conduct random inspections, and upon request of City, Contractor shall provide copies of papers and records of Contractor demonstrating continued compliance with the warranty under subsection 9.1 above. Contractor agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 9.5 Contractor agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Contractor and expressly accrue those obligations directly to the benefit of the City. Contractor also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Contractor's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

10. Foreign Prohibitions. Contractor certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this Agreement will not have, "scrutinized" business operations, as defined in the preceding statutes, in the countries of Sudan or Iran.

11. Notices.

- 11.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
 - (A) The Notice is in writing; and

- (B) Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
- (C) Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- (D) The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
- (E) Digitalized signatures and copies of signatures will have the same effect as original signatures.

11.2 **Representatives.**

- (A) Contractor. Contractor's representative (the "Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is:

Johnson Controls, Inc.
 c/o Bill Knodel
 2032 West 4th Street
 Tempe, Arizona 85281

- (B) City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
 c/o Michelle Woytenko
 6210 West Myrtle Avenue
 Glendale, Arizona 85301
 623-930-2635

With required copy to:

City Manager
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

City Attorney
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

- (C) Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
 - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Contractor identifying the designee(s) and their respective addresses for notices.
- (D) Changes. Contractor or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

12. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.
13. **Entire Agreement; Survival; Counterparts; Signatures.**
- 13.1 **Integration.** This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.
- (A) Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
 - (B) Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
 - (C) The solicitation, any addendums and the response submitted by the Contractor are incorporated into this Agreement as if attached hereto. Any Contractor response modifies the original solicitation as stated. Inconsistencies between the solicitation, any addendums and the response or any excerpts attached as Exhibit A and this Agreement will be resolved by the terms and conditions stated in this Agreement.
- 13.2 **Interpretation.**
- (A) The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
 - (B) The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
 - (C) The Agreement will be interpreted in accordance with the laws of the State of Arizona.
- 13.3 **Survival.** Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.
- 13.4 **Amendment.** No amendment to this Agreement will be binding unless in writing and executed by the parties. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.
- 13.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.
- 13.6 **Severability.** If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.
- 13.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.
14. **Term.** The term of this Agreement commences upon the effective date and continues for a one-year initial period. The City may, at its option and with the approval of the Contractor, extend the term of this Agreement an additional four years, renewable on an annual basis. Contractor will be notified in writing by the City of its intent to extend the Agreement period at least 30 calendar days prior to the expiration of the original or any renewal Agreement period. There are no automatic renewals of this Agreement.

15. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Contractor and City will be resolved in accordance with Exhibit C. The final determination will be made by the City.

16. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

Exhibit A	Project
Exhibit B	Compensation
Exhibit C	Dispute Resolution

The parties enter into this Agreement as of the effective date shown above.

City of Glendale,
an Arizona municipal corporation

Horatio Skeete, Acting City Manager

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

Johnson Controls, Inc.,
a Wisconsin corporation

By: _____
Its: _____

EXHIBIT A

Fire Alarm and Suppression Systems Maintenance

PROJECT

[See attached]

I. Executive Summary

Johnson Controls Inc. appreciates the opportunity to partner with the City of Glendale on the **Annual** test and inspection of the fire alarm and fire protection system located at various Glendale owned/operated facilities as identified below. A separate proposal is being submitted for the quarterly testing.

Your current fire alarm and fire protection system has served you for many years and in order to ensure optimal performance of your system and protect your investment, Johnson Controls is providing a proposal for a Planned Service Agreement.

This Johnson Controls Inc. Planned Service Agreement (PSA) for your building Life Safety System provides our recommended services that ensure the system is performing optimally, maintain the integrity and reliability of the system. This will reduce system downtime, limit costs associated with system maintenance, and provide the top level of service your organization deserves. It is designed to assist in code compliance issues (where applicable) as well as to assure an extended equipment life. We understand that in order to exceed your expectations, your fire alarm and fire protection system must operate properly and it must be tested to fulfill necessary code requirements.

Once again, Johnson Controls, Inc. is pleased to submit the following Planned Service Agreement proposal for your review and consideration. We look forward to starting our relationship with you and providing the highest level of professional service.

II. Proposed Service

Equipment

Johnson Controls will provide a functional test and inspection of the fire alarm and fire protection equipment during the scheduled service dates. The testing will be completed via diagnostic tools inherent to the system(s) as well as the functional application. The inspection will determine if the system is functioning properly and operating according to the manufacturer's requirements. The equipment will also be checked for damage, misalignment and proper connections. If a problem is detected during the inspection it will be immediately documented and corrected based on the terms of the agreement.

Consumables are not included within this proposal unless otherwise stated.

Compliance Assurance Services

Here is what to expect from Johnson Controls Compliance Assurance Services:

- A partnership in understanding and meeting of the code compliance issues related to your facility (see list below of common codes which may apply).
- Mutually agreed upon testing frequency and schedules.
- Repairs, component replacement, and corrective maintenance of the covered equipment based on the terms of the agreement.

- Expert understanding of the full range of system adaptability, from variations in use of existing components to major modifications of total system configuration.
- Support from an organization motivated to help you handle unexpected problems, changes in your facility and opportunities for improvements.

INCL.	CODE	DESCRIPTION
	NFPA 10	Portable Fire Extinguishers
X	NFPA 13	Wet/Dry Automatic Extinguishing System
	NFPA 17 / 17A	Dry (17)/ Wet (17A) Chemical Extinguishing Systems
X	NFPA 25	Water-Based Fire Protection Systems
X	NFPA 72	National Fire Alarm Code
	NFPA 90A	Air Conditioning and & Ventilating
	NFPA 92A	Smoke Control Systems
	NFPA 204	Smoke and Heat Venting

Emergency Service

Johnson Controls, Inc. will provide telephone response within two (2) Hours, and will be on-site to provide emergency service within eight (8) hours. Non-emergency calls, as mutually determined by the City of Glendale and Johnson Controls, Inc. will be scheduled for the next business day. Johnson Controls, Inc. defines business hours as 8am-5pm Monday – Friday excluding holidays.

Any labor performed on equipment or services outside of this contract's Equipment List or Terms and Conditions are charged at our current billing rate. Our rates are subject to change without notice:

Service Time	When Applicable	Hourly Rate
Business Hours	Monday-Friday 8:00 a.m. to 5:00 p.m.	\$95.00
After Hours	Monday-Friday 5:00 p.m. to 8:00 a.m./Saturday	\$142.50
Sunday/Holiday	Sunday and all official Johnson Controls holidays	\$190.00

Documentation

Johnson Controls, Inc. will document each on-line and on-site service call and furnish a copy showing time, date, and a brief description of activity. Work orders for on-site system preventive maintenance will list the inspection date, individual to report to, equipment identification, equipment location, work to be performed and any special instructions. All documentation will be stored on an on site service log.

III. Program Implementation

Maintained Components

Fire Alarm System Equipment

Control Panels

Initiating Devices

Notification Devices

See EXHIBIT B of the Fire/Security Installation and Services Agreement for an equipment schedule with quantities

Scheduled Services

Johnson Controls, Inc. will provide schedule service visits on an **annual** basis. Scheduling will consider specific facility requirements, seasonal considerations, and compliance with codes. All covered equipment is serviced as determined in the agreement once each year, unless otherwise noted in Exhibit B.

Customer Support

In order to better serve the technical support needs of our valued customers, a dedicated staff of trained professionals in the Johnson Controls, Inc. 24 hours a day, seven days a week response center, with access through our toll free number 866-854-4544. The critical nature of our customers' facilities makes this a high value service, allowing us to significantly reduce the downtime of your Life-Safety System(s). The high standards with which your facility is managed, dictates that we are positioned to provide the fastest and highest level of response. Our highly trained and experienced service team has enabled Johnson Controls, Inc. to meet this customer challenge.

Consultative Strategies

We offer consultative services focused on strategies, risk analysis, threat assessment, and business continuity planning, for an additional fee. Through understanding vulnerabilities of your unique business operations, high risk factors are recognized and addressed proactively to support sustainability of your business. Contact us for additional information on our consultative service strategies.

• IV. Summary

Once again, Johnson Controls, Inc. is pleased to submit the following Planned Service Agreement proposal for your review and consideration. We look forward to providing the highest level of professional service. If you have any questions or need additional information, do not hesitate to contact me.

The pricing in this proposal includes the fire alarm and fire protection equipment included in the existing contract and assumes all work is "bundled" together. As part of this price the existing contract term would be extended, with a new contract start date of July 1, 2008

Thank you for the opportunity to propose our services. If you have any questions need additional information, do not hesitate to contact me.

Sincerely,



Mikael J. Greenlief
General Manager
Arizona Fire and Security
Johnson Controls, Inc.

EXHIBIT B

Fire Alarm and Suppression Systems Maintenance

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Selected from the list of service providers found on the Arizona State Spirit contract; the compensation is based upon a price per square footage of City's buildings. Additional services (repairs) are billed at an hourly rate (see attached detail), but will not exceed the total contract price.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed \$119,262.00 annually.

DETAILED PROJECT COMPENSATION

See attachment.

V. Fire/Security Installation and Services Agreement

FIRE/SECURITY INSTALLATION AND SERVICES AGREEMENT

Johnson Controls, Inc.
Branch Office Address
2032 W. 4th Street
Tempe, AZ 85382
Telephone No. 480-446-2695

State License Number
148866

Customer: City of Glendale Address: 6210 W. Myrtle Avenue Glendale, AZ 85301 Telephone Number: 623-930-2647	Customer's Facility: Various Glendale, AZ 85301 Arizona State SPIRIT # EPS 060026	Agreement No. 8827-7043 Effective Date: 07/01/10 623-930-2647
Customer Representative and Contact Information Ron Gouger		623-930-2647

Scope of Agreement. Customer has selected and herewith appoints Johnson Controls, Inc. ("JCI" or "Johnson Controls") to provide the systems and perform the services that are selected below. JCI will install the systems and perform the services at the Customer's facility identified above (the "Premises"). Pursuant to the terms and conditions of this Agreement, JCI will install or cause to be installed the systems selected below (herein referred to as the "System") and will provide monitoring, repair, inspection and/or response services as selected below (herein referred to as the "Services"). A complete list of equipment included with each selected system is identified in Exhibit A "Schedule of Installed Equipment". A separate list of equipment that is the subject of the Services to be provided herein is attached hereto as Exhibit B "Services Schedule of Equipment". This Fire/Security Installation and Services Agreement includes these terms, the General Terms and Conditions and all other parts, exhibits, and schedules which together are incorporated herein and comprise the Agreement Documents.

Type of System: (check all boxes that apply): Access Control Burglar/Intrusion CCTV Fire Alarm Intercom/Nurse Call Other Fire Suppression

Services: (check all boxes that apply): Basic Coverage (Scheduled Services) Premium Coverage (Scheduled Service Visit and Repair) Central Station Monitoring
 Central Station Monitoring with Open and Close DECLINE ALL SERVICES

Extended Service Options if "Premium Coverage" is selected:

- On-Site repair services will be provided at Customer's facility during JCI's normal business hours, unless one of the following options is selected:
 24-5 Extended Service-JCI will provide on-site response 24 hours a day, 5 days a week (Monday thru Friday, except JCI holidays).
 24-7 Extended Service-JCI will provide on-site response 24 hours a day, 7 days a week (including holidays).

Pricing and Payment Terms. Customer agrees to pay JCI for the Work performed and the Services provided as set forth below. For Services, JCI shall invoice and Customer shall pay upon receipt of invoice and in advance of performance of the Services.

PRICE FOR THE WORK

Work Price \$ _____
 Tel. Co. Installation charge \$ _____
 Taxes \$ _____
TOTAL PRICE for WORK \$ _____
DEPOSIT RECEIVED (due upon execution of agreement): \$ _____
BALANCE (due upon installation of system): \$ _____

PRICE FOR THE SERVICES

Invoice Period: monthly quarterly semi-annual annually
 Year 1 Price \$101,946.00
 Year 2 Price \$106,023.00
 Year 3 Price \$110,264.00
 Year 4 Price \$114,675.00
 Year 5 Price \$119,262.00
 Tel. Co. charge annually contract term \$ _____
 Taxes annually contract term \$ _____
TOTAL PRICE for SERVICES \$527,633.00

Handwritten notes:
 can 7/28/10
 NB 7/28/10
 \$552,170.00

Term/Automatic Renewal. This Agreement is for an original term of five (5) years and shall begin on the Effective Date identified above ("Original Term"). The Work will begin on 07/01/10 and the parties agree that the Work shall be deemed completed as of the date on which the System is installed and becomes operational. The Services will begin on 07/01/10 or, if applicable, upon completion of the Work. Unless terminated earlier as provided herein, this Agreement will automatically renew on a year-to-year basis after the Original Term ends unless Customer or JCI gives the other written notice of non-renewal. The notice must be delivered at least thirty (30) days prior to the expiration of the Original Term or any renewal year. Any price adjustments for renewal years are described in the General Terms and Conditions.

Entire Agreement. It is agreed and understood by the parties that this Agreement constitutes the entire agreement between the parties, and supersedes any previous agreements or understandings. There are no agreements, understandings or covenants between the parties of any kind, express or implied, oral or otherwise, pertaining to the Work, the System, or the Services hereunder that have not been set forth or specified herein. This Agreement may not be changed, modified or varied except by a writing signed by an authorized representative from each party. This Agreement shall not become binding on JCI unless signed by an authorized representative of JCI.

JOHNSON CONTROLS, INC.

By: Mikael J. Greenleaf Date: April 2, 2010
 Name: *[Signature]*
 Title: Arizona General Manager

CUSTOMER: City of Glendale

By: *[Signature]* Date: 7/16/10
 Name: Michelle Wozniak
 Title: Deputy Public Field Operations Director

GENERAL TERMS AND CONDITIONS FOLLOW

EXHIBIT C

Fire Alarm and Suppression System Maintenance

DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - (A) The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - (B) The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - (C) The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the parties may agree, in writing, that the Dispute will be decided by binding arbitration in accordance with Commercial Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
 - (A) The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - (B) The arbitrator selected must be an attorney with at least 10 years experience, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.
- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.

- 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
- 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
- 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

4. **Exceptions.**

- 4.1 Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor.
- 4.2 Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
- 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **REQUEST TO PURCHASE 18 REPLACEMENT POLICE PATROL VEHICLES**
Staff Contact: **Stuart Kent, Executive Director, Public Works**

Purpose and Recommended Action

This is a request for City Council to approve the purchase of 18 police patrol vehicles for the Police Department from Midway Chevrolet in an amount not to exceed \$559,412.38.

Background Summary

The purchase of the Chevrolet Tahoe Police SUV is the most cost effective option for patrol vehicles at this time, as the Ford Crown Victoria Police Interceptor has been discontinued by Ford. With the discontinuation of the Crown Victoria, Equipment Management and the Police Department have considered several makes and models of potential police patrol vehicles that would best meet the Police Department's needs. After considering price, design, availability, and service requirements, it was determined the Chevrolet Tahoe Police SUV was the best choice in vehicle.

The vendor, Midway Chevrolet, was awarded this bid through a competitive bid process by the State of Arizona IFB No. ADSP012-016662. The State of Arizona has allowed for cooperative use of their contract, and this contract provides the best pricing available for these vehicles.

Community Benefit/Public Involvement

Replacement of these vehicles will ensure the continued reliability of the police patrol fleet for the citizens and residents of Glendale.

Budget and Financial Impacts

Cost	Fund-Department-Account
\$559,412.38	1120-13610-551400 - Vehicle Replacement Fund



CITY COUNCIL REPORT

Capital Expense? Yes No

Budgeted? Yes No

Requesting Budget or Appropriation Transfer? Yes No

If yes, where will the transfer be taken from?

Attachments

Staff Report



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Stuart Kent, Executive Director, Public Works**
Item Title: **REQUEST TO PURCHASE 18 REPLACEMENT POLICE
PATROL VEHICLES**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

This report contains information on the proposed purchase of 18 police patrol vehicles for the Police Department through the Vehicle Replacement Fund (VRF). The purpose of this report is to request the City Manager forward this item to City Council for their consideration and approval.

BACKGROUND

The Equipment Management Division is responsible for the management of the VRF replacement schedule. Currently, there are 744 vehicles included in the VRF. The average age of vehicles in the VRF is six years, and the average replacement life is 12 years. Annually, Equipment Management reviews the vehicles projected for replacement in the next two fiscal years. Vehicles that have lower than expected utilization and are in good condition, have their life cycle extended in the VRF.

The vendor, Midway Chevrolet, was awarded this bid on January 16, 2012, with four one-year renewal extension options, through a competitive bid process by the State of Arizona IFB No. ADSP012-016662. The Special Terms and Conditions of the State of Arizona bid extends the use of the contract to political subdivisions who have entered into a Cooperative Purchasing Agreement with the State of Arizona Procurement Office and with the approval by the vendor. The City of Glendale is a cooperative member and has received approval from the vendor.

Staff is recommending an award to Midway Chevrolet in the amount of \$559,412.38 for the purchase of 18 Chevrolet Tahoe Police Sport Utility Vehicle (SUV) patrol vehicles.

ANALYSIS

The purchase of the Chevrolet Tahoe Police SUV is the most cost effective option for patrol vehicles at this time, as the Ford Crown Victoria Police Interceptor has been discontinued by Ford. With the discontinuation of the Crown Victoria, Equipment Management and the Police Department have considered several makes and models of potential police patrol vehicles that would best meet the Police Department's needs. After considering price, design, availability, and



STAFF REPORT

service requirements, it was determined the Chevrolet Tahoe Police SUV was the best choice in vehicle. The use of the State of Arizona bid provides the best pricing available for these vehicles.

This purchase will replace 18 patrol cars that average over 90,000 miles and 5.2 years of age. The vehicle replacement schedule for patrol cars is currently set at four years or 100,000 miles. Replacement of these vehicles will ensure the continued reliability of the police patrol fleet.

FISCAL IMPACTS

Funds for this purchase are available in the FY 2012-13 Vehicle Replacement Fund.



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **ARIZONA PUBLIC SERVICE POWER DISTRIBUTION EASEMENT AT
57TH AVENUE AND GLENN DRIVE**
Staff Contact: **Gregory Rodzenko, P.E., Acting City Engineer**

Purpose and Recommended Action

This is a request for City Council to adopt an ordinance authorizing the City Manager to grant an easement in favor of Arizona Public Service (APS) for power distribution lines and equipment on a portion of city-owned property on the southwest corner of 57th Avenue and Glenn Drive. Staff is requesting Council waive reading beyond the title and adopt an ordinance granting the easement.

Background Summary

APS is requesting an easement for the installation of their facilities as part of the alleyway improvements between 57th Avenue and 57th Drive, from Glendale Avenue to Glenn Drive. The existing overhead utility lines located in the alleyway will be installed underground as part of the improvements. The city owns the property located on the southwest corner of 57th Avenue and Glenn Drive, which currently serves as a parking lot north of the Saint Vincent De Paul Thrift Store. APS requires an easement approximately 29 feet by 26 feet in the northwest corner of the parking lot for the installation of their facilities related to the undergrounding of the overhead utilities in the alleyway. The easement will allow APS to operate and maintain their facilities within the easement area. There are no costs incurred as a result of this action.

Attachments

Staff Report	Easement
Ordinance	Map



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Gregory Rodzenko, P.E., Acting City Engineer**
Item Title: **ARIZONA PUBLIC SERVICE POWER DISTRIBUTION EASEMENT AT
57TH AVENUE AND GLENN DRIVE**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

The purpose of this report is to request the City Manager forward this item for City Council consideration and action. Staff plans to request City Council adopt an ordinance granting an easement in favor of Arizona Public Service (APS) for power distribution lines and equipment on a portion of city-owned property on the southwest corner of 57th Avenue and Glenn Drive.

BACKGROUND

APS is requesting an easement for the installation of their facilities as part of the alleyway improvements between 57th Avenue and 57th Drive, from Glendale Avenue to Glenn Drive. The existing overhead utility lines located in the alleyway will be installed underground as part of the improvements. The city owns the property located on the southwest corner of 57th Avenue and Glenn Drive, which currently serves as a parking lot north of the Saint Vincent De Paul Thrift Store. APS requires an easement approximately 29 feet by 26 feet in the northwest corner of the parking lot for the installation of their facilities related to the undergrounding of the overhead utilities in the alleyway. The easement will allow APS to operate and maintain their facilities within the easement area.

ANALYSIS

- Staff recommends granting APS the utility easement.
- The city will lose the use of this area of the property; however, the easement is required for the undergrounding of the overhead utilities as part of the alleyway improvements.
- There will be no impact on any city departments, staff, or service levels, as a result of this action.
- All city departments and utility companies have reviewed and approved the easement request.

FISCAL IMPACTS

There are no costs incurred as a result of this action.

ORDINANCE NO. 2832 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A UTILITY EASEMENT IN FAVOR OF ARIZONA PUBLIC SERVICE COMPANY ON CITY-OWNED PROPERTY TO ENABLE ELECTRICAL LINES AND TELECOMMUNICATION LINES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRICITY IN GLENDALE, ARIZONA; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the City Council hereby approves the utility easement and all the terms and conditions thereto and directs that the City Manager for the City of Glendale execute said document granting Arizona Public Service Company a utility easement upon, across, over and under the surface of certain property located within existing City property, in the form attached hereto as Exhibit A. The legal descriptions are contained in the Easement.

SECTION 2. That the City hereby reserves the right to use the easement premises in any manner that will not prevent or interfere with the exercise by Arizona Public Service Company of the rights granted hereunder; provided, however, that the City shall not obstruct, or permit to be obstructed, the easement premises at any time whatsoever without the express prior written consent of Arizona Public Service Company.

SECTION 3. That the City Clerk be instructed and authorized to forward a certified copy of this ordinance for recording to the Maricopa County Recorder's Office.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2013.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager

e_aps_57 glenn.doc

Exhibit A-For Reference Only

SW5-2N-2E
APN #147-25-147
WA118084
SMR

CITY OF GLENDALE-APS UTILITY EASEMENT

THE CITY OF GLENDALE, a municipal corporation of the State of Arizona, (hereinafter called "Grantor"), is the owner of the following described real property located in Maricopa County, Arizona (hereinafter called "Grantor's Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

Grantor, for and in consideration of One Dollar (\$1.00) and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **ARIZONA PUBLIC SERVICE COMPANY**, an Arizona corporation, (hereinafter called "Grantee"), and to its successors and assigns, a non-exclusive right, privilege, and easement, as described in attached exhibits at locations and elevations, in, upon, over, under, through and across, a portion of Grantor's Property described as follows (herein called the "Easement Premises"):

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF

Grantee is hereby granted the right to: construct, reconstruct, replace, repair, operate and maintain electrical lines, together with appurtenant facilities and fixtures for use in connection therewith, for the transmission and distribution of electricity to, through, across, and beyond Grantor's Property; and install, operate and maintain telecommunication wires, cables, conduits, fixtures and facilities solely for Grantee's own use incidental to supplying electricity (said electrical and telecommunication lines, facilities and fixtures collectively herein called "Grantee Facilities"). Grantee Facilities shall consist of underground electric lines and appurtenant facilities including pad mounted equipment, the locations of which are set forth in Exhibit "C." In no event may any overhead electric lines and associated overhead equipment be installed unless in an emergency to restore power. Grantee shall at all times have the right of full and free ingress and egress to and along the Easement Premises for the purposes herein specified.

Exhibit A-For Reference Only

SW5-2N-2E
APN #147-25-147
WA118084
SMR

Grantor shall not locate, erect or construct, or permit to be located, erected or constructed, any building or other structure or drill any well within the limits of the Easement Premises. However, Grantor reserves all other rights, interests and uses of the Easement Premises that are not inconsistent with Grantee's easement rights herein conveyed and which do not interfere with or endanger any of the Grantee Facilities, including, without limitation, granting others the right to use all or portions of the Easement Premises for utility or roadway purposes and constructing improvements within the Easement Premises such as paving, sidewalks, landscaping, driveways, and curbing. Notwithstanding the foregoing, Grantor shall not have the right to lower by more than one foot or raise by more than two feet the surface grade of the Easement Premises without the prior written consent of Grantee, and in no event shall a change in the grade compromise Grantee's minimum cover requirements or interfere with Grantee's operation, maintenance or repair.

Grantee shall not have the right to use the Easement Premises to store gasoline or petroleum products, hazardous or toxic substances, or flammable materials; provided however, that this prohibition shall not apply to any material, equipment or substance contained in, or a part of, the Grantee Facilities, provided that Grantee must comply with all applicable federal, state and local laws and regulations in connection therewith. Additionally, the Easement Premises may not be used for the storage of construction-related materials or to park or store construction-related vehicles or equipment except on a temporary basis to construct, reconstruct, replace, repair, operate, or maintain the Grantee Facilities.

Grantor shall maintain a clear area that extends 3 feet from and around all edges of all transformer pads and other equipment pads, and a clear operational area that extends 10 feet immediately in front of all transformer and other equipment openings, as shown on Exhibit "C" attached hereto and made a part hereof. No obstructions, trees, shrubs, fixtures, or permanent structures shall be placed or permitted by Grantor within said areas. Grantee is hereby granted the right to trim, prune, cut, and clear away trees, brush, shrubs, or other obstructions within said areas.

Grantee shall exercise reasonable care to avoid damage to the Easement Premises and all improvements thereon and agrees that following any installation, excavation, maintenance, repair, or other work by Grantee within the Easement Premises, the affected area, including without limitation, all pavement, landscaping, cement, and other improvements permitted within the Easement Premises pursuant to this easement will be restored by Grantee to as close to original condition as is reasonably possible, at the expense of Grantee.

Grantor reserves the right to require the relocation of Grantee Facilities to a new location within Grantor's Property; provided however, that: (1) Grantor pays the entire cost of redesigning and relocating Grantee Facilities; and (2) Grantor provides Grantee with a new easement in a form and location acceptable to Grantee and at no cost to Grantee. Upon the acceptance by Grantee of a new easement and after the relocation of Grantee Facilities to the new easement area, Grantee shall abandon its rights to use the Easement Premises granted in this easement. The easement granted herein shall not be deemed abandoned except upon Grantee's execution and recording of a formal instrument abandoning the easement.

Exhibit A-For Reference Only

SW5-2N-2E
APN #147-25-147
WA118084
SMR

If any of Grantee's electric facilities in this easement are not being used or are determined not to be useful, Grantor may request that the facilities that are no longer needed be removed and that portion of the easement be abandoned. Grantee will execute and record a formal instrument abandoning the easement, or a portion thereof. Any facilities that are determined to still be needed for Grantee's electrical system can be relocated pursuant to the above relocation requirements.

Grantee shall not have the right to transfer, convey or assign its interests in this easement to any individual, corporation, or other entity (other than to an affiliated entity of Grantee or an entity that acquires from Grantee substantially all of Grantee's electric distribution facilities within the area of Grantor's Property) without the prior written consent of Grantor, which consent shall not be unreasonably withheld. Grantee shall notify Grantor of the transfer, conveyance or assignment of any rights granted herein.

The covenants and agreements herein set forth shall extend and inure in favor and to the benefit of, and shall be binding on the heirs, administrators, executors, successors in ownership and estate, assigns and lessees of Grantor and Grantee.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Exhibit A-For Reference Only

SW5-2N-2E
APN #147-25-147
WA118084
SMR

EXHIBIT "A"

(LEGAL DESCRIPTION OF GRANTOR'S PROPERTY)

Lot 1, Block 28, of PARK ADDITION, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 3 of Maps, Page 42.

Exhibit A-For Reference Only

SW5-2N-2E
APN #147-25-147
WA118084
SMR

EXHIBIT "B"

(LEGAL DESCRIPTION OF EASEMENT PREMISES)

COMMENCING at the South quarter corner of Section 5, Township 2 North, Range 2 East of the Gila and Salt River Meridian, Maricopa County, Arizona;

Thence North 89 degrees 32 minutes 24 seconds West (basis of bearing) along the South line of the Southwest quarter of said Section 5, a distance of 1161.71 feet to the point of intersection of Glendale Avenue and 57th Avenue;

Thence North 00 degrees 24 minutes 05 seconds East along the centerline of said 57th Avenue, a distance of 435.20 feet;

Thence North 89 degrees 32 minutes 11 seconds West a distance of 40.00 feet to the Northeast Corner of Lot 1, Block 28, PARK ADDITION, recorded in Book 3 of Maps, Page 42, records of Maricopa County, Arizona;

Thence continuing North 89 degrees 32 minutes 11 seconds West along the North line of said Lot 1, a distance of 98.13 feet to the TRUE POINT OF BEGINNING of the easement herein described;

Thence leaving said North line of Lot 1, South 00 degrees 24 minutes 04 seconds West a distance of 26.17 feet;

Thence North 89 degrees 32 minutes 11 seconds West a distance of 28.58 feet;

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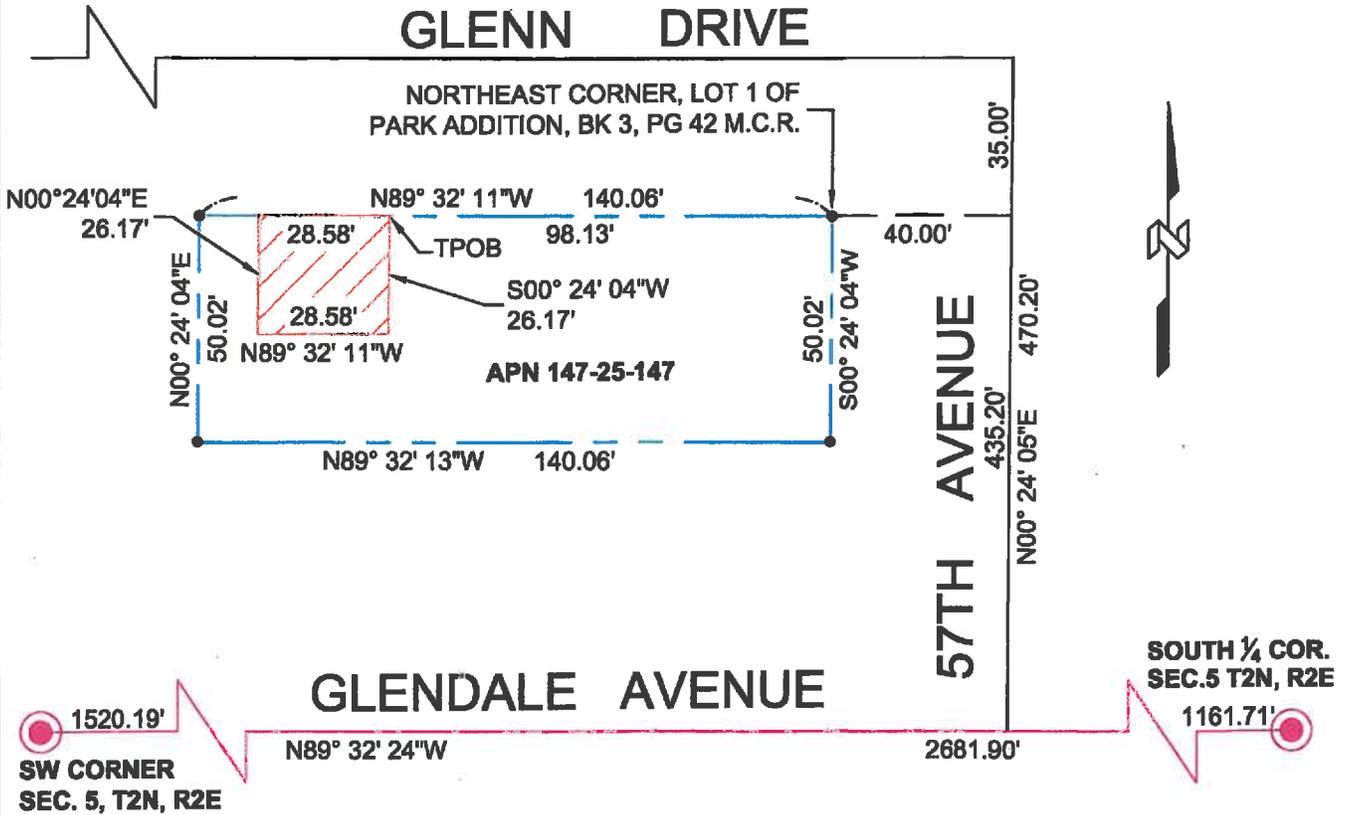
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Said easement being 0.017 acres more or less.

Exhibit A-For Reference Only

EXHIBIT "C"

SKETCH SHOWING LOCATION AND LIMITS OF
UTILITY EASEMENT



** BASIS OF BEARING BEING THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 2 NORTH, RANGE 2 EAST OF THE GILA AND SALT RIVER MERIDIAN, PER GDACS, AS RECORDED IN BOOK 689 OF MAPS, PAGE 18, RECORDS OF MARICOPA COUNTY, ARIZONA.

THE PURPOSE OF THIS EXHIBIT IS TO DEPICT THE DIMENSIONS AND LOCATION AND ALIGNMENT OF THE ELECTRIC FACILITIES. THE LOCATION AND ALIGNMENT OF THE FACILITIES AS ACTUALLY CONSTRUCTED SHALL TAKE PRECEDENCE OVER THE LOCATION AND ALIGNMENT SHOWN ON THIS EXHIBIT.



Expires: 9/30/14

LEGEND	
	EASEMENT AREA
	ROAD CENTERLINE
	PROPERTY LINE
	SECTION LINE
	PROPERTY CORNER
	TRUE POINT OF BEGINNING

W#:	WA118084
DATE:	08/15/2012
SW 1/4 SEC 5 T 2N R 2E	
SCALE:	1:40
R/W:	RENDON
SURVEY:	SUTTON
DRAWN BY:	RENDON

SW5-2N-2E
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SW5-2N-2E
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SW5-2N-2E
APN #147-25-147
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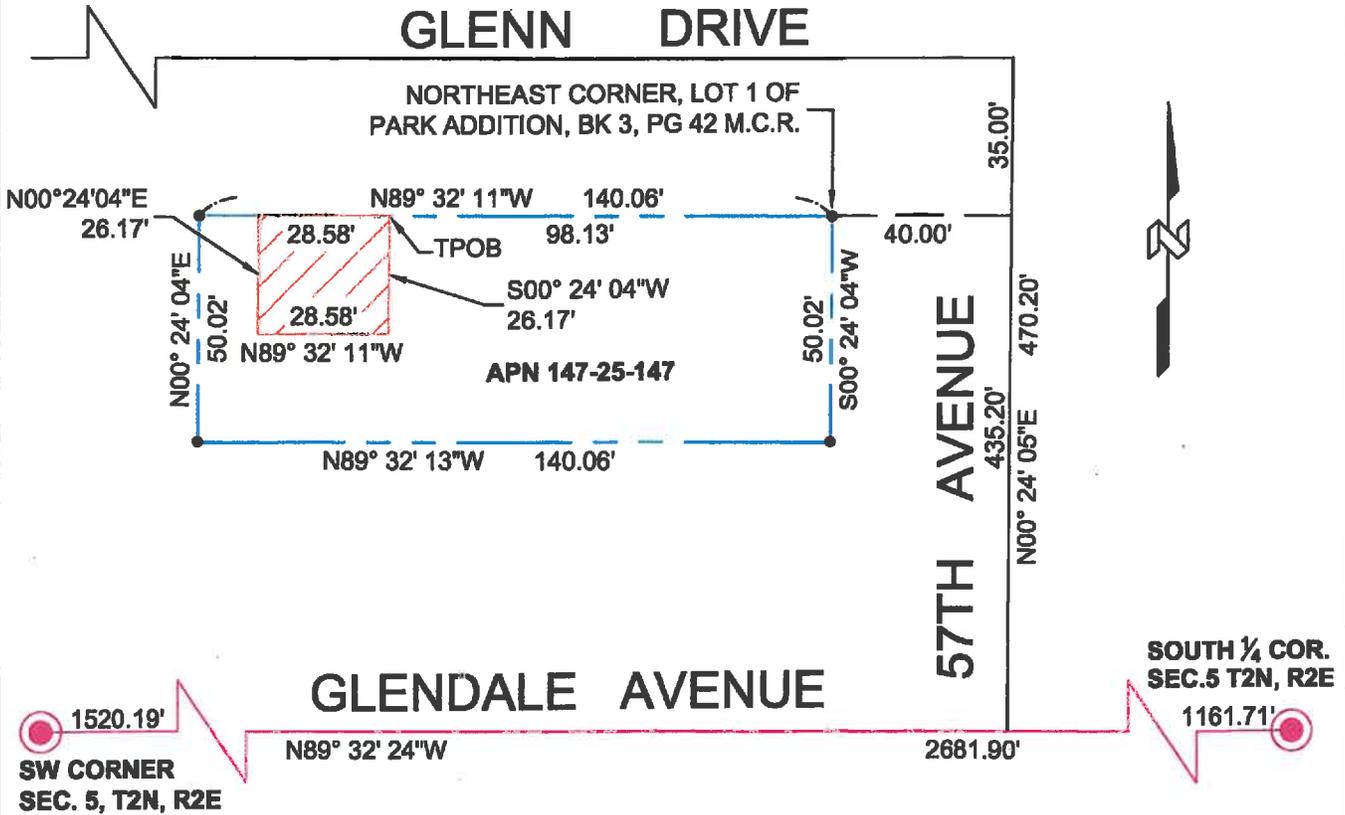
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Expires: 9/30/14

LEGEND	
	EASEMENT AREA
	ROAD CENTERLINE
	PROPERTY LINE
	SECTION LINE
	PROPERTY CORNER
	TRUE POINT OF BEGINNING

W#:	WA118084
DATE:	08/15/2012
SW 1/4 SEC 5	T 2N R 2E
SCALE:	1:40
R/W:	RENDON
SURVEY:	SUTTON
DRAWN BY:	RENDON



**GRANT ARIZONA PUBLIC SERVICE
UTILITY EASEMENT**





CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **SALT RIVER PROJECT POWER DISTRIBUTION EASEMENT AT
67TH AND NORTHERN AVENUES**
Staff Contact: **Gregory Rodzenko, P.E., Acting City Engineer**

Purpose and Recommended Action

This is a request for City Council to adopt an ordinance authorizing the City Manager to grant an easement in favor of Salt River Project (SRP) for power distribution lines and equipment on a portion of city-owned property on the northeast corner of 67th and Northern Avenues. Staff is requesting Council waive reading beyond the title and adopt an ordinance granting the easement.

Background Summary

SRP is requesting an easement for the installation of their facilities as part of the Grand Avenue improvements. The existing overhead utility lines located along Grand Avenue from 51st to 71st Avenues will be installed underground as part of the improvements. SRP requires an easement approximately 3.5 feet by 3.5 feet in the northeast corner of 67th and Northern Avenues, on city-owned property, for the installation of their facilities related to the undergrounding of the overhead utilities along the Grand Avenue corridor. The easement will allow Salt River Project to operate and maintenance their facilities within the easement area. There are no costs incurred as a result of this action.

Attachments

Staff Report	Easement
Ordinance	Map



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Gregory Rodzenko, P.E., Acting City Engineer**
Item Title: **SALT RIVER PROJECT POWER DISTRIBUTION EASEMENT AT
67TH AND NORTHERN AVENUES**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

The purpose of this report is to request the City Manager forward this item for City Council consideration and action. Staff plans to request City Council adopt an ordinance granting an easement in favor of Salt River Project (SRP) for power distribution lines and equipment on a portion of city-owned property on the northeast corner of 67th and Northern Avenues.

BACKGROUND

SRP is requesting an easement for the installation of their facilities as part of the Grand Avenue improvements. The existing overhead utility lines located along Grand Avenue from 51st to 71st Avenues will be installed underground as part of the improvements. SRP requires an easement approximately 3.5 feet by 3.5 feet in the northeast corner of 67th and Northern Avenues, on city-owned property, for the installation of their facilities related to the undergrounding of the overhead utilities along the Grand Avenue corridor. The easement will allow SRP to operate and maintain their facilities within the easement area.

ANALYSIS

- Staff recommends granting SRP the utility easement.
- The city will lose the use of this area of the property; however, the easement is required for the undergrounding of the overhead utilities as part of the alleyway improvements.
- There will be no impact on any city departments, staff, or service levels as a result of this action.
- All city departments and utility companies have reviewed, and approved, the easement request

FISCAL IMPACTS

There are no costs incurred as a result of this action.

ORDINANCE NO. 2833 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A POWER DISTRIBUTION EASEMENT IN FAVOR OF SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT AT 67TH, NORTHERN AND GRAND AVENUES; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the City Council hereby approves the power distribution easement and all the terms and conditions thereto and directs that the City Manager for the City of Glendale execute said document granting Salt River Project Agricultural Improvement and Power District an easement upon, across, over, under, across, through and along the lands of certain property located within existing City property, in the form attached hereto as Exhibit A. The legal description is contained in the Easement.

SECTION 2. That the City hereby reserves the right to use the power distribution easement premises in any manner that will not prevent or interfere with the exercise by Salt River Project Agricultural Improvement and Power District of the rights granted hereunder; provided, however, that the City shall not obstruct, or permit to be obstructed, the easement premises at any time whatsoever without the express prior written consent of Salt River Project.

SECTION 3. That the City Clerk be instructed and authorized to forward a certified copy of this ordinance for recording to the Maricopa County Recorder's Office.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2013.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager

e_srp_67&grand.doc

Exhibit A-For Reference Only

WHEN RECORDED MAIL TO:

SALT RIVER PROJECT
Land Department/PAB400
P. O. Box 52025
Phoenix, Arizona 85072-2025

Customer Copy

POWER DISTRIBUTION EASEMENT

Maricopa County
NW ¼ of Sec 6, T2N, R2E

Agt. SCF
Job #KJ2-703

W SA C 300 *08/10/2012*

CITY OF GLENDALE,
an Arizona municipal corporation,

hereinafter called Grantor, for and in consideration of the sum of One Dollar, and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT**, an agricultural improvement district organized and existing under the laws of the State of Arizona, its agents, employees, contractors and permittees and its and their respective successors and assigns, hereinafter called the Grantee, a non-exclusive easement in, upon, over, under, across, through and along the lands hereinafter described (such lands hereinafter described being sometimes referred to herein as the "Easement Parcel") to construct, install, reconstruct, replace, remove, repair, operate and maintain underground electrical conductors, conduits, pipes, cables, vaults, pads, switching equipment, enclosures, manholes and transformers and all other appliances, appurtenances and fixtures (collectively "Facilities") for the transmission and distribution of electricity and for all other purposes connected therewith at such locations and elevations, in, upon, over, under, across, through and along the Easement Parcel as Grantee may now or hereafter deem convenient or necessary from time to time, together with the right of ingress and egress to, from, across and along the Grantor's Property.

The lands in, upon, over, under, across, through and along which this easement is granted are situated in the County of Maricopa, State of Arizona, and are more particularly described as:

Grantor's Property:

A portion of right-of-way being more particularly described in Exhibit A of Warranty Deed, Instrument No. 2008-941033, records of Maricopa County, Arizona.

Easement Parcel:

Said easement as depicted on EXHIBIT A, attached hereto and by this reference made a part thereof.

Exhibit A-For Reference Only

CAUTION: Facilities placed within the Easement Parcel may contain high voltage electrical equipment. Notice is hereby given that the location of underground electrical conductors or facilities must be verified as required by Arizona Revised Statutes, Section 40-360.21, et. seq., Arizona Blue Stake Law, prior to any excavation.

Grantor shall maintain a clear area that extends 3.00 feet from and around all edges of all transformer pads and other equipment pads, and a clear operational area that extends 12.00 feet immediately in front of all transformer and other equipment openings. No obstruction, trees, shrubs, fixtures or permanent structures shall be placed within said areas.

Grantor shall not construct, install or place, or permit to be constructed, installed or placed any building or other structure, plant any trees, drill any well, store materials of any kind, or alter ground level by cut or fill, within the area of the Easement Parcel.

Grantee shall have the right (but not the obligation) to trim, cut and clear away trees, brush or other vegetation on, the Easement Parcel whenever in its judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted.

In the event Grantee records a document to formally abandon the easement granted herein, all Grantee's rights hereunder shall cease, except the right to remove any and all property placed upon the Easement Parcel within a reasonable time subsequent to such abandonment.

The covenants and agreements herein set forth shall extend and inure in favor and to the benefit of and shall be binding on the heirs, administrators, executors, personal representatives, legal representatives, successors (including successors in ownership and estate), assigns and lessees of the Grantor and Grantee.

THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

Exhibit A-For Reference Only

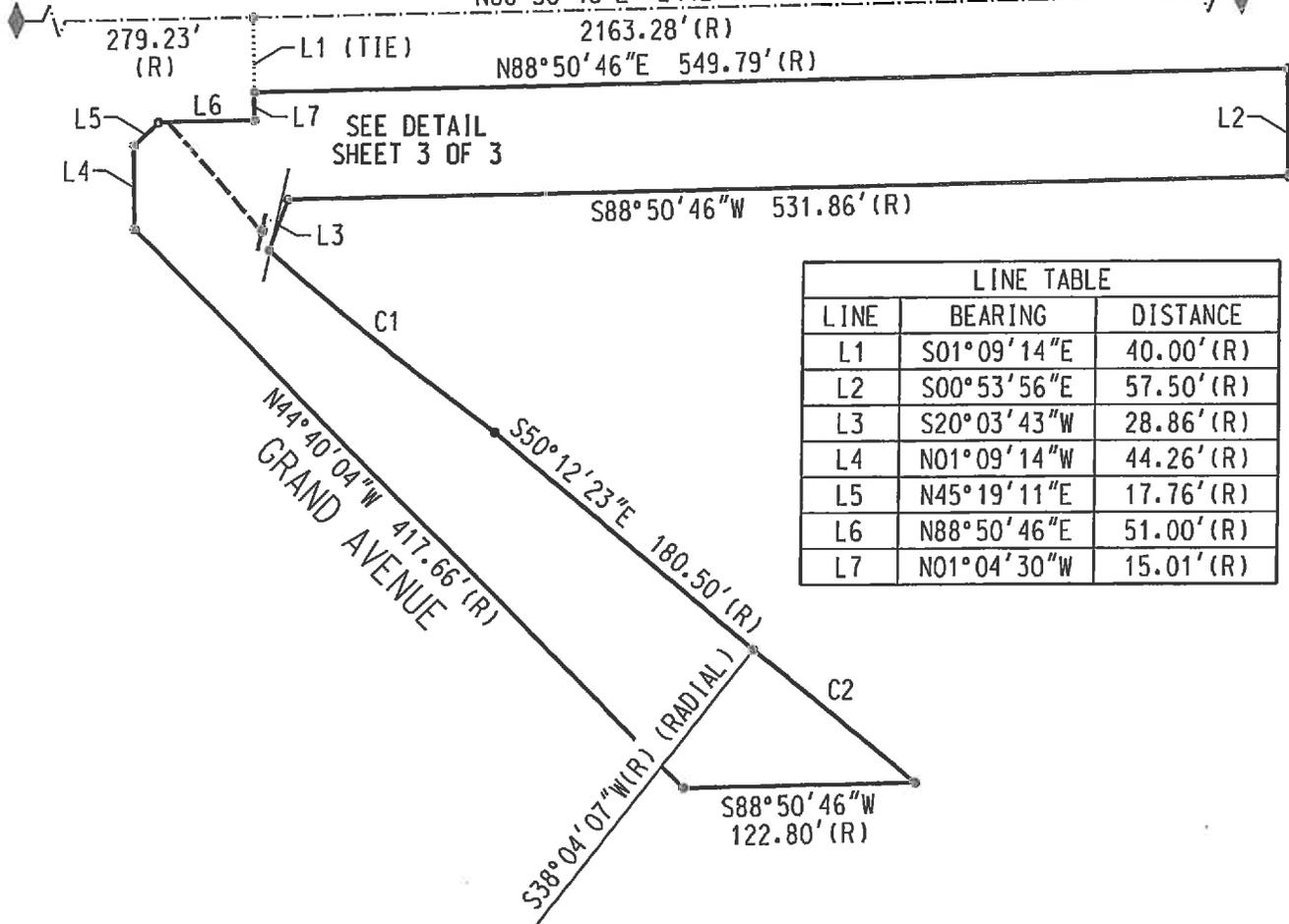
EXHIBIT "A"



NORTHWEST CORNER
SECTION 6
T-2-N, R-2-E
FOUND BCHH
(4-9-12)

NORTHERN AVENUE
(BASIS OF BEARING)
N88°50'46"E 2442.51'(R&M)
2163.28'(R)
N88°50'46"E 549.79'(R)

NORTH 1/4 CORNER
SECTION 6
T-2-N, R-2-E
FOUND BCFL
(8-17-10)



SEE DETAIL
SHEET 3 OF 3

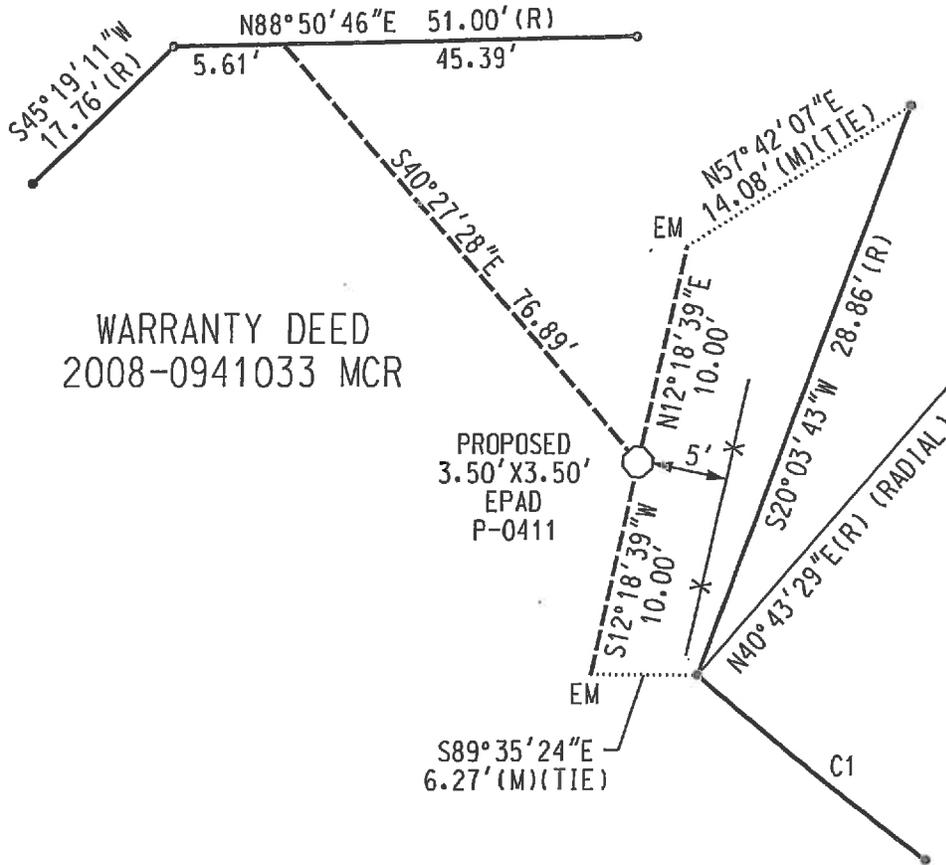
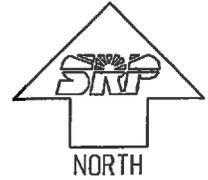
LINE TABLE		
LINE	BEARING	DISTANCE
L1	S01°09'14"E	40.00'(R)
L2	S00°53'56"E	57.50'(R)
L3	S20°03'43"W	28.86'(R)
L4	N01°09'14"W	44.26'(R)
L5	N45°19'11"E	17.76'(R)
L6	N88°50'46"E	51.00'(R)
L7	N01°04'30"W	15.01'(R)

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	2440.00'(R)	03°37'29"(R)	154.36'(R)
C2	2550.00'(R)	02°30'18"(C)	111.49'(R)

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT & POWER DISTRICT		SRP SURVEY DIVISION LAND DEPARTMENT	
SRP JOB NUMBER: KJ2-703	SCALE: NTS	67TH AVE & GRAND UG CONVERSION NW 1/4 SECTION 6 T-2-N, R-2-E 6.1 EAST-11.9 NORTH	
AMP W/O NUMBER: 81336683	SHEET: 2 OF 3		
AGENT: FURROW	SHEET SIZE: 8.5"x11"		
DRAWN: RAUSER	REVISION: 0 <i>DR 11/30/12</i>		
CHECKED BY: <i>GG</i>	CREW CHIEF: GRAHAM		
DATE: 10-2-12	FIELD DATE: 9-26-12		

Exhibit A-For Reference Only

EXHIBIT "A"



WARRANTY DEED
2008-0941033 MCR

PROPOSED
3.50' x 3.50'
EPAD
P-0411

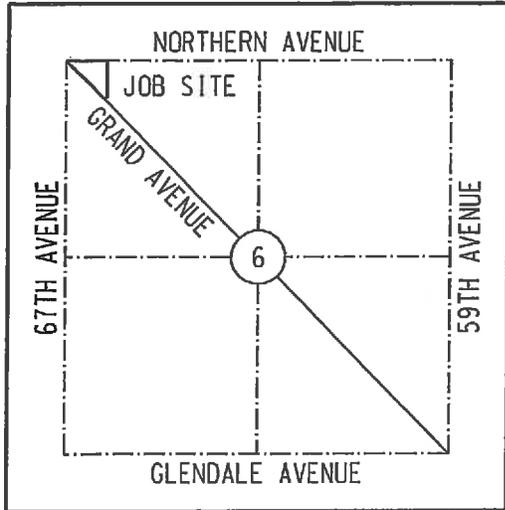
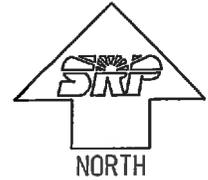
S89°35'24"E
6.27' (M)(TIE)

C1

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT & POWER DISTRICT		SRP SURVEY DIVISION LAND DEPARTMENT
SRP JOB NUMBER: KJ2-703	SCALE: NTS	
AMP W/O NUMBER: 81336683	SHEET: 3 OF 3	67TH AVE & GRAND UG CONVERSION NW 1/4 SECTION 6 T-2-N, R-2-E 6.1 EAST-11.9 NORTH
AGENT: FURROW	SHEET SIZE: 8.5"x11"	
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VICINITY MAP (NTS)
T-2-N, R-2-E
G&SRM

LEGEND

- SECTION AND CENTERLINE
- PROPERTY LINE
- CENTERLINE OF 8' EASEMENT
- CHAIN LINK FENCE
- SECTION CORNER AS NOTED
- CALCULATED POINT
- EQUIPMENT PAD-3.50'x3.50'
UNLESS OTHERWISE NOTED
ARE PART OF THE EASEMENT

ABBREVIATION TABLE

BCFL	BRASS CAP FLUSH
BCHH	BRASS CAP IN HAND HOLE
EM	ELECTRONIC MARKER
EPAD	EQUIPMENT PAD
MCR	MARICOPA COUNTY RECORDER
M	MEASURED
NTS	NOT TO SCALE

UNDERGROUND ELECTRIC POWER LINE RIGHT-OF-WAY MARICOPA COUNTY, ARIZONA

CAUTION

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NOTES

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SALT RIVER PROJECT
AGRICULTURAL IMPROVEMENT & POWER DISTRICT



SURVEY DIVISION
LAND DEPARTMENT

SRP JOB NUMBER: KJ2-703	SCALE: NTS
AMP W/O NUMBER: 81336683	SHEET: 1 OF 3
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67TH AVE & GRAND UG CONVERSION
NW 1/4 SECTION 6
T-2-N, R-2-E
6.1 EAST-11.9 NORTH

WHEN RECORDED MAIL TO:

SALT RIVER PROJECT
Land Department/PAB400
P. O. Box 52025
Phoenix, Arizona 85072-2025

Customer Copy

POWER DISTRIBUTION EASEMENT

Maricopa County
NW ¼ of Sec 6, T2N, R2E

Agt. SCF
Job #KJ2-703 *DP10/30/12*
W *[Signature]* C *[Signature]*

**CITY OF GLENDALE,
an Arizona municipal corporation,**

hereinafter called Grantor, for and in consideration of the sum of One Dollar, and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT**, an agricultural improvement district organized and existing under the laws of the State of Arizona, its agents, employees, contractors and permittees and its and their respective successors and assigns, hereinafter called the Grantee, a non-exclusive easement in, upon, over, under, across, through and along the lands hereinafter described (such lands hereinafter described being sometimes referred to herein as the "Easement Parcel") to construct, install, reconstruct, replace, remove, repair, operate and maintain underground electrical conductors, conduits, pipes, cables, vaults, pads, switching equipment, enclosures, manholes and transformers and all other appliances, appurtenances and fixtures (collectively "Facilities") for the transmission and distribution of electricity and for all other purposes connected therewith at such locations and elevations, in, upon, over, under, across, through and along the Easement Parcel as Grantee may now or hereafter deem convenient or necessary from time to time, together with the right of ingress and egress to, from, across and along the Grantor's Property.

The lands in, upon, over, under, across, through and along which this easement is granted are situated in the County of Maricopa, State of Arizona, and are more particularly described as:

Grantor's Property:

A portion of right-of-way being more particularly described in Exhibit A of Warranty Deed, Instrument No. 2008-941033, records of Maricopa County, Arizona.

Easement Parcel:

Said easement as depicted on EXHIBIT A, attached hereto and by this reference made a part thereof.

CAUTION: Facilities placed within the Easement Parcel may contain high voltage electrical equipment. Notice is hereby given that the location of underground electrical conductors or facilities must be verified as required by Arizona Revised Statutes, Section 40-360.21, et. seq., Arizona Blue Stake Law, prior to any excavation.

Grantor shall maintain a clear area that extends 3.00 feet from and around all edges of all transformer pads and other equipment pads, and a clear operational area that extends 12.00 feet immediately in front of all transformer and other equipment openings. No obstruction, trees, shrubs, fixtures or permanent structures shall be placed within said areas.

Grantor shall not construct, install or place, or permit to be constructed, installed or placed any building or other structure, plant any trees, drill any well, store materials of any kind, or alter ground level by cut or fill, within the area of the Easement Parcel.

Grantee shall have the right (but not the obligation) to trim, cut and clear away trees, brush or other vegetation on, the Easement Parcel whenever in its judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted.

In the event Grantee records a document to formally abandon the easement granted herein, all Grantee's rights hereunder shall cease, except the right to remove any and all property placed upon the Easement Parcel within a reasonable time subsequent to such abandonment.

The covenants and agreements herein set forth shall extend and inure in favor and to the benefit of and shall be binding on the heirs, administrators, executors, personal representatives, legal representatives, successors (including successors in ownership and estate), assigns and lessees of the Grantor and Grantee.

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EXHIBIT "A"

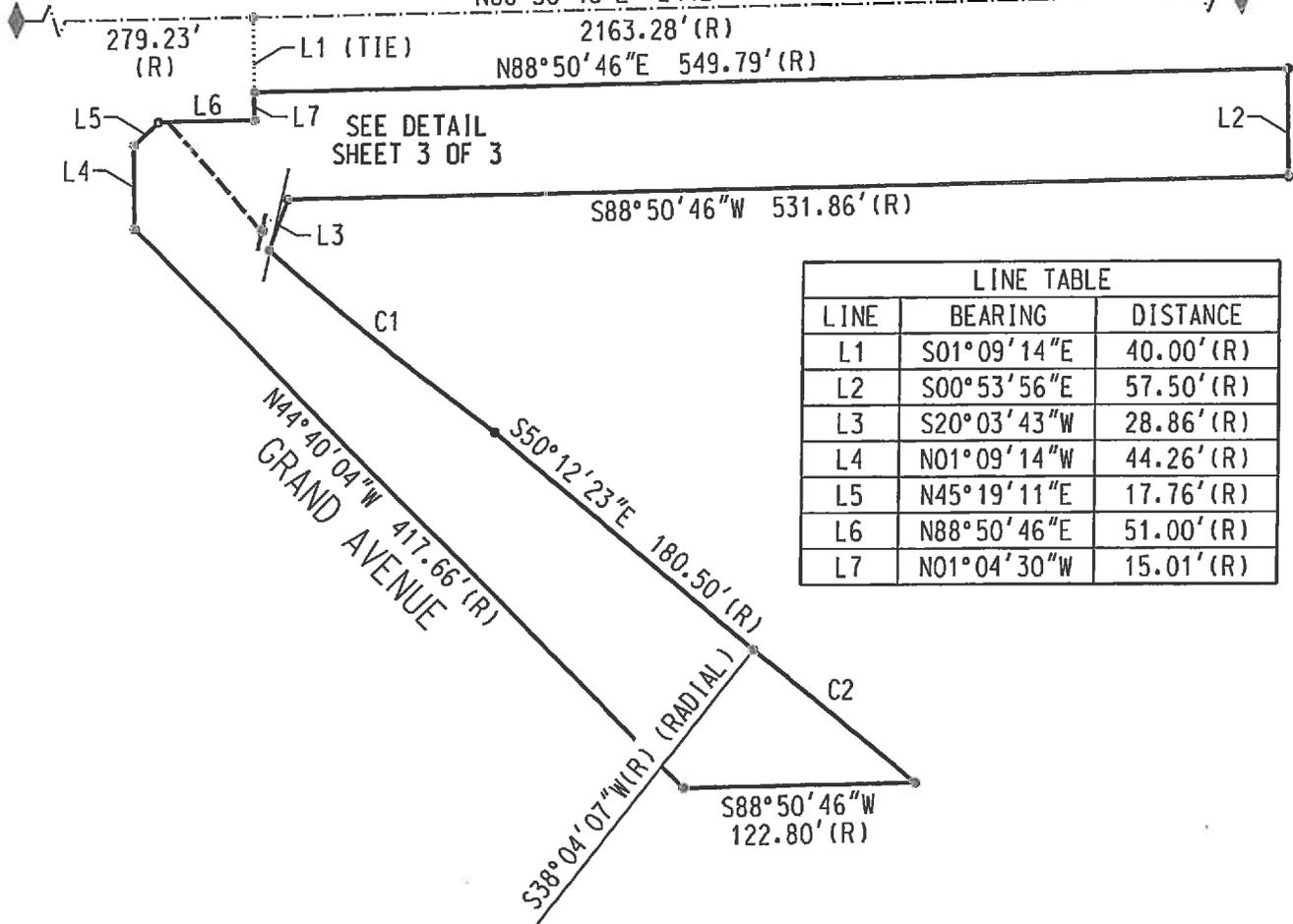


NORTHWEST CORNER
SECTION 6
T-2-N, R-2-E
FOUND BCHH
(4-9-12)

NORTH 1/4 CORNER
SECTION 6
T-2-N, R-2-E
FOUND BCFL
(8-17-10)

NORTHERN AVENUE
(BASIS OF BEARING)

N88°50'46"E 2442.51'(R&M)



SEE DETAIL
SHEET 3 OF 3

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S01°09'14"E	40.00'(R)
L2	S00°53'56"E	57.50'(R)
L3	S20°03'43"W	28.86'(R)
L4	N01°09'14"W	44.26'(R)
L5	N45°19'11"E	17.76'(R)
L6	N88°50'46"E	51.00'(R)
L7	N01°04'30"W	15.01'(R)

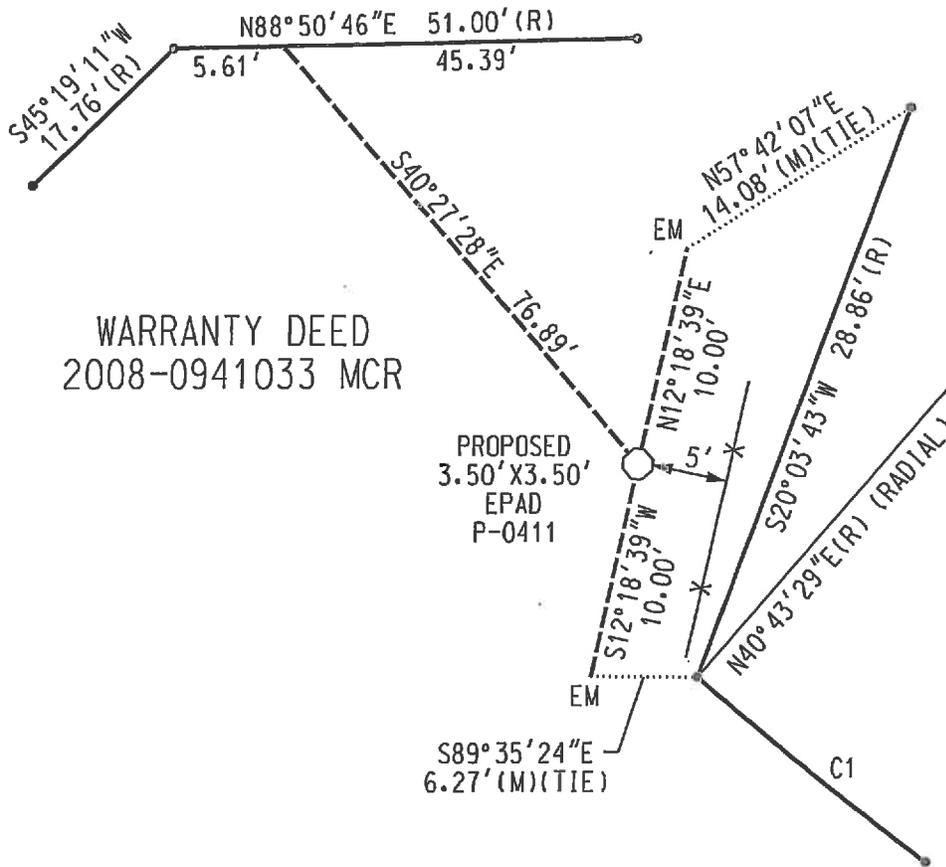
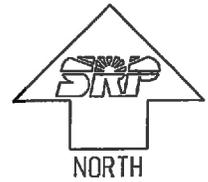
CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	2440.00'(R)	03°37'29"(R)	154.36'(R)
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AMP W/O NUMBER:	81336683	SHEET:	2 OF 3
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CHECKED BY:	<i>GG</i>	CREW CHIEF:	GRAHAM
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**SRP SURVEY DIVISION
LAND DEPARTMENT**

67TH AVE & GRAND UG CONVERSION
NW 1/4 SECTION 6
T-2-N, R-2-E
6.1 EAST-11.9 NORTH

EXHIBIT "A"

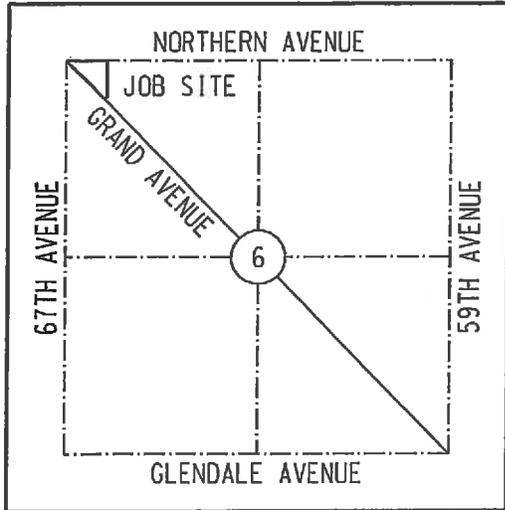
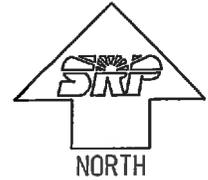


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T-2-N, R-2-E
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UNDERGROUND ELECTRIC POWER LINE RIGHT-OF-WAY MARICOPA COUNTY, ARIZONA

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SALT RIVER PROJECT
AGRICULTURAL IMPROVEMENT & POWER DISTRICT



SURVEY DIVISION
LAND DEPARTMENT

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67TH AVE & GRAND UG CONVERSION
NW 1/4 SECTION 6
T-2-N, R-2-E
6.1 EAST-11.9 NORTH



**GRAND AVENUE IMPROVEMENTS
SRP EASEMENT**





CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **FISCAL YEAR 2013 BUDGET AMENDMENTS – WATER/SEWER
AND GENERAL FUND**
Staff Contact: **Sherry M. Schurhammer, Executive Director, Financial Services**

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt an ordinance approving an operating cash transfer from the General Fund (GF) to the Water/Sewer Enterprise Fund; and the transfer of 3.5 Full Time Employees (FTEs), and the associated appropriation authority, from the Water/Sewer Enterprise Fund to the GF, both of which are within the Financial Services Department.

Background Summary

A budget amendment is a transfer of appropriation authority, a transfer of cash, or both. This request includes an operating cash transfer between funds, as well as the transfer of 3.5 FTEs and the associated Fiscal Year (FY) 2013 appropriation authority for the full year between funds within the same department (intradepartmental).

The operating cash transfer from the GF to the Water/Sewer Enterprise Fund totals \$373,853. This amount represents the actual costs incurred prior to FY 2013 for the FTEs that were temporarily moved from the GF to the Water/Sewer Enterprise Fund as explained below:

Beginning in FY 2010, 2.5 FTEs were temporarily moved to the Water/Sewer Fund to avoid being eliminated during the reduction in work force in late FY 2009 and early FY 2010. The elimination of these positions would have been detrimental to the department and organization as these positions are instrumental in licensing businesses, reviewing and ensuring accurate filing and payment of returns filed by the more than 16,000 taxpayers, as well as validating refund requests. The elimination of these positions would have resulted in a loss of revenue to the city.

The FY 2013 adopted budget includes 3.5 FTEs in the Water/Sewer Enterprise Fund in the customer service division of the Financial Services Department. The 3.5 FTE positions, along with the associated FY 2013 appropriation authority for the full year and the expenses incurred to date, will be transferred to the GF for FY 2013. The transfers to accomplish this will be between two separate funds, but within the same department (intradepartmental).

These FY 2013 transfers are recommended to correct the current FY funding source for the 3.5 FTEs. As explained above, 2.5 FTEs were moved temporarily out of the GF and into the



CITY COUNCIL REPORT

Water/Sewer Enterprise Fund beginning in FY 2010. The remaining 1.0 FTE is a position for which the duties have changed over the past couple of years from primarily water and sewer related duties to primarily sales tax and licensing duties. These duty changes occurred as several new technology systems (cashiering, municipal billing, tax and license, and document imaging) were implemented. With the implementation of these new systems, work duties changed as manual processes were eliminated or minimized so employees could be redirected to focus on more value-added work such as residential rental licensing and analyzing sales tax returns for inconsistencies or anomalies.

Previous Related Council Action

At the December 11, 2012 voting meeting, City Council discussed this item, tabled it and directed staff to return with a request that includes repayment to the Water/Sewer Enterprise Fund for the costs incurred for the FTEs that were temporarily moved from the GF to the Water/Sewer Enterprise Fund.

At the November 13, 2012 voting meeting, City Council approved the FY 2012 final budget amendments. This clean-up ordinance action dealt with budget amendments that have been routinely taken parallel to the preparation of the Comprehensive Annual Financial Report for the prior fiscal year.

At the October 9, 2012 voting meeting, City Council approved the FY 2013 clean-up ordinance to reconcile the prior year's actual savings with requested carryover to FY 2013 for capital improvement projects.

Budget and Financial Impacts

The City of Glendale's total FY 2013 budget appropriation across all funds is unchanged.

Attachments

Ordinance

ORDINANCE NO. 2830 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE FISCAL YEAR 2012-2013 ADOPTED BUDGET BY AUTHORIZING TRANSFERS OF APPROPRIATION AUTHORITY WITHIN THE FINANCIAL SERVICES DEPARTMENT; AND AUTHORIZING AN OPERATING CASH TRANSFER FROM THE GENERAL FUND TO THE WATER AND SEWER FUND.

WHEREAS, Glendale City Charter, Article VI, Sec. 11, authorizes the transfer of unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department, or agency.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That an amendment to the Fiscal Year 2012-2013 budget is hereby authorized to reflect the transfer of unencumbered appropriations for 3.5 full time employee positions within the Financial Services Department from the Water and Sewer Enterprise Fund to the General Fund, as shown in Exhibit A:

[See Exhibit A attached hereto and incorporated herein by reference.]

SECTION 2. That an amendment to the Fiscal Year 2012-2013 budget is hereby authorized to reflect an operating cash transfer of \$373,853 from the General Fund to the Water and Sewer Enterprise Fund.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 8th day of January, 2013.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager

Exhibit A - FY 2013 Water/Sewer Budget Amendment Ordinance - REVISED TO INCLUDE MULTI-YEAR REPAYMENT

Line	Type of Transfer	Date	Transfer From...				Amount	Transfer To...					
			Fund	Rollup	Div	Division Description		Acct	Fund	Rollup	Div	Division Description	Acct
1	GF Oper Cash Transfer	12/31/2012	1000	100	01000	General Fund	702360	373,853	2360	100	02360	Water/Sewer Revenue	601000
2	Total Customer Svc Rep FY 2012 and prior salaries and benefits												
3													
4	Cust Svc A6000 Approp X-f	12/31/2012	2360	221	17020	Customer Service Office	500200	175,321	1000	221	11340	License/Collection	500200
5	Cust Svc A6000 Approp X-f	12/31/2012	2360	221	17020	Customer Service Office	503400	10,870	1000	221	11340	License/Collection	503400
6	Cust Svc A6000 Approp X-f	12/31/2012	2360	221	17020	Customer Service Office	505400	2,542	1000	221	11340	License/Collection	505400
7	Cust Svc A6000 Approp X-f	12/31/2012	2360	221	17020	Customer Service Office	503800	18,373	1000	221	11340	License/Collection	503800
8	Cust Svc A6000 Approp X-f	12/31/2012	2360	221	17020	Customer Service Office	504000	<u>21,722</u>	1000	221	11340	License/Collection	504000
9	Total Customer Service Salaries & Benefits for FY 2013 (12 months, 3.5 FTE's)												
								228,828					



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **FISCAL YEAR 2012-13 BUDGET REDUCTIONS**
Staff Contact: **Sherry M. Schurhammer, Executive Director, Financial Services Department**

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt an ordinance approving the Fiscal Year (FY) 2012-13 ongoing budget reductions that were discussed with Council at the December 18, 2012 workshop. These ongoing reductions will be implemented during the first quarter of calendar year 2013 and are reflected in Exhibit A of the ordinance associated with this request. The ongoing reductions total \$6M over a full FY and will be fully realized in FY 2013-14.

In order to effectively implement these reductions, the Acting City Manager is requesting flexibility to complete some reorganization and realignment that is necessary to have a functioning organization.

- This reorganization may include:
 - Realigning departments;
 - Reclassification of individuals within departments to better reflect organizational needs;
 - Elimination of some current positions;
 - Market adjustments to salaries and pay ranges to be consistent with the new structure;
 - Phasing out of certain services deemed to be non-essential;
 - Privatizing certain services that can be delivered more cost effectively

A revised Schedule 6 showing staffing changes from the adopted FY 2013 budget will be presented to Council shortly after the end of the first quarter once implementation of the proposed budget reductions is completed. Schedule 6 of the annual budget book identifies staffing by department with job titles and the number of positions for each job title.

A separate discussion at the December 18, 2012 workshop outlined the reallocation of existing appropriation authority within the Police and Fire Department budgets. Overall, FY 2013 appropriation authority for both departments will not be reduced. Instead, the appropriation authority associated with FTE position reductions, as identified in the December 18, 2012 workshop agenda materials, will be reallocated on an ongoing basis within the respective Police and Fire Department budgets. This will address anticipated shortfalls in areas such as overtime, vehicle fuel and repairs, temporary pay and operating agreements with other agencies for services



CITY COUNCIL REPORT

rendered (e.g., computer aided dispatch services). In addition, one-time salary savings from additional vacant positions will also be used to address a portion of the anticipated shortfalls during this fiscal year. The reallocation of appropriation within the respective Police and Fire Department budgets (intradepartmental) is not included in Exhibit A of the ordinance because the overall Police and Fire Department budgets are not being reduced and the appropriation is not being moved between departments.

Background Summary

The city adopted its budget in June 2012. A review of the actual expenditures year-to-date suggests that some downward revisions are needed due to some unanticipated, or under budgeted, costs including the Police and Fire Departments. The current budget projections includes the sales and use tax rate increase to 2.9% across most categories, and a 2.2% tax rate for single item retail and use tax purchases exceeding \$5,000. The sales tax rate increase went into effect August 1, 2012, and will expire in August 2017. The annual revenue over a full FY to be generated by this increase is approximately \$25 million.

The proposed cuts to the city's budget are strongly recommended at this time for three reasons:

1. In anticipation of the temporary sales tax sunset date of 2017, and the impact of other managements decisions made during the first half of this fiscal year. An analysis of revenue streams and spending trends indicates that the effects of any delay or inaction would be devastating to future city service delivery.
2. Revenue collections through the end of November 2012 for city sales tax and state-shared revenue (almost 75% of the General Fund (GF) revenue budget), indicates that the city is about \$3.4M below the amount expected after five months. Note that these collections include retail activity only through October 2012, so the most significant months of sales tax collections and visitor traffic are not reflected in the five month figures. The city expects to make up at least a portion of the \$3.4M in the next several months; however, fiscal prudence warrants spending adjustments.
3. In order to build back confidence in the bond market and with the rating agencies, the city must demonstrate a willingness to make appropriate adjustments to annual expenditures. Moody's, in its report, noted that management will still need to implement additional and politically challenging measures in an effort to reduce an annual operating deficit and achieve long-term fiscal balance, and that such measures would require action over several years.



CITY COUNCIL REPORT

The bullet points below summarize the changes made to the proposed reductions that were presented to Council at the December 18, 2012 workshop. The proposed reductions included in this packet still total \$6M for a full FY; however, the number of FTEs to be eliminated changed slightly from 63.9 FTEs to 62.4 FTEs. The changes below are incorporated into the detailed reductions included in the attachment labeled "FY 2013 Budget Reductions."

1. The Public Works Department retracted the proposed reduction for security guard services that is part of the Downtown Beautification budget (\$95,450). To replace this retracted reduction, the Public Works Department will eliminate a vacant warehouse position (\$39,606) and increase the reduction (\$58,043) proposed for its Field Operations Administration budget. Thus, the replacement reduction totals \$97,649 [\$39,606 + \$58,043].
2. The Communications Department's proposed reduction of GF tourism expenses (\$223,267) by shifting those expenses to the revenue generated by the additional 1.6% bed tax rate increase approved in June 2012, has been retracted. To replace this retracted reduction, three FTE's will be eliminated (\$289,820) with one from each of the following work groups within the department: One FTE from the department's management staff, one FTE from the Civic Center (in addition to the one FTE included in the proposed reductions from the December 18, 2012 workshop) and one FTE from the public information work group.
3. The Parks, Recreation and Library Department retracted a reduction related to the reclassification of a position (\$11,000).
4. The Financial Services Department retracted the proposed reduction for an accounts payable position (\$46,632) after discussions with departments that would be required to pick up additional duties if this reduction occurred. The additional duties would cause undue burdens on other city departments for the relatively small amount of savings to be generated with the reduction. It was determined that it is more cost effective to retain the position and retain the recommended internal control associated with it.
5. The Mayor's Office added an ongoing reduction (\$1,500).
6. Four of the Council Districts added one-time reductions for their specific district budgets (\$24,000):
 - a. Cholla District - \$2,500;
 - b. Barrel District - \$2,500;
 - c. Sahuaro District - \$1,000; and
 - d. Yucca District - \$18,000



CITY COUNCIL REPORT

In preparation for this recommendation, the following factors were considered essential:

1. The city would be successful in refinancing some of the outstanding bonds to save at least \$28 million. This refinancing was recently completed with a cash flow savings of \$38 million over five years with no extension of the life of the debt.
2. Successfully renegotiate the arena management agreement to provide some up-front cash flow savings. This was also recently approved by Council.
3. A reorganization plan to reduce expenses/services to minimize the effects when the temporary tax sunsets.

In preparing this recommendation, an overall growth rate of the city's revenue was assumed to be 3.5%; known fixed expenses were included, as well as a 3% increase for all other items in the operating budget.

In order to effectively implement these reductions, the Acting City Manager is also requesting flexibility to complete some reorganization and realignment that is necessary to have a functioning organization.

- This reorganization may include:
 - Realigning departments;
 - Reclassification of individuals within departments to better reflect organizational needs;
 - Elimination of some current positions;
 - Market adjustments to salaries and pay ranges to be consistent with the new structure;
 - Phasing out of certain services deemed to be non-essential;
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A separate discussion at the December 18, 2012 workshop outlined the reallocation of existing appropriation authority within the Police and Fire Department budgets. Overall, FY 2013 appropriation authority for both departments will not be reduced. Instead, the appropriation authority associated with FTE position reductions, as identified in the December 18, 2012 workshop agenda materials, will be reallocated on an ongoing basis within the respective Police and Fire Department budgets. This will address anticipated shortfalls in areas such as overtime, vehicle fuel and repairs, temporary pay and operating agreements with other agencies for services rendered (e.g., computer aided dispatch services). In addition, one-time salary savings from additional vacant positions will also be used to address a portion of the anticipated shortfalls during this fiscal year. The reallocation of appropriation within the respective Police and Fire



CITY COUNCIL REPORT

Department budgets (intradepartmental) is not included in Exhibit A of the ordinance because the overall Police and Fire Department budgets are not being reduced and the appropriation is not being moved between departments.

Previous Related Council Action

Beginning on September 11, 2012, a series of Council workshops were held to discuss the various FY 2013 budget scenarios. Acting City Manager, Horatio Skeete, presented a long-term view with three possible five-year funding scenarios. These scenarios all indicate that some level of reduction will have to be made to the base operating budget in the coming years in order for the city to maintain a balanced budget.

On September 25, 2012, Council held a special workshop meeting to discuss proposed reductions to the FY 2013 budget.

On October 2 and October 16, 2012, Council held workshop meetings to continue discussions about the proposed reductions presented at the September 25, 2012 special workshop.

On December 18, 2012, Council held a workshop meeting to review the proposed budget reductions for departments. At the same workshop meeting, a separate agenda item addressed the Police and Fire Departments' anticipated shortfalls in their respective operating budgets and their respective recommendations for corrective action.

Community Benefit/Public Involvement

Glendale's budget is an important financial, planning and public communication tool. It gives residents and businesses a clear and concise view of the city's direction for public services, ongoing operations, and capital facilities and equipment. It also provides the community with a better understanding of the city's ongoing needs for stable revenue sources to fund public services, ongoing operations, and capital facilities and equipment.

Budget and Financial Impacts

The materials included with this Council Report estimates a gross total of \$1.8M in operating budget reductions that will be implemented during the first three months of calendar year 2013, with the full year ongoing impact of those reductions totaling \$6M realized for FY 2014. These reductions include the elimination of 62.4 FTEs excluding Police and Fire.

At the December 18, 2012 Council workshop, staff identified 39.4 of the 62.4 General Fund FTE's as vacancies.



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In addition, a total of 10 vacant civilian FTE positions will be eliminated in the Police Department (seven in the GF and three in Police Sales Tax Fund), with the appropriation authority associated with these positions reallocated on an ongoing basis to other areas of the Police Department's operating budget (intradepartmental).

A total of 14 FTE positions (six civilian and eight sworn) will be eliminated in the Fire Department (eight in the GF and six in the Fire Sales Tax Fund) with the appropriation authority associated with these positions reallocated on an ongoing basis to other areas of the Fire Department's operating budget (intradepartmental). Nine of the 14 FTE Fire Department positions are (or will soon be) vacant.

Attachments

Ordinance

Other

ORDINANCE NO. 2834 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AMENDMENTS TO THE ADOPTED BUDGET FOR FISCAL YEAR 2012-13; REDUCING: (1) DEPARTMENTAL APPROPRIATION AUTHORITY; AND (2) CASH TRANSFERS FROM THE GENERAL FUND.

WHEREAS, Glendale City Charter, Article VI, § 11 grants Council limited authority to amend the City's adopted budget by transferring unencumbered appropriations;

WHEREAS, Arizona Revised Statutes § 42-17106(B), authorizes Council to amend the City's adopted budget by transferring available appropriations when it is in the public interest and there is a demonstrated need, provided the transfer does not violate the limitations prescribed by Article IX, §§ 19 and 20 of the Arizona Constitution;

WHEREAS, it is deemed in the best interests of the citizens of Glendale, based on a demonstrated need, and in compliance with the Arizona Constitution, to amend the budget adopted by Council for fiscal year 2012-13 ("2013 Budget") as set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the 2013 Budget is amended by transferring the unencumbered appropriations specifically detailed in Exhibit A, lines 1-158 to a non-departmental contingency fund.

SECTION 2. That the 2013 Budget is amended by modifying Schedule 4, thereby reducing the cash transfers from the General Fund to the Stadium Event Operations Fund, the Marketing Self Sustaining Fund, and the Public Housing Fund in the amounts reflected on lines 159-161 of Exhibit A.

SECTION 3. "Exhibit A" is attached hereto and incorporated herein by reference.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 8th day of January, 2013.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager

Exhibit A - FY 2013 Budget Amendment Ordinance (Mid-Year Budget Reductions, Voting Meeting 1/8/13)

Line	Type of Transfer	Date	Transfer From...					Amount	Transfer To...				
			Fund	Rollup	Div	Division Description	Acct		Fund	Rollup	Div	Division Description	Acct
1	Operating Reduction	1/8/2013	1000	111	10010	Office of the Mayor	511600	417	1000	245	11901	Fund 1000 Contingency	510200
2	Operating Reduction	1/8/2013	1000	111	10010	Office of the Mayor	514400	208	1000	245	11901	Fund 1000 Contingency	510200
3	Operating Reduction	1/8/2013	1000	112	10110	Council Office	506800	12,500	1000	245	11901	Fund 1000 Contingency	510200
4	Operating Reduction	1/8/2013	1000	112	10110	Council Office	511400	833	1000	245	11901	Fund 1000 Contingency	510200
5	Operating Reduction	1/8/2013	1000	112	10110	Council Office	518200	208	1000	245	11901	Fund 1000 Contingency	510200
6	Operating Reduction	1/8/2013	1000	112	10110	Council Office	529600	208	1000	245	11901	Fund 1000 Contingency	510200
7	Operating Reduction	1/8/2013	1000	112	10120	Cholla District	518200	2,500	1000	245	11901	Fund 1000 Contingency	510200
8	Operating Reduction	1/8/2013	1000	112	10130	Barrel District	518200	2,500	1000	245	11901	Fund 1000 Contingency	510200
9	Operating Reduction	1/8/2013	1000	112	10140	Sahuaro District	518200	1,000	1000	245	11901	Fund 1000 Contingency	510200
10	Operating Reduction	1/8/2013	1000	112	10160	Yucca District	518200	8,000	1000	245	11901	Fund 1000 Contingency	510200
11	Operating Reduction	1/8/2013	1000	112	10160	Yucca District	521000	10,000	1000	245	11901	Fund 1000 Contingency	510200
12	Operating Reduction	1/8/2013	1000	121	10210	City Clerk	511400	417	1000	245	11901	Fund 1000 Contingency	510200
13	Operating Reduction	1/8/2013	1000	121	10210	City Clerk	514400	277	1000	245	11901	Fund 1000 Contingency	510200
14	Operating Reduction	1/8/2013	1000	121	10210	City Clerk	517200	906	1000	245	11901	Fund 1000 Contingency	510200
15	Operating Reduction	1/8/2013	1000	121	10220	Records Management	518200	417	1000	245	11901	Fund 1000 Contingency	510200
16	Operating Reduction	1/8/2013	1000	121	10220	Records Management	521200	445	1000	245	11901	Fund 1000 Contingency	510200
17	Operating Reduction	1/8/2013	1000	121	10220	Records Management	526800	2,813	1000	245	11901	Fund 1000 Contingency	510200
18	Operating Reduction	1/8/2013	1000	131	10310	City Manager	502800	7,800	1000	245	11901	Fund 1000 Contingency	510200
19	Operating Reduction	1/8/2013	1000	131	10310	City Manager	511400	5,833	1000	245	11901	Fund 1000 Contingency	510200
20	Operating Reduction	1/8/2013	1000	131	10310	City Manager	531200	10,417	1000	245	11901	Fund 1000 Contingency	510200
21	Operating Reduction	1/8/2013	1000	133	10910	Intergovernmental Programs	518200	1,458	1000	245	11901	Fund 1000 Contingency	510200
22	Operating Reduction	1/8/2013	1000	133	10910	Intergovernmental Programs	518200	15,784	1000	245	11901	Fund 1000 Contingency	510200
23	Operating Reduction	1/8/2013	1000	133	10910	Intergovernmental Programs	518200	37,640	1000	245	11901	Fund 1000 Contingency	510200
24	Operating Reduction	1/8/2013	1000	141	10410	City Court	500401	30,940	1000	245	11901	Fund 1000 Contingency	510200
25	Operating Reduction	1/8/2013	1000	141	10410	City Court	506800	24,466	1000	245	11901	Fund 1000 Contingency	510200
26	Operating Reduction	1/8/2013	1000	141	10410	City Court	511400	1,354	1000	245	11901	Fund 1000 Contingency	510200
27	Operating Reduction	1/8/2013	1000	141	10410	City Court	524400	1,167	1000	245	11901	Fund 1000 Contingency	510200
28	Operating Reduction	1/8/2013	1000	151	10610	City Attorney	506800	26,750	1000	245	11901	Fund 1000 Contingency	510200
29	Operating Reduction	1/8/2013	1000	155	10890	Convention/Media/Parking	523400	1,768	1000	245	11901	Fund 1000 Contingency	510200
30	Operating Reduction	1/8/2013	1000	191	11010	Risk Management/Safety	506800	27,588	1000	245	11901	Fund 1000 Contingency	510200
31	Operating Reduction	1/8/2013	1000	191	11010	Risk Management/Safety	532400	375	1000	245	11901	Fund 1000 Contingency	510200
32	Operating Reduction	1/8/2013	1000	191	11010	Risk Management/Safety	532500	333	1000	245	11901	Fund 1000 Contingency	510200
33	Operating Reduction	1/8/2013	1000	191	11020	Benefits	518200	2,083	1000	245	11901	Fund 1000 Contingency	510200
34	Operating Reduction	1/8/2013	1000	191	11030	Human Resources Administration	511400	1,458	1000	245	11901	Fund 1000 Contingency	510200
35	Operating Reduction	1/8/2013	1000	191	11030	Human Resources Administration	524400	1,250	1000	245	11901	Fund 1000 Contingency	510200
36	Operating Reduction	1/8/2013	1000	191	11030	Human Resources Administration	526000	1,667	1000	245	11901	Fund 1000 Contingency	510200
37	Operating Reduction	1/8/2013	1000	191	11030	Human Resources Administration	529000	208	1000	245	11901	Fund 1000 Contingency	510200
38	Operating Reduction	1/8/2013	1000	191	11040	Employment Services	513000	417	1000	245	11901	Fund 1000 Contingency	510200
39	Operating Reduction	1/8/2013	1000	191	11040	Employment Services	517200	208	1000	245	11901	Fund 1000 Contingency	510200
40	Operating Reduction	1/8/2013	1000	191	11040	Employment Services	518200	1,042	1000	245	11901	Fund 1000 Contingency	510200
41	Operating Reduction	1/8/2013	1000	191	11060	Compensation	506800	32,855	1000	245	11901	Fund 1000 Contingency	510200
42	Operating Reduction	1/8/2013	1000	191	11070	Organizational Development	506800	20,308	1000	245	11901	Fund 1000 Contingency	510200

Exhibit A - FY 2013 Budget Amendment Ordinance (Mid-Year Budget Reductions, Voting Meeting 1/8/13)

Line	Type of Transfer	Date	Transfer From...					Amount	Transfer To...				
			Fund	Rollup	Div	Division Description	Acct		Fund	Rollup	Div	Division Description	Acct
43	Operating Reduction	1/8/2013	1000	191	11070	Organizational Development	511200	500	1000	245	11901	Fund 1000 Contingency	510200
44	Operating Reduction	1/8/2013	1000	221	11340	License/Collection	506800	13,668	1000	245	11901	Fund 1000 Contingency	510200
45	Operating Reduction	1/8/2013	1000	231	11510	Information Technology	506800	19,648	1000	245	11901	Fund 1000 Contingency	510200
46	Operating Reduction	1/8/2013	1000	231	11510	Information Technology	506800	22,952	1000	245	11901	Fund 1000 Contingency	510200
47	Operating Reduction	1/8/2013	1000	231	11510	Information Technology	511400	6,190	1000	245	11901	Fund 1000 Contingency	510200
48	Operating Reduction	1/8/2013	1000	241	11360	Materials Management	506800	30,015	1000	245	11901	Fund 1000 Contingency	510200
49	Operating Reduction	1/8/2013	1000	241	11610	Budget & Research	511400	125	1000	245	11901	Fund 1000 Contingency	510200
50	Operating Reduction	1/8/2013	1000	241	11610	Budget & Research	518200	125	1000	245	11901	Fund 1000 Contingency	510200
51	Operating Reduction	1/8/2013	1000	241	11610	Budget & Research	526000	667	1000	245	11901	Fund 1000 Contingency	510200
52	Operating Reduction	1/8/2013	1000	241	11610	Budget & Research	529000	313	1000	245	11901	Fund 1000 Contingency	510200
53	Operating Reduction	1/8/2013	1000	244	11801	Fund 1000 Non-Dept	518200	100,000	1000	245	11901	Fund 1000 Contingency	510200
54	Operating Reduction	1/8/2013	1000	421	13030	Parks CIP & Planning	506800	23,183	1000	245	11901	Fund 1000 Contingency	510200
55	Operating Reduction	1/8/2013	1000	421	13030	Parks CIP & Planning	511400	1,599	1000	245	11901	Fund 1000 Contingency	510200
56	Operating Reduction	1/8/2013	1000	421	13030	Parks CIP & Planning	514400	208	1000	245	11901	Fund 1000 Contingency	510200
57	Operating Reduction	1/8/2013	1000	421	13030	Parks CIP & Planning	518200	625	1000	245	11901	Fund 1000 Contingency	510200
58	Operating Reduction	1/8/2013	1000	421	13030	Parks CIP & Planning	524400	1,232	1000	245	11901	Fund 1000 Contingency	510200
59	Operating Reduction	1/8/2013	1000	421	13030	Parks CIP & Planning	526000	667	1000	245	11901	Fund 1000 Contingency	510200
60	Operating Reduction	1/8/2013	1000	421	13040	Parks Maintenance	506800	14,071	1000	245	11901	Fund 1000 Contingency	510200
61	Operating Reduction	1/8/2013	1000	421	13040	Parks Maintenance	506800	14,838	1000	245	11901	Fund 1000 Contingency	510200
62	Operating Reduction	1/8/2013	1000	421	14620	Glendale Community Center	500400	4,687	1000	245	11901	Fund 1000 Contingency	510200
63	Operating Reduction	1/8/2013	1000	421	14620	Glendale Community Center	506800	14,312	1000	245	11901	Fund 1000 Contingency	510200
64	Operating Reduction	1/8/2013	1000	421	14620	Glendale Community Center	514400	150	1000	245	11901	Fund 1000 Contingency	510200
65	Operating Reduction	1/8/2013	1000	421	14620	Glendale Community Center	524400	833	1000	245	11901	Fund 1000 Contingency	510200
66	Operating Reduction	1/8/2013	1000	421	14640	Adult Center	506800	20,314	1000	245	11901	Fund 1000 Contingency	510200
67	Operating Reduction	1/8/2013	1000	421	14650	Youth and Teen	500400	109,213	1000	245	11901	Fund 1000 Contingency	510200
68	Operating Reduction	1/8/2013	1000	421	14650	Youth and Teen	506800	130,111	1000	245	11901	Fund 1000 Contingency	510200
69	Operating Reduction	1/8/2013	1000	421	14650	Youth and Teen	514400	616	1000	245	11901	Fund 1000 Contingency	510200
70	Operating Reduction	1/8/2013	1000	422	14720	Foothills Recreation Center	506800	15,812	1000	245	11901	Fund 1000 Contingency	510200
71	Operating Reduction	1/8/2013	1000	441	15010	Community Revitalization	518200	20,208	1000	245	11901	Fund 1000 Contingency	510200
72	Operating Reduction	1/8/2013	1000	441	15010	Community Revitalization	518200	20,640	1000	245	11901	Fund 1000 Contingency	510200
73	Operating Reduction	1/8/2013	1000	452	15220	Library	506800	33,063	1000	452	15220	Library	518200
74	Operating Reduction	1/8/2013	1000	452	15220	Library	506800	205,614	1000	245	11901	Fund 1000 Contingency	510200
75	Operating Reduction	1/8/2013	1000	511	15510	CD Deputy City Manager	506800	159,693	1000	245	11901	Fund 1000 Contingency	510200
76	Operating Reduction	1/8/2013	1000	511	15510	CD Deputy City Manager	511400	3,921	1000	245	11901	Fund 1000 Contingency	510200
77	Operating Reduction	1/8/2013	1000	511	15510	CD Deputy City Manager	518200	295	1000	245	11901	Fund 1000 Contingency	510200
78	Operating Reduction	1/8/2013	1000	511	15510	CD Deputy City Manager	521200	500	1000	245	11901	Fund 1000 Contingency	510200
79	Operating Reduction	1/8/2013	1000	511	15510	CD Deputy City Manager	524400	800	1000	245	11901	Fund 1000 Contingency	510200
80	Operating Reduction	1/8/2013	1000	511	15510	CD Deputy City Manager	526000	673	1000	245	11901	Fund 1000 Contingency	510200
81	Operating Reduction	1/8/2013	1000	521	15610	Building Safety	506800	17,789	1000	245	11901	Fund 1000 Contingency	510200
82	Operating Reduction	1/8/2013	1000	521	15610	Building Safety	511400	833	1000	245	11901	Fund 1000 Contingency	510200
83	Operating Reduction	1/8/2013	1000	521	15610	Building Safety	514400	833	1000	245	11901	Fund 1000 Contingency	510200
84	Operating Reduction	1/8/2013	1000	521	15610	Building Safety	532500	833	1000	245	11901	Fund 1000 Contingency	510200

Exhibit A - FY 2013 Budget Amendment Ordinance (Mid-Year Budget Reductions, Voting Meeting 1/8/13)

Line	Type of Transfer	Date	Transfer From...					Amount	Transfer To...				
			Fund	Rollup	Div	Division Description	Acct		Fund	Rollup	Div	Division Description	Acct
85	Operating Reduction	1/8/2013	1000	531	15910	Planning Administration	518200	2,292	1000	245	11901	Fund 1000 Contingency	510200
86	Operating Reduction	1/8/2013	1000	531	15910	Planning Administration	521200	2,292	1000	245	11901	Fund 1000 Contingency	510200
87	Operating Reduction	1/8/2013	1000	531	15910	Planning Administration	526000	2,940	1000	245	11901	Fund 1000 Contingency	510200
88	Operating Reduction	1/8/2013	1000	540	16010	Economic Development	511400	4,854	1000	245	11901	Fund 1000 Contingency	510200
89	Operating Reduction	1/8/2013	1000	540	16010	Economic Development	526000	532	1000	245	11901	Fund 1000 Contingency	510200
90	Operating Reduction	1/8/2013	1000	540	16010	Economic Development	529600	2,948	1000	245	11901	Fund 1000 Contingency	510200
91	Operating Reduction	1/8/2013	1000	540	16025	Business Development	518200	150,000	1000	245	11901	Fund 1000 Contingency	510200
92	Operating Reduction	1/8/2013	1000	550	14410	Code Compliance	506800	20,410	1000	245	11901	Fund 1000 Contingency	510200
93	Operating Reduction	1/8/2013	1000	550	15015	Neighborhood Partnership	524400	625	1000	245	11901	Fund 1000 Contingency	510200
94	Operating Reduction	1/8/2013	1000	550	15015	Neighborhood Partnership	531200	5,501	1000	245	11901	Fund 1000 Contingency	510200
95	Operating Reduction	1/8/2013	1000	620	11370	Materials Control Warehouse	506800	9,902	1000	245	11901	Fund 1000 Contingency	510200
96	Operating Reduction	1/8/2013	1000	620	11370	Materials Control Warehouse	506800	13,657	1000	245	11901	Fund 1000 Contingency	510200
97	Operating Reduction	1/8/2013	1000	620	13410	Field Operations Admin.	506800	43,511	1000	245	11901	Fund 1000 Contingency	510200
98	Operating Reduction	1/8/2013	1000	620	13420	Cemetery	506800	13,231	1000	245	11901	Fund 1000 Contingency	510200
99	Operating Reduction	1/8/2013	1000	620	13440	Graffiti Removal	506800	3,158	1000	620	13440	Graffiti Removal	503200
100	Operating Reduction	1/8/2013	1000	620	13440	Graffiti Removal	506800	28,425	1340	620	16730	Street Cleaning	500200
101	Operating Reduction	1/8/2013	1000	620	13440	Graffiti Removal	514400	600	1340	620	16730	Street Cleaning	514400
102	Operating Reduction	1/8/2013	1000	620	13440	Graffiti Removal	524400	8,314	1340	620	16730	Street Cleaning	524400
103	Operating Reduction	1/8/2013	1000	620	13440	Graffiti Removal	532400	3,833	1340	620	16730	Street Cleaning	532400
104	Operating Reduction	1/8/2013	1000	620	13440	Graffiti Removal	532500	7,000	1340	620	16730	Street Cleaning	532500
105	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	506800	15,405	1000	245	11901	Fund 1000 Contingency	510200
106	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	506800	16,746	1000	245	11901	Fund 1000 Contingency	510200
107	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	518200	12,500	1000	245	11901	Fund 1000 Contingency	510200
108	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	532400	625	1000	245	11901	Fund 1000 Contingency	510200
109	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	532400	1,042	1000	245	11901	Fund 1000 Contingency	510200
110	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	532500	417	1000	245	11901	Fund 1000 Contingency	510200
111	Operating Reduction	1/8/2013	1000	620	13450	Facilities Management	532500	677	1000	245	11901	Fund 1000 Contingency	510200
112	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	500600	2,917	1000	245	11901	Fund 1000 Contingency	510200
113	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	506800	85,175	1000	620	13460	Custodial Services	518200
114	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	506800	49,611	1000	245	11901	Fund 1000 Contingency	510200
115	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	514400	1,017	1000	245	11901	Fund 1000 Contingency	510200
116	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	523800	3,000	1000	245	11901	Fund 1000 Contingency	510200
117	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	524400	18,394	1000	245	11901	Fund 1000 Contingency	510200
118	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	532400	5,196	1000	245	11901	Fund 1000 Contingency	510200
119	Operating Reduction	1/8/2013	1000	620	13460	Custodial Services	532500	3,763	1000	245	11901	Fund 1000 Contingency	510200
120	Operating Reduction	1/8/2013	1000	620	13461	Downtown Parking Garage	513400	417	1000	245	11901	Fund 1000 Contingency	510200
121	Operating Reduction	1/8/2013	1000	620	13461	Downtown Parking Garage	513600	6,250	1000	245	11901	Fund 1000 Contingency	510200
122	Operating Reduction	1/8/2013	1000	620	13461	Downtown Parking Garage	518200	833	1000	245	11901	Fund 1000 Contingency	510200
123	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	500600	1,167	1000	245	11901	Fund 1000 Contingency	510200
124	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	502600	292	1000	245	11901	Fund 1000 Contingency	510200
125	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	513400	417	1000	245	11901	Fund 1000 Contingency	510200
126	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	513600	750	1000	245	11901	Fund 1000 Contingency	510200

Exhibit A - FY 2013 Budget Amendment Ordinance (Mid-Year Budget Reductions, Voting Meeting 1/8/13)

Line	Type of Transfer	Date	Transfer From...					Amount	Transfer To...				
			Fund	Rollup	Div	Division Description	Acct		Fund	Rollup	Div	Division Description	Acct
127	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	514400	292	1000	245	11901	Fund 1000 Contingency	510200
128	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	518200	3,978	1000	245	11901	Fund 1000 Contingency	510200
129	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	522300	1,670	1000	245	11901	Fund 1000 Contingency	510200
130	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	524400	625	1000	245	11901	Fund 1000 Contingency	510200
131	Operating Reduction	1/8/2013	1000	620	16040	Downtown Beaut. & Promotion	529600	7,917	1000	245	11901	Fund 1000 Contingency	510200
132	Operating Reduction	1/8/2013	1000	631	13730	Design Division	506800	25,401	1000	631	13730	Design Division	507000
133	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	500600	2,083	1000	245	11901	Fund 1000 Contingency	510200
134	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	511400	378	1000	245	11901	Fund 1000 Contingency	510200
135	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	513600	2,917	1000	245	11901	Fund 1000 Contingency	510200
136	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	514400	875	1000	245	11901	Fund 1000 Contingency	510200
137	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	518200	1,873	1000	245	11901	Fund 1000 Contingency	510200
138	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	522400	1,104	1000	245	11901	Fund 1000 Contingency	510200
139	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	523400	1,042	1000	245	11901	Fund 1000 Contingency	510200
140	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	524400	1,605	1000	245	11901	Fund 1000 Contingency	510200
141	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	526000	208	1000	245	11901	Fund 1000 Contingency	510200
142	Operating Reduction	1/8/2013	1000	631	13800	Materials Testing	526800	104	1000	245	11901	Fund 1000 Contingency	510200
143	Operating Reduction	1/8/2013	1281	154	10840	Mkt'g - Stadium Events	518200	4,686	1840	470	32118	Miscellaneous Grants	510200
144	Operating Reduction	1/8/2013	1281	154	10840	Mkt'g - Stadium Events	524400	5,000	1840	470	32118	Miscellaneous Grants	510200
145	Operating Reduction	1/8/2013	1281	154	10840	Mkt'g - Stadium Events	529600	136	1840	470	32118	Miscellaneous Grants	510200
146	Operating Reduction	1/8/2013	1870	154	14325	Jazz Festival	500400	3,400	1840	470	32118	Miscellaneous Grants	510200
147	Operating Reduction	1/8/2013	1870	154	14325	Jazz Festival	503400	211	1840	470	32118	Miscellaneous Grants	510200
148	Operating Reduction	1/8/2013	1870	154	14325	Jazz Festival	503800	343	1840	470	32118	Miscellaneous Grants	510200
149	Operating Reduction	1/8/2013	1870	154	14325	Jazz Festival	505400	49	1840	470	32118	Miscellaneous Grants	510200
150	Operating Reduction	1/8/2013	1870	154	14325	Jazz Festival	517200	1,105	1840	470	32118	Miscellaneous Grants	510200
151	Operating Reduction	1/8/2013	1870	154	14325	Jazz Festival	518200	171,300	1840	470	32118	Miscellaneous Grants	510200
152	Operating Reduction	1/8/2013	2400	641	17310	Oasis Surface WTP	506800	10,492	2400	641	17310	Oasis Surface WTP	518200
153	Operating Reduction	1/8/2013	2500	441	17910	Community Housing	513400	5,833	1840	470	32118	Miscellaneous Grants	510200
154	Operating Reduction	1/8/2013	2500	441	17910	Community Housing	518200	6,333	1840	470	32118	Miscellaneous Grants	510200
155	Operating Reduction	1/8/2013	2500	441	17910	Community Housing	522400	2,500	1840	470	32118	Miscellaneous Grants	510200
156	Operating Reduction	1/8/2013	2500	441	17910	Community Housing	526000	1,667	1840	470	32118	Miscellaneous Grants	510200
157	Operating Reduction	1/8/2013	2530	620	13480	PS Training Ops - Fac. Mgmt.	506800	14,789	2530	620	13480	PS Training Ops - Fac. Mgmt.	518200
158	Operating Reduction	1/8/2013	2530	620	13480	PS Training Ops - Fac. Mgmt.	506800	2,894	1840	470	32118	Miscellaneous Grants	510200
159	Schedule 4 Xfter Reduction	1/8/2013	1281	100	01281	Stadium Event Operations	601000	9,822	1000	100	01000	General Fund	701281
160	Schedule 4 Xfter Reduction	1/8/2013	1870	100	01870	Marketing Self Sust	601000	50,000	1000	100	01000	General Fund	701870
161	Schedule 4 Xfter Reduction	1/8/2013	2500	100	02500	Public Housing	601000	16,333	1000	100	01000	General Fund	702500



**FY 2013 Budget Reductions
(Excludes Police & Fire)**



Proposed General Fund Reductions

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General Fund (F1000) - A6000 & A7000 Series

FY 2014 Reductions

Excludes A7500 Series Accounts

(\$'s in Thousands)	FY 2014 Full Year Reduction Amount (Effective Mid-Year FY 2013)				a			b	c	d = b - c	(d - a) / a	- c / b
	A6000	A7000	Rev Loss	Total	Budgeted FTE's			FTE Reduction	Projected FY 2014 FTE's	Projected FY09-FY14 % Change	Projected FY13-FY14 % Change	
Group Name					FY 2009	FY 2013	FY 2013 Amd	FY13/14				
Appointed Officials / Other												
Mayor's Office	\$0	\$2	\$0	\$2	4.0	4.0	3.0	0.0	3.0	-25%	0%	
Council Office*	\$50	\$3	\$0	\$53	13.0	13.0	13.0	1.0	12.0	-8%	-8%	
City Manager	\$8	\$39	\$0	\$47	15.0	5.0	5.0	0.0	5.0	-67%	0%	
City Attorney	\$107	\$0	\$0	\$107	28.0	25.0	25.0	1.0	24.0	-14%	-4%	
City Clerk	\$0	\$17	\$0	\$17	6.0	6.0	6.0	0.0	6.0	0%	0%	
Intergovt. Programs	\$0	\$132	\$0	\$132	4.0	4.0	4.0	0.0	4.0	0%	0%	
Internal Audit	\$0	\$0	\$0	\$0	4.5	2.5	2.5	0.0	2.5	-44%	0%	
Total	\$165	\$192	\$0	\$357	74.5	59.5	58.5	2.0	56.5	-24%	-3%	
Community Services												
Community & Econ Dev	\$161	\$273	\$0	\$434	76.0	38.0	37.0	2.0	35.0	-54%	-5%	
Parks, Rec & Library	\$1,618	\$130	(\$337)	\$1,411	181.0	111.3	110.3	22.4	87.9	-51%	-20%	
Communications	\$448	\$205	\$0	\$653	28.5	25.5	24.5	5.0	19.5	-32%	-20%	
N'Hood & Human Svcs	\$279	\$265	\$0	\$544	32.0	21.0	20.0	2.0	18.0	-44%	-10%	
Public Works	\$1,103	(\$86)	\$0	\$1,017	105.8	53.8	53.8	21.0	32.8	-69%	-39%	
Total	\$3,608	\$787	(\$337)	\$4,058	423.3	249.5	245.5	52.4	193.1	-54%	-21%	
Internal Services												
Financial Services	\$175	\$203	\$0	\$377	50.5	32.0	32.0	2.0	30.0	-41%	-6%	
HR & Risk Mgt	\$323	\$23	\$0	\$346	30.0	17.8	17.8	3.0	14.8	-51%	-17%	
Tech. & Innovation	\$170	\$15	\$0	\$185	29.0	28.0	28.0	2.0	26.0	-10%	-7%	
Non-Departmental	\$0	\$134	\$0	\$134				0.0	0.0			
Total	\$668	\$374	\$0	\$1,042	109.5	77.8	77.8	7.0	70.8	-35%	-9%	
Public Safety												
Police Services	\$0	\$0	\$0	\$0	510.0	452.0	452.0	0.0	452.0	-11%	0%	
Fire Services	\$0	\$0	\$0	\$0	236.5	220.0	220.0	0.0	220.0	-7%	0%	
City Court	\$98	\$80	\$0	\$178	50.0	37.8	37.5	1.0	36.5	-27%	-3%	
Total	\$98	\$80	\$0	\$178	796.5	709.8	709.5	1.0	708.5	-11%	0%	
Grand Total	\$4,539	\$1,433	(\$337)	\$5,636	1403.8	1096.5	1091.3	62.4	1028.9	-27%	-6%	

*Excludes Council District's FY 2013 one-time reductions as seen on page #4

Appointed Officials / Other

FY 2014 Reductions

Excludes A7500 Series Accounts

(\$'s in Thousands) Department Name	FY 2014 Full Year Reduction Amount (Effective Mid-Year FY 2013)				a Budgeted FTE's			c FTE Reduction	d = b - c Projected FY 2014 FTE's	(d - a) / a Projected FY09-FY14 % Change	- c / b Projected FY13-FY14 % Change
	A6000	A7000	Rev Loss	Total	FY 2009	FY 2013	FY 2013 Amd	FY13/14			
	Mayor's Office	\$0	\$2	\$0	\$2	4.0	4.0	3.0	0.0	3.0	-25%
Council Office*	\$50	\$3	\$0	\$53	13.0	13.0	13.0	1.0	12.0	-8%	-8%
City Manager	\$8	\$39	\$0	\$47	15.0	5.0	5.0	0.0	5.0	-67%	0%
City Attorney	\$107	\$0	\$0	\$107	28.0	25.0	25.0	1.0	24.0	-14%	-4%
City Clerk	\$0	\$17	\$0	\$17	6.0	6.0	6.0	0.0	6.0	0%	0%
Intergovt. Programs	\$0	\$132	\$0	\$132	4.0	4.0	4.0	0.0	4.0	0%	0%
Internal Audit	\$0	\$0	\$0	\$0	4.5	2.5	2.5	0.0	2.5	-44%	0%
Total	\$165	\$192	\$0	\$357	74.5	59.5	58.5	2.0	56.5	-24%	-3%

*Excludes Council District's FY 2013 one-time reductions as seen on page #4

MAYOR'S OFFICE DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	0	\$0	\$1,500	\$1,500

<p>Fund/Division #: 1000-10010 Division Name: Office of the Mayor</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$1,500 TOTAL: \$1,500</p>	<p>CURRENT LEVEL OF SERVICE: The Mayor's Office operating budget covers non-salary expenses including community meeting expenses, mileage reimbursements for the Mayor and staff, cell phone charges for the Mayor and 1 staff member, copies, postage, office supplies, and conferences and travel for the Mayor and staff.</p> <hr/> <p>REDUCTION DESCRIPTION: Reduce Mayor's Office operating budget by \$1,500 or 10% excluding the funding associated with the Mayor's Youth Advisory Commission.</p> <hr/> <p>RESULTING LEVEL OF SERVICE: Reducing the Mayor's Office operating budget will result in decreased communication with the public via fewer community meetings or fewer mailings and decreased representation of the city at outside groups and with other government officials as a result of decreased travel.</p> <hr/> <p>REQUIRED?:</p>
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COUNCIL DISTRICTS - FY 2013 ONE-TIME REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	0	\$0	\$24,000	\$24,000

<p>Fund/Division #: 1000-10120 Division Name: Cholla District</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$2,500 TOTAL: \$2,500</p>	<p>CURRENT LEVEL OF SERVICE: Council district funds annually are currently estimated at: \$18,000 discretionary and \$15,000 for council projects. Discretionary funds are traditionally used for professional development, miscellenous expenses such as mileage and event tickets, constituent communications, cell phone and offsite office equipment and expenses. Council project funds are traditionally used for projects in the districts and the city.</p> <p>REDUCTION DESCRIPTION: Reduce professional and contractual by \$2500. This district reduced the discretionary budget by 60% at the beginning of the fiscal year and eliminated the council project budget.</p> <p>RESULTING LEVEL OF SERVICE: This reduction will decrease funding for mailing and newsletters and general constituent communications.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-10130 Division Name: Barrel District</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$2,500 TOTAL: \$2,500</p>	<p>CURRENT LEVEL OF SERVICE: Council district funds annually are currently estimated at: \$18,000 discretionary and \$15,000 for council projects. Discretionary funds are traditionally used for professional development, miscellenous expenses such as mileage and event tickets, constituent communications, cell phone and offsite office equipment and expenses. Council project funds are traditionally used for projects in the districts and the city.</p> <p>REDUCTION DESCRIPTION: Reduce professional and contractual by \$2500. This district reduced the discretionary budget by 60% at the beginning of the fiscal year and eliminated the council project budget.</p> <p>RESULTING LEVEL OF SERVICE: This reduction will decrease funding for mailing and newsletters and general constituent communications.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-10140 Division Name: Sahuaro District</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$1,000 TOTAL: \$1,000</p>	<p>CURRENT LEVEL OF SERVICE: Council district funds annually are currently estimated at: \$18,000 discretionary and \$15,000 for council projects. Discretionary funds are traditionally used for professional development, miscellenous expenses such as mileage and event tickets, constituent communications, cell phone and offsite office equipment and expenses. Council project funds are traditionally used for projects in the districts and the city.</p> <p>REDUCTION DESCRIPTION: Reduce professional and contractual by \$1000. This district reduced the discretionary budget by 60% at the beginning of the fiscal year and eliminated the council project budget.</p> <p>RESULTING LEVEL OF SERVICE: This reduction will decrease funding for mailing and newsletters and general constituent communications.</p> <p>REQUIRED?: Not Required</p>

COUNCIL DISTRICTS - FY 2013 ONE-TIME REDUCTIONS

Fund/Division #: 1000-10160 Division Name: Yucca District REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$18,000 TOTAL: \$18,000	CURRENT LEVEL OF SERVICE: Council district funds annually are currently estimated at: \$18,000 discretionary and \$15,000 for council projects. Discretionary funds are traditionally used for professional development, miscellenous expenses such as mileage and event tickets, constituent communications, cell phone and offsite office equipment and expenses. Council project funds are traditionally used for projects in the districts and the city.
	REDUCTION DESCRIPTION: Reduce discretionary funds by \$8000 and reduce council projects funds by \$10,000.
	RESULTING LEVEL OF SERVICE: This reduction will decrease funding for all accounts.
	REQUIRED?: Not Required

COUNCIL OFFICE DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	1	\$50,000	\$3,000	\$53,000

Fund/Division #: 1000-10110 Division Name: Council Office REDUCTIONS: # of FTEs: 1 A6000: \$50,000 A7000: \$0 TOTAL: \$50,000	CURRENT LEVEL OF SERVICE: 2 Executive Assistants - 1 is assigned to Boards and Commissions and budget for 6 districts and the council office. 1 is assigned to calendaring, travel arrangements, meetings scheduling, answering phones and backing up council assistants.
	REDUCTION DESCRIPTION: 1 Executive Assistant
	RESULTING LEVEL OF SERVICE: This reduction would result in the Council Assistants absorbing calendaring, scheduling and managing meetings and travel for councilmembers, also providing daily coverage of office telephones and walk in customers.
	REQUIRED?: Not Required
Fund/Division #: 1000-10110 Division Name: Council Office REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$3,000 TOTAL: \$3,000	CURRENT LEVEL OF SERVICE: Council office operating budget is currently \$15,683. This amount includes professional development, professional and contractual, equipment less than \$5,000, line supplies, office supplies and promotion and publicity.
	REDUCTION DESCRIPTION: Reduction in budget of council office of 25%, a total of \$3,000, reducing the operating budget to \$12,683.
	RESULTING LEVEL OF SERVICE: Decrease in professional development, professional and contractual and promotion and publicity.
	REQUIRED?: Not Required

CITY MANAGER DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	0	\$7,800	\$39,000	\$46,800

Fund/Division #: 1000-10310 Division Name: City Manager REDUCTIONS: # of FTEs: 0 A6000: \$7,800 A7000: \$0 TOTAL: \$7,800	CURRENT LEVEL OF SERVICE: Car Allowance for City Manager REDUCTION DESCRIPTION: Eliminate car allowance for the City Manager appointed position. RESULTING LEVEL OF SERVICE: This would result in the city being unable to offer this as an incentive when attracting candidates for the City Manager position. REQUIRED?: Not Required
Fund/Division #: 1000-10310 Division Name: City Manager REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$14,000 TOTAL: \$14,000	CURRENT LEVEL OF SERVICE: Professional Development REDUCTION DESCRIPTION: Eliminate line item RESULTING LEVEL OF SERVICE: This action would reduce the amount of continued education and organizational memberships for Manager's office staff. REQUIRED?: Not Required
Fund/Division #: 1000-10310 Division Name: City Manager REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$25,000 TOTAL: \$25,000	CURRENT LEVEL OF SERVICE: Community Activities REDUCTION DESCRIPTION: Eliminate line item RESULTING LEVEL OF SERVICE: The city would be unable to support its community partner's sponsored events such as Midwestern, GPEC, and Westmarc. This would also eliminate our support of the internal United Way campaign, local newspaper advertisements, and the City Council retreat. REQUIRED?: Not Required

CITY ATTORNEY DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	1	\$107,000	\$0	\$107,000

<p>Fund/Division #: 1000-10610 Division Name: City Attorney</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$107,000 A7000: \$0 TOTAL: \$107,000</p>	<p>CURRENT LEVEL OF SERVICE: The City Attorney's Office maintains a goal of providing timely, high-quality legal services to the City. Currently, the Office is operating with staffing below the level that was authorized and below the level that allows the Office to fulfill consistently its established goal. Responsibilities of the City Attorney's Office are set by law and by decisions made by Council and executive management. As a result, this Office's budget and its ability to meet its legal responsibilities and respond appropriately is dictated largely by the future decisions of those requiring its service.</p> <p>REDUCTION DESCRIPTION: Reduction of one Assistant City Attorney (salary & benefits).</p> <p>RESULTING LEVEL OF SERVICE: Legal services will be reduced.</p> <p>REQUIRED?:</p>
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CITY CLERK DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	0	\$0	\$16,755	\$16,755

<p>Fund/Division #: 1000-10210 Division Name: City Clerk</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$4,097 TOTAL: \$4,097</p>	<p>CURRENT LEVEL OF SERVICE: Council Meetings - Minutes, draft shell, review, summary minutes, Council agenda packet linking and posting, resolutions and ordinances numbered and read, meeting preparation and set up including furnish refreshments, webpage management, minutes web posting See Also: Records Management, Elections, Public Records Requests, Deeds and Easements, Recording, Public Notices and Publications, Customer Service, Fiscal Management, Records Management, Workshop Agenda Creation and Management</p> <p>REDUCTION DESCRIPTION: 1) Discontinue use of transcribing company 2) discontinue maintenance agreement on two recorders and transcription equipment.</p> <p>RESULTING LEVEL OF SERVICE: Statutorily required, unable to cut - minimum operating costs; cannot reduce staff time and comply with laws. 1) The City Council minutes would have to be less narrative and more summarized, The modification in content would need to be reviewed and approved by City Council. 2) Able to discontinue because of the new digital recording equipment.</p> <p>REQUIRED?: Yes, by State/Fed Law</p>
<p>Fund/Division #: 1000-10210 Division Name: City Clerk</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$1,665 TOTAL: \$1,665</p>	<p>CURRENT LEVEL OF SERVICE: Customer Service - accept legal service, receive calls and correspondence from various internal and external customers, respond to same, build relationships with internal and external customers, vendors, other cities/towns, association, assist public for public meetings, Arizona Memories, web transparency projects, Documents on File See Also: Records Management, Elections, Recording, Fiscal Management, Contract Management, Public Notices and Publications, Deeds and Easements, Council Meetings, Public Records Requests</p> <p>REDUCTION DESCRIPTION: 1) Reduce one blackberry cell phone 2) Eliminate professional development</p> <p>RESULTING LEVEL OF SERVICE: 1) Blackberry used by Deputy Clerk to stay in contact with office has been relied on; result reduced communication capability. Use of personal phone substituted for blackberry 2) All training will be eliminated; only memberships required for certifications will be retained. Elimination of training and reduction of communication will create fewer opportunities to acquire important information. Cannot reduce staff time and support statutorily required functions.</p> <p>REQUIRED?:</p>
<p>Fund/Division #: 1000-10220 Division Name: Records Management</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$8,818 TOTAL: \$8,818</p>	<p>CURRENT LEVEL OF SERVICE: Records Management - microfilm for organization, index, scan, multiple departmental software management (City Court - comprehensive ERM, Building Safety, Field Operations, Police, Finance - ERM support), records retention, destruction, storage management, research, assist other departments, train staff across the organization, maintain codebook and charter, updating as necessary, legislative review, implement new legislation, intranet webpage creation and management, database management, Annual Purge Day multi organizational participation and multi departmental coordination See Also: Elections, Public Records Request, Contract Management, Public Notices and Publications, Customer Service, Council Meetings, Deeds and Easements, Recording</p>

CITY CLERK DEPARTMENT REDUCTIONS

	<p>REDUCTION DESCRIPTION: 1) Reduce scanning software licenses by two 2) Stop maintenance agreement on copy machine. For remainder of FY13 it would be pro-rated but FY14 would be full reduction 3) Cancel Citywide Purge day.</p> <p>RESULTING LEVEL OF SERVICE: Statutorily required, operating costs and service reduction will not prevent compliance with laws; 1) Two scanning and verification software licenses would be \$6,750, building safety uses these licenses. They could view documents but any scanning would have to be scheduled on City Clerk licenses. 2) Older copier - terminate existing maintenance agreement, if equipment fails - share 4th floor City Clerk copier. 3) Purging organization wide stopped - reliance in future on individual departments to schedule purging. Training by Clerk department continues. If departments do not purge annually, City has a higher risk of violations of State law - cannot reduce staff time and comply with laws.</p> <p>REQUIRED?: ARS §39-101; §41-1348; §41-151-16; §41-1351; City Charter Article IV, Section 2; Article VII, Section 14; Article VIII, Section 16; Case Law; CMD29</p>
<p>Fund/Division #: 1000-10210 Division Name: City Clerk</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$2,175 TOTAL: \$2,175</p>	<p>CURRENT LEVEL OF SERVICE: Public Notices and Publications - Receive, maintain, distribute notices and items for publication including legal notices and ads, annexation notifications, auctions, RFP's, election notices, redistricting ads, Board and Commission Minutes and Agendas, resolutions and ordinances, legislative review, implement new legislation, webpage management, tracking and database management, posting online and official posting sites, diversity outreach through the use of minority publications See Also: Records Management, Elections, Contract Management, Council Meetings</p> <p>REDUCTION DESCRIPTION: 1) Reduce advertising budget - resolutions have always been published as well as various notices and for the information of the citizen. After research, these documents are no longer legally required to publish.</p> <p>RESULTING LEVEL OF SERVICE: Statutorily required - reduction in operating costs and service to citizens but does not affect compliance with law; Cannot reduce staff time and comply with laws.</p> <p>REQUIRED?: City Charter Article IV, Section 2; Article VII, Section 6c.</p>

INTERGOVT. PROGRAMS DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	0	\$0	\$131,718	\$131,718

<p>Fund/Division #: 1000-10910 Division Name: Intergovernmental Programs</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$37,882 TOTAL: \$37,882</p>	<p>CURRENT LEVEL OF SERVICE: Under a regional contract with 14 West Valley communities the city contracts with a Federal Lobbying firm to secure funding for Luke Air Force Base and advocate for the mission and continued viability of the base.</p> <p>REDUCTION DESCRIPTION: In coordination and cooperation with the other west valley communities, a reduction to the Luke AFB federal contract resulting in a reduced cost to the city.</p> <p>RESULTING LEVEL OF SERVICE: Now that the F-35 has been secured there will be a reduced scope of work for the Luke AFB consultant.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-10910 Division Name: Intergovernmental Programs</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$90,336 TOTAL: \$90,336</p>	<p>CURRENT LEVEL OF SERVICE: The Intergovernmental Programs Department manages the contracts of consultants who represent and protect the city's interest on the federal level. These services include providing comprehensive services full-service federal government relations services, comprehensive legislative and executive branch strategic advice, liaison services and legislative advocacy, in particular the securing of federal authorization and appropriation language needed to provide federal support for a wide range of local programs and projects.</p> <p>REDUCTION DESCRIPTION: A complete elimination of Glendale's federal lobbying contract.</p> <p>RESULTING LEVEL OF SERVICE: No Federal Lobbying firm for the City. The city will not have a constant presence in Washington D.C. and we will not receive weekly updated information that is provided to us by the firm. We will need to travel to DC more to make and strengthen relationships on our own and to directly advocate for the priorities of the city resulting in increased travel costs. We will need to subscribe to federal political publications to have current information. The federal consultants over the last 5 years have been responsible for securing over \$2.5 million in appropriations for projects within the city. It will be more difficult to secure funding like this in the future.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-10910 Division Name: Intergovernmental Programs</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$3,500 TOTAL: \$3,500</p>	<p>CURRENT LEVEL OF SERVICE: Online program that tracks over 400 legislative bills a session that impact the City of Glendale with real time feedback from Departments on the impact of the bills and amendments which are then communicated to the Legislators.</p> <p>REDUCTION DESCRIPTION: Eliminate the subscription for the online program that electronically tracks legislation and allows for comments on each bill by city departments.</p> <p>RESULTING LEVEL OF SERVICE: It will put a larger strain on the existing staff to email each individual bill to the individual in the respective departments who must also respond by email rather than into an online database that everyone can see.</p> <p>REQUIRED?: Not Required</p>

Community Services

FY 2014 Reductions

Excludes A7500 Series Accounts

(\$'s in Thousands) Department Name	FY 2014 Full Year Reduction Amount (Effective Mid-Year FY 2013)				a b c d = b - c (d - a) / a - c / b Budgeted FTE's			FTE Reduction	Projected FY 2014 FTE's	Projected FY09-FY14 % Change	Projected FY13-FY14 % Change
	A6000	A7000	Rev Loss	Total	FY 2009	FY 2013	FY 2013 Amd	FY13/14			
	Community & Econ Dev	\$161	\$273	\$0	\$434	76.0	38.0	37.0	2.0	35.0	-54%
Parks, Rec & Library	\$1,618	\$130	(\$337)	\$1,411	181.0	111.3	110.3	22.4	87.9	-51%	-20%
Communications	\$448	\$205	\$0	\$653	28.5	25.5	24.5	5.0	19.5	-32%	-20%
N'Hood & Human Svcs	\$279	\$265	\$0	\$544	32.0	21.0	20.0	2.0	18.0	-44%	-10%
Public Works	\$1,103	(\$86)	\$0	\$1,017	105.8	53.8	53.8	21.0	32.8	-69%	-39%
Total	\$3,608	\$787	(\$337)	\$4,058	423.3	249.5	245.5	52.4	193.1	-54%	-21%

COMMUNITY & ECON DEV DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	2	\$161,239	\$272,638	\$433,877

<p>Fund/Division #: 1000-16025 Division Name: Business Development</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$228,583 TOTAL: \$228,583</p>	<p>CURRENT LEVEL OF SERVICE: The business development division is comprised primarily of consultant fees associated with finance and economic development projects that are of a high priority. These consultants provide expertise, independent guidance and third-party verification to the department and executive management as opportunities arise throughout the year.</p> <p>REDUCTION DESCRIPTION: Reduce funding by \$228,583, leaving \$100,000 in the budget for all opportunities as described above.</p> <p>RESULTING LEVEL OF SERVICE: By only utilizing these funds for minimal outside consultants for specific projects that require third party verification, existing staff must absorb all other duties.</p> <p>REQUIRED?: Yes, by State/Fed Law</p>
<p>Fund/Division #: 1000-16010 Division Name: Economic Development</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$20,000 TOTAL: \$20,000</p>	<p>CURRENT LEVEL OF SERVICE: The Economic Development division FY12 expenditures are \$1,490,301 of which \$338,000 are city council approved development agreement obligations (Bechtel and Coca-Cola) The activities performed by this division resulted in an estimated \$4,332,106 in direct revenue to the general fund as determined by our economic impact analysis presented during the last budget discussions. This represents a 290% cost recovery for this division. This division supports our four core missions of: Business Attraction, Business Retention and Expansion, Redevelopment/Centerline, and Business Assistance essential to a vibrant community. The current service level within this division allows us to continue our economic development efforts with the greater business community, maintain our active relationships with our regional partners such as GPEC/ACA and access industry databases which are required for us to continue to perform, attract new businesses and remain competitive in the open market benefiting the general fund.</p> <p>REDUCTION DESCRIPTION: Reduction in Economic Development funds to business attraction, retention and expansion programs, broker and site selection outreach and consultants to complete required studies.</p> <p>RESULTING LEVEL OF SERVICE: Econ Dev will not be able to fully participate in business attraction efforts and will be limited in its ability to provide the resources essential to performing business attraction, business retention and expansion, redevelopment and business assistance.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-15910 Division Name: Planning Administration</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$18,055 TOTAL: \$18,055</p>	<p>CURRENT LEVEL OF SERVICE: Planning's expenditures amount to \$858,804. Planning generated direct revenue to the city's general fund in the amount of \$240,461 for FY12, which represents a 28% cost recovery for these statutorily required functions. The Planning Administration division provides overall land use policy direction and administration to Planning. Provides support to the City Council, Planning Commission, Board of Adjustment and Historic Preservation Commission.</p> <p>REDUCTION DESCRIPTION: Reduction in the Planning Division's professional and contractual budget.</p>

COMMUNITY & ECON DEV DEPARTMENT REDUCTIONS

	<p>RESULTING LEVEL OF SERVICE: Funding will be reduced for boards and commissions training and support as well as reduced ability to retain consultant services such as those activities related to updating of the City's General Plan.</p> <p>REQUIRED?: Yes, by City Code</p>
<p>Fund/Division #: 1000-15610 Division Name: Building Safety</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$6,000 TOTAL: \$6,000</p>	<p>CURRENT LEVEL OF SERVICE: Building Safety and DSC division expenditures amount to \$2,156,994. These divisions generated direct revenue to the city's general fund in the amount of \$1,985,088 for FY12 which is a 92% cost recovery rate. Building Safety provides life safety and building code compliance plan reviews and inspections for all development projects built within the city as well as for special events, bowl games and manage the abatement of dangerous buildings program. This division streamlines and partners with high-priority project developers to ensure required opening deadlines are met and city revenues are generated. Within the Building Safety division, 95% of all inspections are performed within 24 hours of being called. The remaining 5 percent are made within 48 hours. 96% of all reviews are completed by the due date. 90% of all phone calls are answered within 24 hours. 90% of all complaints are being addressed within 48 hours of notification. 85% of all phone calls are answered by a live person. 15% roll over to the recorded message for distribution.</p> <p>REDUCTION DESCRIPTION: Reduction in Building Safety funds for professional development, cell phone charges and fuel budget.</p> <p>RESULTING LEVEL OF SERVICE: A reduction in the operating budget for Building Safety will result in less ability for professional development opportunities.</p> <p>REQUIRED?: Yes, by City Code</p>
<p>Fund/Division #: 1000-15610 Division Name: Building Safety</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$90,084 A7000: \$0 TOTAL: \$90,084</p>	<p>CURRENT LEVEL OF SERVICE: Within the Building Safety division, 95% of all inspections are performed within 24 hours of being called. The remaining 5 percent are made within 48 hours. 96% of all reviews are completed by the due date.</p> <p>REDUCTION DESCRIPTION: Elimination of Building Inspector Specialist position due to anticipated retirement in June 2013.</p> <p>RESULTING LEVEL OF SERVICE: 85% of all inspections will be performed within 24 hours. 15% will be made within 48 hours of being called. The corresponding result of this vacancy represents a 10% reduction in overall inspections capacity which currently stands at 450 inspections per week.</p> <p>REQUIRED?: Yes, by City Code</p>
<p>Fund/Division #: 1000-15610 Division Name: Building Safety</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$71,155 A7000: \$0 TOTAL: \$71,155</p>	<p>CURRENT LEVEL OF SERVICE: Within the Building Safety division, 96% of all reviews were completed by the due date, when there were 2 examiners. The number of plans reviewed weekly is 64.</p> <p>REDUCTION DESCRIPTION: Elimination of Plans Examiner position due to current vacancy (start vacancy date: 11/14/2012)</p> <p>RESULTING LEVEL OF SERVICE: This position represents 50% of the division's current Plans Review staff. This departure affects the division's turnaround time similarly. Staff in related disciplines are being reorganized to cross train and cover the loss due to anticipated workload. In addition, due to the implementation of the final phase of SB1598, mandating all plan reviews meet established deadlines, or the plans will automatically be approved and fees refunded, review times may need to be extended even longer.</p> <p>REQUIRED?: Yes, by City Code</p>

PARKS, REC & LIBRARY DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	Revenue Loss	TOTAL
Totals	22.375	\$1,617,636	\$130,480	(\$337,000)	\$1,411,116

<p>Fund/Division #: 1000-14650 Division Name: Youth and Teen</p> <p>REDUCTIONS: # of FTEs: 3.25 A6000: \$192,963 A7000: \$137,711 REV LOSS: (\$337,000) TOTAL: (\$6,326)</p>	<p>CURRENT LEVEL OF SERVICE: As a part of the FY13 budget process, all GRASP sites were converted into licensed sites and the program is no longer free to the public (they must pay a user-fee).</p> <p>REDUCTION DESCRIPTION: FY13 - Eliminate General Fund Licensed GRASP Program. Projected revenue for this program at licensed sites was expected to be \$337,000. With the elimination of the program, this revenue will not be realized.</p> <p>RESULTING LEVEL OF SERVICE: Enrollment is not sufficient to continue program at Rose Lane, O'Neil and the Glendale Community Centers. The GF programmer positions will be eliminated. One Rec Manager will be transferred to P&R administration to supervise the 6 self sustaining sites in Fund 1880 that remain in operation, the aquatics program and other duties related to recreation.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14620 Division Name: Glendale Community Center</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$57,249 A7000: \$13,607 TOTAL: \$70,856</p>	<p>CURRENT LEVEL OF SERVICE: The Glendale Community Center curently serves the Heart of Glendale Neighborhood (51 - Grand; Maryland - Ocotillo) and surrounding area. It currently uses non-profit organizations to provide senior-based programing and youth and teen services Monday - Friday, 7 a.m. - 6 p.m. and a non-profit provides teen services from 5:30 p.m. - 8:30 p.m.</p> <p>REDUCTION DESCRIPTION: FY13 - Eliminate one Recreation Programmer assigned to the Glendale Community Center. With adusted hours, the Center will operate 100% through existing partnerships with YMCA and non-profit Teen Program.</p> <p>RESULTING LEVEL OF SERVICE: Although City staff will no longer be directly assigned to the Glendale Community Center, the department will continue to monitor and ensure the continued proper use of the facility based on current protocols defined in the signed agreements with its non-profit service providers. Staff will also enter in to longer-term operating relationships with the non-profit sector.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-15220 Division Name: Library</p> <p>REDUCTIONS: # of FTEs: 12.125 A6000: \$954,706 A7000: (\$110,024) TOTAL: \$844,682</p>	<p>CURRENT LEVEL OF SERVICE: The Glendale Public Library currently operates three facilities that are open a total of 111 hours per week. In FY 2011-12 a total of 2,057,119 items were circulated and there were 750,911 visits. The libraries are host to youth, teen, family and community educational and learning opportunities and events; access to the internet; job-training labs; reading clubs; book review clubs; and provide digital media services to all patrons. The Library system is also a member of the Maricopa County Library District "Reciprocal Borrowing Program."</p> <p>REDUCTION DESCRIPTION: FY13 - the Library will implement a new staffing model for all three library branches that will significantly reduce costs, yet retain current hours of operation. To accomplish this, it will be necessary to completely reconfigure the staffing structure of the library and eliminate 12.125 FTEs.</p> <p>RESULTING LEVEL OF SERVICE: Reduced cost for operation of all three branches.</p> <p>REQUIRED?: Not Required</p>

PARKS, REC & LIBRARY DEPARTMENT REDUCTIONS

<p>Fund/Division #: 1000-13030 Division Name: Parks CIP & Planning</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$92,733 A7000: \$10,393 TOTAL: \$103,126</p>	<p>CURRENT LEVEL OF SERVICE: The Parks Project Coordinator managed capital development projects and any ongoing warranty and/or maintenance issues related to CIP. This individual currently supervises the Rights-of-Way Division and all related functions.</p> <p>REDUCTION DESCRIPTION: FY13 - the General Fund Parks Project Coordinator Position will be eliminated and the person occupying the position transferred to ROW Fund 1340.</p> <p>RESULTING LEVEL OF SERVICE: The department administration will assume responsibilities of capital development and warranty/maintenance of capital projects.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13040 Division Name: Parks Maintenance</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$56,282 A7000: \$0 TOTAL: \$56,282</p>	<p>CURRENT LEVEL OF SERVICE: The Parks Maintenance staff are responsible for a variety of functions such as mowing, minor irrigation repairs, repair work, weed control, litter patrol, playground inspections, graffiti removal, trash removal, pruning of trees and shrubs, for approximately 119 different city parks and facilities.</p> <p>REDUCTION DESCRIPTION: FY13 - a General Fund Service Worker III FTE from the Parks Maintenance Division will be transferred to a vacant position in ROW Fund 1340.</p> <p>RESULTING LEVEL OF SERVICE: Remaining Parks service workers will have to be responsible for approximately 168 acres per FTE versus the current 120 acres per person.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13040 Division Name: Parks Maintenance</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$59,352 A7000: \$0 TOTAL: \$59,352</p>	<p>CURRENT LEVEL OF SERVICE: There are currently two service worker FTE's who maintain the 80 acre Saharo Ranch Park and Historic Area. They are responsible for the general maintenance of the facility which includes trash removal, irrigation repairs, maintenance repairs, field preparation, painting, etc.</p> <p>REDUCTION DESCRIPTION: Eliminate one Parks Service Worker III due to retirement.</p> <p>RESULTING LEVEL OF SERVICE: One Service Worker II will responsible or the entire 80 acres of Saharo Ranch Park and the Historic Area. This increases the overall organizational ratio of one service worker FTE for every 168 acres of parkland versus the the current 120 acres per person.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14720 Division Name: Foothills Recreation Center</p>	<p>CURRENT LEVEL OF SERVICE: This is a 69,000 sq. ft. family friendly community recreation center. The center is open 101.5 hours per week, 359 days per year. There were approximately 427,964 visitors (the majority are pass holders) and of these 32,372 participated in the recreational swim.</p>

PARKS, REC & LIBRARY DEPARTMENT REDUCTIONS

<p>REDUCTIONS: # of FTEs: 1 A6000: \$63,247 A7000: \$0 TOTAL: \$63,247</p>	<p>REDUCTION DESCRIPTION: FY13 - Center will move towards becoming 100% self-sustaining through the elimination of a vacant Office Support Supervisor position.</p> <p>RESULTING LEVEL OF SERVICE: The Center manager and staff will need to review the operations of the center to maximize revenue and minimize expenses to achieve 100% cost recovery. If, at anytime it appears that the center will not be able to achieve 100% cost recovery, other options for continued operations will be reviewed.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14640 Division Name: Adult Center</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$81,255 A7000: \$0 TOTAL: \$81,255</p>	<p>CURRENT LEVEL OF SERVICE: Tasks are performed on a variety of schedules based on programs and city services. Room set up and take down is a daily activity at the Adult Center. Repair maintenance and floor care is completed as necessary. The Adult Center is over 30,000 square feet with 18 rooms. In 2010-11 the Adult Center had 1100 rentals requiring set up and tear down of tables, chairs, and equipment. Staff also assisted with rental set ups and tear downs at the Foothills Recreation and City-wide special events. Other miscellaneous duties as assigned such as repair or cleaning to tables and chairs, program equipment and minor building painting and repairs.</p> <p>REDUCTION DESCRIPTION: FY13 - Eliminate the Support Services Supervisor.</p> <p>RESULTING LEVEL OF SERVICE: Adult Center and Foothills Recreation Center managers will supervise the service workers assigned to each facility. Maintenance and repair of the two recreation centers will decline. Other City-wide special event and activities will be impacted in that there may no longer be available support.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14610 Division Name: Parks & Recreation Admin.</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$59,849 A7000: \$0 TOTAL: \$59,849</p>	<p>CURRENT LEVEL OF SERVICE: Parks & Recreation Administration and Support Services is the administrative unit of the Parks, Recreation and Library Services Department. It provides strategic leadership, direction, general management and support (i.e. - financial processing, fee collection, facilities reservations, customer service inquiries, department operating and CIP budget monitoring) for all department employees in while ensuring quality services in all parts of our service areas. Staff averages 175-200 customer phone calls per day. In FY 2011/12, staff processed 1600 park ramada reservations, 650 special use permits, 2180 ball field reservations, weekly daycare payments for 225 participants, and 1200 municipal complex reservations, 10,000 class registrations along with administrative staff at Adult Center and Foothills. Staff annually process over 40 purchase orders, 1276 vendor payments, reconciles over 100 specific revenue accounts, processes over 3000 deposits and manages over 65 Pro-Card accounts.</p> <p>REDUCTION DESCRIPTION: FY14 - Eliminate one Management Aide from division 14610 due to retirement.</p> <p>RESULTING LEVEL OF SERVICE: Consolidate Recreation Support and Recreation Administration division. Redistribute work to remaining staff.</p> <p>REQUIRED?: Not Required</p>

PARKS, REC & LIBRARY DEPARTMENT REDUCTIONS

Fund/Division #: 1000-14720 Division Name: Foothills Recreation Center REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$73,000 TOTAL: \$73,000	CURRENT LEVEL OF SERVICE: This is a 69,000 sq. ft. family friendly community recreation center. The center is open 101.5 hours per week, 359 days per year. There were approximately 427,964 visitors (the majority are pass holders) and of these 32,372 participated in the recreational swim. <hr/> REDUCTION DESCRIPTION: FY14 - Center will continue to reduce expenses and become 100% self-sustaining and no longer be supported by the General Fund by the end of FY15. <hr/> RESULTING LEVEL OF SERVICE: The Center manager and staff will need to review the operations of the center to maximize revenue and minimize expenses to achieve 100% cost recovery. If, at anytime it appears that the center will not be able to achieve 100% cost recovery, other options for continued operations will be reviewed. <hr/> REQUIRED?: Not Required
Fund/Division #: 1000-14660 Division Name: Special Events and Programs REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$5,793 TOTAL: \$5,793	CURRENT LEVEL OF SERVICE: These funds are used for special events that occur in city parks and facilities that require temporary rental, stage set-up, etc. <hr/> REDUCTION DESCRIPTION: FY14 - These will be eliminated and any special events carefully planned with existing resources. <hr/> RESULTING LEVEL OF SERVICE: Special events will be limited to only those with which can be accommodated with current resources. <hr/> REQUIRED?: Not Required

COMMUNICATIONS DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	5	\$447,884	\$204,784	\$652,668

<p>Fund/Division #: 1870-14325 Division Name: Jazz Festival</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$50,000 TOTAL: \$50,000</p>	<p>CURRENT LEVEL OF SERVICE: The Glendale Jazz & Blues Festival is one of the City's 7 Signature Festivals that are produced annually to support the downtown shopping district and economic growth of the area. More than 400,000 people attend Glendale's festivals annually. But, just as important, is the year-round advertising, publicity and promotion that the downtown shopping district receives as a direct result of this festival and the other 6 events that Glendale produces. This brings people to downtown Glendale throughout the year, which brings foot traffic into local businesses during non-event months. Glendale's festivals also serve as a driver for economic development activity. For example, the out-of-state owners of the Gaslight Inn saw the property while visiting downtown to attend one of the city's festivals in 2011. Shops in Catlin Court and Old Towne have also opened due to the increased awareness of the area and pedestrian traffic created by Glendale festivals.</p> <p>REDUCTION DESCRIPTION: Elimination of the annual Glendale Jazz & Blues Festival, beginning in 2013. ***This cut will result in the reduction of General Fund transfer to Marketing Special Revenue Fund ***</p> <p>RESULTING LEVEL OF SERVICE: Downtown Glendale will no longer have a festival in the spring, which is the time of year when residents and out-of-state visitors are looking for things to do. Many other communities throughout the Valley, are hosting events and activities during the spring months to attract local and out-of-state visitors to their respective cities. Thus, there is the potential that the downtown will see a decrease in visitors during this time of year. In addition, the multi-million dollar economic impact that festivals generate for the downtown will decrease. Two recent economic impact studies conducted by the International Festivals and Events Association found that two of Glendale's events -- Glendale Glitters Spectacular Weekend and the Glendale Chocolate Affaire -- generate more than \$3 million in economic impact annually for the city. The study accounted for only 2 of Glendale's 7 festivals. Over the past five years, the two-day festival has had an average attendance of 40,000 people. SERVICE ALTERNATIVE: Jivemind is contractually obligated by the City to produce a number of events in the amphitheater during the year. Thus, although the scope and size may be much smaller, the City could request Jivemind to produce a jazz and/or blues event in April that showcases local talent.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1281-10840 Division Name: Mkt'g - Stadium Events</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$10,185 TOTAL: \$10,185</p>	<p>CURRENT LEVEL OF SERVICE: This budget, which was previously used to promote and advertise the Fiesta Bowl, Spring Training and other events taking place in Glendale's Sports & Entertainment District, has been significantly reduced over the last few years from \$169,000 in FY10 to \$10,185 in FY13. With this recommended cut, the entire budget will be eliminated.</p> <p>REDUCTION DESCRIPTION: Eliminate budget. ***This cut will result in the reduction of General Fund transfer to Mkt'g - Stadium Events***</p> <p>RESULTING LEVEL OF SERVICE: Priority projects will be covered by the bed tax revenue that is earmarked to the Glendale Convention & Visitors Bureau.</p> <p>REQUIRED?: Not Required</p>

COMMUNICATIONS DEPARTMENT REDUCTIONS

<p>Fund/Division #: 1000-10890 Division Name: Convention/Media/Parking</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$4,243 TOTAL: \$4,243</p>	<p>CURRENT LEVEL OF SERVICE: Glendale Media Center is the home of Glendale 11 TV studio and provides media broadcast space and facilities rentals.</p> <p>REDUCTION DESCRIPTION: *Reduce budget for equipment and building maintenance *Eliminate security for game day operations *Eliminate all remaining advertising funding for facility marketing materials.</p> <p>RESULTING LEVEL OF SERVICE: Staff will lengthen the time between all regular maintenance for facility and building equipment, knowing emergency repairs will still have to be done, but regular maintenance will be spread over a longer period. Building maintenance such as cleaning and day-to-day upkeep will occur less frequently. Security for mega events will be eliminated and staff will adjust hours of operation for the facility. All remaining funding for new facility marketing materials will be eliminated relying on existing materials.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1740-11710 Division Name: Civic Center</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$140,356 TOTAL: \$140,356</p>	<p>CURRENT LEVEL OF SERVICE: Currently ranked as the #1 conference center of its size in the state of Arizona by "Ranking Arizona: The Best of Arizona Business" and provides 40,000 square-feet of rental space for meetings, conferences, trade shows and social events like weddings, graduations, proms, bar mitzvahs and private parties. The facility averages 280-event days bringing more than 65,000 guests to downtown Glendale annually on a budget of approximately \$250,000.</p> <p>REDUCTION DESCRIPTION: Phase 1: The Civic Center will work to achieve 100% cost recovery and reduce the General Fund transfer by \$250,000 over the next three fiscal years. This will be achieved by increasing revenue generation with new rental programs and continuing aggressive reductions in high-cost areas such as utilities and staffing. FY14: \$140,356</p> <p>RESULTING LEVEL OF SERVICE: The usage of the facility has increased 5% in the last fiscal year while expenses have been reduced nearly 15% over the past 2 fiscal years for a total budget reduction of \$107,000. Increased usage is due to enhanced marketing efforts resulting in the facility being ranked #1 this year and in the top 5 the past several years. Staff continues to remain financially prudent to increase revenue and usage and implement cost saving measures especially in high-cost areas such as utilities, landscaping and staffing. In addition, new rental programs are being created to generate revenue such as renting audio/visual equipment and tables and chairs and enhancing the venue's offerings for targeted markets such as trade shows and conferences.</p> <p>REQUIRED?: Not Required</p>

COMMUNICATIONS DEPARTMENT REDUCTIONS

<p>Fund/Division #: 1000-14120 Division Name: Cable Communications</p> <p>REDUCTIONS: # of FTEs: 1.5 A6000: \$131,502 A7000: \$0 TOTAL: \$131,502</p>	<p>CURRENT LEVEL OF SERVICE: Serves as the city's government television channel and source of all online video content including broadcasting of all city council and planning commission public meetings as well as functions as the back-up to the city's one audio visual employee. Glendale 11 is the city's most transparent form of communication and television continues to be how most people receive their news and information. Recently Glendale 11 transitioned its productions to increase online content with more local city coverage and increased planned coverage of commission meetings. Since launching a new push for online videos in May 2012, Glendale 11 has gained more than 35,000 online video views over four months, almost double the previous four months. Glendale 11 allows the city to reach citizens immediately and provides for those who cannot attend public meetings a way to participate in their government. More than 150,000 viewers watch Glendale 11 on television, while another 400,000 have viewed the city's online video content out of the total 5 million who have visited the city's websites.</p> <p>REDUCTION DESCRIPTION: Reduce 1.5 FTE's. (effective FY '14)</p> <p>RESULTING LEVEL OF SERVICE: The decrease in staffing will mean more live meeting coverage and fewer taped and edited shows such as interview talk shows. Glendale 11 will continue to primarily focus on council meetings and workshops, commission meetings, Mayor/Council programming and short, online and YouTube community stories and city news. Long form, in-depth content would be significantly reduced online and on the air.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14110 Division Name: City-Wide Special Events</p> <p>REDUCTIONS: # of FTEs: 0.5 A6000: \$26,562 A7000: \$0 TOTAL: \$26,562</p>	<p>CURRENT LEVEL OF SERVICE: The Special Events Division currently has four FTEs, who are responsible for producing the City's seven signature festivals. Event production responsibilities include developing event site plans, creating policies and procedures, soliciting sponsorships and creating event-related revenue streams, negotiating contracts with external vendors and suppliers, hiring talent, supervising temporary production staff, managing event logistics, determining equipment and labor needs, preparing event site, etc. In addition, the division is responsible for management of the downtown holiday light display, which takes more than 3 months and 5,000 labor hours to install. Additional services/responsibilities include: planning and managing the 8-week Glendale Summer Band Concert Series; helping to coordinate downtown merchant driven events; attracting new events to Glendale; operating and managing City's Paid Parking Concession during festivals; and administering the City's Special Event Permit Application process.</p> <p>REDUCTION DESCRIPTION: Reducing the division's Special Event Coordinator position from a full-time employee to a part-time employee (.5). (effective no earlier than FY '14)</p> <p>RESULTING LEVEL OF SERVICE: The Special Event Coordinator serves as the vendor coordinator for the division. These responsibilities include putting together the annual vendor application program and then soliciting and recruiting vendors (food, crafts, commercial, etc.) to participate in City festivals. This entails researching reviewing hundreds of vendor applications each season and selecting those vendors that will be participating in the festivals. The coordinator also works with a third-party business to conduct background checks on each vendor. The Special Event Coordinator also serves as the point person for the 8-week Glendale Summer Band Concert Series. This entails creating the annual budget and approving/tracking expenses; coordinating weekly band rehearsals in May and June; and setting up for performances, among other duties. Since the position is being reduced to part-time, the duties will be restructured among staff.</p> <p>REQUIRED?: Not Required</p>

COMMUNICATIONS DEPARTMENT REDUCTIONS

Fund/Division #: 1000-10810 Division Name: Marketing REDUCTIONS: # of FTEs: 3 A6000: \$289,820 A7000: \$0 TOTAL: \$289,820	CURRENT LEVEL OF SERVICE: There are currently 29.5 FTE's (two of which are already identified as reductions) in the Communications Department. The department includes the Audio/Visual, Cable Communications, City-Wide Special Events, Civic Center, Marketing, Media Center Operations and Tourism divisions.
	REDUCTION DESCRIPTION: Reduction of three additional FTE's within the Communications Department: 1. One FTE from the Executive group 2. One FTE from the Civic Center 3. One PIO FTE
	RESULTING LEVEL OF SERVICE: Assuming all outlined staffing reductions are made, the Communications Department will have 24.5 FTE's.
	REQUIRED?: Not Required

N'HOOD & HUMAN SVCS DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	2	\$278,999	\$265,132	\$544,131

<p>Fund/Division #: 1000-15510 Division Name: CD Deputy City Manager</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$197,358 A7000: \$6,194 TOTAL: \$203,552</p>	<p>CURRENT LEVEL OF SERVICE: This position provides leadership and administrative direction to the Neighborhood and Human Services Department (Code Compliance, Community Housing, Community Revitalization, and Community Action Program) directing a staff of 61 employees and overseeing a budget (general fund and other sources) in excess of \$29.7 million.</p> <p>REDUCTION DESCRIPTION: Elimination of one (1) Deputy City Manager position - currently vacant.</p> <p>RESULTING LEVEL OF SERVICE: Alternatives include underfilling the position with an Executive Director, restructuring, or assigning the Neighborhood and Human Services Department to an existing Executive Director.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14420 Division Name: CAP Local Match</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$107,000 TOTAL: \$107,000</p>	<p>CURRENT LEVEL OF SERVICE:</p> <p>REDUCTION DESCRIPTION: Relocate Community Action Program to space in City Hall thereby eliminating rent payments and associated costs.</p> <p>RESULTING LEVEL OF SERVICE:</p> <p>REQUIRED?:</p>
<p>Fund/Division #: 1000-15015 Division Name: Neighborhood Partnership</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$14,702 TOTAL: \$14,702</p>	<p>CURRENT LEVEL OF SERVICE: Neighborhood Partnership coordinated 75 volunteer projects in FY2012, provides support to registered neighborhood associations, assists with providing neighborhood newsletters, operates a tool lending program, and provides community education and recognition for neighborhood leaders.</p> <p>REDUCTION DESCRIPTION: The identified general fund reductions include the elimination of two neighborhood leader celebration/recognition events, elimination of neighborhood leader education programs, eliminate use of Human Resources volunteer tracking system and a 50% reduction in supplies and materials provided to support neighborhood/community volunteer projects.</p> <p>RESULTING LEVEL OF SERVICE: Neighborhood Partnership will continue assisting neighborhood associations with formation and development, newsletter/communication efforts, assisting with community and property clean up efforts, and coordinating volunteer opportunities that benefit Glendale neighborhoods.</p> <p>REQUIRED?: Not Required</p>

N'HOOD & HUMAN SVCS DEPARTMENT REDUCTIONS

<p>Fund/Division #: 2500-17910 Division Name: Community Housing</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$39,200 TOTAL: \$39,200</p>	<p>CURRENT LEVEL OF SERVICE: The City of Glendale owns and operates three public housing complexes with a total of 155 public housing units</p> <p>REDUCTION DESCRIPTION: The identified reductions include reducing watering and maintenance of existing landscaping, reducing the use of stipend workers, reducing office supplies and elimination of street sweeping of parking lots and driveways at the city's three public housing complexes. The reduction in Public Housing (Fund 2500) will result in lower transfer amount from General Fund to Housing.</p> <p>RESULTING LEVEL OF SERVICE: The identified reductions do not impact the available number of public housing units, however they do impact the maintenance of all three public housing complexes. The Housing Division will seek alternative funding to support future use of low water use/xeriscape landscaping.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-14410 Division Name: Code Compliance</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$81,641 A7000: \$0 TOTAL: \$81,641</p>	<p>CURRENT LEVEL OF SERVICE: Code Compliance Inspectors provide neighborhood inspection services on a proactive and complaint basis to maintain established city standards that preserve and promote the health, safety, and living environments of our community and neighborhoods. During FY2012, the Code Compliance Department managed 12,382 cases, proactively initiated 8,582 cases and resolved 12,786 cases.</p> <p>REDUCTION DESCRIPTION: Elimination of one (1) Code Compliance Inspector position - currently vacant.</p> <p>RESULTING LEVEL OF SERVICE: During FY2012, Code Compliance Inspectors managed an average of 1,300 cases, 903 proactive cases, and resolved 1,346 cases per inspector. The elimination of one (1) Code Compliance Inspector is expected to reduce Code Compliance cases proportionally. The Department will pursue alternative funding to support Code Compliance activities in neighborhoods.</p> <p>REQUIRED?: Yes, by City Code</p>
<p>Fund/Division #: 1000-15010 Division Name: Community Revitalization</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$49,536 TOTAL: \$49,536</p>	<p>CURRENT LEVEL OF SERVICE: Central Arizona Shelter Services (CASS) receives \$49,536 in general funds and provides emergency shelter services to 259 persons annually identifying themselves as Glendale residents.</p> <p>REDUCTION DESCRIPTION: Elimination of general fund support of Central Arizona Shelter Services.</p> <p>RESULTING LEVEL OF SERVICE: General funds provided to Central Arizona Shelter Services would be eliminated and would reduce their ability to provide homelessness assistance. CASS currently receives \$78,235 in Community Development Block Grant (CDBG) and Emergency Shelter Grant (ESG), administered by the Neighborhood and Human Services Department's Community Revitalization Division, which supports emergency shelter services. Federal funding or grants may be available to provide additional support to CASS.</p> <p>REQUIRED?: Not Required</p>

N'HOOD & HUMAN SVCS DEPARTMENT REDUCTIONS

Fund/Division #: 1000-15010 Division Name: Community Revitalization	CURRENT LEVEL OF SERVICE: The YWCA receives \$48,500 in general funds and provides home delivery of meals to 473 Glendale residents.
REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$48,500 TOTAL: \$48,500	REDUCTION DESCRIPTION: Elimination of general fund support for the YWCA's meal delivery program.
	RESULTING LEVEL OF SERVICE: General funds provided to the YWCA would be eliminated. The YWCA receives \$46,618 in CDBG funding to support their congregate meals program. Federal funding or grants may be available to support a meal delivery program.
	REQUIRED?: Not Required

PUBLIC WORKS DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	21	\$1,102,646	(\$86,088)	\$1,016,558

Fund/Division #: 1000-13461 Division Name: Downtown Parking Garage REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$18,000 TOTAL: \$18,000	CURRENT LEVEL OF SERVICE: Parking garage is open continuously. REDUCTION DESCRIPTION: Decrease lighting levels during daytime in upper levels. RESULTING LEVEL OF SERVICE: Landscaping around the garage would be decreased to drought resistant plants only. Daylight hours would only have ingress lighting on main level and lower level security lighting. REQUIRED?: Not Required
Fund/Division #: 1000-13450 Division Name: Facilities Management REDUCTIONS: # of FTEs: 1 A6000: \$61,621 A7000: \$32,500 TOTAL: \$94,121	CURRENT LEVEL OF SERVICE: Building maintenance functions include the preventative maintenance of HVAC equipment in accordance with manufacturer guidelines REDUCTION DESCRIPTION: Deletion of HVAC/plumber position. RESULTING LEVEL OF SERVICE: All repairs would be prioritized, backlog of repairs would increase. Non-essential and safety related items would possibly not be completed. Plumbing service would be required to be contracted out. REQUIRED?: Not Required
Fund/Division #: 1000-13730 Division Name: Design Division REDUCTIONS: # of FTEs: 1 A6000: \$101,602 (Salary) A6000: (\$101,602) (Chargeback) TOTAL: \$0	CURRENT LEVEL OF SERVICE: The senior civil engineer who worked primarily on water/wastewater projects resigned Oct. 30. After consultation with the acting city engineer and the executive director for water services, it was determined that this position can be eliminated REDUCTION DESCRIPTION: Project management duties will be reassigned among four other staff in Engineering, but with the reduced amount of capital improvement projects in the water services department the position can be eliminated. The cost of the position is \$101,602 and it is currently charged back to CIP. The net effect of this reduction is zero on the General Fund. RESULTING LEVEL OF SERVICE: Reassignment of projects will be shared among four other staff in Engineering. Work that was being designed in house by the Sr. Civil Engineer will be outsourced to qualified engineering firms at a slightly higher cost, but that will be covered in the capital budget project cost as with most projects REQUIRED?: not Required
Fund/Division #: 1000-13460 Division Name: Custodial Services	CURRENT LEVEL OF SERVICE: Provide custodial services to all city buildings and exterior areas.

PUBLIC WORKS DEPARTMENT REDUCTIONS

<p>REDUCTIONS: # of FTEs: 12 A6000: \$539,144 A7000: (\$258,415) TOTAL: \$280,729</p>	<p>REDUCTION DESCRIPTION: Outsource cleaning of office and common space, special events and other requests would no longer be supported. In the General Fund convert \$258,415 of salary saving to contractual.</p> <p>Other funds affected as follows: Water and Sewer Fund will eliminate one position and convert \$41,967 of salary savings to contractual. GRPST fund eliminate two positions and convert \$59,156 salary savings to contractual.</p> <p>RESULTING LEVEL OF SERVICE: One day porter would be available for all city buildings, remaining services would be completed during evening hours.</p> <p>REQUIRED?: Yes, by Govn't Regulation</p>
<p>Fund/Division #: 1000-16040 Division Name: Downtown Beaut. & Promotion</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$41,054 TOTAL: \$41,054</p>	<p>CURRENT LEVEL OF SERVICE: Downtown beautification and promotion includes the assignment of two non sworn downtown patrol officers, annual power washing of sidewalks, and promotional activities.</p> <p>REDUCTION DESCRIPTION: Reduce all funding for the Downtown Beautification and Promotion Program except for the two security officers.</p> <p>RESULTING LEVEL OF SERVICE: Funding would be removed for the power washing of sidewalks and marketing of the downtown events. Funding to staff downtown security patrol activities would continue. These services would be transferred to Police Services with the rest of security services managed by the Police Department.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13800 Division Name: Materials Testing</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$29,254 TOTAL: \$29,254</p>	<p>CURRENT LEVEL OF SERVICE: Provide lab tests for CIP projects and private development projects</p> <p>REDUCTION DESCRIPTION: Close city lab; CIP projects will contract testing, private development to provide test results to city from private lab test</p> <p>RESULTING LEVEL OF SERVICE: Testing will be more expensive; private development will have burden of private test costs</p> <p>REQUIRED?: Yes, by State/Fed Law</p>
<p>Fund/Division #: 1000-11370 Division Name: Materials Control Warehouse</p> <p>REDUCTIONS: # of FTEs: 2 A6000: \$94,233 A7000: \$0 TOTAL: \$94,233</p>	<p>CURRENT LEVEL OF SERVICE: Warehouse is open weekdays for deliveries and orders.</p> <p>REDUCTION DESCRIPTION: Decrease staffing, reduce service hours and eliminate front desk support</p> <p>RESULTING LEVEL OF SERVICE: Warehouse would only accept deliveries between 8am and 12pm Monday to Friday, and would limit inventory.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13440 Division Name: Graffiti Removal</p>	<p>CURRENT LEVEL OF SERVICE: Graffiti Removal crew is generally able to remove graffiti within 48 hours during the week. No weekend service is provided.</p>

PUBLIC WORKS DEPARTMENT REDUCTIONS

<p>REDUCTIONS: # of FTEs: 2 A6000: \$113,698 A7000: \$47,394 TOTAL: \$161,092</p>	<p>REDUCTION DESCRIPTION: Transfer two graffiti removal positions and operating cost from the general fund to the Highway User Revenue Funds (HURF). The removal of graffiti in the right of way is an eligible expense for the HURF. The city currently removes over 1,300 occurrences of graffiti from the public right of way every month. Currently over 90% of all graffiti removal occurs in the right of way. Appropriation associated with this GF reduction will be added to the HURF budget on an ongoing basis.</p> <p>RESULTING LEVEL OF SERVICE: No reduction in level of service</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13420 Division Name: Cemetery</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$52,922 A7000: \$0 TOTAL: \$52,922</p>	<p>CURRENT LEVEL OF SERVICE: The cemetery is open daily, with burials permitted weekday and Saturday mornings. Litter and trash are removed daily.</p> <p>REDUCTION DESCRIPTION: Decrease staffing from 2 to 1.</p> <p>RESULTING LEVEL OF SERVICE: This positions is currently vacant. Burials are allowed on weekdays only and need to be supplemented by other Field Ops. staff. This may hinder the sales of cemetery plots. Litter and trash would not be serviced on weekends or holidays.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13410 Division Name: Field Operations Admin.</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$174,043 A7000: \$0 TOTAL: \$174,043</p>	<p>CURRENT LEVEL OF SERVICE: Currently there are two Deputy Directors and one Executive Director over Public Works.</p> <p>REDUCTION DESCRIPTION: We are eliminating one vacant Deputy Director that oversees the Solid Waste operation in the Enterprise Fund and moving the Executive Director position into the Enterprise Fund to directly oversee those operations.</p> <p>RESULTING LEVEL OF SERVICE: The other Deputy Director will remain in the General Fund and oversee the non-Enterprise Fund operations. Including fleet maintenance, street maintenance and facility management.</p> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-13450 Division Name: Facilities Management</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$66,985 A7000: \$4,125 TOTAL: \$71,110</p>	<p>CURRENT LEVEL OF SERVICE: Facilities responds to calls for service within 24 hours for urgent requests, and within a week for other requests. Preventative maintenance is performed on HVAC systems routinely.</p> <p>REDUCTION DESCRIPTION: Deletion of one vacant HVAC position. This would reduce the ability to perform preventative maintenance services, and will result in more failures. Air conditioning systems in particular will not be dependable as fewer staff would be available to respond to repairs or failures.</p> <p>RESULTING LEVEL OF SERVICE: Preventative maintenance would not be completed as staff would be in a failure maintenance mode, responding only to breakdowns. Older systems would be less reliable as components could not be rebuilt during winter months. Failure to clean and replace filters will increase indoor air quality concerns. Routine request for services may take up to several months to be completed, and would be prioritized based on safety needs. Vacant buildings would be supplied base electricity and security services only.</p> <p>REQUIRED?: Not Required</p>

Internal Services

FY 2014 Reductions

Excludes A7500 Series Accounts

(\$'s in Thousands) Department Name	FY 2014 Full Year Reduction Amount (Effective Mid-Year FY 2013)				a b c d = b - c (d - a) / a - c / b Budgeted FTE's			FTE Reduction	Projected FY 2014 FTE's	Projected FY09-FY14 % Change	Projected FY13-FY14 % Change
	A6000	A7000	Rev Loss	Total	FY 2009	FY 2013	FY 2013 Amd	FY13/14			
Financial Services	\$175	\$203	\$0	\$377	50.5	32.0	32.0	2.0	30.0	-41%	-6%
HR & Risk Mgt	\$323	\$23	\$0	\$346	30.0	17.8	17.8	3.0	14.8	-51%	-17%
Tech. & Innovation	\$170	\$15	\$0	\$185	29.0	28.0	28.0	2.0	26.0	-10%	-7%
Non-Departmental	\$0	\$134	\$0	\$134				0.0	0.0		
Total	\$668	\$374	\$0	\$1,042	109.5	77.8	77.8	7.0	70.8	-35%	-9%

FINANCIAL SERVICES DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	2	\$174,731	\$202,637	\$377,368

<p>Fund/Division #: 1000-11340 Division Name: License/Collection</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$54,673 A7000: \$0 TOTAL: \$54,673</p>	<p>CURRENT LEVEL OF SERVICE: Currently delinquent business accounts are sent to a collection representative who attempts to collect on outstanding debt through phone calls and letters. Once attempts are unsuccessful and, if applicable, a lien is placed. This representative also handles bankruptcy accounts.</p> <hr/> <p>REDUCTION DESCRIPTION: Reduction in staffing level - Collections. 3 total FTE's will be eliminated, 1 of which is in the GF. The other two eliminated FTE's are in the water/sewer fund.</p> <hr/> <p>RESULTING LEVEL OF SERVICE: The City's initial immediate attempts to collect city debt would be eliminated and instead submitted to a third party collection agency for collection, which the initial, immediate attempt to collect would be delayed. Monitoring of bankruptcies and the placing and monitoring of liens would be affected (Liens expire after 5 yrs and would need to be updated).</p> <hr/> <p>REQUIRED?: Not Required</p>
<p>Fund/Division #: 1000-11360 Division Name: Materials Management</p> <p>REDUCTIONS: # of FTEs: 1 A6000: \$120,058 A7000: \$0 TOTAL: \$120,058</p>	<p>CURRENT LEVEL OF SERVICE: Three (3) full time staff manages all city procurement activities. This includes all professional and non-professional services. Current statistical information includes 128 term contracts, and last FY staff processed 96 new solicitations. On average Materials Management (MM) processes 950 purchase orders.</p> <hr/> <p>REDUCTION DESCRIPTION: Reduction of one (1) staff person</p>

FINANCIAL SERVICES DEPARTMENT REDUCTIONS

	<p>RESULTING LEVEL OF SERVICE: With a staff of two, services currently offered by MM would be significantly reduced in the following 5 areas: Competitive Bidding Process: 1. Delays in solicitations processing will occur. Department requests will be handled on a first-in-first-out basis. With the exception of health, safety, and welfare relating to the general public or employees which will always be processed before all other work. This will require city departments to plan 90 days out prior to needing their specific procurement to be completed (timeline does not include Council approval). 2. MM will be limited as to the number of contracts it can conduct & negotiate, thereby reducing cost savings or cost avoidance. 3. Low dollar procurements (under \$50K). Departments would be required to process their own Request for Quotes. 4. Procurements that are over \$50K and commodity or price based contracts, such as vehicles, office supplies, computers, etc., will also need to be delegated to the Departments. 5. MM would need to train those individuals handling procurements on behalf of the city to ensure the integrity of the process is maintained. 6. The use of co-operative contracts with the state or other governmental entities will need to be increased to ensure that the city receives the most competitive pricing. Contract Amendments: 1. If nothing changes with the current contract amendment process, contract amendments will not get processed prior to the expiration date. a. Research and documentation that the Legal department is requiring of MM to put together prior to the extension of the contract would cease. b. MM should be delegated the authority to extend contracts independent of the Legal Department, when nothing but an extension is taking place. c. Backlog of missing contract amendments that the City Clerk has requested to be sent to them will not occur. MM will provide missing amendments on those contracts that are currently being amended and had previously gone through the City Clerk. Sole Source, Emergency and Special Procurements: 1. Sole source, emergency and special procurements should still be managed to be approved by MM. MM would communicate back to the requesting department the approval/disapproval or if additional information is required. Requisition Processing: 1. Larger departments will need to be given delegation of authority to process their own requisitions. Similar to what</p>
	REQUIRED?:
<p>Fund/Division #: 1000-11390 Division Name: Merchant Fees</p> <p>REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$199,687 TOTAL: \$199,687</p>	<p>CURRENT LEVEL OF SERVICE: The City pays credit card merchant fees on all transactions involving a credit card.</p> <p>REDUCTION DESCRIPTION: Pass the merchant fees onto the user and/or using a third party administrator for our credit card program</p> <p>RESULTING LEVEL OF SERVICE: Potential reduction in revenue due to citizens not willing to pay the additional fees (merchant fees) and are/or unable to pay with cash, check, etc. due to insufficient funds.</p> <p>REQUIRED?: Not Required</p>

FINANCIAL SERVICES DEPARTMENT REDUCTIONS

Fund/Division #: 1000-11610 Division Name: Budget & Research REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$2,950 TOTAL: \$2,950	CURRENT LEVEL OF SERVICE: The non-salary budget (A7000 series) used to support the current levels of services performed will be reduced further. Note, budget staff was reduced from 6 to 4 FTEs w/ previous reductions.
	REDUCTION DESCRIPTION: A 15% reduction in the overall Non-Salary (A7000) budget related to professional development, office supplies, memberships & subscriptions, etc.
	RESULTING LEVEL OF SERVICE: Discretionary funding is reduced but the core non-salary (A7000) budget is retained for ongoing operations (i.e. equipment management, postage, duplicating charges, etc.).
	REQUIRED?: Not Required

HR & RISK MGT DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	3	\$323,003	\$22,900	\$345,903

Fund/Division #: 1000-11010 Division Name: Risk Management/Safety REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$1,700 TOTAL: \$1,700	CURRENT LEVEL OF SERVICE: Risk utilizes two City vehicles to respond to property damage incidents across the City REDUCTION DESCRIPTION: Return these vehicles and utilize the city's motor pool to respond to incidents as needed. RESULTING LEVEL OF SERVICE: Could result in a slower Risk Mgt response time when incidents occur. REQUIRED?: Not Required
Fund/Division #: 1000-11020 Division Name: Benefits REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$5,000 TOTAL: \$5,000	CURRENT LEVEL OF SERVICE: This is the professional & contractual line item utilized to engage professional services in the course of administering our benefits programs REDUCTION DESCRIPTION: Reduce Professional & Contractual by \$5,000 leaving approximately \$2,500 left for this area as needs arise RESULTING LEVEL OF SERVICE: Could result in inability to obtain professional services as needed to assist in the administration of benefits programs REQUIRED?: Not Required
Fund/Division #: 1000-11030 Division Name: Human Resources Administration REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$3,500 TOTAL: \$3,500	CURRENT LEVEL OF SERVICE: This line item is for the professional development of HR and Risk Staff. REDUCTION DESCRIPTION: Reduce professional development by \$3,500 leaving approximately \$1,000 for maintaining certifications and staff development RESULTING LEVEL OF SERVICE: Reduction in ability to develop staff and maintain certifications REQUIRED?: Not Required
Fund/Division #: 1000-11030 Division Name: Human Resources Administration REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$3,000 TOTAL: \$3,000	CURRENT LEVEL OF SERVICE: This line item is for line supplies such as paper, pens, etc... REDUCTION DESCRIPTION: Reduce line supplies by \$3,000 leaving approximately \$4,300 for the remainder of the year RESULTING LEVEL OF SERVICE: Reduction in line supplies may impact HR's ability to have office necessities such as paper, ink, writing materials, etc.... REQUIRED?: Not Required

HR & RISK MGT DEPARTMENT REDUCTIONS

Fund/Division #: 1000-11030 Division Name: Human Resources Administration REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$4,000 TOTAL: \$4,000	CURRENT LEVEL OF SERVICE: This line item is for office equipment contracts for repair of copiers, faxes, etc... REDUCTION DESCRIPTION: Reduce office supplies by \$4,000 leaving approximately \$10,700 for coverage should office equipment need repair, contract fees for maintenance, etc... RESULTING LEVEL OF SERVICE: Reduction in office supplies may impact HR's copier, fax and office equipment. REQUIRED?: Not Required
Fund/Division #: 1000-11030 Division Name: Human Resources Administration REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$500 TOTAL: \$500	CURRENT LEVEL OF SERVICE: This line item allows for memberships to professional HR organizations REDUCTION DESCRIPTION: Reduce memberships by \$500 leaving approximately \$1,300 to ensure HR continues receiving updates w/ regard to HR practices, etc... RESULTING LEVEL OF SERVICE: Reduction in memberships will reduce HR's ability to keep staff members abreast of latest HR issues/trends REQUIRED?: Not Required
Fund/Division #: 1000-11040 Division Name: Employment Services REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$1,000 TOTAL: \$1,000	CURRENT LEVEL OF SERVICE: This line item funds physicals for new hires REDUCTION DESCRIPTION: Reduce physicals by \$1,000 leaving approximately \$2,300 giving us some ability to pay for necessary physicals for appropriate positions RESULTING LEVEL OF SERVICE: Reduction in this area will impact ability to pay for employee physicals should hire of a safety sensitive position be necessary REQUIRED?: Not Required
Fund/Division #: 1000-11040 Division Name: Employment Services REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$500 TOTAL: \$500	CURRENT LEVEL OF SERVICE: Advertising for job openings REDUCTION DESCRIPTION: Reduce by \$500 (\$200 remaining) RESULTING LEVEL OF SERVICE: Hirings have been frozen therefore impact will be minimal REQUIRED?: Not Required
Fund/Division #: 1000-11040 Division Name: Employment Services REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$2,500 TOTAL: \$2,500	CURRENT LEVEL OF SERVICE: Professional & Contractual line item for printing, mailings, volunteer program system fees, etc... REDUCTION DESCRIPTION: Reduce this area by \$2,500 RESULTING LEVEL OF SERVICE: Hirings have been frozen, printing will decrease. We still will be required to maintain the volgistics system for our volunteer program REQUIRED?: Not Required

HR & RISK MGT DEPARTMENT REDUCTIONS

Fund/Division #: 1000-11060 Division Name: Compensation REDUCTIONS: # of FTEs: 1 A6000: \$131,420 A7000: \$0 TOTAL: \$131,420	CURRENT LEVEL OF SERVICE: Deputy HR Director vacancy REDUCTION DESCRIPTION: Eliminate vacant position RESULTING LEVEL OF SERVICE: Eliminates 2nd tier of management in the HR / Risk department REQUIRED?: Not Required
Fund/Division #: 1000-11070 Division Name: Organizational Development REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$1,200 TOTAL: \$1,200	CURRENT LEVEL OF SERVICE: Organizational Development expenses for employee training and development REDUCTION DESCRIPTION: Reduce by \$1,200 which will impact ability to produce new training materials for employees RESULTING LEVEL OF SERVICE: Impacts offering of new training to existing employees. REQUIRED?: Not Required
Fund/Division #: 1000-11010 Division Name: Risk Management/Safety REDUCTIONS: # of FTEs: 1 A6000: \$110,351 A7000: \$0 TOTAL: \$110,351	CURRENT LEVEL OF SERVICE: Risk Manager position that will become vacant in December REDUCTION DESCRIPTION: Risk Manager position RESULTING LEVEL OF SERVICE: current staff member will take on the Risk Manager duties until the position can be filled REQUIRED?: Not Required
Fund/Division #: 1000-11070 Division Name: Organizational Development REDUCTIONS: # of FTEs: 1 A6000: \$81,232 A7000: \$0 TOTAL: \$81,232	CURRENT LEVEL OF SERVICE: HR Generalist FTE REDUCTION DESCRIPTION: Eliminate HR Generalist position RESULTING LEVEL OF SERVICE: Impacts overall level of service HR can provide in the core areas REQUIRED?: Not Required

TECH. & INNOVATION DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	2	\$170,399	\$14,857	\$185,256

Fund/Division #: 1000-11510 Division Name: Information Technology REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$14,857 TOTAL: \$14,857	CURRENT LEVEL OF SERVICE: Training is essential for technology staff to ensure operational demands are met. Technology enhancements are often mandated by vendors or business partners for functional or security purposes. Training is required to maintain proficiency with these changes. REDUCTION DESCRIPTION: Training Budget Reduction RESULTING LEVEL OF SERVICE: Sufficient funding remains to cover training needs. REQUIRED?:
Fund/Division #: 1000-11510 Division Name: Information Technology REDUCTIONS: # of FTEs: 1 A6000: \$91,809 A7000: \$0 TOTAL: \$91,809	CURRENT LEVEL OF SERVICE: Application Analyst: Vacant FTE planned for SharePoint Development. LEAN and SharePoint were used to streamline the council agenda and miscellaneous receivables processes. In addition, business intelligence was planned to be incorporated into SharePoint. REDUCTION DESCRIPTION: Reduce 1 FTE SharePoint System Analyst: SharePoint is the system being implemented within the City to reduce paperwork and time associated with document management and collaboration. RESULTING LEVEL OF SERVICE: Currently have one IT staff member providing SharePoint technical capability. Having one staff member limits the City's ability to continue SharePoint paperless workflow and cost reductions associated with improved processes. May not be able to support the expansion of business intelligence tools into SharePoint. REQUIRED?: Not Required
Fund/Division #: 1000-11510 Division Name: Information Technology REDUCTIONS: # of FTEs: 1 A6000: \$78,590 A7000: \$0 TOTAL: \$78,590	CURRENT LEVEL OF SERVICE: Library Technology Manager: 1 FTE Vacant REDUCTION DESCRIPTION: Reduce 1 FTE: This position has been eliminated. The position was planned to be reclassified to a business intelligence analyst to meet needs in finance, public safety and general operations. The City has a significant amount of data which can be used to provide needed business analysis to reduce costs and better utilize existing resources. There is currently no other staff member in that position. RESULTING LEVEL OF SERVICE: REQUIRED?: Not Required

NON-DEPARTMENTAL DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	0	\$0	\$133,872	\$133,872

Fund/Division #: 1000-11801 Division Name: Fund 1000 Non-Dept REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$133,872 TOTAL: \$133,872	CURRENT LEVEL OF SERVICE: Professional & contractual payments made on behalf of the organization that have historically covered legal fees, consultants for special projects and other external finance charges.
	REDUCTION DESCRIPTION: Reduce professional & contractual payments made on behalf of the organization that cannot be specifically assigned to any one particular department from \$168K to \$34K annually.
	RESULTING LEVEL OF SERVICE: A nominal amount will remain in this budget line item to cover external finance charges that have averaged \$32K over the last two fiscal years.
	REQUIRED?: Not Required

Public Safety

FY 2014 Reductions

Excludes A7500 Series Accounts

(\$'s in Thousands) Department Name	FY 2014 Full Year Reduction Amount (Effective Mid-Year FY 2013)				a b c d = b - c (d - a) / a - c / b Budgeted FTE's			FTE Reduction	Projected FY 2014 FTE's	Projected FY09-FY14 % Change	Projected FY13-FY14 % Change
	A6000	A7000	Rev Loss	Total	FY 2009	FY 2013	FY 2013 Amd	FY13/14			
Police Services	\$0	\$0	\$0	\$0	510.0	452.0	452.0	0.0	452.0	-11%	0%
Fire Services	\$0	\$0	\$0	\$0	236.5	220.0	220.0	0.0	220.0	-7%	0%
City Court	\$98	\$80	\$0	\$178	50.0	37.8	37.5	1.0	36.5	-27%	-3%
Total	\$98	\$80	\$0	\$178	796.5	709.8	709.5	1.0	708.5	-11%	0%

CITY COURT DEPARTMENT REDUCTIONS

	FTE's	A6000	A7000	TOTAL
Totals	1	\$97,862	\$80,306	\$178,168

Fund/Division #: 1000-10410 Division Name: City Court REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$2,800 TOTAL: \$2,800	CURRENT LEVEL OF SERVICE: Use of secured storage facility to house Court files during Supreme Court mandatory retention period. REDUCTION DESCRIPTION: Reduce the number of files stored off site in a secure storage facility. RESULTING LEVEL OF SERVICE: No impact expected. REQUIRED?: Not Required
Fund/Division #: 1000-10410 Division Name: City Court REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$3,250 TOTAL: \$3,250	CURRENT LEVEL OF SERVICE: Professional development for Court staff. REDUCTION DESCRIPTION: Reduce professional development funds for training of all Court staff. RESULTING LEVEL OF SERVICE: All Court staff are mandated by the Supreme Court to attend 12 hours of training each year. Other training opportunities will be identified. REQUIRED?: Yes, by Govn't Regulation
Fund/Division #: 1000-10410 Division Name: City Court REDUCTIONS: # of FTEs: 1 A6000: \$97,862 A7000: \$0 TOTAL: \$97,862	CURRENT LEVEL OF SERVICE: Deputy Court Administrator- Supervise 2 teams and provide oversight for security, court calendar structure and facility needs. REDUCTION DESCRIPTION: Eliminate this position. RESULTING LEVEL OF SERVICE: Increase workload of Court Administrator who will assume duties. REQUIRED?: Not Required
Fund/Division #: 1000-10410 Division Name: City Court REDUCTIONS: # of FTEs: 0 A6000: \$0 A7000: \$74,256 TOTAL: \$74,256	CURRENT LEVEL OF SERVICE: Full time judicial officers cover 3 courtrooms every week day. Pro tem judges cover an additional two courtrooms on a daily basis during the week plus provide coverage for jail court on weekend days plus holidays. REDUCTION DESCRIPTION: Required complete restructure of calendars for every courtroom. Eliminates one half operational courtroom daily per week plus another 2 half days a week. RESULTING LEVEL OF SERVICE: Full time judicial officers' caseloads will increase to absorb eliminated calendars. Turn around time for customers will be reduced. Less time for full time judicial officers to perform their legally mandated duties. REQUIRED?: Not Required



CITY COUNCIL REPORT

Meeting Date: **1/8/2013**
Meeting Type: **Voting**
Title: **NEIGHBORHOOD STABILIZATION PROGRAM THIRD SUBSTANTIAL AMENDMENT (PUBLIC HEARING REQUIRED)**
Staff Contact: **Gilbert Lopez, Revitalization Administrator**

Purpose and Recommended Action

This is a request for City Council to conduct a public hearing, waive reading beyond the title, and adopt a resolution approving a third substantial amendment to the Fiscal Year (FY) 2008-09 Community Development Block Grant Annual Action Plan. The amendment will allow two vacant parcels purchased with Neighborhood Stabilization Program (NSP) funds to be land banked until such time that development can proceed, and reallocating the unused funds in the amount of \$900,824 to Habitat for Humanity Central Arizona, to continue to purchase, rehabilitate, and resell foreclosed properties in Glendale for a period of up to three years. Staff is requesting that Council authorize the Acting City Manager to sign all development agreement amendments, as well as a new contract with Habitat for Humanity Central Arizona, effectuating the amendment.

Background Summary

On September 26, 2008, the City of Glendale was notified by the U. S. Department of Housing and Urban Development, that it was eligible to receive one-time NSP funding to address the impacts of foreclosed and abandoned residential properties in Glendale. A substantial amendment to our Annual Action Plan was required to identify activities that will address the foreclosure issue, which included developing senior housing, and acquiring, rehabilitating, and reselling foreclosed properties.

The most effective program has been through the acquisition, rehabilitation, and resale of houses in strategic neighborhood locations. This is a partnership between the city and two non-profits, Habitat for Humanity and Chicanos Por La Causa, which resulted in 36 houses being acquired and rehabilitated, and many have already been resold. This has helped as the private market concentrated on certain homes and/or properties; our non-profit partners were able to pick up those properties needing extensive rehabilitation work or demolition. This activity continues to produce some program income through the sale of houses, which is to be used to purchase additional foreclosed homes.

The program also allowed the purchase of vacant land for senior housing development. Two properties have been purchased by non-profit developers, Native American Connections, Inc., and the Cesar Chavez Foundation. Both developers have completed their construction and development plans, and are at the permit stage. Since being awarded the funding, both developers



CITY COUNCIL REPORT

continue to apply for Low Income Housing Tax Credits to complete their financing for the projects. They both have made multiple applications; however, to date, have been unsuccessful. They do, however, continue to work on alternatives and future tax credit applications.

Previous Related Council Action

The first NSP substantial amendment was properly noticed and made available for public view and comment in five locations throughout Glendale and approved by Council on November 25, 2008.

The Action Plan was amended a second time on October 13, 2009, to allocate a total of \$2,887,375 for senior housing acquisition and redevelopment. This action was supported by the city's Strategic Housing Study of 2008.

Community Benefit/Public Involvement

The requested land banking action will allow the redevelopment of foreclosed vacant property within the allowable 10 year period, allowing for the economy to further stabilize, overcoming current market conditions and financial challenges. The property would otherwise remain vacant and non-contributing.

This action would also allow Habitat for Humanity to sign a new contract and continue their successful efforts to purchase foreclosed houses in target neighborhoods, rehabilitate them, and resell them to qualifying families. The neighborhood benefits from an occupied house that is no longer vacant, and no longer utilizing code enforcement resources in order to maintain a safe and sanitary condition. The investment effort typically encourages neighbors to improve their properties, or helps promote additional private investment.

This third NSP amendment, along with the previous two, included a public notice published in the newspaper; the amendment being made available for public review in five locations throughout Glendale, including our website; a 15 day public comment period; and public hearings by the Community Development Advisory Committee and by Council. The public is able to comment by phone, by e-mail through the city's website, and in person. Any comments received are responded to within 10 days and reported to Council the evening of the requested formal action.



CITY COUNCIL REPORT

Budget and Financial Impacts

Cost	Fund-Department-Account
\$900,824	1310-30900-518200 - Professional and Contractual

Capital Expense? Yes No

Budgeted? Yes No

Requesting Budget or Appropriation Transfer? Yes No

The transfer is within the same fund-department-account code: 1310-30900-518200.

Attachments

Staff Report

Resolution

Amendment to Agreement



STAFF REPORT

To: **Horatio Skeete, Acting City Manager**
From: **Gilbert Lopez, Revitalization Administrator**
Item Title: **NEIGHBORHOOD STABILIZATION PROGRAM THIRD SUBSTANTIAL AMENDMENT (PUBLIC HEARING REQUIRED)**
Requested Council Meeting Date: **1/8/2013**
Meeting Type: **Voting**

PURPOSE

This is a request for City Council to conduct a public hearing and approve a third substantial amendment to the Fiscal Year (FY) 2008-09 Community Development Block Grant (CDBG) Annual Action Plan.

BACKGROUND

On September 26, 2008, the City of Glendale was notified by the U.S. Department of Housing and Urban Development (HUD) that it was one of 253 local governments who would be eligible to apply for and receive one-time Neighborhood Stabilization Program (NSP) funds in the amount of \$6.1 million. These funds are part of the larger Housing and Economic Recovery Act (HERA), which was signed into law by President Bush on July 30, 2008. Even though these funds are considered by HUD to be an extension of the city's current CDBG program, they must be specifically used to address the impact of foreclosed/abandoned homes or property in Glendale. As a result, city staff developed an action plan that was presented to management, and approved by the Community Development Advisory Committee (CDAC). The plan/amendment was then properly noticed and made available for public view and comment in five locations throughout Glendale and approved by Council on November 25, 2008.

This amendment will allow the city to convert two vacant properties from multi-family senior housing to land banking, by amending their development agreements, as requested by the two non-profit developers. The requested action is allowed under the regulations and supported by HUD, which will allow up to 10 years for the property to be redeveloped, overcoming current market conditions and financial challenges.

This action will also authorize the Acting City Manager to enter into a new contract with Habitat for Humanity Central Arizona, reallocating \$900,824 of NSP funding, to continue to acquire foreclosed properties to rehabilitate and resell to eligible homebuyers within the city limits of Glendale.



STAFF REPORT

One component of the plan called for the development of senior housing within the 85301 zip code area. The city utilized a Request for Proposal process to solicit developers interested in building additional senior housing in Glendale. Two proposals were received and went through a formal vetting process, and scored well. The review team chose to award to Native American Connection's Landmark Senior Living, 8280 North 59th Avenue in Glendale; and, Cesar Chavez's Montebello Seniors, 5619 North 67th Avenue in Glendale was selected as the backup choice if any additional funding became available. Because the Cesar Chavez property was available and it helped meet an unmet need, Council supported amending Glendale's Annual Action Plan to allow the purchase of the second property for senior housing development. The Action Plan was amended on October 13, 2009, to allocate a total of \$2,887,375 for Senior Housing Acquisition and Redevelopment. This action was supported by the city's Strategic Housing Study of 2008.

The other approved eligible use, acquisition, rehabilitation or demolition, redevelopment, and resale to eligible homebuyers, was funded at \$2,678,326. The plan and regulations allow the city to reinvest program income generated from the sale of houses, to the city's non-profit partner to purchase, rehabilitate, and resell additional foreclosed homes.

ANALYSIS

- The proposed amendment would allow the city to move the two vacant NSP property acquisitions to the NSP eligible use (C) category, land banking. This would allow reallocation of unused funds and program income in the amount of \$900,824 in NSP funding to Habitat for Humanity of Central Arizona, to continue to acquire, rehabilitate, and resell abandoned and foreclosed residential homes by amending their current NSP contract.

This action will allow the two vacant senior housing properties to be held under the land banking category until such time that all financing is in place to start construction, and allow available NSP funding to continue to help address foreclosures in neighborhoods.

- At the October 18, 2012 CDAC meeting, the committee members voted to support the action to place the two properties into the land bank category and reallocate the unused funds and/or program income to Habitat for Humanity Central Arizona. CDAC conducted a public hearing at this meeting and no comments were received.
- Not taking action to move the property into the land banking category could result in HUD declaring the project stalled and demand the city formulate a plan to complete the project or return the funding.
- NSP has an expenditure deadline that calls for funding recapture or grant repayment if not met, so it is very important that Council take action, allowing the city's non-profit partner to expend enough NSP funds to meet the statutory, March 13, 2013 deadline. Habitat's current contract expires June 30, 2013. This action would allow Habitat to sign a new contract, allowing them to continue.
- There is no impact on city departments, staff, or service levels.



STAFF REPORT

FISCAL IMPACTS

The funding being discussed are Neighborhood Stabilization Program funds, created by HERA and allocated through the formula grant process to the city by HUD.

The Neighborhood Stabilization Program funding is a federally-funded one-time allocation provided through HUD. If approved, the third amendment will allow the city to reallocate \$900,824 of NSP Senior Housing funding and program income from the sale of homes to acquire foreclosed houses/property to rehabilitate and resell to qualified homebuyers in Glendale. Because this is a federally-funded program, there will be no fiscal impact on the city.

RESOLUTION NO. 4636 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, APPROVING AND AUTHORIZING THE SUBMISSION OF A NEIGHBORHOOD STABILIZATION PROGRAM (NSP) THIRD SUBSTANTIAL AMENDMENT TO THE ANNUAL ACTION PLAN FOR FISCAL YEAR 2008-09 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO HOLD IN RESERVE OR "LAND BANK" TWO VACANT PROPERTIES FROM MULTI-FAMILY SENIOR HOUSING BY AMENDING THE DEVELOPMENT AGREEMENTS; AND TO REALLOCATE \$900,824 IN NSP SENIOR HOUSING FUNDING FOR THE ACQUISITION, REHABILITATION AND RESALE OF FORECLOSED PROPERTIES.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that the NSP Third Substantial Amendment to the Annual Action Plan for Fiscal Year 2008-09 be entered into, which amendment is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That said Amendment is for the purpose of land banking two vacant properties by amending the development agreements of the two non-profit developers, Native American Connections, Inc. and the Cesar Chavez Foundation, and reallocating funds for the acquisition, rehabilitation, and resale of foreclosed properties.

SECTION 3. That the City Manager or his designee is hereby authorized and directed to submit said Amendment to the U.S. Department of Housing and Urban Development (HUD), and execute any and all necessary documents on behalf of the City of Glendale.

SECTION 4. That the City Manager or his designee is hereby authorized and directed to execute all agreements and documents effectuating the reallocation of \$900,824 in NSP Senior Housing Funds to Habitat for Humanity Central Arizona, through a subsequent new contract, to continue the acquisition, rehabilitation, and resale of foreclosed properties, and is hereby approved by Council as long as the work undertaken by Habitat for Humanity is consistent with the approved Substantial Amendment to the Annual Action Plan for Fiscal Year 2008-09.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2013.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

Acting City Manager

a_09 hud action plan amend nsp.doc

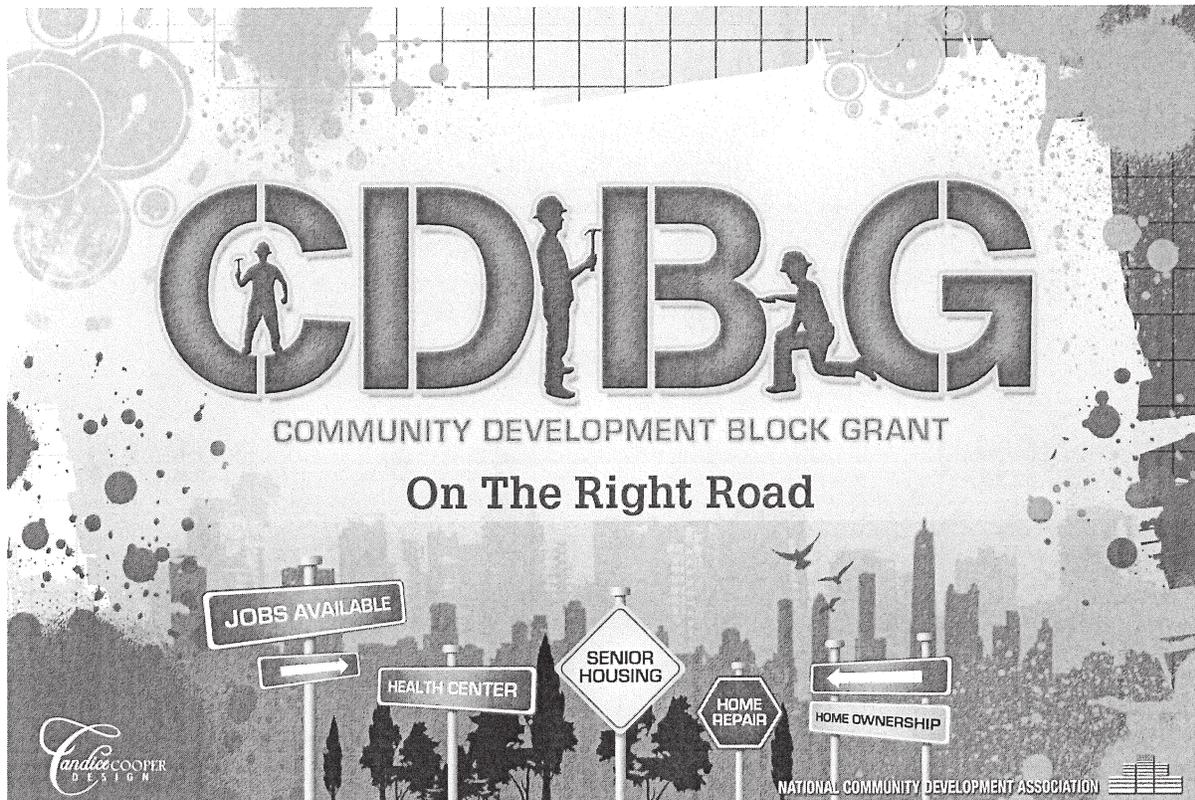


D – R – A – F – T

City of Glendale, AZ

Neighborhood Stabilization Program (NSP)

Third Substantial Amendment to the Annual Action Plan Fiscal Year (FY) 2008-09





D - R - A - F - T
CITY OF GLENDALE, AZ

Neighborhood Stabilization Program (NSP)

***Third Substantial Amendment
to the Annual Action Plan
Fiscal Year (FY) 2008-09***

**Prepared by:
City of Glendale, Arizona
Community Revitalization Division
Glendale City Hall
5850 West Glendale Avenue, Suite 107
Glendale, Arizona 85301**

**Phone (623) 930-3670
FAX (623) 435-8594
TDD (623) 930-2197
AZ Relay Service Number 711**

**Submitted to:
U.S. Department of Housing and Urban Development**

The City of Glendale Amendment to NSP 1 Substantial Amendment

Jurisdiction(s): City of Glendale, AZ	NSP Contact Person: Gilbert Lopez
	Email: Glopez@glendaleaz.com Telephone: 623-930-3678
	Fax Number: 623-435-8594
Jurisdiction Web Address: http://www.glendaleaz.com/communitypartnerships/PlansandAssessments.cfm	
Grant Number B-08-MN-04-0503	

- I. Amendment to add an additional activity, "Land Banking" and re-allocate funding:
Amending NSP Activity Number 3:

(1) Activity Name: Senior and Special Needs Rental Housing, and Land Banking

This notice will inform interested persons of a proposed Neighborhood Stabilization Program (NSP) Third Substantial Amendment to the City of Glendale's Community Development Block Grant (CDBG) Annual Action Plan for Fiscal Year (FY) 2008-2009.

The proposed amendment would allow the city to move two vacant NSP property acquisitions for senior housing, to the NSP eligible use (C) category, Land Banking, under the LMMA National Objective.

Project name: **Montebello Seniors**
Developer: Cesar Chavez Foundation
Location: 5619 N. 67th Ave., Glendale, AZ 85301
NSP amount allocated: \$1,287,375 Balance: \$276,847

Project name: **Landmark Senior Living**
Developer: Native American Connections
Location: 8280 N. 59th Ave., Glendale, AZ 85302
NSP amount allocated: \$1,600,000 Balance: \$701,387

The City of Glendale is amending its NSP Substantial Amendment in order to continue to effectively stabilize neighborhoods. The amendment consists of one primary change to the allocation priorities at the project level that will support the strategies of land banking which will create affordable housing. The current

economic climate has not supported the financing for the projects as described in the original NSP Substantial Amendment.

In the current NSP Substantial Amendment, it was estimated that \$2,887,375 would be used for Acquisition/Purchase and Rehabilitation. Of that amount, \$1,908,939 has been expended on purchasing land and related development costs. Due to current financing difficulties, funds will be moved to Land Banking. It will be used to hold the purchased land and construct senior rental housing, once financing becomes available. The actual amount that will be allocated to land banking is \$63,000, which includes three years of estimated carrying costs. NSP program income will be used to continue maintenance and pay for carrying costs. While the properties have value, the allocated funds have already been expended purchasing the properties.

Note: Native American Connections is currently pursuing AZ Department of Housing Tax Credits. If successful, they will be removed from the amendment and continue on as a senior housing development project, along with their balance of \$701,387.

Reallocation of Unused Funds and Program Income

Unused funds and/or program income in an amount up to \$915,434 in the Neighborhood Stabilization Program (NSP) funding from the U.S. Department of Housing and Urban Development (HUD) will be reallocated to Habitat for Humanity of Central Arizona, to continue to acquire, rehabilitate, and resell abandoned and foreclosed residential homes by amending their current NSP contract. They are currently operating under NSP Activity 1: Foreclosed Property Acquisition and Rehabilitation Program.

NSP Budget Amendments

Projects		Current NSP	Amended NSP	
Acquisition Purchases and Rehab.		2,924,341.00	3,839,777.00	
NSP Financing Mechanicicim		76,659.00	76,659.00	
Acquisition Purchase and Rehabilitation		2,887,375.00	1,908,939.00	
Administration		296,737.00	296,737.00	
Land Banking			63,000.00	
Total Allocation		6,185,112.00	6,185,112.00	

PUBLIC NOTICE

NEIGHBORHOOD STABILIZATION PROGRAM THIRD SUBSTANTIAL AMENDMENT TO THE CITY OF GLENDALE'S FY 2008-2009 COMMUNITY DEVELOPMENT BLOCK GRANT ANNUAL ACTION PLAN

This notice will inform interested persons of a proposed Neighborhood Stabilization Program (NSP) Third Substantial Amendment to the City of Glendale's Community Development Block Grant (CDBG) Annual Action Plan for Fiscal Year (FY) 2008-2009.

The proposed amendment would allow the city to move two vacant NSP property acquisitions for senior housing, to the NSP eligible use (C) category, land banking.

Project name: Montebello Seniors
Developer: Cesar Chavez Foundation
Location: 5619 N. 67th Ave., Glendale, AZ 85301
NSP amount allocated: \$1,287,375 Balance: \$245,347

Project name: Landmark Senior Living
Developer: Native American Connections
Location: 8280 N. 59th Ave., Glendale, AZ 85302
NSP amount allocated: \$1,600,000 Balance: \$670,087

Unused funds and/or program income in the amount of \$915,434 in the Neighborhood Stabilization Program (NSP) funding from the U.S. Department of Housing and Urban Development (HUD) will be reallocated to Habitat for Humanity of Central Arizona, to continue to acquire, rehabilitate, and resell abandoned and foreclosed residential homes by amending their current NSP contract.

This action will allow the two vacant senior housing properties to be held under the land banking category until such time that all financing is in place to start construction, and allow available NSP funding to continue to help address foreclosures in neighborhoods.

PUBLIC COMMENTS

Copies of the proposed amendment will be available for review from October 12 thru October 29, 2012 at the following city locations (city department office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday):

1. Reference desk of the Glendale Main Public Library, 5959 W. Brown Street
2. Reference desk of the Velma Teague Branch Library, 7010 North 58th Avenue
3. Reference desk of the Foothills Branch Library, 19055 N. 57th Avenue
4. Community Revitalization Division, 5850 West Glendale Avenue, Suite 107
5. Glendale Community Housing Administrative Office, 6842 N. 61st Avenue

Comments regarding the proposed amendment should be directed to Gilbert Lopez, Revitalization Administrator, Community Revitalization Division, 5850 W. Glendale Ave. Suite 107, Glendale, AZ 85301, Phone Number (623) 930-3670, Fax (623) 435-8594. Hearing impaired persons, please use the Arizona Relay Service Number 711 or Glendale TDD (623) 930-2197.

The NSP Third Substantial Amendment to the FY 2008-2009 Annual Action Plan can be reviewed online on the City of Glendale website as follows:

<http://www.glendaleaz.com/CommunityPartnerships/PlansandAssessments.cfm> and click on **Fiscal Year 2008-2009 NSP Third Substantial Amendment to the AAP** under the heading Annual Action Plan (AAP) and Consolidated Plan (Con-Plan). Written comments may also be e-mailed to: Con-Plan@GlendaleAZ.com.

PUBLIC HEARING

A Community Development Advisory Committee public hearing will held on October 18, 2012, at 6:30 p.m. at the Glendale Municipal Office Complex, 5850 West Glendale Avenue, Basement Level, Room B-3, Glendale, Arizona, to allow for public comment/discussion of the proposed NSP Third Substantial Amendment to the FY 2008-2009 Annual Action Plan.



Special Accommodations: For special accommodations, please contact the Community Revitalization Division at (623) 930-3670, at least three business days prior to the public hearing. Hearing impaired persons, please use the Arizona Relay Service Number 711 or Glendale TDD (623) 930-2197.

Asistencia en español: Para que le interpreten la solicitud en español, llame al (623) 930-3670.

PUBLISH IN: The Glendale Star
October 11 AND 18, 2012



TO BE PUBLISHED IN NON-LEGAL SECTION WITH A BLACK LINE BORDER, HUD AND CITY LOGO IN BOTTOM RIGHT CORNER



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

JAN 30 2009

The Honorable Elaine Scruggs
Mayor
City of Glendale
5850 W. Glendale Ave.
Glendale, AZ 85301

Dear Mayor Scruggs:

On behalf of Secretary Shaun Donovan, I am pleased to inform you that the Department is approving your jurisdiction's action plan amendment for Neighborhood Stabilization Program (NSP) funding and is awarding \$6,184,112 for the City of Glendale.

The Housing and Economic Recovery Act of 2008 (HERA), enacted on July 30, 2008, established the NSP and appropriated \$3.92 billion to be distributed to states and local governments to address the effects of abandoned and foreclosed properties in the nation's communities. The Department announced NSP funding allocations on September 26, 2008, and action plan amendments were due not later than December 1, 2008.

The Neighborhood Stabilization Program is a component of the long-standing Community Development Block Grant (CDBG) program. The program generally follows CDBG program requirements except as modified by HERA or by HUD to expedite use of NSP funds. Please refer to the October 6, 2008, *Federal Register* notice for NSP operating guidance. The NSP grant agreement will be sent under separate cover to the agency designated as administrator of your jurisdiction's program. Please note that this letter does not represent the point of obligation for NSP funding; execution of the forthcoming grant agreement will be the point of obligation and will trigger the 18 month period in which the NSP funds must be used.

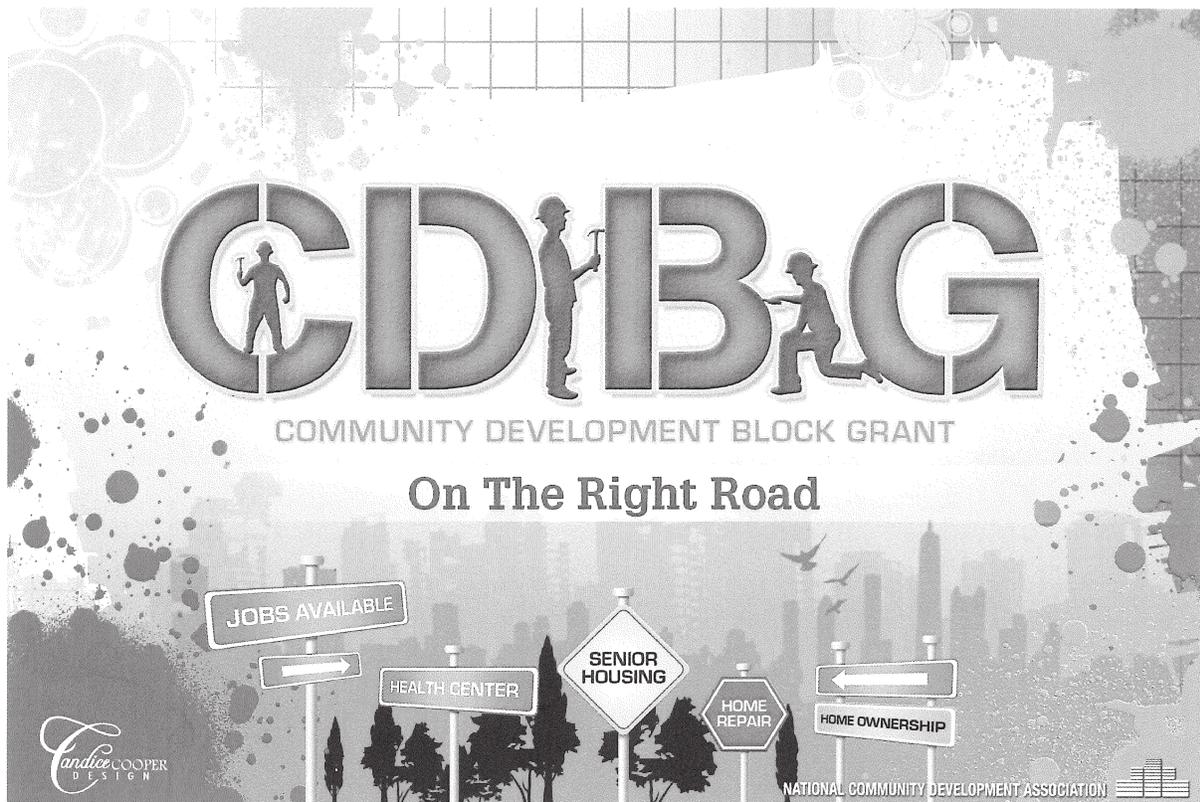
The Department is pleased to partner with you in implementing this new program and will continue to provide extensive support and guidance to you and other NSP grantees. I suggest that you continually visit the NSP website at www.hud.gov/nsp for information and updates.

Sincerely,

Nelson R. Bregón
General Deputy Assistant Secretary

City of Glendale

NSP Substantial Amendment Annual Action Plan Program Year 4



Fiscal Year 2008-2009

**APPLICATION FOR
FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 11/26/2008	Applicant Identifier B-08-MN-04-0503
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name: City of Glendale, Arizona		Organizational Unit: Department: Community Partnerships	
Organizational DUNS: 077523579		Division: Community Revitalization	
Address: Street: 6829 North 58 Drive, Suite 104		Name and telephone number of person to be contacted on matters involving this application (give area code)	
City: Glendale		Prefix: Mr.	First Name: Gilbert
County: Maricopa		Middle Name	
State: Arizona		Last Name Lopez	
Zip Code 85301	Suffix:		
Country: United States of America		Email: glopez@glendaleaz.com	

6. EMPLOYER IDENTIFICATION NUMBER (EIN):
8 6 - 6 0 0 0 2 4 7

Phone Number (give area code) 634-930-3671	Fax Number (give area code) 623-435-8594
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8. TYPE OF APPLICATION:
 New Continuation Revision
If Revision, enter appropriate letter(s) in box(es)
(See back of form for description of letters.)
Other (specify)
N/A

7. TYPE OF APPLICANT: (See back of form for Application Types)
Other (specify)
C. Municipal

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
1 4 - 2 1 8

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
City of Glendale, Arizona Neighborhood Stabilization Program Substantial Amendment

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):
Cities

13. PROPOSED PROJECT
Start Date: 02/17/2009 Ending Date: 07/30/2013

14. CONGRESSIONAL DISTRICTS OF:
a. Applicant AZ-02 & AZ-04 b. Project AZ-02 & AZ-04

15. ESTIMATED FUNDING:

a. Federal	\$	6,184,112 ⁰⁰
b. Applicant	\$	⁰⁰
c. State	\$	⁰⁰
d. Local	\$	⁰⁰
e. Other	\$	⁰⁰
f. Program Income	\$	⁰⁰
g. TOTAL	\$	6,184,112 ⁰⁰

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Yes. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON
DATE:
b. No. PROGRAM IS NOT COVERED BY E. O. 12372
 OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
 Yes If "Yes" attach an explanation. No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix Ms.	First Name Pam	Middle Name
Last Name Kavanaugh		Suffix
b. Title Assistant City Manager		c. Telephone Number (give area code) 623-930-2870
d. Signature of Authorized Representative <i>Pam Kavanaugh</i>		e. Date Signed 11/25/08

NSP GRANT SUBMISSION TEMPLATE

& CHECKLIST

(UPDATED 10.21.08)

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the suggested format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (attached below)
- (2) Signed and Dated Certifications (attached below)
- (3) Signed and Dated SF-424.

Grantees should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): <u>City of Glendale, Arizona</u> <i>(identify lead entity in case of joint agreements)</i> Jurisdiction Web Address: <u>www.glendaleaz.com</u> CommunityPartnerships, Plans and Assessments <ul style="list-style-type: none">• <i>(URL where NSP Substantial Amendment materials are posted)</i>	NSP Contact Person: <u>Gilbert Lopez</u> Address: <u>6829 N. 58th Dr. Suite 104 Glendale, AZ 85301</u> Telephone: <u>(623) 930-3670</u> Fax: <u>(623) 435-8594</u> Email: <u>glopez@glendaleaz.com</u>
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A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult [this data](#), in developing this section of the Substantial Amendment.

Response: Recent housing related events throughout Arizona have resulted in foreclosures in well established neighborhoods. In response, our management team proactively created an internal "Foreclosure Task Force," to study the issue and identify potential recommendations to assist individuals and our neighborhoods in mitigating the impact of foreclosure and abandoned homes. This task force is made up of staff from our Code Compliance Department, the Community Services Group, and the Community Partnerships Department (which consists of the Community Revitalization Division, Neighborhood Partnership Office and the Community Housing Division). The group developed an action plan utilizing elements of the Community Development Block Grant Annual Action Plan, and our Council adopted Five-Year Neighborhood Revitalization Strategy as a guide. The action plan was also developed in conjunction with supporting information from a recent Foreclosure Issue Executive Report and data from our recent Strategic Housing Study (completed in August 2008). A crucial part of this plan includes the use of all

available resources to minimize the effects of foreclosures on Glendale neighborhoods. Glendale's Annual Action Plan, the Strategic Housing Study, along with this NSP Substantial Amendment to our FY2008-09 Annual Action Plan, are available on our website at www.glendaleaz.com for public review and comment.

Supporting maps and data are attached and part of this submittal.

B. DISTRIBUTION AND USES OF FUNDS

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. *Note:* The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

Response: **The City of Glendale was recently notified by HUD that there is a potential allocation of \$6,184,112 in funding through HUD's Neighborhood Stabilization Program (NSP). To determine the population with the greatest needs categories, staff used formula data and risk scores, which were created by HUD to determine the NSP formula allocation to States and Cities. This information along with specific local data, such as bank owned property listings, Code Enforcement Data, and Utility Data was also used to determine need categories.**

Based on current data, the following areas meet the three stipulated need categories: neighborhoods within the Downtown Redevelopment Area (43rd - 67th Avenues; Orangewood to Maryland Avenues) and others within the 85301 (census 931.02, 928 block group 1, 3, 4, 5, 6, and 931.01, 930, 929 block group 1, 924, 925, and 926), 85302 (census tracts 923.09, 923.07, and 923.04), and 85303 (census tracts 927.03, 927.13, 927.14, 927.12, and 927.05) zip codes. These are the areas identified as having the greatest need, contain currently available foreclosed properties, and where NSP targeting will produce the highest impact.

HUD produced risk score data and qualifying census tract data that was plotted utilizing our Geographic Information System (GIS) by Glendale's Information and Technology Department. This data shows where potential future foreclosures may occur. Other information gathered from AZ Central DataCentral, Bank Owned Foreclosed Real Estate Listings, Fannie Mae, and Glendale Department of Code Compliance data, identify the same areas as having a high risk of foreclosures, a high percentage of subprime mortgage related loans, program qualifying census tracts, and existing foreclosed properties. The downtown redevelopment area is located within the 85301 zip code. These areas are likely to face a significant rise in

the rate of foreclosures without intervention and prevention measures. Supporting data maps are attached as part of this amendment.

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of “blighted structure” in context of state or local law.

Response: As defined in HUD Docket No. FR-5255-N-01: A structure is blighted when it exhibits objectively determinable sign of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

The property must be dilapidated, beyond repair and/or pose a health or safety risk to the community. The property must:

- Pose a health and/or safety risk to the community and/or
- Result in a blight on the surrounding area and/or
- Meet any of the following conditions as specified by ARS 36-1471:

"Blighted area" means an area, other than a slum area, where sound, municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following:

- (a) A dominance of defective or inadequate street layout.
- (b) Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- (c) Unsanitary or unsafe conditions.
- (d) Deterioration of site or other improvements.
- (e) Diversity of ownership.
- (f) Tax or special assessment delinquency exceeding the fair value of the land.
- (g) Defective or unusual conditions of title.
- (h) Improper or obsolete subdivision platting.
- (i) The existence of conditions that endanger life or property by fire and other causes.

(2) Definition of “affordable rents.” *Note:* Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response: Affordable rents will be defined according to Home affordable rent requirements in conjunction with Section 8 rules and regulations.

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response: Housing assisted with NSP funds will have a promissory note and deed of trust filed with the county recorders office that spells out the terms of the

investment. The lien ensures the period of affordability and will allow the City to recover its investment in the event that the property transfers to a new owner within the designated time period.

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response: The City has adopted the International Building Codes and other related codes and ordinances. As a member of the Maricopa HOME Consortium, the City of Glendale also helped develop, and adopted the Consortium's Housing Rehabilitation Standards. As with our current housing rehabilitation programs, structures acquired and rehabilitated as part of the Neighborhood Stabilization Program will meet or exceed the minimum standards called for by these codes.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: **\$1,550,000 or more.**

Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

Response: Because this group faces particularly difficult challenges in securing financing in this tight credit market, multi-housing rental and/or housing with a rent-to-own component will be pursued to meet this mandatory benchmark. This requirement, along with all others, will be tracked for compliance and reporting purposes.

E. ACQUISITIONS & RELOCATION

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income).

If so, include:

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response: It is our intent to acquire underperforming, blighted, unoccupied properties in the redevelopment area that were identified in our Strategic Housing Study and develop them into a community contributing property that is safe, decent and sanitary. This will be accomplished by partnering with our non-profit partners. Vacant property can be maintained and held for future development (per adopted development plan) by utilizing an established non-profit holding entity or land bank.

It is our intent to fund the acquisition and redevelopment of approximately fifteen (15) properties via one or multiple non-profit partners. The properties will be marketed and sold to families/individuals at or below 120% of local AMI.

In the unlikely event that occupied properties are acquired, the non-profit partners, with City of Glendale oversight, will follow and comply with the federal Uniform Relocation Act requirements as mandated by federal regulations and NSP/HERA.

In order to meet the requirement that 25% of the funds benefit households whose income does not exceed 50% AMI, the City will use a variety of approaches.

1. Work with non-profit and for profit developers to acquire a foreclosed multi-family property for redevelopment into senior or special needs housing.
2. Partner with current non-profit partners, such as Habitat for Humanity, that have successfully provided affordable housing for families earning less than 50% of AMI currently and in the past. These programs use sweat equity, corporate sponsorship, and community volunteerism to bridge the affordability gap.

Another component will be the possible rental of acquired and rehabilitated residential properties to households whose income does not exceed 50% AMI. The Community Land Trust model, such as the one administered by Newtown Development Corp. falls in part, under this concept.

F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Note: proposed NSP Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 15 calendar days for public comment.

Response: The City processed the NSP Substantial Amendment as required by current regulations and has received no comment during the 15 day public comment period. However we did receive several positive comments prior to the beginning of

the public comment period and after it. These comments - along with the need in our community – support the City of Glendale’s application for NSP funding. The following steps were utilized in the public notification and input process:

Neighborhood Stabilization Program Public Process Calendar

<i>October 16, 2008</i> Thursday	Public Notice (P/N) for 10/28/08 Special CDAC Meeting in The Glendale Star
<i>*October 23, 2008</i> Thursday	Public Notice (P/N) for 11/06/08 CDAC Meeting in The Glendale Star
<i>October 28, 2008</i> Tuesday 6:30 p.m. *Glendale Adult Center Rm. 116	CDAC Special Meeting (NSP Information/Application Approval)
<i>November 6, 2008</i> Thursday	Public Notice (P/N) for 15-day Comment Period on NSP Application in The Glendale Star
<i>November 6, 2008</i> Thursday 6:30 p.m. *Glendale Adult Center Rm. 106	CDAC Meeting (NSP Information/FY 09-10 Grant Application Books)
<i>November 7, 2008</i> Friday	Day 1 – Public Comment Period Begins for NSP Application
<i>November 22, 2008</i> Saturday	Day 15- Public Comment Period Ends for NSP Application
<i>November 25, 2008</i> Tuesday 7:00 p.m. Council Chambers	City Council Evening Meeting – NSP Council Communication – Substantial Amendment Approval
<i>December 1, 2008</i> Monday	NSP Application DEADLINE

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

NSP ACTIVITY NUMBER 1:

(1) Activity Name: **Foreclosed Property Acquisition and Rehabilitation Program**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

The activities under NSP are acquisition, disposition, clearance and demolition, homeownership assistance, construction of housing, residential rehabilitation, and acquisition rehabilitation.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income).

The activities described will meet the LMMH and LMMC (required counseling) national objectives under NSP. The LMMA objective will be met when providing acquisition and demolition activities. These are as defined under the NSP Notice or CDBG if not covered.

(4) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

This activity addresses the impact of foreclosed properties on neighborhoods and will target areas that have a high risk score along with supporting data from realtors and the Glendale's Code Enforcement Department.

The expected benefit to income qualified families or an individual is quality housing and homeownership.

It is anticipated that some projects initiated under this section will provide housing to families or individuals earning at or below 50% of AMI.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership; **The first option will be homeownership, the second option will be a rent-to-own or lease purchase option/component that allows the applicants time to improve their credit and create a savings account.**
- duration or term of assistance; **Based on subsidy levels, with a maximum of 20 years, per HOME regulations.**

- a description of how the design of the activity will ensure continued affordability. HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.

For acquisition activities, include:

- Discount rate: A discount rate of 15% will be used until an approved methodology is developed that allows the use of the 10% discount rate. Our goal will be to achieve the best possible discount rate.

For financing activities, include:

- range of interest rates: It is anticipated that those customers at the upper range of eligibility will be able to acquire market financing with minimal subsidy.
- When providing loans to low-to-moderate individuals and families that the rate will be from 0-3% based on our current finance committee criteria. Loans from 80% to 120% of AMI will be based on the current published rate tied to LIBOR or as developed and adopted by our finance review committee.
- For customers that are below 50% of AMI, sweat equity and non-profit partner financing along with other subsidy will help these families or individuals become homeowners.
- Every NSP assisted homebuyer will be required to complete at least 8 hours of homebuyer counseling from a HUD approved housing counseling agency before obtaining a mortgage loan.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations, and foreclosure data from Arizona Central and the Arizona Multiple Listing Service. Additional local data will be combined with HUD supplied risk score, number of subprime loans, and other data to further target funding.

Based on current data, the following areas meet the three stipulated need categories: neighborhoods within the Downtown Redevelopment Area (43rd - 67th Avenues; Orangewood to Maryland Avenues) and others within the 85301 (census 931.02, 928

block group 1, 3, 4, 5, 6, and 931.01, 930, 929 block group 1, 924, 925, and 926), 85302 (census tracts 923.09, 923.07, and 923.04), and 85303 (census tracts 927.03, 927.13, 927.14, 927.12, and 927.05) zip codes. These are the areas identified as having the greatest need, contain currently available foreclosed properties, and where NSP targeting will produce the highest impact.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Acquired and Rehabilitated Property: The target under this category is approximately 17 homes purchased and rehabilitated.

Demolitions: We anticipate demolishing 10 qualifying blighted structures as part of this program. If they cannot be redeveloped they will be held by our partners or an established land bank for future redevelopment.

(7) Total Budget: (Include public and private components)

We anticipate our public budget to be \$2.4 million and will try to leverage with private financing for potential buyers. The procurement process will recognize the value of non-federal funding sources and volunteerism.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

An RFP process to fund the best agencies/partners and proposals will be initiated as soon as allowable under the regulations, anticipate the spring/summer of 2009. It is anticipated that up to three to four partners using varying types of homeownership/lease-to-own programs will help the City reach its NSP goals.

There are also some other potential partnerships that will be considered that are currently being formed by a consortium of non-profits.

The proper level of procurement will be utilized and documented to ensure quality, competition, minority and women owned business opportunity, and the expedient use of the funds in compliance with City of Glendale requirements and federal regulations.

(9) Projected Start Date:

A Request for Proposal (RFP) or other approved procurement process will be utilized to find the best projects and partners. This effort will be initiated as soon as allowable under the regulations. We anticipate award of contract and actual implementation to begin soon after February 13, 2009. The projected start day is contingent upon when funds are received and the completion of Environmental Review.

(10) Projected End Date:

All activity will continue through the commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations. The current anticipated end date is July 30, 2013, but we intend to apply to HUD for a waiver to continue the use of the funding to address community needs as allowed by regulation.

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate: **A discount rate of 15% will be used until an approved methodology is developed that allows the use of the 10% discount rate. Our goal will be to achieve the best possible discount rate.**

For financing activities, include:

- range of interest rates: **It is anticipated that those customers at the upper range of eligibility will be able to acquire market financing with minimal subsidy.**
- **When providing loans to low-to-moderate individuals and families that the rate will be from 0-3% based on our current finance committee criteria. Loans from 80% to 120% of AMI will be based on the current published rate tied to LIBOR or as developed and adopted by our finance review committee.**
- **For customers that are below 50% of AMI, sweat equity and non-profit partner financing along with other subsidy will help these families or individuals become homeowners.**
- **Every NSP assisted homebuyer will be required to complete at least 8 hours of homebuyer counseling from a HUD approved housing counseling agency before obtaining a mortgage loan.**

For housing related activities, include:

- duration or term of assistance; **Based on the HOME program subsidy levels, with a maximum of 20 years, per regulations.**

- tenure of beneficiaries--rental or homeownership; **The first option will be homeownership, the second option will be a rent-to-own or lease purchase option/component that allows the applicants time to improve their credit and create a savings account.**
- a description of how the design of the activity will ensure continued affordability **HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.**

NSP ACTIVITY NUMBER 2:

(1) Activity Name: **Neighborhood Stabilization Program Financing**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

The activities under NSP are financial mechanisms for acquisition, disposition, clearance and demolition, homeownership assistance, counseling, construction of housing, residential rehabilitation, and acquisition rehabilitation.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

The activities described will meet the LMMH (financing mechanisms) and LMMC (counseling) national objectives under NSP. The LMMA objective will be met when financing acquisition and demolition activities. These are as defined under the NSP Notice or CDBG if not covered.

(4) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

This activity addresses the impact of foreclosed properties on neighborhoods and will target areas that have a high risk score along with supporting data from realtors and the Glendale's Code Enforcement Department.

The expected benefit to income qualified families or an individual is quality housing and homeownership.

It is anticipated that some projects initiated under this section will provide housing to families or individuals earning at or below 50% of AMI.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership; **The first option will be homeownership, the second option will be a rent-to-own or lease purchase option/component that allows the applicants time to improve their credit and create a savings account.**
- duration or term of assistance; **Based on subsidy levels, with a maximum of 20 years, per HOME regulations.**
- a description of how the design of the activity will ensure continued affordability. **HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.**

For acquisition activities, include:

- discount rate: **NSP regulations will be followed per HUD guidance.**

For financing activities, include:

- range of interest rates
It is our intent that when providing loans to NSP eligible families and individuals that the rate will vary based on their income. The current finance review will be from 0-3% based on our current finance committee criteria. Loans from 80% to 120% of AMI will be based on the current published rate tied to LIBOR or as developed and adopted by our finance review committee.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

It is anticipated that 20 units will be assisted through different levels of financing, depending on the need. A variety of options will be available, including but not limited to down-payment assistance, deep subsidy, 100% financing. The income level utilizing this program is anticipated to be in the 81 to 120 percent of area median income.

(7) Total Budget: (Include public and private components)

The NSP budget for this activity will be \$1,565,701 in public funds, not including leveraged private funds. The amount of leverage will vary depending on the subsidy or financing level required based on customer credit.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

Potential banking and finance partners will be solicited and procured through the proper procurement mechanism based on projected funding and need. The City's Community Revitalization Division currently provides direct CDBG financial loans and services and will provide the same under NSP.

(9) Projected Start Date: **A Request for Proposal (RFP) or other approved procurement process will be utilized to find the best projects and partners. This effort will be initiated as soon as allowable under the regulations. We anticipate award of contract and actual implementation to begin soon after February 13, 2009. The projected start day is contingent upon when funds are received and the completion of Environmental Review.**

(10) Projected End Date: **All activity will continue through the commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations. The current anticipated end date is July 30, 2013, but we intend to apply to HUD for a waiver to continue the use of the funding to address community needs as allowed by regulation.**

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate:
NSP regulations will be followed per HUD guidance.

For financing activities, include:

- range of interest rates:
It is our intent that when providing loans to NSP eligible families and individuals that the rate will vary based on their income. The current finance review will be from 0-3% based on our current finance committee criteria. Loans from 80% to 120% of AMI will be based on the current published rate tied to LIBOR or as developed and adopted by our finance review committee.

For housing related activities, include:

- duration or term of assistance; **Based on subsidy levels, with a maximum of 20 years, per HOME regulations.**
- tenure of beneficiaries--rental or homeownership; **The first option will be homeownership, the second option will be a rent-to-own or lease purchase option/component that allows the applicants time to improve their credit and create a savings account.**
- a description of how the design of the activity will ensure continued affordability **HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.**

NSP ACTIVITY NUMBER 3:

(1) Activity Name: **Senior and Special Needs Rental Housing**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

The activities under NSP are acquisition, potential clearance and demolition to construct housing, multi-unit and single unit residential rehabilitation, and acquisition rehabilitation.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income).

The activities described will meet the LMMH and LMMC national objectives under NSP. These are as defined under the NSP Notice or CDBG if not covered.

(4) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

One area of greatest need includes quality affordable housing for seniors and/or people with special needs, as identified by our Strategic Housing Study. It is anticipated that a minimum of 40 units of Senior or Special Needs housing will be created through this partnership to acquire and redevelop foreclosed, underperforming, rental properties. This category will utilize over 25% of NSP funds providing seniors making 50% or less of area median income.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

It is anticipated that a minimum of 40 units of Senior or Special Needs housing will be created through this partnership to acquire and redevelop foreclosed, underperforming, rental properties. This category will utilize over 25% of NSP funds providing seniors making 50% or less of area median income.

(7) Total Budget: (Include public and private components)

We anticipate our public budget to be \$1.6 million and we will leverage additional private financing for the project. These could include private financing and potentially tax credits, based on past projects, construction costs, and the market.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

An RFP process to fund the best project and partner will be initiated as soon as allowable under the regulations, which we anticipate to occur during the spring of 2009.

The proper level of procurement will be utilized and documented to ensure quality, competition, minority and women owned business participation, and the expedient use of the funds in compliance with City of Glendale requirements and federal regulations.

(9) Projected Start Date: **A Request for Proposal (RFP) or other approved procurement process will be utilized to find the best projects and partners. This effort will be initiated as soon as allowable under the regulations. We anticipate award of contract and actual implementation to begin soon after February 13, 2009.**

The projected start day is contingent upon when funds are received and the completion of Environmental Review.

(10) Projected End Date: All activity will continue through the commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations. The current anticipated end date is July 30, 2013, but we intend to apply to HUD for a waiver to continue the use of the funding to address community needs as allowed by regulation.

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate
An aggregate acquisition discount rate of 15% will be utilized until an approved methodology is developed and approved that allows the use of the 10% discount rate. Our goal will be to get the best possible discount rate.

For financing activities, include:

- range of interest rates

For housing related activities, include:

- duration or term of assistance;
- tenure of beneficiaries--rental or homeownership;
- a description of how the design of the activity will ensure continued affordability
This activity will follow HOME regulation regarding tenure, duration of assistance, and continued affordability. HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.

NSP ACTIVITY NUMBER 4:

(1) Activity Name: **Neighborhood Stabilization Program Administration and Pre-Award Costs.**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

The activities under NSP are General Program and NSP Administration, Public Information, Planning, Pre-award Costs, and administration costs for the following activities under NSP which include, but are not limited to, acquisition, clearance and demolition, homeownership assistance, construction of housing, residential rehabilitation, and acquisition rehabilitation.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income).

The administrative and pre-award costs will support activities that will meet the LMMH and LMMC (required counseling) national objectives under NSP. The LMMA objective will be met when providing acquisition and demolition activities. These are as defined under the NSP Notice or under CDBG if not covered.

(4) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

This activity supports the administration, monitoring and oversight of programs and projects that address the impact of foreclosed properties on neighborhoods and will target areas that have a high risk score along with supporting data from realtors and the Glendale's Code Enforcement Department.

The expected benefit to income qualified families or an individual is quality housing and homeownership and stable neighborhoods.

It is anticipated that some projects initiated under this section will provide housing to families or individuals earning at or below 50% of AMI.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

It is anticipated that the City of Glendale, Arizona will meet or exceed its goals and objectives identified in each activity funded under the NSP, and utilize less than the 10% allowed for administration.

(7) Total Budget: (Include public and private components)

The NSP budget for administration will be the allowed 10% of the NSP allocation or \$618,411, and 10% of any program income. As with CDBG, any funds not used for administration will be reallocated into other NSP activities. Any local or CDBG funds used to cover NSP pre-award costs will be reimbursed once the amended

Annual Action Plan is approved and the NSP grant agreement with HUD is executed.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

Potential banking and finance partners will be solicited and procured through the proper procurement mechanism based on projected funding and need. The City's Community Revitalization Division currently provides direct CDBG financial loans and services and will provide the same under NSP.

Consultants may be utilized to ensure environmental compliance and to develop or modify existing processes to properly implement and administer NSP.

(9) Projected Start Date: **The City of Glendale, Arizona was notified by HUD through e-mail and officially by mail to the Mayor, that NSP funding had been allocated to the City to address the effects of foreclosed and abandoned properties. The letter also provided the application deadline date, being December 1, 2008. It also referred to the Annual Action Plan Amendment process as the vehicle HUD had identified to apply for the funds and reiterated NSP's close relationship to the CDBG program and its regulations. Upon successful application, upfront costs to prepare and process the amendment, train staff, implement and administer the program, are eligible for reimbursement under the pre-award component of NSP. Staff had begun preliminary research into the Housing and Economic Stability Act of 2008 in August of 2008, which is where NSP was created.**

Pre-award, Environmental, and Administration costs are exempt activities under NEPA Environmental Review regulations for both NSP and CDBG.

A Request for Proposal (RFP) or other approved procurement process will be utilized to find the best projects and partners. This effort will be initiated as soon as allowable under the regulations. We anticipate award of contract and actual implementation to begin soon after February 13, 2009. The projected start day is contingent upon when funds are received and the completion of Environmental Review.

(10) Projected End Date: **All activity will continue through the commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations. The current anticipated end date is July 30, 2013, but we intend to apply to HUD for**

a waiver to continue the use of the funding to address community needs as allowed by regulation.

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

- duration or term of assistance;
- tenure of beneficiaries--rental or homeownership;
- a description of how the design of the activity will ensure continued affordability

CERTIFICATIONS

(1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

(5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.

(6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds ≤ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.

(11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by

assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.

Pam Kaul
Signature/Authorized Official

11/21/08
Date

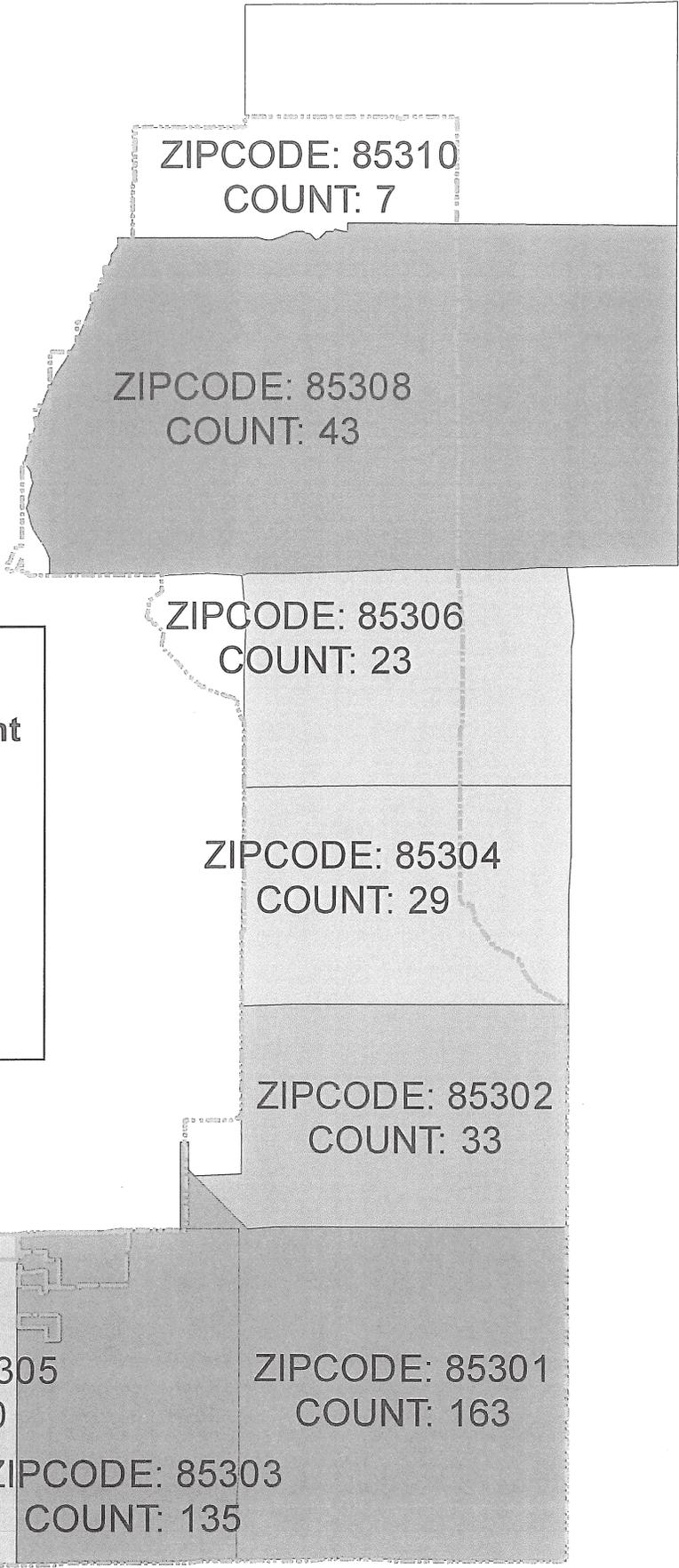
Asst. City Manager
Title

Legend

Zip Code Foreclosure Count

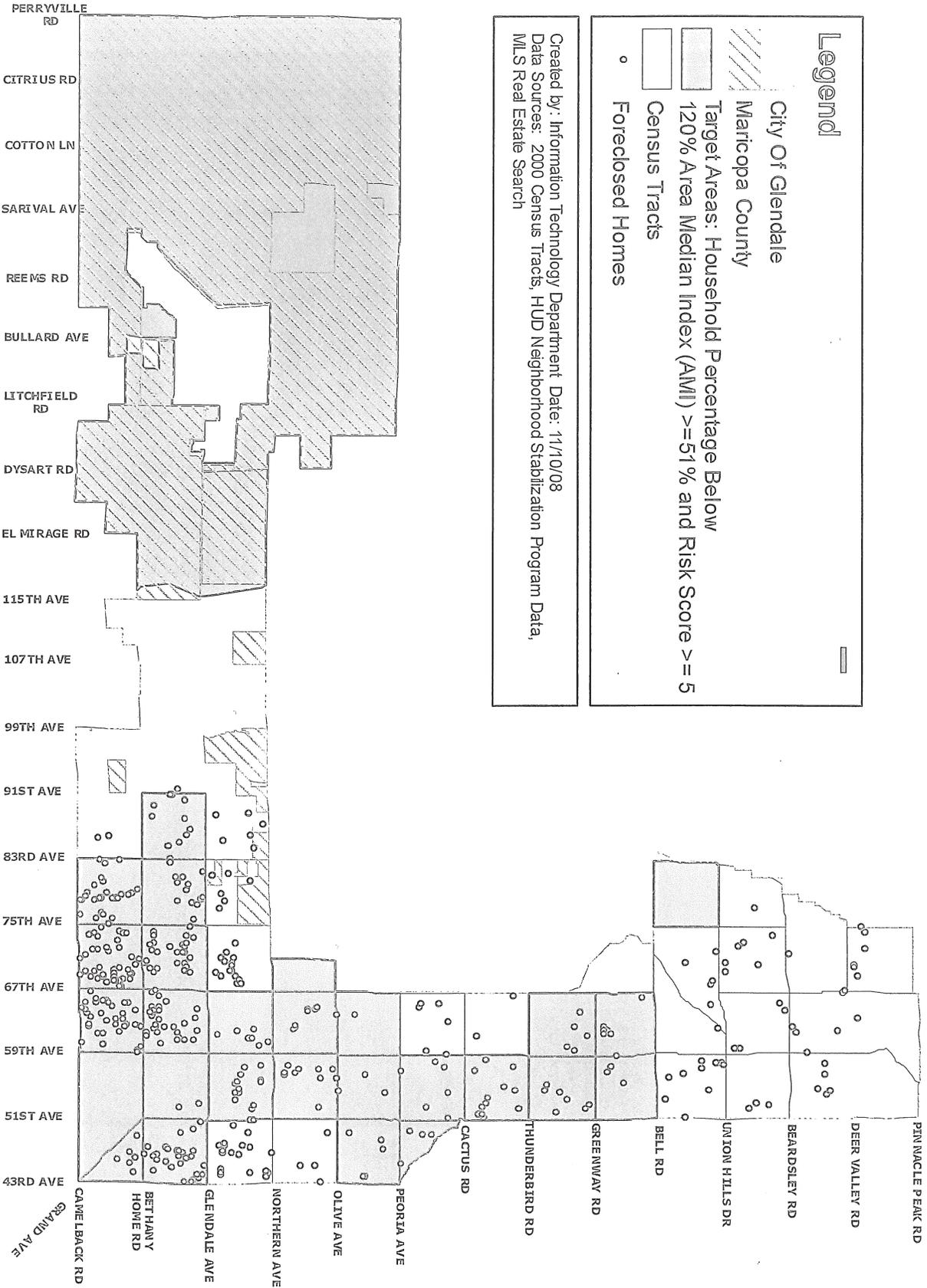
	0 - 19
	20 - 29
	30 - 39
	40 - 49
	50 - 165

 City Boundary



2008 Target Areas for Acquiring Foreclosed Homes

Community Revitalization Department, City of Glendale, AZ



Legend

Registered Neighborhoods

Count

0 - 4

5 - 10

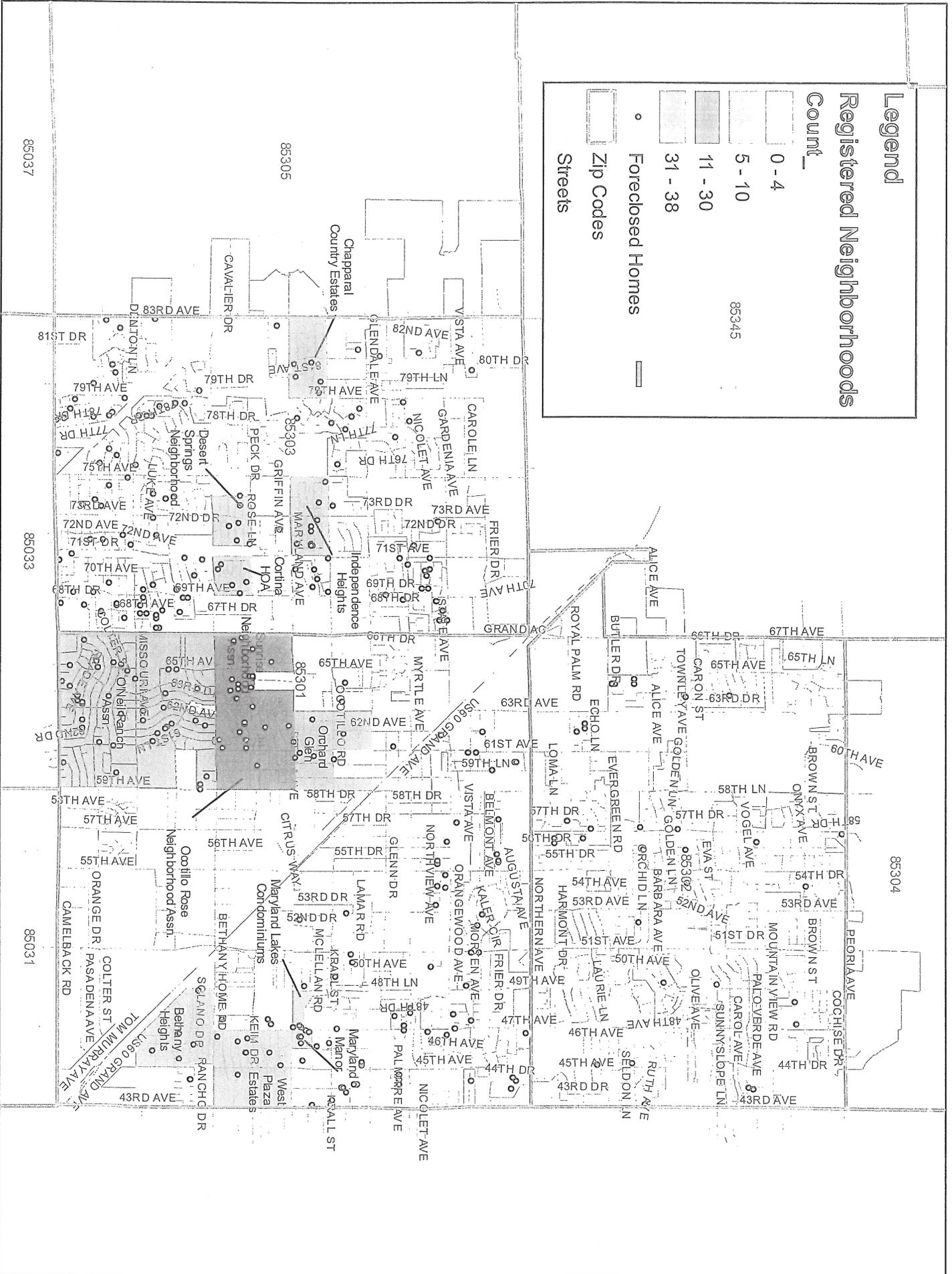
11 - 30

31 - 38

Foreclosed Homes

Zip Codes

Streets



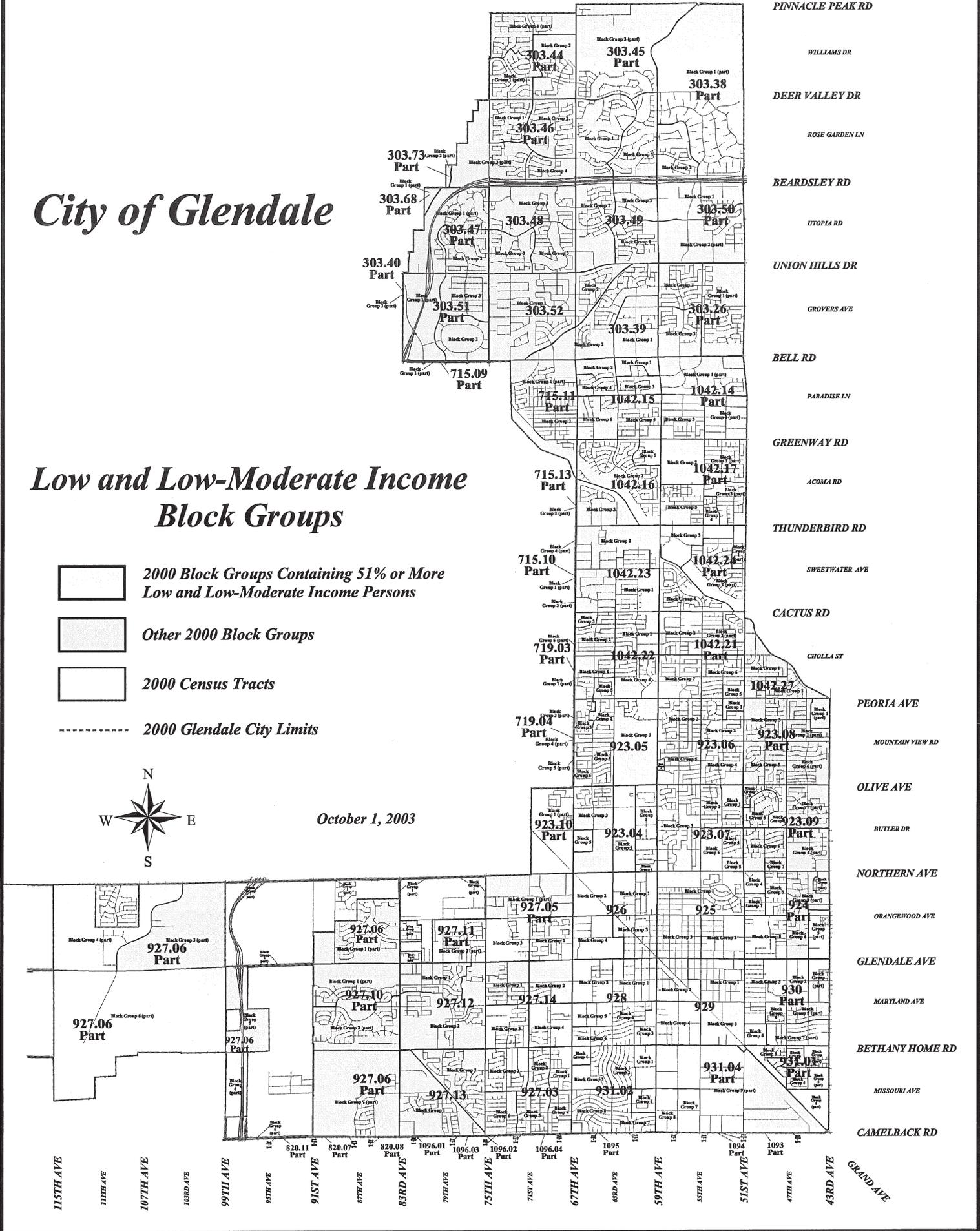
City of Glendale

Low and Low-Moderate Income Block Groups

-  2000 Block Groups Containing 51% or More Low and Low-Moderate Income Persons
-  Other 2000 Block Groups
-  2000 Census Tracts
-  2000 Glendale City Limits



October 1, 2003



NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): <u>City of Glendale Arizona</u> Lead Agency: <u>Community Revitalization Division</u> Jurisdiction Web Address: <u>www.glendaleaz.com</u> , CommunityPartnerships, Plans and Assessments (URL where NSP Substantial Amendment materials are posted)	NSP Contact Person: <u>Gilbert Lopez</u> Address: <u>6829 N. 58th Dr. Suite 104, Glendale, AZ 85301</u> Telephone: <u>(623) 930-3670</u> Fax: <u>(623) 435-8594</u> Email: <u>glopez@glendaleaz.com</u>
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The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. AREAS OF GREATEST NEED

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes No Verification found on page 2,3 (maps)

B. DISTRIBUTION AND USES OF FUNDS

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes No Verification found on page 3

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. DEFINITIONS AND DESCRIPTIONS

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
 Yes No Verification found on page 4

- a definition of "affordable rents,"
 Yes No Verification found on page 4 (HOME RENTS)

- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes No . Verification found on page 4,5.
- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes No . Verification found on page 5.

D. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 5,6.
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 5,16.
Amount budgeted = \$ 1.6 Million

E. ACQUISITIONS & RELOCATION

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?

Yes No . (If no, continue to next heading)
Verification found on page 10 (Not low- and moderate income)

If so, does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?
Yes No . Verification found on page _____.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?
Yes No . Verification found on page _____.
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
Yes No . Verification found on page _____.

F. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes No Verification found on page 7.

Is there a summary of citizen comments included in the final amendment?

Yes No Verification found on page 6.

G. INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,
Yes No Verification found on page 8, 12, 15, 17
- correlated eligible activity under CDBG,
Yes No Verification found on page 8, 12, 15, 18
- the areas of greatest need addressed by the activity or activities,
Yes No Verification found on page 2, 3, 8, 12, 15, 18, MAPS
- expected benefit to income-qualified persons or households or areas,
Yes No Verification found on page 2, 3, 5, 8, 12, 15, 18
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No Verification found on page 5(D), 9
- appropriate performance measures for the activity,
Yes No Verification found on page 6, 13, 16, 18
- amount of funds budgeted for the activity,
Yes No Verification found on page 10, 14, 16, 18
- the name, location and contact information for the entity that will carry out the activity,
Yes No Verification found on page 2, 10, 14, 16, 19
- expected start and end dates of the activity?
Yes No Verification found on page 11, 14, 16, 17, 19
- If the activity includes acquisition of real property, the discount required for acquisition of foreclosed upon properties,
Yes No Verification found on page 9, 11, 13, 17

- If the activity provides financing, the range of interest rates (if any),
Yes No . Verification found on page 11, 13.
- If the activity provides housing, duration or term of assistance,
Yes No . Verification found on page 8, 13, 17
- tenure of beneficiaries (e.g., rental or homeownership),
Yes No . Verification found on page 8, 13, 17
- does it ensure continued affordability?
Yes No . Verification found on page 9, 13, 17 (HOME)

H. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds \leq 120 of AMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

AS 11-26-08



City of Glendale
Community Revitalization Division
6829 N. 58th Drive, Suite 104
Glendale, AZ 85301

www.glendaleaz.com/communitypartnerships/communityrevitalization.cfm.

Phone (623) 930-3670
Fax (623) 435-8594
TDD (623) 930-2197
AZ Relay Service Number 711

