



GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
May 09, 2006
7:00 p.m.

CALL TO ORDER – PLEDGE OF ALLEGIANCE

APPROVAL OF THE [MINUTES OF APRIL 25, 2006](#)

PROCLAMATIONS AND AWARDS

[2006 RUTH BYRNE HISTORIC PRESERVATION AWARD](#)

[2006 NATIONAL HISTORIC PRESERVATION MONTH PROCLAMATION](#)

[PROCLAMATION OF RECOGNITION FOR DEER VALLEY HIGH SCHOOL SPIRITLINE](#)

CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They 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.

1. [LIQUOR LICENSE NO. 3-1050 – OCTANE LOUNGE II](#)
2. [LIQUOR LICENSE NO. 3-1052 – R T O’SULLIVANS](#)
3. [AUTHORIZATION TO INCREASE APPROPRIATION AUTHORITY FOR FUEL SERVICES AND FLEET OPERATIONS](#)
4. [AWARD OF CONSTRUCTION CONTRACT FOR INFRASTRUCTURE INTERSECTION IMPROVEMENTS](#)
5. [PROFESSIONAL SERVICES AGREEMENT: DOWNTOWN PARKING STRUCTURE](#)
6. [AGREEMENT WITH INTERNATIONAL FACILITIES GROUP \(IFG\) FOR PROFESSIONAL SERVICES AT CONFERENCE AND MEDIA CENTER](#)

CONSENT RESOLUTIONS

7. [APPLICATION FOR DESIGNATION AS PRESERVE AMERICA COMMUNITY](#)
8. [INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR COMMUNITY ACTION PROGRAM FUNDING](#)
9. [NOTICE OF INTENT TO INCREASE WATER AND SEWER RATES](#)

PUBLIC HEARING

10. [PROPOSED INCREASE TO DEVELOPMENT IMPACT FEES](#)

PUBLIC HEARING - ORDINANCES

11. [ADOPTION OF MODEL CITY TAX CODE OPTION 13](#)

ORDINANCES

12. [ARIZONA PUBLIC SERVICE COMPANY ELECTRICAL EASEMENT: NORTHWEST CORNER OF 55TH AVENUE AND UNION HILLS ROAD](#)

NEW BUSINESS

13. [APPEAL OF VARIANCE APPLICATION NO. VAR05-02: CLARENCE MORGAN, 7533 NORTH 75TH AVENUE](#)

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)).**

CALL TO ORDER – PLEDGE OF ALLEGIANCE

APPROVAL OF THE [MINUTES OF APRIL 25, 2006](#)

PROCLAMATIONS AND AWARDS

[2006 RUTH BYRNE HISTORIC PRESERVATION AWARD](#)

Purpose: This is a request for City Council to honor Ms. Julia Phillips as recipient of the 2006 Ruth Byrne Historic Preservation Award.

Council Strategic Goals Or Key Objectives Addressed: On November 23, 2003, City Council adopted the Historic Preservation Plan (HPP). The HPP recommends the Historic Preservation Commission develop ongoing support and awareness for historic preservation. The Ruth Byrne Historic Preservation Award has been in existence since 1996 and honors individuals or groups that have provided outstanding contributions to historic preservation in Glendale.

Background: The annual Ruth Byrne Historic Preservation Award provides a significant opportunity for the community to honor individuals and organizations for outstanding contributions to historic preservation. On March 23, 2006, the Historic Preservation Commission reviewed four nominations and unanimously decided to award Ms. Julia Phillips the 2006 Ruth Byrne Historic Preservation Award.

Ms. Julia Phillips has been a tour guide for the Glendale Historical Society at Sahuaro Ranch Park for the past 15 years. Ms. Phillips has informed and delighted thousands of visitors about Glendale's heritage. During the past five years, Ms. Phillips has been in charge of collecting, displaying, and preserving historic artifacts relating to Glendale history for the Glendale Historical Society.

Ms. Phillips was responsible for starting a military uniform collection from each branch of the Military. Each fall, Ms. Phillips sets up a military display at the guesthouse and each spring she is responsible for a display of wedding dresses and bridal artifacts. Ms. Phillips has a unique ability to work with others to achieve successful projects and has been an outstanding member of the Glendale Historical Society, serving as its Treasurer and Vice President, and is currently a Director. Ms. Phillips' work at Sahuaro Ranch has been remarkable, and her work to preserve historic artifacts is superb.

Community Benefit: The award increases awareness and support for historic preservation activities and helps to create a strong positive image of Glendale as a city that is committed to historic preservation.

Public Input: The Historic Preservation Commission sent letters to organizations asking for nominations. An article was published in the newspaper announcing the award nomination request. The Commission received four nominations for the 2006 Ruth Byrne Historic Preservation Award.

Recommendation: Present the 2006 Ruth Byrne Historic Preservation Award to Ms. Julia Phillips.

2006 NATIONAL HISTORIC PRESERVATION MONTH PROCLAMATION

Purpose: This is a request for City Council to issue a proclamation recognizing May 2006 as “National Historic Preservation Month.”

Council Strategic Goals Or Key Objectives Addressed: The Glendale Historic Preservation Plan adopted by Council on November 23, 2003, recommends the Historic Preservation Commission (HPC) develop a strong awareness and support for historic preservation. The recognition and celebration of “National Historic Preservation Month” by the citizens of Glendale is one important activity to help achieve the plan’s recommendations.

Background: The National Trust for Historic Preservation, in partnership with communities and historical societies throughout the nation, recognizes May as “National Historic Preservation Month.” Communities are encouraged to conduct historic preservation awareness activities. The HPC will hold its third Annual Historic Preservation Tour on May 13, 2006, touring homes in the Catlin Court Historic District to honor the celebration of “National Historic Preservation Month.”

Previous Council/Staff Actions: City Council has annually approved the “National Historic Preservation Week or Month.”

Recommendation: Issue a proclamation recognizing May 2006 as “National Historic Preservation Month.”

PROCLAMATION OF RECOGNITION FOR DEER VALLEY HIGH SCHOOL SPIRITLINE

Purpose: This is a request for City Council to present the Deer Valley High School Spiritline a proclamation of recognition to express our appreciation for the significant accomplishments achieved by the spiritline and their Coach Vickie Jones.

The Deer Valley High School Spiritline has won numerous competitions, including 1st place in the State AIA Championship for Cheer/Pom, 5A Division II, bringing pride and recognition to themselves, Deer Valley High School and the community of Glendale.

Recommendation: Present Vicki Jones and Deer Valley Spiritline a Proclamation of Recognition.

CONSENT AGENDA

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1. [LIQUOR LICENSE NO. 3-1050 – OCTANE LOUNGE II](#)

Purpose: This is a request by Carlos Nick Martinez for the City Council to approve a person-to-person transfer of ownership and location transfer for this Series 06 (Bar - All Liquor) license for Octane Lounge II, located at 8160 West Union Hills Drive.

Background: The approval of this license will increase the total number of liquor licenses in this area by one.

The establishment is over 300 feet from any school or church. The Planning Department, Police Department, and the Maricopa County Health Department have reviewed the application and determined that it meets all technical requirements.

Public Input: No protests were received during the 20-day posting period.

Recommendation: Forward a recommendation for approval to the Arizona Department of Liquor Licenses and Control for Liquor License Number 3-1050.

2. [LIQUOR LICENSE NO. 3-1052 – R T O’SULLIVANS](#)

Purpose: This is a request by Timothy Raymond O’Sullivan for City Council to approve a person-to-person transfer of ownership and location transfer for this Series 06 (Bar - All Liquor) license for R T O’Sullivans, located at 5830 West Bell Road.

Background: The approval of this license will increase the total number of liquor licenses in this area by one.

The establishment is over 300 feet from any school or church. The Planning Department, Police Department, and the Maricopa County Health Department have reviewed the application and determined that it meets all technical requirements.

Public Input: One protest was received during the 20-day posting period from Uncle Charlie’s American Grill, at 5285 West Bell Road, Glendale, which also holds a Series 06 (Bar - All Liquor) license.

Recommendation: Forward a recommendation for approval to the Arizona Department of Liquor Licenses and Control for Liquor License Number 3-1052.

3. [AUTHORIZATION TO INCREASE APPROPRIATION AUTHORITY FOR FUEL SERVICES AND FLEET OPERATIONS](#)

Purpose: This is a request for City Council to authorize a transfer of general fund contingency appropriation authority totaling \$695,000. This appropriation request is being made in the event additional funds are needed to purchase the following items and services in this current fiscal year, FY 2005-06.

Of the \$695,000 appropriation request, \$400,000 will be allocated to the Equipment Management Fuel Services Division for the potential purchase of motor fuels and the remaining \$295,000 will be allocated to various accounts in the Equipment Management Division for the potential purchase of fleet repair and management items and professional contractual services for the remainder of FY 2005-06.

Council Strategic Goals Or Key Objectives Addressed: This authorization will ensure adequate funding appropriation to effectively maintain the city fleet and to maintain high quality service for citizens and contribute to the city's fiscal soundness.

Background: The Field Operations Department's Equipment Management Division provides critical repair and maintenance services to the city's inventory of over 1,300 vehicles and pieces of equipment. Equipment management purchases the items from outside vendors, then sells the items to its internal customers in the departments.

Since May 2004, the division has experienced growth in the city's fleet of more than 100 vehicles, or 1,000,000 miles per year increase in fleet miles driven, and a 26% increase in parts costs. During a fiscal year, Equipment Management completes over 30,500 vehicle and equipment repairs with 95% of these services completed at the city's vehicle maintenance facility. Continued growth in the city's inventory and parts costs increases related to the rising cost of steel and oil has lead to increased costs to effectively maintain the city fleet.

Previous Council/Staff Actions: On March 28, 2006, Council approved a transfer of general fund contingency appropriation authority of \$400,000 for the National Auto Parts Association (NAPA) contract for the purchase of automotive parts for the remainder of FY 2005-06. This request is not associated with the NAPA parts store operation.

Community Benefit: Approval of this appropriation request will ensure that the Equipment Management Division can provide the maintenance, products, and services needed to maintain the fleet vehicles used in providing services to our citizens.

Budget Impacts & Costs: This transaction will require the transfer of appropriation authority from FY 2005-06 General Fund Contingency, Account No. 01-2450-7000 to the Equipment Management Division.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
				X	\$695,000

<u>Account Name, Fund, Account and Line Item Number:</u>
Motor Fuels, Account No. 16-6257-7442 \$400,000
Professional and Contractual, Account No. 16-6252-7330, \$100,000
Tire-New, Account No. 16-6252-7441, \$110,000
Oils & Lubricants, Account No. 16-9252-7317, \$40,000
Tire Capping, Account No. 16-6252-7316, \$45,000

Recommendation: Authorize the transfer of \$695,000 in appropriation authority from FY 2005-06 General Fund Contingency, Account Number 01-2450-7000 to the Equipment Management Division.

4. AWARD OF CONSTRUCTION CONTRACT FOR INFRASTRUCTURE INTERSECTION IMPROVEMENTS

Purpose: This is a request for City Council to approve a Guaranteed Maximum Price (GMP) construction contract with Achen-Gardner Engineering, LLC for \$14,003,140.

Council Strategic Goals Or Key Objectives Addressed: One of Council’s goals is to provide high quality services to citizens. Improving and providing transportation options within the city will assist in achieving this goal.

Background: On November 6, 2001, voters approved funding to construct street and intersection improvements throughout the city. These street and intersection improvements will include pavement widening, raised medians, curb, gutter, sidewalk, landscaping, streetlights, under grounding utilities, and traffic signal modifications.

This initial construction contract with Achen-Gardner will include improvements along Glendale Avenue from 67th to 91st avenues, 75th Avenue from Camelback Road to Glendale Avenue, 83rd Avenue from Camelback Road to Glendale Avenue, as well as intersection improvements along 67th Avenue at Camelback Road, Bethany Home Road, Glendale Avenue and Bell Road.

Previous Council/Staff Actions: On March 28, 2006, Council approved a Construction Manager at Risk contract with Achen-Gardner Engineering, LLC for pre-construction services.

Community Benefit: Construction of pavement widening, raised medians, curb, gutter, sidewalk, landscaping, streetlights and traffic signal modifications will provide greater safety, improved traffic flow, less congestion, and aesthetic enhancements.

Public Input: This project was presented at public meetings held as part of the Glendale Onboard Transportation Program. Also, public meetings have been held for each design project.

Budget Impacts & Costs: The construction contract award is estimated at \$14,003,140. This transaction will require the transfer of FY 2005-06 contingency appropriation authority in the amount of \$3,288,609 from the Transportation Sales Tax contingency fund (25-2439-7000) and the transfer of FY 2005-06 contingency appropriation authority in the amount of \$1,470,454 from other capital construction contingency funds.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X	X	\$14,003,140

<u>Account Name, Fund, Account and Line Item Number:</u> FY 2005-06 67 th Avenue: Camelback to Grand, Account No. 33-9478-8300, \$5,082,520 FY 2005-06 67 th Avenue: Olive to Bell Road Improvements, Account No. 33-9479-8300 \$873,755
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FY 2005-06 75 th /83 rd /Glendale Street Improvements, Account No. 33-9486-8300, \$5,038,278
FY 2006-07 75 th /83 rd /Glendale Street Improvements, Account No. 33-9486-8300, \$3,008,587

Recommendation: Approve the Guaranteed Maximum Price construction contract with Achen-Gardner Engineering, LLC in the amount not to exceed \$14,003,140 to construct street improvements.

5. [PROFESSIONAL SERVICES AGREEMENT: DOWNTOWN PARKING STRUCTURE](#)

Purpose: This is a request for City Council to approve a professional services agreement with Dick & Fritsche Design Group to undertake a mixed-use downtown parking structure feasibility study to include site evaluations, a comprehensive downtown parking policy, programming and concept design.

Council Strategic Goals Or Key Objectives Addressed: One of the objectives of Council's strategic goal of "One Community with A Vibrant City Center" is to earmark funds for a parking structure downtown and begin construction. The City Center Master Plan discussed the need for new parking facilities in the City Center.

Background: In March 2006, staff issued a Request for Qualifications (RFQ) for consultants to undertake the study and design of a downtown parking structure. The city received four responses to the RFQ. Staff members from Engineering, Economic Development, Finance/Materials Management and Marketing/Communications held interviews on April 19, 2006 with the top two candidates.

As a result of those interviews, Dick & Fritsche Design Group of Phoenix was selected as the most qualified firm to perform these services. The purpose of the study phase is to determine the feasibility of the project and identify the needs of the parking district, the appropriate size of the garage amenity based upon estimated future growth, potential financing options, and a compatible mix of uses.

It is anticipated that the study activities will be undertaken immediately and appropriate conceptual plans could be ready for presentation at an early Fall Council Workshop.

Community Benefit: Additional parking in the downtown area will benefit citizens and visitors who come to the downtown for shopping, city services and special events.

Public Input: Citizens and visitors have stated that there is a need for additional parking in the downtown. This item was often a topic of discussion throughout the development of the City Center Master Plan. There will be more opportunities for citizen input during the course of the feasibility study.

Budget Impacts & Costs: Funds for the feasibility study and design phase of the parking structure are available in Downtown Parking Structure account.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$133,100

Account Name, Fund, Account and Line Item Number:

Downtown Parking Structure, Account No. 31-9579-8330

Recommendation: Approve the professional services agreement with Dick & Fritsche Design Group in the amount of \$133,100.

6. [AGREEMENT WITH INTERNATIONAL FACILITIES GROUP \(IFG\) FOR PROFESSIONAL SERVICES AT CONFERENCE AND MEDIA CENTER](#)

Purpose: This is a request for City Council to approve an Extension Proposal Agreement from International Facilities Group (IFG) to provide oversight and owner’s representation services for the Conference and Media Center project when needed. IFG will act as the city’s representative during design, construction and initial operations of the Conference Center, Media Center, Hotel, Waterfront Project and Parking Garage to assist in project development and completion.

Council Strategic Goals Or Key Objectives Addressed: This project is consistent with the Council goals of promoting quality economic development projects within the city.

Background: Staff has reviewed the proposed agreement, terms and stipulations as outlined from IFG. This contract will assist in expediting the construction process for these facilities.

IFG will act as the city’s representative during design, construction and initial operations of the Conference Center, Media Center, Hotel, Waterfront Project and Parking Garage. IFG will provide full-time on-site representation during the period of construction of the Conference and Media Center (expected to be March 1, 2006 through December 1, 2006) and through the closeout period (expected to be December 1, 2006 through February 1, 2007).

Previous Council/Staff Actions: Council previously approved a consulting services agreement with IFG, dated March 26, 2002, to provide oversight and owner’s representation services for the Conference and Media Center project.

Community Benefit: The Conference and Media Center Project will provide a communication and meeting venue to benefit the city residents and visitors. The state-of-the-art center will be a focal point that will offer economic development opportunities and additional revenues to benefit the city and to enhance the quality of life for the entire community.

The Media Center was professionally designed with input from members of the media and is attached to the Marriott Renaissance Hotel and 80,000 square foot convention center. The Media Center will be connected with the new studios for Glendale 11, the city’s cable station, providing increased city media coverage to benefit and inform the community of available services and upcoming events.

Development of the Conference and Media Center Project provides a venue that could boost the city tax revenues and increase employment opportunities to benefit the residents and the city.

Budget Impacts & Costs: Funds are available in the FY 2006-07 preliminary capital improvement plan in the Revenue Obligations fund (fund 95). The Parking/Convention Center/Media/Cable project was split into three separate projects in the FY 2006-07 preliminary capital improvement plan.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$700,000

Account Name, Fund, Account and Line Item Number:

Convention Center, Account No. 95-8224-7330
 Parking Garage, Account No. 95-8225-7330
 Media Center/Cable Studio, Account No. 95-8226-7330

Recommendation: Authorize the City Manager to enter into an Extension Proposal Agreement with International Facilities Group in an amount not to exceed \$700,000 to provide oversight and owner’s representation services for the Conference and Media Center project when needed.

CONSENT RESOLUTIONS

7. [APPLICATION FOR DESIGNATION AS PRESERVE AMERICA COMMUNITY](#)

Purpose: This is a request for City Council to adopt a resolution to apply for designation as a “Preserve America Community.”

Council Strategic Goals Or Key Objectives Addressed: The designation as a “Preserve America Community” would implement the City of Glendale’s Goals of Quality Economic Development and Vibrant City Center. Historic preservation is a strong economic tool by promoting heritage tourism and can be instrumental in creating a strong historic city center.

Background: *Preserve America* is a White House Initiative developed in cooperation with the Departments of Interior, Commerce, Agriculture, and Housing and Urban Development, and the Advisory Council on Historic Preservation. It highlights efforts of President and First Lady Bush to preserve our national heritage. One important aspect of the overall program is designation of *Preserve America* communities.

Preserve America designation will be granted to communities that meet three criteria:

- The community has supported, in the past three years, a historic or cultural preservation project that promotes heritage tourism and involves private-public partnership.
- The governing body adopts a resolution indicating its commitment to preservation of its heritage assets.
- The community meets at least five criteria specified in categories of discovering heritage through historic places, protecting historic resources, and promoting historic places.

June 1, 2006 is the deadline for the *Preserve America* application. There are 220 *Preserve America* communities in 34 states of the nation. Prescott, AZ and the White Mountain Apache Tribe are the only communities in Arizona that have been designated.

Community Benefit: Glendale can take pride in having the honor of being named a *Preserve America* community. Additional benefits include:

- National recognition of historic preservation efforts.
- White House recognition through First Lady Bush's office.
- *Preserve America* road sign, authorization to use logo, listing on web site, regional national press releases, and official state tourism office notification.
- Enhanced community visibility and pride.

Congress approved up to \$5 million in FY 2006 for *Preserve America* 50/50 matching grants with a cap of \$150,000 to support a variety of activities related to heritage tourism and innovative approaches to the use of historic properties as educational and economic assets.

Recommendation: Waive reading beyond the title and adopt a resolution to allow the submittal of the application to be considered as a possible *Preserve America* community.

8. [INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR COMMUNITY ACTION PROGRAM FUNDING](#)

Purpose: This is a request for City Council authorization for an amendment to renew the intergovernmental agreement with Maricopa County Human Services Department to provide partial funding in the amount of \$301,699 for the FY 2006-07 operation of Glendale's Community Action Program (CAP). There is an additional \$15,000 that is included in the total funding amount for the administration of a youth outreach program.

Council Strategic Goals Or Key Objectives Addressed: Community Action Program is consistent with the Council goals of promoting high quality services for citizens and one community with strong neighborhoods.

Background: Community Action Program provides direct services to low and moderate-income Glendale residents. Services include energy assistance payments, minor home repairs, crisis assistance for families, which includes homeless assistance and temporary rent/mortgage subsidies.

Previous Council/Staff Actions: On April 12, 2005, Mayor and City Council adopted the resolution to enter into an intergovernmental agreement with Maricopa County for Community Action Program funding.

Community Benefit: The Community Action Program will ensure that the low and moderate-income Glendale residents will continue to receive crisis services that promote financial stability and enhance the quality of life in Glendale.

Budget Impacts & Costs: The cost of \$301,699 for operation of CAP services is funded by Maricopa County Human Services Department. The City of Glendale's General Fund supplements the remainder of CAP's budget with an appropriation of \$141,340. The City of Glendale also provides in-kind contributions for the office space, utilities, custodial services and miscellaneous operating expenses.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X			X		\$443,039

Account Name, Fund, Account and Line Item Number:

Maricopa County Human Services, Account No. 46-0046-4241
 City of Glendale General Fund, CAP Account No. 01-0001-4846

Recommendation: Waive reading beyond the title and adopt a resolution authorizing the amendment to renew the annual intergovernmental agreement with the Maricopa County Human Services Department for partial funding of the Community Action Program.

9. [NOTICE OF INTENT TO INCREASE WATER AND SEWER RATES](#)

Purpose: This is a request for City Council to adopt a resolution declaring the city's intent to increase the water and sewer rates effective October 2006, and setting the public hearing on the proposed increases for June 13, 2006.

Background: One of Glendale's top priorities is to provide safe drinking water 24 hours a day, seven days a week to its utilities customers. In order to provide the best water and sewer services, and remain in compliance with Federal and State regulatory requirements, there are a series of improvements that need to be completed. These include: construction of the Oasis Water campus, renovation of water and wastewater treatment plants, rehabilitation of the water distribution and sewer collection systems and security enhancements to critical facilities.

The recommended rate adjustments are necessary to provide the financial resources to complete these required improvements, which are listed in the Capital Improvement Program (CIP), and ensure that the Water and Sewer Enterprise Funds maintain adequate operational cash reserves.

In 2005, as part of the Utilities Department comprehensive annual needs assessment, the consulting firm of Black & Veatch was contracted to update the 2003 water and sewer rate report. This update was necessary to address the revised cost estimates of projects included in the Utilities Needs Assessment and the CIP. These revised cost estimates reflect the inflationary trend in the construction market and additional costs resulting from recommendations of the Utilities Security Master Plan. As part of the evaluation, Black & Veatch also reviewed and evaluated revenues and revenue requirements of the department. The results of this updated analysis were presented at the March 7, 2006 Council Workshop with the stipulation that the requested adjustment would be for FY 2006-07 with Council reviewing the rates annually.

Previous Council/Staff Actions: On October 26, 2004, following the legally prescribed public hearing, Council authorized the adoption of a resolution implementing water rate adjustments effective with the January 2005 water utility billing.

On September 22, 2004, the Council adopted a notice of intention to increase water rates and set the public hearing for October 26, 2004.

The last sewer rate increase was authorized by Council effective with the February 2004 billing.

Prior to the January 2005 rate increase, no water rate increases had been authorized since November 1, 1995.

Community Benefit: The proposed rate adjustment will help to ensure that the city has the financial resources to continue to provide the highest quality water and sewer services to Glendale citizens and remain in compliance with Federal and State regulations.

Recommendation: Waive reading beyond the title and adopt a resolution declaring the city's intent to increase the water and sewer rates effective October 2006 and setting the public hearing for June 13, 2006.

PUBLIC HEARING

10. [PROPOSED INCREASE TO DEVELOPMENT IMPACT FEES](#)

Purpose: This is a request for City Council to hold a public hearing for amending the development impact fees with an effective date of August 22, 2006. Development impact fees (DIF) are one-time charges to developers that are used to offset capital costs resulting from new development. They are necessary to expand and develop new facilities to serve new growth so cities can continue to provide the same level of service to new growth as that provided to existing residents.

Background: On October 12, 2004, Council approved the selection of Tischler & Associates (subsequently named TischlerBise) to provide this update for the city's development impact fees, with the exception of water and sewer. TischlerBise completed the city's prior DIF updates in 2000 and 2001. TischlerBise also has done impact studies for Avondale, Buckeye, Carefree, Casa Grande, Coolidge, Eloy, El Mirage, Flagstaff, Gilbert, Goodyear, Northwest Fire District, Peoria, Phoenix, Queen Creek, Scottsdale, Surprise and Tolleson.

Consultant Black & Veatch prepared an updated report on the city's water and sewer DIF. Their update utilized the methodology established by Tischler & Associates in the comprehensive fee study completed in 2001.

The two DIF studies are based on planning and zoning information, existing levels of service provided to current residents, the FY 2005-14 Capital Improvement Plan and the December 14, 2005 Black & Veatch evaluation. Revenue from the proposed changes is expected to cover the costs associated with growth.

Previous Council/Staff Actions: DIF for parks, water and sewer have existed for several years. Fees for streets, library and public safety were implemented in 1997. Fees were implemented for

solid waste (sanitation and landfill), roadways and general government in 2000. The public safety fee was separated into police facilities and fire/emergency medical services in 2001.

In 1997, Council requested that the fees be revisited and updated every three years.

The last update for library; parks, recreation and open space; police; fire/emergency medical services; general government; solid waste; and roadway improvements was completed in 2001 and adopted by Council on October 9, 2001, with an effective date of January 10, 2002.

The last update for water and sewer DIF was completed in 2003 and adopted by Council on May 25, 2004, with an effective date of August 2, 2004.

On February 7, 2006, Council was presented the current proposed DIF report at a workshop. The report presented at that workshop is the supporting documentation for this public hearing.

On February 28, 2006, Council adopted a resolution stating the city's intent to increase development impact fees (DIF) and set a public hearing date of May 9, 2006.

Community Benefit: By implementing the new DIF, the city will be able to maintain its current level of service to existing residents and support future growth.

Public Input: The public will be provided an opportunity to comment during the May 9, 2006 public hearing. March 1 thru April 30th reflects the 60-day public posting period. The revised ordinance will be presented to Council on May 23, 2006. The new fees become effective 90 days after the ordinance is adopted.

On January 4, 2006, staff met with representatives from the Home Builders Association of Central Arizona (HBACA) and Arizona Multihousing Association (AMA) to discuss the material provided to both organizations on December 21, 2005 regarding technical aspects of the development fee methodology and supporting data for the proposed development impact fees for all categories including water and sewer.

On December 21, 2005, HBACA and AMA representatives were provided, by e-mail and written report or letter, a response to the October 3, 2005 questions, as well as the revised DIF reports from TischlerBise and Black & Veatch.

On October 3, 2005, HBACA submitted a series of questions to the city regarding the discussion on the technical aspects of the development fee methodology and supporting data for the proposed development impact fees for all categories except water and sewer.

On July 18, 2005, staff and Black & Veatch met with representatives from the HBACA and the AMA to discuss the technical aspects of the development fee methodology and supporting data for water and sewer DIF.

On June 14, 2005, staff and TischlerBise met with representatives from the HBACA and the AMA to discuss the technical aspects of the development fee methodology and supporting data for the proposed development impact fees for all categories except water and sewer.

Recommendation: Conduct a public hearing for amending the development impact fees with an effective date of August 22, 2006.

PUBLIC HEARING - ORDINANCES

11. ADOPTION OF MODEL CITY TAX CODE OPTION 13

Purpose: This is a request for City Council to adopt Option 13 of the Model City Tax Code. This action will repeal Model City Tax Code, Section 21.1-480(d), authorizing the transaction privilege (sales) tax credit offset for franchise fees paid by utility companies.

This action will align the tax code with the existing Arizona Public Service (APS) and Southwest Gas franchise agreements. The enforcement date of Option 13 is the same as the date the city entered into the franchise agreements.

Background: On May 17, 2005, by special election, the citizens of Glendale affirmatively voted to have the city grant utility franchises to APS and Southwest Gas. The city entered into franchise agreements in June 2005. The franchise agreements do not allow for the tax credit offset authorized by the Model City Tax Code, Section 21.1-480(d), and thereby require payment of both franchise fees and sales tax. This action will align the tax code with the agreements.

Budget Impacts & Costs: Adoption of the ordinance effectively eliminates the offset of sales tax against utility franchise fees, thereby increasing revenue to the city's general fund.

Recommendation: Conduct a public hearing and waive the reading beyond the title and adopt the ordinance amending the Glendale Model City Tax Code.

ORDINANCES

12. ARIZONA PUBLIC SERVICE COMPANY ELECTRICAL EASEMENT: NORTHWEST CORNER OF 55TH AVENUE AND UNION HILLS ROAD

Purpose: This is a request for City Council to adopt an ordinance granting an electrical easement in favor of Arizona Public Service Company (APS) at the city's Foothills Recreation and Aquatic Center, on the northwest corner of 55th Avenue and Union Hills Road.

Background: The city requested APS provide electrical power to the Foothills Recreation and Aquatic Center. In order to provide this service, APS has asked for an electrical easement on city owned property, running along 55th Avenue, north of Union Hills Road. The total size of the easement is 1,761 square feet. This easement is necessary to protect APS's facilities in this location.

Recommendation: Waive reading beyond the title and adopt an ordinance authorizing the City Manager to execute an electrical easement in favor of Arizona Public Service Company at the northwest corner of 55th Avenue and Union Hills Road.

NEW BUSINESS

13. [APPEAL OF VARIANCE APPLICATION NO. VAR05-02: CLARENCE MORGAN, 7533 NORTH 75TH AVENUE](#)

Purpose: This is a request by Jim West representing Clarence Morgan to appeal the Board of Adjustment's denial of Variance Application VAR05-02 to City Council. The variance request would eliminate the required fifteen feet of landscape buffer for the nonresidential use adjacent to a single-family district as required by the Zoning Ordinance. The Zoning Ordinance allows the applicant to appeal the decision of the Board of Adjustment to Council.

Background: The property is a flat rectangular shaped lot. It has approximately 159 feet of frontage along 75th Avenue; approximately 165 feet of frontage along 73rd Avenue; and is approximately 1,326 feet long. The applicant has constructed a 4,640 square foot industrial building without permits and anticipates having additional industrial buildings on the site. The applicant was proceeding through the Design Review process for one of several illegally constructed structures on the site when he was advised of the need for variances. The existing walls and driveway were also constructed without building permits or any review by the city. The Building Safety Department took enforcement actions relative to the three illegal structures on the project site.

On June 9, 2005, the Board of Adjustment held a public hearing denying the request after determining that it did not meet all the required findings defined by the Arizona State Statutes and the Glendale Zoning Ordinance.

Public Input: On March 1, 2005, the applicant sent notification letters to 42 property owners and interested parties advising them of the request for a variance. At the June 9, 2005 Board of Adjustment Hearing, one neighbor spoke concerning the buffer along the residential property line.

Recommendation: Review the record of the Board of Adjustment, consider the applicant's appeal, and based upon the evidence before the Board of Adjustment act to affirm or reverse, in whole or in part, or modify the Board of Adjustment's decision.

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)).**