

City of Glendale Council Meeting Agenda

May 28, 2013 – 7:00 p.m.

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. 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 and Workshop Schedule

Council meetings to take official action are held two times each month. These meetings are held on the second and fourth Tuesday of each month at 7:00 p.m. Council workshops are generally held two times each month. Workshops provide Council with an opportunity to hear a presentation by staff on topics that may come before Council for official action. These meetings are held on the first and third Tuesday of each month at 1:30 p.m. The City Council does not take official action during workshop sessions. All meetings are held in the Council Chambers, Glendale Municipal Office Complex, 5850 W. Glendale Avenue.

Executive Session Schedule

Council may convene in "Executive Session" to receive legal advice and discuss land acquisitions, personnel issues, and appointments to boards and commissions. Executive Sessions will be held in Room B3 of the Council Chambers. As provided by state statute, this session is closed to the public.

Regular City Council meetings are telecast live. 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.

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 the City Council Office at (623)930-2249



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 administrador del ayuntamiento de Glendale, al (623) 930-2870 un día hábil antes de la fecha de la junta.

Meeting Agendas

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

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

Council Meeting - 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. Public hearings are also held on certain agenda items. If you wish to speak on a particular item listed on the agenda, please fill out a gold Public Hearing Speakers Card. Your name will be called when the Public Hearing on the item has been opened or Citizen Comments portion of the agenda is reached. **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.

Workshop Meeting - There is no Citizen Comments portion on the workshop agenda.

Regular Workshop meetings are telecast live. Repeat broadcasts are telecast the first and third week of the month – Wednesday at 3:00 p.m., Thursday at 1:00 p.m., Friday at 8:30 a.m., Saturday at 2:00 p.m., Sunday at 9:00 a.m. and Monday at 2:00 p.m. on Glendale Channel 11.

Councilmembers

Cactus District – Ian Hugh
Cholla District – Manuel D. Martinez
Ocotillo District – Norma S. Alvarez
Sahuaro District – Gary D. Sherwood
Yucca District – Samuel U. Chavira



MAYOR JERRY P. WEIERS

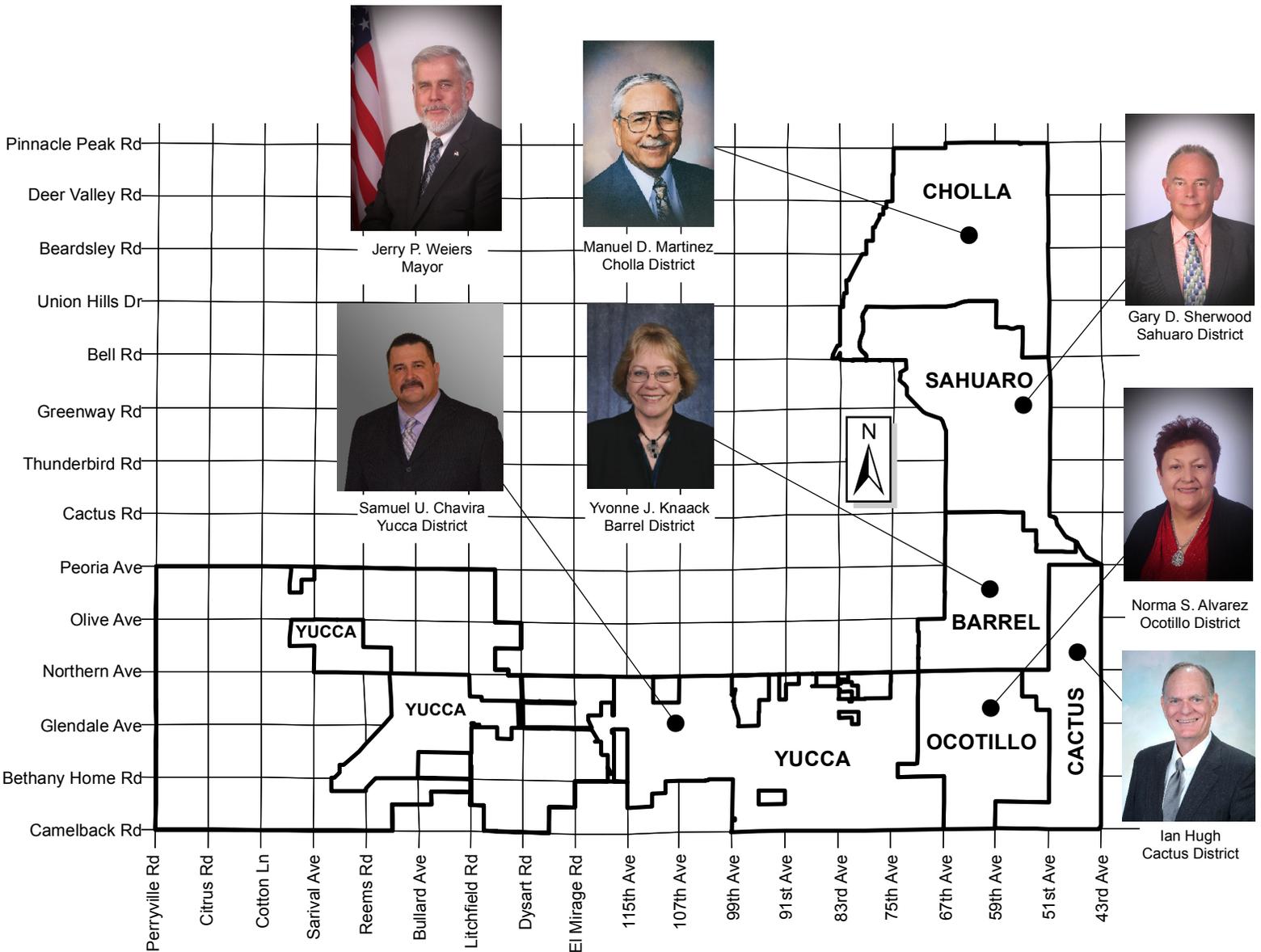
Vice Mayor Yvonne J. Knaack – Barrel District

Appointed City Staff

Richard Bowers – Acting City
Manager
Nicholas DiPiazza – Acting City
Attorney
Pamela Hanna – City Clerk
Elizabeth Finn – City Judge



Council District Boundaries





**GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
May 28, 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 May 14, 2013

BOARDS, COMMISSIONS AND OTHER BODIES

BOARDS, COMMISSIONS AND OTHER BODIES

PRESENTED BY: Councilmember Manuel D. Martinez

PROCLAMATIONS AND AWARDS

2013 RUTH BYRNE HISTORIC PRESERVATION AWARD

PRESENTED BY: Office of the Mayor

ACCEPTED BY: Mr. David Chang

2013 SAFE SUMMER SWIM SEASON PROCLAMATION

PRESENTED BY: Office of the Mayor

ACCEPTED BY: Mr. Martin Nowakowski, Southwest Ambulance

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.

1. LIQUOR LICENSE NO. 5-10148, WHISKY ROSE SALOON

PRESENTED BY: Susan Matousek, Revenue Administrator

2. LIQUOR LICENSE NO. 5-10167, BUFFALO WILD WINGS
PRESENTED BY: Susan Matousek, Revenue Administrator

3. DESIGN AND CONSTRUCTION AGREEMENT WITH SALT RIVER VALLEY WATER USERS' ASSOCIATION FOR MODIFICATIONS AND UPGRADES TO A WELL SITE
PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

CONSENT RESOLUTIONS

4. INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF GOODYEAR FOR TEMPORARY STAFFING
PRESENTED BY: Mark Burdick, Fire Chief
RESOLUTION: 4679

5. RENEWAL OF THE PHOENIX REGIONAL AUTOMATIC AID SYSTEM AGREEMENT
PRESENTED BY: Mark Burdick, Fire Chief
RESOLUTION: 4680

6. ARIZONA STATE PURCHASING COOPERATIVE AGREEMENT
PRESENTED BY: Sherry M. Schurhammer, Executive Director, Financial Services
RESOLUTION: 4681

7. GLENDALE FROM THE HEART GRANT
PRESENTED BY: Thomas Adkins, Assistant to the Mayor
RESOLUTION: 4682

BIDS AND CONTRACTS

8. AWARD OF BID TO R.K. SANDERS, INC. FOR STREET RECONSTRUCTIVE PAVING PROJECT
PRESENTED BY: Christina Betz, Acting Deputy Director, Public Works

PUBLIC HEARING – RESOLUTION AND ORDINANCE

9. GENERAL PLAN AMENDMENT GPA13-01 (RESOLUTION) AND REZONING APPLICATION ZON13-02 (ORDINANCE): SUNSHINE RESIDENTIAL HOMES INC. – 17201 NORTH 63RD AVENUE (PUBLIC HEARING REQUIRED)
PRESENTED BY: Jon M. Froke, AICP, Planning Director
RESOLUTION: 4683
ORDINANCE: 2844

ORDINANCES

10. LEASE AGREEMENT: BANK OF AMERICA PLAZA, SUITE 275
PRESENTED BY: Gregory Rodzenko, P.E., City Engineer
ORDINANCE: 2845

RESOLUTIONS

11. FISCAL YEAR 2013-14 TENTATIVE BUDGET

PRESENTED BY: Sherry M. Schurhammer, Executive Director, Financial Services

RESOLUTION: 4684

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

CALL TO ENTER INTO AN EXECUTIVE SESSION

1. LEGAL MATTERS

- A. The City Council will meet with the City Attorney for legal advice, discussion and consultation regarding the city's position in pending or contemplated litigation, including settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. § 38-431.03(A)(3)(4))

2. PERSONNEL MATTERS

- A. The City Council will meet to discuss and consider the initial field of applicants for the City Manager recruitment and to provide guidance to the City's consultant, Bob Murray & Associates. (A.R.S. § 38-431.03(A)(1))

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)).

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. § 38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless the City Council takes a legal action at a properly noticed open meeting to approve of such expenditure prior to incurring any such obligation or indebtedness. A.R.S. § 38-431.07(A)(B).

Items Respectfully Submitted,



Richard A. Bowers
Acting City Manager



**MINUTES OF THE
GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
May 14, 2013
7:00 p.m.**

The meeting was called to order by Mayor Jerry P. Weiers. Vice Mayor Yvonne J. Knaack and the following Councilmembers were present: Norma S. Alvarez, Samuel U. Chavira, Ian Hugh, Manuel D. Martinez and Gary D. Sherwood.

Also present were Richard Bowers, Acting City Manager; Horatio Skeete, Assistant City Manager; Nick DiPiazza, Acting City Attorney; and Pamela Hanna, City Clerk.

Mayor Weiers 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 10 resolutions and 2 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 April 23rd, 2013 City Council Meeting

It was moved by Councilmember Martinez, and seconded by Vice Mayor Knaack, to dispense with the reading of the minutes of the April 23rd, 2013 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.

PROCLAMATIONS AND AWARDS

NATIONAL PUBLIC WORKS WEEK PROCLAMATION: MAY 19 – 25, 2013

PRESENTED BY: Office of the Mayor

ACCEPTED BY: Christina Betz, City of Glendale Employee, Public Works
Glen Jones, City of Glendale Employee, Transportation Services
Mark Fortkamp, City of Glendale Employee, Water Services

Mayor Weiers presented the proclamation to Christina Betz, a Public Works employee. Ms. Betz thanked the Mayor and Councilmembers for honoring the employees of the Public Works Department.

CONSENT AGENDA

Mr. Richard Bowers, Acting City Manager, read agenda item numbers 1 through 5.

1. SPECIAL EVENT LIQUOR LICENSE, GLENDALE CIVIC PRIDE AMBASSADORS FOUNDATION

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a special event liquor license for the Glendale Civic Pride Ambassadors Foundation. The event will be held in downtown Glendale located at 58th Avenue and Glenn Drive on Saturday, June 8, 2013, from 8 a.m. to 3 p.m. The purpose of this special event liquor license is for the Arizona Watermelon Festival.

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

2. SPECIAL EVENT LIQUOR LICENSE, OUR LADY OF THE VALLEY CATHOLIC CHURCH

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a special event liquor license for Our Lady of the Valley Catholic Church. The event will be held at St. Raphael Catholic Church located at 5525 West Acoma Road on Saturday, July 27, 2013, from 6 p.m. to 11 p.m. The purpose of this special event liquor license is to celebrate the 40th Anniversary of Our Lady of the Valley Catholic Church.

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

3. LIQUOR LICENSE NO. 5-9847, GENO'S MARKET

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a new, non-transferable series 10 (Liquor Store – Beer and Wine) license for Geno's Market located at 15414 North 67th Avenue. The Arizona Department of Liquor Licenses and Control application (No. 10076387) was submitted by Fayez Touma Slivo.

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

4. LIQUOR LICENSE NO. 5-9848, ROSE LANE MARKET

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a new, non-transferable series 10 (Liquor Store – Beer and Wine) license for Rose Lane Market located at 6205 North 59th Avenue, Suites A & B. The Arizona Department of Liquor Licenses and Control application (No. 10076386) was submitted by Saleh Kazim Awawda.

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

5. LIQUOR LICENSE NO. 5-9984, PALERMO'S PIZZA
PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license for Palermo's Pizza located at 6756 West Camelback Road. The Arizona Department of Liquor Licenses and Control application (No. 12079462) was submitted by Roberta Meek Abdallah.

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

It was moved by Vice Mayor Knaack and seconded by Councilmember Martinez, to approve the recommended actions on Consent Agenda Item Nos. 1 through 5, and to forward Special Event Liquor License for the Glendale Civic Pride Ambassadors Foundation, Special Event Liquor License for Our Lady of the Valley Catholic Church, Liquor License Application No. 10076387 for Geno's Market, Liquor License Application No. 10076386 for Rose Lane Market and Liquor License Application No. 12079462 for Palermo's Pizza, to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.

CONSENT RESOLUTIONS

Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 6 through 14 by number and title.

6. MEMORANDUM OF UNDERSTANDING WITH IMMIGRATION AND CUSTOMS ENFORCEMENT
PRESENTED BY: Debora Black, Interim Police Chief
RESOLUTION: 4669

This is a request for City Council to waive reading beyond the title and adopt a Resolution authorizing the City Manager to enter into a memorandum of understanding (MOU) with Immigration and Customs Enforcement (ICE) for the purpose of reimbursement of costs incurred by the Glendale Police Department in providing resources to joint operations/task forces.

RESOLUTION NO. 4669 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE,

MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A MEMORANDUM OF UNDERSTANDING BETWEEN IMMIGRATION AND CUSTOMS ENFORCEMENT AND LOCAL, COUNTY, OR STATE LAW ENFORCEMENT AGENCY FOR THE REIMBURSEMENT OF JOINT OPERATIONS EXPENSES FROM THE TREASURY FORFEITURE FUND.

7. ACCEPTANCE OF HIGH INTENSITY DRUG TRAFFICKING AREA GRANT FROM THE CITY OF TUCSON
PRESENTED BY: Debora Black, Interim Police Chief
RESOLUTION: 4670

This is a request for City Council to waive reading beyond the title and adopt a Resolution authorizing the City Manager to accept a High Intensity Drug Trafficking Area (HIDTA) grant from the City of Tucson to provide overtime funding to the Glendale Police Department in the approximate amount of \$19,200 for the Warrant Apprehension Network and Tactical Enforcement Detail (WANTED).

Mr. Kyle Straight, Barrel District, spoke on this issue. He said he was grateful that the Council was trying to make the city better.

RESOLUTION NO. 4670 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ACCEPTANCE OF A HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA) GRANT AGREEMENT FROM THE CITY OF TUCSON TO PROVIDE OVERTIME FUNDING IN THE APPROXIMATE AMOUNT OF \$19,200 FOR ARIZONA WARRANT APPREHENSION NETWORK AND TACTICAL ENFORCEMENT DETAIL (AZ WANTED) BY THE GLENDALE POLICE DEPARTMENT.

8. ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANTS
PRESENTED BY: Debora Black, Interim Police Chief
RESOLUTION: 4671

This is a request for City Council to waive reading beyond the title and adopt a Resolution authorizing the City Manager to accept Governor's Office of Highway Safety (GOHS) grants in the total approximate amount of \$606,203.

RESOLUTION NO. 4671 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE SUBMISSION AND ACCEPTANCE, IF AWARDED, OF GRANT APPLICATIONS FROM THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY AND THE OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT ON BEHALF OF THE GLENDALE POLICE DEPARTMENT.

Mr. Kyle Straight said he'd noticed this item on the agenda. He was grateful that the City Council was trying to get additional funds for the city.

9. GRANT AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR AN ENVIRONMENTAL ASSESSMENT FOR AIRPORT LAND ACQUISITION
PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
RESOLUTION: 4672

Staff is requesting City Council waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an agreement with the Arizona Department of Transportation (ADOT) Aeronautics Division accepting a grant for \$6,906 for an environmental assessment for land acquisition at Glendale Municipal Airport.

RESOLUTION NO. 4672 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ENTERING INTO AND ACCEPTING A GRANT OFFER FROM THE ARIZONA DEPARTMENT OF TRANSPORTATION, FOR AIRPORT IMPROVEMENTS OF THE GLENDALE MUNICIPAL AIRPORT.

10. GRANT AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR RUNWAY SAFETY IMPROVEMENTS
PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
RESOLUTION: 4673

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into a grant agreement with the Arizona Department of Transportation (ADOT) in the amount of \$10,692 for additional runway safety improvements at Glendale Municipal Airport.

RESOLUTION NO. 4673 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ENTERING INTO AND ACCEPTING A GRANT OFFER FROM THE ARIZONA DEPARTMENT OF TRANSPORTATION, FOR AIRPORT IMPROVEMENTS OF THE GLENDALE MUNICIPAL AIRPORT.

11. AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR EXTENSION OF AMERICAN RECOVERY AND REINVESTMENT ACT GRANT FUNDING
PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
RESOLUTION: 4674

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to approve an amendment to an intergovernmental agreement

(IGA) with the City of Phoenix. This amendment will extend the term of the original IGA and provide additional grant funding of up to \$1,000,000.

RESOLUTION NO. 4674 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A CONTRACT CHANGE ORDER WITH THE CITY OF PHOENIX FOR PASS-THROUGH GRANT FUNDING FOR TRANSIT SERVICES.

12. AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT WITH THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY FOR TRANSIT SERVICES

PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
RESOLUTION: 4675

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing an amendment to an intergovernmental agreement (IGA) with the Regional Public Transportation Authority (RPTA) approving Amendment No. 5, reflecting an increase in transit service miles provided by the RPTA.

RESOLUTION NO. 4675 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 5 TO THE RPTA PROPOSITION 400 INTERGOVERNMENTAL AGREEMENT WITH THE VALLEY METRO REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA) FOR THE PROVISION OF PUBLIC TRANSPORTATION SERVICES.

13. AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR FIXED ROUTE BUS SERVICE

PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
RESOLUTION: 4676

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing an amendment to an intergovernmental agreement (IGA) with the City of Phoenix approving Contract Change Order No. 6, reflecting changes in funding sources for Bus Routes 67 and 106.

RESOLUTION NO. 4676 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF CONTRACT CHANGE ORDER NO. 6 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR THE OPERATION OF FIXED ROUTE BUS SERVICES IN THE CITY OF GLENDALE.

14. INTERGOVERNMENTAL AGREEMENTS WITH THE CITY OF PHOENIX FOR FEDERAL TRANSIT ADMINISTRATION GRANT FUNDS

PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
RESOLUTION: 4677

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into four intergovernmental agreements (IGAs) with the City of Phoenix for acceptance of Federal Transit Administration (FTA) grant funds for transit services.

RESOLUTION NO. 4677 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF FOUR INTERGOVERNMENTAL AGREEMENTS WITH THE CITY OF PHOENIX FOR ACCEPTANCE OF PASS-THROUGH GRANT FUNDING FOR TRANSIT SERVICES.

It was moved by Vice Mayor Knaack and seconded by Councilmember Chavira, to approve the recommended actions on Consent Agenda Item Nos. 6 through 14, including the approval and adoption of Resolution No. 4669 New Series, Resolution No. 4670 New Series, Resolution No. 4671 New Series, Resolution No. 4672 New Series, Resolution No. 4673 New Series, Resolution No. 4674 New Series, Resolution No. 4675 New Series, Resolution No. 4676 New Series, and Resolution No. 4677 New Series; The motion carried unanimously.

BIDS AND CONTRACTS

15. AWARD OF BID TO KINKAID CIVIL CONSTRUCTION, LLC FOR CONSTRUCTION OF DYSART WATERLINE FOR NORTHERN PARKWAY LANDSCAPING

PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services

Staff is requesting City Council award the bid and authorize the City Manager to enter into a construction agreement with Kinkaid Civil Construction, LLC, in an amount not to exceed \$765,775, to construct a waterline extension to deliver irrigation water to the landscaping along Northern Parkway, between 143rd Avenue and Dysart Road.

Ms. Colbath said the parkway will provide benefits, including east/west travel and serving the citizens of the west valley. She said the first phase of the project is scheduled for completion in the summer of 2013. She said waterlines are necessary and the city does not provide water services in that area. An agreement reached earlier in the year provides that the city will construct the waterline and Kinkaid Civil Construction was the successful bidder for this project.

It was moved by Councilmember Hugh, and seconded by Councilmember Martinez, to award the bid and authorize the City Manager to enter into a construction agreement with Kinkaid Civil Construction, LLC. The motion carried unanimously.

16. CONCESSION SERVICES LEASE AGREEMENT FOR THE FOOTHILLS RECREATION AND AQUATICS CENTER

PRESENTED BY: Erik Strunk, Executive Director, Parks, Recreation & Library Services

This is a request for City Council to approve an annual lease agreement for seasonal concession sales at the Foothills Recreation and Aquatics Center (FRAC). The agreement would allow the vendor to provide concession services at the FRAC during the summer season. The summer season runs from late May through August.

Mr. Strunk said the FRAC was designed to have concession services at the facility. He asked the council to recommend awarding the contract to Perfetto de Café, Inc. He estimated the city would receive about \$5,000 in revenue over the summer months which will be put into the general fund.

It was moved by Councilmember Martinez, and seconded by Vice Mayor Knaack, to approve an annual lease agreement for seasonal concession sales at the Foothills Recreation and Aquatics Center. The motion carried unanimously.

PUBLIC HEARING - ORDINANCES

17. ANNEXATION APPLICATION AN-189: LITCHFIELD ROAD AND BETHANY HOME ROAD (ORDINANCE) (PUBLIC HEARING REQUIRED)

PRESENTED BY: Jon M. Froke, AICP, Planning Director
ORDINANCE: 2842

This is a request for City Council to conduct a public hearing and adopt an annexation ordinance for Annexation Area No. 189 (AN-189) as required by state statute. The annexation is approximately 167 acres in size located at the northwest and southwest corners of Litchfield Road and Bethany Home Road.

Mr. Froke asked the council to adopt the ordinance approving annexation of the property, which would become effective in 30 days.

Mayor Weiers opened the public hearing on Agenda Item No. 17.

As there were no comments, Mayor Weiers closed the public hearing.

ORDINANCE NO. 2842 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF GLENDALE, MARICOPA COUNTY, STATE OF ARIZONA, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, SECTION 9-471, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO, BY ANNEXING THERETO CERTAIN TERRITORY LOCATED WITHIN AN EXISTING COUNTY ISLAND OF THE CITY OF GLENDALE CONSISTING OF APPROXIMATELY 167 ACRES AT THE NORTHWEST AND SOUTHWEST CORNERS OF LITCHFIELD ROAD AND BETHANY HOME ROAD TO BE KNOWN AS ANNEXATION AREA NO. 189.

It was moved by Councilmember Chavira, and seconded by Councilmember Martinez, to approve Ordinance No. 2842 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Chavira, Hugh, Knaack, Martinez, Sherwood, and Weiers. Members voting “nay”: none. The motion carried.

18. AMENDMENT TO CHAPTER 21.1 - MODEL CITY PRIVILEGE (SALES) TAX CODE (ORDINANCE) (PUBLIC HEARING REQUIRED)

**PRESENTED BY: Diane Goke, Chief Financial Officer, Financial Services
ORDINANCE: 2843**

Staff is requesting City Council to conduct a public hearing, waive reading beyond the title and adopt an ordinance amending Chapter 21.1 Model City Privilege (Sales) Tax Code that incorporates technical corrections and statutory changes approved and adopted by the Municipal Tax Code Commission with an effective date of July 1, 2013.

Mayor Weiers opened the public hearing on Agenda Item No. 18.

As there were no comments, Mayor Weiers closed the public hearing.

ORDINANCE NO. 2843 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE) BY ADOPTING THE 2012 MUNICIPAL TAX CODE COMMISSION’S PROPOSED CODE CHANGES TO THE DEFINITIONS OF “FOOD,” “MEDICAL MARIJUANA,” AND “PROSTHETIC”; REMOVING THE WAIVER OF LICENSE FEES PURSUANT TO GLENDALE CITY CODE SEC. 21.1-310(j); ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES FOR VIOLATIONS.

It was moved by Councilmember Sherwood, and seconded by Vice Mayor Knaack, to approve Ordinance No. 2843 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Chavira, Hugh, Knaack, Martinez, Sherwood, and Weiers. Members voting “nay”: none. The motion carried.

RESOLUTIONS

19. DISSOLUTION OF WESTERN LOOP 101 PUBLIC FACILITIES CORPORATION

**PRESENTED BY: Diane Goke, Chief Financial Officer, Financial Services
RESOLUTION: 4678**

This is a request for City Council to adopt a resolution authorizing the City Manager to dissolve the Western Loop 101 Public Facilities Corporation (PFC).

Ms. Goke said the bonds originally issued by the PFC were refinanced under the MPC last year, and there is no longer a need for the Public Facilities Corporation to exist.

RESOLUTION NO. 4678 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE DISSOLUTION OF THE WESTERN LOOP 101 PUBLIC FACILITIES CORPORATION.

It was moved by Councilmember Alvarez, and seconded by Vice Mayor Knaack, to pass, adopt and approve Resolution No. 4678 New Series. The motion carried unanimously.

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

It was moved by Vice Mayor Knaack, and seconded by Councilmember Martinez, to hold a City Council Workshop at 1:30 p.m. in the Council Chambers on Tuesday, May 21, 2013, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried unanimously.

CITIZEN COMMENTS

Mr. William Demski, a Sahuaro resident, noted he was a former city employee. He spoke about the waste and the unnecessary purchases made by the city. He spoke against the former deals with the arena management. He also spoke about the former city manager, Mr. Beasley and the deals he made. He went on to speak about Councilmember Chavira and the firefighters and the hours they aren't fighting fires. He talked about the salaries of various city officials and the city's debt.

Mr. Kyle Straight, a Barrel resident, said he is grateful the city is doing its best with what it has.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Sherwood spoke about digital billboards. He said most other cities have already made decisions about this issue and it needs to be dealt with. He hoped this would be on an agenda in the future and he felt the requests should be considered on a case by case basis. Councilmember Sherwood talked about the police and fire issues and medical premiums. He hoped these issues, and the arena issue, can be dealt with soon.

Councilmember Martinez said the topic has come up before and he and others had met with others of a specific law group who is pushing this item in the city. He said he would not support additional billboards. He added there was opposition from the citizens on putting up more digital billboards including a couple homeowners' associations, the university and others. He asked Mr. Bowers if the city of Peoria Mayor had sent a letter to him about their opposition to digital billboards. Mr. Bowers said he did receive a letter from Peoria, but did not remember the exact content of the letter. Councilmember Martinez also said they all support public safety, but they just don't have the money for now.

Councilmember Chavira spoke about the night they were sworn in. He said he will always do his best to serve the citizens of Glendale.

Councilmember Knaack spoke about the Animal Defense League of Arizona and their program regarding feral cats. She said funds were available from a grant with Petsmart Charities and the Arizona Humane Society to fix the feral cats for free. She said this program has been researched and has proven to be the best way to reduce the feral cat population. She asked citizens interested in this program to contact her office.

Mayor Weiers spoke about the digital billboards. He said he would like Council to address fixing the ordinances and make them clear to everyone. He would also like to see the billboard issue dealt with on a case by case basis.

There being no further business, the meeting was adjourned at 7:50 p.m.

Pamela Hanna - City Clerk



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **BOARDS, COMMISSIONS & OTHER BODIES**
Staff Contact: **Kristen Krey, Council Services Administrator**

Purpose and Recommended Action

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.

Board of Adjustment

Lynda Vescio	Cholla	Appointment	06/30/2013	06/30/2015
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Community Development Advisory Committee

John Torres – Neighborhood Rep.	Cactus	Reappointment	05/28/2013	05/24/2015
Pattie Johnston	Mayoral	Appointment	05/28/2013	07/01/2015

Industrial Development Authority

Howard McKenna	Sahuaro	Reappointment	08/23/2013	08/23/2019
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CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **2013 RUTH BYRNE HISTORIC PRESERVATION AWARD**
Staff Contact: **Jon M. Froke, AICP, Planning Director**

Purpose and Recommended Action

This is a request by the Historic Preservation Commission for City Council to recognize David Chang as the recipient of the prestigious Ruth Byrne Historic Preservation Award for his dedication to the preservation of Glendale's historic heritage.

Mr. Chang will be present to accept the award.

Background Summary

The Ruth Byrne Historic Preservation Award was established in 1996. The purpose of the award is to recognize individuals or organizations that have made significant contributions to the preservation of Glendale's historic and cultural resources. This prestigious award is named after Ruth Byrne, a Glendale native, in honor of her dedicated work and ongoing efforts to preserve Glendale's history.

Each year, Council presents the award during the month of May in recognition of National Historic Preservation Month. This year three individuals were nominated for their contributions to historic preservation in Glendale. After careful review and evaluation of each nomination, the Historic Preservation Commission selected Mr. Chang as the 18th annual award recipient.

Mr. Chang was selected for his work associated with his investment and restoration of numerous historic buildings. These buildings are all located in Historic Downtown Glendale and issuance of the award will acknowledge the achievements and dedication of Mr. Chang.



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **2013 SAFE SUMMER SWIM SEASON PROCLAMATION**
Staff Contact: **Erik Strunk, Executive Director, Parks, Recreation and Library Services**

Purpose and Recommended Action

This is a request for City Council to issue a proclamation of thanks to Southwest Ambulance for its corporate generosity in donating funds to the city to provide free swim lessons and to promote the start of the summer aquatics season on June 1, 2013.

Martin Nowakowski from Southwest Ambulance will accept the proclamation. Additional representatives from Southwest Ambulance, the Glendale Fire Department, and the Glendale Aquatics Division will also be present.

Background Summary

Since 2006, Southwest Ambulance has contributed \$40,000 to the City of Glendale Parks, Recreation and Library - Aquatics Division in an effort to provide free or reduced cost swim lessons. During the six summers of this partnership, over 2,000 Glendale youth have been taught to swim through this program.

The goal of the Southwest Ambulance Pool Pack Swim Lesson Program is to reduce the number of childhood drownings in the valley. Glendale is one of nine valley cities who are provided funding to assure this goal is met. Drowning is the second leading cause of death for children between the ages of one and five and swim lessons dramatically reduce the risk of these incidents. The Glendale Fire Department and the Parks, Recreation and Library Services Department are dedicated to promoting water safety and opportunities for all to learn how to swim safely and be careful around water. In addition to this generous donation, the city will be sponsoring:

- “Verano Sano” on June 15th at Rose Lane Aquatics Center;
- “Surviving the Summer” at Fountain Park in Westgate on June 21st; and
- “Family Swim Night” at the Foothills Recreation and Aquatics Center on June 22nd.

Community Benefit/Public Involvement

Water safety and providing free or reduced swimming lessons to those families who are unable to afford the service is key to the city’s efforts to promoting a safe Glendale. The importance of children and adults learning to swim has always been a priority.



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **LIQUOR LICENSE NO. 5-10148, WHISKY ROSE SALOON**
Staff Contact: **Susan Matousek, Revenue Administrator**

Purpose and Recommended Action

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license for Whisky Rose Saloon located at 6751 North Sunset Boulevard, Suite E-110. The Arizona Department of Liquor Licenses and Control application (No. 12079477) was submitted by Lauren Kay Merrett.

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

Background Summary

The location of the establishment is in the Yucca District. The property is zoned PAD (Planned Area Development). The population density within a one-mile radius is 4,184. This series 12 is a new license, therefore, the approval of this license will increase the number of liquor licenses in the area by one. The current number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
03	Domestic Micro - Brewery	1
06	Bar - All Liquor	7
07	Bar - Beer and Wine	4
10	Liquor Store - Beer and Wine	2
11	Hotel/Motel	1
12	Restaurant	10
	Total	25

The City of Glendale Community and Economic Development, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Community Benefit/Public Involvement

No public protests were received during the 20-day posting period.



CITY COUNCIL REPORT

Attachments

Staff Report

Map

Police Calls for Service Report



STAFF REPORT

Meeting Date: 5/28/2013
To: Richard A. Bowers, Acting City Manager
From: Susan Matousek, Revenue Administrator
Title: LIQUOR LICENSE NO. 5-10148, WHISKY ROSE SALOON

General Information

Request: New, Non-Transferable
License: Series 12 (Restaurant)
Location: 6751 North Sunset Boulevard, Suite E-110
District: Yucca
Zoned: PAD (Planned Area Development)
Applicant: Lauren Kay Merrett
Owner: W.R.S. Westgate, LLC

Background

1. The population density is 4,184 persons within a one-mile radius.
2. The 300 feet from any church or school rule does not apply to this series license.
3. This series 12 is a new license, therefore, the approval of this license will increase the number of liquor licenses in the area by one.

Citizen Participation to Date

No protests were received during the 20-day posting period, April 17 through May 7, 2013.

Review/Analysis

In accordance with A.R.S. § 4-201(G), the applicant bears the burden of showing City Council that public convenience requires that the best interest of the community will be substantially served by the issuance of a license. Council, when considering a new, non-transferable series 12 license, may take into consideration the location, as well as the applicant's capability, qualifications, and reliability.

The City of Glendale Community and Economic Development, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

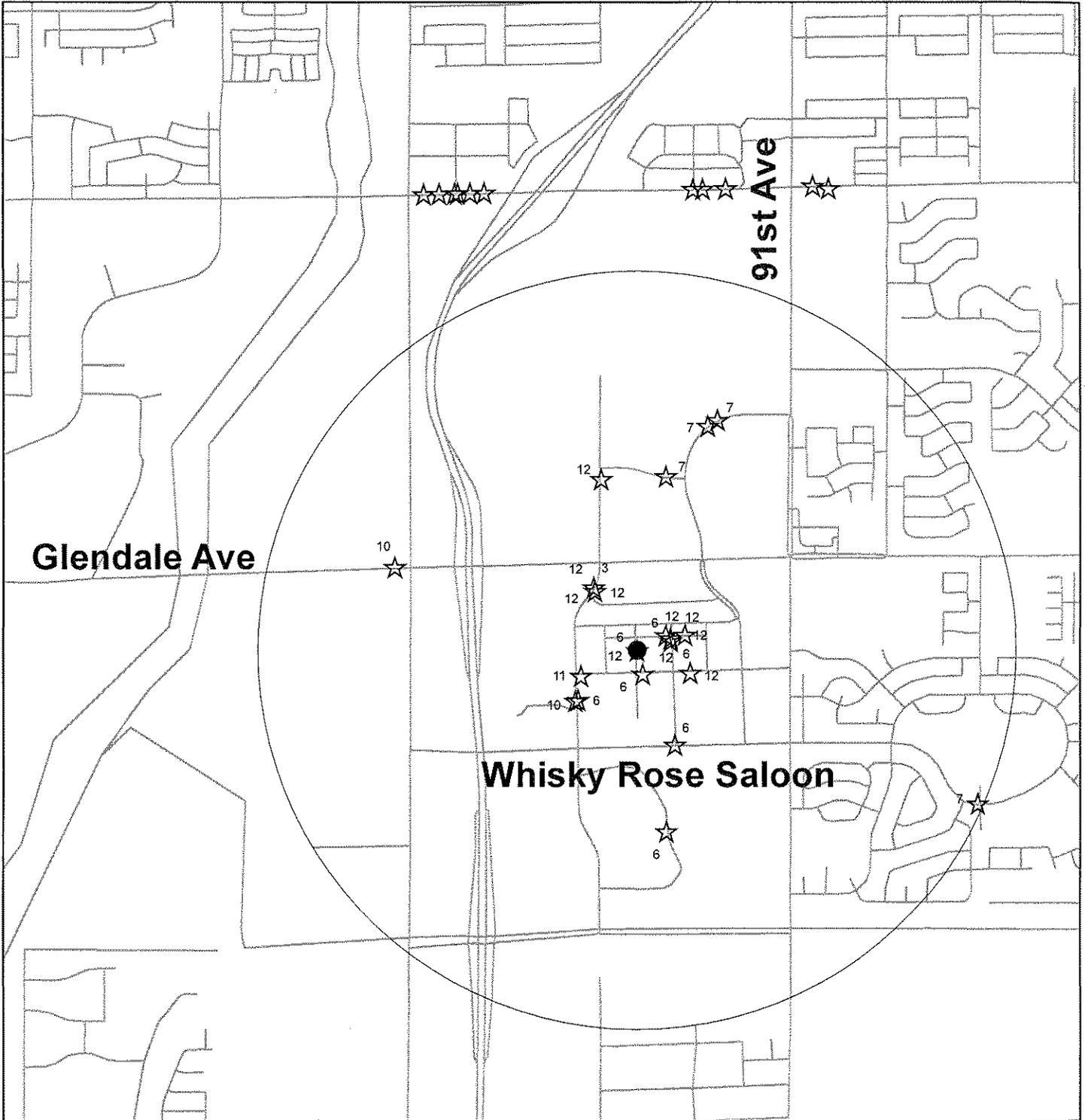
COMMUNITY AND ECONOMIC DEVELOPMENT: Approved the application with no comments.

POLICE DEPARTMENT: Recommended no cause for denial.

FIRE DEPARTMENT: Approved the application with no comments.

Staff Recommendation

It is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.



BUSINESS NAME: Whisky Rose Saloon

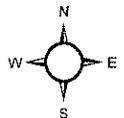
LOCATION: 6751 N. Sunset Blvd. Suite E-110 **ZONING:** PAD

APPLICANT: Lauren Kay Merrett

APPLICATION NO: 5-10148



**SALES TAX AND LICENSE DIVISION
CITY OF GLENDALE, AZ**



13-51

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 04-25-13

License Type: **Series 12 Restaurant**

Definition: Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

Application Type: **New License**

Definition: New License

Business Name: **Whiskey Rose Saloon**

Business Address: **6751 N. Sunset Blvd Ste E110**

Applicant/s Information

Name: **Merrett, Lauren Kay**

Name: **Tsailakis, Christos**

Name: **Seltzer, Bret Jay**

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 4/28/2008	Other Sultes	New ownership call history beginning:
Liquor Related		18	
Vice Related			
Drug Related		4	
Fights / Assaults		108	
Robberies		1	
Burglary / Theft		78	
911 calls		7	
Trespassing		48	
Accidents		9	
Fraud / Forgery		7	
Threats		8	
Criminal damage		15	
Other non-criminal*		39	
Other criminal		45	
Total calls for service	0	387	N/A - No Interim Permit

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT
Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Previous License Holder:

Clare Abel (Agent)
B-Bistro of Glendale LLC (Owner)

There are no known concerns with the previous license holder.

Location History:

No significant Calls for Service history at this location.

Special Concerns:

None found.

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>4-26-13</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>[Signature]</u>	<u>4/29/2013</u>



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **LIQUOR LICENSE NO. 5-10167, BUFFALO WILD WINGS**
Staff Contact: **Susan Matousek, Revenue Administrator**

Purpose and Recommended Action

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license for Buffalo Wild Wings located at 9404 West Westgate Boulevard, Suite 107. The Arizona Department of Liquor Licenses and Control application (No. 12079480) was submitted by James Dion Connor.

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

Background Summary

The location of the establishment is in the Yucca District. The property is zoned PAD (Planned Area Development). The population density within a one-mile radius is 4,363. This series 12 is a new license, therefore, the approval of this license will increase the number of liquor licenses in the area by one. The current number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
03	Domestic Micro - Brewery	1
06	Bar - All Liquor	7
07	Bar - Beer and Wine	4
10	Liquor Store - Beer and Wine	2
11	Hotel/Motel	1
12	Restaurant	10
	Total	25

The City of Glendale Community and Economic Development, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Community Benefit/Public Involvement

No public protests were received during the 20-day posting period.



CITY COUNCIL REPORT

Attachments

Staff Report

Map

Police Calls for Service Report



STAFF REPORT

Meeting Date: **5/28/2013**
To: **Richard A. Bowers, Acting City Manager**
From: **Susan Matousek, Revenue Administrator**
Title: **LIQUOR LICENSE NO. 5-10167, BUFFALO WILD WINGS**

General Information

Request: New, Non-Transferable
License: Series 12 (Restaurant)
Location: 9404 West Westgate Boulevard, Suite 107
District: Yucca
Zoned: PAD (Planned Area Development)
Applicant: James Dion Connor
Owner: Blazin Wings, Inc.

Background

1. The population density is 4,363 persons within a one-mile radius.
2. The 300 feet from any church or school rule does not apply to this series license.
3. This series 12 is a new license, therefore, the approval of this license will increase the number of liquor licenses in the area by one.

Citizen Participation to Date

No protests were received during the 20-day posting period, April 17 through May 7, 2013.

Review/Analysis

In accordance with A.R.S. § 4-201(G), the applicant bears the burden of showing City Council that public convenience requires that the best interest of the community will be substantially served by the issuance of a license. Council, when considering a new, non-transferable series 12 license, may take into consideration the location, as well as the applicant's capability, qualifications, and reliability.

The City of Glendale Community and Economic Development, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

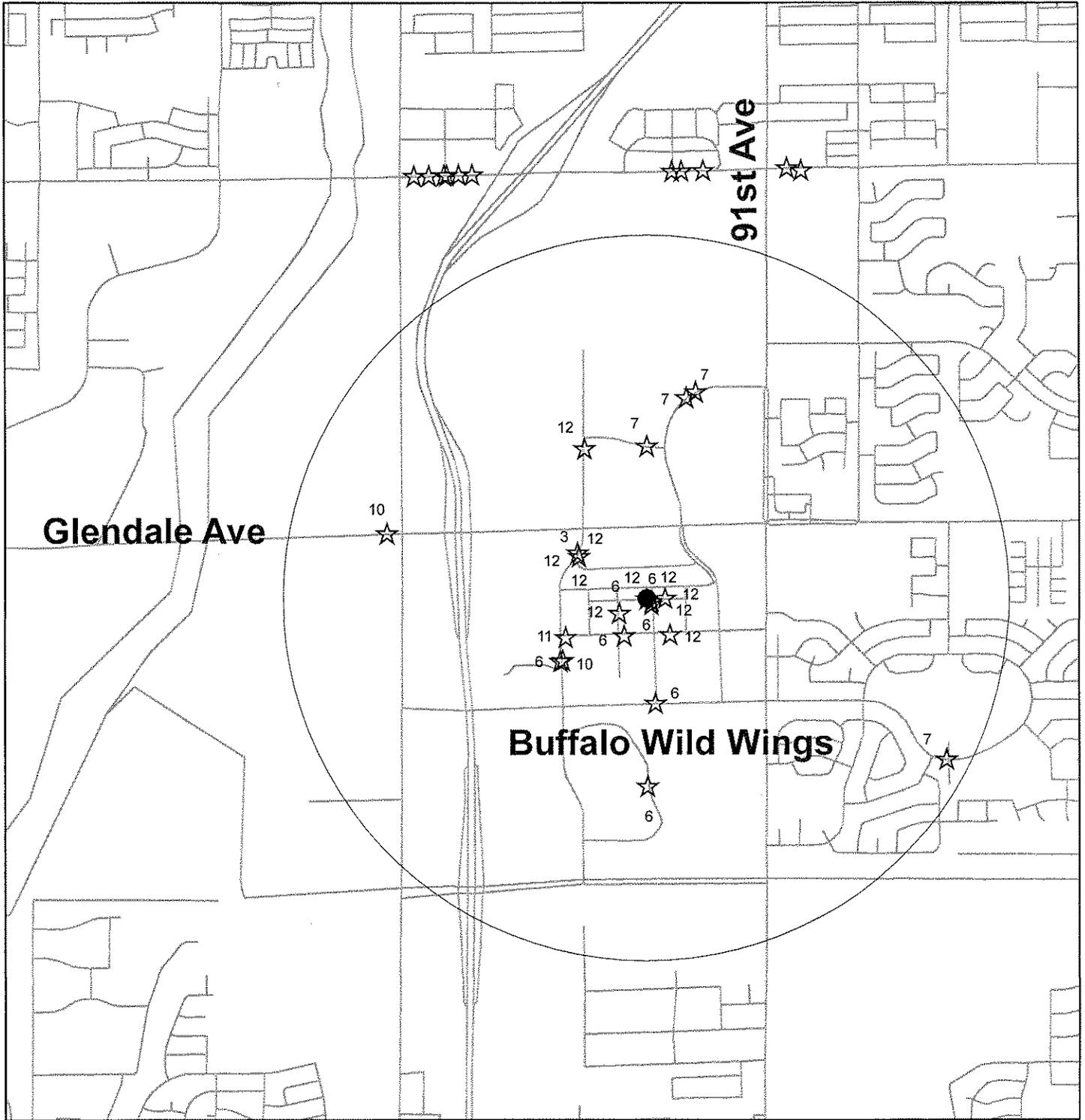
COMMUNITY AND ECONOMIC DEVELOPMENT: Approved the application with no comments.

POLICE DEPARTMENT: Recommended no cause for denial.

FIRE DEPARTMENT: Approved the application with no comments.

Staff Recommendation

It is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.



BUSINESS NAME: Buffalo Wild Wings

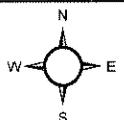
LOCATION: 9404 W. Westgate Blvd, Suite 107 **ZONING:** PAD

APPLICANT: James Dion Connor

APPLICATION NO: 5-10167



**SALES TAX AND LICENSE DIVISION
CITY OF GLENDALE, AZ**



13-53

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 04-30-13

License Type: **Series 12 Restaurant**

Definition: Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

Application Type: **New License**

Definition: New License

Business Name: **Buffalo Wild Wings**

Business Address: **9404 W. Westgate Blvd Ste C107**

Applicant/s Information

Name: **Connor, James Dion (Agent)**

Name: **Wold, Sally Jeanne**

Name: **Twinem, Mary Jane**

Name: **Schmidt, James Michael**

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 4/30/2008	Other Suites	New ownership call history beginning:
Liquor Related		1	
Vice Related			
Drug Related			
Fights / Assaults		1	
Robberies			
Burglary / Theft	1	11	
911 calls			
Trespassing		1	
Accidents			
Fraud / Forgery		2	
Threats			
Criminal damage		2	
Other non-criminal*		5	
Other criminal		2	
Total calls for service	1	25	N/A - No Interim Permit

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: **04-30-13**

License Type: **Series 12 Restaurant**

Definition: Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

Application Type: **New License**

Definition: New License

Business Name: **Buffalo Wild Wings**

Business Address: **9404 W. Westgate Blvd Ste C107**

Applicant/s

Name: **Brokl, Matthew Kent**

Name: **Decker, Emily Clark**

Name:

Name:

Name:

Name:

Name:

Continuation of applicants.

GLENDALE POLICE DEPARTMENT
Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Previous License Holder:

N/A

Location History:

No significant Calls for Service history at this location.

Special Concerns:

None found.

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>4-30-13</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>[Signature]</u>	<u>4/30/2013</u>



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
 Meeting Type: **Voting**
 Title: **DESIGN AND CONSTRUCTION AGREEMENT WITH SALT RIVER VALLEY WATER USERS' ASSOCIATION FOR MODIFICATIONS AND UPGRADES TO A WELL SITE**
 Staff Contact: **Craig Johnson, P.E., Executive Director, Water Services**

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a design and construction agreement with the Salt River Valley Water Users' Association (SRP) for repairs and improvements to an SRP owned well site in an amount not to exceed \$55,909.

Background Summary

Water Services Department and SRP staffs have worked closely on the proposed modifications at SRP Well 18. Because this well site is owned by SRP, all electrical, mechanical, and structural updates at the site need to be designed and installed by SRP while meeting city standards. When completed, these upgraded modifications will further enhance well site safety features recently implemented in a city-wide well site program.

Community Benefit/Public Involvement

Approval of this request will allow continued compliance with regulatory requirements and allow production needs to be met.

Budget and Financial Impacts

Cost	Fund-Department-Account
\$55,909	2400-61048-550800, City Wide Well Rehab

Capital Expense? Yes No

Budgeted? Yes No

Requesting Budget or Appropriation Transfer? Yes No



CITY COUNCIL REPORT

If yes, where will the transfer be taken from?

Attachments

Staff Report

Agreement



STAFF REPORT

To: **Richard A. Bowers, Acting City Manager**
From: **Craig Johnson, P.E., Executive Director, Water Services**
Item Title: **DESIGN AND CONSTRUCTION AGREEMENT WITH SALT RIVER VALLEY WATER USERS' ASSOCIATION FOR MODIFICATIONS AND UPGRADES TO A WELL SITE**
Requested Council Meeting Date: **5/28/2013**
Meeting Type: **Voting**

PURPOSE

This report contains information on a proposed design and construction agreement with the Salt River Valley Water Users' Association (SRP) for repairs and improvements to an SRP owned well site. The purpose of this report is to request this item be placed on an agenda for Council action.

BACKGROUND

The City of Glendale Water Services Department has implemented well site safety improvements which includes adding safety features at all well sites including SRP Well 18. Since SRP Well 18 is owned by SRP, electrical, mechanical, and structural updates at the site will need to be designed and installed by SRP. SRP has submitted a Design and Construction Agreement to install the upgrades at the well site. The proposed updates will further enhance the well site safety by providing an automatic halogen emergency shutoff system for chlorine cylinders, an advanced ATI chlorine leak detectors, and chlorine residual analyzers for detecting the level of chlorine inside the building in case of a leak.

ANALYSIS

SRP Well 18 is an important supply source for the water distribution grid serving the city. The ability to blend groundwater from SRP Well 18 with other water sources assists in meeting regulatory compliance requirements and production capabilities. Staff recommends authorizing the City Manager to enter into a Design and Construction Agreement with the Salt River Valley Water Users' Association in the amount of \$55,909 for repairs with upgrades to SRP Well Site 18.

FISCAL IMPACTS

The total requested for these modifications is \$55,909. Funding is available in the FY 2012-13 Capital Improvement Plan of the Water Services Department.

DESIGN AND CONSTRUCTION AGREEMENT

This Agreement for construction, modification or relocation of facilities (hereinafter AGREEMENT), is entered into this _____ day of _____, 2013, by and between the Salt River Valley Water Users' Association (hereinafter ASSOCIATION), and City of Glendale (hereinafter Customer).

WHEREAS, Customer has deemed it necessary or desirable that ASSOCIATION accommodate certain development or other needs of Customer and recognizes that ASSOCIATION is best capable of providing such accommodation, AND;

WHEREAS, ASSOCIATION is capable of providing such accommodation, using its own employees and equipment, unless otherwise provided herein.

THEREFORE, in consideration of the matters described herein and of the mutual benefits and obligations set forth herein, ASSOCIATION and Customer agree as follows:

- 1) ASSOCIATION shall perform the work and services more particularly described in the SCOPE OF WORK (EXHIBIT A), attached hereto, and by this reference incorporated herein.
- 2) ASSOCIATION shall complete the work and services described in EXHIBIT A in a timely manner. In the event ASSOCIATION is delayed in completing the Scope of Work due to acts of God, fire, flood, labor disputes or any other factor beyond the reasonable control of ASSOCIATION, the time for completion shall be extended for a period of time commensurate with the delay so caused.
- 3) ASSOCIATION shall maintain all relevant and applicable insurance coverage's, through its self insurance program or supplementary contracts of insurance it deems necessary.
- 4) ASSOCIATION shall at all times comply with laws applicable to performance hereunder, including acquisition of permits, licenses or other approvals.
- 5) The estimated cost for completing the Scope of Work is \$55,909 however, Customer shall reimburse ASSOCIATION for actual costs incurred in the performance and completion of the work and services described in EXHIBIT A. Payment to ASSOCIATION shall be in accordance with the terms set forth in EXHIBIT B, attached hereto, and by this reference incorporated herein.
- 6) Neither ASSOCIATION nor Customer shall have the right to assign any rights or interest created herein.
- 7) This AGREEMENT shall be governed in all respects by the laws of the state of Arizona.
- 8) Customer shall indemnify and hold harmless ASSOCIATION from liability resulting from or arising out of ASSOCIATION's performance hereunder, whether such liability is for property damage, personal injury or death, unless such liability is attributed to ASSOCIATION's sole, exclusive negligence or willful action. Further, Customer shall release ASSOCIATION from any of its claims related to ASSOCIATION's performance hereunder, unless such claim results from ASSOCIATION's sole, exclusive negligence or willful action.
- 9) In the event of termination of this Agreement prior to the completion of the Scope of Services, Customer shall reimburse ASSOCIATION for the actual cost it incurred to the effective date of such termination, and, if completion of the Scope of Work is essential to restore ASSOCIATION's ability to operate facilities affected by the unfinished Scope of Work, Customer shall reimburse ASSOCIATION in accordance with paragraph 5 herein.
- 10) This Agreement shall constitute the entire agreement between the parties hereto, and any prior or contemporaneous understanding or representation shall not be binding upon either party hereto.

In witness, each party has caused the execution of this Agreement by the undersigned, who is vested with authority to bind such party to the terms and conditions herein.

SALT RIVER VALLEY WATER
USERS' ASSOCIATION:

CUSTOMER:

By: Kyle Tilghman
(Please print name)

By: _____
(Please print name)

Signature: [Handwritten Signature]

Signature: _____

Date: 3/22/13

Date: _____

EXHIBIT "A"

Scope of work for the Chlorination modification of well site 6E-16.5N

ASSOCIATION will provide the following as part of this agreement:

Chlorination:

- Construct and install a new 100 amp service panel.
- Service to include a meter can, fusible 100 amp main disconnect, 7.5 kVA mini power zone and a 30 amp 3 phase fusible disconnect for the chlorine pump.
- Mini power zone will have a 30 amp 240 volt main to feed the chlorine shed distribution panel provided by the Glendale. Two additional circuits one for future RTU air conditioning and one for RTU power.
- Construct new chlorine shed concrete pad with ramp for loading and unloading chlorine cylinders.
- Trench and install conduits for the new chlorine shed and service.
- Install all power wire from the service to the transformer.
- Install wire and cables to the chlorine shed for Glendale's equipment.

Discharge pipe repair:

- Purchase two each 10 inch check valves.
- Fabricate a new long radius elbow with thread-o-lets for chlorine suction and discharge lines and the water faucet.
- Provide thread-o-let in the new section of discharge pipe for a flow switch to replace the lever type limit switch on the swing check valve.

GLENDALE will provide the following as part of this agreement:

Chlorine equipment to be provided and installed:

- Dual CL2 Scale, 120 volt with two 4-20 ma output to the Glendale RTU
- CL2 Residual Analyzer, 120 volt with one 4-20 ma output to the Glendale RTU
- ATI CL2 Leak Detector, 120 volt with two 4-20 ma output, three pair digital out to Glendale RTU.
- HALOGEN Emergency Chlorine L2 Shutoff System, 120 volt with two pair digital output to the Glendale RTU.
- Sample Drain Pump, 120 volt
- Light, 120 volt
- Exhaust Fan, 120 volt
- Chlorine L2 Booster Pump, 3 phase 480 volt with one pair digital in, one pair digital out to the Glendale RTU.
- Six foot by six foot chlorine shed to be provided and install on new concrete pad. Door to face south.
- Remove and haul away the existing chlorine shed.
- Terminate all wires and cable in the chlorine shed.

Discharge pipe repair:

- Make the connection from the elbow that goes into the ground to the existing underground pipeline.
- Fill and compact the excavation
- Provide and parts for chlorine connections and water faucet.

EXHIBIT "B"

Cost Summary

Task	Chlorination costs	Discharge pipe repair
Chlorination design	\$ 6,479	
Discharge pipe design		\$ 472
Chlorination and discharge pipe repair construction	\$ 25,600	
Discharge pipe repair construction		\$ 8,496
A new wellsite transformer will be installed to accommodate the additional load for the new Glendale chlorinator service. This cost will be billed on a separate invoice.	\$ 12,200	
Sub Total	\$ 44,279	\$ 8,968
A&G 5%	\$ 2,214	\$ 448
Each Job's total	\$ 46,493	\$ 9,416
Grand total	\$ 55,909	



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF GOODYEAR FOR
TEMPORARY STAFFING**
Staff Contact: **Mark Burdick, Fire Chief**

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the entering into of an intergovernmental agreement with the City of Goodyear to temporarily reassign a Deputy Chief from Glendale Fire Department to the Goodyear Fire Department for a period of six months.

Background Summary

In April 2013, the Goodyear Fire Chief unexpectedly retired. The City of Goodyear selected the Deputy Fire Chief to fill the Fire Chief position on an interim basis. Unfortunately, the Goodyear Fire Department was unable to fill the position of Deputy Fire Chief internally and the position remains vacant. This has created a leadership gap in the Goodyear Fire Department. The City of Goodyear is requesting assistance from Glendale Fire Department to temporarily fill the position of Deputy Fire Chief until a permanent selection process can be conducted. The process is estimated to take six months.

The six month agreement reassignment of a Glendale Fire Department Deputy Chief to Goodyear Fire Department can be fulfilled immediately while ensuring that Glendale Fire Department operations are not impacted.

Budget and Financial Impacts

The City of Goodyear will reimburse the City of Glendale for the fulltime position, including benefits.

Attachments

Staff Report

Agreement

Resolution



STAFF REPORT

To: **Richard A. Bowers, Acting City Manager**
From: **Mark Burdick, Fire Chief**
Item Title: **INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF GOODYEAR FOR TEMPORARY STAFFING**
Requested Council Meeting Date: **5/28/2013**
Meeting Type: **Voting**

PURPOSE

This report contains information on a proposed intergovernmental agreement with the City of Goodyear. This agreement will temporarily reassign a Deputy Fire Chief from Glendale Fire Department to the Goodyear Fire Department for a period of six months. The purpose of this report is to request the City Manager forward this item to the City Council for their consideration and approval.

BACKGROUND

In April 2013, the Goodyear Fire Chief unexpectedly retired. The City of Goodyear selected the Deputy Fire Chief to fill the Fire Chief position on an interim basis. Unfortunately, the Goodyear Fire Department was unable to fill the position of Deputy Fire Chief internally and the position remains vacant. This has created a leadership gap in the Goodyear Fire Department. The City of Goodyear is requesting assistance from Glendale Fire Department to temporarily fill the position of Deputy Fire Chief until a permanent selection process can be conducted. The process is estimated to take six months.

ANALYSIS

The proposed agreement will cover all costs for the Glendale Fire Department Deputy Chief that will be temporarily reassigned to the Goodyear Fire Department. The agreement will also provide an opportunity for temporary reassignment of personnel within the Glendale Fire Department, which will facilitate succession planning. Succession planning is necessary and will benefit the Glendale Fire Department as it prepares for a chief officer retiring in 2014, and three additional chief officers retiring in 2015.

The City of Goodyear is requesting this process move forward as soon as possible. Both Glendale and Goodyear Fire Departments have an excellent working relationship and the Glendale Fire Department is prepared to accommodate the request. The six month agreement reassignment of a Glendale Fire Department Deputy Chief to Goodyear Fire Department can be fulfilled immediately while ensuring that Glendale Fire Department operations are not impacted.



STAFF REPORT

FISCAL IMPACTS

The City of Goodyear will reimburse the City of Glendale for the fulltime position, including benefits.

RESOLUTION NO. 4679 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE EXECUTION OF THE INTER-GOVERNMENTAL AGREEMENT FOR TEMPORARY STAFFING WITH THE CITY OF GOODYEAR TO PROVIDE TEMPORARY MANAGEMENT AND OPERATIONS SERVICES TO THE GOODYEAR FIRE DEPARTMENT.

WHEREAS, Arizona Revised Statutes (“ARS”) Section 11-951 et seq. provides that public agencies, including cities, may enter into intergovernmental agreements for the provision of services, or for joint or cooperative action; and

WHEREAS, the cities of Glendale and Goodyear are empowered by their City Charter to enter into this Agreement; and

WHEREAS, the cities’ fire departments have a history of working together to provide mutual and automatic aid to their respective communities and are each familiar with the level of services, personnel and resources of the other; and

WHEREAS, Goodyear is working to address concerns that arose in a recent audit of its fire department and the replacement of the Fire Chief and is in need of an Operations Deputy Fire Chief during this transition; and

WHEREAS, Goodyear has requested the City of Glendale’s assistance in providing temporary management and operations services by making available an employee to perform the duties of Interim Deputy Fire Chief during the transition; and

WHEREAS, Glendale is able to make a fire department employee available to provide support to Goodyear so that it is able to fulfill its public safety mission for the community while providing a professional development opportunity for the City’s personnel.

NOW, THEREFORE, 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 Intergovernmental Agreement for Temporary Staffing between the City of Glendale and the City of Goodyear, pursuant to which the City of Glendale will provide temporary staffing for the management operations services to the Goodyear Fire Department, be entered into, which agreement is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk be authorized and directed to execute and deliver said agreement on behalf of the City of Glendale.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

iga_fire_goodyear

INTERGOVERNMENTAL AGREEMENT FOR TEMPORARY STAFFING

This Intergovernmental Agreement for Temporary Staffing (Agreement) is made and entered into by and between the City of Goodyear ("Goodyear") an Arizona Municipal Corporation and City of Glendale ("Glendale") an Arizona Municipal Corporation, collectively referred to as the "Parties" or "Cities," effective on the date of the last signature below .

Recitals

- A. Arizona Revised Statutes ("ARS"), Section 11-951 *et seq.* provides that public agencies, including cities, may enter into intergovernmental agreements for the provision of services, or for joint or cooperative action;
- B. Glendale is empowered by its City Charter to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of Glendale; and
- C. Goodyear is empowered by its City Charter to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of Glendale;
- D. The Cities' fire departments have a history of working together to provide mutual and automatic aid to their respective communities and are each familiar with the level of services, personnel and resources of the other;
- E. Goodyear is in a transition period while working on a plan to address concerns that arose in a recent audit of its fire department and the replacement of the Fire Chief. Goodyear is in need for an Operations Deputy Fire Chief during this transition;
- F. Goodyear has determined it is in the best interest of Goodyear to request that Glendale make available one of its fire department employees to serve as the interim Operations Deputy Fire Chief upon the terms and conditions of this Agreement;
- G. Glendale is able to make a fire department employee available to provide support to Goodyear so that it is able to fulfill its public safety mission for the community while providing a professional development opportunity for the City's personnel; and

H. Glendale wishes to make its employee available to Goodyear to serve as the Interim Operations Deputy Fire Chief upon the terms and conditions of this Agreement.

THEREFORE, for and in consideration of the mutual promises and covenants contained herein the Parties hereto agree as follows:

1. **Purpose.** The purpose of this Agreement is to set forth the duties and responsibilities of the Parties with respect to the provision by Glendale to Goodyear of temporary staffing services by making available a fire department employee to serve Goodyear as the Interim Operations Deputy Fire Chief.
2. **Services to be Performed.** Glendale will provide Goodyear with one full-time employee, Tom Cole, ("Employee"), who possess the requisite qualifications to and shall perform the duties of Interim Operations Deputy Fire Chief. Employee currently holds the rank of Acting Assistant Chief with the Glendale Fire Department with 19 years of professional fire service experience including operational and administrative duties. Employee will work 40 hours per week during this interim assignment and will report directly to the Goodyear Interim Fire Chief. Employee will have direct reports that include the EMS, Training, and Shift Battalion Chiefs. Employee will fulfill the requirements of the Goodyear Deputy Fire Chief job description.
3. **Employment Status.** Employee shall at all times remain an employee of Glendale except that he shall take direction with respect to the performance of his job duties for Goodyear from the Interim Goodyear Fire Chief and shall serve as a leased Employee to Goodyear. Employee shall continue to accrue all leave and other benefits pursuant to Glendale's policies, as may be amended from time to time.
4. **Financial Considerations.** Goodyear shall reimburse Glendale for the Employee's salary, and benefits in the amounts as follows:
 - a. **Salary & Benefits.** Employee salary and benefits are calculated based on annualized salary and benefits of \$159,933. Monthly during the term of this Agreement, Goodyear shall pay to Glendale an amount equal to one-twelfth of

annualized salary and benefits, plus additional amounts or allowances set forth in this Agreement.

5. **Invoicing.** Glendale will submit monthly invoices to Goodyear for reimbursement for the salary, benefits and any other amounts or allowances set forth in this Agreement. Invoices shall be submitted to Goodyear by the twentieth (20th) day of each month, unless otherwise agreed in writing. Invoices shall be sent to:

City of Goodyear
c/o Accounts Payable
190 North Litchfield Rd
Goodyear, Arizona 85338

6. **Equipment.** Goodyear will provide the Employee with standard equipment, as necessary or reasonably required to perform his duties, at Goodyear's sole expense.
7. **Uniform Allowance.** Goodyear will purchase five "5.11" polo shirts for the Employee.
8. **Worker's Compensation.** In accordance with Arizona Revised Statutes, § 23-1022, for purposes of Worker's Compensation laws, the Employee shall be deemed an employee of both public agencies (i.e., Glendale and Goodyear each gets the benefit of the exclusive remedy provisions of the Worker's compensation Act). Goodyear will be liable for Worker's Compensation benefits as to any occurrence that happens while the loaned Employee is in its employ.
9. **Compliance with Goodyear Rules and Regulations.** The Employee will be bound by Goodyear's Code of Conduct and Policies as may be amended from time to time by Goodyear City Council.
- a. While performing services under this Agreement the Employee will report and take direction from the Interim Fire Chief.
 - b. The Interim Fire Chief will develop, in cooperation with the Employee, a 5-month Action Plan with measurable goals to confirm Goodyear's direction to the Employee.
 - c. The 5-month Action Plan may be amended or revised, from time to time, as determined by the Interim Fire Chief.

10. Confidentiality. In the course of performing his duties under this Agreement, the Employee may obtain access to certain information regarding Goodyear that is non-public, confidential and/or proprietary in nature (“Confidential Information”). As partial consideration of, and as a condition to, to furnishing the Employee with access to such Confidential Information, Glendale agrees as follows:

- a. Glendale shall cause the Employee to execute a confidentiality agreement in a form to be provided by Goodyear.
- b. In the event that Employee receives a request to disclose any Confidential Information under a public records request or the terms of a subpoena or order issued by a court of competent jurisdiction, Glendale agrees to (i) immediately notify Goodyear of the request; (ii) consult with Goodyear on the advisability of taking legally available steps to resist or narrow such request, and (iii) if disclosure of such information is required, exercise at Goodyear’s sole expense, efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the Confidential Information that Goodyear so designates.

11. Limitation of Liability. Except as otherwise provided by law, the Parties agree that they will be acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. Further the employees, agents, or subcontractors of one Party shall not be deemed or construed to the employees or agents of the other Party unless specifically addressed by the terms of this Agreement. Goodyear, to the extent allowed by law, will fully protect, indemnify and hold harmless Glendale from any loss, injury liability, damage, claim, lawsuit, cost, or expense arising out of, or in any way related to, the performance of this Agreement including but not limited to any claims pursued under ARS § 23-1022. Goodyear will protect, defend, indemnify, and hold free and harmless the City of Glendale and its respective elected and appointed boards, officials, officers, agents, volunteers, and employees from and against any and all liabilities, damages, loss, costs, claims, expenses, actions, or proceedings of any kind or nature caused by Goodyear employees or the Employee

serving as the Interim Operations Deputy Fire Chief while working in his official capacity for Goodyear, including but not by way of limitation, injury or death of any person, injury or damage to any property, including consequential damages and attorney's fees and costs, resulting or arising out of or in any way connected with the negligent acts or failure to act in the course and scope of carrying out their responsibilities in the performance of their duties.

12. **Insurance Requirements.** Goodyear will provide Glendale with a certificate of insurance upon the execution of this Agreement
13. **No Scrutinized Operations.** Under A.R.S §§ 35-391-.06 and 35-393.06, the Parties certify that they do not have scrutinized business operations in either Sudan or Iran
14. **Federal and State Immigration Laws.** The Parties acknowledge and agree that each of them are currently in compliance, and will remain so throughout the terms of this Agreement, with the Immigration Reform and Control Act of 1986 (IRCA), ARS § 41-4401 and ARS § 23-214. The Parties further acknowledge and agree that if any party is found to be not in compliance with the above-stated federal and state immigration laws the other party may exercise any and all rights and remedies available to it under law up to and including termination of this Agreement.
15. **Notice.** Any notice given pursuant to the Agreement shall be in writing and will be considered to have been given when actually received by the following addressees or their agents or employees.
16. **Effective Date and Duration.** This agreement shall become effective as of the date it is approved by the Parties' respective City Councils and signed by their duly authorized representatives and shall continue in force for 160 days from the effective date unless or until terminated or modified (including extension for an additional period) through the methods provided in this agreement.
17. **Amendment and Termination.** This Agreement may be amended only by the mutual written consent of the authorized representatives for the Parties, upon approval of the Parties' respective City Councils. This Agreement may be terminated at any time, with or without cause, upon thirty (30) days written notice to the other Party.

- 18. Termination for Misconduct, Incapacity or Inability to Perform.** Either Party may terminate the Agreement upon thirty (30) days written notice to the other Party but in the event of any misconduct on the part of the Employee, Goodyear shall have the right to immediately suspend the Employee's duties with Goodyear. Such notice shall be the subject of immediate consultation between the Parties to decide upon the appropriate course of action. This Agreement and its financial reimbursements shall be suspended upon the incapacity and/or other inability of Employee to perform the duties of this Agreement.
- 19. Cancellation.** This Agreement may be cancelled pursuant to ARS § 38-511.
- 20. Method of Execution.** This Agreement may be executed in one or more identical counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one agreement
- 21. Authority.** Each Party, by its signature below, represents and warrants that the individual signing on behalf of the Party has the power and authority to do so.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth below the signature of each Party's authorized representative.

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

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

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attested by:

Attested by:

City Clerk

City Clerk

In accordance with the requirements of ARS § 11-952, the undersigned attorneys acknowledge that (i) they have reviewed the above Agreement on behalf of their respective clients and that (ii) as to their respective clients only, each attorney has determined that this Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona.

Goodyear City Attorney

Glendale Acting City Attorney



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **RENEWAL OF THE PHOENIX REGIONAL AUTOMATIC AID SYSTEM AGREEMENT**
Staff Contact: **Mark Burdick, Fire Chief**

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the approval of the renewal of the Phoenix Regional Automatic Aid System Agreement.

Background Summary

The regional automatic aid system was developed over 30 years ago and Glendale Fire Department is proud to be the original partner with Phoenix Fire Department since 1976. One of the great advantages of the system is the fact that all units are dispatched as if they were a single fire department and territorial borders are not recognized. This is accomplished through the use of Automatic Vehicle Location (AVL) technology which is similar to a global positioning system (GPS). All members of the regional dispatch consortium have agreed to follow the same policies and procedures and various departments can be found "working together" on large scale incidents. The system integrates emergency operations and provides the lowest cost and most effective emergency medical, technical rescue, hazardous materials, and fire suppression service that is available anywhere in the world.

Previous Related Council Action

The agreement was last renewed in 1997.

Community Benefit/Public Involvement

The City of Glendale received a response from 24,822 automatic units during the five year period of 2008-2012, inclusive years. The automatic aid response received included 3,570 multi-unit responses (e.g. 3-1, 1st Alarm, 2nd Alarm, etc.). The Glendale Fire Department would not have sufficient units to respond, or at a minimum would have caused a delayed response. The City of Glendale has received an excellent level of customer service for reduced costs over the last 30 years through the automatic aid system.



CITY COUNCIL REPORT

Budget and Financial Impacts

There is no cost involved with this agreement.

Attachments

Staff Report

Resolution

Agreement



STAFF REPORT

To: **Richard A. Bowers, Acting City Manager**
From: **Mark Burdick, Fire Chief**
Item Title: **RENEWAL OF THE PHOENIX REGIONAL AUTOMATIC AID SYSTEM AGREEMENT**
Requested Council Meeting Date: **5/28/2013**
Meeting Type: **Voting**

PURPOSE

The purpose of this report is to request the City Manager forward this item to the City Council for their consideration and approval. Staff is requesting to renew the Phoenix Regional Automatic Aid System Agreement.

BACKGROUND

The regional automatic aid system was developed over 30 years ago and Glendale Fire Department is proud to be the original partner with Phoenix Fire Department since 1976. One of the great advantages of the system is the fact that all units are dispatched as if they were a single fire department and territorial borders are not recognized. This is accomplished through the use of Automatic Vehicle Location (AVL) technology which is similar to a global positioning system (GPS). The AVL system is able to continuously track the exact location of all emergency vehicles, which provides the dispatch of the closest, most appropriate response unit to the incident.

All members of the regional dispatch consortium have agreed to follow the same policies and procedures and various departments can be found working together on large scale incidents. The system integrates emergency operations and provides the lowest cost and most effective emergency medical, technical rescue, hazardous materials, and fire suppression service that is available anywhere in the world. The agreement was last renewed in 1997 and the number of agencies has increased from 12 to 27 since that time.

ANALYSIS

The City of Glendale received a response from 24,822 automatic units during the five year period of 2008-2012. The automatic aid response received included 3,570 multi-unit responses (e.g. 3-1, 1st Alarm, 2nd Alarm, etc.). The Glendale Fire Department would not have sufficient units to respond, or at a minimum would have caused a delayed response.

The City of Glendale has received an excellent level of customer service for reduced costs over the last 30 years through the automatic aid system. All cities in the valley are dispatched through the Phoenix Regional Dispatch Center with the exception of Apache Junction, Gilbert, Mesa, and Queen



STAFF REPORT

Creek. They are dispatched through the Mesa Fire Department Dispatch Center and provide automatic aid to the Phoenix Regional Dispatch System. In contrast to other comparably sized fire departments throughout the United States not in an automatic aid system, the Glendale Fire Department sworn personnel staffing is understaffed by approximately 45%. The average size of the combined organizations in the table below is 418 sworn personnel.

City	Population	# of Stations	# of Sworn Personnel	Square Miles	Annual Incidents
Lubbock, TX	233,740	18	398	122	29,900
Durham, NC	233,252	9	302	107	19,000
Winston-Salem, OR	232,385	20	344	51	27,180
Glendale, AZ	230,482	9	232	60	36,467
Baton Rouge, LA	230,139	19	600	77	30,000

FISCAL IMPACTS

There is no cost involved with this agreement.

RESOLUTION NO. 4680 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT FOR AUTOMATIC AID AGREEMENT FOR FIRE PROTECTION AND OTHER EMERGENCY SERVICES.

WHEREAS, the automatic aid system has been in existence since 1976 to provide the highest levels of service in conjunction with the most effective use of local fire department resources working collaboratively through intergovernmental cooperation; and

WHEREAS, the automatic aid system participants are committed to demonstrate public equity through the reasonable commitment and distribution of resources within their jurisdiction to ensure that no participant unfairly benefits at the expense of the other participants; and

WHEREAS, it is the desire of the automatic aid system participants joining in this agreement to continue and improve the nature and coordination of emergency assistance to incidents that threaten loss of life or property within the geographic boundaries of their respective jurisdictions; and

WHEREAS, it is the desire of these municipalities and other governmental jurisdictions to initiate and/or renew an "Automatic Aid Agreement" for the fire department services.

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

SECTION 1. That the City Council hereby authorizes and directs the Mayor or the City Manager and the City Clerk to execute, on behalf of the City, Automatic Aid Agreement for Fire Protection and Other Emergency Services, with other municipalities, fire districts, and other governmental jurisdictions.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

iga_fd_automatic aid

AUTOMATIC AID AGREEMENT
FOR FIRE PROTECTION AND OTHER EMERGENCY SERVICES

THIS AGREEMENT, is made and entered into this ____ day of _____,
_____, by and between the Cities, Towns, Fire Districts, and governmental jurisdictions as
listed in Appendix "A" Automatic Aid System Participants (hereinafter referred to as Automatic
Aid System Participants) through their duly authorized Mayor, City Manager or Board Director,
to provide for automatic assistance for fires and other types of emergency incidents as
described under the terms of this agreement.

WITNESSETH:

WHEREAS, agreements for automatic assistance in fire protection and response to
other emergencies have existed between specific municipalities and governmental jurisdictions;
and;

WHEREAS, the Automatic Aid System has been in existence since 1976 to provide
the highest levels of services in conjunction with the most effective use of local fire department
resources working collaboratively through intergovernmental cooperation, and;

WHEREAS, the participating cities, towns and fire districts of the Automatic Aid System seek to
provide the most efficient, safe, and effective fire-rescue-emergency medical services to their
communities, and;

WHEREAS, the Automatic Aid System Participants are committed to demonstrate

public equity through the reasonable commitment and distribution of resources within their jurisdiction to ensure that no participant unfairly benefits at the expense of the other participants, and;

WHEREAS, it is the desire of the Automatic Aid System participants joining in this agreement to continue and improve the nature and coordination of emergency assistance to incidents that threaten loss of life or property within the geographic boundaries of their respective jurisdictions; and

WHEREAS, it is further the determination of each of the parties hereto that the decision to enter into this Automatic Aid Agreement constitutes a fundamental governmental policy of the parties hereto which is automatic in nature, and includes the determination of the proper use of the resources available with respect to the providing of governmental services and the utilization of existing resources of each of the parties hereto, including the use of equipment and personnel.

WHEREAS, it is the desire of these municipalities and governmental jurisdictions to initiate and/or renew an "Automatic Aid Agreement" for fire department services.

NOW, THEREFORE, IT IS AGREED:

1. The parties hereto acknowledge that this Agreement is being entered into pursuant to the Intergovernmental Agreement Statute, Section 11-952, Arizona Revised Statutes.

2. That the Automatic Aid System participants executing this agreement agree to dispatch

their respective assigned fire department units on an automatic basis. The Computer Aided Dispatch and Automatic Vehicle Locator system will automatically determine the closest available, most appropriate unit(s) regardless of jurisdictional boundaries. Each jurisdiction agrees that such unit(s) will respond.

3. It is agreed that the scope of this agreement includes automatic assistance in responding to fires, medical emergencies, hazardous materials incidents, rescue and extrication situations and other types of emergency incidents that are within the standard scope of services provided by fire departments in the Automatic Aid System.

4. If at any time while this Automatic Aid Agreement is in effect, if a party to the Automatic Aid Agreement closes a fire station, or reduces the level of fire, medical or emergency services provided within its municipal or jurisdictional boundaries, the party closing said fire station or reducing services will give a minimum of 120 days notice to all other parties to this Automatic Aid Agreement.

5. This agreement shall encourage the development of cooperative procedures and protocols, including but not limited to, the possibility of joint purchasing, communications coordination, training, health and safety, fire prevention, public education, fire investigations and other activities that will enhance the ability of the fire departments to fulfill their missions.

6. Nothing in this agreement shall limit the ability of any or all of the parties from agreeing to participate in more specific contracts for services, mutual assistance or automatic response; nor shall this prohibit any party from providing emergency assistance to another jurisdiction which is not a participant in this agreement.

7. Each participating municipality or fire district shall retain ownership of any equipment or property it brings to the performance of this agreement and shall retain ultimate control of its employees. If at any time it is determined that communications infrastructure is necessary to meet the operational requirements of the automatic aid response system, the jurisdiction's fire department will assist the Mesa or Phoenix Fire Department in facilitating all necessary steps to implement sufficient communications infrastructure, including the authorizations, agreements, access, etc.

8. Each Automatic Aid System participant shall be a member of the Central Arizona Life Safety Response System Council. The Fire Chief or his principle assistant, will be his department's representative on the Council. The Council shall meet regularly to discuss issues of mutual concern and to develop policy positions on these issues.

9. Participants in this automatic aid agreement do further agree to the following standard service criteria as the primary response system elements of this automatic aid agreement:

- A. The Automatic Aid System will use a Computer Aided Dispatch system that automatically selects the closest, most appropriate unit(s) for dispatch. The CAD system shall be a centralized, totally integrated unit dispatch/status keeping system.

- B. The Automatic Aid System allows the closest, most appropriate emergency response unit to an emergency to be dispatched automatically - regardless of the jurisdiction where the emergency occurs or the jurisdictional affiliation of the response unit. The dispatch system utilizes Automatic Vehicle Location (AVL) equipment to discern the

location of emergency response units and a computerized Geographic Information System (GIS) to discern the location of the emergency call. The AVL and GIS systems allow the dispatch system to match the closest response unit to the emergency and recommend it for dispatch within the Automatic Aid System boundaries. All Automatic Aid system participants shall insure its engines, ladders and ladder tenders are equipped with AVL's.

- C. The automatic aid system utilizes a preplanned system of communications. Communications support for participants includes the provision of a main dispatch and multiple tactical radio frequencies, a Mobile Computer Terminal (MCT) system, a station alerting system, direct communication lines between each participating fire station and the Dispatch Center, and a paging system. These systems are in place and supported by the Dispatch Center.

- D. All participants will use standard command procedures. A standardized Incident Management System (IMS) provides for efficient management of the emergency and for the safety of firefighters through the use of standard terminology, reporting relationships, and support structures. The Incident Management System and associated standard operating procedures adopted for use by all Automatic Aid participants is the Phoenix Fire Department's Standard Operating Procedures as outlined in Phoenix Volume II Manual.

- E. Participants shall use the same set of procedures for Incident Management and Minimum Company Standards (basic evolutions used by the fire service). Battalion Chiefs and other designated command officers will attend at least 75% of joint

command officer training for responders. Participants shall explore other opportunities for joint training. Participants that do not attend joint training opportunities on a regular basis, as determined by the Central Arizona Life Safety Council, will be automatically removed from this agreement.

- F. To ensure compatibility of equipment, participants shall maintain a mutually agreed upon inventory of equipment (based upon minimum NFPA standards), including hoses, couplings, pump capacity, communications equipment, and will maintain the minimum standard amount of equipment on each type of apparatus (as recommended by related NFPA Standards).
- G. Participants shall utilize the Valley-wide apparatus numbering system and standardized terminology for apparatus and fire stations.
- H. Participants shall use standardized response criteria (i.e. pre-established type and number of apparatus that will be automatically dispatched based on type of call as per standard NFPA and ISO recommendations). The dispatch system can tailor the response to specific types of incidents by jurisdiction or part of a jurisdiction. This includes the capability to automatically dispatch selected specialty units.
- I. System participants recognize the importance of service delivery and personnel safety issues. The minimum daily staffing level for engines and ladders shall be four members. Henceforth this will be referred to as full staffing. Engine and ladder staffing may be reduced to three trained personnel for short periods of time as established by the Life Safety Council throughout a 24 hour shift. Departments that

enter the system with a staffing level of three members on each engine and/or ladder shall have an active plan to accomplish full staffing within one year of entry.

- J. To ensure safety, all participants agree that their standard operating procedures and command procedures shall match those adopted by the Automatic Aid System participants. Departments shall use safety officers that will follow standardized procedures as recommended by NFPA. Staff filling the role of safety officer shall participate in joint training.
- K. Participants agree to the use of specialized unit resources. The assignment of a specialized unit to an incident relies on predefined response levels to specific types of incidents, the closest specialized unit to the call, and/or any special call for resources made by an incident commander that is not pre-programmed in the CAD system. This includes, but is not limited to, hazardous materials support, technical rescue support, loss control, rehab, command, utility, brush, and water tenders.
- L. Participants agree that automatic aid is reciprocal. While automatic aid does not ensure that a community will receive the exact same amount of assistance as it gives, it does mean that all participants will provide assistance outside its jurisdictional boundaries and that the level of service delivered within the Automatic Aid System will be comparable.
- M. Participants shall define "time of dispatch" as the point in time at which the Dispatch and Deployment Center has notified the station or (responding unit if out of station) of the call through the station alert system, radio, or MCT.

- N. Participants shall measure "response time" from the time of dispatch to time of arrival on-scene.
- O. Calls outside the response boundaries of the Automatic Aid Response System will be considered mutual aid where such written agreements exist. Requests for and responses to mutual aid will be at the sole discretion of the departments involved.
- P. System participants agree that full staffing as described in NFPA 1710 on engines and ladders provides the most efficient and effective personnel safety and service delivery to public. Staffing engines and ladders with less than full staffing has financial implications to neighboring jurisdictions, the system as a whole, and the public. Before June 30, 2016, participants that reduce staffing below full staffing shall be subject to financial considerations intended to make the system whole. After June 30, 2016, participants that reduce staffing below full staffing shall no longer be members of the automatic aid system.

10. No term or provision of this Agreement is intended to, or shall, create any rights in any person, firm, corporation or other entity not a party hereto, and no such person or entity shall have any cause of action hereunder.

11. Except as specifically agreed to by both parties for a particular incident, neither party shall be reimbursed by the other party for any costs incurred pursuant to this agreement. In the event of Declared Disasters, participants may apply for reimbursements from County, State and Federal agencies.

12. The parties further understand that this agreement supersedes any previous Automatic Aid Agreement between any of the parties hereto.

13. The parties also recognize that it is the responsibility of each participating party to ensure that their employees are notified in accordance with the provisions of Arizona Workers Compensation Law, specifically, A.R.S. 23-1022 or any amendment thereto, and that all such notices as required by such laws shall be posted in accordance with said law. Each party hereto further grants consent to each other party hereto to inspect the premises and work place of each party to ensure compliance with said notice posting requirements of said law, said consent being provided to the appropriate emergency services and/or risk management function of each agency party hereto.

14. The parties hereto understand and acknowledge the applicability of the Immigration Reform and Control Act of 1986 (IRCA). Each party agrees to comply with the IRCA in performing under this Agreement and to permit inspection of its personnel records to verify such compliance.

15. This Automatic Aid Agreement shall commence upon filing with the Maricopa County Recorder's Office and shall continue in force until terminated by formal act of the parties to this agreement. If one party wishes to terminate this agreement, one hundred twenty (120) days notice in writing of intention to terminate shall be given to all parties involved.

16. No term or provision in this agreement is intended to create a partnership, joint venture or agency arrangement between any of the parties.

17. The parties hereto acknowledge that this agreement is subject to cancellation pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

18. The parties to this agreement hereby agree that other departments dispatched by the Phoenix Dispatch Center and added to the Automatic Aid Response System may be added to this Automatic Aid Agreement upon approval of their governing body and the filing of its signature page with this agreement at the Maricopa County Recorder's Office.

19. This Automatic Aid Agreement shall be reviewed by all parties every five years or as deemed necessary.

IN WITNESS WHEREOF, this Agreement is executed on the year and date first above written.

15001

JURISDICTION: GLENDALE

The City of Glendale is authorized by Article I, Section 3 of the City Charter to join with other governmental entities by contract for the exercise of its powers and is further authorized by Article IV, Section 1 of the City Charter to organize and maintain the fire department and provide for the management and control of the same.

IN WITNESS WHEREOF, the Party named below has executed this Agreement on

_____.

City of Glendale,
an Arizona municipal corporation

By:
Its:

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

INTERGOVERNMENTAL AGREEMENT DETERMINATION

In accordance with A.R.S. §11-952, this Agreement has been reviewed by the undersigned who determined that this Agreement is in appropriate form and is within the powers and authority of the respective parties.

CITY OF GLENDALE

By: _____
City Attorney

APPENDIX A

PARTICIPATING FIRE DEPARTMENTS AND FIRE DISTRICTS
WITH REQUIRED SIGNATORY YEAR

Signers during FY 2012-2013

Chandler Fire Department
Daisy Mountain Fire District
Glendale Fire Department
Mesa Fire Department
Phoenix Fire Department
Scottsdale Fire Department
Tempe Fire Department

Signers during FY 2013-2014

Avondale Fire - Rescue
Gilbert Fire Department
Guadalupe Fire Department
Peoria Fire Department
Tolleson Fire Department

Signers during FY 2014-2015

El Mirage Fire Department
Goodyear Fire Department
Queen Creek Fire Department
Sun City Fire District

Signers during FY 2015-2016

Apache Junction Fire District
Buckeye Fire Department
Buckeye Valley Fire District
Maricopa Fire Department
Sun City West Fire District
Sun Lakes Fire District
Surprise Fire Department



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **ARIZONA STATE PURCHASING COOPERATIVE AGREEMENT**
Staff Contact: **Sherry M. Schurhammer, Executive Director, Financial Services**

Purpose and Recommended Action

This is a request for City Council to adopt a resolution authorizing the entering into of an Arizona State Purchasing Cooperative Agreement. The current Purchasing Cooperative Agreement expires June 30, 2013. This agreement has a term of five fiscal years.

Staff is requesting Council waive reading beyond the title and adopt a resolution authorizing the entering into of an Arizona State Purchasing Cooperative Agreement.

Background Summary

The Arizona State Purchasing Cooperative is a program of the Arizona Department of Administration, State Procurement Office, where members may participate in cooperative procurement opportunities through the use of designated Arizona State Contracts and related other services.

Membership in the Arizona State Purchasing Cooperative is available to all Arizona political subdivisions including cities, counties, school districts, and special districts. Membership is also available to non-profit public procurement organizations, non-profit educational institutions, non-profit health institutions, as well as other State governments, the U.S. Federal Government and Tribal Nations. Currently, there are over 400 members of the State Purchasing Cooperative.

This resolution permits execution of the revised Purchasing Cooperative Agreement with a term of five fiscal years. All contracts available through the Purchasing Cooperative Agreement are awarded in compliance with the purchasing requirements of Arizona state law. The public competitive notification requirements are established to solicit the participation of all interested vendors.

Previous Related Council Action

Council previously approved an Arizona State Purchasing Cooperative Agreement on September 22, 2009 and October 11, 2005.



CITY COUNCIL REPORT

Community Benefit/Public Involvement

Participation in the Arizona State Purchasing Cooperative Agreement allows the city to make purchases based on the combined volume of all members of the cooperative rather than a city's individual needs. The consolidation of the combined purchasing power of the cooperative's membership produces the lowest possible volume prices and makes for the most effective use of available funding. The bids are publicly advertised and all Arizona firms have an opportunity to participate.

Budget and Financial Impacts

There are no costs to the city for participation in the Arizona State Purchasing Cooperative Agreement.

Attachments

Resolution
Agreement

RESOLUTION NO. 4681 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN ARIZONA STATE PURCHASING COOPERATIVE AGREEMENT WITH THE ARIZONA DEPARTMENT OF ADMINISTRATION, STATE PROCUREMENT OFFICE.

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 an Arizona State Purchasing Cooperative Agreement with the Arizona Department of Administration, State Procurement Office, be entered into, which agreement is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk be authorized and directed to execute and deliver said agreement on behalf of the City of Glendale.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

a_coop_adoa

Janice K. Brewer
Governor



Brian C. McNeil
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

STATE PROCUREMENT OFFICE
100 NORTH FIFTEENTH AVENUE • SUITE 201
PHOENIX, ARIZONA 85007
(602) 542-5511 (main) (602) 542-5508 (fax)
<http://spo.az.gov>

ARIZONA STATE PURCHASING COOPERATIVE AGREEMENT

This Cooperative State Purchasing Agreement ("Agreement") is entered between the

State of Arizona Procurement Office

and

City of Glendale

(Organization Name)

In accordance with Arizona Revised Statutes §41-2631, *et seq.*, Article 10 Intergovernmental Procurement, which authorizes cooperative purchasing for public procurement units and nonprofit educational or public health institutions and the Arizona Administrative Code R2-7-1001, which permits the governing body of any Eligible Procurement Unit to enter into an Agreement with the State for the purpose of utilizing State contracts.

The purpose of this Agreement is to permit the Eligible Procurement Unit named above, hereafter known as the State Cooperative Member, to purchase materials and services from State contractors at the prices and terms expressed in contracts between the State and those State contractors.

In consideration of the mutual promises contained in this Agreement, and of the mutual benefits to result there from, the State and the State Cooperative Member agree as follows:

1. The State shall conduct the procurement in compliance with the Arizona Procurement Code, A.R.S. Title 41, Chapter 23, and its Rules, A.A.C. Title 2, Chapter 7.

2. The specifications for the materials and services will be determined by the State Procurement Administrator or delegated State agencies.
3. The State will identify the State Cooperative Member as an eligible participant in any solicitation intended for general use by State Cooperative Members. In addition, the State may invite the State Cooperative Member to participate in certain exclusive solicitations. Only State Cooperative Members indicating an interest in participating in these exclusive solicitations will be eligible to participate in the resulting State contracts.
4. The State Cooperative Member's use of eligible State contracts is discretionary. Participation in the State Purchasing Cooperative shall not restrict or limit member's ability to seek competition as needed. However, the State Cooperative Member shall not use a State contract as a means of coercion to obtain improper concessions, including lower prices, from State contractors or any other suppliers for the same or similar materials or services. The State Cooperative Member is also prohibited from participating in any organization or group that seeks to obtain such concessions from State contractors or other suppliers based on State contracts.
5. The State shall provide the State Cooperative Member with access to listings of all eligible State contracts. The original copy of each State contract is a public record on file with the State. The State's eProcurement System shall provide all contract information available and be used for contract purchases.
6. The State Cooperative Member shall:
 - a. Ensure that purchase orders issued against eligible State contracts are in accordance with the terms and prices established in the State contract.
 - b. Make timely payments to the State contractor for all materials and services received in accordance with the terms and conditions of the State contract. Payment for materials or services and inspection and acceptance of materials or services ordered by the State Cooperative Member shall be the exclusive obligation of such unit.

- c. Be responsible for the ordering of materials or services under this Agreement. The State shall not be liable in any fashion for any violation by the State Cooperative Member of this Agreement and, with the exception of other Arizona State entities subject to A.R.S. §41-621, the State Cooperative Member shall hold the State harmless from any liability which may arise from action or inaction of the State Cooperative Member relating to this Agreement or its subject matter.
 - d. The exercise of any rights or remedies by the State Cooperative Member shall be the exclusive obligation of such unit; however, the State, as the contract administrator and without subjecting itself to any liability, may join in the resolution of any controversy should it choose to do so.
7. The State Cooperative Member shall endeavor to utilize State contracts to the fullest extent possible. That is, the State Cooperative Member is to make an effort to purchase all items covered under exclusive contracts and shall not fracture purchases by means of utilizing line items from alternate contracts. Such practices weaken the State's ability to negotiate lowest possible volume prices. Exclusive contracts are those that offer the State Cooperative member the option to participate exclusively, rather than permissively, and shall be identified as such within the contract documents.
 8. Failure of the State Cooperative Member to secure performance from the State contractor in accordance with the terms and conditions of its purchase order does not necessarily require the State to exercise its own rights or remedies.
 9. This Agreement shall take effect with execution by both Parties on the date signed by the State Procurement Administrator, and shall remain in effect for a total period of five (5) state fiscal years.
 10. This Agreement may be canceled pursuant to the provisions of A.R.S. § 38-511.
 11. This Agreement is exempt from the provisions of A.R.S. §§ 11-952(D) and 12-1518.
 12. The State Cooperative Member certifies that its organization shall comply with the

State and Federal Equal Opportunity and Non-Discrimination requirements and conditions of employment in accordance with A.R.S. Title 41 Chapter 9, Article 4 and Executive Order No. 2009-09 dated October 20, 2009.

13. The State Cooperative Member hereby acknowledges that each State contractor shall be remitting an administrative fee to the State, based upon the member's purchasing volume under the state contracts.
14. The State Cooperative Member authorizes State contractors to release usage information to the State. Usage information shall be limited to the State Cooperative Member's purchasing activity and shall generally consist of, but shall not be limited to, purchase order information including purchase date(s); units purchased, their descriptions and quantities; unit prices and aggregate amounts paid for all materials and services purchased off of the State's contract.
15. The State may terminate this Agreement without notice if the State Cooperative Member fails to comply with the terms of a State contract or this Agreement.
16. Except as provided in Paragraph 15, either of the Parties may terminate this Agreement with at least thirty (30) days written notice to the other party.

IN WITNESS WHEREOF, the Parties of this Agreement, having caused their names to be affixed hereto by their proper officers, hereby execute this Agreement on the dates indicated hereunder.

FOR THE STATE COOPERATIVE MEMBER:

FOR THE STATE:

Signature:

Signature:

Name: _____

Jean A. Clark, CPPO, C.P.M., CPPB, CPM

Title: _____

Title: State Procurement Administrator

Date: _____

Date: _____

**ARIZONA STATE PURCHASING COOPERATIVE
State Cooperative Member Contact Information
(Please submit completed form with agreement to address below.)**

Name of Organization: City of Glendale	
Name of Contact Person: Sherry Schurhammer	
Title of Contact Person: Executive Director Financial Services	
Telephone number of contact person: 623 930-2268	Fax:
E-mail address of contact person: sschurhammer@glendaleaz.com <small>(If possible, please provide a general email address that can be forwarded to the contact person and that will not change should the contact person leave the organization. The person receiving email from the State Procurement Office at the address above needs to be responsible to forward the information to other interested parties at your organization as needed.)</small>	
Billing Address: 5850 West Glendale Avenue Suite 317 Glendale, Arizona 85301	
Remit Address (if different from the billing address):	
Federal ID Tax Number: 86-6000247	

Please notify State Procurement Office of any changes to this information.

Please send completed agreements and changes in contact information to:
 State Procurement Office
 Arizona State Purchasing Cooperative
 100 North 15th Avenue, Suite 201
 Phoenix, Arizona 85007
 Or by e-mail to: spo@azdoa.gov



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **GLENDALE FROM THE HEART GRANT**
Staff Contact: **Thomas Adkins, Assistant to the Mayor**

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the Acting City Manager to accept a grant from the Gila River Indian Community for the Glendale *FROM THE HEART* program, should the city be successful in receiving an award. A resolution is required as part of the grant package. The city will be notified if it receives an award in October 2013. The grant will be used as matching funds for donations raised in the community.

Background Summary

In 1996, the Glendale City Council, along with a local organization, had a vision for a program that would improve emergency and support services for the Glendale community. The result was the creation of a unique program called *FROM THE HEART*. Money that is raised through *FROM THE HEART* is matched and then distributed to local organizations serving Glendale residents in need.

FROM THE HEART enables Glendale residents and businesses to conveniently donate. Each resident receiving a utility statement is able to add \$1 to their monthly bill. Additionally, residents can make larger one-time donations at any time. Glendale businesses are also able to make one-time and ongoing contributions. Funds raised through *FROM THE HEART* go directly to people in need. The program has no administrative overhead.

In 2002, Arizona voters passed Proposition 202 which required Native American communities receiving gaming revenues to set aside 12% for a state-shared revenue program for distribution to cities, towns or counties for government services that benefit the general public. Organizations are eligible to apply for these funds if sponsored and formally authorized by an eligible government agency. The sponsoring government agency must also agree to act as fiscal administrator for grants to organizations.

Community Benefit/Public Involvement

FROM THE HEART was developed to help provide essential services to Glendale's most vulnerable children, families and elderly residents. In the past, funds have been used to feed Glendale's hungry, provide home medical equipment for the frail and elderly, and for emergency programs



CITY COUNCIL REPORT

for victims of violence and abuse. Since the program's inception, nearly \$2.5 million has been collected and distributed to non-profit agencies serving Glendale residents.

Budget and Financial Impacts

The grant award is for \$75,000 per year for three years, totaling \$225,000, ending December 31, 2016. The city will act as a fiscal agent and grant administrator for the proposed funding. A specific account will be established to track revenue and expenses once the grant agreement is formally executed.

Attachments

Resolution

RESOLUTION NO. 4682 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ACCEPTANCE OF GILA RIVER INDIAN COMMUNITY GRANT FOR THE GLENDALE *FROM THE HEART* PROGRAM.

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

SECTION 1. That the City Council of the City of Glendale hereby accepts the Gila River Indian Community Grant for the Glendale *FROM THE HEART* Program for up to \$75,000 per year for three years ending December 31, 2016.

SECTION 2. That the City Manager, or his designee, is hereby authorized and directed to execute any and all documents necessary for the acceptance of said grant on behalf of the City of Glendale.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **AWARD OF BID TO R.K. SANDERS, INC. FOR STREET RECONSTRUCTIVE PAVING PROJECT**
Staff Contact: **Christina Betz, Acting Deputy Director, Public Works**

Purpose and Recommended Action

This is a request for City Council to award a bid and authorize the City Manager to enter into a construction agreement with R.K. Sanders, Inc. in an amount not to exceed \$234,808.25 for street reconstructive paving using Community Development Block Grant (CDBG) funds and City of Glendale Pavement Management capital improvement plan (CIP) funds.

Background Summary

This project is for reconstructive paving of deteriorated streets within the defined area (McLellan Road, from 62nd Avenue to 63rd Avenue; 62nd Drive, from McLellan Road to Ocotillo Road; Tuckey Lane, from 63rd Avenue to 64th Avenue; and 64th Avenue, from Tuckey Lane to Ocotillo Road), for reconstruction paving of older streets in CDBG eligible areas of the city. The project includes removing and replacing existing asphalt pavement, minor repairs to existing curb and sidewalk, replacing sidewalk ramps with new Americans with Disabilities Act (ADA) sidewalk ramps, and installing new ADA sidewalk ramps where none currently exist.

Previous Related Council Action

On April 24, 2012, Council authorized the submission of the FY 2012-13 CDBG recommendations and Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD).

Community Benefit/Public Involvement

Well maintained infrastructure is an important element of strong neighborhoods.

The reconstructive paving project includes a communication plan and residents in the impacted area will be notified prior to work beginning in their neighborhood.



CITY COUNCIL REPORT

Budget and Financial Impacts

Cost	Fund-Department-Account
\$200,000.00	1320-31102-550800, Community Development Block Grant
\$34,808.25	2210-65089-550800, Pavement Management

The proposed construction agreement is in an amount not to exceed \$234,808.25 for the street reconstructive paving project. Funds in the amount of \$200,000 are available in the FY 2012-13 CDBG program, and funds in the amount of \$34,808.25 are available in the Pavement Management CIP budget. This is a one-time expenditure and there are no additional operating costs associated with this project.

Capital Expense? Yes No

Budgeted? Yes No

Requesting Budget or Appropriation Transfer? Yes No

Attachments

Staff Report

Agreement

Bid Tab

Map



STAFF REPORT

To: **Richard A. Bowers, Acting City Manager**
From: **Christina Betz, Acting Deputy Director, Public Works**
Item Title: **AWARD OF BID TO R.K. SANDERS, INC. FOR STREET RECONSTRUCTIVE PAVING PROJECT**
Requested Council Meeting Date: **5/28/2013**
Meeting Type: **Voting**

PURPOSE

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

This is a request for City Council to award a bid and authorize the City Manager to enter into a construction agreement with R.K. Sanders, Inc. in an amount not to exceed \$234,808.25 for street reconstructive paving using Community Development Block Grant (CDBG) funds and City of Glendale Pavement Management capital improvement plan (CIP) funds.

BACKGROUND

This project is for reconstructive paving of deteriorated streets within the defined area (McLellan Road, from 62nd Avenue to 63rd Avenue; 62nd Drive, from McLellan Road to Ocotillo Road; Tuckey Lane, from 63rd Avenue to 64th Avenue; and 64th Avenue, from Tuckey Lane to Ocotillo Road), for reconstruction paving of older streets in CDBG eligible areas of the city. The project includes removing and replacing existing asphalt pavement, minor repairs to existing curb and sidewalk, replacing sidewalk ramps with new Americans with Disabilities Act (ADA) sidewalk ramps, and installing new ADA sidewalk ramps where none currently exist.

Two responses were received for project number 121315, and R.K. Sanders, Inc. provided the lowest responsive bid.

ANALYSIS

- Staff is recommending the award of bid and entering into of a construction agreement with R.K. Sanders, Inc. for a reconstructive paving project in the defined area of the city.
- On April 24, 2012, Council authorized the submission of the FY 2012-13 CDBG recommendations and Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD).



STAFF REPORT

- The CDBG funded project does not require matching city funds; the city is supplementing the CDBG funds with Pavement Management CIP funds to complete the project in the defined area.
- The project includes a communication plan and residents in the impacted areas will be notified prior to work beginning in their neighborhood.
- The project is planned to be completed during the summer break so as to not impact students attending Harold W. Smith Elementary School.

FISCAL IMPACTS

The proposed construction agreement with R.K. Sanders, Inc. is in an amount not to exceed \$234,808.25 for the street reconstructive paving project. Funds in the amount of \$200,000 are available in the FY 2012-13 CDBG program, and funds in the amount of \$34,808.25 are available in the Pavement Management CIP budget. This is a one-time expenditure and there are no additional operating costs associated with this project.

CONSTRUCTION AGREEMENT

This Construction Agreement ("Agreement") is entered into and effective between the CITY OF GLENDALE, an Arizona municipal corporation ("City"), and R.K. Sanders, Inc., an Arizona corporation, ("Contractor") as of the _____ day of _____, 20__.

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 the **Notice to Contractors** and the attached **Exhibit A** ("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, the plans and specifications, the **Information for Bidders**, and the **Maricopa Association of Governments** ("MAG") **General and Supplemental Conditions and Provisions**;
- 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. Project.

- 1.1 Scope.** Contractor will provide all services and material 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, providers or consultants retained by City.
- 1.2 Documents.** The following documents are, by this reference, entirely incorporated into this Agreement and attached Exhibits as though fully set forth herein:

- (A) Notice to Contractors;
- (B) Information for Bidders;
- (C) MAG General Conditions, Supplemental General Conditions, Special and Technical Provisions;
- (D) Proposal;
- (E) Bid Bond;
- (F) Payment Bond;
- (G) Performance Bond;
- (H) Certificate of Insurance;
- (I) Appendix; and
- (J) Plans and Addenda thereto.

Should a conflict exist between this Agreement (and its attachments), and any of the incorporated documents as listed above, the provisions of this Agreement shall govern.

1.3 Project Team.

- (A) Project Manager. Contractor will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, to 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.
- (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) 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 Project will be undertaken in a manner that ensures it is completed in a timely and efficient manner. If not otherwise stated in **Exhibit A**, the Project shall be completed by no later than within forty-five (45) consecutive calendar days from and including the date of receipt of the Notice to Proceed.

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 and materials 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 of this Agreement.

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

3.4 **Coordination; Interaction.**

- (A) If the City determines that the Project requires the coordination of professional services or other providers, Contractor will work in close consultation with City to proactively interact with any other contractors retained by City on the Project ("Coordinating Entities").
- (B) Subject to any limitations expressly stated in the budget, Contractor will meet to review the Project, schedules, budget, and in-progress work with Coordinating Entities and the City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- (C) If the Project does not involve Coordinating Entities, 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 **Hazardous Substances.** Contractor is responsible for the appropriate handling, disposal of, and if necessary, any remediation and all losses and damages to the City, associated with the use or release of hazardous substances by Contractor in connection with completion of the Project.

Project 121315

- 3.6 Warranties.** At any time within two years after completion of the Project, Contractor must, at Contractor's sole expense and within 20 days of written notice from the City, uncover, correct and remedy all defects in Contractor's work. City will accept a manufacturer's warranty on approved equipment as satisfaction of the Contractor's warranty under this subsection.
- 3.7 Bonds.** Upon execution of this Agreement, and if applicable, Contractor must furnish Payment and Performance bonds as required under A.R.S. § 34-608.

4. Compensation for the Project.

- 4.1 Compensation.** Contractor's compensation for the Project, including those furnished by its Sub-contractors will not exceed \$234,808.25, as specifically detailed in the Contractor's bid and set forth in **Exhibit B** ("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 by the City.
- (A) Adjustments to the Scope or 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 and not contained in this Agreement may not be performed by the Contractor without prior written authorization from the City.

5. Billings and Payment.

5.1 Applications.

- (A) The 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.

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.
- (C) Contractor will provide, by separate cover, and concurrent with the execution of this Agreement, all required financial information to the City, including City of Glendale Transaction Privilege License and Federal Taxpayer identification numbers.
- (D) City will temporarily withhold Compensation amounts as required by A.R.S. §34-221(C).

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 15 days following the date of delivery.

- (A) Contractor will be equitably compensated any services and materials 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.
- (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 more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Insurance.**

7.1 **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, "Contractor's Policies"), until each Parties' 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.
 - (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, products and completed operations, 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) Equipment Insurance. Contractor must secure, pay for, and maintain all-risk insurance as necessary to protect the City against loss of owned, non-owned, rented or leased capital equipment and tools, equipment and scaffolding, staging, towers and forms owned or rented by Contractor or its Sub-contractors.

- (F) 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.
- (G) 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 this Agreement.
- (H) Other Contractors or Vendors.
- (1) Other contractors or vendors that may be contracted by Contractor with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular agreement.
 - (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).
- (I) Policies. Except with respect to workers' compensation and employer's liability coverages, the 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 acceptable to all parties.

7.2 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 Required Insurance whenever requested.

7.3 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 policy 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.

7.4 **Waiver of Subrogation.** Contractor waives, and will require any Subcontractor to waive, all rights of subrogation against the City to the extent of all losses or damages covered by any policy of insurance.

8. **Immigration Law Compliance.**

8.1 Contractor, and on behalf 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.

8.2 Any breach of warranty under subsection 8.1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.

8.3 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 8.1 above.

8.4 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 8.1 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 8.

8.5 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.

8.6 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.

8.7 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.

9. **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.

10. **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. **Non-Discrimination Policies.** Contractor must not discriminate against any employee or applicant for employment on the basis of race, religion, color sex or national origin. Contractor must develop, implement and maintain non-discrimination policies and post the policies in conspicuous places visible to employees and applicants for employment. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section.

12. **Notices.**

12.1 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 private express overnight delivery service (delivery charges prepaid), certified or registered mail (return receipt requested).
- (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 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.
- (E) Digitalized signatures and copies of signatures will have the same effect as original signatures.

12.2 **Representatives.**

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

R.K. Sanders, Inc.
Attn: Robert Sanders
PO Box 6686
Phoenix, AZ 85005

(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
Attn: Jim McMains
5850 West Glendale Avenue
Glendale, Arizona 85301

With required copies to:

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

City of Glendale
City Attorney
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 considered 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.

13. **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.

14. **Entire Agreement; Survival; Counterparts; Signatures.**

14.1 **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) Any solicitation, addendums and responses submitted by the Contractor are incorporated fully into this Agreement as provided in Section 1.2. Any inconsistency between and exhibit and this Agreement will be resolved by the terms and conditions stated in this Agreement.

14.2 **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.

14.3 **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.

14.4 **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.

14.5 **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.

14.6 **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 reformed to conform to applicable law.

14.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

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

Project 121315

16. **Exhibits.** In addition to the documents identified and specifically incorporated herein pursuant to Section 1.2, 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

Project 121315

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

City of Glendale,
an Arizona municipal corporation

By: Richard A. Bowers
Its: Acting City Manager

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

Acting City Attorney

R.K. Sanders, Inc.
an Arizona corporation

By: Robert Sanders
Its: President

WOMEN-OWNED/MINORITY BUSINESS YES NO
CITY OF GLENDALE TRANSACTION PRIVILEGE TAX NO. _____
FEDERAL TAXPAYER IDENTIFICATION NO. _____

**EXHIBIT A
CONSTRUCTION AGREEMENT**

PROJECT

Community Development Block Grant (CDBG) funded reconstruction of selected streets within a low to moderate income neighborhood by removing and replacing existing asphalt pavement. Non-compliant sidewalk ramps will be replaced with new ADA sidewalk ramps and new ADA ramps will be installed where none exist. Minor repairs to existing curb and sidewalk are included. Streets intended for pavement replacement must be completed sequentially. Asphalt pavement removal is not to begin on a designated street without pavement replacement completed on the previous street. Designated streets (in no particular order) are:

- McLellan, 62nd Avenue to 63rd Avenue
- 62nd Drive, McLellan to Ocotillo Road
- Tuckey Lane, 63rd Avenue to 64th Avenue
- 64th Avenue, Ocotillo Road to Tuckey Lane

Project 121315

**EXHIBIT B
CONSTRUCTION AGREEMENT**

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

By bid, including all services, materials and costs.

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 234,808.25.

DETAILED PROJECT COMPENSATION

As shown on page 8 of the Bid Schedule.

EXHIBIT C

CONSTRUCTION AGREEMENT

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 Dispute will be decided by binding arbitration in accordance with Construction Industry 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 15 years experience with commercial construction legal matters in Maricopa County, Arizona, 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

Project 121315

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.

BID TABULATION

PROJECT# 121315 - CDBG STREET IMPROVEMENTS

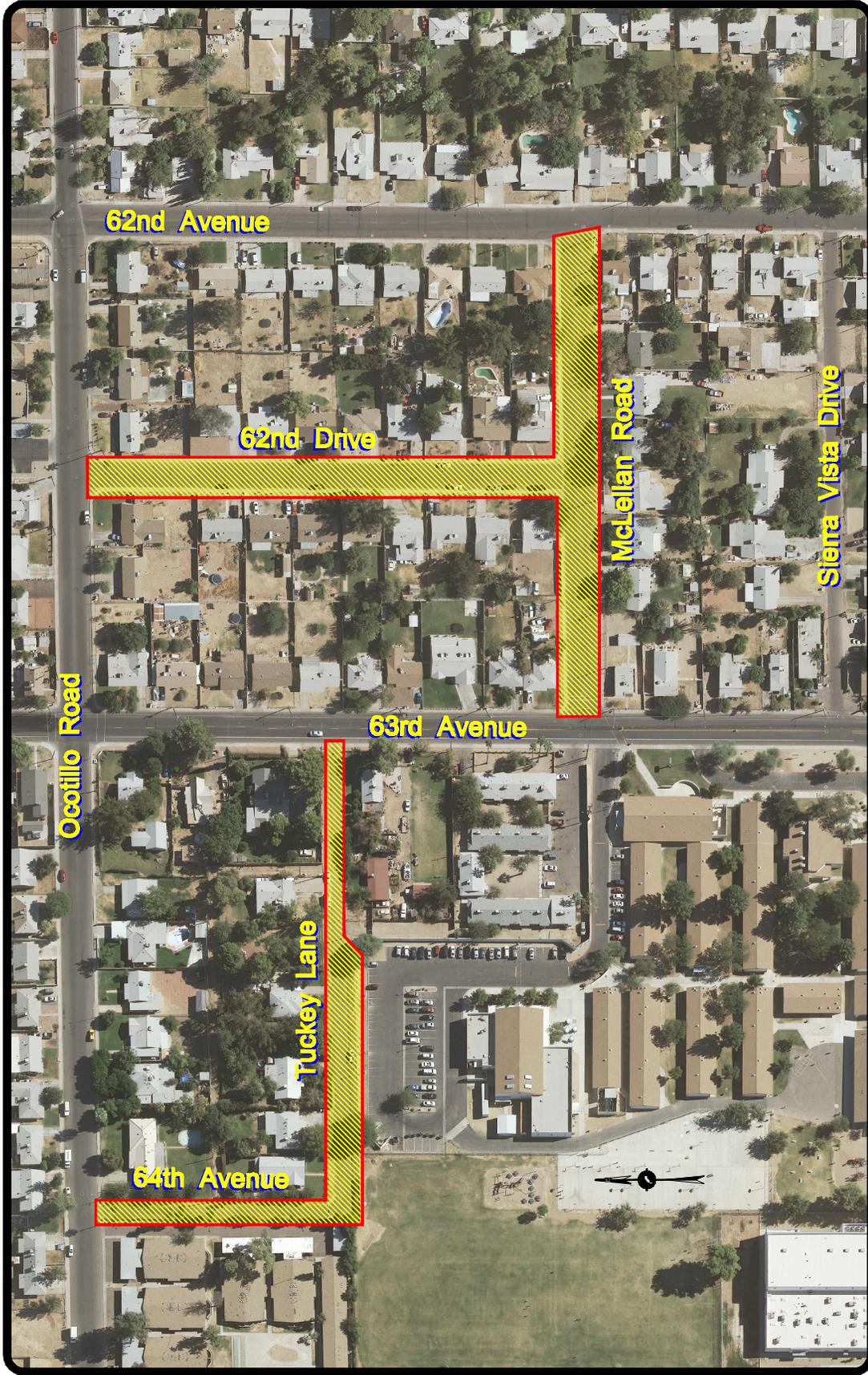
OPENED AT THE CITY OF GLENDALE, ENGINEERING DEPARTMENT
5850 W. GLENDALE AVENUE, 3RD FLOOR

DATE: May 2, 2012 - 10:00 p.m.

	CONTRACTOR	BID BOND/ CHECK	TOTAL BID
1	R.K. SANDERS	BB	\$ 234,808.25
2	COMBS CONSTRUCTION	BB	\$ 253,856.80
3			
4			
5			
6			
7			
8			
9			
10			

Engineers Estimate: \$320,000.00

Time of completion for this project is forty-five (45) consecutive days from and including the date of receipt of the notice to proceed.



**STREET RECONSTRUCTIVE PAVING PROJECT
CDBG STREET IMPROVEMENTS - 2013**

121315



CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **GENERAL PLAN AMENDMENT GPA13-01 (RESOLUTION) AND REZONING APPLICATION ZON13-02 (ORDINANCE): SUNSHINE RESIDENTIAL HOMES INC. – 17201 NORTH 63RD AVENUE (PUBLIC HEARING REQUIRED)**
Staff Contact: **Jon M. Froke, AICP, Planning Director**

Purpose and Recommended Action

These requests are by Sunshine Residential Homes, Inc. for City Council to approve a General Plan Amendment and a Rezoning Application to amend 2.47 acres of the general plan to OFC (Office) land use designation and to rezone 7.13 acres to C-O (Commercial Office) zoning district. The properties are located north of the northeast corner of 63rd Avenue and Bell Road.

Staff is requesting Council conduct a public hearing, waive reading beyond the titles, and adopt a resolution for GPA13-01 and approve an ordinance for ZON13-02, subject to the stipulations as recommended by the Planning Commission.

Background Summary

This is a request by the property owner to amend the general plan on 2.47 acres to an OFC designation and rezone all of the 7.13 acres of the project to C-O. The property owner is proposing a two phase development. The first phase will consist of a 26,000 square foot corporate office building. The second phase will be built at a later date.

Previous Related Council Action

On January 27, 2009, the City Council approved general plan amendment (GPA08-07) from LDR (Low Density Residential 0-1 du / ac) to OFC and a rezoning request (ZON08-04) from C-O zoning district to SUD (Special Use District) zoning district. The SUD allowed an RV Storage Facility that was never developed.

Community Benefit/Public Involvement

Approval of these applications will allow development of a longstanding vacant infill property. The corporate office will allow a long-term Glendale business owner to continue their operations within the city.

On February 25, 2013, the applicant mailed 94 notification letters to the surrounding property owners and interested parties notifying them of a neighborhood meeting held on March 14, 2013.



CITY COUNCIL REPORT

At the neighborhood meeting there were 40 individuals that were in attendance; this included the property owner, the applicant, and city staff. The resident's primary concern was the surplus amount of parking provided and the potential for traffic congestion. The applicant explained that on average, 25 to 35 employees will be on-site daily and the additional parking spaces are needed for monthly staff meetings. There were six residents that were in opposition and they stated that they would like this property to remain vacant. The remaining property owners supported the applicant's proposal.

After the neighborhood meeting there were 10 emails received in support of the applicant's request and one email received in opposition. The residents that were in support of the request noted the site is unkempt and underutilized. They stated that the project will be a good use for the site and will provide an opportunity to clean up this vacant parcel. The opposing email from a nearby resident had concerns with traffic and why he was not notified, staff clarified the required notification boundary is a 500 foot radius and his home is more than 2,300 feet from the site.

On March 25, 2013, the property owner mailed a follow up letter to the residents that attended the neighborhood meeting as well as those that were listed within the 500 foot notification boundary and the interested parties list, notifying them of an amended site plan alteration. Based on neighborhood input the owner reduced the scale of the project and the parking has been reduced from 299 parking spaces to 180 spaces. Since the second mailing, no additional comments were received from the neighborhood.

At the April 18, 2013 Planning Commission public hearing, one resident spoke with questions related to the applicant's proposal and specifically the ingress/egress of the site. The applicant answered the resident's questions to her satisfaction. Several other individuals spoke in support of the applicant's request. The Planning Commission recommended approval of GPA13-01, as filed, and ZON13-02, subject to four stipulations.

A Notice of Public Hearing for the City Council hearing was published in The Glendale Star on May 9, 2013. The property was posted on May 10, 2013. Notification postcards were mailed to 94 adjacent property owners and interested parties on May 10, 2013.

Attachments

Staff Report	General Plan Aerial Photograph, dated 11/2008
Resolution	Vicinity Zoning Map
Ordinance	Zoning Aerial Photograph
General Plan Amendment & Project Narrative	CP Final Report
Excerpt of Draft Meeting Minutes	
Vicinity General Plan Map	



STAFF REPORT

To: **Richard A. Bowers, Acting City Manager**
From: **Jon M. Froke, AICP, Planning Director**
Item Title: **GENERAL PLAN AMENDMENT GPA13-01 (RESOLUTION) AND REZONING APPLICATION ZON13-02 (ORDINANCE): SUNSHINE RESIDENTIAL HOMES, INC. - 17201 NORTH 63RD AVENUE (PUBLIC HEARING REQUIRED)**
Requested Council Meeting Date: **5/28/2013**
Meeting Type: **Voting**

PURPOSE

These requests are by Sunshine Residential Homes, Inc. for City Council to approve a General Plan Amendment and a Rezoning Application for a corporate office. The properties are located north of the northeast corner of 63rd Avenue and Bell Road. Specifically, the requests are to:

- Amend the General Plan on 2.47 acres from LDR (Low Density Residential 0-1 du / ac) to OFC (Office); and
- Rezone 7.13 acres from A-1 (Agricultural) and SUD (Special Use District) zoning districts to C-O (Commercial Office) zoning district.

BACKGROUND

Sunshine Residential Homes, Inc. is proposing to amend the general plan on 2.47 acres from low density residential to OFC. The applicant also proposes to rezone the entire 7.13 acre property from A-1 and SUD to C-O. The property owner is proposing a two phase project for this property. The first phase will consist of a corporate office that will be 26,000 square feet in size. This building will be utilized for office purposes on the first floor. The second floor will be utilized for storage purposes only.

The hours of operation will be Monday through Friday 8:00 a.m. to 5:00 p.m. with approximately 25 to 35 employees working in the office during this timeframe. There will be a total of 180 parking spaces with adequate driveways to accommodate on-site circulation. The applicant will provide landscaping and decorative masonry screen walls that will enhance the surrounding area.

ANALYSIS

General Plan Amendment

Findings:

- The amendment is consistent with the policies and objectives of the General Plan; and



STAFF REPORT

- The proposed amendment furthers the public health, safety and general welfare of the citizens of Glendale.

Analysis:

- Amending the General Plan to OFC is the appropriate designation. The proposed land use of OFC is a low intensive use that will be compatible with the surrounding area; and
- This general plan amendment will create a single, consistent land use designation over the entire site. This will facilitate the development of the property with a master plan that will benefit the neighborhood.

Rezoning

Findings:

- The amendment is consistent with the policies and objectives of the Glendale General Plan;
- The proposed amendment furthers the public health, safety and general welfare of the citizens of Glendale; and
- The proposal will require conditions necessary to mitigate any adverse impacts on the businesses, persons, or properties adjacent to the requested amendment.

Analysis:

- The C-O zoning district is an appropriate district to implement The General Plan and develop this infill property;
- The proposed zoning district is compatible with adjacent properties and will not be detrimental to the surrounding community. Completion of this project will include the development of an underutilized property that will complement the Bell Road Corridor. The proposed commercial office is a low intensive use that complements the residential and church uses to the north;
- The Transportation Department reviewed the site plan and deemed there is adequate onsite circulation, parking, and accessibility to the site;
- Three parcels will be combined to eliminate the two property lines in the northern portion of the site; and
- All applicable city departments have reviewed the application and recommend approval of the application, subject to stipulations.

Staff recommends approval of GPA13-01 by Resolution.

Staff recommends approval of ZON13-02, by Ordinance, subject to the following stipulations:

1. Development shall be in substantial conformance with the project narrative outlined in the general plan and rezoning narratives, date stamped March 29, 2013;



STAFF REPORT

2. All utility lines less than 69 kV located adjacent to the site shall be placed underground prior to the issuance of a Certificate of Occupancy;
3. Street lights shall be installed adjacent to this site along 63rd Avenue prior to the issuance of a Certificate of Occupancy; and
4. Prior to the issuance of a Certificate of Occupancy, the applicant shall complete a Minor Land Division to combine the three lots into one.

RESOLUTION NO. 4683 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE GENERAL PLAN MAP OF THE CITY OF GLENDALE, ARIZONA, BY APPROVING GENERAL PLAN AMENDMENT GPA13-01 FOR PROPERTY LOCATED AT 17201 NORTH 63RD AVENUE.

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

SECTION 1. That the General Plan Map of the City of Glendale, Arizona, is hereby amended by approving General Plan Amendment GPA13-01 amending the General Plan Land Use Map from LDR (Low Density Residential 0-1 du/ac) to OFC (Office) for property located at 17201 North 63rd Avenue.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

ORDINANCE NO. 2844 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REZONING PROPERTY LOCATED AT 17201 NORTH 63RD AVENUE FROM A-1 (AGRICULTURAL) AND SUD (SPECIAL USE DISTRICT) TO C-O (COMMERCIAL OFFICE); AMENDING THE ZONING MAP; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Glendale Planning Commission held a public hearing on April 18, 2013 in zoning case ZON13-02 in the manner prescribed by law for the purpose of rezoning property located at 17201 North 63rd Avenue from A-1 (Agricultural) and SUD (Special Use District) to C-O (Commercial Office); and

WHEREAS, due and proper notice of such Public Hearing was given in the time, form, substance and manner provided by law including publication of such notice in the *Glendale Star* on March 29, 2013; and

WHEREAS, the City of Glendale Planning Commission has recommended to the Mayor and the Council the zoning of property as aforesaid and the Mayor and the Council desire to accept such recommendation and rezone the property described on Exhibit A as aforesaid.

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

SECTION 1. That a parcel of land in Glendale, Maricopa County, Arizona located at 17201 North 63rd Avenue and more accurately described in Exhibit A to this ordinance, is hereby conditionally rezoned from A-1 (Agricultural) and SUD (Special Use District) to C-O (Commercial Office).

SECTION 2. That the rezoning herein provided for be conditioned and subject to the following:

1. Development shall be in substantial conformance with the project narrative outlined in the general plan and rezoning narratives, date stamped March 29, 2013.
2. All utility lines less than 69 kV located adjacent to the site shall be placed under ground prior to the issuance of a Certificate of Occupancy.
3. Street lights shall be installed adjacent to this site along 63rd Avenue prior to the issuance of a Certificate of Occupancy.

4. Prior to the issuance of a Certificate of Occupancy, the applicant shall complete a Minor Land Division to combine the three lots into one.

SECTION 3. The City of Glendale Zoning Map is herewith amended to reflect the change in districts referred to and the property described in Section 1 above.

SECTION 4. This Ordinance shall become effective at the time and in the manner prescribed by law.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

EXHIBIT "A"

COMMENCING at the South quarter corner of Section 31, Township 4 North, Range 2 East of the Gila and Salt River Base and Meridian;

THENCE North along the West line of the Southeast quarter of said Section 31, a distance of 713.62 feet;

THENCE North 89 degrees 06 minutes 19 seconds East, a distance of 40.00 feet to the POINT OF BEGINNING

THENCE North, parallel to and 40.00 feet East of the West line of said Southeast quarter of said Section 31, a distance of 192.04 feet, to a point on the Northerly line of that certain parcel of land described in Document 92-0650644, records of Maricopa County, Arizona;

THENCE North 89 degrees 01 minutes 24 seconds East along said Northerly line, a distance of 621.18 feet to the Northeast corner of said parcel;

THENCE South 00 degrees 00 minutes 56 seconds East along the Easterly line of said parcel and along the Easterly line of that certain parcel of land described in Document 92-0650645, records of Maricopa County, Arizona, a distance of 437.92 feet to the Southeast corner of said parcel;

THENCE South 89 degrees 06 minutes 19 seconds West along the Southerly line of said parcel, a distance of 341.21 feet to the Southeast corner of that certain parcel of land described in Document 04-0404056, records of Maricopa County, Arizona;

THENCE North along the Easterly line of said parcel, a distance of 245.00 feet to the Northeast corner of said parcel;

THENCE South 89 degrees 06 minutes 19 seconds West along the Northerly line of said parcel, a distance of 279.92 feet to the POINT OF BEGINNING.

EXHIBIT "A" CONTINUED

PARCEL No. 1

Lot 24, Section 31, Township 4 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona

EXCEPT the South 110 Feet; and

EXCEPT the West 261.15 feet thereof; and

EXCEPT all coal and other minerals as reserved in Patent to said land.

PARCEL NO. 2

The South 33 feet of Lot 16, Section 31, Township 4 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona; and

EXCEPT all coal and other minerals as reserved in Patent to said land



4601 N. Black Canyon Highway
Phoenix, Arizona 85015
(602) 604-8886
(602) 604-8965 FAX

Project Narrative General Plan Amendment (GPA13-01)

The project being proposed is located just north of the northeast corner of 63rd Avenue and Bell Road. The development is approximately 7.13 acres made up of two parcels. The north parcel is 2.47 acres and south parcel is 4.66 acres. This proposal is to amend The General Plan of the northern parcel from LDR (Low Density Residential) to OFC (Office). The amending of The General Plan for this parcel will facilitate the proposed development.

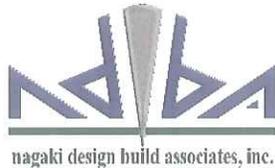
The proposed development is a multi-phase, multi-building low intensity office complex, and the first phase being the corporate offices of the applicant – Sunshine Residential Homes, Inc. For over 15 years, Sunshine Residential Homes has provided and continues to provide a clean, safe, and structured environment for abused, abandoned, or neglected boys ranging from 5 to 18 years of age, and girls ranging from 4 to 17 years of age, who are in need of out-of-home placement. The facility will house the administrative portion of the organization only. The facility will be the corporate offices for the Sunshine Residential Homes, Inc., which will consist of the offices, meeting and training spaces, and storage. The main functions of the building will operate during normal business hours, Monday thru Friday, 8:00 am to 5:00 pm. These administrative functions are critical in the day-to-day operations of Sunshine Residential Homes, Inc. which help to facilitate the care of these children at their peripheral locations. Although somewhat large, the building will be administratively utilized by only 25-35 permanent staff members. Child Housing will not be provided at this location. The Mediterranean/Southwestern design style of the building along with the rich earth-tone color will integrate the building into the surrounding neighborhood.

What is being proposed for this parcel is to amend The General Plan for this parcel from LDR to OFC. This will allow for the development to utilize the full 7.13 acres to create a well-designed project. This comprehensive approach will create a project that will provide the least amount of impact to the surrounding properties while creating a positive influence to the neighborhood.

This unique site is isolate in the middle of the block, not abutting any streets. It is surrounded by varying uses which adds to its unique nature. To the north and west this parcel abuts lots zoned for single-family residential. To the east the property is being used by a concrete company. To the south is the remainder of the proposed development. The design of the site plan along with the existing access easement along the north, more than adequately creates a buffer and an appropriate transition for all of the neighboring properties. Allowing for the integration of the parcel into the overall development will allow for a more comprehensive design and development of this property in lieu of the potential patchwork of growth that may occur if separated. The integrated approach allows for the development to share resources such as parking, access, life-safety amenities, etc. which will minimize the impact of the project on the surrounding neighborhood.

.....

This proposal to amend The General Plan allows for the creation of this project which is not only conforming to the intent of the general plan but is creating a positive development on this unique and transitional piece of property.



4601 N. Black Canyon Highway
Phoenix, Arizona 85015
(602) 604-8886
(602) 604-8965 FAX

Project Narrative Rezoning (ZON13-02)

The project being proposed is located just north of the northeast corner of 63rd Avenue and Bell Road. The subject property is approximately 7.13 acres made up of two parcels. The north parcel is 2.47 acres and south parcel is 4.66 acres. This proposal is for the rezoning of the southern parcel from SUD (Special Use District) to C-O (Commercial Office) and the northern parcel from A-1 (Agriculture) to C-O (Commercial Office). This rezoning will facilitate the proposed development.

The proposed development is a multi-phase, multi-building low intensity office complex. The first phase will be the corporate offices of the applicant – Sunshine Residential Homes, Inc. For over 15 years, Sunshine Residential Homes has provided and continues to provide a clean, safe, and structured environment for abused, abandoned, or neglected boys ranging from 5 to 18 years of age, and girls ranging from 4 to 17 years of age, who are in need of out-of-home placement. The facility will be the corporate offices for the Sunshine Residential Homes, Inc., which will consist of the offices, meeting and training spaces, and storage. The main functions of the building will operate during normal business hours, Monday thru Friday, 8:00 am to 5:00 pm. These administrative functions are critical in the day-to-day operations of Sunshine Residential Homes, Inc. which help to facilitate the care of these children at their peripheral locations. Although somewhat large, the building will be administratively utilized by only 25-35 permanent staff members. Child Housing will not be provided at this location. The Mediterranean/Southwestern design style of the building along with the rich earth-tone color will integrate the building into the surrounding neighborhood.

What is being proposed for the southern portion of the site is the rezone the 4.67 acre parcel from SUD to C-O. The current proposed zoning was to facilitate an RV Parking and Storage Facility. It was rezoned in 2008 from C-O to SUD to accommodate the RV use. Our proposal is to re-establish the C-O zoning. The C-O zoning will allow for our development of a low-intensity office project which we believe is more compatible with the neighboring properties and surrounding neighborhood and is keeping with the intent of The General Plan.

What is being proposed for the northern parcel is to rezone the property from A-1 to C-O. The development being proposed will utilize the full 7.13 acres to create a well-designed project. This comprehensive approach will create a project that will provide the least amount of impact to the surrounding properties while creating a positive influence to the neighborhood. The A-1 zoning is for low density single-family residential. This unique site is isolate in the middle of the block, not abutting any streets. It is surrounded by varying uses which adds to its unique nature. To the north and west this parcel abuts lots zoned for single-family residential. To the east the property is being used by a concrete company. To the south is the remainder of the proposed development. The design of the site plan along with the existing access easement along the north, more than adequately creates a buffer and an appropriate transition for all of the neighboring properties. Allowing for the integration of the parcel into the overall development will allow for a more comprehensive design and development of this property in lieu of the potential patchwork of growth that may occur if separated. The integrated approach allows for the development to share resources such as parking, access, life-safety amenities, etc. which will further lower the impact of the project on the surrounding neighborhood.

The overall proposal for the rezoning allows for the creation of the project which is not only conforming to the intent of the general plan but is creating a positive development on this transitional piece of property.

**EXCERPT OF MINUTES
CITY OF GLENDALE PLANNING COMMISSION**

**CITY COUNCIL CHAMBERS
5850 WEST GLENDALE AVENUE
GLENDALE, ARIZONA 85301**

**THURSDAY, APRIL 18, 2013
7:00 PM**

GPA13-01: A request by Nagaki Design Build Associates Inc., representing Sunshine Residential Homes Inc, to amend the General Plan on 2.47 acres from LDR (Low Density Residential 0-1 du/ac) to OFC (Office). The site is located north of the northeast corner of 63rd Avenue and Bell Road (17201 North 63rd Avenue). Staff Contact: Remigio Cordero, Planner (Sahuaro District).

ZON13-02: A request by Nagaki Design Build Associates Inc., representing Sunshine Residential Homes Inc, to rezone 7.13 acres from SUD (Special Use District) and A-1 (Agricultural) zoning districts to C-O (Commercial Office). The site is located north of the northeast corner of 63rd Avenue and Bell Road (17201 North 63rd Avenue). Staff Contact: Remigio Cordero, Planner (Sahuaro District).

Mr. Remigio Cordero, Planner presented this item. He informed the Commission that these are two separate cases for one project and there will need to be two separate motions, one for each case.

He stated that Cases GPA13-01 and ZON13-02 were requests by the applicant Nagaki Design Build Associates Inc. representing Sunshine Residential Homes Inc. to amend the General Plan on 2.47 acres from LDR (Low Density Residential 0-1 du / ac) to OFC (Office) and to rezone 7.13 acres from A-1 (Agricultural) and SUD (Special Use District) to C-O (Commercial Office) zoning district for the property located at 17201 North 63rd Avenue. The property is located north of the northeast corner of 63rd Avenue and Bell Road.

The property owner is proposing a two phase project for this property. The first phase will consist of a corporate office for Sunshine Residential Homes Inc. that will be 26,000 square feet in size. There are no plans for the construction of phase 2; however, the future use will be commercial office in nature.

The hours of operation will be Monday through Friday 8:00 a.m. to 5:00 p.m., with approximately 25 to 35 employees reporting to this office during this time frame. There will be a total of 180 parking spaces with adequate driveways to accommodate on-site circulation. The applicant will also provide landscaping and decorative masonry screening walls that will tie into the surrounding area.

On February 25, 2013, the applicant mailed 94 notification letters to the surrounding property owners and interested parties notifying them of a neighborhood meeting held on March 14, 2013. At the neighborhood meeting there were 40 individuals that were in attendance. The residents primary concern was the amount of parking that will be provided for the corporate office and how that will create vehicular congestion. The applicant explained that the additional parking spaces are for when the property owner has staff meetings which are held once a month. There were six residents that were in opposition and they stated that they would like this property to remain vacant. The other issues were mitigated at the meeting with the property owners that were directly affected. One individual wanted an 8 foot decorative wall, which the applicant obliged to construct. A second individual wanted the access easement on the southern portion of this property to remain, which the property owner agreed to. The other remaining property owners liked the applicant's proposal.

After the neighborhood meeting staff received 10 emails in support of the applicant's request and one email received in opposition. They stated that this project will be a good use for the site and it will provide an opportunity to clean up this vacant parcel. The opposing email from a nearby resident had concerns with traffic and why he was not notified. It was explained to the resident that the notification boundary was set at 500 feet and his home is located more than 2,300 feet from the site.

On March 25, 2013 the property owner mailed a follow up letter to interested parties notifying them of his site plan alteration. The owner stated that he has heard his neighbors' concerns and he has eliminated phase three entirely from the project and the parking has been reduced from 299 parking spaces to 180 spaces. Since the second mailing, no additional comments were received from the neighborhood. However, this week, there were 18 additional letters received from adjacent property owners and residents, 16 were in support, and two were in opposition. They cited the same concerns of vehicle congestion.

In regards to the findings for the General Plan Amendment, the General Plan to OFC on 2.47 acres is the appropriate designation. The proposed land use of OFC is a low intensive use that will be compatible with the area. This general plan amendment will create a single, consistent land use designation over the entire site. This will facilitate the development of the property with a master plan that will benefit the neighborhood

In regards to the findings for the Rezoning request, The C-O zoning district for the entire 7.13 acres is an appropriate district to implement General Plan and develop this infill property. The proposed zoning district is compatible with adjacent properties and will not be detrimental to the surrounding community. Completion of this project will include the development of an underutilized property that will complement the residential and medical uses on Bell Road. The proposed commercial office is a low intensive use that compliments the residential and church uses to the north. Transportation has reviewed the site plan for this property and deemed the site to have adequate onsite circulation, parking, and accessibility to the site. Three parcels will be combined into one to eliminate the two property lines in the northern portion of the site.

All applicable city departments have reviewed the application and recommend approval of the application, subject to stipulations.

In conclusion, this request appears to meet the required findings for Cases GPA13-01 and ZON13-02 approval and should be approved, subject to the following stipulations listed in the staff report. Mr. Cordero reminded the Commission that there will need to be two separate motions, one for each case.

Chairperson Petrone called for any questions from the Commission.

Commissioner Larson commented on the traffic issue which seemed to keep coming up as a problem. Mr. Cordero explained that the Transportation Department had reviewed the overall concerns of the neighborhood. After an extensive assessment, they provided their recommendation which is in the staff report. Commissioner Larson inquired as to why the amount of parking spaces had been reduced. Mr. Cordero deferred the question to the applicant.

Commissioner Aldama inquired if Phase two had been eliminated or simply postponed. Mr. Cordero explained the site plan proposes two phases instead of three. After hearing the concerns from neighbors the applicant reduced the plan from three phases to two.

Chairperson Petrone called for the applicant's presentation.

Larry Nagaki and Carol Hawkins applicant's representatives commented on the scale down of the project after hearing of the neighborhood's concerns. Mr. Nagaki stated that in response to the parking question, they believe that the once a month training can be accommodated within the 180 parking spaces. Ms. ~~Hawkins~~ agreed and added the reason for deducing from 299 to 180 was because of the complaints and concerns and them trying to accommodate the request by being a good neighbor. Mr. Nagaki showed the site plan and exhibits of the building elevations containing office space, training facilities, gym, and storage and kitchen facilities.

Chairperson Petrone asked for any questions.

Commissioner Aldama asked if Phase Two remains vacant or would they include landscaping. Mr. Nagaki stated they will probably install a fence. Commissioner Aldama asked if the second floor will always remain for storage or do they plan a future use. Mr. Nagaki explained the storage was for the many programs they put on each year for children. As a result, there are no plans other than storage for that area since that was its intended use.

Commissioner Larson asked if the second phase will be used by the facility or sold for some other separate office use. Mr. Nagaki responded that at this point, they might sell it as office space; however, he believes they will retain it since they are quickly running out of space. Therefore at this point it was unclear.

Chairperson Petrone thanked him for his time and application.

Chairperson Petrone opened the public hearing. He asked if anyone in the audience would like to speak on this item.

| Sherry Brenen, -stated her concern was for the extra traffic since it was a residential area. She suggested they only have a left hand turn out to Bell Road instead of the right hand turn and going through the housing developments after they leave the facility.

| Monique Williams, -stated she was one of six assistant program managers at Sunshine Residential Homes. She was in full agreement with the application and for the purpose for what they do at the facility. She encourages anyone with any doubt to understand the depth of their work and what they bring to the community. She asked them to weigh that aspect with any small inconvenience they many have with traffic.

Mr. Nagaki responded to a speakers comment. He explained traffic engineering did look at her suggestion of only left hand turns instead of the right turn into the neighborhood. He said they were more than willing to do pavement markings and signage to direct the traffic away from the residential area. He hopes that will help address that issue.

Paula Johnson, stated her support of this application. She explained she was part of a group of volunteers that work with the children of Sunshine Group Homes. She said the building was beautiful and they ran a very good operation.

| Joseph Longo, -stated he was the owner of one of the four acre lots where the ingress and egress will be. He would like that road closed off since some may want to use it even if it was only for fire access. He supports the facility but was concerned about the traffic.

| Mr. Nagaki stated that as of yesterday, the northern driveway will be closed off. He said the only vehicular access on and off the property will be off of 63rd - Avenue. -The fire emergency access was also accommodated. They might also have someone directing traffic for large meetings.

| Commissioner Penilla expressed his appreciation and support for what the organization does for the people and for the community.

Leonardo Torrez, public speaker, stated his support for this application. He said this organization also extends their support and help to the veterans that come back from military deployment. He showed the Commissioners an award that was awarded to Mr. Nagaki from the Office of the Secretary of Defense for Employee Support for National Guard and Reserve Force.

Nick Alcocer, stated he was one of the house managers of Sunshine Residential Homes and would like to point out that the majority of the employees spend most of their time at the group homes and not at the offices. As a result, there was not a lot of traffic created by employees.

Chairperson Petrone asked Mr. Froke if he had any further comments or procedure guidance.

Mr. Froke stated that this has been a long vacant parcel that had never received any development inquiries over the years. He supports the applicant's proposal and approves staff's recommendation.

Chairperson Petrone asked for any additional questions. There were none.

Since there were no additional public comments, he closed the public hearing.

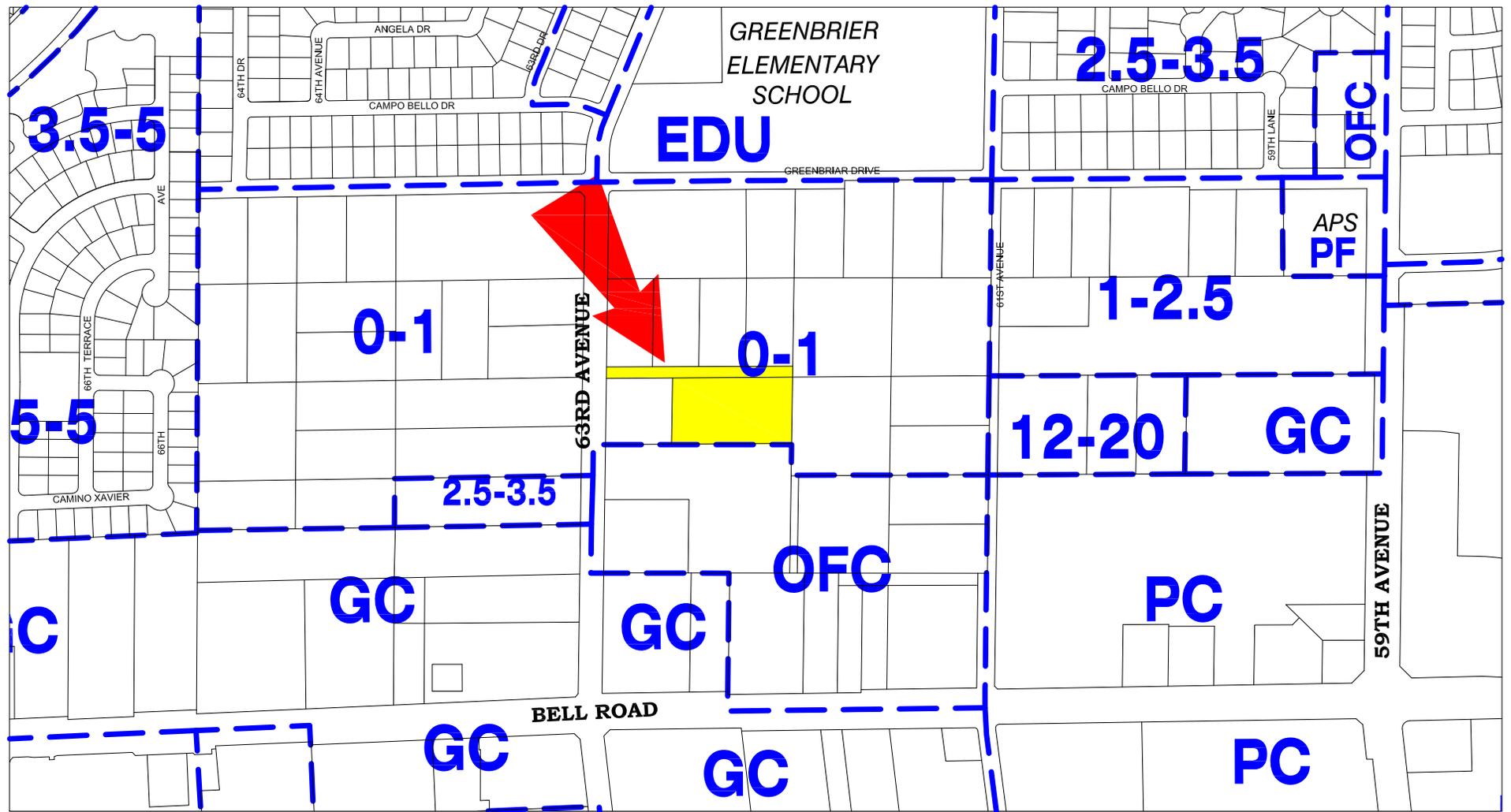
Commissioner ~~_____?~~ Johnston made a motion to recommend approval of GPA13-01 subject to the stipulations listed in the staff report. Commissioner ~~_____?~~ Lennox seconded the motion, which was unanimously approved.

Mr. Nicholas DiPiazza, Deputy City Attorney stated the Planning Commission's actions are not final. The Commission's recommendation will be forwarded to City Council for further action.

Commissioner ~~_____?~~ Penilla made a motion to recommend approval of ZON13-02 subject to the stipulations listed in the staff report. Commissioner ~~_____?~~ Larson seconded the motion, which was unanimously approved.

Mr. Nicholas DiPiazza, Deputy City Attorney stated the Planning Commission's actions are not final. The Commission's recommendation will be forwarded to City Council for further action.

DRAFT



CASE NUMBER

GPA13-01

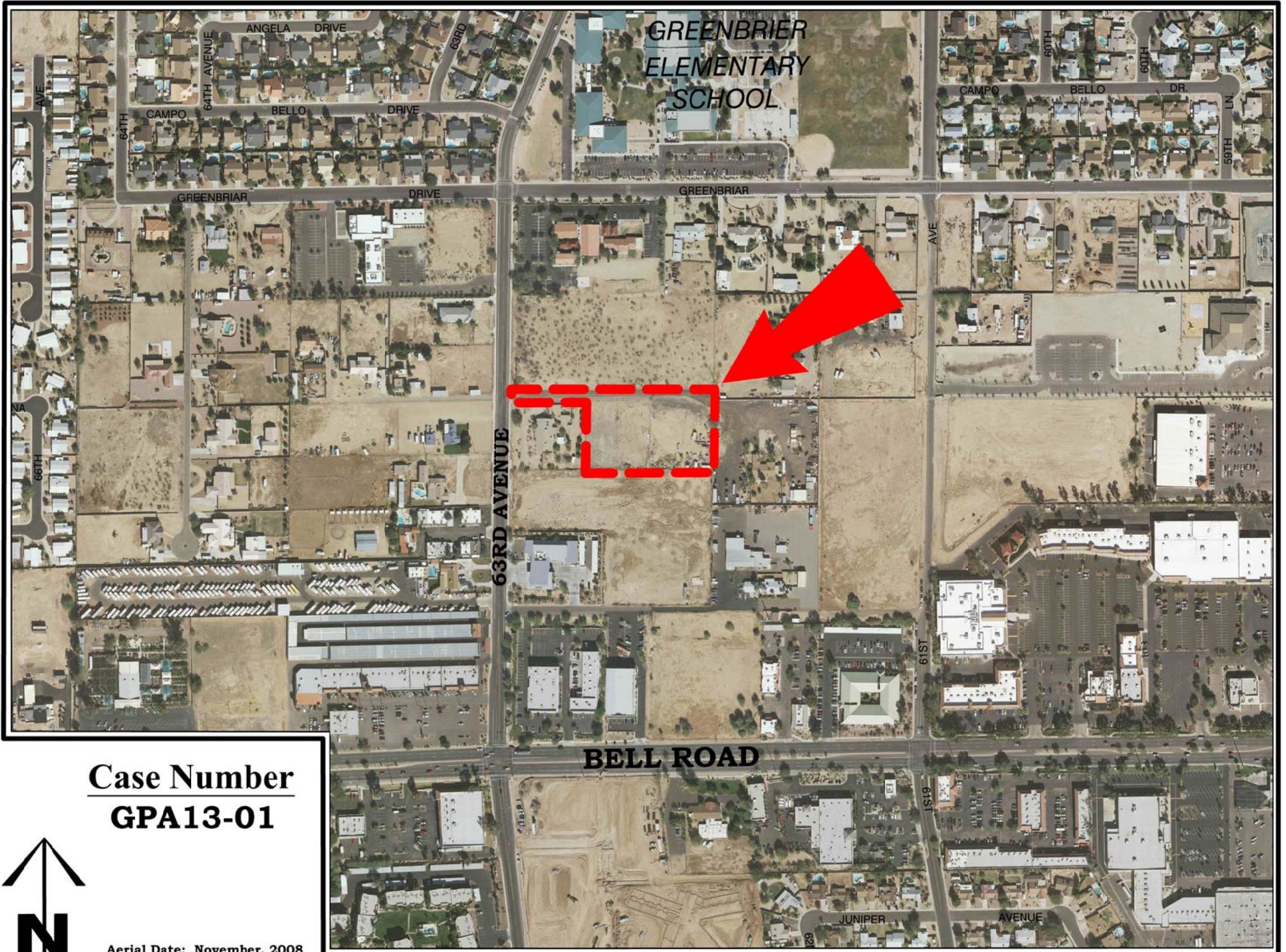


REQUEST

GENERAL PLAN AMENDMENT FROM LDR (LOW DENSITY RESIDENTIAL, 0-1 DU/AC) TO OFFICE (OFC).

LOCATION

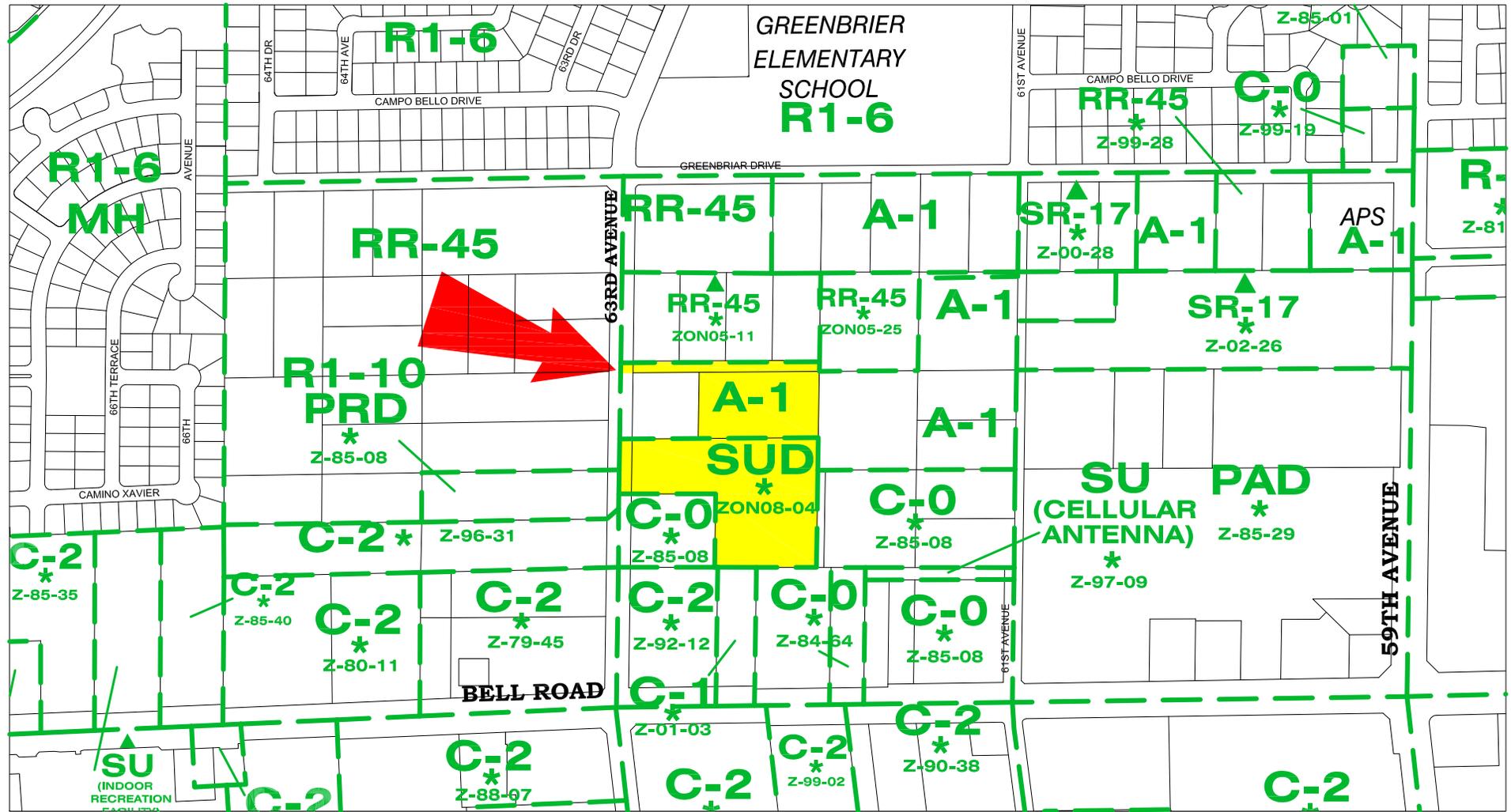
17201 N. 63RD AVENUE



Case Number
GPA13-01



Aerial Date: November, 2008



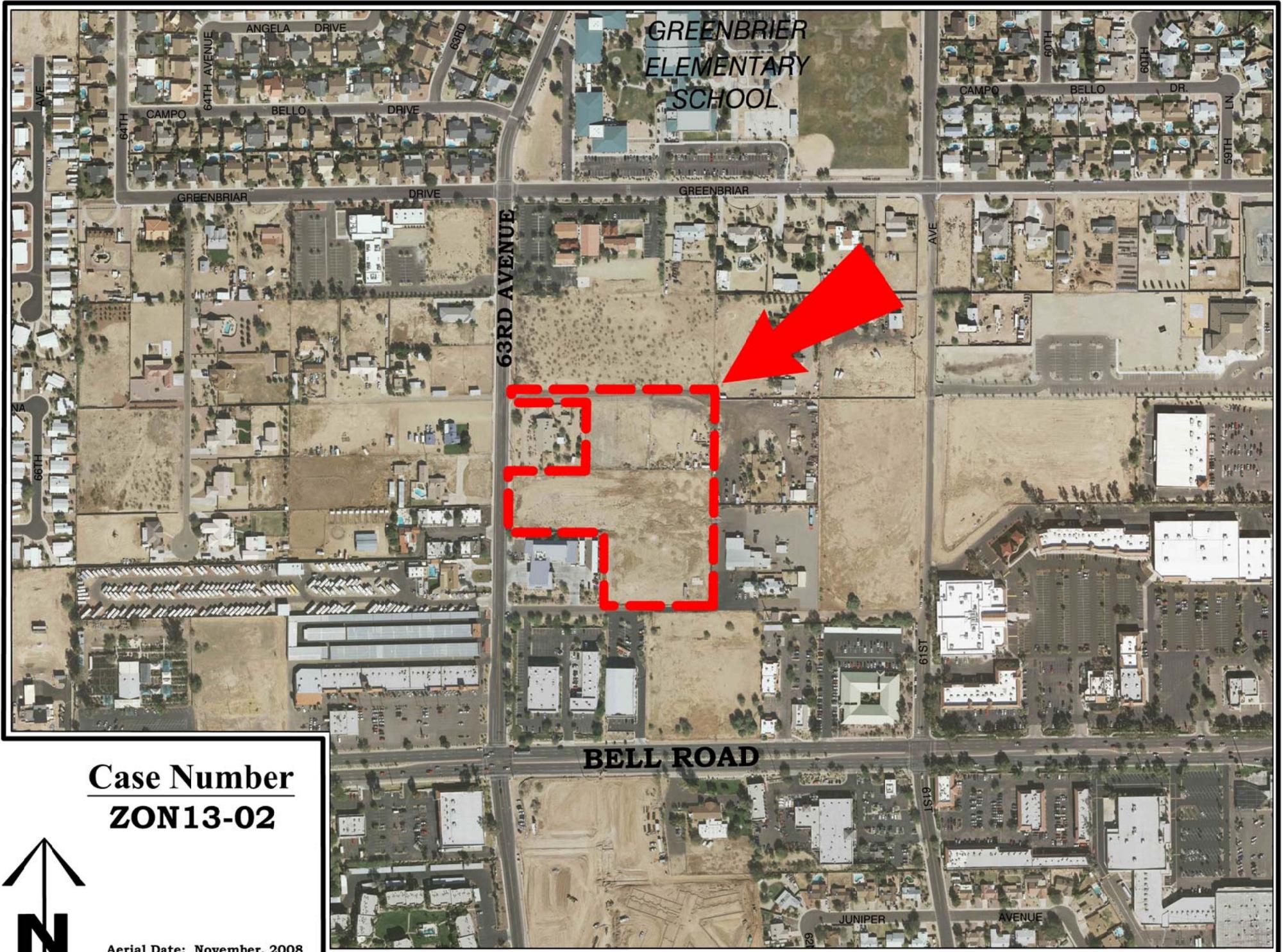
CASE NUMBER
ZON13-02



LOCATION
17201 N. 63RD AVENUE

REQUEST

REZONE FROM A-1 (AGRICULTURAL) AND SUD (SPECIAL USE DISTRICT) TO C-O (COMMERCIAL OFFICE) ZONING DISTRICT.



Case Number
ZON13-02



Aerial Date: November, 2008



Sunshine Residential Homes, Inc.
North of the NEC 63rd Avenue & Bell Road
17201 N. 63rd Avenue

Citizen Participation Report
General Plan Amendment – GPA13-01
Rezoning – ZON13-02

Prepared for:
Sunshine Residential Homes, Inc.
10555 N. 58th Drive
Glendale, Arizona 85302

Prepared by:
Larry S. Nagaki
Nagaki Design Build Associates, Inc.
4601 N. Black Canyon Highway
Phoenix, Arizona 85015
602-604-8886
602-604-8965

APPROVED

MAR 29 2013

City of Glendale
Planning Department

Amir Cochr

Submitted: March 27, 2013

Goal Statement

This Citizen Participation Plan (the "Participation Plan") was designed to encourage citizen participation with the application and design process for the subject property which is located north of the northeast corner of 63rd Avenue and Bell Road.

The intent of the Participation Plan is to encourage the participation of area citizens and business owners to achieve the following goals:

- Provide citizens with the opportunity to effectively understand and mitigate any real or perceived impacts the proposed development may have on their community early in the application process;
- Provide a forum in which citizens can comfortably discuss concerns with the applicant and provide constructive input that may help in the development of the Property;
- Encourage a relationship between the applicant, citizens and City Staff that will facilitate ongoing communication throughout the application review process.

The Participation Plan will give the surrounding property owners an opportunity to discuss our proposal with our development team (the "Development Team", Exhibit "A"). Our intention is to answer all of their questions and address any concerns, issues and problems prior to the Planning Commission hearing.

Introduction:

On behalf of Sunshine Residential Homes, Inc., Nagaki Design Build Associates is proposing an application for Rezoning and Amending the General Plan in order to develop a multi-building development at the subject property.

The property currently consists of two parcels being combined. The first parcel is a 4.67 acre site which is currently zoned for SUD and is located in an area identified as OFC (office) on the General Plan. The second and northerly parcel is zoned A-1 (agriculture) and is located in an area identified as O-1 du/ac (low density residential).

The development requires two actions. First the parcels need to be rezoned from SUD and A-1 to C-O - Case No. ZON13-02. Amend 2.47 acres of the General Plan to change the designation LDR (Low Density Residential) to OFC (office) – Case No. GPA13-01.

The proposed use for the site is low density office. The first phase of the project is a 2-story 26,500 square foot facility. Having served the community for over 15 years, Sunshine Residential Homes provides a clean, safe, and structured environment for abused, abandoned, or neglected boys ranging from 5 to 18 years of age, and girls ranging from 4 to 17 years of age, who are in need of out-of-home placement. The facility will be the corporate offices for the Sunshine Residential Homes, Inc., which will consist of the corporate offices, meeting and training spaces, and storage. The main functions of the building will operate during normal business hours, Monday thru Friday, 8:00 am to 5:00 pm. Although somewhat large, the building will be administratively utilized by only 25-35 permanent staff members. The Mediterranean/Southwestern design style of the building along with the rich earth-tone color will integrate the building into the surrounding neighborhood and be a positive addition to the area.

Citizen Participation Elements and Public Notification Techniques:

The City of Glendale Zoning Ordinance requirements encourage citizen participation and to provide notification of pending applications to area residents and interested parties. The following is an outline of the elements and notifications techniques for this project that will be used to ensure effective citizen participation from area residents and business owners.

Written Correspondence/Notifications:

Per the plan, the development team mailed out 94 notification documents. The written correspondence/notification element of the Participation Plan consisted of the following:

- A mailing which provided the following items:
 - A written description of the project outlining the proposed land use and request for the property to be rezoned.

- A vicinity map identifying the location of the property along with a conceptual plan that depicts project layout; and
- A list of contract information for members of the Development team that will answer questions, discuss specific details and/or address concerns of the project and the applications be filed.
- A sample notification and letter and attachments are included as Exhibit "B"
- Further or follow-up correspondence was sent in conjunction with any major changes that occurred during the application process as an effort to keep all interested parties updated and informed.

One-on One Discussions/Meetings:

One-on-one discussion played an important role in the execution of the Participation Plan and consisted of the following:

- Pursuant to the recommendation of the City of Glendale, a formal citizen participation meeting was held on March 14th at 6:00 p.m. The meeting was held at the Hope Chapel located at 17417 N. 63rd Avenue, Glendale, Arizona.
- For those citizens who are interested and cannot attend the formal meeting, one-on-one meetings or telephone discussions will be scheduled with those individuals of record who express interest and desire additional feedback. At this time no special meetings or arrangements have been requested.
- Informal meetings will be scheduled with any interested neighborhood groups and homeowners associations who request to meet in person. These meetings are intended to provide these groups specific information of the project and to address questions and concerns of the groups. At this time no special meetings or arrangements have been requested.

Ongoing Dialogue:

Up until the City Council approval meeting, as the applicant, we have made and continue to make ourselves available to discuss project specifics, issues, and concerns with any neighboring entity on a one-on-one basis. Contact information for the development group was provided to all neighboring individuals, businesses, and/or owners of record which allow them to contact members of the Development team by telephone, email, or letter. Additionally, at the request of any interested citizens, a meeting will be held at a time and location reasonably convenient to all parties. At this time no special meetings or arrangements have been requested.

Residents and Property Owners to be notified:

Property Owner Notification Area:

The Recommended Notification Area (Exhibit B) provided by the City of Glendale extends beyond the minimum 300' notification area and requests a 500' notification radius. As required, Exhibit C provides a complete list of all persons being notified.

Glendale Registered Neighborhood Groups/Homeowners Associations:

According to information provided by the City of Glendale, there are no registered neighborhood groups or homeowners associations to be contacted.

Other Interested Parties:

According to the City of Glendale Citizen Participation Neighborhood Notification Recommendations and Requirements, individuals, groups, and organizations found on the Sahuaro District and Citywide interested parties lists, Exhibit "D", shall also be notified. Please note that these names also appear on the list of individuals to be notified (Exhibit "C").

Attendees of the Citizen Participation Meeting:

In order to keep all interested parties informed a follow-up mailer was sent out on March 29, 2013 indicating revisions to the plan to mitigate the issues of the neighboring properties (See Exhibit G)

Perspective of Residents and Property Owners:

When approaching this application, we as the applicant have put ourselves in the position of assuming the perspective of the adjacent residents and property owners. By assuming this position, we believe our request will have no adverse effect on the surrounding residents and property owners. On the contrary, we believe that this project will be a benefit to the area. The proposed project is generally in conformance to the General Plan and will bring positive development onto a unique and complex site. After receiving input from the neighbors, the development team has further refined the design in an attempt to mitigate the concerns of the traffic. The project went from a three building project to a two building development and substantially reduced the amount of parking and the impact the project will have on the traffic.

Directly Affected Residents:

Residents who are directly affected by this project were concerned with the impact that it may have on the local traffic and somewhat the aesthetic of the project. These neighbors will receive the benefits of not only a well-planned project but one that will aesthetically blend residential character and enhance the area. Although

somewhat large in nature the daily impact of users to the site is minimal. It is estimated that approximately 25-35 people will frequent the site on a daily basis. Outside of being a well-planned project, the development team has further reduced the traffic impact but eliminating one of the buildings. This not only reduces the size of the project but the amount of parking being provided.

Indirectly Affected Residents:

Residents indirectly affected by this project are those that use 63rd Avenue as their main route of traffic. As was stated above the number of users to this site will be minimal will not adversely affect the flow of traffic along 63rd Avenue and with the reduction of the development the effects on traffic are further reduced.

Residents Who Will Not be Affected, But Think They Will:

The residents who think they may be affected by this development indirectly are those that oppose development in general and who may have concerns over the intensity of use that may occur on the site. The general plan has targeted this area for OFC (office use) and more specifically CO which is low intensity commercial office use. Being one of the sites that is a transition from Bell Road to the Residential Neighborhood, this type of low impact transitional use such as office will create buffer for the neighborhood from the more intensive uses along Bell Road.

Issues or Questions Arising After Initial Contact:

Residents and property owners have been provided with a notification letter of the intent for rezone of the properties under questions and the amendment to the General Plan of the northerly parcel. This letter contained descriptive information of the project and included contact information. The residents were encouraged to not only contact the Development Team Members but also attend the Citizen Participation Meeting. If they are unable to attend the meeting and still have concerns, other options will be provided to meet with these individuals to review the project and address issues and concerns. No individuals came forward to request an individual meeting. The main concern of the neighbors was the impact this project will have on the traffic in the neighborhood. There appears to be a current problem with traffic flow/congestion and the neighbors believe that this project would exasperate the situation. In order to address this issue and help to mitigate the impact this project will have on the area traffic, the development team has eliminated one of the phases and substantially reduced the number of parking available and thus the number of potential vehicular users.

Keeping Neighbors Informed:

Neighbors have been kept informed of any changes, amendments, or modifications to the proposed development after initial contact through additional mailings (See Exhibit G).

Keeping the Planning Department Informed:

The Glendale Planning Department have been kept informed of the status of the Participation Plan through letters, meetings, telephone conversations and e-mail. If any significant changes to the Participation Plan or any unusual issues are identified, Staff was notified in writing. Staff was notified of the intent of the development team to reduce the development from three buildings to two in order to mitigate the neighbors' concerns.

Tentative Schedules:

February 2013

- **Receive approved neighborhood notification area.**
- **Submit Preliminary Citizen Participation Plan.**
- **Submit revised Preliminary Citizen Participation Plan**
- **Receive approval of Preliminary Citizen Participation Plan**

March 2013

- **Submit Rezoning Application to the City**
- **Submit General Plan Amendment**
- **Mail Notification of proposals to surrounding property owners and interested individuals.**
- **Citizen Participation Meeting**
- **Submit Citizen Participation Final Report.**
- **Make updates to report until project is approved.**

April 2013

- **Present to Planning Commission for approval.**

May-June 2013

- **Present to City Council for approval.**

Citizen Participation Meeting Results & Comments:

This Citizen Participation Plan (the "Participation Plan") has been designed to encourage citizen participation with the application and design process for the subject property which is located north of the northeast corner of 63rd Avenue and Bell Road. To that end the Development Team for the Sunshine Residential Homes, Inc. Project held a Town Hall Style meeting on March 14, 2013 at 6:00 p.m.

The meeting was held at the Assyrian Church of the East located at 17417 N. 63rd Avenue. The time and location were specifically selected to be of convenience to the neighboring property owners.

The meeting was attend by approximately 40 people including neighboring property owners and representatives, Simon Kottoor (Project Owner), Sunshine Residential Homes' staff, Remigio Cordero (City of Glendale, Planner) and Larry S. Nagaki (Architect of Record). A copy of the sign-in sheet for the attendees that are not directly associated with the project is attached.

Larry Nagaki made a brief presentation on the project. The first part of the discussion was centered on the two actions being taken to complete the project, rezoning of both parcels and the amending of The General Plan (GPA13-01) for the north parcel. It was presented that that the south parcel would be rezoned back to its original zoning of C-O from its current state of SUD. The SUD zoning allows for the storage of Recreational Vehicles. The applicant indicated that they are restoring the zoning for low intensity office. The north portion will change from A-1 to C-O (ZON13-02 for both parcels). This change would allow for the incorporation of this parcel into the overall development to make a more cohesive design. The change would be from a Low Density Residential to low intensity office.

It was also presented that the north parcel will go through an amendment to The General Plan (GPA13-01). This process would amend the site from LDR (Low-Density Residential) to OFC (Office).

It was presented that the project was a three-phased project. The first phase is the corporate offices of the owner/developer – Sunshine Residential Homes, Inc. The building would house the administrative functions of the organization only and not include housing or child services. Although somewhat large, the building will be administratively utilized by only 25-35 permanent staff members. It was also discussed that due to the unpredictable nature of the economic environment that the second and third phase were not set in stone but that they were currently targeted for low intensity office.

At this point in time, the floor was open to discussion. Several of the attendees began by questioning why we were showing the amount of parking if there was only going to be 25-35 employees. It was described that once a month, Sunshine Residential Homes has to train its staff. There are approximately 140 off-site staff member and with other peripheral staff there may be a total of 250-300 people being trained. This even occurs once a month and occurs during non-peak hours of traffic.

As discussion progressed, it was apparent that the majority of the opposition to the project has to due to the real or perceived problems of traffic. The residence indicated that they currently have traffic problems in the neighborhood being caused by the existing public school and traffic that is trying to avoid the intersection of 59th and Bell Road. The most vocal opposition came from 4 – 6 residents and they were opposed to anything that would add traffic to the street and

appeared to be unwilling to work on compromises. However, in response to these concerns the Owner, Simon Kottoor, directed the Development Team to make modifications to the design to address the neighbors' issues (see attached letter). The new development plan removed one of the buildings and thus one of the phases of the project. This will reduce the amount of traffic projected in the future for this development and help to mitigate the concerns of the neighbors. The new site plan is attached.

It must be noted that the residents/property owners that are directly adjacent to this property were not opposed to the project and had minor request to mitigate the impact that this project would have on their property. For instance, James Randall is the neighbor directly west of the project. He was in support of the project but would like to have an 8 foot high masonry screen wall to screen our project from his project. Also David & Karen Hammer, who have the property that abuts the project on the eastside, southern half, were in support of the project but were requesting some buffering of the project from their property. The project also received ten emails from various participants of the meeting in support of the project and one email opposing (these are attached).

With the existing support and the modification to the design of this project, the Development Team feels that the Development team has made a concerted effort to address the main issues of the neighbors by creating a design that will reduce the development impact of the site and its traffic on the surrounding area. Along with the support from several of the neighboring property owners, the development team is proceeding to the Planning Commission with the both applications.

NAME:	ADDRESS
Reata	17334 N. 63 rd Ave
Summer	17334 N. 63 rd Ave
Debra Myers	Currently looking at Real Estate in area
ERIC MEMOR	18515 J. JOHNS AVE, Glendale 85308
Danny	Glendale, AZ
Sheri Brennan	17204 N 63 rd Ave #7 Glendale 85308
Mary C. Buchner	17204 N 63 rd Ave #4 Glendale 85308
Pete Beickert	17204 N 63 rd Ave #8 Glendale 85308
FRED GOETZ	17444 N. 63 rd AVE GLENDALE 85308
BOB FLOWERS	17204 N. 63 rd AVE GLENDALE
Ramigio Corduro	5850 W. Glendale Avenue Glendale AZ
Ken & Neva Neumann	5932 W. Michelle Dr Glendale
JAMES RANDALL	17255 N. 63 rd AVE
DAVID HENPELMAN	6135 W GREENBRIAR DR.
Marie Roseman	6119 W. Greenbriar Dr.
Steven Badine	6106 W. Hearn Rd
DAVID & KAREN HAMMER	17033 N. 63 rd AVE GLENDALE
Dan Widney	6014 W Michelle Dr Glendale AZ 85308
Betsy Higgins	6024 W Michelle Dr 85308
Pat Doka	6131 W. Michelle Dr 85308
Deloris Walker	5414 W. Soft Wind Dr. Glendale ⁸⁵³¹⁰
Kerri Knudsen	17327 N 64 th Lane 85308
Bob Brown 16	6121 W Michelle Dr 85308
Sue Brauning	" " " " "
PETE BEICKERT	17204 N 63 AVE #8 85308
Roger & Bonnie Wdalford	5934 W. Groves 85308
Tom & Shari Dishong	17232 N. 63 rd AVE 85308
Jack Shoap	6142 W. Michelle Drive 85308

From: [Simon Kottoor](mailto:Simon.Kottoor@glendaleaz.com)
To: rcordero@glendaleaz.com; lnagaki@nagakidesign.com
Subject: Letter from Simon Kottoor at Sunshine
Date: Tuesday, March 26, 2013 4:34:03 PM

March 25, 2013

City of Glendale
Planning Department
Attn: Remigio Cordero
5850 W. Glendale Ave. Suite 212
Glendale, AZ. 85301

Dear Mr. Remigio,

I appreciated the opportunity to have the neighborhood meeting on 63rd Ave regarding building a new building for Sunshine Residential homes. It was valuable to have the community present and to be able to hear their voices first hand.

As an organization that has made an impact in over 30,000 kids in the last 18 years, we look forward to making a positive impact in this area as we have done in so many young lives.

A few things that we pride ourselves in at Sunshine Residential is our word, our work ethic, and our good neighbor policy. As a good neighbor we would like to begin by stating that we have heard the community and are willing to work amongst them. At this time, we understand that a few people of the community are concerned about the number of parking spaces, possible traffic as well as multiple phases that include other future buildings. To address these concerns Sunshine Residential would like to compromise with the neighbors and share our new revised plan.

First, to accommodate the concern of the number of buildings being built, as well as a concern for a potential high traffic flow, Sunshine has cancelled Phase 3 permanently. By cancelling Phase 3 permanently, this will eliminate one building, a high number of parking spaces, and the concern for a potential high traffic flow.

As stated in the neighborhood meeting, Sunshine's main goal in building the new office is to accommodate the need for more secured storage space for client and employee files, storage space for the children's holiday décor and larger office space for the 18 administrative employees.

Secondly, due to our main goal, we have put a hold on building Phase 2 that included a building and even more parking spaces. There is no intention of building anything in Phase 2 in the near future. We have heard our community and are trying to accommodate their needs. By cancelling Phase 3 and putting a hold on Phase 2, we hope to show that our word is demonstrated by our actions. Good neighbors should be able to trust one another and trust is what we would like to start to build.

Sunshine Residential has worked with multiple cities and have been able to effety

execute the good neighbor policy and has always been willing to find the middle ground with their neighbors.

Sunshine would like you to know that we have heard the community; we appreciate the feedback and are willing to compromise.

We look forward to finding a common ground and working together to build a better community.

Simon Kottoor; MSW
CEO Sunshine Residential Inc.

From: [Corey Hawkins](#)
To: rcordero@glendaleaz.com; lnagaki@nagakidesign.com
Subject: Sunshine Land
Date: Thursday, March 14, 2013 10:02:01 PM

Remigio,

Thank you for taking the time to present to our community. I know there were a few people who seemed to be opposed to the plans of the proposed Sunshine building. However, I wanted to allow for this opportunity for my voice to be heard as well.

I think the plans that were developed shows there would bring more value coming into the Glendale area. There was a lady who spoke from Sunshine stating that they would only have 20 cars per day at their building. This does not seem like an issue. The 6 foot wall that was mentioned, the neighbor was in favor of. In addition, I believe this building will clean up the area and bring a nice look to the now vacant land.

I want to thank you for coming out and sharing this plan. I want to say that I am in full favor of this new building enriching our community.

Thank you,

Corey

From: [Debra Myers](#)
To: Lnagaki@nagakidesign.com; rcordero@glendaleaz.com
Subject: rezoning application and General Plan Amendment for Sunshine Residential Homes, Inc near 63rd and Bell
Date: Thursday, March 14, 2013 10:40:01 PM

Larry and Remigio,

Thank you for your time and explanations of the project this evening. I went into the meeting apprehensive about being so close to a development of this type and the potential impact it might have on the neighborhood. After listening to you presentation and you addressing our questions and concerns I feel much more comfortable that this development would have a positive impact and am in favor of the rezoning change.

Respectfully submitted,

Debra

Debra Myers
(623)262-8064
Design Interiors LLC
z.debra@gmail.com

From: [Eric Mengel](#)
To: rcordero@glendaleaz.com
Subject: Meeting Sunshine
Date: Thursday, March 14, 2013 10:29:21 PM

Hello Remigio,

I was at the meeting this evening regarding the Sunshine Children's administrative office.

I just wanted to give you my support for this development. Although there was dissent from some of the people, I felt they were making a much bigger deal about the supposed traffic congestion than it really would be.

After talking to Mr. Nagaki and some of the other people that initially were opposed, I think 20 cars coming and going at various times is not that big of a deal or a valid argument for this company to not be allowed to develop the land that they rightfully purchased.

Furthermore, those residents could have purchased that land had they wanted it to be unused; to prohibit the Sunshine company for land they purchased just isn't sitting well with me.

Thanks,

Eric Mengel
West Sedona LLC

From: [Lisa Zingsheim](#)
To: rcordero@glendaleaz.com; lnagaki@naqakidesign.com
Subject: Meeting 3/14
Date: Thursday, March 14, 2013 10:05:21 PM

I was present at the meeting on 3/14 and heard the presentation given. I am in support of the project going through.

Thank you,

Lisa

From: reata.danial
To: Rcordero@glendaleaz.com
Subject: City Hearing Presentation
Date: Thursday, March 14, 2013 9:43:02 PM

After attending and listening to tonight's city hearing about Sunshine's new establishment in Glendale, I have concluded that I, as a representative from the Assyrian Church of the East on 17334 N. 63 Ave in Glendale, support the building plan. As a Church, we are actually excited to have a great addition to the area and to finally get rid of the messy and unattended land for the advantage of the community and the security of the Church youth organization. The company's noble cause is appreciated, supported, and welcomed.

From: [Summer Shrourou](#)
To: rcordero@glendaleaz.com
Cc: Lnagaki@nagakidesign.com
Subject: Sunshine Project Meeting
Date: Thursday, March 14, 2013 9:42:11 PM

To Whom It May Concern:

Hello, my name is Summer. I was in attendance at tonight's meeting at the Assyrian Church of the East regarding Sunshine Residential Homes' plans for their property.

I wanted a chance to voice my opinions about their project in a judgement free zone, which is why I am sending this email your way.

Tonight's meeting seemed to include an organized group of community members that were against this project due to their own selfishness and personal beliefs. I believe that there was no way to discuss the positive impact this new endeavor will have in our community, and every attempt to discuss the project in a positive manor was futile due to the groups' already made up mind. The builder and owner seemed interested in coming to a compromise with my neighbors, however, each attempt to ask what they wanted resulted in the project being shut down entirely. One neighbor had a concern about wall height, once an agreement was made, another neighbor chimed in with "there goes that view they said you'd always have!"

I feel that the empty lot is just that, an empty lot. It doesn't look nice, it hasn't been maintained, and nobody has occupied it actively for quite some time. After doing some research on Sunshine and their program, I feel like these are the types of neighbors we need in our community. They are doing a great thing for our youth and I think as a community, we should be supporting them and encouraging their growth, not trying to turn them away and, in turn, telling the children they care for that we, as a community, do not care.

My neighbors have a concern about traffic, but I feel the opposite - if we have more people turning north on 63rd, we have more opportunity for the small businesses occupying the east and west shopping plazas. In addition, I think that the high standards that comes with the "image" their architect was talking about, will only encourage the rest of the neighborhood and surrounding businesses to take care of their land/property/community.

I appreciate you taking the time to consider this email.

Summer Shrourou

From: [Kara Hawkins](#)
To: rcordero@glendaleaz.com; lnagaki@nagakidesign.com
Subject: New Building Meeting on 63rd
Date: Thursday, March 14, 2013 10:12:55 PM

Remigio,

Not all of us are against the new building going in. I want to say that I think there is value in the proposed Sunshine building. I was at the meeting. I am not worried about the traffic, the different phases nor am I worried about the parking. This meeting answered a lot of fears that I originally had going in.

I support this idea. The building looks very nice. I think this will enhance our area.

Thank you

Sandra

From: [Cordero, Remigio](#)
To: lnagaki@nagakidesign.com
Subject: FW: Office Building
Date: Thursday, March 28, 2013 2:40:04 PM

FYI

-----Original Message-----

From: Brittni [<mailto:brittni.ingles@gmail.com>]
Sent: Sunday, March 17, 2013 8:19 PM
To: Cordero, Remigio
Subject: Office Building

To Whom it may concern,

My name Brittni and I live in the surrounding area of 63rd and Bell Road. It is my understanding that a city meeting took place this past week on 3/14/13 regarding a new building being built in the area. As a resident I am excited and looking forward to this new development taking place. I feel it will be a good addition to the area.

Thanks,
Brittni

Sent from my iPhone

From: [Cordero, Remigio](#)
To: lnagaki@nagakidesign.com
Subject: FW: New building
Date: Thursday, March 28, 2013 2:39:44 PM

FYI

-----Original Message-----

From: Tausha Ingles [<mailto:toosh84@gmail.com>]
Sent: Sunday, March 17, 2013 6:37 PM
To: Cordero, Remigio
Subject: New building

Good evening,

I heard about the city meeting that took place on Thursday March 14th. I live in the surrounding area, and I am really looking forward to the plans to build a new building on 63rd ave and Bell Rd.

Sent from Tausha

From: [Cordero, Remigio](#)
To: Inagaki@nagakidesign.com
Subject: FW: New Property at 63rd Ave & Bell Rd
Date: Thursday, March 28, 2013 2:40:41 PM

Hi Larry,

This is the last of the emails I received in regards to the neighborhood meeting for Simon's request.

Thank you,

Remigio Cordero
Planner
City of Glendale
Planning
623-930-2597
rcordero@glendaleaz.com

From: Tiff Owen [<mailto:claudialioncourt@gmail.com>]
Sent: Sunday, March 17, 2013 10:53 PM
To: Cordero, Remigio
Cc: Inagaki@nagakidesign.com
Subject: RE: New Property at 63rd Ave & Bell Rd

Hello,

I am writing to you today in regards to the new property proposed at 63rd Ave and Bell Rd. I believe the building would be a great asset to the neighborhood and have no objections to it. Thank you for taking the time to consider my opinion.

Sincerely,
Tiffany

From: Cordero, Remigio
To: Inagaki@nagakidesign.com
Subject: FW: rezoning 63rd ave & Bell rd parcels
Date: Thursday, March 28, 2013 9:54:22 AM

FYI – this is the email in opposition that I do not remember if I sent it to you or not.

From: Will Gilbert [mailto:ebrasse@qwestoffice.net]
Sent: Thursday, March 14, 2013 6:17 PM
To: Cordero, Remigio
Subject: rezoning 63rd ave & Bell rd parcels

Hello Mr. Cordero,

First, I would like to thank you for working to keep Glendale one of the best cities to live in in Arizona.

I have lived at 6022 West Grovers Ave in Glendale for 20 years.

This e-mail is in regards to the request for rezoning the 63rd ave & Bell rd parcels # 200-48-024D & 200-48-003E.

I am against the rezoning of the above mentioned parcels.

I would like mention that this matter was brought to my notice by a neighbor & I did not receive any other notice.

Concerns I have are:

- How can anyone planning on putting in 341 parking spaces use the term "Low Intensity"?
- No mention of what "Phase 2 & Phase 3" buildings will be, but yet they must have an idea since they are in the plan.
- Lack of notification to residents of the area. (if a new pizza place opens, everyone gets a door knocker)
- Leaving out basic information & lack of information distribution causes me concern as to their intentions both now & in the future.

I believe that the added traffic will be a safety problem.

- It's on the same street as a children's school with small children walking, biking to & from it on school days; & playing & when they are not in school. Depending on the timing there is also school bus traffic.
- It's on the same street there are also two churches.
- When the 341 cars are trying to get to & from this office traffic will be a mess.
- It will be right next to the fire station. Fire & Rescue vehicles may be delayed if they are needed when it's close to start or quit time at the office.
- We just got new speed humps to slow down the existing traffic & don't need more people with the "I'm late to work/ I'm outta here" rush. (yes, this was worth mentioning twice)

It is my understanding that some of the parcels are already zoned for certain small businesses.

Their proposed business is just not right for the parcels.

Other, better suited & sized individuals and/or businesses will come along in the future.

Thank you for your help in this matter,

Will Gilbert

6022 West Grovers Ave.
Glendale, AZ 85308
602-397-5702

EXHIBIT "A"
DEVELOPMENT TEAM

<p>Project Location: 17201 N. 63rd Avenue North of Northeast Corner of 63rd Avenue and Bell Road</p>	<p>Project Size: +/- 7.5 Acres (Net) +/- 7.67 Acres (Gross)</p>
<p>Submitted to: City of Glendale Planning Department 5850 W. Glendale Avenue Glendale, AZ 85301 Contact: Remigio Cordero Phone: 623-930-2597 RCordero@GLENDALEAZ.com</p>	<p>Applicant: Sunshine Residential Homes, Inc. 10555 N. 58th Drive Glendale, Arizona 85302 Contact: Simon Kottoor Phone: 623-842-4323 simonksunshine@aol.com</p>
<p style="text-align: center;">Architect Nagaki Design Build Associates, Inc. 4601 N. Black Canyon Highway Phoenix, Arizona 85015 602-604-8886 - Office 602-604-8965 - FAX Contact: Larry Nagaki Lnagaki@nagakidesign.com</p>	

EXHIBIT "B"

Recommended Notification Area:

RECOMMENDED NEIGHBORHOOD NOTIFICATION AREA

Name of Request: Sunshine Residential Homes, Inc. Corporate Office Rezone and Minor General Plan amendment	
Location: 17201 North 63rd Avenue	
Request:	
Amend 1.89 acres of the General Plan designation from LDR (Low Density Residential) to OFC (Office) and to rezone 7.5 acres of property from SUD (Special Use District) and A-1 (Agriculture) zoning districts to C-O (Commercial Office) zoning district	
EXISTING ZONING DISTRICT	COUNCIL DISTRICT:
A-1 (North Parcel), SUD (South Parcel)	Sahuaro

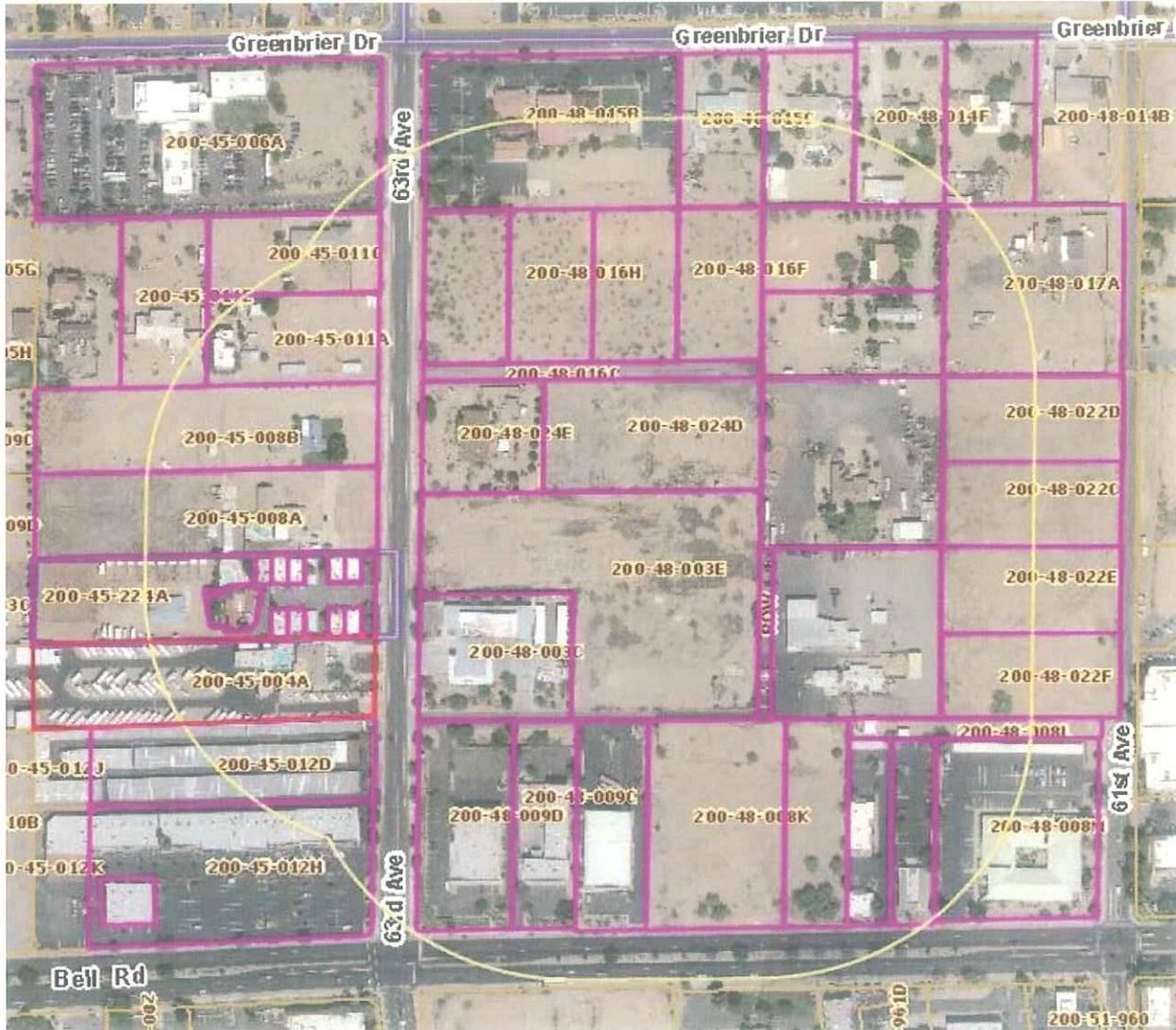
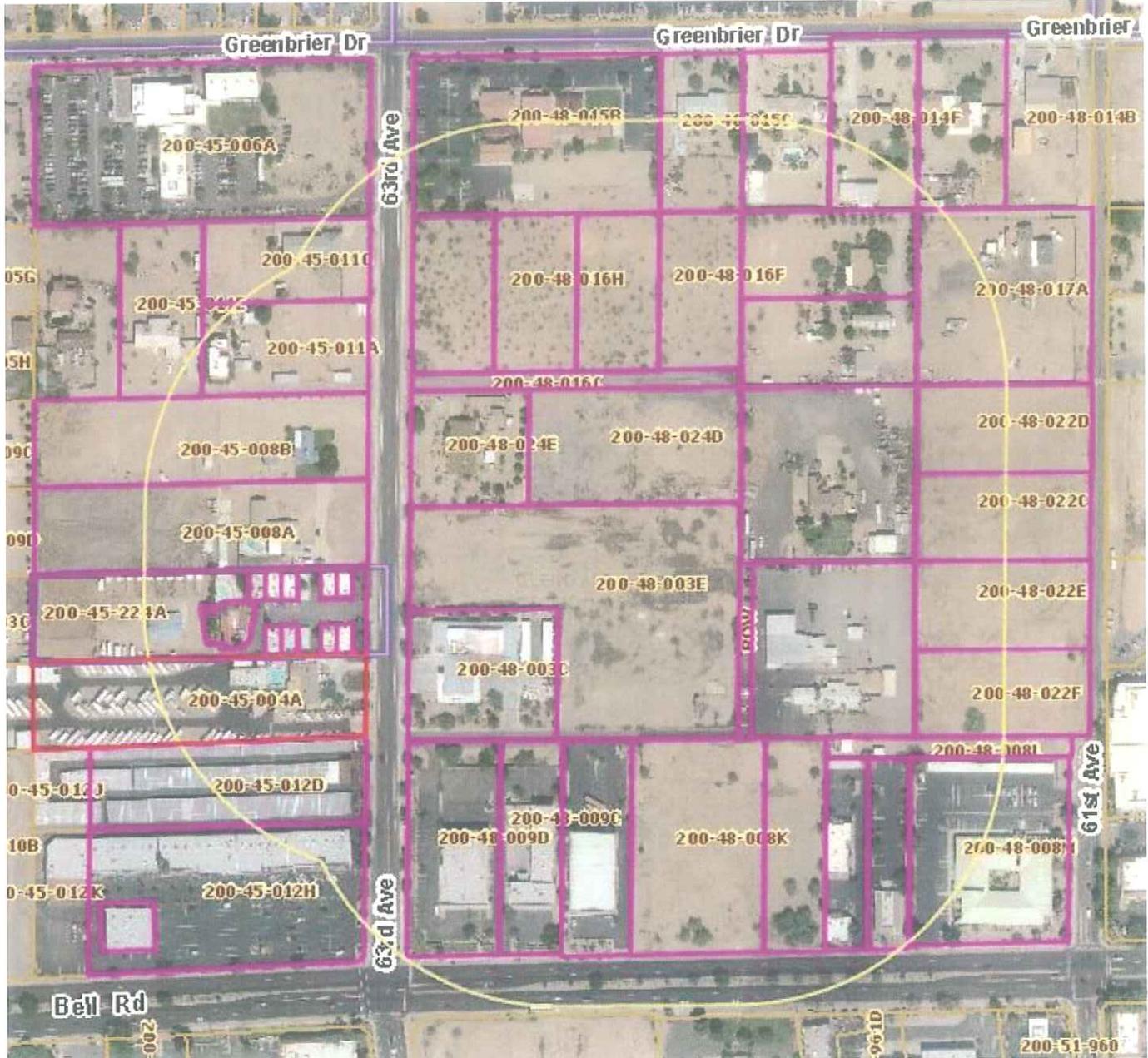


EXHIBIT "C"
SUPPORTING PARCEL MAP & INDIVIDUALS TO BE NOTIFIED



Address list to follow:

EXHIBIT "C"
SUPPORTING PARCEL MAP & INDIVIDUALS TO BE NOTIFIED

20045012H
BELL TOWER PLAZA L L C
4914 E BUTLER DR,
PARADISE VALLEY, AZ 85253

20048014E
WILEY BYRON ARTHUR/JAN DEE TR
6159 W GREENBRIAR DR,
GLENDALE, AZ 85308

20048015C
REXROAD JAMES A SR/REXROAD JAMES A JR
6949 W KAREN LEE LN,
PEORIA, AZ 85382

20048016H
KOTTOOR SIMON/ELIZABETH
23825 N 63RD DR,
GLENDALE, AZ 85310

20048022F
MIHULET LIVIU
3710 W MORSE AVE,
LINCOLNWOOD, IL 60712

20048024D
FLEMING THANE & NANCY
1757 HWY 213,
HATTIEVILLE, AR 72063

20045357
BYRNE MARY L
17204 N 63RD AVE 2,
GLENDALE, AZ 85308

20045360
MAGNUSSEN AMY C
2200 S 75TH AVE,
PHOENIX, AZ 85043

20045363
BEICKERT PETER L
17204 N 63RD AVE NO 8,
GLENDALE, AZ 85308

20048009D
OL-LONELY ENTERPRISES INC
13820 N TATUM BLVD,
PHOENIX, AZ 85032

20048014F
HEMPELMAN DAVID
6135 W GREENBRIAR,
GLENDALE, AZ 85308

20048016D
WEST SEDONA LLC
10555 N 58TH DR,
GLENDALE, AZ 85302

20048017A
MRA CONSTRUCTION INC
7942 W BELL RD C-5 #601,
GLENDALE, AZ 85308

20048023A
PARKER LONNIE J
17225 N 62ND AVE,
GLENDALE, AZ 85308

20048024E
RANDALL JAMES H/BEEDIE F TR
17255 N 63RD AVE,
GLENDALE, AZ 85308

20045358
GROFF ELMAS F
17204 N 63RD AVE NO 3,
GLENDALE, AZ 85308

20045361
CINCOTTA PATRICIA
17204 N 63RD AVE UNIT 6,
GLENDALE, AZ 85308-0000

20045364
HORD JAMES G/ADA M TR
6901 W UNION HILLS,
GLENDALE, AZ 85308

20048014C
ROSENAU LARRY J & MARIE G
6119 W GREENBRIAR,
GLENDALE, AZ 85308

20048015B
HOPE CHAPEL CHURCH INC
17417 N 63RD AVE,
GLENDALE, AZ 85308

20048016F
TORTE JOHN/CHERYL
13410 W ACAPULCO LN,
SURPRISE, AZ 85379

20048017D
BUSHONG DARWIN W/WANDA L TR
17248 N 61ST AVE,
GLENDALE, AZ 85308

20048023B
HAMMER DAVID RAY/KAREN DIANNE
17033 N 63RD AVE,
GLENDALE, AZ 85308-3705

20045356
ZBUKA JON
17204 N 63RD AVE NO 1,
GLENDALE, AZ 85308

20045359
BUCKNER MARY E
17204 N 63RD AVE,
GLENDALE, AZ 85308

20045362
BALL BRENDA K
17204 N 63RD AVE, UNIT 7
GLENDALE, AZ 85308-0000

20045365
PERKINS-PICTON ALEXIS
17204 N 63RD AVE NO 10,
GLENDALE, AZ 85308

EXHIBIT "C"
SUPPORTING PARCEL MAP & INDIVIDUALS TO BE NOTIFIED

20045224A

HORSESHOE PATIO HOMES ASSN INC
17204 N 63RD AVE STE 10,
GLENDALE, AZ 85308

20045006A

ASSYRIAN CHURCH OF THE EAST
8712 N 35TH AVE,
PHOENIX, AZ 85051

20048003C

GLENDALE CITY OF
5850 W GLENDALE AVE,
GLENDALE, AZ 85301

20045011C

NEW LIFE ROMANIAN CHURCH
17280 N 63RD AVE,
GLENDALE, AZ 85308

20048008E

BLE LLC
16060 W MERCER LN,
SURPRISE, AZ 85379

20048008J

TAC INVESTMENTS L L C
4664 W SOFTWIND DR,
GLENDALE, AZ 85310-3828

20048008M

HTA-PHOENIX PASEO LLC
3131 S VAUGHN WAY STE 301,
AURORA, CO 80014

20045224B

PICTON ROBERT J/PERKINS-PICTON ALEXIS
17204 N 63RD AVE NO 10,
GLENDALE, AZ 85308

20045008A

PRICE CHRISTOPHER A
17216 N 63RD AVE,
GLENDALE, AZ 85308

20048003E

PHOENIX FOUR D LEASING INC
515 E CAREFREE HWY PMB 353,
PHOENIX, AZ 85085

20045011E

BORDERS DANNY B/CHRISTINA L
17254 N 63RD AVE,
GLENDALE, AZ 85308

20048008F

LEVY PROPERTIES LLC NORTHWEST
6805 N JOSHUA TREE LN,
PARADISE VALLEY, AZ 85253

20048008K

YUAN SOL C TR/HELEN F TR/CHANG SHIH/KUEI
115 W WOOD,
PHOENIX, AZ 85029

20048009C

ANDYS COLLISION CENTER LLC
6250 W BELL RD,
GLENDALE, AZ 85308

20045004A

SOUTHWEST RV STORAGE PARTS SERVICE INC
17030 N 63RD AVE,
GLENDALE, AZ 85308

20045008B

DISHONG THOMAS/SHARI TR
17232 N 63RD AVE,
GLENDALE, AZ 85308

20045011A

GINDT KATHY S TR
17250 N 63RD AVE,
GLENDALE, AZ 85308

20045012D

BELLTOWER MINI STORAGE LLC
6370 SW 86TH AVE,
PORTLAND, OR 97223

20048008H

WEATHERSBY NEUEL E/CHERYL A
28015 N 37TH AVE,
PHOENIX, AZ 85085

20048008L

TONTO CREEK L L C
768 NN PINON RD,
STAR VALLEY, AZ 85541

EXHIBIT "D"
INTERESTED PARTIES LIST

NEIGHBORHOOD PARTNERSHIP
CITY OF GLENDALE
5850 W GLENDALE AVE, #270
GLENDALE, AZ 85301

HARRIET AGIUS
7132 W. GROVERS AVENUE,
GLENDALE, AZ 85308

A.I. BABINEAU
4815 W. COCHISE DRIVE,
GLENDALE, AZ 85302

TOM TRAW
6024 N. 83RD AVENUE,
GLENDALE, AZ 85303

DANIEL DREW
4502 W. MORTEN AVENUE,
GLENDALE, AZ 85301

JUDY FARR
6527 W. HILL LANE,
GLENDALE, AZ 85310

MICHAEL SOCACIU
8574 W. BERRIDGE LANE,
GLENDALE, AZ 85305

DENNIS GERHARD
10613 N. 48TH AVENUE,
GLENDALE, AZ 85304

JOHN AND SUE JONES
18658 N. 78TH DRIVE,
GLENDALE, AZ 85308

DON TATE
6735 W. ROBIN LANE,
GLENDALE, AZ 85310

MARY SMITH
8968 W. CITRUS WAY,
GLENDALE, AZ 85305

BOB BOHART
5603 W. BELMONT,
GLENDALE, AZ 85301

ALMON DAVIS
6005 W. MONTE CRISTO AVENUE,
GLENDALE, AZ 85306

DANIEL STREYLE
3131 E. CAMELBACK ROAD, STE 210
PHOENIX, AZ 85016

BARBARA FENNEMA
18033 N. 83RD DRIVE,
PEORIA, AZ 85282

B. GARLAND
5012 N. 64TH DRIVE,
GLENDALE, AZ 85301

DIANE HAND
5349 W. ACAPULCO,
GLENDALE, AZ 85306

ARLINE YZQUIERDO
8525 N. 52ND DRIVE,
GLENDALE, AZ 85302

KAREN ABORNE
7318 W. GRIFFIN AVENUE,
GLENDALE, AZ 85303

DOUG ATTIG
6066 N. 85TH DRIVE,
GLENDALE, AZ 85305

JOYCE CLARK
8628 W. CAVALIER DRIVE,
GLENDALE, AZ 85305

MIKE DEPINTO
6507 W. SHAW BUTTE DRIVE,
GLENDALE, AZ 85304-2414

ASLEY GENTNER
8700 E. PINACLE PEAK ROAD, STE 225
SCOTTSDALE, AZ 85255

SUSAN FERRELL
4646 W. KRALL STREET,
GLENDALE, AZ 85301

MARK GARRATT
7605 N. 72ND AVENUE,
GLENDALE, AZ 85303

MAGI SHRECK
10673 W. RANCHO DRIVE,
GLENDALE, AZ 85307

DEBRA KIST
5643 W. MOUNTAIN VIEW DRIVE,
GLENDALE, AZ 85302

EXHIBIT "D"
INTERESTED PARTIES LIST

JOHN KOLODZIEJ
6258 N. 88TH LANE,
GLENDALE, AZ 85308

BONNIE STEIGER
5325 W. ACAPULCO,
GLENDALE, AZ 85306

TERRY LANE
6103 N. 87TH LANE,
GLENDALE, AZ 85308-2452

KATHLEEN LEWIS
7456 W. AURORA DRIVE,
GLENDALE, AZ 85306

MICKEY LUND
5708 W. ROYAL PALM ROAD,
GLENDALE, AZ 85302

CHERI MCCLOSKEY
5336 W. BECK LANE,
GLENDALE, AZ 85306

CARRIE AND MITCH MEEK
6563 W. PIUTE AVENUE,
GLENDALE, AZ 85308

DAVE TRISH
6773 W. VIA MONTOYA DRIVE,
GLENDALE, AZ 85310

BILL NORRGREN
8608 W. CAVALIER,
GLENDALE, AZ 85305

LAURA RAKOCZYNSKI
9403 N. 50TH DRIVE,
GLENDALE, AZ 85308

PATTY WYRICK
9626 N. 58TH DRIVE,
GLENDALE, AZ 85302

VALLEY PARTNERSHIP
5110 N. 44TH STREET, STE. 200
PHOENIX, AZ 85018

PEORIA UNIFIED SCHOOL DISTRICT
CHRISTIAN WILLIAMS
6330 W. THUNDERBIRD ROAD,
GLENDALE, AZ 85306

THE ARIZONA REPUBLIC
17235 N. 75TH AVENUE, STE. 100
GLENDALE, AZ 85308

WILLIAM RAY
7503 W. ANGELA DRIVE,
GLENDALE, AZ 85308

RICHARD SCHWARTZ
8232 W. MONTEBELLO AVENUE,
GLENDALE, AZ 85303

DIANA SEGER
6132 W. TOWNLEY AVENUE,
GLENDALE, AZ 85302

MEL SMITH
P.O. BOX 12572,
GLENDALE, AZ 85318

GARY SHERWOOD
5928 W. PERSHING AVENUE,
GLENDALE, AZ 85304-1123

JEFF BLAKE
19210 N. 70TH AVENUE,
GLENDALE, AZ 85308

EXHIBIT "E"
ADDITIONAL INDIVIDUALS OR GROUPS TO BE NOTIFIED

**City of Glendal Mayor's Office
Mayor Weier
5850 W. Glendale Avenue
Glendale, AZ 85301**

**Glendale City Council Office
Council Member Sherwood
5850 W. Glendale Avenue
Glendale, AZ 85301**

**Remigio Cordero, Planner
City of Glendale Planning Department
5850 W. Glendale Avenue, Suite 212
Glendale, AZ 85301**

**Diana Figueroa, Senior Secretary
City of Glendale Planning Department
5850 W. Glendale Avenue, Suite 212
Glendale, AZ 85301**

EXHIBIT "F"
SAMPLE NEIGHBORHOOD NOTIFICATION LETTER AND ATTACHMENTS

STARTS ON THE FOLLOWING PAGE



4601 N. Black Canyon Highway
Phoenix, Arizona 85015
(602) 604-8886
(602) 604-8965 FAX

February 25, 2013

RE: Rezoning Application and General Plan Amendment (SR13-0024) for Sunshine Residential Homes, Inc. located north of the northeast corner of 63rd Avenue and Bell Road, Parcel Numbers - 200-48-024D, 200-48-003E

Dear Property Owner or Interested Party:

As a part of our efforts to reach out and communicate with the surrounding property owners and other interested parties regarding the applications we have submitted to the City of Glendale in order to develop the subject property. The approximate 8 acre site is located just north of the northeast corner of 63rd Avenue and Bell Road. The application will allow for the development of low intensity office complex and more specifically the construction of the corporate offices of the Sunshine Residential Homes, Inc. We have enclosed an aerial photograph of the area, highlighting the specific site and our proposed site plan for your review.

If you are not aware of the work that the Sunshine Residential Homes, Inc. does in the community, we encourage you to visit the Website (kidsrsunshine.com) to review the mission statement of the organization. Having served the community for over 15 years, Sunshine Residential Homes provides a clean, safe, and structured environment for abused, abandoned, or neglected boys ranging from 5 to 18 years of age, and girls ranging from 4 to 17 years of age, who are in need of out-of-home placement.

The two parcels are currently zoned A-1 (agricultural) and SUD (special use district) and we are requesting that both parcels be combined and zoned C-O (commercial office). We are also requesting that the General Plan be amended for the northerly parcel from 0-1 du/ac to OFC. The corporate facility for Sunshine Residential Homes, Inc. will house the administrative operations of the organization which will facilitate the care of these children at their peripheral locations.

We are formally inviting you to attend a Town Hall style meeting where we will further describe the project and discuss ideas, concerns, and issues that you may have. This meeting will be on March 14th at 5:30 p.m. The meeting will be held at the Hope Chapel located at 17417 N. 63rd Avenue, Glendale, Arizona. If you have any questions, please feel free to contact me directly either by phone (602-604-8886), fax (602-604-8965), or by email at Lnagaki@nagakidesign.com. If you would like to provide comments directly to the City of Glendale, our City Planner is Remigio Cordero. He can be reached by phone at 623-930-2597 or by email at rcordero@glendaleaz.com.

Thank you for your attention to this application and I hope you will attend our presentation.

Sincerely,

Nagaki Design Build Associates, Inc.

Larry S. Nagaki
President, Architect of Record

attachments

Aerial Map
Site Plan

.....

Sunset Vista

17141 N 63rd Ave, Glendale, AZ 85308, USA

W-Bell Rd

N-61st Ave

W-Juniper

© 2013 Google

N-63rd Ave





Planning

NEIGHBORHOOD NOTIFICATION LETTER

AFFIDAVIT OF MAILING

Case No. (if available) SR13-0024

Project Name: Corporate Offices for
Sunshine Residential Homes Inc.

I, Larry S. Nagaki, Nagaki Design Build Associates, Inc. certify that I am the authorized applicant / representative to the City of Glendale for the above application, and do hereby affirm that notice as required for the case noted above has been completed in accordance with the Citizen Participation Process in the City of Glendale's Zoning Ordinance, and a copy of the letter and mailing labels has also been submitted.

Applicant/Representative Signature: 

STATE OF ARIZONA

SS.

COUNTY OF MARICOPA

The foregoing instrument was acknowledged before me this 27th day of Feb. 2013.


Notary Public

My Commission Expires:

3/25/2016

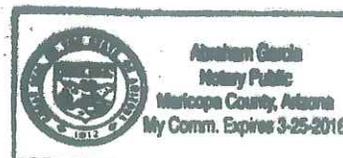


EXHIBIT "G"
SAMPLE NEIGHBORHOOD FOLLOW-UP LETTER AND ATTACHMENTS

STARTS ON THE FOLLOWING PAGE

From: [Simon Kottoor](#)
To: rcordero@glendaleaz.com; lnagaki@nagakidesign.com
Subject: Letter from Simon Kottoor at Sunshine
Date: Tuesday, March 26, 2013 4:34:03 PM

March 25, 2013

City of Glendale
Planning Department
Attn: Remigio Cordero
5850 W. Glendale Ave. Suite 212
Glendale, AZ. 85301

Dear Mr. Remigio,

I appreciated the opportunity to have the neighborhood meeting on 63rd Ave regarding building a new building for Sunshine Residential homes. It was valuable to have the community present and to be able to hear their voices first hand.

As an organization that has made an impact in over 30,000 kids in the last 18 years, we look forward to making a positive impact in this area as we have done in so many young lives.

A few things that we pride ourselves in at Sunshine Residential is our word, our work ethic, and our good neighbor policy. As a good neighbor we would like to begin by stating that we have heard the community and are willing to work amongst them. At this time, we understand that a few people of the community are concerned about the number of parking spaces, possible traffic as well as multiple phases that include other future buildings. To address these concerns Sunshine Residential would like to compromise with the neighbors and share our new revised plan.

First, to accommodate the concern of the number of buildings being built, as well as a concern for a potential high traffic flow, Sunshine has cancelled Phase 3 permanently. By cancelling Phase 3 permanently, this will eliminate one building, a high number of parking spaces, and the concern for a potential high traffic flow.

As stated in the neighborhood meeting, Sunshine's main goal in building the new office is to accommodate the need for more secured storage space for client and employee files, storage space for the children's holiday décor and larger office space for the 18 administrative employees.

Secondly, due to our main goal, we have put a hold on building Phase 2 that included a building and even more parking spaces. There is no intention of building anything in Phase 2 in the near future. We have heard our community and are trying to accommodate their needs. By cancelling Phase 3 and putting a hold on Phase 2, we hope to show that our word is demonstrated by our actions. Good neighbors should be able to trust one another and trust is what we would like to start to build.

Sunshine Residential has worked with multiple cities and have been able to efftely

execute the good neighbor policy and has always been willing to find the middle ground with their neighbors.

Sunshine would like you to know that we have heard the community; we appreciate the feedback and are willing to compromise.

We look forward to finding a common ground and working together to build a better community.

Simon Kottoor; MSW
CEO Sunshine Residential Inc.



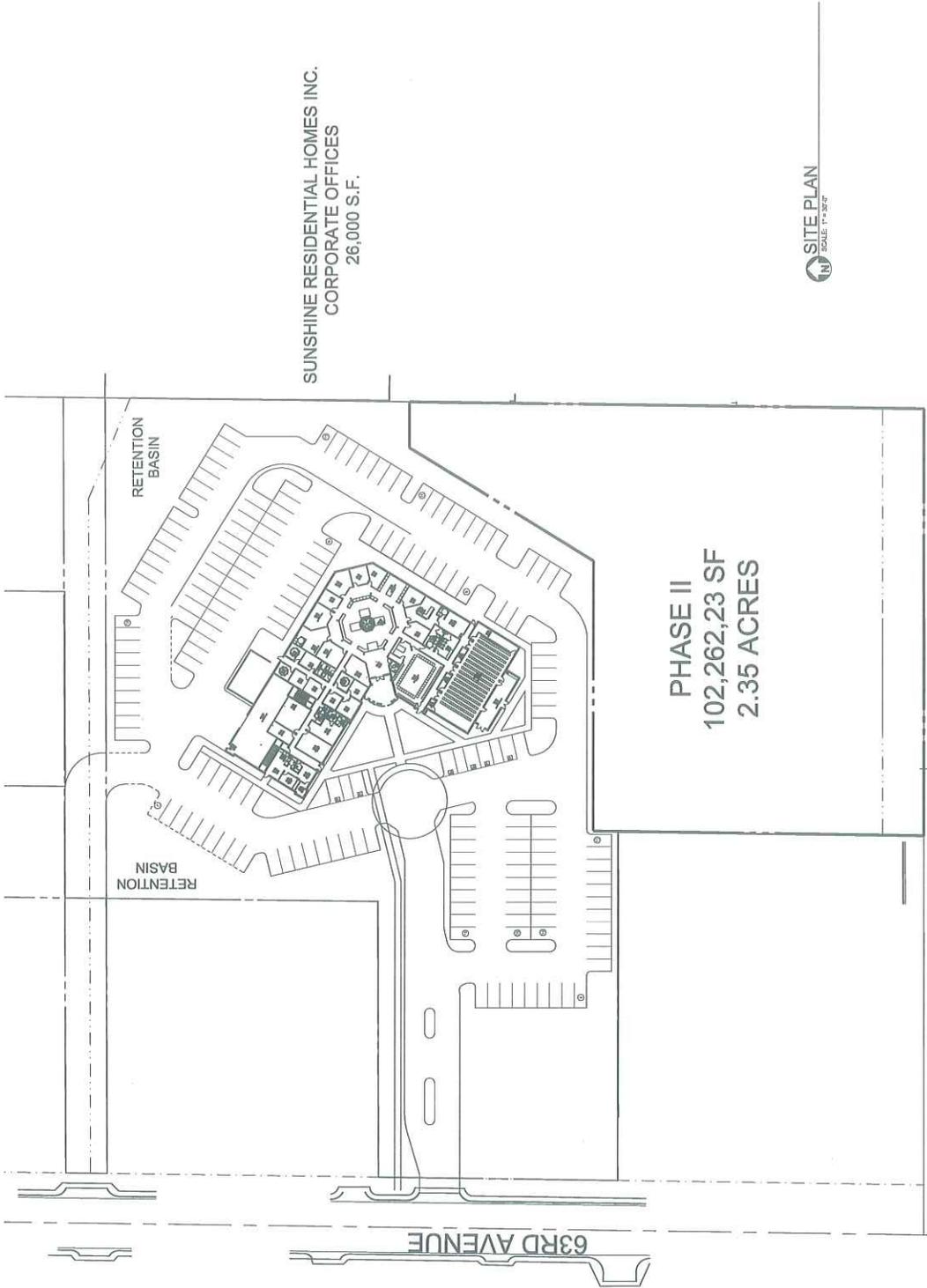
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CORPORATE OFFICE
SUNSHINE RESIDENTIAL HOME
17201 N. 63RD AVENUE, GLENDALE, ARIZONA

REVISIONS:	

TITLE: SITE PLAN
 SCALE: AS NOTED
 DRAWN BY: NDA
 CHECKED BY: LSW
 DATE: 9/17/15
 PROJECT NO.: 201220.01

SHEET NO.
SA-1.0



SUNSHINE RESIDENTIAL HOMES INC.
CORPORATE OFFICES
26,000 S.F.





CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **LEASE AGREEMENT: BANK OF AMERICA PLAZA, SUITE 275**
Staff Contact: **Gregory Rodzenko, P.E., City Engineer**

Purpose and Recommended Action

This is a request for City Council to adopt an ordinance authorizing the City Manager to approve a lease agreement. Staff is requesting Council waive reading beyond the title and adopt an ordinance authorizing the City Manager to approve a lease agreement between the City of Glendale and the Glendale Chamber of Commerce, a non-profit corporation, for approximately 4,171 square feet (SF) of office space in the Bank of America Plaza building located at 5800 West Glenn Drive in Glendale.

Background Summary

The potential tenant has requested the section pertaining to a lease guarantee within the Master Lease Form, Office Lease Agreement be removed from their lease. It is commonplace to not have a lease guarantee when there are little or no tenant improvements required. In this case, the city is not providing any tenant improvements therefore the lease guarantee is not required. The modification to the city's Master Lease Form, Office Lease Agreement requires Council approval.

Previous Related Council Action

On April 8, 2008, Council adopted by ordinance the Master Lease Form, Office Lease Agreement for the Bank of America Plaza building.

Budget and Financial Impacts

The lease was negotiated for a ten year term at current market rates, and with increases every 24 months. After the first year, the tenant, like other tenants of the Bank of America Plaza, will also pay a pro-rata share of any increases in operating costs incurred by the city for the building. The total revenue generated from this agreement during the first ten years, including the increases every 24 months, is projected at \$417,099.84. Revenues from this lease will be deposited to the General Fund.

Attachments

Staff Report

Agreement

Ordinance



STAFF REPORT

To: **Richard A. Bowers, Acting City Manager**
From: **Gregory Rodzenko, P.E., City Engineer**
Item Title: **LEASE AGREEMENT: BANK OF AMERICA PLAZA, SUITE 275**
Requested Council Meeting Date: **5/28/2013**
Meeting Type: **Voting**

PURPOSE

The purpose of this report is to request the City Manager forward this item to City Council for their consideration and approval. Staff plans to request Council adopt an ordinance approving a ten year lease agreement with the Glendale Chamber of Commerce, a non-profit corporation, for approximately 4,171 square feet (SF) of office space in the Bank of America Plaza building located at 5800 West Glenn Drive in Glendale.

BACKGROUND

The City of Glendale has owned the Bank of America Plaza building since June 2000, and the total amount of office space in the building is 68,782 SF. Currently, there is 24,080 SF of vacant office space available for lease, and if Council approves this lease agreement with the Glendale Chamber of Commerce, the remaining vacant space available for lease will be 19,909 SF. Mode Real Estate Management Services is the managing agent contracted by the city to provide for the operation, maintenance and day-to-day management services for the building.

On April 8, 2008, Council adopted by ordinance the current Master Lease Form, Office Lease Agreement for the Bank of America Plaza building. This agreement includes a section pertaining to a personal lease guarantee, and the potential tenant has requested this section be omitted from their lease. It is commonplace to not have a personal lease guarantee when there are no tenant improvements required. In this case, the city is not providing any tenant improvements therefore the lease guarantee is not required.

ANALYSIS

- Staff recommends approving the lease agreement with the Glendale Chamber of Commerce.
- The lease modification was reviewed and approved by the City Attorney's Office.
- There will be no impact on any city departments, staff, or service levels.



STAFF REPORT

FISCAL IMPACTS

The lease was negotiated for a ten year term at current market rates, and with increases every 24 months. The agreement requires the tenant to pay the first and last month's rent along with a security deposit. After the first year, the tenant, like other tenants of the Bank of America Plaza, will also pay a pro-rata share of any increases in operating costs incurred by the city for the building.

Revenues from this lease will be deposited to the General Fund. The total revenue generated from this agreement during the first ten years, including the increases every 24 months, is projected at \$417,099.84.

ORDINANCE NO. 2845 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE MAYOR AND/OR CITY MANAGER AND CITY CLERK TO EXECUTE AN OFFICE LEASE AGREEMENT WITH GLENDALE CHAMBER OF COMMERCE FOR OFFICE SPACE AT THE BANK OF AMERICA PLAZA.

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

SECTION 1. That the Mayor and/or City Manager and the City Clerk are hereby authorized and directed to execute on behalf of the City of Glendale an Office Lease Agreement with the Glendale City Chamber for office space at the Bank of America Plaza. A copy of said lease agreement is on file in the office of 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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

l_boa_chamber



OFFICE LEASE AGREEMENT

BETWEEN THE CITY OF GLENDALE
AND
GLENDALE CHAMBER OF COMMERCE

BANK OF AMERICA PLAZA BUILDING
5800 WEST GLENN DRIVE
GLENDALE, ARIZONA
85301

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EXHIBIT A FLOOR PLAN INDICATING PREMISES
EXHIBIT B RULES AND REGULATIONS
EXHIBIT C PARKING

OFFICE LEASE AGREEMENT

GLENDALE CHAMBER OF COMMERCE

5800 WEST GLENN DRIVE
GLENDALE, ARIZONA

THIS OFFICE LEASE AGREEMENT, dated this _____ day of _____, 2013, is made and entered into by City of Glendale, Arizona, an Arizona municipal corporation (the "Landlord"), and Glendale Chamber of Commerce, (the "Tenant"), an Arizona not-for-profit corporation. In consideration of the mutual promises and representations set forth in this Lease, the Landlord and Tenant agree as follows:

1. SUMMARY AND DEFINITION OF CERTAIN LEASE PROVISIONS AND EXHIBITS

1.1 The following terms and provisions of this Lease, as amplified and modified by other terms and provisions hereof, are included in this Section for summary and definitional purposes only. If there is any conflict or inconsistency between any term or provision in this Section and any other term or provision of this Lease, the other term or provision of this Lease shall control:

- (a) Landlord: City of Glendale
- (b) Address of Landlord for Notices: c/o MODE Real Estate Management Service
Attn: Patty Hartley
4414 N. Civic Center Plaza, Suite 100
Scottsdale, AZ 85251

with a copy to:

Glendale City Attorney
5850 West Glendale Avenue, Suite 450
Glendale, Arizona 85301

and a copy to:

Glendale Engineering Department
5850 West Glendale Avenue, Suite 315
Glendale, Arizona 85301
Attention: Michael Johnson
Glendale Chamber of Commerce

- (c) Tenant:

- (d) Address of Tenant for Notices:

Before Commencement Date:

Glendale Chamber of Commerce
7105 N. 59th Avenue
Glendale, AZ 85301

Attention: Steve Adams

From and after Commencement Date

5800 West Glenn Drive
Suite 275
Glendale, Arizona 85301

Initial 

(e) Lease Term: 123 months, plus the remainder of any partial calendar month if the Commencement Date does not fall on the first day of the month, beginning on the Commencement Date and ending on the Expiration Date.

(f) Commencement Date: June 1, 2013 (see Section 3).

(g) Expiration Date: August 31, 2023 (see Section 3).

(h) Building: The office building located at 5800 West Glenn Drive, Glendale, Arizona, 85301 (the "Building"), containing approximately 57,367 rentable square feet.

(i) Building Manager: The Building Manager for the Landlord is: MODE Real Estate Management Service, Attn: Patty Hartley, 4414 N. Civic Center Plaza, Suite 100, Scottsdale, AZ 85251.

(j) Premises: Suite 275 on the 2nd floor of the Building as shown on Exhibit A, containing approximately 4,171 rentable square feet which includes approximately 3,792 usable square feet based on BOMA standards and a Load Factor of 10.0%. Landlord has the right to measure the Premises following delivery of the Premises to Tenant. If the number of rentable square feet in the Premises, based on BOMA standards and the Load Factor, is more or less than stated herein, the Minimum Monthly Rent set forth in Section 1.1 (k) and Tenant's Pro Rata Share set forth in Section 1.1(l) shall be adjusted by Landlord to conform to the actual rentable square feet.

(k) Minimum Monthly Rent: Rent shall be payable upon the Commencement Date and on the first day of each month thereafter until the Expiration Date (see Section 4) according to the following schedule:

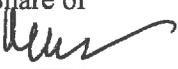
<u>Months</u>	<u>Rate</u>
For Months 1-3	FREE
For Months 4-27	\$3,128.25 per month (\$9.00/RSF)**
For Months 28-51	\$3,302.04 per month (\$9.50/RSF)**
For Months 52-75	\$3,475.83 per month (\$10.00/RSF)**
For Months 76-99	\$3,649.62 per month (\$10.50/RSF)**
For Months 100-123	\$3,823.42 per month (\$11.00/RSF)**

Monthly Rent charged to Tenant during any Renewal Term will be at the then-prevailing market rate.

** All monthly installment payments are calculated without applicable rental taxes. Tenant is required to pay monthly applicable rental taxes in addition to the monthly rental rates due above.

(l) Tenant's Pro Rata Share: Tenant shall be responsible for paying its pro-rata share of Building operating expenses and property taxes (see Section 5). The amount of Tenant's Pro Rata Share may be adjusted from time to time thereafter, based upon the actual amount of rentable square feet in the Building and the Premises. Upon any expansion of the Premises, Tenant's Pro Rata Share shall be increased to reflect the inclusion of the additional square feet comprising the expanded Premises. Tenant's Pro Rata Share shall be the percentage calculated as follows: the rentable square feet comprising the Premises divided by the total number of rentable square feet in the Building (7.27%).

(m) Expense Stop. Tenant shall be responsible for paying its pro-rata share of Operating Costs for the Building for Operating Year 2013 (the "Base Year"), computed based on the Building being 95% leased and occupied. (See Section 5.2.) Tenant's pro-rata share shall take into account its rentable square feet of area and the Commencement Date of this Lease. Tenant shall thereafter be responsible for Operating Costs for the Building for each successive Operating Year it occupies the Building. The amount of Tenant's Pro Rata Share of

Initial 

Operating Costs may be adjusted from time to time thereafter, based upon the actual amount of rentable square feet in the Building and the Premises.

(n) Security Deposit: \$ 3,823.42, which is an amount equal to the last month's rent (see Section 9). If the Tenant has not been in default of any terms and conditions contained in this Lease during the initial 60 months of this Lease, Landlord shall return this Security Deposit within 30 days of the five year anniversary of the Commencement Date of this Agreement.

(o) Building Hours: Monday through Friday 7 a.m. to 6 p.m.
Saturday 8 a.m. to 12 Noon
Excluding Sundays and legal holidays. After Hours usage of HVAC shall be billed at the rate of \$ 25.00 per hour.

(p) Parking: (See Section 6).

(q) Existing Fixtures and Furniture: Landlord shall supply all existing built-in furniture and existing detached conference table and chairs for Tenant's use for the Lease Term as a courtesy. Should such furniture be lost, stolen or no longer serve its useful or intended purpose during the Lease Term, Landlord shall not be required to repair or replace any fixture or furniture. Tenant must repair and replace all built-in furniture and may repair or replace detached furniture at its own expense during the Lease Term and any subsequent Renewal Term.

(r) Broker(s): Landlord's broker, LevRose Real Estate shall be entitled to receive a brokerage commission in connection with this Lease (see Section 33). The amount of such commission and other matters are addressed in a separate written agreement.

1.2 The following exhibits (the "Exhibits") and addenda are attached hereto and incorporated herein by this reference:

Exhibit A	Floor Plan of the Building indicating Premises
Exhibit B	Rules and Regulations
Exhibit C	Parking

1.3 The Office Lease Agreement, the Exhibits and any schedules are collectively referred to herein as the "Lease."

2. PREMISES; RIGHT TO USE COMMON AREAS

2.1 Landlord leases to Tenant and Tenant leases from Landlord the Premises, for and subject to the rents, terms, conditions, covenants, and provisions set forth in this Lease. This Lease is subject to all liens, encumbrances, ground leases, easements, restrictions, covenants and other matters of record, the Rules and Regulations described in Section 14.2 and Exhibit B and the Parking Rules and Regulations described in Exhibit C.

2.2 Tenant and Tenant's agents, contractors, customers, directors, employees, invitees, officers, and patrons (collectively, the "Tenant's Permittees") have a non-exclusive privilege and license to use, during the Lease Term, the Common Areas in common with all other tenants, occupants, and authorized users thereof and their respective permittees. For purposes of this Lease: (a) "Land" consists of the city block located between Glenn Drive and Palmaire Avenue, and 58th Drive and 58th Avenue, in Glendale, Arizona, of which the Building occupies part, and (b) "Common Areas" consist of those areas within the Building and Land not leased to any tenant and which are intended by Landlord to be available for the use, benefit, and enjoyment of all occupants of the Building. All "Automobile Parking Areas" are Common Areas, but certain parking areas are restricted to use by certain occupants.

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2.3 As used in this Lease, "Interior Common Facilities" means lobbies, corridors, hallways, elevator foyers, restrooms, mail rooms, mechanical and electrical rooms, janitor closets, and other similar facilities used by tenants or for the benefit of tenants on a non-exclusive basis.

3. TERM

3.1 The "Lease Term" is the number of months set forth in Section 1, plus the remainder of any partial calendar month if the Commencement Date does not fall on the first day of the month, beginning on the Commencement Date and ending on the Expiration Date. The Commencement Date and the Expiration Date are as set forth in Section 1.

3.2 Renewal Terms. Tenant shall have the option to renew this Lease at the end of the Lease Term for an additional five (5) years. Tenant may exercise this option to renew by providing the Landlord written notification in accordance with Section 32 (Notices) of this Lease at least thirty (30) days prior to the Expiration Date (*i.e.*, on or before July 31, 2023) that it is exercising such renewal option. Should Tenant renew the initial Term of this Lease and extend the term until August 31, 2028, Tenant shall have the option to renew this Lease at the end of first Renewal Term for an additional five (5) years. Tenant may exercise this second option to renew by providing the Landlord written notification in accordance with Section 32 (Notices) of this Lease at least thirty (30) days prior to the Expiration Date (*i.e.*, on or before July 31, 2028) that it is exercising such renewal option. Monthly Rent charged to Tenant during any Renewal Term will be at the then-prevailing market rate.

4. MINIMUM MONTHLY RENT

4.1 Tenant shall pay to Landlord, without deduction, setoff, prior notice, or demand, for the use and occupancy of the Premises, the Minimum Monthly Rent, payable in advance on the first day of each and every calendar month during the Lease Term. If the Lease Term commences on a date other than the first day of a calendar month, the Minimum Monthly Rent for that month (if applicable) shall be prorated on a per diem basis (based on a 30-day month) and be paid to Landlord within five (5) days after the Commencement Date. Tenant's obligation to pay the Minimum Monthly Rent and the Additional Rent are independent of any other term, covenant, condition, or provision herein contained. Minimum Monthly Rent and Additional Rent as defined in Section 5 may be referred to collectively as "Rent".

5. ADDITIONAL RENT; EXPENSE STOP

5.1 Commencing with the calendar year after the Base Year, Tenant shall pay, as "Additional Rent," Tenant's Pro Rata Share of Operating Costs during each Operating Year of the Lease Term, less the Expense Stop. Tenant's Pro Rata Share of Operating Costs shall be the percentage set forth in Section 1.1(l) of the Operating Costs for the applicable Operating Year, and shall be calculated on the basis of the number of rentable square feet included in the Premises. If the Lease Term begins or ends anytime other than the first or last day of an Operating Year, Operating Costs and Tenant's Pro Rata Share thereof shall be prorated accordingly. Should Landlord sell the building to an entity subject to the assessment of property tax, such full year property tax assessment amount for the sale year will be added to the Expense Stop amount for purposes of this calculation; however, such real estate tax assessment added to the Expense Stop shall not exceed \$2.00 per square foot.

5.2 The Minimum Monthly Rent includes an amount equal to one-twelfth (1/12) of the Expense Stop. Prior to the end of each Operating Year, Landlord shall provide Tenant with a written statement of Landlord's estimate of Tenant's Pro Rata Share of Operating Costs for the next succeeding Operating Year. If the estimate of Tenant's Pro Rata Share of the Operating Costs exceeds the Expense Stop, Tenant shall pay Landlord, in addition to and concurrently with each payment of the Minimum Monthly Rent for the next Operating Year, an amount equal to one-twelfth (1/12) of the amount by which Landlord's estimate of Tenant's Pro Rata Share of Operating Costs exceeds the Expense Stop. Landlord may provide Tenant with a revised estimate of Tenant's Pro Rata

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Share of Operating Costs for the current Operating Year and adjust the required monthly payment to reflect the revised estimate.

5.3 Within ninety (90) days after the end of each Operating Year, Landlord shall provide Tenant with a statement showing the actual Operating Costs incurred by Landlord. If Tenant's Pro Rata Share of the actual Operating Costs paid or incurred by Landlord during such Operating Year exceeds the estimates of Operating Costs paid by Tenant during the same Operating Year, Tenant shall remit the excess at the time the next succeeding payment of Rent is payable (or within ten (10) days if the Lease Term has expired or been terminated). Landlord shall apply any excess to payments next falling due under this Section (or refund the same to Tenant if the Lease Term has expired or been terminated). In no event shall the Minimum Monthly Rent be reduced below that set forth in Section 1.1(k).

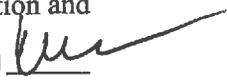
5.4 As used herein:

(a) The term "Operating Costs" means and includes:

(1) Those expenses paid or incurred by Landlord (whether directly or through independent contractors) for managing, maintaining, operating, and repairing the Building, the Common Areas and the Land, and the personal property used in conjunction therewith, including, but not limited to, the cost of utilities, (including, but not limited to, electricity, water, sewer, gas, and other utility charges); services, supplies, repairs, and replacements, or other expenses for managing, maintaining, operating, or repairing the Building, the Common Areas and the Land (including, but not limited to, any structural repairs and replacements); costs (including interest) associated with any financing incurred in connection with repairing, replacing or maintaining the Building or other capital repair items amortized in accordance with generally accepted accounting principles; insurance (including, without limitation, the coverage described in Section 20, and all other coverage obtained by Landlord as set forth in this Lease, whether by separate policy, inclusion in a blanket policy, or self insurance, in which case the reasonable value of self insurance shall be included in Operating Costs), amortization (over the reasonable life of the item) of the cost of installation of capital investment items which are installed primarily for the purpose of reducing Operating Costs or which may be required by any governmental authority; trash and rubbish removal; janitorial services; management fees, and legal and accounting expenses as may be ordinarily incurred in the operation and maintenance of an office building; and any other expense or charge whether or not hereinabove described which, in accordance with consistently applied generally accepted accounting and management principles would be considered an expense of managing, maintaining, operating, or repairing the Building, the Common Areas and the Land; and

(2) All impositions, taxes, assessments (special or otherwise), and other governmental levies and charges of any and every kind, ordinary or extraordinary, foreseen or unforeseen, assessed or imposed, upon or with respect to the ownership of, or other taxable interest attributable to, the Building, the Common Areas, the Land, and any improvements, fixtures, equipment, and other property of Landlord, real or personal, located in, or used in connection with, the operation of the Building, the Common Areas, and the Land and any tax which shall be imposed on any interest or excise in addition to or in lieu of the foregoing real or personal property taxes. Notwithstanding anything to the contrary contained in this Section, in the event the Building is not occupied to the extent of 95% of its rentable area during any Operating Year, an adjustment shall be made by Landlord in calculating the Operating Costs for such Operating Year so that the Operating Costs shall be adjusted to the amount that would have been incurred had the Building been occupied to a level of 95% occupancy during such Operating Year.

(b) Operating Costs do not include income, estate, and inheritance taxes levied against Landlord, taxes payable by any tenant, depreciation, capital investment items (except as provided in Section 5.4(a)) and debt service, costs of leasing space in the Building, including leasing commissions and leasehold improvement costs, the cost of utilities separately metered to any tenant or resulting from excess consumption and

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billed directly to that tenant, the cost of special services provided to any tenant and billed directly to that tenant, or repairs and maintenance to the extent paid by proceeds of insurance or from tenants.

(c) The term "Operating Year" means a year beginning January 1 and ending December 31.

5.5 The determination and statement of expenses shall be made by Landlord and a copy of such statement shall be made available to Tenant upon demand, not more frequently than annually.

5.6 Notwithstanding anything in this Lease to the contrary, failure by Landlord to give notices or statements of Operating Costs within the time specified, and grant of "free rent" or fee concessions, shall not waive Landlord's right to require payment (or to recover underpayments) by Tenant of Tenant's Pro Rata Share of Operating Costs in excess of the Expense Stop.

6. PARKING

6.1 Landlord shall operate and maintain or cause to be operated and maintained a retail and parking garage structure, the parking levels of which are the "Automobile Parking Area," for the benefit and use of all tenants of the Building and their Permittees, as well as tenants and permittees of the retail component of the retail and parking garage structure, and the general public. Any area(s) designated by Landlord as being for reserved parking shall not be accessible or available for use by all tenants or by the general public. The Tenant's share of the cost of maintenance, operation, repair, and management of the Automobile Parking Area shall be included in the Operating Costs set forth in Section 5 above, and are shared pro-rata with the tenants of said retail segment of the retail and parking garage structure. Landlord's and Tenant's rights and responsibilities with respect to the Automobile Parking Area are as set forth in Exhibit C.

7. RENT TAX AND PERSONAL PROPERTY TAXES

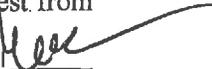
7.1 Tenant shall pay to Landlord, in addition to and simultaneously with any other amounts payable to Landlord under this Lease, a sum equal to the aggregate of any municipal, county, state, or federal excise, sales, use, or transaction privilege taxes now or hereafter legally levied or imposed against, or on account of, any or all amounts payable under this Lease by Tenant or the receipt thereof by Landlord (except taxes which are commonly inheritance taxes). This Lease is specifically subject to the municipal property excise tax established under *Arizona Revised Statutes* §42-6201 et seq. Failure by the Tenant to pay the tax after notice and an opportunity to cure is an event of default that could result in divesting Tenant of any interest in or right of occupancy of the Premises.

7.2 Tenant shall pay, prior to delinquency, all taxes levied upon fixtures, furnishings, equipment, and personal property placed on the Premises by Tenant. If any or all of Tenant's fixtures, furnishings, equipment, or personal property is assessed and taxed with any assessments or taxes paid by Landlord, Tenant shall reimburse Landlord for such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to the Tenant's property.

8. PAYMENT OF RENT; LATE CHARGES

8.1 Tenant shall pay Rent and all other charges herein specified to Landlord at the address set forth in Section 1.1(b) of this Lease, or to another person and at another address as Landlord from time to time designates in writing.

8.2 Rent or other charges payable by Tenant to Landlord under the terms of this Lease not received within ten (10) days after the date due (the "Delinquency Date") shall automatically (and without notice) incur a one-time late charge of 5% of the delinquent amount. The parties acknowledge that this is a reasonable fee to compensate Landlord for its additional costs to process delinquencies, and is not a penalty. Further, any Rent or other charges payable by Tenant to Landlord and not paid prior to the Delinquency Date shall bear interest from

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the Delinquency Date at the "Delinquency Interest Rate." As used in this Lease, the term "Delinquency Interest Rate" means the greater of: (a) five percentage points over the interest rate publicly announced as prime rate from time to time by the federal reserve bank (if such term is no longer utilized, the interest rate utilized by banking institutions to replace the prime rate), or (b) fifteen percent (15%) per annum. Notwithstanding the above, if the Delinquency Interest Rate exceeds the maximum interest rate allowed by law, the Delinquency Rate shall be reduced to the highest rate allowed by law.

8.3 Landlord's right to receive (and receipt of) late charges or interest for delinquent amounts shall not limit or restrict Landlord's other rights and remedies. Landlord's acceptance of partial payments of amounts due, or payments without inclusion of late charges or interest shall not be deemed to limit, restrict, or waive Landlord's right to collect the full amounts due and all accrued late charges and interest; nor shall any endorsement or statement on any check or on any letter accompanying any check or payment as Rent be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of any unpaid or owing Rent or to pursue any other remedy set forth in this Lease. Receipt of a check shall not be deemed to constitute payment unless the check is honored by the bank upon which it is drawn, and late charges and interest shall accrue from the original due date if a check is dishonored. Landlord may require that all payments be made by cashier's check. No receipt of money by Landlord from Tenant after the termination of this Lease, after the service of any notice relating to the termination of this Lease, after the commencement of any suit, or after final judgment for possession of the Premises, shall reinstate, continue or extend the Lease Term or affect any such notice, demand, suit or judgment.

9. SECURITY DEPOSIT

9.1 Upon execution of this Lease, Tenant shall deposit with Landlord the Security Deposit as stated in Section 1.1(n), as security for the full and faithful performance of each and every term, condition, covenant, and provision of this Lease.

9.2 If Tenant defaults in any of the terms, conditions, covenants, and provisions of this Lease, including, but not limited to, the payment of Rent or other charges, Landlord may, but need not, apply all or part of the Security Deposit, not as liquidated damages, but for the payment of any Rent or charge then due or for any other sum which Landlord may spend, or be required to spend, by reason of Tenant's default. If any portion of the Security Deposit is so used, Tenant shall, no later than five (5) calendar days following demand, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Tenant's failure to do so shall be a material breach of this Lease. Should Tenant fully and faithfully comply with all of the terms, conditions, covenants, and provisions of this Lease, the Security Deposit, or any balance thereof, shall be returned to Tenant or, at the option of Landlord, to the last assignee of Tenant's interest in this Lease, within ten (10) days after the Expiration Date and surrender of the Premises by Tenant. Landlord's rights regarding the Security Deposit are in addition to and do not preclude any other rights, remedies, or recoveries available to Landlord by law or pursuant to this Lease. Tenant acknowledges that the Security Deposit is not an advance payment of Minimum Monthly Rent, Additional Rent, or any other charges owing under the Lease; is not a payment of "last month's rent"; and does not constitute a payment by Tenant of any sums owing pursuant to this Lease except the Security Deposit required by this Section 9.

9.3 Tenant agrees that, if Landlord sells or exchanges Landlord's interest in the Premises during the Lease Term, Landlord will either pay, transfer, or assign the Security Deposit to any subsequent owner and, in that event, Tenant hereby releases Landlord from all liability for the return of the Security Deposit, or will refund the Security Deposit to Tenant in accordance with the provisions of this Section 9. Landlord shall not be required to maintain such funds in a segregated account, but may deposit such funds in any general account of Landlord, provided that such commingling in no way affects Landlord's obligations to Tenant regarding such funds hereunder. Tenant shall not be entitled to any interest on the Security Deposit.

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10. CONDITION OF THE PREMISES

10.1 As of the Commencement Date, Tenant has had the opportunity fully to inspect the Premises and accepts the Premises "AS IS." Landlord makes no warranty as to the condition of the Premises.

10.2 At the expiration or earlier termination of this Lease, the Premises shall be returned to Landlord in a condition as good as it was at the Commencement Date (fair wear and tear excepted).

11. TENANT IMPROVEMENTS AND ALTERATIONS

11.1 Tenant is accepting the Premises "AS IS."

11.2 Tenant may place partitions and fixtures and may make improvements and other alterations to the interior of the Premises at Tenant's expense, provided that Tenant shall not be permitted to do any structural work or work that affects the structural integrity of the Building; and further provided that, prior to commencing any such work, Tenant shall first obtain the written consent of Landlord to the proposed work, by submitting to Landlord for Landlord's approval: (a) complete plans and specifications for the proposed work (which consent shall not be unreasonably withheld); (b) the name of the proposed architect and/or contractor(s) for such alterations and/or improvements; (c) the materials to be used in connection with such alterations, including, without limitation, paint, carpeting, wall or window coverings and the use of carpet glues and other chemicals for installation of such materials; and (d) evidence of Tenant's financial ability to complete the construction. Such submissions to Landlord shall be made at least ten (10) days prior to the commencement of any construction in the Premises. Landlord may require that the work be done by Landlord's own employees, its construction contractors, or under Landlord's direction, but at the expense of Tenant; and Landlord may, as a condition to consenting to such work, require that Tenant provide financial security adequate in Landlord's judgment so that the improvements or other alterations to the Premises will be completed in a good, workmanlike and lien free manner. Landlord may also require that any work done to the interior of the Premises be subject to the supervision of Landlord or its designee. All such improvements or alterations must conform to and be in substantial accordance in quality and appearance with the quality and appearance of improvements in a first-class, Class A, institutional grade office building. All such improvements shall become the property of Landlord. In the event Landlord consents to the use by Tenant of its own architect and/or contractor for the installation of any such alterations or improvements, prior to the commencement of such work, Tenant shall provide Landlord with evidence that Tenant's contractor has procured worker's compensation, liability and property damage insurance (naming Landlord as an additional insured) in a form and in an amount approved by Landlord, and evidence that Tenant's architect and/or contractor has procured the necessary permits, certificates and approvals from the appropriate governmental authorities. Tenant acknowledges and agrees that any review by Landlord of Tenant's plans and specifications and/or right of approval exercised by Landlord with respect to Tenant's architect and/or contractor is for Landlord's benefit only and Landlord shall not, by virtue of such review or right of approval, be deemed to make any representation, warranty or acknowledgment to Tenant or to any other person or entity as to the adequacy of Tenant's plans and specifications or as to the ability, capability or reputation of Tenant's architect and/or contractor.

11.3 Signage. Tenant, at Tenant's sole cost, may add a placard upon the existing sign for the Building. Tenant's sign shall be similar to, and conform with, the sign currently being used by the Convention and Visitor's Bureau. Landlord, at Tenant's request and expense shall provide suite entry signage. Plans for such signage shall be submitted to and approved by the City's Planning and Building & Safety Department prior to installation. Tenant's failure to get the City's review and approval for such signage shall be a material breach of this Lease and may result in, among other remedies, the termination of this Lease Agreement.

12. FIXTURES; PERSONAL PROPERTY; AND SURRENDER OF PREMISES

12.1 All trade fixtures installed by Tenant and movable furniture that is not permanently affixed to the Premises, with the exception of items outlined in Item 1.1(q), shall remain the property of Tenant and may be

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removed by Tenant not later than the Expiration Date or the earlier termination of (a) the Lease Term or (b) Tenant's right to possession, provided that Tenant is not in default hereunder at the time of the proposed removal and further provided that there is no Rent or other charges then due hereunder. Tenant shall promptly repair, at its own expense, any damage resulting from such removal. If Tenant fails to remove its personal property, trade fixtures, and moveable furniture upon the Expiration Date or the earlier termination of the Lease Term or Tenant's right to possession, the same shall be deemed abandoned and shall become the property of Landlord. Notwithstanding the foregoing, at any time during the Lease Term or thereafter Landlord may require Tenant to remove any personal property placed in the Premises by Tenant or by others at Tenant's direction or with Tenant's actual or implied consent, if the same is dangerous, illegal, or actually or potentially an environmental hazard, and repair any damage caused thereby.

12.2 Movements of Tenant's property into or out of the Building and within the Building are entirely at the risk and responsibility of Tenant and Landlord reserves the right to require permits before allowing any such property to be moved into or out of the Building, and must be conducted in accordance with Landlord's policies and procedures.

12.3 All cabinetry, built-in appliances, wall coverings, floor coverings, window coverings, electrical and plumbing fixtures and conduits, lighting, and other special fixtures that may be placed upon, installed in, or attached to the Premises by Tenant shall, at the Expiration Date or earlier termination of this Lease for any reason, become the property of Landlord and remain upon and be surrendered with the Premises, without disturbance, molestation, or injury unless designated by Landlord to be removed, in which case Tenant shall remove the same prior to the Expiration Date or earlier termination of the Lease Term and repair any damage caused thereby.

12.4 At the Expiration Date or upon the earlier termination of the Lease Term or Tenant's right to possession, Tenant shall surrender the Premises in good order and condition, reasonable wear and tear and casualty damage excepted, and shall deliver all keys to Landlord. Tenant shall further surrender to Landlord any Automobile Parking Area cards that may have been issued under Section 6.

13. LIENS

13.1 Tenant shall keep the Premises, the Building and the Land free from any liens arising out of work performed, material furnished, or obligations incurred due to Tenant's actions, the actions of Tenant's Permittees or contractors, or the failure of Tenant to comply with any law excluding, however, security interests in Tenant's personal property subordinate to Landlord's lien rights. In the event any such lien does attach against the Premises, Building, or Land, and Tenant does not discharge the lien or post bond (which under law would prevent foreclosure or execution under the lien) within ten (10) days after demand by Landlord, such event shall be a default by Tenant under this Lease and, in addition to Landlord's other rights and remedies, Landlord may take any action necessary to discharge the lien. Tenant shall pay Landlord upon demand all costs or expenses (including reasonable attorney's fees and costs, whether or not suit be instituted) incurred by Landlord by reason of attachment or discharge of such lien and shall indemnify, defend and hold Landlord harmless for, from and against any and all liability, claims, or losses arising out of attachment of such lien.

14. USE OF PREMISES; RULES AND REGULATIONS

14.1 Without the prior approval of Landlord, Tenant shall not use the Premises for any use other than for general business office purposes.

14.2 Tenant agrees to:

(a) Comply with all statutes, ordinances, rules, regulations, and orders of all municipal, state, and federal authorities now in force or which may hereafter be in force pertaining to the use of the Premises, and shall not use or permit the Premises to be used in whole or in part for any purpose or use in violation of any of said laws, ordinances, rules and regulations;

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(b) Keep the Premises in a neat, sanitary, and orderly condition, free of debris, and shall not deposit or allow others to deposit trash, waste, or debris within Common Areas except within designated areas;

(c) Not commit, or allow others to commit, any waste upon the Premises, Building, Common Areas or Land;

(d) Not engage, or allow others to engage, in any activity that has the likelihood of increasing the existing premium rate of insurance on the Premises, Building or Building Common Areas or potentially cause a cancellation of any insurance policy or permit to remain in or about any such area any item that may be prohibited by standard form fire insurance policies;

(e) Not use, or allow others to use, the Premises, Building or Common Areas for any offensive, noisy, or dangerous trade, business, or occupation, or anything against public policy, or interfere with the business of or disturb the quiet enjoyment of any other tenant in the Building or Land;

(f) Not use, or allow others to use, the exterior of the roof or walls of the Premises or the Building for any purpose;

(g) Not display anything in any windows without prior written consent of Landlord;

(h) Not use or allow others to use the Common Areas for purposes other than the purposes intended for such areas;

(i) Faithfully observe and comply (and cause Tenant's Permittees to observe and comply) with the Rules and Regulations (Exhibit B), the Parking Rules and Regulations described in Section 6, and all reasonable and nondiscriminatory modifications of and additions thereto; and

(j) Not use, generate, manufacture, transport to or from, store, or dispose of, in, under, or about the Premises, the Building, the Land, or the Automobile Parking Area, any Hazardous Materials. For purposes of this Lease, "Hazardous Materials" includes, but is not limited to: (i) flammable, explosive, or radioactive materials, hazardous wastes, toxic substances, or related materials; (ii) all substances defined as "hazardous substances," "hazardous materials," "toxic substances," or "hazardous chemical substances or mixtures" in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq., as amended by Superfund Amendments and Reauthorization Act of 1986; the Hazardous Materials Transportation Act, 49 U.S.C. § 1901, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq.; (iii) those substances listed as hazardous substances in the United States Department of Transportation Table (49 CFR 172. 10 and amendments thereto) or by the Environmental Protection Agency (or any successor agent) (40 CFR Part 302 and amendments thereto); (iv) any material, waste, or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyls, (D) designated as a "hazardous substance" pursuant to § 311 of the Clean Water Act, 33 U.S.C. S 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to the Clean Water Act (33 U.S.C. § 1317); and (v) all substances defined as "hazardous wastes" in *Arizona Revised Statutes* §36-3501(16).

14.3 Tenant shall be solely responsible for, and shall indemnify, defend and hold harmless Landlord, its elected officials, directors, officers, employees, agents, successors, and assigns for, from and against, any loss, damage, cost, expense, or liability directly or indirectly arising out of or attributable to Tenant's and Tenant's Permittees use, generation, storage, release, threatened release, discharge, disposal, or presence of Hazardous Materials on, under, or about the Premises, the Building or the Land, including without limitation: (a) all foreseeable consequential damages; (b) the costs of any required or necessary repairs, cleanup or detoxification of the Premises, the Building, or the Land, and the preparation and implementation of any closure, remedial, or other required plans; and (c) all reasonable costs and expenses incurred by Landlord in connection with clauses (a) and (b) of this Section 14.3, including but not limited to reasonable attorneys' fees. Notwithstanding the foregoing,

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Tenant may use in the Premises those Materials that are customarily used for general office purposes (i.e., copier toner, liquid paper, glue, ink, and Landlord approved cleaning solvents). Tenant's obligations hereunder shall survive the termination or earlier expiration of this Lease.

15. RIGHTS RESERVED BY LANDLORD

15.1 In addition to all other rights, Landlord has the following rights, exercisable without notice; without liability to Tenant; without effecting an eviction, constructive or actual; and without giving right to any claim for set off or abatement of Rent:

(a) To decorate and to make repairs, alterations, additions, changes, or improvements, whether structural or otherwise, in and about the Building, or any part thereof, and for such purposes to enter upon the Premises and during the continuance of any of said work to temporarily close doors, entryways, public space, and corridors in the Building, and to interrupt or temporarily suspend Building services and facilities and to change the number of floors, the size, dimensions, arrangement, and location of entrances or passageways, doors and doorways, corridors, elevators, stairs, toilets, or other Interior Common Facilities or Common Areas, so long as the Premises are reasonably accessible;

(b) To change, rearrange, add to, or subtract from the Common Areas, provided Tenant shall always have adequate access to the Premises and the parking rights described in Section 1.1(p);

(c) To grant to anyone the exclusive right to conduct any business or render any service in or to the Building, provided such exclusive right shall not operate to exclude Tenant from the use expressly permitted herein;

(d) To approve the weight, size, and location of safes and other heavy equipment and items in and about the Premises and the Building, and to require all such items and furniture and similar items to be moved into and out of the Building and Premises only at such times and in such manner as Landlord shall direct in writing;

(e) To prohibit the placing of vending or dispensing machines of any kind in or about the Premises without the prior written permission of Landlord;

(f) To take all such reasonable measures as Landlord may deem advisable for the security of the Building and its occupants, including without limitation, the search of all persons entering or leaving the Building, the evacuation of the Building for cause, suspected cause, or for drill purposes, the temporary denial of access to the Building, and the closing of the Building after regular working hours;

16. QUIET ENJOYMENT

16.1 Landlord agrees that, upon Tenant's paying Rent and other charges, and keeping and performing all of the terms, conditions, covenants, and provisions of this Lease, Landlord will do nothing that will prevent Tenant from peaceably and quietly enjoying, holding, and occupying the Premises during the Lease Term. This covenant shall not extend to any disturbance, act, or condition brought about by any other tenant or occupant in the Building and shall be subject to the rights of Landlord set forth in this Lease. Tenant agrees this Lease is subordinate and subject to the Rules and Regulations described in Section 14 and the Parking Rules and Regulations described in Exhibit E. This subordination agreement shall be self operative; however, Tenant agrees to execute and deliver such further instruments necessary to subordinate this Lease to the foregoing matters.

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17. MAINTENANCE AND REPAIR

17.1 Subject to Sections 15, 21 and 22 and Tenant's obligations under Sections 17.2 and 17.3, Landlord shall maintain the Premises and Building in good condition and repair, reasonable wear and tear excepted. Tenant waives all rights to make repairs at the expense of Landlord. Landlord's maintenance and repair costs under this Section 17.1 are deemed to be Operating Costs. The foregoing notwithstanding, Landlord shall not be liable to Tenant for failure to make repairs as required herein unless Tenant has previously notified Landlord, in writing, of the need for such repairs and Landlord has failed to commence said repairs within a reasonable time (but in no event less than thirty (30) days) following receipt of Tenant's written notification, or such lesser period as shall be reasonable in the event of a bona fide emergency. Landlord shall have no obligation to alter, remodel, improve, renovate, decorate, or paint the Premises at any time during the Lease Term.

17.2 If Landlord would be required to perform any maintenance or make any repairs under Section 17.1 because of: (a) modifications to the roof, walls, foundation, and floor of the Building from that set forth in Landlord's plans and specifications which are required by Tenant's design for improvements, alterations and additions; (b) installation of Tenant's improvements, fixtures, or equipment; (c) a negligent or wrongful act of Tenant or Tenant's Permittees; or, (d) Tenant's failure to perform any of Tenant's obligations under this Lease, Landlord may perform the maintenance or repairs and Tenant shall pay Landlord the cost thereof plus a reasonable amount for Landlord's overhead upon receipt of a statement from Landlord. Landlord's costs under this Section 17.2 shall not be an Operating Cost for purposes of Section 5.

17.3 Tenant agrees to:

(a) Pay Landlord's cost of maintenance, repair or janitorial services that exceed the level of such services that Landlord is otherwise required to perform or provide hereunder, in connection with any special leasehold improvements. Landlord's costs under this subsection will not be deemed an Operating Cost;

(b) Repair or replace all ceiling and wall finishes (including painting) and floor or window coverings which require repair or replacement during the Lease Term, at Tenant's sole cost;

(c) Indemnify, defend and hold Landlord harmless for, from and against any and all liability, obligations, claims, costs, damages, expenses, or attorneys' fees incurred or sustained as a result of any damage, injury, or destruction of the Premises, Building or Common Areas arising from the actions or negligence of Tenant or Tenant's Permittees.

17.4 Notwithstanding anything in this Lease to the contrary, to the extent the terms and provisions of Section 21 conflict with, or are inconsistent with, the terms and provisions of this Section 17, the terms and provisions of Section 21 shall control and prevail.

18. UTILITIES AND JANITORIAL SERVICES

18.1 Landlord agrees to furnish to the Premises during Building Hours as defined in Section 1, and subject to the Rules and Regulations, electricity suitable for the intended use of the Premises, heat and air conditioning required in Landlord's judgment for normal use and occupation of the Premises. Landlord shall furnish janitorial services for the Premises and Common Areas. Landlord further agrees to furnish hot and cold water to those areas provided for general use of all tenants in the Building. Landlord will use diligent efforts to provide continuous elevator service for the Building, but Landlord does not guarantee that the elevator will be operational at all times.

18.2 As used in this Section 18, "Excess Consumption" means the consumption of electrical current (including current in excess of 120 volts), water, heat, or cooling in excess of that which would be provided to the Premises were the Premises to be (a) used as general office space during Building Hours; and (b) equipped only with typewriters, desk calculators, normal office computer equipment, dictation equipment, and copying machines

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with power requirements of 30 amperes or less. Tenant will not, without the prior written consent of Landlord, use any apparatus or device in the Premises using electrical current in excess of 110 volts, or which will in any way result in Excess Consumption; or connect, except through existing electrical outlets, water pipes, ducts or pipes in the Premises, any apparatus or device for the purpose of using electric current, water, heating, cooling, or air. If Tenant shall require electric current, water, heating, cooling, or air which will result in Excess Consumption, Tenant shall first procure the consent of Landlord to the use thereof, and Landlord may cause separate meters to be installed to measure Excess Consumption or establish another basis for determining the amount of Excess Consumption. Tenant may obtain heating, ventilation, and air conditioning requirements other than during Building Hours either by contacting building management or through the use of an override system. Tenant agrees to pay for the cost of the Excess Consumption based on Landlord's cost, plus any additional expense incurred in installing meters or keeping account of the Excess Consumption, including (but not limited to) depreciation, accelerated depreciation and additional maintenance, at the same time as payment of the Minimum Monthly Rent is made. In lieu of the foregoing with respect to Excess Consumption of heating and/or cooling, Landlord may establish and modify from time to time, a per hour charge for providing such service. Tenant further agrees to pay Landlord the costs, if any, to upgrade existing mechanical, electrical, plumbing, and air facilities, if required to provide Excess Consumption. Excess Consumption costs will not be an Operating Cost for purposes of Section 5.

18.3 Landlord shall not be liable for damages nor shall rent or other charges abate in the event of any failure or interruption of any utility or service supplied to the Premises or Building by a utility or municipality, or any failure of a Building system supplying any such service to the Premises and no such failure or interruption shall entitle Tenant to terminate this Lease.

19. ENTRY AND INSPECTION

19.1 Landlord and Landlord's agents shall have the right to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same; performing Landlord's maintenance and repair obligations under this Lease; maintaining or making repairs, alterations, or additions to any other portion of the Building, including the erection and maintenance of such scaffolding, canopy, fences and props as may be required; posting notices of nonliability for alterations, additions, or repairs, or of the availability of the Premises for lease or sale; or showing the Premises to potential tenants and purchasers.

19.2 If Tenant shall not be personally present to open and permit an entry into said Premises, at any time, when for any reason an entry therein shall be necessary or permissible, Landlord or Landlord's agents may use a master key to enter, without liability and without in any manner affecting the obligations and covenants of this Lease. Landlord shall be permitted to take any action under this Section without causing any abatement of rent or liability to Tenant for any loss of occupation or quiet enjoyment of the Premises, nor shall such action by Landlord be deemed an actual or constructive eviction.

20. INSURANCE AND INDEMNIFICATION OF LANDLORD

20.1 Insurance Maintained by Tenant. Tenant shall maintain in full force and effect during the entire term of this Lease, at its own cost and expense, the following policies of insurance:

(a) Commercial General Liability Insurance and Umbrella Liability Insurance in an amount not less than \$1,000,000 each occurrence and \$2,000,000 aggregate. Said policy shall provide coverage for bodily injury, property damage, advertising, personal injury, premises, operations, independent contractors, products completed operations, fire legal, and liability assumed under an insured contract both oral and written. Fire legal liability limits shall be equal to or exceed \$150 per square feet of leased space. Not more frequently than once each three years, if, in the opinion of Landlord, the amount of Commercial General Liability Insurance coverage at that time is not adequate, Tenant shall increase the insurance coverage as reasonably required by Landlord but not more than the amount customarily required by landlords for comparable buildings.

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(b) **Commercial Automobile Insurance and Umbrella Liability Insurance** in an amount equal to that currently maintained by Tenant, but not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of any auto (including owned, hired and non-owned autos) used in connection with Tenant's use of the Premises.

(c) **Workers' Compensation Insurance and Employers' Liability Insurance** as required by law and in full compliance with the provisions of the Arizona Worker's Compensation Law (Title 23, Chapter 6, *Arizona Revised Statutes*) as amended, and Employer's Liability Insurance in an amount not less than \$500,000.

(d) **Commercial Property Insurance** covering the Premises including fixtures, inventory, equipment, Tenant improvements and betterments and all other content of the Premises and (if any, such as installed by or for Tenant) all mechanical, plumbing, heating, ventilating, air conditioning, and electrical. The policy must include coverage for the following: vandalism, malicious mischief, sprinkler leakage. Such insurance shall provide for 100% of the full replacement cost. Any coinsurance requirement in the policy shall be eliminated through the attachment of an agreed amount endorsement, or as is otherwise appropriate under the particular policy form. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair and/or replace the Premises, and the Leasehold Improvements, fixtures, glass, equipment, mechanical, plumbing, heating, ventilating, air conditioning, electrical, telecommunication and other equipment, systems and facilities so insured.

(e) **Business Interruption or Rental Loss Insurance** sufficient to cover, for a period of not less than one year, all rental, expense and other payment obligations of Tenant under this Lease, including, without limitation, Rent and adjustments thereto and taxes, operating expenses and all other costs, fees, charges and payments which would be borne by or due from Tenant under this Lease if the Premises and Tenant's business were fully open and operating.

(f) Any other forms of insurance Landlord may require from time to time, in form and amounts and for insurance risks against which a prudent Tenant of comparable size in a comparable business would protect itself. Additional forms or amounts of insurance required for this Lease: NONE AT THIS TIME.. Additional forms or amounts of insurance listed in this sub-section do not preclude Landlord from requiring further forms or amounts throughout the term of this Lease.

20.2 Form of Insurance. All insurance required to be carried by Tenant hereunder:

(a) shall be issued by insurance carriers authorized to conduct business in the State of Arizona and with an A.M. Best's guide rating of no less than A;

(b) shall be written as primary insurance and non-contributory over any insurance purchased by Landlord;

(c) shall contain a provision whereby each insurer agrees to give Landlord at least thirty (30) days' prior written notice of any cancellation;

(d) shall contain a deductible no greater than \$10,000 unless a waiver is provided by the Landlord;

(e) shall be written on an Occurrence basis; any policies underwritten as Claims Made will not satisfy the insurance requirements outlined above;

(f) shall not be modified to reduce the extent of coverage or limits required herein without the prior written consent of Landlord;

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(g) as respects the Commercial General Liability, Commercial Automobile Liability and Umbrella Liability policies, Tenant shall ensure that the Landlord be added by endorsement as additional insureds to the policies;

(h) shall provide evidence of Commercial Property Insurance and of all other insurance as well as certificates and appropriate endorsements to Landlord five (5) days prior to occupancy, and evidence of renewal shall be provided to Landlord no less than fifteen (15) business days prior to expiration.

20.3 Failure to Maintain, Failure to Provide If Tenant fails to acquire and maintain the insurance required pursuant to this Section, Landlord may but is not obligated to, and in addition to any other rights and remedies available to Landlord, acquire such insurance and pay the requisite premiums, which premiums shall be payable by Tenant to Landlord immediately upon demand. Landlord's failure, at any time, to object to Tenant's failure to provide the specified insurance or written evidence thereof (either as to the type or amount of such insurance) shall not be deemed a waiver of Tenant's obligations under this Section.

20.4 Blanket Insurance. Tenant may, at its option, satisfy its insurance obligations hereunder by obtaining insurance commonly known as blanket insurance coverage, provided that the same shall, in all respects, comply with the provision hereof. In such event, Tenant shall not be deemed to have complied with its obligation hereunder until Tenant shall have obtained and delivered to Landlord a certificate of insurance with appropriate endorsements, or upon Landlord's request, a copy of said policy with endorsements.

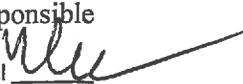
20.5 Landlord's Insurance. Landlord shall maintain comprehensive general public liability insurance against claims for personal injury, death, or property damage occurring on the Common Areas, fire and extended coverage (all risk) insurance on the Building and Automobile Parking Areas, and such other insurance as Landlord deems reasonably necessary.

20.6 Waiver of Subrogation. Tenant hereby waives any right of recovery from Landlord, Landlord's officers or employees, and Landlord hereby waives any right of recovery from Tenant, Tenant's officers or employees, for any loss, damage (including consequential loss) resulting from any of the perils insured against by either's fire and extended coverage insurance policy to the extent of all proceeds thereof.

20.7 Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, suits, actions, proceedings, liability, damages, costs or expenses, including attorneys' and experts' fees and court costs arising (a) from any act, omission, or negligence of Tenant or its officers, contractors, licensees, agents, employees, guests, invitees, or visitors in or about the Premises, (b) from Tenant's use or occupancy of the Premises or the business conducted by Tenant therein; (c) from any breach or default under this Lease by Tenant, or (d) from or relating to the enforcement by Landlord of the provision of this Lease as against Tenant. This provision shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from the injuries to third parties caused solely and directly by the negligence, acts or omissions of Landlord or its officers, contractors, licensees, agents, employees or invitees. The provisions of this section shall survive the expiration or termination of this Lease.

21. DAMAGE AND DESTRUCTION OF PREMISES

21.1 In the event of (a) fire or other casualty damage to the Premises or the Building during the Lease Term which requires repairs to either the Premises or the Building, or (b) the Premises or Building being declared unsafe or unfit for occupancy by any authorized public authority for any reason other than Tenant's act, use or occupation, which declaration requires repairs to either the Premises or the Building, Landlord shall commence to make said repairs within sixty (60) days of written notice by Tenant of the necessity therefor and diligently proceed to completion, except as provided in Section 21.2. The Minimum Monthly Rent shall be proportionately reduced while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business carried on by Tenant in the Premises. Landlord shall have no obligation to repair, restore, or replace Tenant's trade fixtures or other personal property and Tenant shall be solely responsible

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therefor. Further, Landlord shall not be obligated to make repairs to the extent that the cost thereof exceeds the insurance proceeds available to the Landlord.

21.2 Landlord's obligation to repair the Premises shall, however, be subject to the following provisions: If: (a) during the last year of the Lease Term the Premises or the Building is damaged as a result of fire or any other insured casualty, or (b) the Premises are damaged to the extent of 25% or more of replacement value, or (c) the Premises or the Building is damaged or destroyed as a result of a casualty not insured against, or (d) the Building shall be damaged or destroyed by fire or other cause to the extent of 20% or more of the Building's replacement value, then Landlord shall have the right, to be exercised by notice in writing to Tenant given within ninety (90) days from said occurrence, to cancel and terminate this Lease. Upon notice to Tenant, the Lease Term shall expire by lapse of time upon the third day after such notice is given, and Tenant shall vacate the Premises and surrender the same to Landlord. If Landlord elects to terminate this Lease under this Section, all rents shall be prorated as of the date of damage or destruction and Landlord thereupon shall be released from all further liability or obligation to Tenant. If Landlord, however, elects to make said repairs, and provided Landlord uses due diligence in making said repairs, this Lease shall continue in full force and effect and the Minimum Monthly Rent shall be proportionately reduced as provided in Section 21.1.

21.3 With respect to any destruction (including any destruction necessary in order to make repairs) which Landlord is obligated to repair or may elect to repair under the terms of this Section, Tenant waives any statutory or other right Tenant may have to cancel this Lease as a result of such destruction and no such destruction shall annul or void this Lease. The provisions of this Section shall supersede the obligations of Landlord to make repairs under Section 17.1 of the Lease.

21.4 Unless the Lease is terminated under this Section, upon substantial completion of Landlord's restoration obligations, the Minimum Monthly Rent shall be restored to the amounts that would have been in effect but for the damage or destruction.

21.5 Notwithstanding the provisions of this Section 21, if the Premises or any other portion of the Building are damaged by fire or other casualty resulting from the negligent act or omission or willful misconduct of Tenant or any of Tenant's Permittees, then Minimum Monthly Rent shall not be reduced during the repair of the damage; and Tenant shall be liable to Landlord for the cost and expense of the repair and restoration of the Premises or the Building caused thereby to the extent that cost and expense is not covered by insurance proceeds.

22. EMINENT DOMAIN

22.1 Landlord, as a municipal corporation and owner of the Building and Premises, and in addition to any remedy provided for in this Lease, hereby reserves its powers under eminent domain as they might relate to any of the property interests granted Tenant herein.

22.2 If the ownership interest of the Landlord in this Lease is sold or transferred to another party (Transferee) who is not a municipal corporation, the State of Arizona or political subdivision of the State, the following provisions will apply: If the whole of the Building or the whole of the Premises shall be acquired by a Taking ("Taking" means the acquisition of all or part of the Premises or Building by exercise of the power of eminent domain, condemnation or sale under the threat of or in lieu of eminent domain or condemnation), or if the whole of the Automobile Parking Area is acquired by a Taking, then this Lease shall terminate as of the date of possession by the Taking authority. If more than 10% of the value of the Building or more than 25% of the value of the Premises is acquired by a Taking, Transferee may terminate this Lease as of the date of the taking of possession by the Taking authority by giving Tenant ninety (90) days' written notice of Transferee's intent to terminate this Lease. If less than 25% of the value of the Premises is acquired in a Taking and Transferee's awarded compensation is sufficient to restore the Premises, Transferee shall promptly restore the Premises to a condition comparable to its condition at the time of such condemnation less the portion acquired in the Taking. This Lease shall continue in full force and effect with respect to that part not acquired, and the Minimum Monthly Rent shall be reduced proportionately. The Taking of a part of the Automobile Parking Areas shall not affect this

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Lease so long as Transferee can provide the parking spaces described in Section 1.1(p), if any, and reasonable visitor parking within the previously existing and/or substitute Automobile Parking Area. In the event of a Taking, whether whole or partial, the Tenant shall not be entitled to any part of Transferee's award, as damages or otherwise, for diminution in value or loss of the leasehold, reversion or fee. Tenant expressly waives any right or claim to all or part of any condemnation award or compensation thereof, and shall have no claim against Transferee or the Taking authority for the value of the unexpired Lease Term if the Lease is terminated under this Section. Although all compensation in the event of any condemnation belongs to the Transferee, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right (e.g., Tenant's moving or relocation expenses). If this Lease is totally or partially terminated under this Section, all rents shall be prorated as of the date of Taking including refunds for amounts paid in advance by Tenant.

23. ASSIGNMENT AND SUBLETTING

23.1 Tenant may transfer or assign all or a portion of this Lease, or any interest therein, and may sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, including spaces in the Automobile Parking Area, with Landlord's prior written consent, which shall not be unreasonably withheld. Tenant shall notify Landlord in writing of Tenant's intention to transfer or assign this Lease or to sublet any portion of the Premises for the balance or any portion of the Lease Term at least 30 days in advance of the proposed transfer or assignment. Tenant's notice shall include all the terms of the proposed transfer, assignment or sublease and the proposed consideration. Landlord may request that Tenant provide such documents as Landlord deems necessary relative to the assignee or subtenant, including but not limited to copies of audited financial statements, credit reports, information about principals and an operating history. Landlord has the right to recapture the space described in Tenant's notice and such recapture shall, if exercised, cancel and terminate this Lease with respect to the space therein described. Landlord shall notify Tenant, in writing and within thirty (30) days after receipt of Tenant's notice, of Landlord's: (a) approval of the transfer, assignment or subletting, or (b) exercise of its right to recapture the space. Consent by Landlord to one transfer, assignment or subletting shall not be deemed to be a consent to any subsequent transfer, assignment or subletting. Consent to an assignment shall not release Tenant from any liability under this Lease. Any transfer, assignment or subletting, or attempted transfer, assignment, or subletting, without the prior written consent of Landlord shall be void, and shall, at the option of Landlord, constitute a default hereunder. Tenant shall pay Landlord a processing fee of \$500.00 and Landlord's reasonable legal fees incurred in connection with the processing of any documents necessary to give consent under this Section 23.

23.2 For the purposes of this Section 23, an assignment shall be deemed to include the following: (a) if Tenant is a partnership, a withdrawal or change (voluntary, involuntary, by operation of law or otherwise) of any of the partners thereof, a purported assignment, transfer, mortgage or encumbrance (voluntary, involuntary, by operation of law or otherwise) by any partner thereof of such partner's interest in Tenant, or the dissolution of the partnership; (b) if Tenant consists of more than one person, a purported assignment, transfer, mortgage or encumbrance (voluntary, involuntary, by operation of law or otherwise) from one person to the other or others; (c) if Tenant (or a constituent partner or member of Tenant) is a corporation, any dissolution, merger, consolidation or reorganization of Tenant (or such constituent partner), or any change in the ownership (voluntary, involuntary, by operation of law, creation of new stock or otherwise) of 20% or more of its capital stock from the ownership existing on the Commencement Date; (d) if Tenant is an unincorporated association, a purported assignment, transfer, mortgage or encumbrance (voluntary, involuntary, by operation of law or otherwise) of any interest in such unincorporated association; or (e) if Tenant is a limited liability company, a withdrawal or change of any of the members thereof, a purported assignment, transfer, mortgage or encumbrance (voluntary, involuntary, by operation of law or otherwise) by any member of such member's interest in Tenant, or the dissolution of the limited liability company; or (f) the sale of 20% or more in value of the assets of Tenant.

23.3 In the event Tenant assigns its interest in this Lease or sublets the Premises, the Minimum Monthly Rent shall be increased effective as of the date of such assignment or subletting to the amount of rent and total other consideration payable by the assignee or sublessee pursuant to the assignment or sublease agreement, if

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such rent is in excess of Tenant's Minimum Monthly Rent; however, in no event shall the Minimum Monthly Rent after any such assignment or subletting be less than Tenant's Minimum Monthly Rent.

23.4 If Landlord consents to an assignment, sublease or other transfer by Tenant of all or any portion of Tenant's interest under this Lease, Tenant shall execute and deliver to Landlord, and cause the transferee to execute and deliver to Landlord, an instrument in the form and substance acceptable to Landlord in which: (a) the transferee adopts this Lease and assumes and agrees to perform, jointly and severally with Tenant, all of the obligations of Tenant hereunder, (b) Tenant acknowledges that it remains primarily liable for the payment of Rent and other obligations under this Lease, (c) Tenant subordinates to Landlord's statutory lien, contract lien and security interest, any liens, security interests or other rights which Tenant may claim with respect to any property of transferee and (d) the transferee agrees to use and occupy the Premises solely for the purposes specified herein and otherwise in strict accordance with this Lease.

23.5 The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subleases, or may, at the option of Landlord, operate as an assignment to Landlord of any or all such subleases.

24. SALE OF PREMISES BY LANDLORD

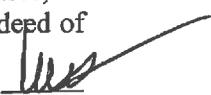
24.1 In the event of any sale of the Building or the Land or any assignment of this Lease by Landlord (or a successor in title), if the assignee or purchaser assumes the obligations of Landlord herein in writing, Landlord (or such successor) shall automatically be entirely freed and relieved of all liability under any and all of Landlord's covenants and obligations contained in or derived from this Lease or arising out of any act, occurrence, or omission occurring after such sale or assignment; and the assignee or purchaser shall be deemed, without any further agreement between the parties, to have assumed and agreed to carry out any and all of the covenants and obligations of Landlord under this Lease, and shall be substituted as Landlord for all purposes from and after the sale or assignment.

25. SUBORDINATION; RECOGNITION AND ATTORNMENT

25.1 Tenant's interest under this Lease is subordinate to all terms of, and all liens and interests arising under, any ground lease, deed of trust, or mortgage now or hereafter placed on the Landlord's interest in the Premises, the Building, or the Land. Tenant agrees to reasonable amendments to this Lease as may be required by a lender who proposes to fund construction or permanent financing provided the amendment does not increase Tenant's monetary obligations under this Lease. Tenant further consents to an assignment of Landlord's interest in this Lease to Landlord's lender as required under such financing. If the Premises or the Building is sold as a result of a default under the mortgage, or pursuant to a transfer in lieu of foreclosure, or a ground lease is terminated because of the default of the lessee under such ground lease, Tenant shall, at the mortgagee's, purchaser's or ground lessor's sole election, attorn to the mortgagee, purchaser or ground lessor, and if so requested, enter into a new lease for the remainder of the Lease Term. This Section is self-operative; however, Tenant agrees to execute and deliver, if Landlord or any mortgagee, purchaser, or ground lessor should so request, such further instruments necessary to subordinate this Lease to a lien of any mortgage, deed of trust, or ground lease to acknowledge the consent to assignment and to affirm the attornment provisions set forth herein. As long as Tenant is not in default of any term or condition of this Lease, any transferee, lender, ground lessor or purchase shall recognize this Lease and the rights of Tenant hereunder.

26. LANDLORD'S DEFAULT AND RIGHT TO CURE

26.1 In the event of breach, default, or noncompliance hereunder by Landlord, Tenant agrees, before exercising any right or remedy available to it, to give Landlord written notice of the claimed breach, default, or noncompliance which sets forth facts in sufficient detail for Landlord to assess and evaluate such claim. If prior to giving notice Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the address of a lender which has furnished financing that is secured by realty mortgage or deed of

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trust on the Premises or the Building or of a ground lessor, concurrently with giving the notice to Landlord, Tenant agrees to also give notice by certified or registered mail to such lender and/or ground lessor. For the thirty (30) days following such notice (or such longer period of time as may be reasonably required to cure a matter which, due to its nature, cannot reasonably be remedied within thirty (30) days), Landlord shall have the right to cure the breach, default, or noncompliance involved. If Landlord has failed to cure a default within said period, any such lender and/or ground lessor shall have an additional thirty (30) days within which to cure the same or, if such default cannot be cured within that period, such additional time as may be necessary if within such thirty (30) day period said lender and/or ground lessor has commenced and is diligently pursuing the actions or remedies necessary to cure the breach, default, or noncompliance involved (including, but not limited to, commencement and prosecution of proceedings to foreclosure or otherwise exercise its rights under its mortgage or other security instrument or ground lease, if necessary to effect such cure), in which event this Lease shall not be terminated by Tenant so long as such actions or remedies are being diligently pursued by said lender and/or ground lessor. If Tenant fails to give notice to Landlord and any lender and/or ground lessor of a default within six (6) months of the occurrence of the events pursuant to which the default arises or would occur with notice as provided above, thereafter Tenant shall have no right to deem the same a default.

27. ESTOPPEL CERTIFICATES

27.1 Tenant agrees at any time and upon request by Landlord, to execute, acknowledge, and deliver to Landlord within five (5) calendar days of demand by Landlord a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating such modifications), (b) the dates to which Rent and other charges have been paid in advance, if any, (c) Tenant's acceptance and possession of the Premises, (d) the Commencement and Expiration Dates, (e) the Minimum Monthly Rent provided under the Lease, (f) that Landlord is not in default under this Lease (or if Tenant claims such default, the nature thereof), (g) that Tenant claims no offsets against the Rent, and (h) such other information as may be requested with respect to the provisions of this Lease or the tenancy created by this Lease. Tenant acknowledges that any such statement delivered pursuant to this Section may be relied upon by third parties with regard to the sale or financing of the Premises or the Building.

28. TENANT'S DEFAULT AND LANDLORD'S REMEDIES

28.1 The following shall constitute a default by Tenant under this Lease: (a) if Tenant fails to pay any installment of Rent when due; or (b) if Tenant fails to pay any installment of any other sum required by this Lease to be paid to Landlord when due or in the manner otherwise provided in this Lease; or (c) if Tenant fails to perform any other covenants or obligations to be performed by Tenant under this Lease and such failure shall continue for ten (10) days after notice thereof from Landlord to Tenant, or if such failure shall continue for thirty (30) days after notice thereof from Landlord to Tenant if such default cannot reasonably be cured within ten (10) days; or (d) if a petition or proceeding under the Federal Bankruptcy Act or any other applicable state or federal law relating to bankruptcy or reorganization or other relief for debtors is filed or commenced by or against Tenant or any guarantor of this Lease and, if against Tenant, said proceedings shall not be dismissed within ten (10) days following commencement thereof, or (e) if Tenant or any guarantor of this Lease is adjudged insolvent, makes an assignment for the benefit of its creditors or enters into an arrangement with its creditors; or (f) if a writ of attachment or execution is levied on the leasehold estate hereby created and is not released or satisfied within ten (10) days thereafter; or (g) if a receiver is appointed in any proceeding or action to which Tenant is a party with authority to take possession or control of the Premises or the business conducted thereon by Tenant or the property of any guarantor of this Lease and such receiver is not discharged within a period of ten (10) days after his appointment; or (h) if Tenant abandons or vacates the Premises (abandonment shall be presumed if the Premises are not occupied by at least two (2) employees of Tenant four (4) days a week, six (6) hours a day).

28.2 Upon a default of Tenant as defined in Section 28.1, Landlord or Landlord's agents and employees shall have the right and option to:

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(a) Prosecute and maintain an action or actions, as often as Landlord deems advisable, for collection of Minimum Monthly Rent, Additional Rent, other charges, and damages as the same accrue, without entering into possession and without terminating this Lease. No judgment obtained shall constitute a merger or otherwise bar prosecution of subsequent actions for Minimum Monthly Rent, Additional Rent, other charges, and damages as they accrue.

(b) Immediately or at any time thereafter reenter and take possession of the Premises and remove Tenant or Tenant's Permittees and any or all of their property from the Premises. Reentry and removal may be effected by summary proceedings or any other action or proceedings at law, by force or otherwise. Landlord shall not be liable in any way in connection with any action taken under this paragraph. No action taken, commenced, or prosecuted by Landlord, no execution on any judgment and no act or forbearance on the part of Landlord in taking or accepting possession of the Premises shall be construed as an election to terminate this Lease unless Landlord expressly exercises this option under Section 28.2(c). Upon taking possession of the Premises, Landlord may, without termination of this Lease, relet the Premises or any part thereof as agent for Tenant for such rental terms and conditions (which may be for a term extending beyond the Lease Term) as Landlord, in its sole discretion, may deem advisable, with the right to make alterations and repairs to said Premises required for reletting. The rents received by Landlord from such reletting shall be applied first to the payment of any costs of reletting and second to the payment of Rent and other charges due and unpaid hereunder. The residue, if any, shall be held by Landlord and applied in payment of future Rent and other charges as the same may become due and payable hereunder. If the rents received from such reletting during any month are insufficient to reimburse Landlord for any costs of reletting or Rent and other charges due and payable hereunder, Tenant shall pay any deficiency to Landlord. Such deficiency shall be calculated and paid monthly. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

(c) Elect to terminate this Lease by written notice to Tenant. In the event of such termination, Tenant shall immediately surrender possession of the Premises. If Tenant fails or refuses to surrender the Premises, Landlord may take possession in accordance with Section 28.2(b). Should Landlord terminate this Lease, Tenant shall have no further interest in this Lease or in the Premises, and the Landlord may recover from Tenant all damages it may incur by reason of Tenant's default, including (1) the cost of reletting the Premises, and (2) the worth at the time of such termination of the excess, if any, of the amount of Rent and charges equivalent to rent reserved in this Lease for the remainder of the Lease Term over the then reasonable rental value of the Premises for the remainder of the Lease Term, all of which amounts shall be immediately due and payable at Landlord's election from Tenant to Landlord.

(d) Obtain the appointment of a receiver in any court of competent jurisdiction, and the receiver may take possession of any personal property belonging to Tenant and used in the conduct of the business of Tenant being carried on in the Premises. Tenant agrees that the entry upon the Premises or possession of said personal property by said receiver shall not constitute an eviction of Tenant from the Premises or any portion thereof, and Tenant agrees to indemnify, defend and hold Landlord harmless for, from and against any claim of any character by any person arising out of or in any way connected with the entry by said receiver in taking possession of the Premises or said personal property.

28.3 No act or conduct of the Landlord, whether consisting of reentry, taking possession, or reletting the Premises or obtaining appointment of a receiver or accepting the keys to the Premises, or otherwise, prior to the expiration of the Lease Term shall be deemed to be or constitute an acceptance of the surrender of the Premises by the Landlord or an election to terminate this Lease unless Landlord exercises its election under Section 28.2(c). Such acceptance or election by Landlord shall only be effected, and must be evidenced, by written acknowledgement of acceptance of surrender or notice of election to terminate signed by Landlord.

28.4 Tenant agrees that in the event it is due to render performance in accordance with any term, condition, covenant, or provision of this Lease and it fails to render such performance within ten (10) days after written notification from Landlord that such performance is past due, in accordance with the notice provision

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hereof or immediately if required for protection of the Premises, in addition to all of Landlord's other rights and remedies, Landlord shall have the right, but not the obligation, to render such performance and to charge all costs and expense incurred in connection therewith to Tenant. All amounts so charged together with interest thereon at the Delinquency Interest Rate shall be considered Additional Rent and shall be due and payable immediately to Landlord within ten (10) days after presentation of a statement to Tenant indicating the amount and nature of such cost or expense.

28.5 No remedy herein conferred upon Landlord shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Landlord may exercise its remedies in any order or combination selected by Landlord in its sole discretion. No delay or omission of Landlord to exercise any right or power arising from any default shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein.

29. TENANT'S RECOURSE

29.1 Notwithstanding anything in this Lease to the contrary, Tenant agrees to look solely to the estate and property of Landlord in the Land and the Building, subject to prior rights of any mortgagee of the Land and Building or any part thereof, for the collection of any judgment (or other Judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord under this Lease. Tenant agrees that it is prohibited from using any other procedures for the satisfaction of Tenants' remedies. Neither Landlord nor any of its elected officials, officers, directors, employees, heirs, successors, or assigns, shall have any personal liability of any kind or nature, directly or indirectly, under or in connection with this Lease.

30. HOLDING OVER

30.1 If Tenant holds over after the Expiration Date or any extension thereof, Tenant shall be a tenant at sufferance; the Minimum Monthly Rent shall be two (2) times the sum of: (a) the Minimum Monthly Rent payable immediately prior to the Expiration Date, plus (b) any amounts due under Section 5. Except as expressly modified by this Section 30, the terms, covenants and conditions of this Lease shall apply to such holdover tenancy. Tenant shall further indemnify, defend and hold Landlord harmless for, from and against any and all liability, obligations, claims, losses, expenses, or attorneys' fees incurred by Landlord as a result of any unauthorized holdover by Tenant or any other failure of Tenant to deliver the Premises when and as required by this Lease, including consequential damages and lost opportunities.

31. GENERAL PROVISIONS

31.1 This Lease is construed in accordance with the laws of the State of Arizona, and venue for resolution of any dispute arising under this Lease lies exclusively in Maricopa County, Arizona.

31.2 If Tenant is composed of more than one person or entity, then the obligations of such entities or parties are joint and several.

31.3 If any term, condition, covenant, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the terms, conditions, covenants, and provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

31.4 The various headings and numbers herein and the grouping of the provisions of this Lease into separate sections are for the purpose of convenience only and are not to be considered a part hereof.

31.5 Time is of the essence of this Lease.

31.6 In the event either party initiates legal proceedings (including arbitration or alternative dispute resolution) or retains an attorney to enforce any right or obligation under this Lease or to obtain relief for the breach of any covenant hereof, the party ultimately prevailing in such proceedings or the non-defaulting party shall be entitled to recover all costs and reasonable attorney fees, and in the event of legal proceedings the same shall be determined by the court and not by a jury and shall be included in any judgment or award obtained. If Landlord is involuntarily made a party defendant to any litigation concerning this Lease or the Premises by reason of any act or omission of Tenant, Tenant shall indemnify, defend and hold Landlord harmless for, from and against all liability by reason thereof, including Landlord's reasonable costs and attorney fees.

31.7 This Lease, together with any Exhibit attached hereto, set forth all the terms, conditions, covenants, provisions, promises, agreements, and undertakings, either oral or written, between the Landlord and Tenant. No subsequent alteration, amendment, change, or addition to this Lease is binding upon Landlord or Tenant unless reduced to writing and signed by both parties.

31.8 Subject to Section 23, the covenants herein contained shall apply to and bind the heirs, successors, executors, personal representatives, legal representatives, administrators, and assigns of all the parties hereto.

31.9 No term, condition, covenant, or provision of this Lease shall be waived except by written waiver of Landlord, and the forbearance or indulgence by Landlord in any regard whatsoever shall not constitute a waiver of the term, condition, covenant, or provision to be performed by Tenant to which the same shall apply. Until complete performance by Tenant of such term, condition, covenant, or provision, Landlord shall be entitled to invoke any remedy available under this Lease or by law despite such forbearance or indulgence. The waiver by Landlord of any breach or term, condition, covenant, or provision hereof shall apply to and be limited to the specific instance involved and shall not be deemed to apply to any other instance or to any subsequent breach of the same or any other term, condition, covenant, or provision hereof. Acceptance of Rent by Landlord during a period in which Tenant is in default in any respect other than payment of Rent shall not be deemed a waiver of the other default. Any payment made in arrears shall be credited to the oldest amount outstanding and no contrary application will waive this right.

31.10 The use of a singular term in this Lease shall include the plural and the use of the masculine, feminine, or neuter genders shall include all others.

31.11 If Landlord so requests, Tenant shall, within thirty (30) days after receipt of such request, deliver to Landlord its most current financial statements including a balance sheet, a statement of income and expenses, and a statement of cash flow, all in reasonable detail and prepared according to generally accepted accounting principles, consistently applied. Year-end statements shall be reviewed by an independent certified public accountant and interim statements shall be certified by Tenant, if Tenant is an individual; by the chief financial officer of Tenant, if Tenant is a corporation; by the manager or a member of Tenant, if Tenant is a limited liability company; or by a general partner of Tenant, if Tenant is a partnership. Tenant shall supply Landlord with audited financial statements if Tenant prepares audited financial statements in the ordinary course of its business.

31.12 Landlord's submission of a copy of this Lease form (or any other term sheet or proposal) to any person, including Tenant, shall not be deemed to be an offer to lease or the creation of a lease unless and until this Lease has been fully signed and delivered by Landlord.

31.13 Every term, condition, covenant, and provision of this Lease, having been negotiated in detail and at length by both parties, shall be construed simply according to its fair meaning and not strictly for or against Landlord or Tenant.

31.14 If the time for the performance of any obligation under this Lease expires on a Saturday, Sunday, or legal holiday, the time for performance shall be extended to the next succeeding day which is not a Saturday, Sunday, or legal holiday.

Initial 

31.15 If requested by Landlord, Tenant shall execute written documentation with signatures acknowledged by a notary public, to evidence when and if Landlord or Tenant has met certain obligations under this Lease.

31.16 All obligations of Tenant hereunder not fully performed as of the expiration or earlier termination of this Lease shall survive the expiration or earlier termination of this Lease, including, without limitation, all payment obligations with respect to Rent and other charges, and all obligations concerning the condition of the Premises.

31.17 Tenant shall not record this Lease, nor any copy or memorandum thereof, and any breach by Tenant of this paragraph shall constitute an immediate default by Tenant entitling Landlord to involve any and all of Landlord's remedies available for default.

32. NOTICES

32.1 Wherever in this Lease it is required or permitted that notice or demand be given or served by either party to or on the other, such notice or demand shall be in writing and shall be given or served and shall not be deemed to have been duly given or served unless: (a) in writing; (b) either (1) delivered personally, (2) deposited with the United States Postal Service, as registered or certified mail, return receipt requested, bearing adequate postage, or (3) sent by overnight express courier (including, without limitation, Federal Express, DHL Worldwide Express, Airborne Express, United States Postal Service Express Mail) with a request that the addressee sign a receipt evidencing delivery; and (c) addressed to the party at its address in Section 1.1. Either party may change such address by written notice to the other. Service of any notice or demand shall be deemed completed forty-eight (48) hours after deposit thereof, if deposited with the United States Postal Service, or upon receipt if delivered by overnight courier or in person.

33. BROKER'S COMMISSIONS

33.1 Tenant represents and warrants to Landlord that no party other than the Broker(s) identified in Section 1.1(t) is due any brokerage commissions or finder's fees in connection with this Lease, and that Tenant has dealt with no broker other than the Broker(s) identified in Section 1.1(t). Tenant shall indemnify, defend and hold Landlord harmless for, from and against all liabilities arising from any such claims, including any attorneys' fees incurred by Landlord in connection therewith.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

Initial 

IN WITNESS WHEREOF, the parties have duly executed this Lease as of the day and year first above written.

LANDLORD

City of Glendale,
an Arizona municipal corporation

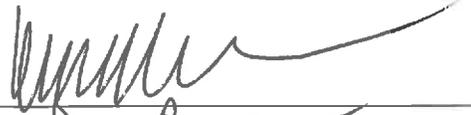
TENANT

Glendale Chamber of Commerce
7105 N. 59th Avenue
Glendale, AZ 85301

By: _____

Name: Richard Bowers

Title: Acting City Manager

By:  _____

Name: Don RINEHART

Title: President

ATTEST:

[Notary Acknowledgement Appears Below]

City Clerk

APPROVED AS TO FORM:

Acting City Attorney

STATE OF ARIZONA)
)ss.
COUNTY OF MARICOPA)

On this ____ day of _____, _____, before me, the undersigned officer, personally appeared _____, the _____ of _____, and he/she, in such capacity, being authorized so to do, executed the foregoing instrument for the purposes there contained on behalf of Tenant.

Notary Public

My Commission Expires:

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EXHIBIT A

FLOOR PLAN OF THE BUILDING INDICATING PREMISES

(See Attached)

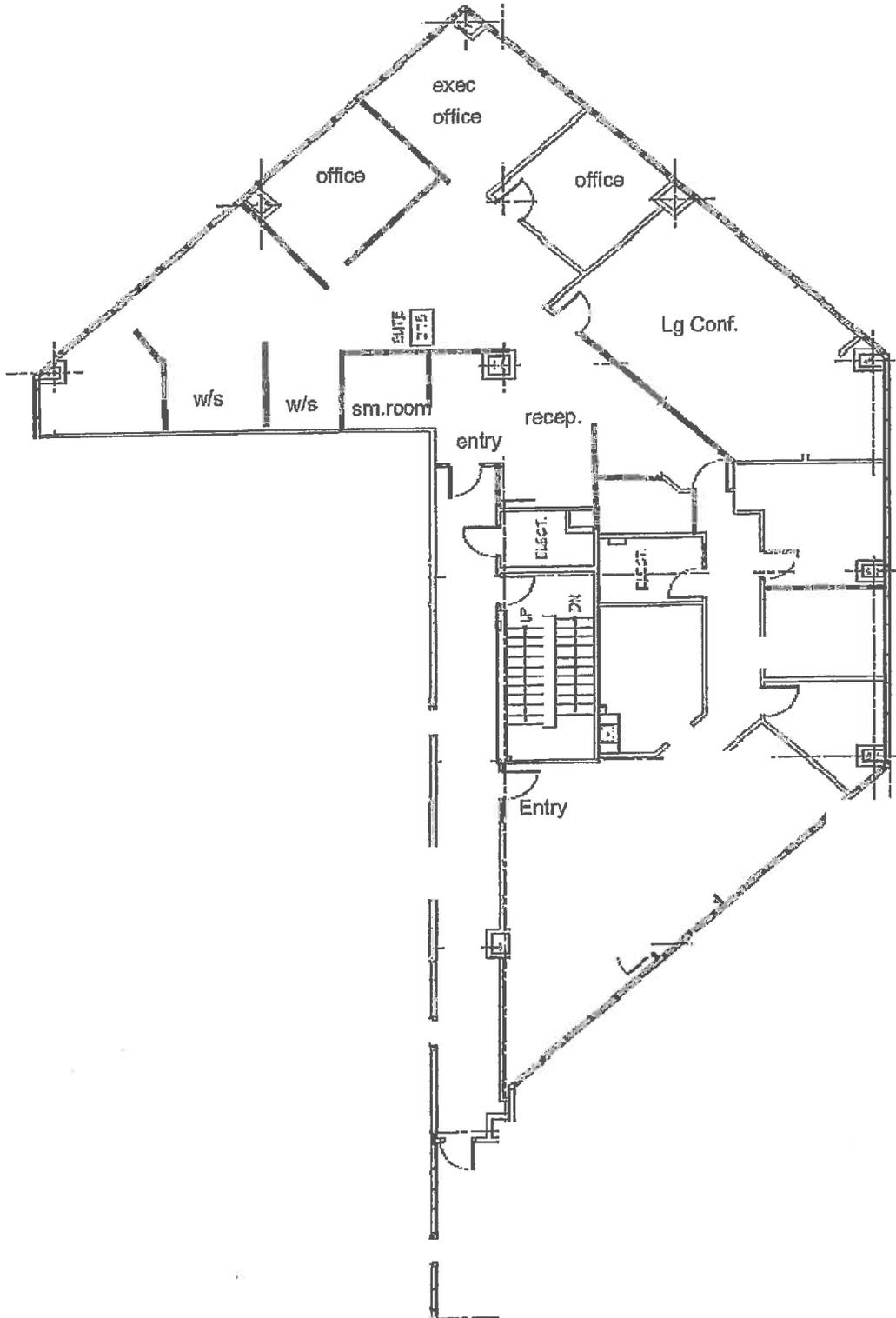
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Handwritten initials in black ink, appearing to be 'MS' or similar, written over a horizontal line.

EXHIBIT A

FLOOR PLAN OF THE BUILDING INDICATING PREMISES

Suite 275
5800 W. Glenn
±4,171 SF



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EXHIBIT B

RULES AND REGULATIONS

1. Tenant will refer all contractors, contractor's representatives and installation technicians rendering any service to Tenant, to Landlord for Landlord's supervision, approval and control before performance of any contractual service. This provision shall apply to all work performed in the Building including installations of telephones, telegraph equipment, electrical devices and attachments, and installations of any nature affecting doors, walls, woodwork, trim, windows, ceilings, equipment or any other physical portion of Building.

2. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any Tenant nor shall any changes be made in existing locks or the mechanism thereof without Landlord's prior written consent.

3. Movement in or out of the Building of furniture or office equipment, or dispatch or receipt by Tenant of any merchandise or materials which require use of stairways, elevators or movement through Building entrance or lobby shall be restricted to hours designated by Landlord. All such movement shall be under supervision of Landlord and in the manner agreed between Tenant and Landlord by prearrangement before performance. Such prearrangement initiated by Tenant will include determination by Landlord and subject to its decision and control, as to the concerns that may prohibit any equipment or other item from being brought into the Building. Tenant is to assume all risk as to damage to items moved and injury to persons or public engaged or not engaged in such movement, including equipment, property, and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for Tenant from time of entering property to completion of work; and Landlord shall not be liable for acts of any person engaged in, or any damage or loss to any of said property or persons resulting from, any act in connection with such service performed for Tenant. Any hand trucks, carryalls or similar appliances used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as the Building shall reasonably require.

4. Except as provided in Section 11.3 of the Lease Agreement, no signs, advertisements or notices shall be painted or affixed on or to any windows or doors, or other parts of the Building, except of such color, size and style and in such places, as shall be first approved in writing by Landlord and in compliance with all local ordinances governing such items. Without Landlord's prior written consent, no nails, hooks or screws shall be driven or inserted in any part of the Building, except by the Building maintenance personnel, nor shall any part be defaced by Tenant. Building standard suite entrance signs to premises shall be placed thereon by a contractor designated by Landlord at Tenant's expense.

5. Tenant shall not place, install or operate on the Premises or in part of the Building, any engine, refrigerating (other than a home-type kitchen refrigerator), heating or air conditioning apparatus, stove or machinery, or conduct mechanical operations or cook thereon or therein, or place in or about the Premises any explosives, gasoline, kerosene, oil, acids, caustics or any other inflammable, explosives, hazardous or odorous material without the prior written consent of Landlord.

6. No portion of the Premises shall at any time be used for cooking, sleeping or lodging quarters, except that the use of a microwave shall be acceptable.

7. In the event Tenant requires the disposal of foodstuffs, edible matter, or any materials attractive to pests or vermin, Tenant shall provide at its sole cost and expense a vermin-proof receptacle for the disposal of such materials, and take active measure to control pests and vermin. No Tenant shall cause or permit any unusual or objectionable odors to be produced upon or permeate from the leased Premises.

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8. Landlord will not be responsible for lost or stolen personal property, equipment, money or jewelry from Tenant's area or public rooms regardless of whether such loss occurs when the area is locked against entry or not.

9. No birds or animals shall be brought into or kept in or about the Building, except assistance animals.

10. Employees of Landlord shall not receive or carry messages for or to Tenant or other person, nor contract with or render free or paid services to Tenant or Tenant's agents, employees, or invitees.

11. Landlord will not permit entrance to Tenant's offices by use of pass keys controlled by Landlord to any person at any time without written permission by Tenant, except employees, contractors, or service personnel directly supervised by Landlord.

12. The entries, passages, doors, elevators and elevator doors, hallways or stairways shall not be blocked or obstructed; no rubbish, litter, trash, or material of any nature shall be placed, emptied or thrown into these areas; and such areas shall not be used at any time except for ingress or egress by Tenant, Tenant's agents, employees or invitees to or from the Premises.

13. Plumbing fixtures and appliances shall be used only for purposes for which constructed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or placed therein. Damage resulting to any such fixtures or appliances from misuse by Tenant, its employees, agents, visitors or licensees shall be paid for by Tenant, and Landlord shall not in any case be responsible therefor.

14. The Landlord desires to maintain the highest standards of environmental comfort and convenience for all Tenants. It will be appreciated if any undesirable conditions or lack of courtesy or attention are reported directly to the management. Tenant shall give immediate notice to the Building Manager and Landlord in case of accidents in the Premises or in the Common Areas or of defects therein or in any fixtures or equipment, or of any known emergency in the Building.

15. Tenant shall not make, or permit to be made, any unseemly, excessively loud, or disturbing noises, or interfere with occupants of this or neighboring buildings or premises, or those having business with them.

16. Landlord shall have the right to make such other and further reasonable rules and regulations as in the judgment of Landlord may from time to time be needful for the safety, appearance, care and cleanliness of the Building and for the preservation of good order therein. Landlord shall not be responsible to Tenant for any violations of rules and regulations by other Tenants.

17. All Tenants shall adhere to and obey all such parking control measures as may be placed into effect by the Landlord through the use of signs, identifying decals or other instructions. No bicycles or other vehicles of any kind shall be brought into or kept on the Premises except in designated areas specified for parking of such vehicles.

18. No objects larger or heavier than the Building is limited to carry shall be brought into or installed on the Premises. The Landlord shall have the power to prescribe the weight and position of such objects, including safes, which shall, if considered necessary by the Landlord, be required to be supported by such additional materials placed on the floor as the Landlord may direct, and at the expense of the Tenant.

19. Landlord shall have no obligation to repair, restretch, or replace carpeting, but will spotclean and sweep carpeting as part of any janitorial services required to be furnished by Landlord under the Lease.

20. Names to be placed on or removed from directories should be furnished to the Building Manager in writing on Tenant's letterhead. Landlord shall provide, at its expense, directory strips reflecting information

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correct as of the Commencement Date. Subsequent changes and additions to the directory strips during the Lease Term shall be at the expense of Tenant. Landlord will determine size and uniformity of strips.

21. All Tenants shall see that doors of their premises are closed and securely locked before leaving the Building and must observe strict care not to leave such doors and so forth open and exposed to the weather or other elements, and each Tenant shall exercise extraordinary care and caution that all water faucets or water apparatus are entirely shut off before the Tenant or the Tenant's employees leave the Building, and that all electricity, gas and air conditioning shall likewise be carefully shut off, so as to prevent waste or damage, where controlled by Tenant.

22. Janitorial services shall be provided five (5) days per week in and about the Premises, and in no case shall such services be provided on Saturdays, Sundays and legal holidays. Tenants shall not cause unnecessary labor by reason of carelessness or indifference in the preservation of good order and cleanliness. Tenant shall not hinder the work of the janitor or cleaning personnel after 5:30 p.m., and such work may be done at any time when the offices are vacant. The windows, doors and fixtures may be cleaned at any time without interruption of purpose for which the Premises are let. Tenant shall provide adequate waste and rubbish receptacles, cabinets, bookcases, map cases, etc. necessary to prevent unreasonable hardship to Landlord in discharging its obligation regarding cleaning service. Boxes should be broken down to fit into containers.

23. Canvassing, soliciting and peddling in the Building are prohibited. All Tenants shall cooperate to prevent the same.

24. All nail holes are to be patched and repaired in Tenant's suite by Tenant upon vacating Premises.

25. All holiday decorations and other temporary or special decorations must be flame-retardant. No live holiday trees or live flame candles are to be used in the Premises or in the Building. No decorations shall be hung on the exterior windows or on exterior suite doors.

--NOTHING FOLLOWS--

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EXHIBIT C

PARKING

Provided Tenant is not in default hereunder, Tenant shall be permitted to use the Automobile Parking Area during the Lease Term for the parking of vehicles at such charges or rates and subject to such terms, conditions and regulations as described below and as Landlord may establish from time to time, the location of such parking to be as determined and assigned by Landlord from time to time during the Lease Term. If Tenant at any time during the Lease Term fails to utilize all or any of said parking spaces, Landlord shall have no obligation to make available to Tenant the spaces not utilized. The failure of Landlord for any reason to provide or make available such parking to Tenant or the inability of Tenant to utilize said parking, shall under no circumstances be deemed a default by Landlord so as to permit Tenant to terminate this Lease in whole or in part or to have any claim or cause of action against Landlord as a result thereof, the same being expressly waived by Tenant.

Tenant's right to use the Automobile Parking Area as herein provided is solely for the accommodation of Tenant. Landlord assumes no responsibility or liability of any kind whatsoever from any cause with respect to the use thereof by Tenant or its agents, employees or guests, all of whom shall be deemed to have assumed all risks or to have released Landlord from all liability in connection with the utilization thereof.

Landlord may restrict or move reserved and unreserved parking spaces from time to time for repairs or maintenance to the parking lot; in connection with construction at or deliveries to the Project; or for any other reason deemed reasonable and appropriate by Landlord.

Landlord has the right to establish and from time to time change, alter, and amend, and to enforce against all users of the Automobile Parking Areas, reasonable rules and regulations (the "Parking Rules and Regulations"), the exclusion of employee parking from certain areas and the assignment of spaces to tenants, and other requirements as may be deemed necessary and advisable for the proper and efficient operation and maintenance of said Automobile Parking Areas including, without limitation, the hours during which the Automobile Parking Areas shall be open for use, and Tenant shall cause Tenant's Permittees to comply therewith.

Landlord may establish such reasonable charges as Landlord deems appropriate for the use of the Automobile Parking Areas by persons who have not leased space in the Building. Landlord may establish a system whereby these persons may present validations issued by tenants in lieu of payment of the parking charges. If Tenant wishes to provide Tenant's Permittees with validations as part of the validation system, Tenant shall pay Landlord, as Additional Rent, those charges established by Landlord for use of the validation system and to comply with such system and all Parking Rules and Regulations established by Landlord for Tenant's use and the use of Tenant's Permittees of the validation.

If applicable, Tenant shall have the right during the term of this Lease and so long as Tenant is not in default of this Lease, to use the following number and kind of parking spaces for the designated charge (but at such location as Landlord may determine from time to time).

Landlord shall provide to Tenant 4 reserved parking spots and access to the covered parking garage associated with the Building at no additional charge during the term of the Lease.

Rental for such spaces shall be paid to Landlord by Tenant along with, and on the same due date as the Minimum Monthly Rent.

Tenant acknowledges that the parking garage includes additional unreserved parking spaces that are available for use by the general public. These parking spaces may also be used on a reasonable basis by Tenant, Tenant's employees, and Tenant's business invitees without additional charge to the extent such spaces are available. Landlord makes no representations, warranties, or assurances that such additional spaces shall be available at all times or at any time during the Term.

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CITY COUNCIL REPORT

Meeting Date: **5/28/2013**
Meeting Type: **Voting**
Title: **FISCAL YEAR 2013-14 TENTATIVE BUDGET**
Staff Contact: **Sherry M. Schurhammer, Executive Director, Financial Services**

Purpose and Recommended Action

This is a request for City Council to review the Fiscal Year (FY) 2013-14 tentative budget, which includes City Council's financial policies, and adopt a resolution formally approving the tentative operating, capital, debt service, and contingency appropriation budget and the Council's financial policies.

This is also a request for City Council to give notice of the date for public hearings on the following items:

- The FY 2013-14 final budget;
- The FY 2013-14 property tax levy and the Truth in Taxation notice and the date for the adoption of the FY 2013-14 property tax levy;

Once Council approves the tentative budget, including Council's financial policies, the tentative budget will be published in a newspaper of general circulation for two weeks along with a notice of public hearings on June 11, 2013 on the final budget and the property tax levy. Council's adoption of the property tax levy will occur at the June 25, 2013 meeting.

Background Summary

Council approval of the tentative budget will set the maximum level of expenditures for FY 2013-14. Adjustments and reallocation of appropriation authority may be made after adoption of the tentative budget although the total amount of appropriation cannot be increased.

Four Council budget workshops were conducted in March and April 2013 to review the draft FY 2013-14 budget and the draft FY 2014-2023 capital improvement plan (CIP). Two community budget meetings also were conducted in April 2013 to provide the public with opportunities to provide input on the draft FY 2013-14 budget. To facilitate review of the draft FY 2013-14 budget, the budget workbook provided the operating budgets for city departments as well as detailed descriptions for each capital project included in the CIP. The budget workbook was publicly posted with each budget workshop agenda packet.

Financial Policies as the Foundation for a Strong, Sustainable Financial Plan. A key component of the tentative FY 2013-14 budget is a revision and expansion of the Council's



CITY COUNCIL REPORT

financial policies. The tentative budget document includes the Council's financial policies and will be adopted with the adoption of the tentative budget.

While established financial policies exist, they have not been consistently followed over the past decade. Further, the existing financial policies need to be expanded to be more comprehensive. For example, the existing financial policies should be expanded to define a better ratio between ongoing revenues and annual debt service supported by General Fund (GF) operating revenue.

Council's financial policies serve as the foundation for moving forward with a strong, sustainable financial plan. Council's financial policies provide a roadmap for the city's recovery to a more sustainable financial future. The policies provide broad policy guidance related to operating management, reserve management, capital management, debt management and budget amendments.

During the April 16th budget workshop, Acting City Manager, Richard Bowers, explained the importance of a comprehensive set of financial policies to serve as guidelines for future decisions that impact the city's budget. Mr. Bowers said the plan is to develop a more comprehensive set of financial policies and governing guidance to bring forward to Council for a policy decision at a future date. His recommendation was for Council to commit to consistently follow the revised financial policies, a change from past practices.

Some key tenets that were discussed with Council during the budget workshop presentations and are part of the Council's financial policies included in the tentative budget document are summarized below.

1. **Debt Burden.** While the city has a Debt Management Plan, and it addresses bond covenants and debt coverage ratios, there is no overall policy regarding the burden of debt service supported by the GF operating budget. An early version of the draft policies under development proposes a 10% limit – annual Municipal Property Corporation (MPC) debt service should not exceed 10% of the city's current annual ongoing operating revenue of the GF – to control long-term fixed ongoing costs and ensure expenditure flexibility for the remainder of the city's operating budget. The draft FY 2013-14 budget reflects a debt burden of 15% based on the MPC, lease and inter-fund debt service as a percent of the FY 2013-14 GF ongoing operating revenue.
2. **Indirect Cost Allocation.** Another financial policy that will be addressed is indirect cost allocation. The current allocation method has disproportionately and negatively impacted the allocation revenue to the GF. The allocation method will be evaluated during FY 2013-14 to address the current level of services provided to the enterprise funds in relation to the level of support provided to the General Fund.



CITY COUNCIL REPORT

- 3. Property Tax Rate [Primary and Secondary].** In the past, the city has been focused solely on the property tax rate, almost to the exclusion of the revenue resources needed to cover allowable costs. The draft comprehensive financial policies and governing guidance will include a policy regarding the property tax. Specifically, the proposal will state that property tax will be levied to cover anticipated general obligation debt service and the cost of new capital projects as approved by City Council [secondary property tax rate] plus revenues required for the GF equal to the maximum allowable primary levy [primary property tax rate]. This approach is reflected in the recommended primary and secondary property tax rates for FY 2013-14.

FY 2013-14 General Fund (GF) Balancing Plan. The GF is the city's largest operating fund that supports a wide-range of services provided to the community and to the organization. Therefore, this discussion, and the focus of the March and April 2013 budget workshops, was the GF operating budget.

Some key GF revenue and expenditure elements included in the FY 2013-14 GF operating budget that are, for the most part, different from the FY 2012-13 budget are explained below.

GF Revenues

- Cost allocation paid to the GF by the enterprise funds and transportation sales tax fund for services provided by GF departments will be \$300K more than that paid in FY 2012-13. It also is \$3.5M more than the amount reflected in the March 19th FY 2013-14 GF revenue projection, which reflected a "right-sized" calculation based on lower GF costs. Council agreed that the current allocation method has disproportionately and negatively impacted the allocation revenue to the GF thus explaining the higher amount for FY 2013-14.
- The establishment of the primary property tax levy at the maximum allowable amount. This action increases FY 2014 GF revenue by \$2.8M. This requires adjusting the primary rate from the current \$0.2252 to \$0.4974.

GF Expenditures

- \$3.5M in ongoing operating reductions as reflected in the March 27th cost of service presentations. The cost of service presentations reflected the services to be provided in the FY 2013-14 based on positions that are currently filled. The \$3.5M in reductions includes the elimination of 80.5 vacant GF FTEs, including 27 unfunded, sworn FTEs in the Police and Fire Departments, as discussed at the March 27th budget workshop. These 27 unfunded, sworn FTE positions have been unfunded and vacant for the last few FYs and are being eliminated from the authorized staffing levels for those departments.
- \$2.9M in additional GF funding for increases in:



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- The additional pay-related expenses associated with implementation of the terms of the contract with represented employees; and
- The employer's retirement contribution rates for the various state retirement plans based on the most recent actuarial reports [the employee contribution rates also are increasing]. The other funds affected by the retirement contribution rate increases and the additional pay-related expenses for represented employees will be adjusted accordingly for the FY 2013-14 budget.
- \$1.5M in additional GF funding for medical insurance premiums paid by the employer. Employee and retiree medical insurance premiums also will increase.
 - The city's health insurance is no longer sustainable at the current rates being charged to the employer, employee and retirees. Part of the unsustainability of the current plan is the disproportionate share of the overall cost that is borne by the city itself. The employer's contributions for FY 2013-14 are \$16.7M with the GF covering 61% (\$10.2M) of that amount [both amounts include the additional \$1.5M identified for this bullet point].
- \$882K in additional funding [across all funds] with the GF portion being \$523K for the Risk Management, Worker's Compensation, and Employee Benefits Funds to fund them at the recommended levels for FY 2013-14 based on more current information. All other funds that pay into these three funds also will increase their contribution amount proportionately.
- \$850K in additional GF funding to address the increased costs in the GF associated with the city's electric bills, water bills and the parking agreements related to the arena and stadium.
- \$36.5M for GF transfers to other funds. Its components are as follows:
 - \$21.3M for municipal property corporation (MPC) debt service [net debt service after accounting for offsetting revenue];
 - \$6.5M for the arena management fee [\$6M] and arena renewal and replacement expenses [\$500K];
 - \$3.1M for the costs of providing city services [public safety, transportation, etc.] at arena and stadium events [net cost after accounting for partial reimbursement revenue];



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- \$3M for the repayment of inter-fund loans to cover the payments to the National Hockey League [NHL] for operating the arena for 2+ years ;
- \$1.5M for operating support to other funds such as the civic center, airport and public housing; and
- \$900K for the transportation sales tax program.

All of these elements are reflected in the revised FY 2013-14 GF operating budget and five-year forecast that was presented at the April 16th and April 26th workshops [see below]. Council provided direction at the April 26th budget workshop to bring this budget plan forward for adoption.

While the ongoing structural operating deficit was reduced from \$8M to \$3.4M, the continuation of an ongoing structural operating deficit means further downgrades in the city's bond ratings are likely, as noted in the April 16th workshop Council report. A downgrade is likely because the FY 2013-14 budget that Council has directed staff to implement represents a less aggressive strategy than that presented to the rating agencies and bond investors in November and December 2012.

At that time, the proposal to Council was for \$6M in GF ongoing operating reductions to be implemented in January 2013. These reductions were presented to Council at the December 18, 2012 workshop; Council's consensus direction was to bring the reductions proposal to Council for a formal vote. However, when those reductions were presented to Council at the January 8, 2013 voting meeting for formal approval, the Council seated at that time chose to table the item.



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April 16th and 26th Revised GF Forecast

General Fund: Five-Year Forecast Draft Balancing Projections (with Add'l Reductions) (\$'s in Millions)

	Draft			.7 ST Sunset	
	FY14	FY15	FY16	FY17	FY18
Beginning Balance:	\$11.4	\$8.0	\$8.0	\$12.5	\$20.3
Revenue	161.5	165.5	171.6	178.1	162.3
Expenditures	(132.0)	(128.4)	(128.9)	(128.9)	(132.7)
COS Exp Cuts:	3.5	4.8			9.5
Inflationary Adj (3%)		(3.8)		(3.8)	
Transfers Out *	(30.3)	(32.1)	(32.3)	(31.6)	(33.1)
Arena Mgt Fee	(6.0)	(6.0)	(6.0)	(6.0)	(6.0)
Ending Balance:	\$8.0	\$8.0	\$12.5	\$20.3	\$20.3
Contingency % (Goal = 10%	5%	5%	7%	11%	12%

* MPC Debt Svc, NHL Loan Repayments, Arena/Stadium/CR Ops, Civic Ctr, Airport, Special Events, etc.

FY 2013-14 Capital Budget. On the capital side, the recommended budget continues to provide for a path to improved financial stability for the general obligation (G.O.) bond program. This path includes a secondary property tax rate increase of 0.1162 for FY 2013-14 resulting in a new secondary rate of \$1.7915. The higher secondary rate is expected to be in effect through FY 2018 based on the most current information available about future assessed valuation for property within Glendale's corporate limits and the current debt service schedule. These higher rates are required to pay for existing debt service for the G.O. bond program; no new G.O. bond sales are planned through FY 2018.

The secondary rate increase is needed to address the unprecedented decline in real estate values that occurred during the recent recession. While this is true across the country, Arizona is consistently categorized as one of the hardest hit states for real estate value declines, along with California, Nevada and Florida. In Glendale, the impact has been especially challenging. The downward trend is expected to continue through FY 2013-14, the fifth consecutive year of property valuation decline, when Glendale's secondary assessed valuation is estimated to drop to



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just over \$1B (the FY 2013-14 figure reflects the 2011 real estate market and is based on the final notices from the Maricopa County Assessor's Office). The \$1B low will represent a 52% decline from the peak of \$2.2B in FY 2009. This unprecedented decline was unimaginable just a few years ago and certainly could not have been predicted based on a long history of changes in assessed valuation.

Previous Related Council Action

At the April 26, 2013 Workshop session, staff presented follow up information on two issues from the April 16, 2013 budget workshop: the proposed FY 2013-14 health insurance premiums for employees and retirees and public safety's [Fire and Police Departments] GF supplemental requests. Staff also presented its recommendation regarding both issues. That recommendation was as follows:

- Do not fund any of the additional \$5.5M in GF ongoing items and
- Do not fund any of the \$2.1M in GF one-time items.

Council voted to proceed with not funding the additional \$5.5M in GF ongoing items and \$2.1M in GF one-time items.

At the April 16, 2013 Workshop session, staff presented a revised FY 2013-14 operating budget and the proposed 10-year CIP and the associated secondary property tax rate recommendation.

At the March 27, 2013 Workshop session, staff presented the draft FY 2013-14 operating budget. This presentation included an overview of the draft FY 2013-14 budgets for the GF and provided Council an opportunity to review the proposed cost of all city services provided by city departments based on the draft FY 2013-14 budget.

At the March 19, 2013 Workshop session, staff presented Council with the FY 2013-14 Mid-Year Financial Report and the FY 2013-14 revenue projection.

On February 21, 2013, City Council conducted a retreat that was open to the public. The meeting included a staff presentation on the historical performance of major revenues that comprise the GF, designated sales tax funds and highway user revenue funds (HURF).

At the January 8, 2013 voting meeting, Council tabled the proposed FY 2013-14 \$6M in GF ongoing budget reductions, and the reallocation of existing Police and Fire operating budgets (the reallocation was not a reduction in their operating budgets).

On December 27, 2012, the city completed the refunding bond sale as authorized by Council at the Voting meeting held on November 13, 2012. The bonds were issued by the city's Municipal



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Property Corporation (MPC) and replaced the previously outstanding Western Loop 101 Public Facilities Corporation (PFC) debt.

At the December 18, 2012 Workshop session, staff presented Council with \$6M in proposed GF ongoing budget reductions in light of Council's approval of the revised Arena Management Agreements. At the same time, staff presented a proposed reallocation of existing Police and Fire operating budgets; the reallocation was not a reduction in their operating budgets.

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, 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.

All budget workshops are public meetings. In addition to the budget workshops, two community meetings occurred on April 1, 2013 and April 4, 2013. These two meetings provided the public with opportunities to give their input on the draft FY 2013-14 budget. The two community meetings occurred as follows:

Monday, April 1, 2013 - 6:00 PM
Desert Mirage Elementary School
8605 West Maryland Avenue

Thursday, April 4, 2013 - 6:00 PM
Foothills Recreation and Aquatics Center
5600 West Union Hills Drive

Budget and Financial Impacts

The annual budget (all funds) for the city is divided into four major components that include all appropriations. The total budget, including all four components, is \$576M for FY 2013-14. The four components and their respective total amounts for FY 2013-14 are as follows:

- The *operating budget* finances the day-to-day provision of city services and totals \$346.3M.
- The *capital improvement budget* funds the construction and repair of city assets including roads, public amenities and other infrastructure throughout the city. The capital improvement budget totals \$99.6M.
- The *debt service budget* is used to repay money borrowed by the city, primarily for capital improvements, and amounts to \$89.2M.



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- The final component of the budget is the *contingency appropriation*, which is made up of fund reserves and is available to cover emergency expenses or revenue shortages should they arise during the fiscal year. The contingency appropriation for this fiscal year totals \$40.9M.

The tentative budget document also includes the Council's financial policies and they will be adopted with the adoption of the FY 2014 budget.

The total budget of \$576M is essentially even with the FY 2012-13 total budget of \$579M.

Attachments

Resolution

Budget Document

RESOLUTION NO. 4684 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF GLENDALE FOR THE FISCAL YEAR 2013-2014; SETTING FORTH THE REVENUE, THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; ADOPTING CITY COUNCIL'S FINANCIAL POLICIES; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS AND FOR FIXING TAX LEVIES.

WHEREAS, pursuant to the provisions of the laws of the United States, the State of Arizona, and the charter and ordinances of the City of Glendale, the Council must adopt a tentative budget for the fiscal year beginning July 1, 2013 and ending June 30, 2014; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate, exceed that amount for primary property taxes as computed in A.R.S. § 42-17051(A); and

WHEREAS, the proposed expenditures of the Housing Fund are necessary in the efficient and economical operation of the housing for the purpose of serving low-income families; and

WHEREAS, the financial plan of the Housing Fund is reasonable in that: (a) it includes a source of funding adequate to cover all proposed expenditures; (b) it does not provide for use of federal funding in excess of that payable under the Performance Funding System regulations; (c) that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract; and (d) that no public Housing Authority employee, reflected in the budget, is serving in a variety of positions which will exceed 100% allocation of his/her time.

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

SECTION 1. That the schedules herein contained are hereby adopted for the purpose as hereinafter set forth as the tentative budget for the City of Glendale for the fiscal year 2013-2014.

SECTION 2. That the Financial Policies herein contained are hereby adopted and approved.

SECTION 3. That the Council will conduct a hearing on the property tax levy on June 11, 2013 and levy the tax at a regularly scheduled meeting on June 25, 2013.

SECTION 4. That the Council will conduct a hearing for the purpose of finally hearing taxpayers on the budget on June 11, 2013 and then enter a special meeting on that same date to finally determine and adopt a final budget for fiscal year 2013-2014.

SECTION 5. That in accordance with state law and City charter, the City Council may transfer unencumbered appropriation balances or portions thereof within an individual city office, department, or agency at any time; and the City Council may transfer unencumbered appropriation balances or portions thereof between one office, department or agency and another during the last three months of the fiscal year. The City Manager may use his discretion in utilizing an appropriation that is authorized for a single department so long as the utilization is consistent with the purpose of the appropriation as set forth in the budget.

SECTION 6. That upon the recommendation by the City Manager and with the approval of the City Council, expenditures may be made from the appropriation for contingencies.

SECTION 7. That money from any fund may be used for any and all of these appropriations, except monies specifically restricted by federal and state law, city charter and ordinances.

SECTION 8. That all sums contained in said estimate expenditures shall be considered as specific appropriation and authority for the expenditures thereof, as provided for and in said budget, the laws of the United States Government, the State of Arizona, the charter and ordinances of the City of Glendale.

SECTION 9. That pursuant to Glendale City Charter, Article VI, *et seq.*, and A.R.S. § 42-17101 *et seq.*, the City Council hereby directs that said tentative budget along with a notice of the dates the Council will meet for the purpose of hearing taxpayers as to the final budget and tax levies as well as the date set for the levy on the property tax, all be published in the official newspaper of the city once a week for at least two (2) consecutive weeks following the adoption of this tentative budget.

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:

Acting City Attorney

REVIEWED BY:

Acting City Manager

b_fy14 tentative budget adoption

Guide for FY 2013-14 Tentative Budget

The FY 2013-14 tentative budget has been prepared for City Council for review and consideration for the formal adoption process. The tentative budget document is attached and it contains three sections as explained below.

In June 2013, a separate executive budget summary document will be prepared for City Council and the general public with a high level overview of the FY 2013-14 budget components.

After Council adoption of the FY 2013-14 budget in June, the Financial Services Department will then develop the more detailed budget book as required by the GFOA, and that City Council has been accustomed to receiving annually. However, this more detailed budget book will be provided electronically (versus the typical 500+ page spiral bound hard copy) via a user-friendly CD with an interactive table of contents that includes “links” to help you navigate through the entire document. The CD will supplement the executive budget summary document so that you’ll have the entire city budget at your fingertips in one small folder. As is the case each year, the electronic information will be posted on the Internet for general public viewing.

Section 1 – City Council’s Financial Policies

A key component of the tentative FY 2013-14 budget is the adoption of the Council’s financial policies. The tentative budget document includes the Council’s financial policies and will be adopted with the adoption of the tentative budget.

While established financial policies exist, they have not been consistently followed over the past decade. Further, the existing financial policies need to be expanded to be more comprehensive. For example, the existing financial policies should be expanded to define a better ratio between ongoing revenues and annual debt service supported by General Fund (GF) operating revenue.

Council’s financial policies serve as the foundation for moving forward with a strong, sustainable financial plan. Council’s financial policies provide a roadmap for the city’s recovery to a more sustainable financial future. The policies provide broad policy guidance related to operating management, reserve management, capital management, debt management and budget amendments.

Section 2 - Schedule 1

This section includes Schedule 1, a summary of the FY 2013-14 budgeted revenues and expenditures by fund. Schedule 1 is included in every annual budget document and provides a quick fund level summary of expected inflows (such as revenues) and outflows (such as expenditures) for each fund and, at a broader level, fund grouping (such as General Fund Group, Debt Service Fund Group, Internal Service Fund Group, etc.).

Schedule 1 shows a total budget of \$576M for FY 2013-14 with an operating budget of \$346.3M, a capital improvement budget of \$99.6M, a debt service budget of \$89.2M and a contingency appropriation of \$40.9M.

Section 3 - State of Arizona's Auditor General Budget Schedules

This section includes all of the State of Arizona's Office of the Auditor General's (AG) budget schedules. These schedules are labeled A through G and are identified in the following bullet points:

- Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses
- Schedule B—Tax Levy and Tax Rate Information
- Schedule C—Revenues Other Than Property Taxes
- Schedule D—Other Financing Sources/⟨Uses⟩ and Interfund Transfers
- Schedule E—Expenditures/Expenses by Fund
- Schedule F—Expenditures/Expenses by Department
- Schedule G—Full-Time Employees and Personnel Compensation

SECTION 1

FINANCIAL POLICIES



City Council's Financial Policies: Capital Asset and Debt Management

Long term debt is used to finance capital projects with long useful lives. Financing capital projects with debt provides for an "intergenerational equity" because the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the costs of the asset.

The city will not give or loan its credit in aid of, nor make any donation, grant or payment of any public funds, by subsidy or otherwise, to any individual, association, or corporation, except where there is a clearly identified public purpose and the city either receives direct consideration substantially equal to its expenditure or provides direct assistance to those in need.

Long-term debt will not be used to fund current operations or smaller projects that can be financed from current revenues or resources.

1. A 10-year capital improvement plan will be updated annually as part of the budget process. It will include projected life cycle costing. Only the first year of the plan will be appropriated. The remainder is projections that will be addressed in subsequent years.
 - a. Life cycle costing is a method of calculating the total cost of a physical asset throughout its life. It is concerned with all costs of ownership and takes account of the costs incurred by an asset from its acquisition to its disposal, including design, installation, operating and maintenance costs.
2. The 10-year plan will address capital needs in the following order:
 - a. to improve existing assets;
 - b. to replace existing assets;
 - c. to construct new assets.
3. All projects will be evaluated annually by a multi-departmental team regarding
 - a. accuracy of the projected costs;
 - b. consistency with the General Plan and Council policy goals;
 - c. long-range master plans;
 - d. ability to finance initial capital costs;
 - e. ability to finance life cycle costs;
 - f. ability to cover the associated additional ongoing operating costs.
4. All projects funded with general obligation bonds will be undertaken only with voter approval as required through a bond election.

- a. General Obligation debt is supported by secondary property tax revenues. This revenue grows or declines in proportion to growing or declining assessed valuation. At a minimum, the general obligation debt service fund balance will be at least 10% of the next fiscal year's property tax supported debt service.
5. Non-voter approved debt such as Municipal Property Corporation [MPC] bonds, lease obligations and inter-fund loans will be used only when a dedicated ongoing revenue source is identified to pay the associated debt service obligations. This type of debt service will not exceed 10% of the 5-year average of the General Fund's ongoing operating revenue.
 - a. For FY 2014, debt service is 15% of the FY 2014 General Fund ongoing operating revenue.
6. For non-voter approved debt, the following considerations will be made prior to the pledging of project revenues for the ongoing payment of associated ongoing debt service obligations:
 - a. The project requires ongoing revenue not available from other sources.
 - b. Matching monies are available that may be lost if not applied for in a timely manner.
 - c. Catastrophic conditions.
7. Short-term borrowing or lease/purchase contracts should be considered for financing major operating capital equipment only when:
 - a. the repayment term does not exceed the expected useful life of the equipment to be purchased;
 - b. an ongoing revenue source is identified to pay the annual debt service; and
 - c. the Executive Director for Financial Services and the Chief Financial Officer, along with the city's financial advisors, determine that this is in the city's best financial interest.
8. These policies are in addition to the policies incorporated in the Debt Management Plan.

City Council's Financial Policies: Expenditure Control

Management will ensure compliance with the City Council adopted budget.

1. Expenditures will be controlled by an annual appropriated budget. Council will establish appropriations through the budget process. Council may transfer these appropriations as necessary through the budget amendment process.
2. The purchasing system will provide commodities and services in a timely manner to avoid interruptions in the delivery of services. All purchases will be made in accordance with the procurement code, purchasing policies, guidelines and procedures and applicable state and federal laws. The city may join various cooperative purchasing agreements to obtain supplies, equipment and services at the best value.
3. A system of internal controls and procedures using best practices will be maintained for the procurement and payment processes.
4. The State of Arizona sets a limit on the expenditures of local jurisdictions. Compliance with these expenditure limitations is required. The city will submit an audited expenditure limitation report as defined by the Uniform Expenditure Reporting System (A.R.S. Section 41-1279.07) along with audited financial statements to the State Auditor General within the required timeframe.

City Council's Financial Policies: Fiscal Planning and Budgeting

Fiscal planning is the process of identifying resources and allocating them among numerous and complex competing purposes. The primary vehicle for this planning is the preparation, monitoring and analysis of the budget. It is essential to incorporate a long-term perspective and to monitor the performance of the programs that are competing to receive funding.

The city manager will submit to the Council a proposed annual budget, based on Council's established goals, and will execute the budget as finally adopted, pursuant to Title 42, Chapter 17, Article 3, Section 17105 of the Arizona Revised Statutes, as amended.

1. Balanced revenue and expenditure forecasts will be prepared annually and include a 5-year plan for each major fund (General Fund, Enterprise Funds, special revenue funds and the designated sales tax funds) and will be presented as part of the annual budget process.
 - a. The budget will be balanced, by fund, when all projected ongoing revenue sources does not exceed all ongoing expenses proposed for the current FY and for the upcoming FY. Use of the unassigned fund balance will occur only as authorized by Council and only to address one-time costs, not ongoing costs.
 - b. Revenues will not be dedicated for specific purposes unless approved by Council or required by law. All non-restricted revenues will be deposited in the General Fund and appropriated through the annual budget process.
2. Any proposed new service or program initiative will be developed to reflect current Council policy directives. Proposals will follow all related Council Financial Policies.
3. To ensure compliance with existing policy, all grant programs and any programs supplemented by outside funding will include a sunset provision consistent with the projected end of funding. Personnel paid with these funds will be considered temporary with no certainty of continued employment beyond the life of the funding. Equipment and technology purchases with these kinds of funds are subject to the policies for the replacement funds. [See below]
4. The city manager's recommended budget presented to Council will contain, at a minimum, the following elements:
 - a. Revenue projections by major category, by fund;
 - b. Expenditure projections by program levels and major expenditure category, by fund, including support provided to or received from other funds [cash transfers];
 - c. Projected fund balance by fund;
 - d. Debt service, by issue, detailing principal and interest amounts;
 - e. Proposed personnel staffing levels;

- f. Detailed schedule of capital projects;
 - g. Any additional information, data, or analysis requested by Council.
5. The operating budget will be based on the principle that current ongoing operating expenditures, including debt service and support for other funds, will be funded with current ongoing revenues. The enterprise funds [water/sewer, sanitation and landfill] and the transportation sales tax fund will pay the indirect cost charges for services provided by another fund. Additional funds may be added upon Council approval.
 6. The budget will not use one-time (non-recurring) sources to fund continuing (recurring) expenditures.
 7. Addition of personnel will be requested only to meet existing program initiatives and policy directives after service needs have been thoroughly examined and only if increased net ongoing revenue is substantiated.
 8. The Financial Services Department and Human Resources Department will work together to manage position control. The number of full-time and regular part-time employees on the payroll will not exceed the total number of full-time equivalent positions that Council authorizes and adopts with the annual budget.
 9. Benefits and compensation will be administered in accordance with Council policy direction.
 - a. Total compensation will be evaluated periodically for competitiveness.
 - b. A cost containment strategy means total costs for health insurance premiums will be shared between the employer, employees and retirees. Total premiums will be evaluated on an annual basis to ensure they are reasonable, competitive and expected to address anticipated claims plus the maintenance of an adequate reserve for the Employee Benefits Fund. Funding will be based on an annual actuarial report and its 75% confidence funding level recommendation.
 - c. A policy will be developed regarding the continuation of retiree health insurance after the completion of a comprehensive evaluation of the impact of GASB 67 and the presentation of results to Council.
 10. Ideas for improving the efficiency and effectiveness of the city's programs and the productivity of its employees will be considered during the budget process.
 11. Carryover of unspent appropriation from one fiscal year to the next is not automatic. The Financial Services Department staff will evaluate carryover requests and make recommendations to the City Manager. Approved requests will be included in the city manager's recommended budget presented to Council.

12. Salary savings will be retained to the greatest extent possible to build fund balance. In extenuating circumstances salary savings may be used for expenses upon Council approval. Salary savings transfers are prohibited during the first six months of a fiscal year.
13. Total fund appropriation changes must be approved by the Council. These changes must also comply with the city's Alternative Expenditure Limitation in accordance with Article IX, Section 20, Constitution of Arizona and A.R.S. § 41-563 where final budget adoption sets the maximum allowable appropriation for the upcoming fiscal year.
 - a. Council must approve use of any fund's contingency appropriation.
 - b. Council may authorize a transfer of unencumbered appropriation balance within an individual city office, department or agency at any time during the fiscal year.
 - c. During the last three months of the fiscal year, Council may approve transfers among city offices, departments, and agencies as necessary.
 - d. Council must approve inter-fund transfers (i.e., transfers between funds). Procedures for requesting Council approval of appropriation transfers and delegation of budget responsibility will be set by the city manager.
 - e. There may be emergency situations requiring transfer before obtaining formal Council approval. In such cases, the Financial Services Department will notify the Council in writing in a timely manner, seek a general consensus to act and seek Council ratification at the first possible Council meeting.
14. The replacement of General Fund capital equipment for technology, vehicles and telephonic equipment [except cell phones] will be accomplished through the use of a "rental rate structure" that is revised annually as part of the annual budget process.
 - a. Any equipment purchased with grant funding will be considered for ongoing replacement and ongoing replacement premium funding only if specifically authorized by the city manager and noted in the budget submittal.
 - b. The ongoing replacement costs for new technology and new vehicle purchases will be incorporated into the upcoming FY's rental rate structure regardless of whether they are initially purchased through a lease or pay-as-you-go funding.
 - c. Replacements will be based on equipment lifecycle analysis by the Public Works Department [vehicles] or Technology and Innovation Department [technology and telephonic systems].
15. The City Council supports economic development objectives that support the creation and retention of quality jobs (25% greater than the median average wage in Maricopa County), add revenue, and enhance the quality of life in Glendale. City Council will consider incentives when the circumstances of the economic development opportunity warrant them necessary and appropriate for the opportunity and in the best interest of the City.

City Council's Financial Policies: Fund Reserves and Structure

Fund balance is an important indicator of the city's financial position. Maintaining reserves is a standard and prudent financial management practice. Adequate fund balances are essential to continue providing services to the community in case of unexpected emergencies, requirements and/or economic downturns.

1. To ensure the continuance of sound financial management of public resources, Unassigned General Fund Balance will be maintained to provide sufficient working capital and a comfortable margin of safety to address emergencies, sudden loss of revenue or unexpected downturns in the economy.
2. Use of unassigned General Fund balances will be limited to address unanticipated, non-recurring needs and planned future one-time or non-recurring obligations. Unassigned balances may, however, be used to allow time to restructure operations and must be approved by the City Council.
3. A minimum unassigned fund balance in each major fund will be 10% of projected annual ongoing revenues. The 10% unassigned fund balance may be appropriated as contingency appropriation with City Council approval.
 - a. Council will determine the specific minimum unassigned fund balance requirement as part of the annual budget adoption resolution.
 - b. If a situation arises where unassigned fund balance ends the FY with a balance that is less than the calculated 10% unassigned fund balance, the deficiency should be replenished in the coming fiscal years, not to exceed a total of five consecutive years Using new revenues or cost reductions.
4. An additional General Fund "Operating Reserve" will be maintained with an upper goal 15% of the average General Fund ongoing revenues for the preceding five fiscal years. The Operating Reserve is intended to be an additional reserve for unexpected events and will not be appropriated. Any use of the Operating Reserve funds must be approved by the Council.
5. Any balance in excess of the combined 10% unassigned fund balance and the additional 15% operating reserve may be used to support one-time expenditures. Council's approval is required to supplement "pay as you go" capital outlay, one-time operating expenditures or to prepay existing debt.
6. The fund balance for the various Trust Funds will be based on annual actuarial reports and the target funding level must be at the 75% confidence funding level.
7. Separate fund balance (operating reserves) may be required by bond issuance documents for those funds with outstanding bond debt. These requirements will not be viewed as additional fund balance needs unless they are greater than the one established by these goals.

SECTION 2

SCHEDULE

ONE



FY 2014 Fund Balance Analysis
 (All Dollars in Thousands)

General Fund Group:		Beginning Fund Bal.	Projected Revenues	Transfers In	Transfers Out	Operations
1000	General Fund	\$11,465	\$161,477	\$0	(\$36,528)	(\$127,678)
1010	National Events	\$335	\$0	\$0	\$0	\$0
1040	General Services	\$0	\$9,363	\$0	\$0	(\$9,363)
1100	Telephone Services	\$248	\$880	\$0	\$0	(\$885)
1120	Vehicle Replacement	\$3,775	\$1,929	\$0	\$0	(\$2,796)
1140	Technology Replacement	\$2,048	\$1,923	\$0	\$0	(\$2,708)
1190	Employee Groups	\$40	\$23	\$0	\$0	(\$20)
1200	Utility Bill Donation	\$104	\$168	\$0	\$0	(\$200)
1210	Community Svcs Group	\$1	\$0	\$0	\$0	\$0
1220	Arts Commission	\$1,204	\$88	\$0	\$0	(\$207)
1240	Court Fund	\$272	\$395	\$0	\$0	(\$668)
1260	Library	\$62	\$183	\$0	\$0	(\$149)
1280	Youth Sports Complex	\$0	\$30	\$292	\$0	(\$322)
1281	Stadium Event Operations	\$0	\$733	\$2,310	\$0	(\$3,044)
1282	Arena Event Operations	\$0	\$283	\$10,397	\$0	(\$10,680)
1283	CamelbackRanch EventOps	\$156	\$131	\$250	\$0	(\$57)
1740	Civic Center	\$0	\$422	\$214	\$0	(\$586)
1750	Bed Tax	\$0	\$618	\$37	\$0	(\$655)
1770	Zanjero Special Revenue	\$0	\$1,896	\$0	(\$1,896)	\$0
1780	Arena Special Revenue	\$0	\$6,268	\$0	(\$6,268)	\$0
1782	PFC Special Revenue	\$0	\$0	\$0	\$0	\$0
1790	Stadium City Sales Tax - AZSTA	\$53	\$2,075	\$0	\$0	(\$2,128)
1870	Marketing Self-Sustaining	\$675	\$383	\$270	\$0	(\$709)
2530	Public Safety Training Center	\$191	\$1,488	\$0	\$0	(\$1,526)
2538	Glendale Health Center	\$86	\$61	\$0	\$0	(\$54)
Sub-Total General Fund Group:		\$20,713	\$190,818	\$13,771	(\$44,692)	(\$164,435)
Special Revenue Fund Group:						
1300	HOME Grant	\$0	\$1,626	\$0	\$0	(\$1,626)
1310	Neighborhood Stabilization Pgm	\$0	\$1,320	\$0	\$0	(\$1,320)
1311	N'hood Stabilization Pgm III	\$0	\$1,601	\$0	\$0	(\$1,601)
1320	Community Dvpmt Block Grant	\$0	\$3,194	\$0	\$0	(\$3,194)
1340	HURF/Streets Fund	\$18,751	\$12,791	\$0	(\$3,696)	(\$11,775)
1640	Local Transp. Assistance	\$0	\$667	\$0	(\$667)	\$0
1650	Transportation Grants	\$0	\$7,834	\$0	\$0	(\$130)
1660	Transportation Sales Tax	\$29,929	\$22,566	\$1,567	(\$31,141)	(\$12,381)
1700	Police Sales Tax	\$6,793	\$13,527	\$0	\$0	(\$15,628)
1720	Fire Sales Tax	\$202	\$6,621	\$0	\$0	(\$6,913)
1760	Airport Operating	\$0	\$481	\$193	\$0	(\$674)
1820	CAP Grant	\$0	\$1,061	\$58	\$0	(\$1,119)
1830	Emergency Shelter Grants	\$35	\$174	\$0	\$0	(\$209)
1840	Other Federal and State Grants	\$195	\$9,672	\$0	\$0	(\$7,867)
1842	ARRA Stimulus Grants	\$17	\$33	\$0	\$0	(\$50)
1860	RICO	\$2,821	\$1,076	\$0	\$0	(\$3,896)
1880	Parks & Rec Self-Sustaining	\$102	\$1,162	\$0	\$0	(\$1,157)
1885	Parks & Rec Designated	\$229	\$4	\$0	\$0	(\$129)
2120	Airport Capital Grants	\$0	\$12,654	\$0	\$0	\$0
Sub-Total Special Rev Fund Group:		\$59,074	\$98,065	\$1,818	(\$35,504)	(\$69,670)



FY 2014 Fund Balance Analysis

(All Dollars in Thousands)

General Fund Group:, continued		Capital Outlay	Debt Service	Contingency	Total Appropriation	Ending Fund Bal.
1000	General Fund	(\$690)	\$0	(\$8,045)	(\$136,414)	\$0
1010	National Events	\$0	\$0	(\$335)	(\$335)	\$0
1040	General Services	\$0	\$0	\$0	(\$9,363)	\$0
1100	Telephone Services	\$0	\$0	\$0	(\$885)	\$242
1120	Vehicle Replacement	\$0	\$0	\$0	(\$2,796)	\$2,909
1140	Technology Replacement	\$0	\$0	\$0	(\$2,708)	\$1,263
1190	Employee Groups	\$0	\$0	\$0	(\$20)	\$42
1200	Utility Bill Donation	\$0	\$0	\$0	(\$200)	\$72
1210	Community Svcs Group	\$0	\$0	\$0	\$0	\$1
1220	Arts Commission	(\$150)	\$0	\$0	(\$357)	\$936
1240	Court Fund	\$0	\$0	\$0	(\$668)	\$0
1260	Library	\$0	\$0	\$0	(\$149)	\$96
1280	Youth Sports Complex	\$0	\$0	\$0	(\$322)	\$0
1281	Stadium Event Operations	\$0	\$0	\$0	(\$3,044)	\$0
1282	Arena Event Operations	\$0	\$0	\$0	(\$10,680)	(\$0)
1283	CamelbackRanch EventOps	(\$479)	\$0	\$0	(\$536)	\$0
1740	Civic Center	(\$50)	\$0	\$0	(\$636)	\$0
1750	Bed Tax	\$0	\$0	\$0	(\$655)	(\$0)
1770	Zanjero Special Revenue	\$0	\$0	\$0	\$0	\$0
1780	Arena Special Revenue	\$0	\$0	\$0	\$0	\$0
1782	PFC Special Revenue	\$0	\$0	\$0	\$0	\$0
1790	Stadium City Sales Tax - AZSTA	\$0	\$0	\$0	(\$2,128)	\$0
1870	Marketing Self-Sustaining	\$0	\$0	\$0	(\$709)	\$619
2530	Public Safety Training Center	\$0	\$0	\$0	(\$1,526)	\$153
2538	Glendale Health Center	\$0	\$0	\$0	(\$54)	\$93
Sub-Total General Fund Group:		(\$1,369)	\$0	(\$8,380)	(\$174,184)	\$6,425
Special Revenue Fund Group:, continued						
1300	HOME Grant	\$0	\$0	\$0	(\$1,626)	\$0
1310	Neighborhood Stabilization Pgm	\$0	\$0	\$0	(\$1,320)	\$0
1311	N'hood Stabilization Pgm III	\$0	\$0	\$0	(\$1,601)	\$0
1320	Community Dvpmt Block Grant	\$0	\$0	\$0	(\$3,194)	\$0
1340	HURF/Streets Fund	\$0	\$0	\$0	(\$11,775)	\$16,071
1640	Local Transp. Assistance	\$0	\$0	\$0	\$0	\$0
1650	Transportation Grants	(\$7,704)	\$0	\$0	(\$7,834)	\$0
1660	Transportation Sales Tax	\$0	\$0	\$0	(\$12,381)	\$10,540
1700	Police Sales Tax	\$0	\$0	\$0	(\$15,628)	\$4,693
1720	Fire Sales Tax	\$0	\$0	\$0	(\$6,913)	(\$91)
1760	Airport Operating	\$0	\$0	\$0	(\$674)	\$0
1820	CAP Grant	\$0	\$0	\$0	(\$1,119)	\$0
1830	Emergency Shelter Grants	\$0	\$0	\$0	(\$209)	\$0
1840	Other Federal and State Grants	(\$2,000)	\$0	\$0	(\$9,867)	\$0
1842	ARRA Stimulus Grants	\$0	\$0	\$0	(\$50)	\$0
1860	RICO	\$0	\$0	\$0	(\$3,896)	\$0
1880	Parks & Rec Self-Sustaining	\$0	\$0	\$0	(\$1,157)	\$107
1885	Parks & Rec Designated	\$0	\$0	\$0	(\$129)	\$104
2120	Airport Capital Grants	(\$12,654)	\$0	\$0	(\$12,654)	\$0
Sub-Total Special Rev Fund Group:		(\$22,359)	\$0	\$0	(\$92,029)	\$31,423

FY 2014 Fund Balance Analysis
 (All Dollars in Thousands)

		Beginning	Projected	Transfers	Transfers	
		Fund Bal.	Revenues	In	Out	Operations
Debt Service Fund Group:						
1900	General Obligation Bond Debt	\$12,746	\$19,624	\$209	\$0	\$0
1920	HURF Debt Service	\$0	\$0	\$4,696	\$0	\$0
1930	P.F.C. Debt Service	\$0	\$0	\$0	\$0	\$0
1940	M.P.C. Debt Service	\$2,111	\$0	\$29,496	\$0	\$0
1970	Transportation Bond Debt	\$0	\$0	\$7,331	\$0	\$0
Sub-Total Debt Svc Fund Group:		\$14,858	\$19,624	\$41,732	\$0	\$0
Capital Fund Group:						
1380	DIF- Library Buildings	\$1,743	\$6	\$0	\$0	\$0
1400	DIF- Library Books	\$0	\$0	\$0	\$0	\$0
1420+	DIF- Fire Protection Facilities	\$225	\$95	\$0	\$0	\$0
1440+	DIF- Police Dept Facilities	\$1,362	\$82	\$0	\$0	\$0
1460+	DIF- Citywide Parks	\$310	\$53	\$0	\$0	\$0
1480+	DIF- Citywide Rec Facility	\$1,062	\$55	\$0	(\$209)	\$0
1500+	DIF- Libraries	\$3,033	\$110	\$0	\$0	\$0
1520	DIF- Citywide Open Space	\$502	\$1	\$0	\$0	\$0
1540+	DIF- Park Dev Zone 1	\$174	\$31	\$0	\$0	\$0
1560+	DIF- Park Dev Zone 2	\$178	\$5	\$0	\$0	\$0
1580+	DIF- Park Dev Zone 3	\$68	\$17	\$0	\$0	\$0
1600+	DIF- Roadway Improvements	\$1,977	\$289	\$0	\$0	\$0
1620	DIF-General Government	\$171	\$0	\$0	\$0	\$0
1980	Street/Parking Bonds	\$3,145	\$0	\$0	\$0	\$0
2000	HURF/Street Bonds	\$280	\$1	\$0	\$0	\$0
2040	Public Safety Construction	\$2,069	\$1	\$0	\$0	(\$2)
2060	Parks Construction	\$279	\$0	\$0	\$0	(\$1)
2080	Gov't Facilities Construction	\$64	\$0	\$0	\$0	\$0
2100	Economic Dev. Construction	\$790	\$0	\$0	\$0	(\$1)
2130	Cultural Facility Construction	\$238	\$0	\$0	\$0	\$0
2140	Open Space/Trails Construction	\$587	\$0	\$0	\$0	\$0
2160	Library Construction	\$0	\$0	\$0	\$0	\$0
2180	Flood Control Construction	\$5,544	\$3	\$0	\$0	(\$5)
2210	Transportation Construction	\$0	\$15,000	\$22,810	\$0	\$0
Sub-Total Capital Fund Group:		\$23,800	\$15,751	\$22,810	(\$209)	(\$9)
Trust Fund Group:						
2280	Cemetery Perpetual Care	\$5,618	\$20	\$0	\$0	\$0
Enterprise Fund Group:						
2360+	Water and Sewer	\$70,476	\$78,262	\$0	\$0	(\$49,002)
2440	Landfill	\$8,709	\$17,858	\$0	\$0	(\$7,092)
2480	Sanitation	\$3,095	\$14,915	\$0	\$0	(\$13,686)
2500	Community Housing Services	\$4,301	\$15,378	\$274	\$0	(\$15,912)
Sub-Total Enterprise Fund Group:		\$86,581	\$126,412	\$274	\$0	(\$85,693)
Internal Service Fund Group:						
2540	Risk Management Self Ins.	\$3,469	\$2,502	\$0	\$0	(\$2,759)
2560	Worker's Comp Self Ins.	\$4,419	\$1,933	\$0	\$0	(\$1,407)
2580	Benefits Trust	(\$1,999)	\$24,384	\$0	\$0	(\$22,349)
Sub-Total Internal Svc Fund Group:		\$5,889	\$28,819	\$0	\$0	(\$26,514)
TOTAL		\$216,532	\$479,509	\$80,405	(\$80,405)	(\$346,321)



FY 2014 Fund Balance Analysis

(All Dollars in Thousands)

Debt Service Fund Group:, continued		Beginning Fund Bal.	Projected Revenues	Transfers In	Transfers Out	Operations
1900	General Obligation Bond Debt	\$0	(\$22,730)	\$0	(\$22,730)	\$9,850
1920	HURF Debt Service	\$0	(\$4,696)	\$0	(\$4,696)	\$0
1930	P.F.C. Debt Service	\$0	\$0	\$0	\$0	\$0
1940	M.P.C. Debt Service	\$0	(\$29,496)	\$0	(\$29,496)	\$2,111
1970	Transportation Bond Debt	\$0	(\$7,331)	\$0	(\$7,331)	\$0
Sub-Total Debt Svc Fund Group:		\$0	(\$64,253)	\$0	(\$64,253)	\$11,961
Capital Fund Group:, continued						
1380	DIF- Library Buildings	\$0	\$0	(\$1,749)	(\$1,749)	\$0
1400	DIF- Library Books	\$0	\$0	\$0	\$0	\$0
1420+	DIF- Fire Protection Facilities	(\$9)	\$0	(\$312)	(\$320)	\$0
1440+	DIF- Police Dept Facilities	(\$8)	\$0	(\$1,436)	(\$1,444)	\$0
1460+	DIF- Citywide Parks	(\$2)	\$0	(\$360)	(\$362)	\$0
1480+	DIF- Citywide Rec Facility	(\$2)	\$0	(\$906)	(\$908)	\$0
1500+	DIF- Libraries	(\$210)	\$0	(\$2,933)	(\$3,143)	\$0
1520	DIF- Citywide Open Space	(\$261)	\$0	(\$241)	(\$503)	\$0
1540+	DIF- Park Dev Zone 1	(\$123)	\$0	(\$82)	(\$205)	\$0
1560+	DIF- Park Dev Zone 2	(\$135)	\$0	(\$49)	(\$183)	\$0
1580+	DIF- Park Dev Zone 3	(\$45)	\$0	(\$40)	(\$85)	\$0
1600+	DIF- Roadway Improvements	(\$546)	\$0	(\$1,720)	(\$2,266)	\$0
1620	DIF-General Government	(\$11)	\$0	(\$161)	(\$172)	\$0
1980	Street/Parking Bonds	(\$2,703)	\$0	(\$442)	(\$3,145)	\$0
2000	HURF/Street Bonds	\$0	\$0	(\$281)	(\$281)	\$0
2040	Public Safety Construction	(\$323)	\$0	(\$1,745)	(\$2,070)	\$0
2060	Parks Construction	(\$126)	\$0	(\$152)	(\$279)	\$0
2080	Gov't Facilities Construction	(\$64)	\$0	\$0	(\$64)	\$0
2100	Economic Dev. Construction	(\$727)	\$0	(\$63)	(\$790)	\$0
2130	Cultural Facility Construction	\$0	\$0	(\$238)	(\$238)	\$0
2140	Open Space/Trails Construction	\$0	\$0	(\$587)	(\$587)	\$0
2160	Library Construction	\$0	\$0	\$0	\$0	\$0
2180	Flood Control Construction	(\$1,706)	\$0	(\$3,835)	(\$5,547)	\$0
2210	Transportation Construction	(\$37,810)	\$0	\$0	(\$37,810)	\$0
Sub-Total Capital Fund Group:		(\$44,810)	\$0	(\$17,333)	(\$62,151)	\$0
Trust Fund Group:, continued						
2280	Cemetery Perpetual Care	\$0	\$0	(\$5,638)	(\$5,638)	\$0
Enterprise Fund Group:, continued						
2360+	Water and Sewer	(\$17,561)	(\$24,207)	(\$5,000)	(\$95,770)	\$52,967
2440	Landfill	(\$11,219)	(\$768)	(\$2,000)	(\$21,079)	\$5,487
2480	Sanitation	(\$2,282)	\$0	(\$500)	(\$16,468)	\$1,543
2500	Community Housing Services	\$0	\$0	\$0	(\$15,912)	\$4,040
Sub-Total Enterprise Fund Group:		(\$31,062)	(\$24,975)	(\$7,500)	(\$149,230)	\$64,037
Internal Service Fund Group:, continued						
2540	Risk Management Self Ins.	\$0	\$0	(\$2,000)	(\$4,759)	\$1,212
2560	Worker's Comp Self Ins.	\$0	\$0	\$0	(\$1,407)	\$4,945
2580	Benefits Trust	\$0	\$0	\$0	(\$22,349)	\$37
Sub-Total Internal Svc Fund Group:		\$0	\$0	(\$2,000)	(\$28,514)	\$6,194
TOTAL		(\$99,599)	(\$89,228)	(\$40,851)	(\$576,000)	\$120,041

SECTION 3

AUDITOR GENERAL SCHEDULES (A THRU G)



City of Glendale
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City of Glendale
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2014

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2013	ACTUAL EXPENDITURES/EXPENSES** 2013	FUND BALANCE/ NET POSITION*** July 1, 2013**	PROPERTY TAX REVENUES 2014	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2014	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014		TOTAL FINANCIAL RESOURCES AVAILABLE 2014	BUDGETED EXPENDITURES/EXPENSES 2014
						SOURCES	<USES>	IN	<OUT>		
1. General Funds	\$ 176,171,369	\$ 157,461,427	\$ 20,712,844	Primary: \$ 5,196,766	\$ 185,621,677	\$	\$	\$ 13,770,843	\$ 44,692,293	\$ 180,609,837	\$ 174,184,356
2. Special Revenue Funds	89,371,307	59,278,847	59,073,670		98,064,812			1,817,751	35,503,850	123,452,383	92,028,884
3. Debt Service Funds Available	67,135,223	66,830,223	14,857,518	Secondary: 18,826,764	797,221			41,732,388		76,213,891	64,252,877
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	67,135,223	66,830,223	14,857,518	18,826,764	797,221			41,732,388		76,213,891	64,252,877
6. Capital Projects Funds	61,042,435	9,489,255	23,799,940		750,551	15,000,000		22,810,188	209,296	62,151,383	62,151,381
7. Permanent Funds	5,626,041		5,618,226		20,000					5,638,226	5,638,226
8. Enterprise Funds Available	150,139,159	110,672,394	86,580,793		117,562,012	8,850,000		274,269		213,267,074	149,229,810
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	150,139,159	110,672,394	86,580,793		117,562,012	8,850,000		274,269		213,267,074	149,229,810
11. Internal Service Funds	29,514,466	26,255,826	5,888,532		28,819,453					34,707,985	28,514,466
12. TOTAL ALL FUNDS	\$ 579,000,000	\$ 429,987,972	\$ 216,531,523	\$ 24,023,530	\$ 431,635,726	\$ 23,850,000	\$	\$ 80,405,439	\$ 80,405,439	\$ 696,040,779	\$ 576,000,000

EXPENDITURE LIMITATION COMPARISON

	2013	2014
1. Budgeted expenditures/expenses	\$579,000,000	\$ 576,000,000
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	579,000,000	576,000,000
4. Less: estimated exclusions	196,076,577	202,072,306
5. Amount subject to the expenditure limitation	\$382,923,423	\$ 373,927,694
6. EEC or voter-approved alternative expenditure limitation	\$516,173,179	\$ 528,504,325

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**City of Glendale
Tax Levy and Tax Rate Information
Fiscal Year 2014**

	2013	2014
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 5,043,101	\$ 5,196,766
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 2,582,325	\$ 5,196,766
B. Secondary property taxes	19,253,633	18,826,764
C. Total property tax levy amounts	\$ 21,835,958	\$ 24,023,530
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 2,490,052	
(2) Prior years' levies	46,611	
(3) Total primary property taxes	\$ 2,536,663	
B. Secondary property taxes		
(1) Current year's levy	\$ 18,730,018	
(2) Prior years' levies	255,794	
(3) Total secondary property taxes	\$ 18,985,812	
C. Total property taxes collected	\$ 21,522,475	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.2252	0.4974
(2) Secondary property tax rate	1.6753	1.7915
(3) Total city/town tax rate	1.9005	2.2889
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2014**

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
GENERAL FUND			
Local taxes			
1000 - General	\$ 75,077,479	\$ 73,744,109	\$ 76,568,961
1750 - City Sales Tax-Bed Tax			618,352
1770 - Zanjero Special Revenue	1,734,520	1,841,000	1,896,230
1780 - Arena Special Revenue	4,538,356	4,538,356	4,674,507
1790 - Stadium City Sales Tax - AZSTA	2,399,570	2,014,884	2,075,332
1870 - Marketing Self Sust	557,507	557,507	
Licenses and permits			
1000 - General	8,550,723	8,845,723	8,521,367
1282 - Arena Event Operations	70,000	68,375	71,794
1780 - Arena Special Revenue	512,496	512,496	
Intergovernmental			
1000 - General	49,631,571	49,631,571	51,840,278
1282 - Arena Event Operations	337,410	226,625	211,676
1283 - CamelbackRanch EventOperations		97,000	102,000
1782 - PFC Special Rev	105,000		
2530 - Training Facility Revenue Fund	376,859	376,859	315,392
Charges for services			
1000 - General	12,562,128	11,898,550	12,254,887
1040 - General Services	8,992,555	8,928,983	9,362,930
1100 - Telephone Services	944,831	944,831	879,521
1120 - Vehicle Replacement	1,625,703	1,625,703	1,663,297
1140 - PC Replacement	2,067,884	2,067,884	1,915,052
1280 - Youth Sports Complex	27,500	30,000	30,000
1281 - Stadium Event Operations	861,549	687,000	733,203
1283 - CamelbackRanch EventOperations	39,000	39,000	28,852
1740 - Civic Center	450,370	409,950	421,799
1780 - Arena Special Revenue	2,948,313	2,238,313	1,588,313
1870 - Marketing Self Sust		5,000	5,000
2530 - Training Facility Revenue Fund	1,119,778	1,119,778	1,172,308
2538 - Glendale Health Center	65,966	65,966	61,250
Fines and forfeits			
1000 - General	3,057,826	2,931,356	2,931,856
1240 - Court Security/Bonds	410,817	384,091	393,412
Interest on investments			
1000 - General	259,569	250,000	250,000
1120 - Vehicle Replacement	16,061	16,061	16,000
1140 - PC Replacement	8,973	8,973	6,063
1220 - Arts Commission Fund	5,276	5,276	
1240 - Court Security/Bonds	6,483	2,000	2,000
In-lieu property taxes			
Contributions			

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2014**

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
Miscellaneous			
1000 - General	3,604,970	3,253,767	3,913,220
1120 - Vehicle Replacement	250,000	250,000	250,000
1140 - PC Replacement	5,000	5,000	2,000
1190 - Employee Groups	80,000	22,500	22,500
1200 - Utility Bill Donation			168,300
1220 - Arts Commission Fund	106,806	106,806	88,387
1260 - Library	184,328	183,178	183,088
1740 - Civic Center	70	50	50
1780 - Arena Special Revenue	5,000	5,000	5,000
1782 - PFC Special Rev	11,300,000	11,300,000	
1870 - Marketing Self Sust	426,000	390,500	377,500
Total General Fund	\$ 195,324,247	\$ 191,630,021	\$ 185,621,677

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2014**

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
SPECIAL REVENUE FUNDS			
Local taxes			
1660 - Transportation Sales Tax	\$ 20,862,081	\$ 21,503,066	\$ 22,357,634
1700 - Police Special Revenue	12,685,489	12,769,584	13,292,721
1720 - Fire Special Revenue	6,318,358	6,360,403	6,621,242
	<u>\$ 39,865,928</u>	<u>\$ 40,633,053</u>	<u>\$ 42,271,597</u>
Intergovernmental			
1300 - Home Grant	\$ 768,919	\$ 663,057	\$ 1,618,610
1310 - Neighborhood Stabilization Pgm	500,000	100,000	
1311 - N'hood Stabilization Pgm III	1,684,188	1,684,188	1,601,026
1320 - C.D.B.G.	2,330,541	2,244,299	3,108,567
1340 - Highway User Gas Tax	12,759,293	12,759,293	12,791,191
1640 - Local Transp. Assistance	665,234	665,234	666,707
1650 - Transportation Grants	5,936,055	68,927	5,823,056
1660 - Transportation Sales Tax	544,389		
1820 - CAP Grant	1,121,803	1,043,949	1,061,138
1830 - Emergency Shelter Grants	174,160	174,160	174,160
1840 - Grants	15,800,000	4,100,000	9,671,805
1842 - ARRA Stimulus Grants	1,786,747	1,360,573	33,466
1860 - RICO Funds	2,830,000	742,500	1,068,055
1885 - Parks & Recreation Designated	6,800	6,800	3,000
2120 - Airport Capital Grants	16,039,242	295,449	12,654,269
	<u>\$ 62,947,371</u>	<u>\$ 25,908,429</u>	<u>\$ 50,275,050</u>
Charges for services			
1650 - Transportation Grants	\$	\$ 37,823	\$ 10,832
1660 - Transportation Sales Tax	134,750	129,484	128,750
1760 - Airport Special Revenue	8,104	8,104	10,000
1880 - Parks & Recreation Self Sust	1,227,100	1,027,067	1,156,746
	<u>\$ 1,369,954</u>	<u>\$ 1,202,478</u>	<u>\$ 1,306,328</u>
Interest on investments			
1660 - Transportation Sales Tax	\$ 95,000	\$ 80,000	\$ 80,000
1860 - RICO Funds	63,529	7,500	7,500
1885 - Parks & Recreation Designated	500	500	500
	<u>\$ 159,029</u>	<u>\$ 88,000</u>	<u>\$ 88,000</u>
Miscellaneous			
1300 - Home Grant	\$ 4,198	\$ 3,873	\$ 7,285
1310 - Neighborhood Stabilization Pgm	100,000	500,000	1,320,000
1320 - C.D.B.G.	6,303	85,792	85,792
1650 - Transportation Grants	2,000,000	1,764,250	2,000,000
1660 - Transportation Sales Tax	10,000	222,364	
1700 - Police Special Revenue			234,585
1760 - Airport Special Revenue	447,932	442,744	471,175
1880 - Parks & Recreation Self Sust	4,500	5,000	5,000
	<u>\$ 2,572,933</u>	<u>\$ 3,024,023</u>	<u>\$ 4,123,837</u>
Total Special Revenue Funds	<u>\$ 106,915,215</u>	<u>\$ 70,855,983</u>	<u>\$ 98,064,812</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2014**

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
DEBT SERVICE FUNDS			
Local taxes			
1900 - G.O. Bond Debt Service	\$ 150,000	\$ 150,000	\$ 150,000
	\$ 150,000	\$ 150,000	\$ 150,000
Interest on investments			
1900 - G.O. Bond Debt Service	\$ 658,552	\$ 608,502	\$ 647,221
	\$ 658,552	\$ 608,502	\$ 647,221
Total Debt Service Funds	\$ 808,552	\$ 758,502	\$ 797,221
CAPITAL PROJECTS FUNDS			
Licenses and permits			
1421 - DIF-Fire Protection Facilities	\$ 81,867	\$ 92,650	\$ 93,990
1441 - DIF-Police Facilities	63,886	74,141	75,281
1461 - DIF-Citywide Parks	44,096	50,786	51,680
1481 - DIF-Citywide Recreation Fac	44,096	50,758	51,680
1501 - DIF-Libraries	84,376	97,302	98,887
1520 - DIF-Citywide Open Spaces		(933)	
1541 - DIF-Parks Dev Zone 1	20,064	29,749	30,397
1561 - DIF-Parks Dev Zone 2	14,212	5,016	5,066
1581 - DIF-Parks Dev Zone 3	7,524	16,302	16,465
1601 - DIF-Roadway Improvements	221,284	278,115	282,068
1620 - DIF-General Government		(847)	
	\$ 581,405	\$ 693,039	\$ 705,514
Interest on investments			
1380 - DIF Library Blds	\$ 7,123	\$ 6,193	\$ 6,204
1421 - DIF-Fire Protection Facilities	656	544	790
1441 - DIF-Police Facilities	3,825	6,770	6,977
1461 - DIF-Citywide Parks	925	957	1,082
1481 - DIF-Citywide Recreation Fac	4,568	4,369	3,684
1501 - DIF-Libraries	12,103	11,201	10,704
1520 - DIF-Citywide Open Spaces	1,569	1,787	1,320
1541 - DIF-Parks Dev Zone 1	469	537	392
1561 - DIF-Parks Dev Zone 2	464	622	391
1581 - DIF-Parks Dev Zone 3	138	203	164
1601 - DIF-Roadway Improvements	5,741	9,947	7,214
1620 - DIF-General Government	743	526	495
2000 - Hurf Street Bonds	1,349	1,119	1,264
2040 - Public Safety Construction	1,190	1,390	1,157
2060 - Parks Construction	76	120	88
2100 - Economic Dev. Constr-1999 Auth	444	709	233
2180 - Flood Control Construction	2,670	3,771	2,878
	\$ 44,053	\$ 50,765	\$ 45,037
Miscellaneous			
1601 - DIF-Roadway Improvements	\$	\$ 200,011	\$
2040 - Public Safety Construction		118,734	
	\$	\$ 318,745	\$
Total Capital Projects Funds	\$ 625,458	\$ 1,062,549	\$ 750,551

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2014**

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
PERMANENT FUNDS			
Interest on investments			
<u>2280 - Cemetery Perpetual Care</u>	\$ 21,505	\$ 20,000	\$ 20,000
	<u>\$ 21,505</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
Total Permanent Funds	<u>\$ 21,505</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
ENTERPRISE FUNDS			
Licenses and permits			
<u>2360 - Water and Sewer</u>	\$ 98,387	\$ 111,593	\$ 96,180
	<u>\$ 98,387</u>	<u>\$ 111,593</u>	<u>\$ 96,180</u>
Intergovernmental			
<u>2500 - Pub Housing Budget Activities</u>	\$ 10,119,418	\$ 10,119,418	\$ 10,813,943
	<u>\$ 10,119,418</u>	<u>\$ 10,119,418</u>	<u>\$ 10,813,943</u>
Charges for services			
<u>2360 - Water and Sewer</u>	\$ 75,602,200	\$ 80,217,664	\$ 74,786,007
<u>2440 - Landfill</u>	7,455,540	7,635,420	7,659,920
<u>2480 - Sanitation</u>	14,734,382	14,602,000	14,641,000
	<u>\$ 97,792,122</u>	<u>\$ 102,455,084</u>	<u>\$ 97,086,927</u>
Interest on investments			
<u>2360 - Water and Sewer</u>	\$ 22,000	\$ 151,776	\$ 120,000
<u>2440 - Landfill</u>	50,000	30,000	50,000
<u>2480 - Sanitation</u>	4,000	4,000	4,000
	<u>\$ 76,000</u>	<u>\$ 185,776</u>	<u>\$ 174,000</u>
Miscellaneous			
<u>2360 - Water and Sewer</u>	\$ 2,183,649	\$ 3,518,967	\$ 3,259,402
<u>2440 - Landfill</u>	386,400	1,294,309	1,297,597
<u>2480 - Sanitation</u>	97,000	267,163	270,295
<u>2500 - Pub Housing Budget Activities</u>	4,100,000	4,100,000	4,563,668
	<u>\$ 6,767,049</u>	<u>\$ 9,180,439</u>	<u>\$ 9,390,962</u>
Total Enterprise Funds	<u>\$ 114,852,976</u>	<u>\$ 122,052,310</u>	<u>\$ 117,562,012</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Glendale
Revenues Other Than Property Taxes
Fiscal Year 2014**

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
INTERNAL SERVICE FUNDS			
Licenses and permits			
2580 - Benefits Trust Fund	\$ 786	\$ 1,442	\$ 786
	<u>\$ 786</u>	<u>\$ 1,442</u>	<u>\$ 786</u>
Interest on investments			
2560 - Workers Comp. Self Insurance	\$ 8,848	\$ 11,218	\$ 9,000
2580 - Benefits Trust Fund	18,000		18,000
	<u>\$ 26,848</u>	<u>\$ 11,218</u>	<u>\$ 27,000</u>
Miscellaneous			
2540 - Risk Management Self Insurance	\$ 30,000	\$ 36,537	\$ 30,000
2560 - Workers Comp. Self Insurance	30,000	28,445	30,000
	<u>\$ 60,000</u>	<u>\$ 64,982</u>	<u>\$ 60,000</u>
Self insurance premiums			
2540 - Risk Management Self Insurance	\$ 2,500,000	\$ 2,500,000	\$ 2,472,006
2560 - Workers Comp. Self Insurance	984,460	2,384,460	1,894,000
2580 - Benefits Trust Fund	22,294,500	20,566,295	24,365,661
	<u>\$ 25,778,960</u>	<u>\$ 25,450,755</u>	<u>\$ 28,731,667</u>
Total Internal Service Funds	<u>\$ 25,866,594</u>	<u>\$ 25,528,397</u>	<u>\$ 28,819,453</u>
TOTAL ALL FUNDS	<u>\$ 444,414,547</u>	<u>\$ 411,907,762</u>	<u>\$ 431,635,726</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Glendale
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2014

FUND	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUNDS				
1000 - General	\$	\$	\$	\$ 36,528,243
1280 - Youth Sports Complex			292,000	
1281 - Stadium Event Operations			2,310,390	
1282 - Arena Event Operations			10,396,898	
1283 - CamelbackRanch EventOperations			250,000	
1740 - Civic Center			214,331	
1750 - City Sales Tax-Bed Tax			37,079	
1770 - Zanjero Special Revenue				1,896,230
1780 - Arena Special Revenue				6,267,820
1870 - Marketing Self Sust			270,145	
Total General Funds	\$	\$	\$ 13,770,843	\$ 44,692,293
SPECIAL REVENUE FUNDS				
1340 - Highway User Gas Tax	\$	\$	\$	\$ 3,695,875
1640 - Local Transp. Assistance				666,707
1660 - Transportation Sales Tax			1,566,707	31,141,268
1760 - Airport Special Revenue			193,044	
1820 - CAP Grant			58,000	
Total Special Revenue Funds	\$	\$	\$ 1,817,751	\$ 35,503,850
DEBT SERVICE FUNDS				
1900 - G.O. Bond Debt Service	\$	\$	\$ 209,296	\$
1920 - HURF Debt Service			4,695,875	
1940 - M.P.C. Debt Service			29,496,137	
1970 - Transportation Debt Service			7,331,080	
Total Debt Service Funds	\$	\$	\$ 41,732,388	\$
CAPITAL PROJECTS FUNDS				
1481 - DIF-Citywide Recreation Fac	\$	\$	\$	\$ 209,296
2210 - Transportation Capital Project	15,000,000		22,810,188	
Total Capital Projects Funds	\$ 15,000,000	\$	\$ 22,810,188	\$ 209,296
PERMANENT FUNDS				
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
2360 - Water and Sewer	\$	\$	\$	\$
2440 - Landfill	8,850,000			
2500 - Pub Housing Budget Activities			274,269	
Total Enterprise Funds	\$ 8,850,000	\$	\$ 274,269	\$
INTERNAL SERVICE FUNDS				
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 23,850,000	\$	\$ 80,405,439	\$ 80,405,439

**City of Glendale
Expenditures/Expenses by Fund
Fiscal Year 2014**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
GENERAL FUND				
City Attorney	\$ 3,054,970	\$ 379,803	\$ 3,424,970	\$ 3,067,621
City Auditor	291,823	(232)	290,823	297,466
City Clerk	698,741	(3,663)	692,644	596,572
City Court	4,228,365	1,120	4,037,707	4,162,645
City Manager	827,696	(4,304)	820,903	804,914
Communications	5,043,739	(244,448)	4,748,190	4,490,309
Community & Econ Dev	4,506,099	(31,276)	4,455,764	4,236,010
Council Districts&Of	1,043,312	8,004	1,042,853	1,122,899
Financial Services	24,926,180	221,995	8,864,572	16,379,125
Fire Services	27,174,314	1,355,449	28,093,173	29,330,889
HR & Risk Mgt	1,740,700	261,054	1,992,529	1,776,974
Intergovt. Programs	640,658	(1,015)	638,158	476,818
Mayor's Office	362,188	(73,269)	287,444	291,078
N'Hood & Human Svcs	2,176,893	(90,457)	2,076,833	1,629,355
Non-Departmental	644,720	6,556	1,984,881	783,465
Parks, Rec & Library	13,662,609	55,150	13,773,005	12,551,440
Police Services	52,871,340	167,173	52,221,403	54,887,767
Public Works	19,982,956	277,563	19,741,627	20,393,145
Tech. & Innovation	8,058,572	(402,570)	7,643,272	7,438,144
Transportation Svcs	740,676		630,676	887,703
Water Services				200,000
Carryover Reserve		143,261		
Contingency	334,905	1,134,019		8,380,017
Total General Fund	\$ 173,011,456	\$ 3,159,913	\$ 157,461,427	\$ 174,184,356
SPECIAL REVENUE FUNDS				
Community & Econ Dev Grants	\$ 29,259	\$	\$ 4,259	\$
Financial Services Grants	57,225		4,450	15,000
Fire Grants	3,500,000	(1,246,245)	500,000	500,000
Fire Services	6,559,036	50,969	6,452,530	6,913,425
Misc Capital Grants	2,000,000	(1,983,336)		2,000,000
Misc. Grants	4,960,603	(3,913,592)	975,000	3,724,494
N'Hood Human Svcs Grants	6,915,506	45,067	6,636,908	9,069,410
Parks, Rec & Library	3,420,815	39,435	3,138,479	3,918,587
Parks, Rec & Library Grants	715,079	(370,000)	300,079	450,000
Police Grants	4,357,406	775	2,802,601	3,192,778
Police RICO	3,895,270	136	3,895,270	3,896,249
Police Services	14,240,490	133,768	13,740,490	15,627,787
Public Works	1,043,221	42,193	1,043,221	4,197,556
Public Works Grants	36,604		32,451	
Transportation Grants	7,936,055	(88,513)	2,597,325	7,833,888
Transportation Svcs	32,148,638	(5,865,528)	16,403,443	30,654,710
Water Services Grants	957,540	(40,000)	752,341	35,000
Carryover Reserve		4,025,226		
Contingency	5,743,693	24,512		
Total Special Revenue Funds	\$ 98,516,440	\$ (9,145,133)	\$ 59,278,847	\$ 92,028,884
DEBT SERVICE FUNDS				
General Obligation	\$ 24,276,491	\$	\$ 23,971,491	\$ 22,729,785
Highway User (HURF)	4,708,869		4,708,869	4,695,875
Municipal Property Corp	16,488,582	4,090,000	20,578,582	29,496,137

**City of Glendale
Expenditures/Expenses by Fund
Fiscal Year 2014**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
Public Facilities Corp	9,010,000	1,230,000	10,240,000	
Transportation Obligation	7,331,281		7,331,281	7,331,080
Total Debt Service Funds	\$ 61,815,223	\$ 5,320,000	\$ 66,830,223	\$ 64,252,877
CAPITAL PROJECTS FUNDS				
Communications	\$ 100,000		\$ 97,623	
Community & Econ Dev	1,724,799	97,864	1,096,135	1,239,124
Financial Services	40,468		40,468	8,500
Fire Services	311,256	2,839	265,849	129,436
Parks, Rec & Library	803,822	26,770	244,905	782,200
Police Services	469,808	86,491	308,476	330,658
Public Works	4,768,699	131,519	1,266,372	4,097,555
Transportation Svcs	35,351,284	161,437	6,169,427	38,230,761
Carryover Reserve		73,152		
Contingency	16,892,227			17,333,147
Total Capital Projects Funds	\$ 60,462,363	\$ 580,072	\$ 9,489,255	\$ 62,151,381
PERMANENT FUNDS				
Contingency	\$ 5,626,041			\$ 5,638,226
Total Permanent Funds	\$ 5,626,041			\$ 5,638,226
ENTERPRISE FUNDS				
Community & Econ Dev	\$ 232,134	\$ 1,792	\$ 232,134	\$ 142,222
Financial Services	2,995,863	(215,498)	2,495,863	2,643,052
N'HoodHuman Svcs Grants	12,700,110	10,990	12,700,110	15,912,427
Public Works	25,351,196	159,821	22,072,284	35,047,249
Water Services	101,008,842	393,909	73,172,003	87,984,860
Carryover Reserve				
Contingency	7,500,000			7,500,000
Total Enterprise Funds	\$ 149,788,145	\$ 351,014	\$ 110,672,394	\$ 149,229,810
INTERNAL SERVICE FUNDS				
HR & Risk Mgt	\$ 26,780,332	\$ (265,866)	\$ 26,255,826	\$ 26,514,466
Contingency	3,000,000			2,000,000
Total Internal Service Funds	\$ 29,780,332	\$ (265,866)	\$ 26,255,826	\$ 28,514,466
TOTAL ALL FUNDS	\$ 579,000,000	\$	\$ 429,987,972	\$ 576,000,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2014**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
City Attorney				
1000 - General	\$ 3,054,970	\$ 379,803	\$ 3,424,970	\$ 3,067,621
City Attorney Total	\$ 3,054,970	\$ 379,803	\$ 3,424,970	\$ 3,067,621
City Auditor				
1000 - General	\$ 291,823	\$ (232)	\$ 290,823	\$ 297,466
City Auditor Total	\$ 291,823	\$ (232)	\$ 290,823	\$ 297,466
City Clerk				
1000 - General	\$ 698,741	\$ (3,663)	\$ 692,644	\$ 596,572
City Clerk Total	\$ 698,741	\$ (3,663)	\$ 692,644	\$ 596,572
City Court				
1000 - General	\$ 3,570,321	\$ (138)	\$ 3,555,129	\$ 3,494,961
1240 - Court Security/Bonds	658,044	1,258	482,578	667,684
City Court Total	\$ 4,228,365	\$ 1,120	\$ 4,037,707	\$ 4,162,645
City Manager				
1000 - General	\$ 827,696	\$ (4,304)	\$ 820,903	\$ 804,914
City Manager Total	\$ 827,696	\$ (4,304)	\$ 820,903	\$ 804,914
Communications				
1000 - General	\$ 2,777,811	\$ (71,417)	\$ 2,695,683	\$ 2,462,262
1281 - Stadium Event Operations	25,070		25,070	27,844
1740 - Civic Center	937,728	3,377	900,728	636,180
1750 - City Sales Tax-Bed Tax				655,431
1870 - Marketing Self Sust	1,303,130	(176,408)	1,126,709	708,592
2080 - Gov't Facilities - 1999 Auth	100,000		97,623	
Communications Total	\$ 5,143,739	\$ (244,448)	\$ 4,845,813	\$ 4,490,309
Community & Econ Dev				
1000 - General	\$ 4,506,099	\$ (31,276)	\$ 4,455,764	\$ 4,236,010
1980 - Streets Constr. - 1999 Auth				512,596
2100 - Economic Dev. Constr-1999 Auth	1,623,814	120,507	1,017,793	726,528
2130 - Cultural Facility Bond Fund	100,985	(22,643)	78,342	
2360 - Water and Sewer	232,134	1,792	232,134	142,222
1842 - ARRA Stimulus Grants	29,259		4,259	
Community & Econ Dev Total	\$ 6,492,291	\$ 68,380	\$ 5,788,292	\$ 5,617,356
Contingency				
1000 - General	\$	\$ 1,134,019	\$	\$ 8,045,113
1010 - National Events	334,905			334,904
1340 - Highway User Gas Tax	5,743,693			
1380 - DIF Library Blds	1,746,584			1,749,399
1420 - DIF-Fire Protection Facilities	129,121			311,621
1440 - DIF-Police Facilities	1,236,886			1,436,006

**City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2014**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
1460 - DIF-Citywide Parks	292,989			360,390
1480 - DIF-Citywide Recreation Fac	1,047,929			906,326
1500 - DIF-Libraries	3,033,756			2,933,288
1520 - DIF-Citywide Open Spaces	243,129			241,496
1540 - DIF-Parks Dev Zone 1	115,525			82,432
1560 - DIF-Parks Dev Zone 2	60,343			48,671
1580 - DIF-Parks Dev Zone 3	19,501			40,366
1600 - DIF-Roadway Improvements	769,862			1,719,961
1620 - DIF-General Government	169,681			160,751
1720 - Fire Special Revenue		24,512		
1980 - Streets Constr. - 1999 Auth	1,008,894			441,567
2000 - Hurf Street Bonds	286,356			281,352
2040 - Public Safety Construction	1,708,891			1,745,161
2060 - Parks Construction	130,601			151,808
2100 - Economic Dev. Constr-1999 Auth	62,690			62,648
2130 - Cultural Facility Bond Fund	237,692			237,691
2140 - Open Space/Trails Constr-99 Au	586,583			587,036
2180 - Flood Control Construction	4,005,214			3,835,177
2280 - Cemetery Perpetual Care	5,626,041			5,638,226
2360 - Water and Sewer	5,000,000			5,000,000
2440 - Landfill	2,000,000			2,000,000
2480 - Sanitation	500,000			500,000
2540 - Risk Management Self Insurance	3,000,000			2,000,000
Contingency Total	\$ 39,096,866	\$ 1,158,531	\$	\$ 40,851,390
Council Districts&Of				
1000 - General	\$ 1,043,312	\$ 8,004	\$ 1,042,853	\$ 1,122,899
Council Districts&Of Total	\$ 1,043,312	\$ 8,004	\$ 1,042,853	\$ 1,122,899
Financial Services				
1000 - General	\$ 4,409,610	\$ 221,995	\$ 4,620,706	\$ 4,750,645
1282 - Arena Event Operations	17,000,000		1,844,296	9,500,000
1780 - Arena Special Revenue	1,117,000			
1790 - Stadium City Sales Tax - AZSTA	2,399,570		2,399,570	2,128,480
1842 - ARRA Stimulus Grants	57,225		4,450	15,000
1900 - G.O. Bond Debt Service	24,276,491		23,971,491	22,729,785
1920 - HURF Debt Service	4,708,869		4,708,869	4,695,875
1930 - PFC Debt Service	9,010,000	1,230,000	10,240,000	
1940 - M.P.C. Debt Service	16,488,582	4,090,000	20,578,582	29,496,137
1980 - Streets Constr. - 1999 Auth	6,066		6,066	
2000 - Hurf Street Bonds	1,030		1,030	
2040 - Public Safety Construction	2,000		2,000	2,000
2060 - Parks Construction	6,857		6,857	500
2080 - Gov't Facilities - 1999 Auth	3,734		3,734	
2100 - Economic Dev. Constr-1999 Auth	2,000		2,000	1,000
2180 - Flood Control Construction	5,213		5,213	5,000
2210 - Transportation Capital Project	13,568		13,568	
2360 - Water and Sewer	2,995,863	(215,498)	2,495,863	2,643,052
Financial Services Total	\$ 82,503,678	\$ 5,326,497	\$ 70,904,295	\$ 75,967,474

**City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2014**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
Fire Services				
1000 - General	\$ 25,660,765	\$ 1,346,232	\$ 26,693,331	\$ 27,794,499
1281 - Stadium Event Operations	389,828	(18,720)	389,828	389,803
1282 - Arena Event Operations	302,336	161	218,629	303,094
1283 - CamelbackRanch EventOperations	28,852	18,720	28,852	28,852
1420 - DIF-Fire Protection Facilities	11,480	4,234	7,100	8,614
1540 - DIF-Parks Dev Zone 1	39,632			120,822
1720 - Fire Special Revenue	6,559,036	50,969	6,452,530	6,913,425
1840 - Grants	3,500,000	(1,246,245)	500,000	500,000
2040 - Public Safety Construction	260,144	(1,395)	258,749	
2530 - Training Facility Revenue Fund	738,533	4,056	708,533	760,631
2538 - Glendale Health Center	54,000	5,000	54,000	54,010
Fire Services Total	\$ 37,544,606	\$ 163,012	\$ 35,311,552	\$ 36,873,750
HR & Risk Mgt				
1000 - General	\$ 1,720,700	\$ 261,054	\$ 1,972,529	\$ 1,756,974
1190 - Employee Groups	20,000		20,000	20,000
2540 - Risk Management Self Insurance	3,024,506	(265,866)	2,500,000	2,758,640
2560 - Workers Comp. Self Insurance	1,407,000		1,407,000	1,407,000
2580 - Benefits Trust Fund	22,348,826		22,348,826	22,348,826
HR & Risk Mgt Total	\$ 28,521,032	\$ (4,812)	\$ 28,248,355	\$ 28,291,440
Intergovt. Programs				
1000 - General	\$ 640,658	\$ (1,015)	\$ 638,158	\$ 476,818
Intergovt. Programs Total	\$ 640,658	\$ (1,015)	\$ 638,158	\$ 476,818
Mayor's Office				
1000 - General	\$ 362,188	\$ (73,269)	\$ 287,444	\$ 291,078
Mayor's Office Total	\$ 362,188	\$ (73,269)	\$ 287,444	\$ 291,078
Misc. Grants & Misc Capital Grants				
1840 - Grants	\$ 6,960,603	\$ (5,896,928)	\$ 975,000	\$ 5,724,494
Misc. Grants & Misc Capital Grants Total	\$ 6,960,603	\$ (5,896,928)	\$ 975,000	\$ 5,724,494
N'Hood & Human Svcs				
1000 - General	\$ 2,176,893	\$ (90,457)	\$ 2,076,833	\$ 1,629,355
1300 - Home Grant	773,117		773,117	1,625,895
1310 - Neighborhood Stabilization Pgm	600,000	1,000,000	600,000	1,320,000
1311 - N'hood Stabilization Pgm III	1,684,188	(1,000,000)	1,684,188	1,601,026
1320 - C.D.B.G.	2,336,844	2,539	2,336,844	3,194,359
1820 - CAP Grant	1,287,197	2,528	1,100,500	1,119,138
1830 - Emergency Shelter Grants	174,160		139,328	208,992
1842 - ARRA Stimulus Grants	60,000	40,000	2,931	
2500 - Pub Housing Budget Activities	12,700,110	10,990	12,700,110	15,912,427
N'Hood & Human Svcs Total	\$ 21,792,509	\$ (34,400)	\$ 21,413,851	\$ 26,611,192
Non-Departmental				

**City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2014**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
1000 - General	\$ 644,720	\$ 6,556	\$ 1,984,881	\$ 783,465
Non-Departmental Total	\$ 644,720	\$ 6,556	\$ 1,984,881	\$ 783,465
Parks, Rec & Library				
1000 - General	\$ 12,879,553	\$ 54,973	\$ 13,139,949	\$ 11,733,957
1220 - Arts Commission Fund	316,090	177	166,090	356,677
1260 - Library	155,000		155,000	148,905
1280 - Youth Sports Complex	262,000		262,000	262,000
1282 - Arena Event Operations	49,966		49,966	49,901
1340 - Highway User Gas Tax	2,012,694	32,373	2,012,694	2,632,413
1460 - DIF-Citywide Parks	2,216	1,264	1,590	1,890
1480 - DIF-Citywide Recreation Fac	2,216	1,266	1,592	1,890
1500 - DIF-Libraries	213,265	4,366	208,059	209,572
1520 - DIF-Citywide Open Spaces	261,689	1,264	1,590	261,363
1540 - DIF-Parks Dev Zone 1	2,216	1,266	1,592	1,890
1560 - DIF-Parks Dev Zone 2	140,883	(9,171)	2,793	134,519
1580 - DIF-Parks Dev Zone 3	38,911	1,266	1,592	44,585
1840 - Grants	550,000	(370,000)	135,000	450,000
1842 - ARRA Stimulus Grants	165,079		165,079	
1880 - Parks & Recreation Self Sust	1,231,083	7,062	1,091,083	1,156,806
1885 - Parks & Recreation Designated	177,038		34,702	129,368
2060 - Parks Construction	142,426	25,249	26,097	126,491
Parks, Rec & Library Total	\$ 18,602,325	\$ (248,645)	\$ 17,456,468	\$ 17,702,227
Police Services				
1000 - General	\$ 49,947,667	\$ 155,316	\$ 49,548,850	\$ 51,943,624
1281 - Stadium Event Operations	1,743,299	9,918	1,743,299	1,753,224
1282 - Arena Event Operations	839,752	218	588,632	812,392
1283 - CamelbackRanch EventOperations				28,482
1440 - DIF-Police Facilities	10,919	4,029	6,832	8,116
1700 - Police Special Revenue	14,240,490	133,768	13,740,490	15,627,787
1840 - Grants	3,695,789	775	2,395,789	3,192,778
1842 - ARRA Stimulus Grants	661,617		406,812	
1860 - RICO Funds	3,895,270	136	3,895,270	3,896,249
2040 - Public Safety Construction	458,889	82,462	301,644	322,542
2530 - Training Facility Revenue Fund	340,622	1,721	340,622	350,045
Police Services Total	\$ 75,834,314	\$ 388,343	\$ 72,968,240	\$ 77,935,239
Public Works				
1000 - General	\$ 7,459,471	\$ 260,292	\$ 7,437,147	\$ 7,280,230
1040 - General Services	8,992,555	35,379	8,992,555	9,362,930
1120 - Vehicle Replacement	2,795,693		2,795,693	2,795,693
1280 - Youth Sports Complex	60,000		60,000	60,000
1283 - CamelbackRanch EventOperations	258,206	(20,937)	39,201	479,048
1340 - Highway User Gas Tax	1,043,221	42,193	1,043,221	4,197,556
1600 - DIF-Roadway Improvements	256,922	10,730	24,193	546,243
1620 - DIF-General Government	12,799	7,323	9,280	10,842
1842 - ARRA Stimulus Grants	36,604		32,451	
1980 - Streets Constr. - 1999 Auth	1,817,575	(21,482)	26,140	1,769,953

**City of Glendale
Expenditures/Expenses by Department
Fiscal Year 2014**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
2080 - Gov't Facilities - 1999 Auth	71,606	(3,369)	4,062	64,175
2180 - Flood Control Construction	2,609,797	138,317	1,202,697	1,706,342
2440 - Landfill	9,747,887	40,902	7,798,314	19,079,051
2480 - Sanitation	15,603,309	118,919	14,273,970	15,968,198
2530 - Training Facility Revenue Fund	417,031	2,829	417,031	415,244
Public Works Total	\$ 51,182,676	\$ 611,096	\$ 44,155,955	\$ 63,735,505
Tech. & Innovation				
1000 - General	\$ 3,910,458	\$ (403,413)	\$ 3,495,158	\$ 3,845,142
1100 - Telephone Services	981,990	415	981,990	885,104
1140 - PC Replacement	3,166,124	428	3,166,124	2,707,898
Tech. & Innovation Total	\$ 8,058,572	\$ (402,570)	\$ 7,643,272	\$ 7,438,144
Transportation Svcs				
1281 - Stadium Event Operations	\$ 725,676	\$	\$ 615,676	\$ 872,722
1282 - Arena Event Operations	15,000		15,000	14,981
1340 - Highway User Gas Tax	3,686,427	36,782	3,686,427	4,945,307
1650 - Transportation Grants	7,936,055	(88,513)	2,597,325	7,833,888
1660 - Transportation Sales Tax	11,822,518	41,862	11,822,518	12,380,915
1760 - Airport Special Revenue	600,451	2,311	600,451	674,219
1970 - Transportation Debt Service	7,331,281		7,331,281	7,331,080
1980 - Streets Constr. - 1999 Auth	448,427	(38,577)	74,743	420,573
2120 - Airport Capital Grants	16,039,242	(5,946,483)	294,047	12,654,269
2210 - Transportation Capital Project	34,902,857	200,014	6,094,684	37,810,188
Transportation Svcs Total	\$ 83,507,934	\$ (5,792,604)	\$ 33,132,152	\$ 84,938,142
Water Services				
2360 - Water and Sewer	\$ 101,008,842	\$ 393,909	\$ 73,172,003	\$ 87,984,860
1842 - ARRA Stimulus Grants	957,540	(40,000)	752,341	35,000
1200 - Utility Bill Donation				200,000
Water Services Total	\$ 101,966,382	\$ 353,909	\$ 73,924,344	\$ 88,219,860
Carryover Reserve				
1000 - General	\$	\$ 122,324	\$	\$
1283 - CamelbackRanch EventOperations		20,937		
1560 - DIF-Parks Dev Zone 2		7,456		
1600 - DIF-Roadway Improvements		1,893		
1650 - Transportation Grants		88,513		
1980 - Streets Constr. - 1999 Auth		60,059		
2080 - Gov't Facilities - 1999 Auth		3,369		
2120 - Airport Capital Grants		3,936,713		
2130 - Cultural Facility Bond Fund		375		
Carryover Reserve Total	\$	\$ 4,241,639	\$	\$
TOTAL ALL DEPARTMENTS	\$ 579,000,000	\$	\$ 429,987,972	\$ 576,000,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**City of Glendale
Full-Time Employees and Personnel Compensation
Fiscal Year 2014**

FUND	Full-Time Equivalent (FTE) 2014	Employee Salaries and Hourly Costs 2014	Retirement Costs 2014	Healthcare Costs 2014	Other Benefit Costs 2014	Total Estimated Personnel Compensation 2014
GENERAL FUNDS						
1000 - General	1,010.75	\$ 69,413,765	\$ 14,271,954	\$ 9,682,303	\$ 4,325,048	= \$ 97,693,070
1040 - General Services	31.00	1,619,294	186,879	288,582	123,907	2,218,662
1100 - Telephone Services	1.00	67,248	7,761	11,951	5,146	92,106
1140 - PC Replacement	1.00	44,070	5,086	8,313	3,372	60,841
1220 - Arts Commission Fund	1.00	60,584	6,992	5,394	4,636	77,606
1240 - Court Security/Bonds	3.00	165,552	32,316	29,606	12,667	240,141
1281 - Stadium Event Operations	2.00	82,029	9,467	17,203	6,276	114,975
1282 - Arena Event Operations	2.00	73,842	8,522	10,005	5,651	98,020
1740 - Civic Center	4.00	216,892	25,030	42,104	16,596	300,622
1750 - City Sales Tax-Bed Tax	2.50	140,971	16,269	22,180	10,788	190,208
2530 - Training Facility Revenue Fund	9.00	535,301	104,650	95,369	25,303	760,623
Total General Funds	1,067.25	\$ 72,419,548	\$ 14,674,926	\$ 10,213,010	\$ 4,539,390	= \$ 101,846,874
SPECIAL REVENUE FUNDS						
1320 - C.D.B.G.	8.75	\$ 495,812	\$ 57,222	\$ 81,187	\$ 37,937	= \$ 672,158
1340 - Highway User Gas Tax	39.00	1,948,373	224,859	352,778	149,084	2,675,094
1660 - Transportation Sales Tax	49.25	2,475,121	285,655	422,403	187,947	3,371,126
1700 - Police Special Revenue	111.00	6,776,659	1,637,927	992,530	518,342	9,925,458
1720 - Fire Special Revenue	48.00	3,239,192	721,033	482,362	82,235	4,524,822
1760 - Airport Special Revenue	6.00	306,179	35,337	38,499	23,429	403,444
1820 - CAP Grant	5.50	253,875	29,299	64,754	19,427	367,355
1840 - Grants	2.00	104,053	12,008	20,502	7,962	144,525
1860 - RICO Funds	0.50	21,250	2,453	4,157	1,627	29,487
1880 - Parks & Recreation Self Sust	5.00	195,670	22,582	34,968	14,975	268,195
Total Special Revenue Funds	275.00	\$ 15,816,184	\$ 3,028,375	\$ 2,494,140	\$ 1,042,965	= \$ 22,381,664
DEBT SERVICE FUNDS						
Total Debt Service Funds		\$	\$	\$	\$	= \$
CAPITAL PROJECTS FUNDS						
Total Capital Projects Funds		\$	\$	\$	\$	= \$
PERMANENT FUNDS						
Total Permanent Funds		\$	\$	\$	\$	= \$
ENTERPRISE FUNDS						

**City of Glendale
Full-Time Employees and Personnel Compensation
Fiscal Year 2014**

FUND	Full-Time Equivalent (FTE) 2014	Employee Salaries and Hourly Costs 2014	Retirement Costs 2014	Healthcare Costs 2014	Other Benefit Costs 2014	Total Estimated Personnel Compensation 2014
2360 - Water and Sewer	233.25	\$ 11,789,512	\$ 1,360,614	\$ 2,053,292	\$ 899,977	= \$ 16,103,395
2440 - Landfill	39.00	1,993,252	230,042	348,904	150,566	2,722,764
2480 - Sanitation	74.00	3,100,056	357,776	695,080	237,212	4,390,124
2500 - Pub Housing Budget Activities	24.00	1,175,050	135,611	223,779	89,910	1,624,350
Total Enterprise Funds	370.25	\$ 18,057,870	\$ 2,084,043	\$ 3,321,055	\$ 1,377,665	= \$ 24,840,633
TOTAL ALL FUNDS	1,712.50	\$ 106,293,602	\$ 19,787,344	\$ 16,028,205	\$ 6,960,020	= \$ 149,069,171