



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

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

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

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

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

A statement was filed by the City Clerk that the 3 resolutions and 4 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 DECEMBER, 11, 2012 CITY COUNCIL MEETING

It was moved by Clark, and seconded by Frate, to dispense with the reading of the minutes of the December 11, 2012 Regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. The motion carried unanimously.

CONSENT AGENDA

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

Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 1 and 2 by number and title.

Mayor Scruggs requested that item 1 be heard separately.

CONSENT RESOLUTIONS

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

PRESENTED BY: Horatio Skeete, Acting City Manager
RESOLUTION: 4635

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

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

RESOLUTION NO. 4635 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THE “AMENDED GLENDALE, AZ CITY COUNCIL GUIDELINES.”

It was moved by Frate and seconded by Knaack, to approve the recommended actions on Consent Agenda Item No. 2, including the approval and adoption of Resolution No. 4634 New Series, Resolution No. 4635 New Series. The motion carried unanimously.

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

PRESENTED BY: Mark Burdick, Fire Chief
RESOLUTION: 4634

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

RESOLUTION NO. 4634 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, DESIGNATING AN AGENT AND AUTHORIZING THE AGENT TO EXECUTE APPLICATIONS WITH THE ARIZONA DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS, DIVISION OF EMERGENCY MANAGEMENT AND THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FOR THE PURPOSE OF OBTAINING FINANCIAL ASSISTANCE UNDER THE DISASTER RELIEF ACT.

Mayor Scruggs asked why it was decided to name a specific individual within the resolution especially if someone leaves the organization or moves to a different position. Chief Burdick said in the past it was asked that an individual be identified. Since the individual previously holding that position has left the organization, this is just amending the name of individual. The Department of Emergency Management wants to know the name of the individual who to contact specifically.

Mayor Scruggs commented that the previous person had been gone for some time and with the previous resolution identifying him; it could have been an issue with disaster management.

Chief Burdick said they would work with the City in the event something happened, but this was their first opportunity to clean this item up since they have taken over this department from the Police Department.

Mayor Scruggs commented that it was actually FEMA that wanted a name within the resolution.

Chief Burdick said yes.

It was moved by Frate and seconded by Knaack, to approve the recommended actions on Consent Agenda Item No. 1, including the approval and adoption of Resolution No. 4634 New Series. The motion carried unanimously.

LAND DEVELOPMENT ACTIONS

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

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

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

Staff recommends approval of Final Plat Application FP12-02.

Mr. Froke said this property is an infill subdivision, consistent with the General Plan, and the applicant is bringing the project forward now because the economy is improving.

Councilmember Clark congratulated Mr. Malouf for bringing this project forward and following through. It has been six years and she is pleased he has been able to get this project going.

Mayor Scruggs said it does look like a very nice project and the enhancements make it even better.

Mr. Froke said it would be a nice addition in Glendale.

Mayor Scruggs agreed.

It was moved by Clark, and seconded by Martinez, to approve the Final Plat Application FP 12-02 for Northern Place, located at 8707 West Northern Avenue. The motion carried unanimously.

BIDS AND CONTRACTS

4. FIRE SUPPRESSION SYSTEM MAINTENANCE AGREEMENT

PRESENTED BY: Frank Lomeli, Deputy Director, Field Operations

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

Mr. Lomeli said city building require periodic testing for code compliance requirements and for overall safety of those within the buildings. This is a specialized maintenance function and falls beyond the scope, expertise and resource ability of City maintenance staff. In July 2010, the Public Works Department utilized the Cooperative Purchase Agreement with the State of Arizona to purchase these services from Johnson Controls. At that time, this was not brought forward to Council and was awarded administratively. This action would ratify a contract that has been in place since 2010. The contract and pricing is good through 2016.

Councilmember Clark asked if the list of facilities was a complete list of the facilities covered by the contract.

Mr. Lomeli said although it referenced 51 City buildings, it was 51 fire suppression systems. The contract covers all City buildings for fire detection and fire suppression.

Councilmember Clark questioned Mr. Lomeli about the facilities that were listed.

Mr. Lomeli explained how the City buildings were grouped and listed.

Councilmember Clark said she did not remember when this item came forward previously and asked if it was service that had to be done every year.

Mr. Lomeli said there was a dry testing of all the fire detection systems and a wet testing of all the fire suppression and the water line systems. The fire detections are done annually and the fire suppression testing are done four times a year.

Councilmember Clark said she did not remember this coming forward last year.

Mr. Lomeli said this was awarded administratively in 2010 and as part of an annual review of their contracts, it needed to come forward.

Councilmember Clark asked if the terms of the contract had been performed as required and bringing this item forward was just a change in ratification.

Mr. Lomeli said that was correct.

Mayor Scruggs asked if this was being brought forward as a result of the audit that Council recently saw that said there were contracts awarded administratively that should have been brought to the Council.

Mr. Lomeli said he did not know about that, but he did know this was part of a review of their contracts earlier this year and they were coming forward with this.

Mayor Scruggs said probably because of the audit.

It was moved by Clark, and seconded by Martinez, to approve the cooperative purchase agreement with Jonson Controls, Inc. in the amount not to exceed \$119,262 annually. The motion carried unanimously.

5. REQUEST TO PURCHASE 18 REPLACEMENT POLICE PATROL VEHICLES

PRESENTED BY: Stuart Kent, Executive Director, Public Works

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

This item was pulled administratively.

ORDINANCES

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

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

ORDINANCE: 2832

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

Mr. Rodzenko said this is part of the alleyway improvements between 57 Avenue and 57 Drive, from Glendale Avenue to Glenn. The existing overhead utility lines are going to be undergrounded. The City owns that property, the parking lot just north of St. Vincent de Paul business. There are no costs incurred to the City.

Vice Mayor Frate said this will be much safer and a big improvement on beautification of that walkway.

Mr. Rodzenko said it did need to be cleaned up.

ORDINANCE NO. 2832 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A UTILITY EASEMENT IN FAVOR OF ARIZONA PUBLIC SERVICE COMPANY ON CITY-OWNED PROPERTY TO ENABLE ELECTRICAL LINES AND TELECOMMUNICATION LINES FOR THE TRANSMISSION AND DISTRIBUTION

OF ELECTRICITY IN GLENDALE, ARIZONA; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

It was moved by Knaack and seconded by Martinez, to approve Ordinance No. 2832 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Clark, Hugh, Knaack, Martinez, Frate, and Scruggs. Members voting “nay”: none.

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

**PRESENTED BY: Gregory Rodzenko, P.E., Acting City Engineer
ORDINANCE: 2833**

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

Mr. Rodzenko said SRP requires an easement approximately 3 ½ feet by 3 ½ feet square at the northeast corner of 67th and Northern as part of the undergrounding exercise to take the overhead lines along Grand Avenue and put them underground. There will be no costs incurred to the City.

ORDINANCE NO. 2833 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A POWER DISTRIBUTION EASEMENT IN FAVOR OF SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT AT 67TH, NORTHERN AND GRAND AVENUES; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

It was moved by Martinez and seconded by Knaack, to approve Ordinance No. 2833 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Clark, Hugh, Knaack, Martinez, Frate, and Scruggs. Members voting “nay”: none.

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

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

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

Ms. Schurhammer requested the Council adopt an ordinance approving an operating cash transfer of approximately \$374,000 from the general fund to the water/sewer enterprise fund and the transfer of 3.5 FTE positions from the water/sewer enterprise fund to the general fund. The appropriation authority would transfer between divisions within one department, the Financial Services Department. The appropriation authority across all funds would remain unchanged.

It was moved by Clark, and seconded by Knaack to remove item from the table. The motion carried unanimously.

Councilmember Alvarez asked what they were transferring from the water fund to the general fund.

Ms. Schurhammer said they were transferring the positions and the appropriation authority because those positions are currently budgeted and funded in the water/sewer enterprise fund, but they are doing general fund related work. They need to be moved over to the right fund within that department. They would be moved over for the entire FY13. The operating cash transfer is to repay the water/sewer enterprise fund for those positions being in that fund for the past couple of years.

Councilmember Alvarez asked if they transferred those positions from the general fund to the water fund because in order to avoid the layoff, or why were those transferred.

Ms. Schurhammer said this was done at the end of FY09 or beginning of FY10 when they were doing a retirement incentive program and there was some reduction in force. At that time, the HR department was moving some positions and employees around. They were moved temporarily out of the general fund and they never got moved back to the right fund and now the city was trying to fix it. They are repaying the water/sewer fund and they are moving the positions to the correct fund.

Councilmember Alvarez asked if this was done in 2009.

Ms. Schurhammer said this was actually done at the beginning of 2010. It was after the budget was adopted.

Councilmember Alvarez said she thought they couldn't do anymore transfers after they borrowed the \$15 million to the arena from the water fund. She said the city doesn't have money in the general fund.

Ms. Schurhammer said they do have funds in the general fund. They are moving the appropriation authority, which is the authority to spend, and they are moving the cash of \$374,000.

Councilmember Alvarez said this was not a small amount of cash and she is concerned that this fund is a fund that is being paid by the consumer. The water fund is not the regular grant or anything. It is money that is being paid by the taxpayer. She asked when they borrowed from the water fund for the arena, she didn't understand how they could continue to borrow from the

water fund when it was discussed before and there are more transfers. She said they are transferring an account she could not find which was 702360. She said Ms. Schurhammer sent her some papers on a different account and she could not find that.

Ms. Schurhammer said the account numbers that were sent to Councilmember Alvarez were the budget accounts. She said this transaction has to do with the operating cash transfers, so it is a different account number and wouldn't show on the budget account listing provided to Council. She said it is an accounting transaction. This account number would not show up in the listing of account numbers she sent to Councilmember Alvarez earlier, because those were budgeted line items.

Councilmember Alvarez asked how much does the city owe. She said the city borrowed the \$15 million for the arena event operations. She asked when is that money going to be paid back to the water fund, or is it?

Ms. Schurhammer said it is scheduled to be paid back and they were making a payment this year from the general fund to the landfill fund. She said it is in the budget in the debt service schedules. They have a payment plan in there. She said she thought the repayment to the water/sewer fund was scheduled to begin in FY 2014

Councilmember Alvarez asked if the city would repay this \$374,000 for the salaries and repay the water fund.

Ms. Schurhammer said that is correct, that is this transaction.

Councilmember Alvarez asked about how much does the city have in the general fund now.

Ms. Schurhammer said the last cash report she saw was over \$8 million.

Councilmember Alvarez asked what the time frame was for that, because at one time it was zero.

Ms. Schurhammer said the cash report she is referring to is from last Friday.

Councilmember Alvarez said she didn't know about all these transfers. She said it is just getting harder and harder to understand. She said it just looks very questionable to her.

Councilmember Clark asked if this would be righting a situation where these employees at some point in the past were in the water/sewer fund, probably inappropriately. She said it has been discovered and is being rectified by moving them back into the general fund and we are reimbursing the water/sewer fund for any salaries that were paid for these people while they were inappropriately being paid previously.

Ms. Schurhammer said that is correct. They are trying to correct the situation.

Councilmember Martinez said in reading the December 18th minutes when this issue was tabled, at the very end Mr. Tindall said the water/sewer fund should be paid from the general fund for

the amount expended for the 3.5 employees. Mayor Scruggs said yes from the initial time to the present. He said this is what we are doing with this action.

Ms. Schurhammer said that is correct.

ORDINANCE NO. 2830 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 THE FISCAL YEAR 2012-2013 ADOPTED BUDGET BY AUTHORIZING TRANSFERS OF APPROPRIATION AUTHORITY WITHIN THE FINANCIAL SERVICES DEPARTMENT; AND AUTHORIZING AN OPERATING CASH TRANSFER FROM THE GENERAL FUND TO THE WATER AND SEWER FUND.

It was moved by Clark, and seconded by Martinez, to approve Ordinance No. 2830 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Hugh, Knaack, Martinez, Frate, and Scruggs. Members voting “nay”: Alvarez.

9. FISCAL YEAR 2013 BUDGET REDUCTIONS

PRESENTED BY: Sherry Schurhammer, Executive Director, Financial Services

ORDINANCE: 2834

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

Vice Mayor Frate moved to table this item until after a permanent City Manager was hired. Councilmember Alvarez seconded the motion.

Mayor Scruggs asked Mr. Tindall if discussion could be held.

Mr. Tindall said a motion to postpone or table an action is not debatable.

Mayor Scruggs said so your motion is to table this until, not until there is a new Council, but there is a permanent City Manager hired.

Vice Mayor Frate said that was his motion.

Mr. Tindall said Councilmember Alvarez seconded the motion.

Mayor asked for ayes and nays but because a majority could not be determined she took a roll call vote

Mayor Scruggs said we will have to do a roll call on this and her objection is to the qualification of a permanent City Manager, because this City is drowning in debt as it is and it could be a year from now.

The roll call vote was held and the motion carried. Ayes: Alvarez, Frate, Knaack, Martinez and Scruggs Nays: Clark and Hugh

Mayor Scruggs confirmed that this item is tabled until a permanent city manager is hired.

Mayor Scruggs asked if she could make a comment regarding the item.

Mr. Tindall said that would be the chair's prerogative. He said there is no action pending right now.

Mayor Scruggs said she believed the time frame put on the tabled item is inappropriate. She addressed Mr. Skeete stating that one of the key elements of this item appeared to be his statement that there needs to be serious department realignments, reorganizations and other actions taken to better utilize the resources and the finances of the city. She addressed Mr. Skeete stating that was his job under the city charter. Whoever told him that he had to have an ordinance to do his job, she found extremely curious and out of place. She read from the city charter and under section 3, city manager powers and duties, item 3 is appoint and when deemed necessary for the good of the service, layoff, suspend, transfer, demote or remove all department heads, officers and employees of the city subject to such merit system regulations as the council may adopt. She wanted it on the record that while this is being tabled until some point unknown in the future, he should continue doing his job as the city charter lays it out.

Vice Mayor Frate said he thought this should be discussed with a permanent city manager and the new city council. He said it would be less disruptive to the residents of Glendale. He said this could reoccur with a new city manager. He said that would create a very poor morale situation in the organization. Even with this recommendation today, the interim city manager chose not to follow council direction on the funding of the CVB employees from the hotel bed tax as was recommended by the city council, with only one Councilmember voicing any opposition. He asked if other actions were being taken contrary to city council direction and that is why he tabled it for today.

Councilmember Clark said it is imprudent to table this item until the selection of a permanent city manager. This could take up to a year. In the meantime, budgetary cuts are cumulative and they have a greater impact the earlier they are done. She finds it disturbing that cuts that have been suggested recently all have been rejected for one reason or another. She is concerned about how this will reflect on the budget cycle in the spring. These are actions that needed to be taken immediately. If there are reasons why this council did not like the cuts suggested, they should have forwarded other cuts, other than the suggestion to cut everyone's salary by a certain percentage. The situation is not being handled in an appropriate manner and she is very concerned.

Mayor Scruggs said tonight was supposed to be the swearing in of the new council, but because Mayor-Elect Weiers, by state law, needs to complete his term in the state legislature, it was moved back a week. If that had not happened, the new council would be sworn in tonight and there would be no action taken on these budget amendments, but there would be very shortly, by those 7 people, who should make the decisions. She listened to Mayor-Elect Weiers' interview on Channel 12 today and he made some statements that speak directly to her position on this. He said this city is in a financial crisis, as Councilmember Clark just pointed out. He said Jobing.com is a big burden. The council has voted and they have given him something that his hands are tied with now. That may go away in two weeks, with any luck whatsoever. He said how do you support a hockey team when you can't support your own police department. She continued that she was going to vote against this to give the new council the opportunity to deal with this, not for 6, 8, 10 months from now, but right after they got seated, right after they got seated, because they are the ones that are going to be living with this. She wasn't going to vote for it, but to put it into a time indefinite.

Mayor Scruggs commented that the Council gave every opportunity they could to the new council to start meeting together to look for who they wanted in the process. There is a process to hire a city manager. As far as she knew there have been no meetings of anybody. Council wanted to give them every opportunity; to get started, be going when the new council came in, nothing like that happened. Councilmember Clark is correct. This is an extraordinarily serious situation. As she said earlier, the charter tells the City Manager what he was supposed to do as a manager and she thought there were a lot of people that are waiting for him to just do what needs to be done and she hoped along the way one of those is to adequately fund this police department that we have. Nothing scares her more than knowing that the police officers are leaving the system because of the uncertainty here. They were never funded correctly in the first place, \$1 million unfunded, to make it look like this budget was something real. This budget was a travesty to begin with and she hoped that Mr. Skeete takes whatever action needed so that the city can keep the police officers in place, they can have gasoline in their cars, and they can know there are going to be bullets for their guns and whatever equipment and uniforms that they need. Mr. Skeete said the fire department is \$1 million short. She couldn't believe the manpower shortages in police and that is why she was focusing more on police. To say to a date uncertain when there is a new city manager. There will be a new city council next week and you can take a different action.

Councilmember Alvarez said that is her reason for the new council to come in and make the decisions. They have no right to make decisions when some of them are going to be leaving very soon. She thinks there are things she can point out and she has talked to Mr. Skeete and she thinks this is the wrong way to take this forward. They need to let the new council come in and make those decisions.

Councilmember Martinez said Mr. Skeete sent them a report on the executive search firms for city manager recruitment. He suggested they start the process and at least identify firms that do this kind of work so they could get a head start on it, even though they wouldn't select the new manager until the new council came aboard. He said they have lost that time and it cannot be made up. He said this is something they need to move on right away, because of the action taken

this evening, it is imperative. He asked a question of Mr. Skeete regarding the firms selected to hire a new city manager. He said he did not see one Arizona firm on there.

Mayor Scruggs said is this an item that is agendaized for us to be discussing.

Mr. Tindall said to the extent it would apply to when the motion would be reheard by council, because it was tabled to an issue that is related to what Councilmember Martinez is asking about, and then it would be.

Mayor Scruggs said she thought probably the only people that got it are the 7 of you that were supposed to call a meeting of yourselves. The rest of the Council didn't know what you are talking about.

Councilmember Martinez asked Mr. Skeete if he just sent it to Councilmember Martinez.

Mr. Skeete said it went to the members of the search committee, which was the full council-elect and the three currently serving Councilmembers who will continue after next week.

Councilmember Martinez asked who put the list together.

Mr. Skeete said the HR department used the names of the executive search committees they have used in the past. They also received some suggestions from some of the council-elect.

Councilmember Martinez said that was his question. He asked in the whole state of Arizona, they don't even have at least one firm that does this kind of work.

Mr. Skeete said to the best of his knowledge, there are no executive search firms in Arizona that specialize in a search for a city manager or city employees.

Councilmember Martinez said that answers his question, but finds it amazing there is not a firm in Arizona that does this kind of work.

Councilmember Knaack said she did not know or expect this item to be tabled. She had some comments as she thought they would be discussing this item. She said one thing was her concern of the retractions of some of the items that they discussed and also the CVB funding, the FTEs. She had some concerns that council direction had not been followed. She also said as far as the employees, she just feels like they are slashing and burning without a lot of serious thought about this to get the budget where it needs to be. She said they wanted to remove 63 positions, but 40 of them are already vacant. She felt if they remove the 40 vacancies from the budget, there are 23 left. They have been losing 10 to 13 people a month since October. She thinks the attrition alone would have taken care of the 23 people and not have to lay off current employees. She said they could take out the 40 vacancies and the 23 positions should remain and by attrition, they would be taken care of. She felt the reorganization was vague in the presentation and she believed the reorganization should be done by the permanent city manager. She thinks some of the issues should be sent through the council at a workshop as they all need to be part of the

solution. She thought the council has a responsibility in this as well, and since this has been tabled, those concerns will be talked about at a later date.

Councilmember Alvarez said by tabling this, the new councilmembers can make the same or other decisions that are going to help management. She said the manager needs to have people working with him that he can trust and that he can work with. She said she doesn't interact that much, but the manager needs to make the decisions as to who is going to work for him or her. She said the manager will continue to be Mr. Skeete, but in the meantime, they have to have stability and right now is not the time to be reacting on changing when they are not going to be there. That is why the other council was elected, to make those decisions. She said it is a good idea that they are tabling this issue.

Councilmember Hugh said he voted nay on the motion to table. He said he was not against tabling the item; he was against the reason for it. He agreed with both Mayor Scruggs' and Mayor-Elect Weiers' comments. He said the city isn't swimming in debt, it is sinking in debt and they need to take serious action and start looking at it. He agreed with Mayor Scruggs' comments about public safety. He said people misunderstood the vote on Prop 457. He said people thought that was going to save public safety jobs and that is not what is happening. He said there are serious problems and they need to start taking a look at them. He has no problem with looking at the issues right away with the new council.

Vice Mayor Frate said it is up to the new council if they want to take 6, 8 or 10 months to go through a process. He said they could very well go through the process in 90 days; it is up to the council. He said Councilmember Martinez mentioned about starting this process several months ago. He supported it, but it was not supported by all of council. Now they are going to have to be in a big hurry. He said going through a realignment process with an interim city manager, they might have to do it all again with a new city manager. He said they gave direction and it was not followed. He asked what else is going on that they don't know. He said the slash and burn approach doesn't do anything for the employees' morale. He said the citizens see the employees every day. He said the employees suffer not knowing whether they have a job from one week to the next.

Mayor Scruggs said there is one correction. Council agreed that the new council, as soon as they were known on November 5th or 6th, whatever election day was, that they were to start working together to determine the process they wanted to follow to hire a city manager and to get going with it. That was even publicized in the newspaper. Why the 7 of you didn't get together, she didn't know, but that was not something that everybody agreed to. Regarding the item that seems to have everybody stirred up, the use of the extra increase in the bed tax and the manager did not follow council direction. Perhaps the manager looked at this in terms of the commitments made to the public. Now, Councilmember Hugh talked about the commitments made with Proposition 457 and how they are not being kept. People voted against 457 and the city has an underfunded police department and fire department, and that was supposed to be where the money was to go first. Perhaps Mr. Skeete said it is time to turn this ship around and start doing what we've told the people we are going to do when we asked them to vote. That was, very clearly, to put that additional money into tourism which brings in revenue. Perhaps what he did was to say we are going to follow the law, the law that was voted in when people

voted for it. When you talk about employee morale she was right there with you. But, the employee morale is down because they see Mr. Greg Jamison getting over \$300 million. See the heads out there? They see him getting over \$300 million and themselves losing because of it. Maybe 10 years, 12 years from now, things will be better at the arena because Mr. Greg Jamison gets money to pay his employees, and that's what it is. He's getting money to pay his employees. Like Mayor-Elect Weiers said how can we support players when we can't even support our own police. That is where the morale is falling. They see who gets to stay on the payroll and who doesn't, and why.

Councilmember Alvarez said as far as the new council working, she knows they have been working very hard in their districts. They have walked their districts, talked to people, something that has not been done in the past. She said Mr. Hugh came in and has been working very hard with his district. She said Mr. Sherwood was at meetings trying to get information together. She said they are trying to get input from the people and the taxpayer, which is what they should be doing. She also said morale is not going to improve until you guarantee the employees that they have been appreciated for what they have done. As long as you don't do that, it is not going to lift morale. She said she hates to hear that the new council is not working, because they have been working very hard.

Mayor Scruggs apologized if she said something that was misunderstood. She had said she didn't know why the 7 didn't get together to work on the manager.

Councilmember Alvarez said they did.

Mayor Scruggs said she knew they were working. Just for clarification, her only objection to tabling this, her only objection, is tagging on the appointment of a permanent city manager. This is the policy making legislative body. This is the group that should make the decisions, and she wanted to table it just long enough to get the 7 that have been chosen by the citizens of Glendale in place to make those decisions, not to have it rest on the city manager, but on the people who have to make those decisions. It is a tough thing to jump into right off the bat into something like this, but these particular four new people that have been elected, have been following this issue for months. It is not like they don't know what it is. She supported the tabling. She does not support it contingent on the city manager position. It should be contingent on the 7 elected officials. When there is a new council, there can be a new motion.

Councilmember Martinez said the Coyotes and arena is our whipping boy. He feels the decision made is the best one for the city for the long run, but he knows there is not full agreement on this. He said there are about 3 weeks until they know if there is going to be a new owner. He said if the deal falls through the Coyotes are gone, the city won't have a whipping boy anymore and they are stilling going to have major problems.

PUBLIC HEARING - RESOLUTIONS

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

PRESENTED BY: Gilbert Lopez, Revitalization Administrator

RESOLUTION: 4636

This is a request for City Council to conduct a public hearing, waive reading beyond the title, and adopt a resolution approving a third substantial amendment to the Fiscal Year (FY) 2008-09 Community Development Block Grant Annual Action Plan. The amendment will allow two vacant parcels purchased with Neighborhood Stabilization Program (NSP) funds to be land banked until such time that development can proceed, and reallocating the unused funds in the amount of \$900,824 to Habitat for Humanity Central Arizona, to continue to purchase, rehabilitate, and resell foreclosed properties in Glendale for a period of up to three years. Staff is requesting that Council authorize the Acting City Manager to sign all development agreement amendments, as well as a new contract with Habitat for Humanity Central Arizona, effectuating the amendment.

Mr. Lopez said the Community Development Advisory Committee (CDAC) held a public hearing on October 18, 2012 to solicit public comment on the amendment. No comments were received during the comment period. CDAC voted unanimously to approve the amendment and forward it to council for formal action. Staff is requesting the council conduct a public hearing and adopt a resolution including the 3rd substantial amendment to the FY08-09 annual action plan authorizing the acting city manager to sign all development agreement amendments as well as a new contract with Habitat for Humanity Central Arizona, effectuating the amendment.

Councilmember Martinez said the council communication said it would allow two vacant parcels to be land banked until such time as development can proceed. He said in the Ocotillo district, there have been vacant parcels for many, many years. He said they are blight to the neighborhood and the city. He said part of the problem is out of state owners. He asked could monies from this fund be used, if those parcels could be identified, and try to go after them.

Mr. Lopez said they would have to have a plan for it so they could develop it. In this case, they had two developers who had proposals that were reviewed. He said this money was intended only for foreclosed properties so they couldn't go after something where the title was not clear. They have other funds for that type of property. He said that is the Community Development Block Grant, and when they can, they use the lien portion of that to clean the properties and lien them until it can be paid back. He said it is working, but there are a lot of properties out there.

Councilmember Martinez said he thought that might be the case because it said foreclosures. He said that is something they need to look at, look at the vacant parcels to identify who owns them and go after grants to do something with those parcels.

Councilmember Knaack said she was very excited about this as it was senior housing, and they have been working on this for a very long time. She said the one in her district is quality development for senior living in this city. She said this has been in the works for about 4 years. This is very exciting it is moving forward.

RESOLUTION NO. 4636 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, APPROVING AND AUTHORIZING THE

SUBMISSION OF A NEIGHBORHOOD STABILIZATION PROGRAM (NSP) THIRD SUBSTANTIAL AMENDMENT TO THE ANNUAL ACTION PLAN FOR FISCAL YEAR 2008-09 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO HOLD IN RESERVE OR “LAND BANK” TWO VACANT PROPERTIES FROM MULTI-FAMILY SENIOR HOUSING BY AMENDING THE DEVELOPMENT AGREEMENTS; AND TO REALLOCATE \$900,824 IN NSP SENIOR HOUSING FUNDING FOR THE ACQUISITION, REHABILITATION AND RESALE OF FORECLOSED PROPERTIES.

Mayor Scruggs opened the public hearing on Agenda Item No. 10. As there were no comments, Mayor Scruggs closed the public hearing.

It was moved by Frate, and seconded by Knaack, to pass, adopt and approve Resolution No. 4636 New Series. The motion carried unanimously.

FUTURE MEETING

It was moved by Frate, and seconded by Knaack, to vacate the next regularly scheduled City Council Workshop on Tuesday, January 15th, 2013 at 1:30 p.m. in order to conduct the Council installation ceremony at 7:00 p.m. in council chambers. The motion carried unanimously.

CITIZEN COMMENTS

Andrew Marwick, a Phoenix resident, said he believed the Arena and Coyotes were referred to as a whipping boy, for good reason. He said the NHL is no longer as dominant as they thought they were. Their superstars are not returning. He said the situation is not viable. He asked if the city would be able to continue making these payments for 20-25 years, along with the arena debt and spring training ballpark debt. He said just in the first 3 or 4 months, the city had a shortfall. He said the city should focus on public safety and cited statistics. He said the statistics showed the police department was too understaffed to patrol the streets. He said the city was sold a bill of goods with Westgate and Main Street, and that Main Street was still a cotton field. He said the Verizon and Coach stores have already closed at Westgate and the stores were not doing well. Due to the lockout, the hockey season has been decimated. He said the new council has to look at dealing with the debt on the arena, the ballpark and the \$350 million to keep hockey in the valley.

Joy Richards, a Sahuaro resident, said she was here with Glendale Crisis Response regarding the issue of whether or not they need coordinators. She said the city does need coordinators. She said the three positions they were talking about eliminating for coordinator were the only positions for coordinators. She said 72 people volunteered over 24,600 hours just last year. They are proud of the fire department. They buy their own uniforms and meals and serve the citizens of Glendale proudly. Their volunteers are dependent on the coordinators. The interns are invested and are giving the city 24 hours a week in a learning contract. She said this is not their hobby, it is a learning contract. She said they receive mentoring and education and they give the citizens of Glendale 24 hours a week working towards their degree. They cannot void

the learning contract; they have to have licensed coordinators. She said her coordinators respond to her 24/7. They have horrendous calls. She can't talk to her friends or family about this program. She has to be able to call her coordinators. They are also there to support the fire department and police department personnel. She said getting rid of the coordinators is not going to happen without getting rid of crisis response. She said they are a core value in Glendale.

Dennis Pooler, a Yucca resident, said he and his wife would like to thank the outgoing Mayor and members of the council for their years of service. They will be missed. He also welcomed the new Mayor and Councilmembers and wished them well in their service. He said, as an informed citizen, he will be keeping an eye on his new-elected councilperson. He made a passionate plea for the survival of the crisis response team. He said if they have ridden with them in their CR van, the council knows the value of their team.

Bill Demski, a Sahuaro resident, said there was an eviction on his block earlier and the next day, part of the family's belongings were still on the street. There was also a short sale sign on his block. He said many people are still hurting. He was hired by the city of Glendale in 1983 and two hours on the job, his boss was telling him to slow down. He said there were hundreds and thousands of dollars in waste. He said in the city of Glendale, the inmates run the asylum. He talked about the top earnings of police and fire employees. He said when he moved into Glendale 30 years, it was a pretty good city. He asked where the city was going to get \$320 million to pay Mr. Jamison.

Ken Jones, an Ocotillo resident, said he had been reviewing the lease that city approved with Mr. Jamiso and it was hard to get through. He said it would be hard for the Council to say they read every word of the lease before they voted for it. The lease contains items that favor Mr. Jamison 10 to 1 or 15 to 1 over what the city gets. He said there is a lot of suspicion why some of the councilmembers voted for this deal. He said the citizens would like to hear the outgoing Councilmembers say they were not going to benefit financially from this lease deal.

Kim Baker, an Avondale resident, read an excerpt from scripture to the Council. He said he was disturbed that the police spent so much time in the landfill looking for a body. He read articles that said \$750,000 was spent at the landfill. He said it was a lot of money spent. He said he hopes she is found alive. He said he has evidence that this was a covert police operation. He said if the information that the little girl was in the landfill was to be false, he asked the police chief where that information came from.

Arthur Thruston, a Cactus resident, said he was saddened by what transpired at the meeting tonight. He responded to comments made relative to the police department and Jessyhe Shockley and said he thinks the police did everything possible to find her. He said he had been working to make things better in the city and if they had been more successful, the city would have been able to hire more police, fire and crisis response personnel. He said he thinks Mayor Scruggs is the best mayor. He offered the first \$1,000 for a bust or tribute of Mayor Scruggs, wherever they decide to put it. He also offered \$500 for anyone who knew how many citrus trees there were in Sahuaro Ranch Park.

COUNCIL COMMENTS

Councilmember Hugh congratulated Councilmember Clark, Vice Mayor Frate and Mayor Scruggs for their years of service on the council.

Councilmember Alvarez said there were questions about a meeting she had on January 3rd. She said she was trying to get some advice from members of the community, media and the unions as to the layoffs for the city employees. She was trying to get an agreement with cutting or reducing salaries from the top and not the bottom. She said she was trying to get an agreement that anyone earning more than \$100,000 would have a 10% cut. Not everyone was in agreement. She just wanted to clarify. It was not a secret, it was at her home and it was just to get feedback from people who feel they need to save employee jobs. She really thought about why they should do this to protect the employees that earn the lower wages. She thought about the bad decisions the council has made in the past. The city needs to think twice about business decisions and insure transparency, and to stop providing services on the backs of taxpayers and employees. She said the meeting was not to hurt anyone, but to try and keep the employees. She said it is one thing to bring money into the city in 12 years, but they need money now. She said the past is what has gotten the city to this point.

Councilmember Clark said tonight is her last city council meeting. For 16 years, she has served as the Yucca District Councilmember. She said some people deserve her special thanks. She thanked her family, the people of the Yucca District, and the city of Glendale personnel. She ended with a quote from Charles Dickens.

Vice Mayor Frate said tonight was his last city council meeting. He thanks the residents of the Sahuaro District, the city employees, his colleagues, and his family. He welcomed the new council members, including Gary Sherwood who will be replacing him in the Sahuaro District. He ended with a quote about attitude.

Councilmember Martinez said he was saddened tonight to see his departing Councilmembers leave. He said even though they haven't always agreed on the issues, he respects each of them and will miss them. He looks forward to working with the new members of the council. He said better times are ahead.

Councilmember Knaack wanted to acknowledge working with the departing Councilmembers. She admired their perseverance. She said she knew they always had the best interests of the city at heart, even though they didn't always agree. She said the new Mayor and Councilmembers all have the best interest of Glendale at heart. She said it is a new time for Glendale and she thinks it will be a positive one.

Mayor Scruggs said thank you all and thank you for your attendance this evening and thank you, especially, to the crisis response team members. Your passion, you're caring, all that selflessly give and want to give more, are really the very best part of this city. As she has said in enough interviews along the way, the best part of this job for the past almost 23 years really has been being able to work with people like you, to get to know you, to learn from you, to share fellowship with you. The trite wind beneath the wings saying, which she hates to say something

like that, but really are the heart and soul of the city and what makes being in public service rewarding. There are a few of you here tonight and there are thousands more out there. She couldn't say thank you enough.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:04 p.m.

Pamela Hanna

Pamela Hanna - City Clerk