



**MINUTES OF THE
GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
May 27, 2014
6:00 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 Brenda Fischer, City Manager; Julie Frisoni, Assistant City Manager; Jennifer Campbell, Assistant City Manager; Michael Bailey, City Attorney; and Pamela Hanna, City Clerk.

Mayor Weiers called for the Pledge of Allegiance.

The prayer/invocation was given by Pastor Rick Meyers from Arrowhead Fellowship.

APPROVAL OF THE MINUTES OF MAY 13, 2014

It was moved by Councilmember Martinez and seconded by Councilmember Hugh to dispense with the reading of the minutes of the May 13, 2014 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.

APPROVAL OF THE MINUTES OF APRIL 22, 2014 EXECUTIVE SESSION (Minutes not attached; exempted pursuant to A.R.S. § 38-431.03(B))

It was moved by Councilmember Sherwood and seconded by Vice Mayor Knaack to dispense with the reading of the minutes of the April 22, 2014 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.

BOARDS, COMMISSIONS AND OTHER BODIES

**APPROVE RECOMMENDED APPOINTMENTS TO BOARDS, COMMISSIONS & OTHER BODIES
PRESENTED BY: Councilmember Manuel D. Martinez**

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

Arts Commission

Marilyn E	Barrel	Appointment	05/27/2014	09/27/2015
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Board of Adjustment

Barbara Garland	Cactus/ Ocotillo	Reappointment	06/30/2014	06/30/2016
William Toops	Barrel	Reappointment	06/30/2014	06/30/2016
William Toops – Chair	Barrel	Appointment	06/30/2014	06/30/2015
Lynda Vescio – Vice Chair	Cholla	Appointment	06/30/2014	06/30/2015

Citizens Bicycle Advisory Committee

Larry Flatau	Barrel	Appointment	07/25/2014	07/25/2016
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General Plan Steering Committee

Dr. Francis Sisti	Cholla	Appointment	05/27/2014	01/01/2016
Bruce Larson	Mayoral	Appointment	05/27/2014	01/01/2016

Historic Preservation Commission

Theodora Hackenberg	Barrel	Appointment	05/27/2014	04/13/2016
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Parks & Recreation Advisory Commission

Chase MacKay – Teen	Yucca	Appointment	05/27/2014	05/27/2015
Yesenia Rascon – Teen	Ocotillo	Reappointment	05/27/2014	05/27/2015

Public Safety Personnel Board/Fire

Joe Hester	N/A	Reappointment	07/01/2014	07/01/2018
Mark Manor	N/A	Reappointment	07/01/2014	07/01/2018

Risk Management/Worker’s Compensation Trust Fund Board

Kenneth Wixon	Cactus	Appointment	07/24/2014	07/24/2017
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It was moved by Councilmember Martinez and seconded by Vice Mayor Knaack to appoint Marilyn E to the Arts Commission; Barbara Garland, William Toops, and Lynda Vescio to the Board of Adjustment; Larry Flatau to the Citizens Bicycle Advisory Committee; Dr. Francis Sisti and Bruce Larson to the General Plan Steering Committee; Theodora Hackenberg to the Historic Preservation Commission; Chase MacKay and Yesenia Rascon to the Parks & Recreation Advisory Commission; Joe Hester and Mark Manor to the Public Safety Personnel Board/Fire; and Kenneth Wixon to the Risk Management/Worker’s Compensation Trust Fund Board, for the terms listed above. The motion carried unanimously.

PROCLAMATIONS AND AWARDS

PROCLAIM JUNE 1-7, 2014 AS NATIONAL CPR AND AED AWARENESS WEEK

PRESENTED BY: Office of the Mayor

ACCEPTED BY: Dr. Ben Bobrow, Medical Director, Arizona Department of Health Services (ADHS) Bureau of Emergency Medical Services (EMS) and Trauma System

This is a request for City Council to proclaim June 1-7, 2014, as National CPR and AED Awareness Week to strengthen the bystander “link” in the “cardiac chain of survival” for victims of ventricular fibrillation/sudden cardiac arrest.

Doctor Ben Bobrow is a member of the Arizona Emergency Medicine Research Center and the Sarver Heart Center at the University of Arizona. He is the medical director for the Arizona Department of Health Services (ADHS) Bureau of Emergency Medical Services (EMS) and Trauma System and will be present to accept the proclamation.

2014 RUTH BYRNE HISTORIC PRESERVATION AWARD

PRESENTED BY: Office of the Mayor

ACCEPTED BY: Kim Gladding, Senior Pastor, First United Methodist Church of Glendale

This is a request by the Historic Preservation Commission for City Council to recognize the First United Methodist Church as the recipient of the prestigious Ruth Byrne Historic Preservation Award for its dedication to the preservation of Glendale’s historic heritage.

Senior Pastor, Kim Gladding, will be present to accept the award.

CONSENT AGENDA

Ms. Brenda Fischer, City Manager, read agenda item numbers 1 through 12.

1. APPROVE LIQUOR LICENSE NO. 5-13493, MARISCOS CULIACAN

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license for Mariscos Culiacan located at 5821 North 67th Avenue, Suite 101-103. The Arizona Department of Liquor Licenses and Control application (No. 12079868) was submitted by Theresa June Morse.

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

2. APPROVE LIQUOR LICENSE NO. 5-13529, THE NEW KAHLUAS

PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a person-to-person transferable series 6 (Bar - All Liquor) license for The New Kahluas located at 5106 North 51st Avenue. The Arizona Department of Liquor Licenses and Control application (No. 06070107) was submitted by Theresa June Morse.

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

3. APPROVE LIQUOR LICENSE NO. 5-13583, ANAYA'S FRESH MEXICAN RESTAURANT
PRESENTED BY: Susan Matousek, Revenue Administrator

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license for Anaya's Fresh Mexican Restaurant located at 5870 West Thunderbird Road, Suite B3. The Arizona Department of Liquor Licenses and Control application (No. 12079879) was submitted by Paul Adolph Allen, Sr.

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

4. AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH UNIQUE MANAGEMENT SERVICES, INC. FOR LIBRARY COLLECTION SERVICES
PRESENTED BY: Cheryl Kennedy, Chief Librarian, Parks, Recreation and Library Services

Contingent upon approval of the FY 14-15 City Budget, this is a request for City Council to authorize the City Manager to enter into a two-year professional services agreement with Unique Management Services, Incorporated for an amount not to exceed \$50,000 for library collection services to include non-returned library materials and fines.

5. AUTHORIZATION TO ENTER INTO AMENDMENT NO. ONE TO EXTEND AGREEMENT TERMS AND INCREASE EXPENDITURE AUTHORITY FOR PURCHASE OF EQUIPMENT, REPAIRS, AND MAINTENANCE FROM JAMES, COOKE AND HOBSON, INC.
PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

This is a request for City Council to authorize the City Manager to extend the agreement terms and to increase the expenditure authority with James, Cooke and Hobson, Inc. (JCH) in an amount not to exceed \$250,000 annually. The extension of the agreement terms is for one year and the increase in expenditure authority is for an additional \$100,000 from the original agreement amount for pump and mixer equipment, repairs and service.

6. RATIFICATION OF EXPENDITURE OF FUNDS FOR PURCHASE OF EQUIPMENT, REPAIRS, AND MAINTENANCE FROM JAMES, COOKE AND HOBSON, INC.
PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

This is a request for City Council to ratify the expenditure of funds in an amount not to exceed \$120,485.05 to James, Cooke and Hobson, Inc. (JCH) for pump and mixer equipment, repairs and service provided in fiscal year (FY) 2013-14.

7. EXPENDITURE AUTHORIZATION FOR ELECTRICITY SERVICE FROM ARIZONA PUBLIC SERVICE COMPANY
PRESENTED BY: Stuart Kent, Executive Director, Public Works

This is a request for City Council to authorize the expenditure of funds for electricity service with Arizona Public Service Company (APS) in the approximate amount of \$5 million in fiscal year (FY) 2014-15.

8. EXPENDITURE AUTHORIZATION FOR ELECTRICITY SERVICE FROM SALT RIVER PROJECT
PRESENTED BY: Stuart Kent, Executive Director, Public Works

This is a request for City Council to authorize the expenditure of funds for electricity service with Salt River Project (SRP) in the approximate amount of \$2.7 million in fiscal year (FY) 2014-15.

9. EXPENDITURE AUTHORIZATION FOR NATURAL GAS SERVICE FROM SOUTHWEST GAS CORPORATION
PRESENTED BY: Stuart Kent, Executive Director, Public Works

This is a request for City Council to authorize the expenditure of funds for natural gas service with Southwest Gas Corporation (Southwest Gas) in the approximate amount of \$100,000 in fiscal year (FY) 2014-15.

10. EXPENDITURE AUTHORIZATION FROM THE MUNICIPAL ARTS FUND FOR THE PERFORMING ARTS PARTNERSHIP PROGRAM FOR FY2014-15
PRESENTED BY: Erik Strunk, Executive Director, Parks, Recreation and Library Services

Contingent upon Council approval of the FY 2014-15 City Budget, this is a request for City Council to approve the expenditures from the Municipal Arts Fund recommended by the Glendale Arts Commission for the Fiscal Year (FY) 2014-15 Performing Arts Partnership Program.

11. AUTHORIZATION TO RENEW ANNUAL CONTRACT WITH GOVERNMENTJOBS.COM, INC. (NEOGOV) FOR APPLICANT TRACKING AND EMPLOYMENT APPLICATIONS
PRESENTED BY: Jim Brown, Executive Director, Human Resources and Risk Management

This is a request for the City Council to approve renewing the annual contract with Government Jobs.com, Inc. (d.b.a. "NEOGOV") which provides the city with an automated applicant tracking system and on-line employment application.

12. AUTHORIZATION TO INCREASE EXPENDITURE AUTHORITY WITH PROFORCE MARKETING, INC. FOR ADDITIONAL COSTS ASSOCIATED WITH FIREARMS PURCHASE
PRESENTED BY: Debora Black, Police Chief

This is a request for City Council to authorize an increase of approximately \$3,857, to the previously approved expenditure authority to ProForce Marketing, Inc., dba ProForce Law Enforcement (ProForce), for additional costs associated with the firearms purchase.

It was moved by Vice Mayor Knaack and seconded by Councilmember Chavira to approve the recommended actions on Consent Agenda Item Numbers 1 through 12, and to forward Liquor License Application No. 5-13493 for Mariscos Culiacan, Liquor License Application No. 5-13529 for The New Kahluas and Liquor License Application No. 5-13583 for Anaya's

Fresh Mexican Restaurant 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 13 through 15 by number and title.

13. AUTHORIZATION TO ENTER INTO A GRANT AGREEMENT WITH THE ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT

PRESENTED BY: Debora Black, Police Chief

RESOLUTION: 4800

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 Governor's Office of Highway Safety (GOHS) Oversight Council on Driving or Operating Under the Influence Abatement, and accept a grant award in the approximate amount of \$50,000 to enhance enforcement throughout the City of Glendale.

RESOLUTION NO. 4800 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, IF AWARDED, OF A GRANT APPLICATION 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.

14. AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR 59TH AND OLIVE AVENUE INTERSECTION SAFETY IMPROVEMENTS

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

RESOLUTION: 4801

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement (IGA) with the Arizona Department of Transportation (ADOT) for design of the intersection safety improvement project at 59th and Olive avenues.

RESOLUTION NO. 4801 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 AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR INTERSECTION SAFETY IMPROVEMENTS AT OLIVE AND 59TH AVENUES.

It was moved by Vice Mayor Knaack to hear Item 15 separately.

It was moved by Vice Mayor Knaack and seconded by Councilmember Sherwood to approve the recommended actions on Consent Agenda Item Numbers 13 and 14, including the approval and adoption of Resolution No. 4800 New Series and Resolution No. 4801 New Series; The motion carried unanimously.

Item 15 was heard separately. Vice Mayor Knaack wished to recuse herself as she sits on the board of directors for Heart for the City.

15. AUTHORIZATION FOR A LICENSE AND USE AGREEMENT WITH HEART FOR THE CITY FOR A COMMUNITY GARDEN

PRESENTED BY: Stuart Kent, Executive Director, Public Works

RESOLUTION: 4802

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 License and Use Agreement (License) with Heart for the City, a not-for-profit corporation, for the use of city-owned property for a community garden.

RESOLUTION NO. 4802 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 OF A LICENSE AND USE AGREEMENT WITH “HEART FOR THE CITY” FOR USE OF CITY REAL PROPERTY LOCATED AT APPROXIMATELY 6850 WEST BETHANY HOME ROAD FOR THE PURPOSE OF A COMMUNITY GARDEN IN GLENDALE, ARIZONA.

It was moved by Councilmember Martinez and seconded by Councilmember Chavira to approve the recommended actions on Consent Agenda Item Number 15, including the approval and adoption of Resolution No. 4802 New Series. The motion carried unanimously.

BIDS AND CONTRACTS

16. AWARD OF BID AND AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH DIAMOND RIDGE DEVELOPMENT CORPORATION FOR IMPROVEMENTS AT THE OASIS WATER CAMPUS

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

This is a request for City Council to award a bid and authorize the City Manager to enter into a construction agreement with Diamond Ridge Development Corporation in an amount not to exceed \$53,330 for improvements to the Oasis Water Campus Administration offices.

Mr. Johnson said the Oasis Water Campus has become the main office for Water Services staff to increase efficiency and improve communication.

It was moved by Councilmember Chavira and seconded by Councilmember Hugh, to award a bid and authorize the City Manager to enter into a construction agreement with Diamond

Ridge Development Corporation in an amount not to exceed \$53,330 for improvements to the Oasis Water Campus Administration offices. The motion carried unanimously.

17. AWARD OF BID AND AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH NPL CONSTRUCTION CO. FOR UTILITY CUTS AND PAVEMENT AND CONCRETE REPAIR
PRESENTED BY: Craig Johnson, P.E., Executive Director, Water Services

This is a request for City Council to award a bid and authorize the City Manager to enter into a construction agreement with NPL Construction Co. for utility cuts, and pavement and concrete repair in an amount not to exceed \$899,773.

Mr. Johnson said this is a joint request from the Water Services and Public Works departments. This agreement will allow the city to complete pavement and concrete restoration in a timely manner.

It was moved by Councilmember Hugh, and seconded by Councilmember Martinez, to award a bid and authorize the City Manager to enter into a construction agreement with NPL Construction Co. for utility cuts, and pavement and concrete repair in an amount not to exceed \$899,773. The motion carried unanimously.

18. AWARD OF PROPOSAL 14-23 AND AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH COMMUNITY SUPPORT SERVICES, INC. FOR HOME DETENTION AND ELECTRONIC MONITORING SERVICES
PRESENTED BY: Christopher Phelps, City Court Administrator

This is a request for City Council to award Request for Proposal 14-23 to Community Support Services, Incorporated for home detention and electronic monitoring services, and to authorize the City Manager to enter into a two-year agreement with Community Support Services, Incorporated and to renew the contract, at her discretion, for an additional three years, in one-year increments based on satisfactory contractor performance.

It was moved by Councilmember Martinez, and seconded by Vice Mayor Knaack, to award Request for Proposal 14-23 to Community Support Services, Incorporated for home detention and electronic monitoring services, and to authorize the City Manager to enter into a two-year agreement with Community Support Services, Incorporated and to renew the contract, at her discretion, for an additional three years, in one-year increments based on satisfactory contractor performance. The motion carried unanimously.

ORDINANCES

19. ADOPT AN ORDINANCE AMENDING GLENDALE CITY CODE, CHAPTER 2, ARTICLE V, DIVISION 5 RISK MANAGEMENT TRUST FUND AND DIVISION 6 WORKERS' COMPENSATION TRUST FUND
PRESENTED BY: Jim Brown, Executive Director, Human Resources and Risk Management
ORDINANCE: 2892

This is a request for City Council to waive reading beyond the title and adopt an ordinance amending Chapter 2, Article V, Division 5, Risk Management Trust Fund and Division 6 Workers' Compensation Trust Fund. The purpose is to separate the existing ordinance, Risk Management and Workers' Compensation Trust Funds into two distinct operating funds and describe the requirements of each Fund.

Mr. Brown said these changes were part of the recommendation from the risk trust audit and changes were also reviewed by the Risk Management and Workers' Compensation trust boards. He discussed some of the proposed changes.

ORDINANCE NO. 2892 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 CODE OF THE CITY OF GLENDALE, CHAPTER 2 (ADMINISTRATION), ARTICLE V (FINANCIAL AFFAIRS), DIVISION 5 (RISK MANAGEMENT TRUST FUND AND WORKERS' COMPENSATION TRUST FUND) IS DELETED IN ITS ENTIRETY AND ESTABLISHING A NEW DIVISION 5 ENTITLED "RISK MANAGEMENT TRUST FUND"; ADDING A NEW DIVISION 6 ENTITLED "WORKERS' COMPENSATION TRUST FUND"; MAKING CORRESPONDING NUMBERING CHANGES TO CHAPTER 2 (ADMINISTRATION), ARTICLE V (FINANCIAL AFFAIRS), DIVISION 6 (VEHICLE REPLACEMENT FUND); AND ESTABLISHING AN EFFECTIVE DATE.

Councilmember Sherwood thanked the Risk Management team for taking care of this issue.

It was moved by Councilmember Sherwood, and seconded by Councilmember Chavira, to approve Ordinance No. 2892 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.

20. ADOPT AN ORDINANCE GRANTING A UTILITY EASEMENT TO ARIZONA PUBLIC SERVICE COMPANY ACROSS A PORTION OF CITY-OWNED PROPERTY AT 11480 WEST GLENDALE AVENUE
PRESENTED BY: Stuart Kent, Executive Director, Public Works
ORDINANCE: 2893

This is a request for the City Council to waive reading beyond the title and adopt an ordinance granting a utility easement to Arizona Public Service Company (APS) across a portion of city-owned property at 11480 West Glendale Avenue.

ORDINANCE NO. 2893 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 CONSTRUCT, RECONSTRUCT, REPLACE, REPAIR, OPERATE AND MAINTAIN ELECTRICAL LINES LOCATED AT 11480 WEST GLENDALE AVENUE; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

It was moved by Councilmember Hugh, and seconded by Councilmember Martinez, to approve Ordinance No. 2893 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.

21. AUTHORIZATION TO TRANSFER CITY OF GLENDALE OWNED PROPERTY LOCATED AT 103RD AVENUE, APPROXIMATELY ¼ MILE NORTH OF NORTHERN AVENUE, TO THE CITY OF PEORIA
PRESENTED BY: Stuart Kent, Executive Director, Public Works
ORDINANCE: 2894

This is a request for City Council to waive reading beyond the title and adopt an ordinance authorizing the City Manager to transfer City of Glendale owned property located at 103rd Avenue, approximately ¼ mile north of Northern Avenue , to the City of Peoria. This request is a Special Warranty Deed along with a temporary construction easement that is necessary to complete a road widening project being constructed and paid for by the City of Peoria.

Mr. Kent said the City of Glendale previously operated a landfill on property that currently belongs to the City of Peoria. In order for Peoria to complete a road widening project, they need a small parcel of property from Glendale. In exchange for this property, the city of Peoria has agreed to build the City of Glendale a wrought iron fence around the entire 22 acre parcel. Mr. Kent said this will be an added enhancement. This deed will also allow Peoria to complete the project on 103rd Avenue.

ORDINANCE NO. 2894 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 APPROVAL OF A REAL PROPERTY EXCHANGE AGREEMENT BETWEEN THE CITY OF GLENDALE AND THE CITY OF PEORIA; AUTHORIZING THE CONVEYANCE OF CERTAIN REAL PROPERTY LOCATED AT 103RD AVENUE BETWEEN NORTHERN AND OLIVE AVENUES BY DIRECTING THE EXECUTION OF A SPECIAL WARRANTY DEED IN FAVOR OF THE CITY OF PEORIA, ARIZONA; AUTHORIZING THE EXECUTION OF A TEMPORARY CONSTRUCTION EASEMENT IN FAVOR OF THE CITY OF PEORIA, ARIZONA FOR THE PURPOSE OF A STREET IMPROVEMENT PROJECT ALONG 103RD AVENUE BETWEEN NORTHERN AND OLIVE AVENUES; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE ALONG WITH THE REAL PROPERTY EXCHANGE AGREEMENT AND SPECIAL WARRANTY DEED BE RECORDED.

It was moved by Councilmember Chavira, and seconded by Vice Mayor Knaack, to approve Ordinance No. 2894 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.

22. FISCAL YEAR 2013-2014 BUDGET AMENDMENTS
PRESENTED BY: Tom Duensing, Executive Director, Financial Services
ORDINANCE: 2895

This is a request for City Council to waive reading beyond the title and adopt an ordinance approving FY 2013-14 budget amendments. The City of Glendale's total FY 2013-14 budget appropriation across all funds is unchanged. Exhibit A of the attached ordinance shows revised appropriation authority and cash transfers between departments and funds.

Mr. Duensing said all transfers brought forward tonight are within the limits set forth in the city charter and are in accordance with the budget transfer policy adopted by Council on December 10, 2013. He said there are no transfers within city trust funds. He said budget amendments are necessary due to expenditures being higher or lower than expected. He said corrections are needed for unspent bond proceeds, cash transfers for the funding of the PeopleSoft HRMS upgrade and associated appropriation transfer for that project. He said other transfers include Transportation CIP, HURF transfer to HURF CIP supported projects and certain operating transfers for Fire Department expenditures and associated development agreement rebate authorization.

Councilmember Alvarez asked for an explanation of number 36 for rebates and incentives. Mr. Duensing said that is for a development agreement entered into in 2003. He said the property has now been developed and the city is now responsible to make rebate payments. He said this budgeted line item is not an actual approval of the agreement entered into back in 2003; it is an appropriation authority for the rebate payments under the agreement. Councilmember Alvarez asked what development was that. Mr. Duensing said that was for an agreement with Traverse Bay Properties for a car dealership. He said payments are due quarterly for this agreement and that is what this appropriation transfer is funding. Councilmember Alvarez asked which car dealership it was. Mr. Duensing said it was for Lund Cadillac.

Councilmember Sherwood wanted to point out this appropriation is seven tenths of one percent of the total budget. He said it is phenomenal of the 36 line items, 24 of them are related to the PeopleSoft upgrade. He said to come in and only having to reappropriate \$4 or \$5 million out of the entire city's budget is incredible. He said he appreciates what Mr. Duensing's staff has done.

Councilmember Chavira thanked Councilmember Sherwood for quoting him.

ORDINANCE NO. 2895 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 TRANSFER OF APPROPRIATION AUTHORIZATION BETWEEN BUDGET ITEMS IN THE ADOPTED FISCAL YEAR 2013-14 BUDGET.

It was moved by Councilmember Martinez, and seconded by Councilmember Sherwood, to approve Ordinance No. 2895 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.

RESOLUTIONS

23. FISCAL YEAR 2014-15 TENTATIVE BUDGET ADOPTION

PRESENTED BY: Tom Duensing, Executive Director, Financial Services

RESOLUTION: 4803

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the Adoption of the Fiscal Year 2014-2015 (FY14-15) Tentative Budget, including the proposed Capital Improvement Program (CIP). This is also a request for City Council to give notice of the date for public hearings on the following items:

- The FY 2014-15 final budget;
- The FY 2014-15 property tax levy and the Truth in Taxation notice and the date for the adoption of the FY 2014-15 property tax levy

Once the Tentative Budget is approved by Council, it will be published in a newspaper of general circulation for two weeks along with a notice of public hearings on the final budget and the property tax levy on June 10, 2014 and adoption of the property tax levy at the June 24, 2014 meeting.

Mr. Duensing provided a quick overview of the highlights of the budget process this year. He said this budget has an 11 percent increase. This increase is primarily due to capital projects and carry forward funding from the capital projects program. Mr. Duensing said they kicked off the budget process with a long range forecast, which is best practice. He said the forecast sets the tone for the budget process and it helps highlight any problems the city might face or issues that need to be addressed in the next five years. Mr. Duensing said the city faced many issues at the start of this year's budget process, including a heavy debt burden emphasized in Moody's and Standard & Poor's downgradings and organizational instability to include financial instability and organizational instability. He said the budget being presented attempts to address these issues. He said they have taken a zero based budget approach and each line item has been reviewed in detail by the departments and the city manager. He said service levels were also evaluated and there was a reorganizational effort in an attempt to improve efficiency. Mr. Duensing said when the budget process began, the city had a budget deficit of over \$17 million. The departments have made over \$15 million in budget balancing efforts. He also explained this budget contains \$5 million in contingency appropriation. He also discussed the payments for Camelback Ranch and said there are ongoing discussions about this issue. He said the city has several options for making those payments at this time which will not impact the general fund balance.

Mr. Duensing reviewed what a budget does. He said it honors the city's contractual obligations. He said this budget does continue the services that are currently provided. He said this was a new process and said the departments stepped up and worked very hard during the entire process. He thanked various staff members for their participation in this budget process. He also thanked the Council for pulling together and working to get this budget deficit resolved.

Ms. Fischer reminded Council that the 25 public safety personnel Mr. Duensing spoke about are grant funded. She also thanked Mr. Duensing and his team for the great work they did during the budget process.

Vice Mayor Knaack said Mr. Duensing did a wonderful job. She said they had many public meetings on every part of the budget and said there was no excuse for the public to say the city does not give the public an opportunity to participate in the budget process.

Councilmember Hugh spoke about the \$3.7 million Mr. Duensing mentioned and the purchase of the city of Phoenix park land and Camelback Ranch agreement. He said he was concerned about the city's contractual obligation to complete Ballpark Boulevard and said it was going to be in the next fiscal year. He asked Mr. Duensing how this was going to be addressed in the budget. Mr. Duensing said direction was given to look at the city's contractual obligations. He said this is one of the obligations under review. Mr. Bailey said they are in the process of looking into this particular obligation and will bring this item back to Council with an update in the future. Councilmember Hugh said he was talking about the roadway that is scheduled to be built. Mr. Bailey said that is part of the agreement under review and discussion.

Mr. Duensing said the most immediate provision at this time is the \$3.7 million payment under that contract. He said if it does come to that, he will bring that item back to Council for approval to fund that payment. He anticipates using part of the city's \$5 million contingency to fund that payment, but he said they do have other options as well.

Councilmember Chavira said Mr. Duensing answered the prior question very eloquently. He said much hard work has gone into developing this budget and said city staff has worked very, very hard.

Councilmember Alvarez agreed that the financial team is better than it has been in the past. She disagrees with the participation. She said the public cannot participate, and can only go and listen. She said they need to look into this issue as they have a lot of taxpayers with a lot of financial experience. She said only allowing the public to speak for three minutes is not sufficient. She said the public does not have an opportunity to provide any input.

Councilmember Sherwood said it was important for the public to understand, Mr. Duensing mentioned an 11.5 percent increase, but if you take away the capital that the city is carrying over of \$84.6 million, the budget drops from \$576 million to \$556 million. He said the budget has dropped and they are just carrying over the capital which hasn't been utilized and some of it dates back many years. He said a lot of it probably won't be utilized this coming fiscal year, but it is money that has been budgeted and will need to be spent on the Northern Parkway and possibly light rail later in the decade. He said the budget has gone down if you take away the carryover from the capital projects. He thanked Mr. Duensing and his staff for their hard work.

Councilmember Martinez said he wanted to thank Mr. Duensing, Ms. Fischer and staff for an outstanding job. He said the presentation this evening was excellent. He said they have heard in the budget discussions and from the public the word transparency and that there is no transparency. He said he didn't think they could be any more transparent than just the presentation this evening. He said the budget was never sugar coated at any time, it was put out there what the problems were, but as you pointed out, Council has problems with the contractual obligations that the city has. Whether you agree with what was done at the time or not, the fact is those contractual obligations have to be met. If Council can do something about it and make it

better, he was all for it, as well as anybody else. He said that is something he knows you will be looking at. He said hats off to you and the departments. He said everybody stepped up and did something to make this budget better. He said they had been talking about the ugly word layoffs, which is bad enough, but there was also a lot of talk about the reduction of services and that did not occur. He said all in all, getting the budget to what was presented this evening, from where they started, it is light years. He said he appreciates it very much and so do the others. He said they are all aware of the problem with the bond downgrade and they will do everything they can to bring it up. He thanked everyone for an exemplary job. He said this budget situation started out pretty ugly, and coming out the way they did speaks to everyone pitching in and doing a great job.

Mayor Weiers said he had a couple of concerns. He said the city is \$2.1 million short from a balanced budget. He asked Mr. Duensing if they are okay. Mr. Duensing said it is legal, okay and does absorb the one-time hit of the Super Bowl. Mayor Weiers said his other concern is if the \$3.7 does not work out for the city. He said the \$3.7 plus the \$2.1 is over what the rainy day fund is and asked how that becomes a balanced budget. Mr. Duensing said the \$2 million is budgeted and is part of the budget they are bringing forward tonight. He said they will not have to request additional appropriation to absorb Super Bowl expenditures. He said the \$3.7 million is not budgeted. He said they can utilize contingency funding to use for that payment. Mayor Weiers asked if this is based upon the hope that new businesses and the new taxes come in and what they think those new businesses will produce. Mr. Duensing said it is one of his concerns that the revenues will not come in. He said they are trying to be reasonable and not overstate the revenue estimates. He said they are watching this closely. He said the moment they anticipate they have an issue, they will come back before Council to determine the next course of action. He said they do recommend increasing the contingency funding over the next few years. He said at this point, they had to do what was responsible to close the gap on requested expenditure appropriations as compared to budget. Mayor Weiers asked if a couple of contracts don't reach expectations will this affect the budget as well. Mr. Duensing said this will absolutely affect revenues. He said like any revenue shortfall, they will come back to Council to bring these items forward for consideration.

Ms. Fischer said during all the budget negotiations, they have been very conservative with regard to revenues and very aggressive with expected expenditures. She said the city's turnover rate has also worked to their financial benefit as vacancy savings. This also provides a cushion against any revenues that do not come in. She explained how she and Mr. Duensing use the word contingency, as an unallocated line item in the budget that is not spent. She said in prior years, Council has used the word contingency as what Ms. Fischer and Mr. Duensing now call the ending fund balance and explained more in detail how any decrease in revenues can be covered by that contingency.

Councilmember Hugh said he is concerned about the building the roadway. He said at one point they talked about it costing \$15 to \$17 million, and this concerned him. Ms. Fischer said she believed there was no timeline and it was driven by activity. She said she was corrected and there was a timeline attached to that issue. Mr. Bailey said there is a timeline and they are looking at the conditions right now. Councilmember Hugh said he hoped the city is successful.

Vice Mayor Knaack wanted to go back to public participation. She said a couple of years ago, they were discussing closing libraries and shortening library hours. She said people were very passionate and came and spoke about the subject. She also mentioned the DARE program and said she received many letters from citizens about their support of that program. She said the public does participate. She said she didn't have one speaker card from the public about this item.

Councilmember Alvarez read that it says no reduction in service levels. She said service levels have been reduced and she didn't think they could be reduced anymore. Recreation services have already been cut. She said the services that are very important to the community have already been cut. She said if a business comes to Glendale and they don't make it, it is not the city's fault. She said they should renegotiate the arena contract, Camelback Ranch contract, Lund Cadillac. She said they broke the agreement and nothing has been done about it. She said that is transparency and they need to do more of that.

Councilmember Martinez said they have had a reduction in services in the past, but for this budget cycle they are in, anything that was done was minimal. He said in the past, there is no doubt there has been a reduction in services. He said at one time they were talking about closing the library only a year ago. He said instead, they reduced the hours and retained all the libraries. He said everyone has contributed to this and made sacrifices, except one body, this Council. He said they each get \$33,000 of discretionary funds every year, \$15,000 to be spent on travel, mailing and other things. He said the rest of the funds are for community projects, something that benefits the city. He said for the past few years, he has turned back at least half or more of those funds due to the budget problems. He has asked the Council that all of them could do that as well with half of their funds. He said he will even have a little left over from his half. He started with about \$17,000 and will have some left over. He said some Councilmembers have given some of it back, but some have not. He said they talk a good game up there about how they must do everything they can, but yet in their own budgets, they haven't had the will in the tough budget sessions, they haven't given any back.

Mayor Weiers said he does not get that budget.

Arthur Thruston, a Cactus resident, said he did not expect to speak on this item, but could not stand the insanity. He said one Councilmember said the public should not be allowed to speak before he was elected. He said tens of millions have been wasted on things the city cannot afford. He suggested listening to Dave Ramsey on the radio to learn something about finances. He said the time to speak at the meetings was changed on all the speaker cards. He said he is convinced Ms. Fischer and Mr. Duensing have done a fabulous job. He said the employees and administration has done a good job and said the worst thing they have currently in the city is the majority on the Council and they are the ones who have put the city in the horrible mess they are in.

Councilmember Alvarez said in speaking to the contingency funds and discretionary fund, she knows nonprofits need the money to operate and do the things the city is not doing. She said it is important to remember what services have been taken away. She was prepared to give up her money and said it is not her money, it is money they are using for the community. She said Ocotillo district is the poorest district and she is going to spend her money there.

RESOLUTION NO. 4803 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING 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 2014-2015; SETTING FORTH THE REVENUE AND THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS AND FOR FIXING TAX LEVIES.

It was moved by Councilmember Sherwood, and seconded by Vice Mayor Knaack, to pass, adopt and approve Resolution No. 4803 New Series. Councilmembers voting “aye”: Alvarez, Chavira, Hugh, Knaack, Martinez, and Sherwood. Members voting “nay: Weiers. The motion carried.

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, Room B-3 on Tuesday, June, 3, 2014, to be followed by an Executive Session pursuant to A.R.S. § 38-431.03. The motion carried unanimously.

CITIZEN COMMENTS

Roger Kauffman, a Cactus or Ocotillo resident, brought a petition from Desert Sky Assisted Living regarding a road condition on 58 Avenue that is tearing up wheelchairs and vehicles. He said Cox Communications was going to fix the road, but the road is so rough right now. He said the road needs to be repaired.

Bill Demski, a Sahuaro resident, quoted some of the Councilmembers and spoke about a voting system the Council had discussed a couple of weeks prior. He said the electronic voting system was a harebrained idea.

Arthur Thruston, a Cactus resident, thanked the Council for their consideration and courtesy. He spoke about his children and grandchildren and his love for each member of the Council. He respectfully requested the speaker times be increased to five minutes.

Bonnie Steiger, a Sahuaro resident, thanked the Council for listening. She said it was unethical for the speakers to come and tear the Councilmembers apart. She said there is no respect anymore at the meetings and said she is disgusted with the people who speak at the meetings. She thanked the Council for the job they are doing.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Chavira thanked Bonnie Steiger for her comments. He said he will never regret any of his votes. He spoke about stress and helping someone that had a heart attack and some other stressful situations he has been in.

Vice Mayor Knaack mentioned the wonderful service at Resthaven Cemetery the day before she and the Mayor attended. She said everyone should take a moment and remember Memorial Day and the veterans who served.

Mayor Weiers said he made a call to President Enos about the officer that was murdered a few days ago. He said every day he thinks about the officers that put their lives on the line. He said funeral services will be on Friday and encouraged Councilmembers to attend.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:51 p.m.

Pamela Hanna
Pamela Hanna - City Clerk