

***PLEASE NOTE: Since the Glendale City Council does not take formal action at the Workshops, Workshop minutes are not approved by the City Council.**

**MINUTES
CITY OF GLENDALE
CITY COUNCIL WORKSHOP
FEBRUARY 21, 2006
1:30 P.M.**

PRESENT: Mayor Elaine M. Scruggs, Vice Mayor Thomas R. Eggleston, and Councilmembers Joyce V. Clark, Steven E. Frate, David M. Goulet, H. Phillip Lieberman, and Manuel D. Martinez

ALSO PRESENT: Ed Beasley, City Manager; Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

1. INTERGOVERNMENTAL AGREEMENT UPDATE – GLENDALE REGIONAL PUBLIC SAFETY TRAINING CENTER

CITY STAFF PRESENTING THIS ITEM: Ms. Kristin Greene Skabo, Deputy Director, Intergovernmental Programs, Mr. Rob Gunter, Homeland Security Director and Mr. Jim Higgins, Assistant Fire Chief

This is a request for City Council discussion on a proposed intergovernmental agreement with the cities of Avondale, Surprise, and Peoria and the Maricopa County Community College District (MCCCD) to delineate the financial and operational partnership with the city in the Glendale Regional Public Safety Training Center.

The intergovernmental agreement addresses the Council's goal of constructing the Glendale Regional Public Safety Training Center with established municipal and educational partnerships.

In the 1999 general obligations bond package, the City of Glendale Fire and Police Chiefs identified a need for a Regional Public Safety Training Center in the West Valley. The Valley's current training accommodations are at critical limits. The growth of the metropolitan area along with the projected attrition of personnel for the next decade has created the need for a regional training Center that allowed partnerships with other West Valley cities.

The Council approved \$33,843,433 in the Fiscal Year 2005/06 and Fiscal Year 2006/07 budgets for the first phase of the construction of the Regional Public Safety Training Facility and the Emergency Operations Center.

Partnerships with various West Valley cities and with the MCCCCD will enhance the function and value of the training and continuing education of police and fire personnel, and ensure the number of trained public safety staff available is secured for the protection of the community.

As indicated, the Council budgeted \$33,843,433 for the first phase of the Regional Public Safety Training Center and the Emergency Operations Center. Potential partnerships with the cities of Avondale, Surprise, and Peoria for fire personnel training, and with MCCCCD for fire and police training allowed the scope of the training Center to expand to accommodate partner capacity. The partners' pro rata share of the project is based on the anticipated number of recruit and on-going training hours needed.

If approved, intergovernmental agreements with the three cities and MCCCCD will provide \$11,795,514 toward the capital construction costs. In addition, the federal government granted \$150,000 toward the project, for a total of \$11,945,514 in financial partnerships. Subsequently, the Regional Public Safety Training Center budget for Phase I will be \$47,050,000, which includes \$2 million for a market increase in materials.

Partner	Pro Rata Share of Project	Phase I Contribution
Avondale	3.9%	\$1,750,759
Surprise	6.6%	\$2,962,823
Peoria	6.5%	\$2,917,932
MCCCCD	8.2%	\$4,164,000
Federal Government		\$ 150,000
		\$11,945,514

The intergovernmental agreements also provide for the partners to participate in the annual operations and maintenance budget commensurate with their pro rata share of participation in the project. (Listed above)

Staff is seeking guidance to bring the Glendale Regional Public Safety Training Center intergovernmental agreement to the regular business meeting for Council approval.

Councilmember Martinez asked if the figure represents the construction costs only. Ms. Skabo responded yes, explaining the O&M budget has not yet been finalized.

Councilmember Clark asked Ms. Skabo to elaborate on what is meant by a three-tiered governance structure. Ms. Skabo explained the first level is comprised of Training Captains for both Police and Fire from each of the partner cities who will be charged with setting forth the training schedule, policies and procedures, and operation and maintenance budget. She said the Chief's Board will have the ability to approve the training schedule and policies and procedures and recommend approval of the budgets. She stated the City Manager's will then discuss the final budgets.

Councilmember Goulet asked about the length of time for which each of the partners would be committed. Ms. Skabo said the term of the IGA is 30 years. Councilmember Goulet asked if a city would have the ability to opt out and, if so, what kind of notice

would be given to the other partner cities. Ms. Skabo said a provision in the IGA anticipates voluntary termination prior to the thirty year term of the agreement, explaining it states the shares that the partner has will first be offered to the remaining partners and then transferred to another governmental entity approved of by the partners. Councilmember Goulet asked if there will be an opportunity to add other partners in the future. Ms. Skabo stated the IGA does not include a provision that would allow another partner to come into the agreement once the agreements are signed. She noted, however, there are provisions that would allow amendments to the agreement if the partners agreed additional partners should be considered.

Councilmember Lieberman said when he adds up the potential income he comes up \$1,261,053 short. Ms. Skabo explained over the summer there was a dramatic increase in the cost of construction materials and Council approved adding another \$2 million to the Public Safety Training Center. Councilmember Lieberman asked if the \$2 million is included in the \$33,843,000. Ms. Skabo responded no, explaining \$504,000 of the \$2 million represents the market increase that the partners have agreed to help pay, making Glendale's portion \$1,496,000. She stated the \$150,000 that was in the \$11.9 million Glendale received from the Federal Government is being used to offset the budget. Councilmember Lieberman asked if the \$504,000 is included in the Phase I contributions. Ms. Skabo answered yes.

In response to Vice Mayor Eggleston's question, Ms. Skabo clarified they need to increase the figure by \$1,496,000, not \$2 million, because \$504,000 of the \$2 million is already included.

Councilmember Clark asked Ms. Skabo if she will come back to Council during the budget process to request an additional appropriation of \$1.49 million. Ms. Skabo said it was her understanding the increase in market materials was already approved. Councilmember Clark said Council approved the \$33 million, but staff is now saying there is a \$2 million increase for the cost of materials of which Glendale's share is \$1.5 million. She asked if staff will return to Council with an additional appropriations request of \$1.5 million. Ms. Kavanaugh stated it will come through this year's CIP budget process. Councilmember Clark asked if the Council will have to once again shift priorities within the CIP. Mr. Beasley deferred the question to Ms. Schurhammer, pointing out it was Council's unanimous decision to do what was necessary to move forward on the project. Ms. Schurhammer said they will add the additional appropriation to next year's budget, explaining it will not come out of the General Obligation Fund component because there is not sufficient additional capacity. She stated, therefore, they will not have to reprioritize projects.

Mayor Scruggs pointed out all of the city's projects will experience cost increases due to the increased cost of construction materials. She said they will likely need to have similar discussions throughout the budget hearings.

Councilmember Lieberman said, according to his figures, they need \$1,261,053. Mayor Scruggs agreed.

Councilmember Martinez noted the recreational aquatic center will be delayed 30 days due to the shortage in steel.

Councilmember Clark pointed out, however, the Council realized the cost increase was inevitable and agreed to incur the additional cost.

Mayor Scruggs said last year's CIP took into account the additional costs incurred from

the time they started talking about building the aquatic center to when construction actually began. She stated they are now seeing increases due to other factors that were not present when they did the CIP last year.

Councilmember Martinez agreed, pointing out since that time the country was hit by two catastrophic hurricanes and China and India have consumed the majority of steel and concrete resources.

Mayor Scruggs directed staff to bring the IGA to a regular Council meeting for consideration.

2. UTILITIES NEEDS ASSESSMENT UPDATE

CITY STAFF PRESENTING THIS ITEM: Mr. Roger Bailey, P.E. Utilities Director and Mr. Ken Reedy, P.E., Deputy City Manager

This is an update to the City Council on Glendale's Utilities Needs Assessment. Timely expansion, replacement, and rehabilitation of the city's utilities infrastructure is consistent with the Council goals of managing growth and coordinating exceptional service delivery by assuring that the city will continue to provide uninterrupted water and sewer service to its customers while remaining in compliance with regulatory standards.

Evaluations of the water and wastewater systems were completed in late 2003 in order to provide staff a comprehensive, detailed report on the future needs of the city's utilities. The evaluations included a series of recommendations for the design and construction of new facilities and infrastructure and the rehabilitation of existing facilities and infrastructure.

At the April 5, 2005 Council Workshop, Utilities Department staff presented an update on the comprehensive infrastructure needs assessment of the Utilities Department. The needs assessment focused on improvements that are necessary in order to meet projected demand on the system due to growth within the city; the replacement of aging infrastructure; and improvements necessary to remain in compliance with existing and proposed federal regulations. As a part of the discussion, staff presented a summary of the city's current and projected water supply and demand. In addition, a proposed schedule of new water treatment facilities was outlined to demonstrate how the city would utilize its water resources to meet future demand on the system.

The Council was provided a detailed and comprehensive analysis of the city's water and wastewater treatment services and infrastructure needs on the following dates in 2003: October 7, November 4, December 2, and December 16. At the December 16, 2003 workshop, the Council directed staff to present a Utilities Needs Assessment update on an annual basis.

The expansion, replacement, and rehabilitation of the utilities infrastructure will ensure that Glendale maintains its long history of providing quality water and wastewater services to its residents and businesses, while complying with all local, state and federal regulations.

This is a status report on Glendale's Utilities Needs Assessment. No Council action is requested.

Mr. Bailey stated the Utilities Department is able to meet its current and projected demand by utilizing every aspect of the city's water resources, including SRP water, CAP water, and the city's ground water credits. He noted, last year, the city was able to meet its maximum daily demand of 63.8 million gallons by relying on the treatment capacity at Cholla and Pyramid Peak and the city's existing well water supply.

Councilmember Clark asked why the CAP portion seems to diminish. Mr. Bailey explained the city currently has excess capacity at the Pyramid Peak treatment plant; however, the city's access to that excess water will decrease over time. He pointed out \$10 million gallons of that plant is owned by Peoria. Councilmember Clark asked why Glendale's access to the capacity will decrease. Mr. Reedy explained Glendale has essentially been renting water resources from other parties who have not fully utilized their credits. He said, as they approach build-out, they will find that that excess water is no longer available. Councilmember Clark asked how much excess water rental rights the city is currently using. Mr. Reedy said about 3,000 to 4,000 acre feet per year. He stated the city will eventually be restricted only to the water rights it owns. Councilmember Clark commented it will become more and more imperative that the city develop recharge facilities to bank credits. Mr. Reedy agreed, stating the groundwater treatment plants will also allow the city to bring back into operation some wells it used to use that no longer meet regulatory requirements.

Councilmember Lieberman noted the Indians have several hundred thousand acre feet of available water resources. He asked staff if they anticipate eventually getting into a bidding war for those Indian allocations. Mr. Reedy said he does not believe so, expressing his opinion the city has planned very well for its water resources. He stated there will be opportunities as they move forward to compare the cost of Indian water to other resources, but, for now, they have established a fairly large number of credits and are creating more credits by recharging ground water. Councilmember Lieberman pointed out a meeting between the five states that take water out of the CAP is scheduled for next month, stating they will be discussing allocation rights. He asked if Arizona will lose any water allocation in the next three years. Mr. Reedy said it remains to be seen, particularly since the upper basin states have had some fairly significant snow packs. He stated the current drought situation did not have as much impact as it could have because Arizona had an opportunity to fill its reservoirs. He said the goal is to balance all three water resources to provide the resources they need in every given year. He stated they also plan for worst-case scenario droughts. Councilmember Lieberman noted Lake Powell is down 66 feet at the dam, stating it could take many years for a normal water level to be restored. Mr. Reedy said Lake Powell and Lake Mead are both very large. He explained last year, as lakes filled up, the Colorado River system continued to drop, stating they hope to see a reverse situation this year. He commented Arizona will always have to monitor its water resources.

Councilmember Martinez said they need to do everything they can to conserve water,

asking if they should consider reinstating the Stage 1 Drought alert. Mr. Reedy said they will monitor the situation, explaining their goal is to use a consistent application of analysis to ensure the terms are used appropriately. He pointed out Arizona is in a much better situation than it was one year ago, with considerably more storage in its reservoirs. He stated, while there has been a lack of rainfall and snow pack this winter, they do not believe it is an appropriate time to call for a drought. He said they also need to be consistent throughout the region, to prevent one city from declaring a drought when other cities do not. He stated water conservation should always be emphasized, stating it has great benefits even during non-drought years.

Councilmember Martinez referenced a recent article in the Arizona Republic that pointed out rural areas do not have to abide by the same rules and regulations as municipalities. Mr. Reedy said Glendale is in a very good position from a water resources standpoint, but that is not necessarily true of all other cities in the valley or state. He stated the city has prepared for Glendale's General Plan needs and upgraded Glendale's ability to meet those needs. He said the Active Management Area in Central Arizona has required a 100 year assured water supply for 20 years and the City of Glendale has acquired the resources to meet that requirement in its planned development areas. He stated, however, other cities outside the Active Management Area are not required to have a 100 year assured water supply and many cities have had significant water shortages that were not entirely drought related. He expressed his opinion growth in those communities needs to be looked at from a different perspective and statewide requirements need to be put in place that require communities to prove they can provide water on an ongoing basis. Councilmember Martinez noted a community in northern Arizona actually had to truck in water. Mr. Reedy agreed, stating both Showlow and Heber have had to take such measures in the past.

Councilmember Lieberman pointed out one out of every 8.3 people in America live in California, giving them the largest group of representation in the House of Representatives. He expressed concern that political pressure will result in the 1928 Colorado River Compact being altered in favor of California.

Councilmember Clark asked if the city recharges 4.9 million gallons daily. Mr. Reedy said they actually recharge about 10 million gallons per day at the Western Area Water Reclamation Facility. Councilmember Clark asked if they draw the exact same amount of the wells on a daily basis. Mr. Reedy said they are banking credits.

Mr. Bailey continued his presentation, stating, while they are currently meeting demand utilizing all three resources, they are concerned about meeting projected demand. He stated it is very important that they build flexibility into the system from an operational standpoint so they can make adjustments if something goes wrong during the year. He reviewed the schedule of planned projects, noting they have taken into consideration their projected demand, water quality concerns and existing and projected capacities of the facilities. He stated the new surface water treatment plant should be operational in 2008 and the groundwater treatment plant will come online in 2010. He said, after that,

they will reassess their situation to see if it makes more sense to do centralized well water treatment as opposed to well head treatment. He said the information they obtain from the pilot study they are conducting for the ground water treatment facilities will help them assess whether centralized treatment, well head treatment, or a combination of both makes more sense.

Councilmember Clark asked if groundwater treatment plants 2 and 3 are dependent upon the pilot study. Mr. Bailey said the need for groundwater treatment will remain, but they need will consider the efficiency and cost effectiveness of the three options. Mr. Reedy explained they are trying to retain a level of flexibility. Councilmember Clark asked if the project schedule should be revised to say "Groundwater Treatment Plant 2 or Well Head Treatment". Mr. Reedy agreed, noting the timing may change since they come dangerously close to the demand line in 2015. Mr. Bailey stated staff will look at the plan on an annual basis and will come back to Council if modifications are recommended in the future.

Mr. Bailey said the increases in cost of construction are due primarily to a 50 percent increase in the cost of concrete and a 100 percent increase in the cost of steel. He stated the project schedule has shifted slightly and staff feels the original schedule is unrealistic. He stated the security master plan has been completed and the recommendations set forth in the plan have been factored into the CIP. He stated, while a few projects such as the ground water treatment plant 2 have been delayed a year or two, the facilities essentially remain the same, at least for the time being. He said they will reassess the projects on an annual basis to see if any changes are necessary. Mr. Bailey reviewed cost increases, noting, for instance, the original guaranteed maximum price for the Zone 1 Oasis Water Treatment Plan was \$56 million and the new cost is set at \$79 million. He stated the first ground water treatment plant in Zone 4 was estimated at \$32 million, but the current estimated cost is \$60.8 million. He said they will have to readdress the issue to ensure the numbers continue to be consistent with what is happening in the market. He said the numbers need to be factored into the CIP and the rate program.

Councilmember Clark asked how many wells will be used for the demonstration project. Mr. Bailey responded two. Councilmember Clark asked how many wells Glendale currently uses. Mr. Reedy said about six are used regularly, but some of the them are owned by SRP. Councilmember Clark said, when looking at water treatment plant costs, well head treatment appears to be much better economically. Mr. Reedy said one of the reasons for the demonstration project is to find out the operating cost differences between well head treatment and a central facility. He pointed out the demonstration facility will provide the city with more water immediately. Councilmember Clark asked why the city is not considering well head treatment to be more viable when it is prepared to use it right now. Mr. Reedy stated they are evaluating the issue to ensure the right decision is made. He assured Councilmember Clark they have not discounted the well head treatment solution, explaining the problem is that there is not enough room at some of the city's well head sites for a treatment facility. Councilmember Clark asked if it would be cost prohibitive to drill a second well at a

location near a well that has insufficient room for a facility. Mr. Reedy explained the second well would have to be drilled within 600 feet of the existing well or they would have to file a completely new application. He explained the best approach is to find a well that produces the water they need and a well site that is big enough to accommodate well head treatment. He expressed his opinion they will have the most trouble siting the Zone 2 water treatment plant, explaining the cost of piping to aggregate wells in the area may be cost prohibitive. Councilmember Clark asked if it is possible that geography will limit their options. Mr. Reedy said they will have to look at each well site in terms of its configuration, size and available room. He explained, if they later decide they cannot proceed with the Zone 2 Groundwater Treatment Plant, they may have to take another look at the Cholla Water Treatment Plant upgrades to see if that facility should be expanded instead. Mr. Bailey noted the city does not own the well head treatment facilities it currently utilizes, explaining they have two year leases on the facilities. He stated the costs would be dramatically different if the city owned the facilities. He pointed out the operating cost of the facilities, which staff believes total about \$400,000 per year, are not factored into the figure. He clarified staff's priority is to ensure the effectiveness in removing nitrates, stating cost issues will be the second driving force of their discussion.

Councilmember Clark asked if the two wells in the pilot program are low in nitrates. Mr. Reedy said they will have well head treatment to remove the nitrates that are in excess of the regulatory requirements. He noted one well measures 14 and the other 18, stating the regulatory standard is 10.

3. COUNCIL SALARY REVIEW COMMISSION RECOMMENDATION

CITY STAFF PRESENTING THIS ITEM: Mr. Craig Tindall, City Attorney

This is a request for the City Council to receive public input in response to the findings and recommendation of the Council Salary Review Commission ("Commission") and provide direction to staff.

The City Charter provides that a salary commission may be convened to review Council salaries and recommend any changes to the Council. The Council may reject, modify or accept the Commission's recommendations and thereafter place any suggested changes to the Council salaries on the ballot of the next city election.

The annual salaries of the Mayor and Councilmembers of the City of Glendale were last reviewed in 1996, which resulted in a recommendation for an increase. This recommendation was accepted by the Council and referred to the voters on May 19, 1998. The current annual salary of the Mayor is \$35,000 and a councilmember is \$17,500.

On October 25, 2005, the Council adopted Resolution No. 3899, New Series, that convened a Commission; appointed members; and set forth instructions and charges. The five (5) members of the Commission are:

Leonard Fulcher, Chairman
Albert Cordova, Commissioner
Robert Erdmann, Commissioner
Joy Gomez, Commissioner
Sally Reynolds, Commissioner

The Commission met five times. To assist in its deliberations, the Commission asked staff to supply information and prepare a report containing job evaluation information and salary comparison data.

At its last meeting on January 3, 2006, the Commission finalized its report and voted unanimously to recommend to the Council that it place two questions on the ballot at the next primary election in September of 2006 proposing the following: (1) set the salary of Mayor to \$65,000; and (2) set the salary of Councilmembers to \$45,000.

Chairman Leonard Fulcher, Commissioners Gomez and Erdmann were present at the Council Workshop on January 17, 2006 and presented the Commission's report and recommendation.

On October 25, 2005, the Council adopted Resolution No. 3899, New Series, convening the Commission; appointing members; and setting forth instructions and charges.

On January 17, 2006 the Council was presented with the Commission's report and recommendation. The Council requested that this item be brought back to them at the February 21, 2006 Workshop in order for the public to comment on the Commission's recommendation.

There are no budget impacts or costs for this current fiscal year. Should the voters approve a salary increase, that increase will be implemented when the newly-elected members are sworn in and will be accommodated through the budgeting process.

Staff is seeking direction from Council about whether to bring the following items forward to an evening meeting:

1. A resolution to place this item on the September 12, 2006 primary election ballot.
2. Providing the language for two questions for the primary election ballot:
 - a. Request to raise the Mayor's salary to \$65,000; and
 - b. Request to raise the Councilmember's salaries to \$45,000.

Mayor Scruggs asked if there will be two separate propositions will be placed on the ballot if the Council decides to move forward, one regarding the Mayor's salary and a second regarding the Councilmembers' salary. Mr. Tindall said, according to state law, the ballot cannot address two separate questions in one proposition. He said the safest

and most conservative approach would be to have the two issues separated into two separate propositions.

Councilmember Lieberman pointed out the City Charter says the power of the city is invested in the Council, which includes the Mayor and six duly elected officials. He asked how they can be two separate issues when the Mayor is part of the Council. Mr. Tindall explained the Mayor is paid in a separate manner than Councilmembers. He stated the issue does not relate to the powers of each of the individual offices.

Mayor Scruggs said, in reviewing the salaries for Mayor and Councilmembers in other cities, she noticed those cities that do not have a district form of representation pay their Councilmembers at 50 percent of the Mayor's salary and those that do have a district form of representation pay their Councilmembers at 67 to 70 percent of the Mayor's salary. She expressed her opinion the difference is reflective of the increased work that comes to Councilmembers when they have a district form of representation. She noted the only exception was Goodyear who has an at-large form yet pays 70 percent of the Mayor's salary to Councilmembers. She recommended Glendale's Council salary be set at a minimum of 70 percent of the Mayor's salary; noting, to date, it has been at 50 percent.

Mayor Scruggs said her position remains unchanged; explaining, while she appreciates the Salary Commission's hard work and their recognizing the tremendous amount of work she and the Councilmembers do, she does not believe that recognition will transfer out to the general public. She agreed there need to be increases in the salary ranges because the positions are no longer part-time in nature. She said, however, it would be difficult for the public to understand an 80 percent increase in the Mayor's salary and a 200 percent increase in the Council's salary. She stated she took a very modest three percent cost of living increase, over ten years, using her salary, which came up to \$47,037. She said extending it for two additional years would raise the salary for the Mayor to \$49,000. She stated 70 percent of her proposed figures for the Mayor's salary would place the Councilmembers' salary at \$32,000 or \$34,000. She said her proposed salaries track Tempe's who uses a cost of living basis; although Tempe is not a district city and its Councilmembers are paid 50 percent that of the Mayor's salary.

Councilmember Martinez thanked the Salary Review Commission for their hard work. He stated, regardless of the outcome, they owe a debt of gratitude to the Commission because they have brought to light the work of the Council and the hours that are put in by the Mayor and Councilmembers. He stated there is a perception that the positions are part-time in nature. He said at a previous workshop he suggested the salaries be increased to \$49,900 and \$29,900 because he felt the Commission's recommended increases were too large for the public to support. He noted the Arizona Republic conducted a survey asking if the Mayor and Council should receive a 65 percent and 45 percent increase, explaining 44 percent responded yes and 66 percent responded no. He stated the people who called the city to voice their opinion on the matter represent those who know the Councilmembers and know what they do. He said he would support the Mayor's suggested salaries.

Councilmember Lieberman also thanked the Commission, stating the vast majority of those who responded to his survey felt their recommendation was justified. He agreed a district form of government places much more responsibility on the Councilmembers. He said, unfortunately, it is not a matter of what the Commission recommended or what the Councilmembers believe they are worth, but what the public will find acceptable. He said in doing his own calculations he arrived at \$50,000 and \$35,000 for the Mayor

and Council salaries, respectively. He pointed out it is not uncommon for his day to begin before 8:00 a.m. and for him to attend meetings well into the evening hours. He thanked staff for their support, stating it is also not uncommon for staff to be at those late hour meetings. He reiterated he feels the Salary Commission's recommendations are justified, but he does not believe the general public will agree. He said he can support the Mayor's proposed salaries. He pointed out a number of city employees are paid more than \$100,000 per year. He quickly read through several of the responses he received to the survey he conducted, all recognizing the hard work of the Councilmembers and indicating their support of the Commission's recommendations. He stated, while he received a few responses that did not support the recommended increases, the vast majority did.

Councilmember Clark expressed her appreciation to the Commission. She said the size of the salary does not matter, explaining everyone who serves on the Council is committed to public service. She stated, however, she could not perform her public service if she did not have the financial support of her husband. In response to those who argue the Councilmembers knew what they were getting into when they ran, she stated at some point the city needs to attract younger people to the Council. She said people who serve as Mayor and Council need to make a livable wage. She noted she also took a cost of living increase approach to the issue. She said the city needs to create a mechanism that allows for salary reviews on a regular basis, expressing her opinion it is a crime that they have gone nine years without looking at the issue. She reiterated those who serve on the Council do so because they get the chance to help people on a daily basis and to develop policy direction for the city.

In response to comments she received suggesting they vote in the salary increases, but that they not take affect until new members are elected, Mayor Scruggs pointed out the City's ordinance says that upon approval of a salary increase, it shall take affect immediately. Mr. Tindall agreed, stating a Charter provision dictates when a salary increase is to take affect.

Councilmember Goulet said the Commission's recommendation is greatly appreciated. He stated in running his own calculations he came up with figures similar to those proposed by Mayor Scruggs. He agreed a specific review period should be built into the ordinance. He said in the last five years alone the Council has changed the city in more dramatic ways than any other Council will have the chance to do. He stated those who follow will have to have a certain level of skill to maintain the city's level of success. He said that fact alone should justify a salary increase. He pointed out the number of jobs in the city has increased over the past five years from 4,000 to 8,000, stating it is a remarkable accomplishment and a huge testament to what the Council has done. He said, however, it will be incumbent upon the people who serve on the Council in eight, ten or twelve years to maintain the quality of life the present Council has brought to the city. He said, while he believes the Commission's recommendations are justifiable and supportable, he believes the Mayor's salary recommendations will be easily accepted by the public.

Vice Mayor Eggleston thanked the Commission for the time they spent on the matter and the citizens who responded to the Council's survey. He said he can support the Mayor's recommendation. He agreed the salaries need to be sufficient enough so as to attract younger people to the positions.

Councilmember Frate said what surprised him most when looking at the issue was how long it has been since the Council received a raise. He stated the city is on the mind of the Mayor and Councilmembers 24 hours a day. He said he calculated a raise of three

percent over the ten years, but he had not considered increasing the Councilmember's pay ratio to 70 percent that of the Mayor. He agreed Councilmembers in a District system put in more time. He pointed out, while he will benefit from the pay raise, those who follow him will benefit the most. He said they need to pay the Mayor and Councilmembers a living wage so they can do the job without having to hold a part-time job on the side.

Mayor Scruggs recapped their discussion, stating there appears to be consensus for a salary range of \$47,000 to \$50,000 for the Mayor and \$32,000 to \$35,000 for the Councilmembers. She proposed a compromise of \$48,000 for the Mayor and \$34,000 for Councilmembers.

Councilmember Martinez said he prefers \$47,000 and \$32,000. He commented the city had an excellent Salary Review Commission. He agreed something needs to change to ensure the city does not go another 10 years before looking at the issue of pay raises. He proposed the Salary Review Commission look at the Charter as it relates to the process for setting salaries.

Councilmembers Clark, Goulet, and Frate agreed with the Mayor's compromise of \$48,000 and \$34,000.

Mayor Scruggs asked Mr. Tindall to read the section of the ordinance that relates to the timing of the increase. Mr. Tindall said the City Charter requires that the salaries voted on by the voters become effective immediately after the vote's final canvass by the Council. Mayor Scruggs suggested the Council that established the wording of the Charter recognized that to put part of the Council on one rate of pay and another part on another rate of pay would create tension. Mr. Tindall pointed out salaries for public officials are a constitutional matter and there have been constitutional cases that prevent that from occurring.

Mayor Scruggs directed staff to move forward with placing the issue on the September 2006 ballot. Mr. Tindall said the next step will be to propose ballot language for Council approval. He said the language will have two propositions calling for a salary of \$48,000 for the Mayor and \$34,000 for the Council.

ADJOURNMENT

The meeting was adjourned at 3:25 p.m.