

***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 OF THE
GLENDALE CITY COUNCIL WORKSHOP SESSION
Council Chambers – Workshop Room
5850 West Glendale Avenue
August 21, 2012
1:30 p.m.**

PRESENT: Mayor Elaine M. Scruggs, Vice Mayor Steven E. Frate and Councilmembers Joyce V. Clark, Yvonne J. Knaack, H. Phillip Lieberman, and Manuel D. Martinez,

ABSENT: Councilmember Norma S. Alvarez.

ALSO PRESENT: Horatio Skeete, Acting City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

WORKSHOP SESSION

1. 2013 LEAGUE OF ARIZONA CITIES AND TOWNS RESOLUTIONS
PRESENTED BY: Brent Stoddard, Intergovernmental Programs Director
Ryan Peters, Intergovernmental Programs Administrator

This is a request for the City Council to review and provide guidance on the proposed resolutions which will be voted on at the August 28, 2012 League of Arizona Cities and Towns (LACT) Resolutions Committee meeting.

Each year, the League of Arizona Cities and Towns solicits resolutions from municipalities to be considered by the League Resolutions Committee. At the Committee meeting each of the 91 cities and towns will have an opportunity to state their position and vote as appropriate on each resolution. The Mayor of each city represents their municipality on the Committee.

The resolutions were initially reviewed by a League Resolutions Subcommittee on July 2, 2012 which is made up of various Mayors on the Executive Committee. That Subcommittee made initial recommendations about which resolutions should be adopted by the full Resolutions Committee, which should be amended or combined, and which should not move forward in the process.

The final adopted resolutions will become part of the LACT's Municipal Policy Statement, and incorporated into the League's 2013 Legislative Agenda.

Brent Stoddard, Intergovernmental Programs Director, stated he and Ryan Peters, Intergovernmental Programs Administrator, were here today to present the 2013 league of Arizona Cities and Towns resolutions and to receive Council direction.

The 20 resolutions before them today will be voted on by the Mayors of the 91 cities and towns at the Annual League Conference on August 28th. The adopted resolutions will make up the leagues municipal policy statement and guide the League's legislative efforts this next session.

In order to make the resolutions process more effective, the League utilizes a resolutions subcommittee to sort through the proposals and to make recommendations on each to the full resolutions committee. This subcommittee was formed by the League President and was made up of various Mayors from around the State. This group met on July 2nd and their recommendations were categorized into three different categories – Those recommended those that needed some revisions and amendments before being adopted and a continuation of the new category called significant municipal issues.

As a refresher, this significant municipal issue category is designed to recognize those resolutions that may apply to only a certain group of cities but not the League as a whole. As a significant issue, they will not be part of the league's 2013 legislative agenda, and instead the league may help the communities study the issue and help them work with the appropriate agencies to look for solutions to the problems those communities have identified. Each of the City Department's has had an opportunity to review the resolutions and provide staff feedback. This year there are no conflicts between what the subcommittee recommended and what staff's recommendation positions are.

Several of the same resolutions continue to be introduced every year. Many of the resolutions this year are identical to last year's resolutions which the Council has already taken a position on and which will stay the same unless otherwise directed.

Mr. Stoddard stated that before they walk through the resolutions he wanted to stress two important things.

First, Resolutions are submitted by cities in concept form only and although they may be supportive of a concept, Council still reserves the right to review and take any position once they are drafted into the form of a bill.

Secondly, while they are giving direction for a vote at the resolutions meeting, these resolutions are not the City of Glendale's legislative agenda. IG staff will come before the Council prior to the beginning of the session as they do each year and present and receive guidance on the priorities for the City of Glendale.

Councilmember Martinez asked if resolutions that need amendments would be brought up at the League meeting next week. Mr. Stoddard replied yes.

Ryan Peters, Intergovernmental Programs Administrator, presented a slide presentation. He asked them to note that the resolutions in their Council packets have been arranged to match the order of this presentation. For example, resolution 4 should be the first resolutions, followed by numbers 5, 8 and 10. When they were preparing for this presentation they determined that the clearest way to discuss the resolutions was to group and present them according to the actions of the resolutions subcommittee. They hope that makes it easier to follow along.

The 8 resolutions in this first group reflect items which were recommended for adoption by the Subcommittee and are also supported by Glendale staff.

Resolution #4 - Requests that the Legislature modify statutes related to alternative procurement processes. The intent is to allow cities to enter into negotiations with another firm on the final procurement list in the event that a construction price could not be negotiated with the initially selected party.

Resolution #5 – proposes that the Legislature revise Arizona State Retirement System statutes. Specifically, the 2011 pension reform bill imposed an Alternative Contribution Rate on employees who retire under ASRS and then are rehired by a participating ASRS employer. This resolution asks that the legislature provide relief for employers on hiring decisions made prior to the enactment of the ACR penalty.

Resolution #8 – Asks that the legislature pass legislation that allows for greater flexibility in annexing county islands. Requested legislative changes could include: reducing the size of annexations should interest wane in proceeding with annexing entire proposed areas; remove the tie to assessed valuation in the process; and address the issue of areas with high levels of out-of-town owners. Ultimately, the combination of solutions should provide for public policy that will help municipalities and sufficiently protect property owners.

Mayor Scruggs asked if anybody had any questions on 4, 5, or 8, since the presentation was moving pretty rapidly.

Councilmember Clark stated that in previous years, the Council has received resolutions that were recommended or not recommended. She inquired if those were included in this presentation. Mr. Stoddard explained that this year, there were no resolutions that were listed as not recommended.

Mayor Scruggs asked if everybody was fine with 4, 5, and 8, so far right. Okay. So if Council has one that was read that they would like to ask questions about, the councilmember should raise their hand.

Mr. Stoddard continued with the presentation.

Resolution #10 - Requests that the legislature allow local jurisdictions to regulate the sale and use of consumer fireworks. In 2010, the legislature declared the sale of consumer fireworks a matter of statewide concern thus prohibiting local jurisdictions from regulating fireworks sales. However, the new law allowed cities to regulate the use of fireworks within their jurisdictions. This arrangement creates confusion for fireworks consumers and promotes the often unknown illegal use of fireworks in jurisdictions that opt to ban their use.

Councilmember Knaack asked what the discussions in the legislature were last year on this item. Mr. Stoddard noted that initially, the desire was for all cities to have the ability to regulate all fireworks. He said when the language originally came out; it allowed sales to be regulated in the Northern counties but nothing for Maricopa County. However, as soon as the legislation was introduced, the fireworks industry quickly let it be known that was not acceptable to them. They will not entertain any regulation of sales anywhere in the state. Therefore, it went nowhere at that point. He noted staff understands the Council position and concerns on this item and will continue to work towards that objective.

Mr. Stoddard continued with the presentation.

Resolution #11 seeks to put a greater priority on improved forest health and reduced wildfire threats by asking the State to come together with the Federal Government to assist local communities with collaboration, resources for planning proactive healthy forest initiatives to minimize the massive wildfires. They have all witnessed the devastating fires over this last decade that have taken a catastrophic toll on economic development and tourism in those areas, as well as on the lives of those whose homes and businesses have been impacted

Councilmember Clark asked why this item did not end up as a significant municipal issue since it was a high priority to some municipalities. Mr. Stoddard explained the League believed because of the significance of the tourism in places such as the Grand Canyon, etc., this rose to the level of being a resolution. In addition, he explained how these wildfires sometimes pull the resources of Glendale firefighters and police. He indicated those were the type of criteria that allowed for this to be more of a League resolution this year rather than a significant municipal issue.

Resolution #13 encourages resources to improve Arizona's ports of entry with Mexico. A similar resolution has been adopted by many different stakeholders throughout the state including the Maricopa Association of Governments, the business community and the different Chambers of Commerce. Arizona is currently losing potentially billions in revenues from the imports and exports of trade goods with Mexico to other border states like Texas simply because of the badly aging infrastructure and depleted staffing levels at these ports of entries. By improving the ports along the Arizona border we will see greater economic development opportunities throughout the state.

Councilmember Clark wondered if the ports of entry were federal facilities. Mr. Stoddard explained they were a combination of federal and state. Councilmember Clark asked who was ultimately responsible for running those ports of entry. Mr. Stoddard stated the federal

government will provided the largest dollar amount. However, for street infrastructure, it will fall to ADOT and the state transportation system at those ports of entry.

#14 – Urges support for the long-term retention of Arizona’s military installations and advocates for the continued prioritization of those installations in the state and to do everything they can to protect their missions. It calls for continuing support of the Governors Military Affairs Commission and the continued funding of the Military Installation Fund which help to mitigate encroachment on the bases and installations.

#17 – Seeks to eliminate the State Shared Revenue impacts from SB 1442 which was passed last year. SB 1442 otherwise known as the INTEL bill was introduced as an additional economic development tool that would allow the state to fund a portion of the costs of the new public infrastructure for a manufacturing facility if the capital investment by the facility was at least \$500 million. However on the last day of the session, an amendment was placed on the bill which would take the money “off the top” of the sales tax distribution formula. By doing this, a portion of state shared revenue from sales tax would be affected. Legislation is needed to fix this problem.

Mr. Peters stated the subcommittee identified 3 resolutions that needed some revisions before they could be supported. League staff incorporated the subcommittee’s recommended amendments before they sent out the packet of resolutions. Glendale Staff agrees with the suggested amendments and recommends supporting.

Resolution #1 is the product of combining two similar resolutions that ask the legislature to keep local funding formulas intact and specifically discontinue diversions of HURF monies to fund operations of state agencies. Over the last several years, the legislature increasingly swept funds designated for specific uses into to the state’s general fund. The sweep of HURF monies has been particularly large and has contributed to deferring road maintenance and construction across the state.

The subcommittee recommended using resolution number 2 to combine a resolution that asked the legislature to generally support economic development tools with another resolution that asked for support in creating a specific economic development tool called Revenue Allocation Districts. Conceptually, revenue allocation districts allow cities to capture the city portion of new revenue that is generated as a result of a project being built. The captured revenue can be used to fund the infrastructure required to support the new development.

Vice Mayor Frate stated this was a bill that was previously support by Council.

Mayor Scruggs commented this is how she felt about the one previously. They just keep wheedling away until there is nothing to divide for state shared revenues.

Mr. Stoddard continued that Resolution 16 has to do with criminal damage by graffiti statutes. The subcommittee expressed that the original language proposed this resolution was too severe. They recommended amending the resolution to still provide for an effective means of

discouraging graffiti but consider factors such as adult versus juvenile offenders and the appropriate placement of new statutes so as to avoid unintended consequences.

Councilmember Clark commented that all three resolutions were critically important to cities, however, have the least chance of going anywhere. They fiscally impact every city in the state, and graffiti is one example. She believes everything is being watered down to make it acceptable to the legislature to the point where they lose their effectiveness.

Councilmember Lieberman asked what was meant by “recommending softening the language”. Mr. Peters explained that the original resolution imposed much more severe penalties but the sub-committee realized that sometimes kids will be kids and softened the penalties. He noted each case will be taken up separately. Councilmember Lieberman inquired if there was any language in the document making parents responsible for the damages committed by their children. Mr. Peters replied they did consider that option. He reminded the Council that these were just concepts and there will be an opportunity to discuss what they specifically want to include in the legislation.

Councilmember Martinez commented on the softening of the penalties with regards to the kids. He suggested making the monetary damages larger and making the parents more responsible. In this way they will get their attention.

Councilmember Knaack expressed her distress with this issue. She stated her building has dealt with graffiti so many times she lost count. She stated this was a huge problem in every city and needs to be brought to the legislature’s attention. She believes it’s time someone lowered the hammer and did something about this problem.

Mayor Scruggs commented this kind of goes along with how the public is reacting to the legislature’s decision to let political signs go anywhere and everywhere, anytime for as long as possible. And now there is a lot of push back on that from the public. And if the public takes that to the ballot box maybe it will make a difference.

Councilmember Lieberman commented on the high cost to repair etching graffiti on a building in his district only to have it etched again. Councilmember Clark agreed this was a major problem. Councilmember Lieberman wondered if etching should have stronger penalties.

Mayor Scruggs commented that listening to this conversation she was going to guess that when we get to the resolution committee next week, we are probably going to hear the same kind of comments from the Mayors from other cities. And so based on what she was hearing from Council today, if they make any motion to strengthen what this is, you would be in support and she would go along. Because she doesn’t think Glendale would be the only city that is going to be talking about this.

Councilmember Clark stated that when it comes to graffiti and etching, there needs to be legislation that recognizes accountability for destruction. Councilmember Lieberman agreed. He added he has seen restrooms totally destroyed with etching.

Vice Mayor Frate urged the public watching at home to contact their legislature about this problem. The legislature needs to understand the economic impact on graffiti.

Mr. Stoddard stated that once the legislation starts and bills are introduced through their legislation link program, staff keeps the citizens informed about these bills. Citizens can click on Glendale's Intergovernmental Program Departments, and quickly sign up for the legislative link email program to track the process of any particular bill.

Mayor Scruggs asked if the city would still have Legislative Link this year since many programs have been canceled.

Mr. Peters replied yes and added his staff manages that valuable service.

Mayor Scruggs commented that since it was run out of the Intergovernmental Programs department, they could then make the decision to keep it or cut it.

Mr. Stoddard replied yes. He believes this was an extremely valuable service to have and to gauge public input and keep communication open.

Mayor Scruggs summarized that she is hearing Council say that no language is too strong for this one.

Mr. Stoddard stated that as mentioned earlier, the resolutions subcommittee decided to continue to use the new category created last year to recognize issues that are important to certain cities, but would not be appropriate for inclusion in the League's legislative agenda. Staff agrees with the subcommittee recommendation and supports designating these 6 resolutions as significant issues.

#3 – Credits for excess solar generation is a concept that would allow extra power that is generated at a city owned facility to be used as a credit to offset the cost of power at other public facilities. This is a complex issue with new and expanding renewable energy technologies and needs to be studied and discussed more with the utilities and other stakeholders before its ready for a resolution.

#6 – Public records requests is a resolution that the Council has seen for several years now, which would seek to put limitations on “abusive and overbroad” public records requests that some communities are experiencing. The subcommittee understood the frustration of some of these cities like Yuma and Oro Valley; however they did not feel that it was appropriate to include this in the legislative agenda, instead as a significant issue the league will work with those communities to see if there are other ways to minimize these issues in these communities.

#7 – Seeks to eliminate the requirement for smaller cities to declare a “housing development area” within their city before the local government can assist in the development of housing. As a significant issue the league will work with these jurisdictions to seek a non-legislative solution.

#9 – State partnerships with municipalities for the operation of state parks could potentially have the unintended consequence of one day shifting the burden of funding state parks from the state agencies and onto the cities. As a significant issue the league can facilitate a stakeholders meeting where interested parties can examine potential voluntary partnership and creative solutions to the state parks which are important to the tourism industry in this State.

#12 – Reduce the shortage of physicians in the state has been a resolution for over 4 years now and the committee felt it was better suited for a significant municipal issue rather than as a part of the legislative agenda again this year.

Vice Mayor Frate asked what the response by the legislature has been when this was brought forward. He stated that everyone in the state was affected by this shortage of physicians and it seems like it's not even on the legislative radar. He said it just doesn't make sense. Mr. Stoddard agreed.

Councilmember Knaack read from the material citing that the recruitment retention of physicians was hampered throughout the state by higher professional liability premiums as compared to other states. She explained if they ever had tort reform in Arizona, this probably would not happen and would help tremendously. Mr. Stoddard stated that last year they were told tort reform was one of the priorities but that never materialized.

#15 – Seeks to restrict trucks to the two right-most lanes on state highways with three or more lanes in each direction. The league will work with these committees and ADOT to resolve specific issues rather than seek legislation.

Councilmember Clark stated this was an issue that rises to state level highway safety. She remarked on how trucks stay in the fast lane and never move. She believes this was a real safety issue that should concern everyone. She wondered why the legislature moved this to a significant municipal issue. Mr. Stoddard stated the sense was that the legislators were not hearing from a lot of cities on this problem. Councilmember Clark said she did not remember cities having the opportunity to weigh in on this issue in previous years. Mr. Stoddard explained that there was also the belief that some of these concerns might be addressed through ADOT and their rule making process.

Mayor Scruggs asked if this would only be in urban areas where the road has three or more lanes. This will not be the entire Beeline highway or any of that other stuff. Yeah, this is going to go nowhere. At the same time we are doing this, we are saying we want more trade with Mexico. And there are efforts being...all the cities have been pushing MAG to bring more truck traffic, through Arizona because they think they are increasing trade possibilities. Mayor Scruggs commented that it was two opposing items. The state would bring more trucks in but we want them to only stay in the right two lanes. And then you talk about the lawyers, well the trucking industry is one of the most effective lobbying groups in the state. She believed that they would say that they pay gas taxes; the state cannot take away their right to use the road that they are paying for. And that is what the trucking industry will say. So she would offer that probably the reason why this was reduced to a significant municipal interest is because it will probably be a waste of the League staff's time on something that will become a private property rights issue,

a trucking industry issue, a “you can’t tell us what to do” kind of issue. She was not advocating for the truckers but you came from that industry. Imagine what the grocery store people and Teamsters are all going to say.

Vice Mayor Frate stated they had been successful in California.

Mayor Scruggs asked was this was now in effect in California.

Vice Mayor Frate replied yes.

Mayor Scruggs commented that she hadn’t noticed and she just came from there. Okay, so then it is possible. It’s a great idea and Council all agree it’s a safety issue. She was only commenting and she was not at their meeting. She would guess that they look at this and say DOA. We are not going to put a lot of resources into it.

Mr. Stoddard explained the legislators looked to see if this was one of those priority issues. The legislative agenda was identified, formed and developed on a yearly basis. Therefore, their strategy is what they believe they can accomplish that session and this was not one of those priority issues.

Councilmember Clark stated she would be interested in getting a progress report on this item as they go through the year.

Mayor Scruggs commented that she was at a MAG economic development committee meeting and they were really focused on this whole thing, on how to increase trade with Mexico and how to bring more trucks from Mexico through here and one thing and another. And the head of the Trucker’s Association stood up and said well if you lower the gas tax more trucks might be willing to come through here. Arizona gas tax is lower than any other state by as much as sometimes 30 cents a gallon. There is just not anybody that is even close to how low it is. And so that was the answer to how Arizona can get more truck traffic coming through here from Mexico, is to lower the gas tax. The state can’t even repair the roads that we have now, because...-Oh my goodness! So that’s probably why he didn’t give you a progress report.

Mr. Peters stated that this year the Executive Director of the League also made some additional recommendations. Because cities submit resolutions independently, there can often be unintentional oversights of issues that we know the League will be facing during the upcoming year. The Executive Director reviewed the resolutions and identified three such areas that should be included in order to ensure a comprehensive League agenda. These resolutions were recommended for approval by the League subcommittee and are supported by Glendale staff.

League proposed resolution #1 – asks for fixes to the recently enacted HB 2826, which primarily consolidates election dates across the state for candidate elections. Common law, non-charter cities require legislative changes to be made in order to properly comply with the new law. These requested fixes include: addressing alternative expenditure limitation renewal elections, municipal incorporation elections, and term lengths for incumbents.

League resolution #2 – Supports meaningful and effective regulatory reform. In recent years, the legislature has proposed a number of onerous regulatory reform measures that do not adequately consider the unique permitting differences between state agencies and localities. As cities strive to make permitting processes more efficient, some legislative proposals actually impose more red tape, bureaucracy, and costs through rule making procedures that do not and should not necessarily apply to the way that cities do business. However, cities across the state are constantly looking for opportunities to make it easier to do business in their communities. Working towards that end requires thoughtful dialog with affected parties through a stakeholder process.

League proposed Resolution #3 – simply, but crucially, opposes unfunded mandates and supports local authority. This resolution is necessary because, unfortunately, many bills have been introduced over the past several years that attempt to thwart the power of locally elected officials to determine what actions best serve their own unique communities.

Mayor Scruggs asked what will the League do with these three because these are very huge issues. She had been talking with some of her colleagues in cities that have very serious issues brought about the consolidated elections for one. But what does the League see themselves doing on these three?

Mr. Stoddard stated these three will take a priority status in the League's municipal policy statement as well as the legislative agenda. The resolutions are submitted by individual cities, therefore, at times there are some gaps involved. The League will take a more proactive approach not only through the courts but also as they lobby the legislature. He noted the Supreme Court affirmed that the Charter Cities have the ability to not be regulated by the legislature unless those things rise to a level of statewide concern which was very few and far between.

Mayor Scruggs referred to number three and commented that she has often wondered how they legally could do the things that they do. For example, the consolidated elections, this didn't affect Glendale because the city had already gone to the voters and gone that way previously. And she was reading what is written on the League staff resolution and it's very clear. And it says "whereas the Arizona constitution specifically provides that any city may frame a Charter for its own government. Whereas when a city has successfully completed the City Charter process, the Charter becomes the organic law of the city." And then the Charter cities draw their power from their citizens who first voted on the Charter, that's how it becomes a Charter. People have to go vote it in and are governed by their Charter. So how can another governing body take over? So she was wondering if at the City Manager level, this is going to that level because Mr. Stoddard was saying that there is talk of more lawsuits. It's already gone to the Supreme Court and Mr. Stoddard commented on the Tucson Election issue. So why do we continue to allow this type of thing to happen? So she didn't know if there was any discussion of this at the meetings for the City Managers. Do the City Managers meet during the week conference? No, just the City Attorneys do. She wondered if there could be some ongoing dialogue at the City Attorneys meeting during the week conference on this issue and work more closely with the League. Because this is very serious, it's as if we don't have Charters anymore.

Craig Tindall, City Attorney agreed to bring this topic up during the next City Attorneys meeting. He said they had an open agenda and can bring this up.

Mayor Scruggs commented that it might be a good idea and if we can work more in tandem because as long as nothing happens then that's all the encouragement they need to continue to trample on us. She asked if Council had any more questions about anything else having to do with the resolutions that will come forward. None, Thank you for organizing your report this way.

Vice Mayor Frate stated he liked the way this format was presented. He hopes they continue this layout. Mr. Stoddard agreed.

2. CITY MANAGER UPDATE ON LOOP 303, PROPOSED FIVE YEAR STRATEGIC PLAN, AND ELECTRONIC BILLBOARDS ON CITY PROPERTY
PRESENTED BY: Horatio Skeete, Acting City Manager

This is an opportunity for the Acting City Manager to provide an update regarding Loop 303, a proposed five year strategic plan and electronic billboards on city property.

This is for Council information only. The Acting City Manager and staff are available to answer any questions regarding the information provided.

Loop 303 - The Loop 303 Corridor Development Group is working with city staff towards completion of a Pre-Annexation Development Agreement (PADA) between the property owners and the City of Glendale, as well as an Agreement for Future Wastewater and Recycled Water Services between Global Water Resources and the City of Glendale.

Strategic Plan - The consideration of a five year Strategic Plan to address the new temporary city sales tax increase and how to position the city's financial future once the tax sunsets.

Electronic Billboards - Glendale entered into an agreement with American Outdoor Advertising to place Digital Billboards at various locations on Loop 101 on city owned property. Thus far two Digital Billboards have been placed on the City's Park & Ride Lot. Lamar Outdoor recently purchased the assets of American Outdoor. Lamar is interested in constructing additional Digital Billboards on city owned property on the Loop 101 on the PAD zoned sites already approved for this type of signage.

Acting City Manager Horatio Skeete provided an update. He introduced a somewhat new topic to the Council's workshop agenda today. This item is an introduction of ideas and discussions that staff has been engaged in and are spending a lot of staff time on. Some topics have been previously discussed at workshop and some are new topics that have recently been introduced by the community or staff. The idea behind the introduction of these items in this workshop format was twofold. One is to keep the Council informed on where staff is spending their time. Another is to give the Council an opportunity to give staff general guidance on these items. However, he does not want to engage in any detailed, in-depth discussion since staff was not prepared to offer a detailed analysis of the pros and cons.

He said that four or five years ago, they introduced an idea for the 303 annexation and annexed two pieces of property out west of 115 Avenue. They introduced a residential community which proceeded to almost development but was hindered by the economy. The city also introduced an annexation of about 105 acres of property on the Peoria alignment close to the 303 where they believed there were some commercial opportunities. However, the economy once again hindered any development in the area. Staff has continued to work with some of the major land owners to continue to look at opportunities. During the last six weeks, staff has been engaged in annexation discussions of a much broader and larger proportion that are interested in being annexed into the City of Glendale. Mr. Layton Wolff is a major property owner the city has had several discussions with. Mr. Skeete continued staff was operating on the principals they understood several years ago from Council. One of the Council's priorities regarding this issue was to consider the protection of Luke and the area around Luke. Another direction heard was that development activity and the annexation of land west of 115 Avenue should also include a development of its own public service infrastructure and utilities. This infrastructure should not impact the remainder of the City of Glendale. Additionally, the city does not have an interest to expand the city's municipal water and sewer services west of 115 Avenue.

The Council encouraged the annexation and development with its own independent services. He indicated staff continues to work under these premises. The public safety issues with the developments of the area were also significant since they would not be able to provide the same level of service to that area. In order to be effective in delivering the same level of service to communities west 115 Avenue, fire and police would have to be developed as an independent unit. Additionally, there is some significant development between 115th Avenue and 144th Avenue that has expressed no interest to be in the City of Glendale. As a result, that gap would continue to be county served. Therefore, staff would like to make sure the Council's guiding principals have not changed. These items will be brought forward in the next four to five weeks in complete presentations by staff. He stated staff has also added an economic impact analysis on planning and development of this project. In addition, they want to find if whether or not this proposed development and annexation is economically sustainable and does not create any additional burden on the city. He added that analysis will also be presented to Council.

Councilmember Clark asked if the analysis will include scenarios of a weak and healthy economy. Mr. Skeete replied yes. He added the analysis was not only on how things look today but what they could look like in the future. He will also provide them with what is necessary.

Mayor Scruggs commented that what she was hearing Acting City Manager Skeete say is that he would like an affirmation that the principals that where more or less given in direction a few years ago that there is still agreement that those are the principals that should be followed or there might be changes. Council will go through each of those individually.

Councilmember Clark remarked on the legislature's role in reducing the city's impact fees and would like to know how that impact has affected the city. Additionally, once they determine compatible zoning, how can they assist in making that happen? She would like to look at some strategies to help in this process at no cost. She believes there are many ways this can be done that are not financially based.

Mayor Scruggs asked that someone research what other states have done. California has been struggling for many, many years on how to deal with the cost of development. They have a totally different revenue system than Glendale. They don't have state shared revenues. And then of course, when Proposition 13 went into effect, that impacted them. And she has learned through friends that live there, who have chosen to move to cities that did not exist when she lived there, that there are different mechanisms and one of them that she learned about recently is melaruse. But it has to do with not the - it's kind of a little bit different than what is being discussed. It's not the city giving money to encourage development but it's asking the people who choose to live in that development to assume the costs for their development because they don't have the impact fees and so forth. So in other words, you might think of it as a home owners association, but it is way beyond that.

Vice Mayor Frate believes they have done something similar in North Peoria.

Mayor Scruggs commented maybe, she knew out in Buckeye they have community facility districts, maybe Peoria uses that. This is different; people pay their annual assessments so that their parks are kept up and so that they have some of the services that people want. So she would like to ask then as you do this, staff can look at some ways that other states have implemented ways to bear the cost of development. Which is really where you were going with this conversation? Of course that may take some legislative action which would probably stop it. And then we are back to DOA again. But you know there are other ways of dealing with this versus the city always having to pay for everything.

Councilmember Lieberman commented on melaruse and how it also gets around in certain areas and new developments in Proposition 13. He said that Proposition 13 means that you are not going to be charged the 1% property tax but will be taxed on a new basis depending on the new value created by the improvements that are made.

Mayor Scruggs commented that must have been their answer to the people who live there. Like the development she was thinking about is called Santa Margarita. So that must get around the fact that they are going to pay more because they are paying for their libraries, parks, tend for those types of projects so they have lowered their property tax.

Mayor Scruggs asked if there was anything else. Other ideas that any of you have that you would like staff to look at as they work on this?

Councilmember Martinez commented on land owners possibly willing to donate land for city purposes. Mr. Skeete commented on some development land that has been pledged but was not sufficient since it was only five acres and the city was looking for about 3000 acres.

Mayor Scruggs commented she certainly supports staff's efforts to have certainty when doing this project. When Arrowhead Mall was being thought of, and of course it was extremely important to the City of Glendale to get the revenue generation from Arrowhead Towne Center, Improvement Districts were used because at that time the city did not have the finances to put in the streets and the water and the sewer and all the things that needed to be put in, in order to

make that happen. Are Improvement Districts still allowed in this state? Because that was a way to get money in and at the same time the developer paid to put in the street and the water and sewer and all the things that were the city's responsibility and then the city paid them back out of the new revenues, 50% of revenues came to us and 50% to them. So is that still a legal mechanism?

Mr. Tindall replied yes. He said melaruse was a CFD and is still around.

Mayor Scruggs stated okay it is. It seems that CFD's always seem more complicated for some reason. So using those mechanisms to move development along more quickly could be significant when financial resources are just strained. It's going to be a long time until the city would be able to go out for bonds to build a water treatment plant. She was going to ask, Council talked about water, sewer, public safety but no mention of sanitation. Is the city required by law to handle the sanitation or can that be contracted out?

Mr. Skeete stated it was his understanding the city was responsible for making sure it was provided but not necessary that the city has to provide it.

Mr. Tindall said the city can contract out residential sanitation, however, commercial was on their own.

Mayor Scruggs asked if the city could contract out residential sanitation. Mr. Tindall replied yes.

Mayor Scruggs stated because that would be another huge consideration.

Councilmember Lieberman commented on a residential tract along the 303.

Mr. Tindall explained the contractor was Arizona American Water which is now EPCOR.

Mayor Scruggs asked who was doing sanitation out there. Mr. Skeete stated the county currently allows for private contractors to provide service to the area.

Mayor Scruggs commented the principals that Mr. Skeete said were Council direction three or four years ago and he is now asking for direction on, is that development west of 115th Avenue should come with its own independent water and sewer service. Are there any comments on that? Is there an agreement? Councilmembers voiced agreement.

Mayor Scruggs commented Public Safety – she didn't know what Mr. Skeete was asking us there? Mr. Skeete said Council needed to address the gap between 115th Avenue and 140th Avenue. So, she was not sure what he was asking Council regarding public safety or, if he was asking Council anything.

Councilmember Clark read the listed of principals provided by Mr. Skeete that the Council offered years ago. She asked if she was correct.

Mr. Skeete stated those were the guiding principles, however, one of the expectations is that they provide adequate discussion on how to address the public safety issue as well as the other social services being provided.

Mayor Scruggs clarified what she heard Mr. Skeete say is that there will have to be a different level of service for public safety. She asked Mr. Skeete if he was asking if Council supported that notion that there will have to be a different level of service or does Council want to say no, it's going to be the same level out there as it is in the city.

Mr. Skeete explained that staff highlighted the possibilities and the gap was one of the issues that would have to be addressed by the Council and staff as they develop this plan.

Mayor Scruggs asked what would be helpful.

Mr. Skeete asked if the Council believed an alternative level of service in this area will be acceptable.

Mayor Scruggs commented that was really what she understood and said in the first place. Was Mr. Skeete asking Council that today?

Mayor Scruggs clarified to Council that Mr. Skeete was now asking Council if staff has the authority to indicate to developments interested that the public safety level of service experienced within the annexed part of the city would not be what would be provided out there or you want it to be provided out there at the same level of service.

Councilmember Martinez said the same level should be provided.

Councilmember Lieberman said the same level should be provided.

Councilmember Clark said the same level should be provided at the residential level. However, regarding commercial or industrial, they should look at alternatives.

Vice Mayor Frate stated he would like to see an analysis on both options since the population level would be less which means fewer police and fire stations.

Mayor Scruggs commented that she thought he had the right answer. Rather than say absolutely the city would go with everything has to be the same level of service when you have a three mile gap between developments. What would happen is either, number one, nothing would happen, or number two, residents inside the developed part of the city would be sorely harmed by their loss of service. So she believes the Vice Mayor is on the right track as to present both options and then let the Council look at it and say, either you want development or you don't. Because to provide the same level of fire and police service with a three mile gap in between it might be 30 years from now.

Councilmember Martinez stated his thought was not in respect to the facilities but certainly the response time to emergencies.

Mayor Scruggs commented realistically, in order to provide the service itself, the city would have to increase manpower by a huge amount. The city can't increase manpower with the existing stations because they can only hold just so many people in them especially the fire stations. The city can't increase it without buying a huge amount of new equipment. So if the city says unless we can have everything exactly the same then probably it will push development off for quite a while. So she thought the city should look at choices and making the decision there. And maybe the decision is no, if the city wouldn't promise everybody four minutes, we don't want development. Then that's the decision.

Councilmember Knaack believed police and fire presented some information on this subject some time ago.

Mr. Skeete replied she was correct, this discussion has been had; however, the question has been about matching the level of service in those areas. He said his concern was how not to impact the current community by providing that matching the level of service and still provide adequate service.

Councilmember Knaack asked if the city can legally offer less service to one part of the city.

Mr. Tindall explained this was a question of city resources and from that standpoint, they could make that choice.

Mayor Scruggs commented she thought it would be an eye opening presentation because Council just assumes they can do these things. It's going to be many, many years until the city would have any authority for bonding anyway to build any facilities or to buy any trucks. There is certainly nothing in the budget that will allow for hiring additional public safety personnel. So, one or two of the southwest valley cities have addressed their needs by contracting with another city. She thought Litchfield Park was involved and possibly Avondale and Goodyear. She didn't know who was contracting with whom? So how are they addressing this? Well it's kind of the same situation, they need the service and they don't have the ability to create the facilities and so forth.

Mr. Skeete explained there currently was a contract between the city of Litchfield and Goodyear for fire services. He explained the process.

Mayor Scruggs asked if Peoria or Surprise close enough that they could be contracted for services in that area. Mr. Skeete said the City of Surprise was on the Northern border.

Mayor Scruggs commented because once Glendale puts services out there, it's all part of automatic aid so then even more it's drawing Glendale's existing fire department personnel out of what we think of is the main part of the city because everyone is on automatic aid.

Councilmember Lieberman remarked that at one time the city had discussed a cooperative fire service with Litchfield Park.

Mr. Skeete stated that was explored about 10 years ago when the City of Glendale was exploring annexation opportunities in that area. However, that annexation did not happen, the City of Litchfield then discussed opportunities with the Goodyear and Avondale.

Mayor Scruggs commented she didn't think there was closure yet on this. There are three Councilmembers who said absolutely it has to be the same level of service as we have now, two of Councilmembers say, present alternatives and determine what works best.

Councilmembers Knaack, Clark and Martinez agreed to hear all the options.

Mayor Scruggs commented that addresses public safety and Council talked about the economic analysis. Does staff have all the direction that was needed on that item? Mr. Skeete replied yes.

Mayor Scruggs commented next the meeting will go to strategic plan.

Mr. Skeete stated that ever since the 7/10th of a sales tax was adopted, one of his objectives was to have discussions on a five year strategic plan to get ready for the sunset of this sales tax. He said there were things staff and the Council have to develop to start weaning off that increase and start incorporating that into their financial plans. Currently, the budget is built and dependent on that projected sales tax to be incorporated and spent in this FY. The city should not get used to having this money and possibly wake up some morning and find out it's not there. He said the responsible thing to do was to engage in a strategic plan that is prudent and practical. He hopes to engage some outside people in that conversation so as to look at this as broadly as possible. Some possibilities are the ASU School of Business and the Thunderbird School of Management as well as the community. Additionally, they need the Council's goals and objects to incorporate into that plan. He would like to find ways to survive not having the 7/10th sales tax. He said planning an economic development program was an important part and encouraged aggressiveness rather than sitting back and waiting.

For example, he would like to examine the assumption that 500 jobs would automatically bring enough revenue and that might not be the case since all those people might not live in Glendale. Therefore, he would look into these types of processes which also include zoning, to see if it is in the best interests of Glendale. He discussed looking at these different areas more closely to see if they truly benefit Glendale. He reiterated they don't seem to be aggressively encouraging this type of procedure and for the most part they just facilitated what the market brings without any strategic plan to see if the market is bringing the things that will strengthen the economy. Therefore, staff will be aggressively looking at this and engaging some outside help. He said if using the universities does not help, he was prepared come back to Council to squeeze some dollars out of the budget to hire somebody to help them facilitate that process. He believes this was a vital part of their success as they learn how to live without the 7/10th.

Councilmember Clark stated this was a great opportunity and was glad staff was bringing this forward. She inquired as to the timeframe that was envisioned on this project since new Councilmembers and a new Mayor will be seated in about four months. She would like to engage them and the community early in the process in hopes they will participate. Mr. Skeete agreed. Councilmember Clark remarked what he was presenting was excellent and was very

pleased to see it. She believes that taking into account Council goals and objectives, having community conversations, looking at debt management and revenue, economic enhancement plans are all great ideas.

Mayor Scruggs stated she agrees with Councilmember Clark totally and her concern is timing, how fast this could happen. Last year Council made quite a big to do about starting the budget much earlier and ended up just back against the wall like always. So her concern is how quickly Mr. Skeete plans to implement this strategic plan. Bringing the community in is absolutely paramount and he was recognizing this as well as bringing in somebody outside of city staff. All anybody needs to do is read the comments of those who would like to have these seats starting in January and listen to the citizens and there is no doubt that there is no trust. And so she gave Mr. Skeete a lot of credit because he was recognizing this out front and he was saying the city needed to have more people in this process. The city needs to have other people's ideas and so forth. So timing would be the big thing and involving the community in all of the planning. Council goals and objectives, she wasn't sure where she fell on that because the Council in place can have all sorts of goals and objectives. But this time this year and many years for the future there is a question of what the city can afford and that may need to be determined before Council sets goals and objectives. Why set goals and objectives if you have no money to implement those? She thought if Mr. Skeete had to have this laid out, what can the city afford. One of the things that troubled her terribly in the budget that she didn't vote for is that it built in a certain amount of savings from the refinancing of Camelback Ranch. Has the city started on that because that's where this budget is built right now?

Mr. Skeete stated they have not started that process in part because the financial community has rebuffed the city on every front because of the inability to complete the sale of the Coyotes Team as well as the referendum and initiative petitions that had been circulated. He discussed a few financial options including lease-leased back. He explained these three issues continue to be the center of the conversation amid the financial community. The city needs to have certainty on those issues before they can aggressively pursue any opportunities for savings and benefits from the reduced interest rates currently in the market.

Mayor Scruggs commented so that takes it back to timing. So now the city was two months into the 12 month fiscal year and no one wants to talk about those issues that are needed in order to be able to meet the budget. So one of the aspects Mr. Skeete talked about was about the community being engaged because it's, what do they want and their awareness of what they have to give up. So now the city was two months into the 12 month budget that's built on achieving savings through ways that the financial market does not want to discuss. She asked Mr. Skeete how he will address that and how will the public be involved in that.

Mr. Skeete explained they continue to hold out hope that there will be a resolution of the Coyotes sale. They have extended the arena management agreement with the NHL to the end of this month. They will have a conversation in the next week or so to see what the next step should the sale not close by the end of the month. He will be coming to Council for some direction on this matter with additional information to use in their discussions.

Mayor Scruggs commented that leaves her back with the question of timing. So it appears the city was not able to deliver what was expected because this has dragged on and because the financial markets aren't interested in talking to the city about the ways that extra cash can come in. How does the community then find out this fiscal analysis and that there is going to be a lot of changes?

Mr. Skeete said that was part of staff responsibility to provide a picture of where they are and what things the city has in motion and what would happen with each scenario. In addition, there will have to be some conversations based on serious analysis and the options created. He added that after those conversations, they might have three different pictures based on the different aspects of their reality.

Mayor Scruggs agreed with Mr. Skeete but added the public needs to hear about this, this is not something that needs to be kept in Executive Session. She read these comments from the candidates and a lot of them think that Mr. Skeete and staff don't know what they are doing here. She continued that Mr. Skeete does know what he was doing and he was trying to plan and chart a strategic plan and plan for different eventualities. But until that comes out to the public, he can't hide that in Executive Session, the city can't, it's not him, it's us, the city can't hide that in Executive Session. So she thought he was on the right track definitely. It just needs to come out into the open and people need to see what is really going on and see the possibilities and see the work that goes into preparing for the various possibilities and develop a greater confidence that yes these things are being addressed. The only thing she would say is to get it out in the open as soon as possible because people are making up stories about what is going on and that is not helpful.

Councilmember Knaack asked Mr. Skeete to address the citywide audit as part of the future. Mr. Skeete stated he has not contemplated a citywide audit. However, they do have auditors in the finance department assessing all of the city's books. Other than that, he was not sure what other type of audit was needed. He said they were not wasting time looking back and are focusing more on the future. He reminded everyone that the five year clock was ticking. He noted they could look closer at infrastructure investments and can have those conversations involving outside help in the future.

Councilmember Clark agreed that timing was everything. She indicated that a lot of lost time was not of their making since they spent a great time waiting for others in the casino, sales tax, and Coyotes deal issues. These are all out of their direct control. She hopes when they discuss scenarios on what to do in case the sales tax does not go through as well if it successfully concludes. She said she wants people to know that if the Jamison deal does not go through, the city still has to pay a managing cost.

Mayor Scruggs commented that she wanted to go back to the discussion about the audit. Early on, and she spoke to Mr. Skeete about this before he became the Acting City Manager. And there is a lot of conversation going on now about a forensic audit. She didn't know if everybody knows what a forensic audit is but they are calling for it. And at one time she felt very strongly that the city needed to have something of the depth that the City of Surprise had to go into because of things that were done with their money that not everybody realized was being done

and it was going in different places and they were in a real big mess. And she spoke to Mr. Skeete about that and she learned the amount of time it takes to complete something like that. So while she still thought it is something that probably should be done at some point she didn't think it was something that could be done quickly and it would take close to a year to complete. It was something that probably should be looked at in the future even after there is a plan in place or whatever if more confidence needs to be restored. It was not something that can be done to help the city through this budget year and certainly cannot be done to help with FY 13/14 budget year.

Mayor Scruggs continued at the same time Mr. Skeete put out a memo of all the audits that the city auditor is either in the process of conducting or is going to conduct. Which is way more than anything that has been done in a long time and those are very good. And she thought those address some of the performance situations that he was talking about. These deals that were made and were they being implemented the way they were supposed to be and what are they producing. So that is very good. She just wanted to comment that there is just no time right now to do the kind of audit that she heard being called for by the public, especially by the candidates because this has to be taken care of right away.

Mayor Scruggs stated she wanted to go back since Councilmember Clark brought up some of the extenuating circumstances out there with one of them being called the casino issue which is not really the whole issue. But when talking about looking at development opportunities and going after development that's needed in the city and the right kind of development that goes to the heart of what the Council's opposition to the Tohono O'odham situation has been all along. Because what the Tohono O'odham do, is they take another 100 acres or more that is not needed for their casino and resort and they take it out of production from the city and meeting the needs of our citizens. And that is the issue that's still here after three years, three and a half years; the city still can't get out of this.

Mayor Scruggs continued so when talking about having economic development plans as part of this total look. What can the city do about planning and economic development coming up with plans that give us a road map for the future prosperity and sustainability of the city? And nobody addresses the issue that along comes another Nation that just removes all that from the city's ability to plan and sustain the city. And that is what it's all about, the whole casino thing, that's a federal and state issue. So she hoped through all of this, the planning part and the fact that the city develops plans as to how to sustain what they have now, plan for the future but those can be disturbed or destroyed by an outside entity coming in and robbing the citizens of all that should be produced on that land. So when talking about the planning aspect and she saw where the city does have a plan for that area and it is being stolen away and taken. And all anybody can talk about is a casino which is a totally different issue. She would like to go back and say that the audit, she supports an audit, she doesn't think it's going to help one little bit for what was being talked about right now. The city needs to get moving right now with the plans. And the plans will be with the team here. And she knows he is calling around and telling everybody that it's just about ready, just about done, just about cooked again but you know the city still doesn't have it. But the city still needs to find and look at no team, two months into 12 months, there was no plan.

Councilmember Lieberman stated he once again disagreed with the last two speakers. He reminded them that for the first three years they didn't pay a management fee for the area. The firms running the arena did not make a profit. Additionally, no one knows if leasing out the arena will cost the city money since they might make a profit. He suggests they look for a company to start managing that arena as an option. He explained the area the Mayor was talking about regarding the casino was not an area that developers wanted. He said the Mayor talks about acres that should be developed but Bidwill lost money on that area. He said the best thing that can happen in that area would be a casino and was glad the Tohono O'odham Nation wanted to develop that land. He reiterated that many developers were not interested in this piece of land. He mentioned the many developers that have tried and failed to develop that land. He said at least four groups in the last 10 years have gone broke or did not develop that very land or within a mile. However, the Mayor is now saying that the city is being robbed out of that land because the Indians do not want to develop it. He noted the great revenue opportunities the city will achieve with the casino in the area. He stated the simple fact was that casinos bring people into the area.

Mayor Scruggs added she was not going to dispute the numbers but she was going to go back to say that he totally misunderstood what she said. She said the casino issue is totally something separate. It belongs to the State and it belongs to the United States of America.

Councilmember Lieberman asked why the City of Glendale was suing.

Mayor Scruggs commented the press was here and while the public was listening, she would like to go back again to what her statements were. She didn't criticize the Tohono O'odham Nation for not developing their land. What she was trying to say is what they want for the west valley resort is just a fraction of the total land that they own. They refuse to develop the rest of their land - they will build the very same things that the city has in the general plan, only they want to do it not as the city of Glendale, not as Maricopa County, not as the state of Arizona and not as the United States of America. They want to do it as a federally designated Indian Reservation on land taken into federal trust so they do not have to pay any of the revenue, none of the sales tax, none of the taxes that go to make Glendale a sustainable community. And what she was trying to say was - that was the major issue as she understood it on the part of the Council that still opposes the creation. You read the resolution, the creation of an Indian Reservation within the municipal boundaries of the City of Glendale. Now even if the Tohono O'odham Nation - and she was asked this question when she spoke to a group of retired teachers recently, and retired teachers like casinos. And they wanted to know, what if that land never becomes part of the City of Glendale. Because it's not annexed by the city, what if they develop but they never annex in the City of Glendale. The Mayor said the state and everybody who lives in this state will still be better off because they will have to pay taxes to the State of Arizona. The tribe would have to pay the Maricopa County transportation tax; they would help pay the teacher's salary as they retire through paying into the state taxes. And that is what they are avoiding. She was not criticizing that they are not developing, she was criticizing that the only way they will develop is to remove their land outside of the jurisdiction of the city, the county, the state and the United States of America. That's what she was talking about. They are segregating out the issue of the casino which will be handled separately and dealt with separately by other parties.

Mayor Scruggs continued the reason why Scottsdale didn't fight the casino over there is because the casino is built on land that has been part of the Salt River Pima Maricopa Indian Community for probably 200 years. The Talking Stick people didn't come and take part of Scottsdale and say you're not going to be Scottsdale and we are going to make a total Indian Reservation out of you and remove you from the city, remove you from the county, remove you from the state and from the United States. That's their land; they have a right to do whatever. And if you think that any of those leaders in Chandler, any of the people in Chandler or Scottsdale would not tell you that those casinos are not taking business from their cities, they absolutely will tell you it is. Now it's great that they have the most wonderful baseball stadium in the entire state, she thinks it's marvelous but not one penny of it goes to pay any of the cost of Scottsdale for the roads, not one dime. And that is her issue - that is what her issue has been all along. She was not trying to tell you that the land - whatever Councilmember Lieberman said about Westgate could not get a bid - whatever, she believes him. That's not what she was talking about. What she was talking about is they should develop like everybody else does. If they don't want to be in the city, fine, don't be in the city, stay in the county but develop as part of the state that is providing the people that are coming there, providing all the services they need and pay the taxes for the sustainability. While Mr. Skeete is trying to prepare Council for the cliff that the city was going to fall off in five years. Well we are seeing this right now, folks. The state is getting ready to fall off a three year cliff and what are they doing? They are putting something on the ballot to make it a permanent tax because you can't put something in place and take it away. That's what she was saying, they will take away the earning power from about 100 acres or more of land that they don't need to. They can develop everything they want except the casino without being an Indian Reservation but they refuse to participate in the financial well-being of the state.

Councilmember Lieberman noted the Nation had no intention to develop.

Mayor Scruggs commented well then they can remove their request for taking into federal trust and just put in a request for the casino.

Councilmember Clark agreed with the Mayor completely. She stated Councilmember Lieberman's assumptions were incorrect and he may as well be part of the tribe since he refuses to look at what this will do to Glendale. She said he should be considering both sides of the equation.

Councilmember Martinez stated he also agrees with Mayor Scruggs and Councilmember Clark on this issue. He added he attributed most of the business failures in that area to the recession. He was also in favor of the strategic plan being proposed.

Councilmember Knaack hopes that with all this discussion the public realizes there was a five year sunset on this sales tax.

Mayor Scruggs asked Mr. Skeete if he had the direction he needed on the strategic plan. Mr. Skeete replied yes. He added he will start as aggressively and quickly as they possibly can.

Mayor Scruggs expressed support for Mr. Skeete and commended him.

Councilmember Lieberman said he too supports staff's strategic plan.

Mayor Scruggs called the meeting back to order after a short break.

Mr. Skeete stated the third item today was Electronic Billboards. Glendale entered into an agreement with American Outdoor Advertising to place Digital Billboards at various locations on Loop 101 on city owned property. Two Digital Billboards have been placed on the City's Park & Ride Lot. Lamar Outdoor recently purchased the assets of American Outdoor. Lamar is interested in constructing additional Digital Billboards on city owned property on the Loop 101 on the PAD zoned sites already approved for this type of signage. He would like Council to reaffirm their intentions and the direction provided three years ago and confirms the city can exercise those options for additional billboards along the 101. The city still owns two pieces of property that are eligible for billboards and in keeping with the zoning text amendment. Currently the parcel on Bethany Road and the 101 falls within the parameters within the zoning text amendment and eligible for the installation of the electronic billboard.

Councilmember Lieberman remarked on the Rovey brothers concerns regarding billboards. Mr. Skeete explained the city passed an ordinance that gave them the opportunity to install some electronic billboards on their property with a number of conditions. Councilmember Lieberman said he could not recall the outcome with that issue.

Councilmember Martinez recalled that the Rovey brothers were in agreement with the text amendment.

Mayor Scruggs explained that the Rovey brothers' issue was that the city was requiring development on the land prior to a billboard going up. And there was some sort of compromise that was struck. She asked Mr. Skeete to remind Council what was involved.

Mr. Skeete stated the billboards can be installed as long as the other requirements are met such as the separation and frontage requirements without development.

Mayor Scruggs commented that it was because they were concerned the city was able to do things on city property that they were not allowed to do. So the two billboards that are up right now, those don't fall within the ordinances? Mr. Skeete replied no. Those were installed before and are grandfathered in.

Mr. Skeete stated they originally had two sites, one at Camelback and one at Bethany Home Road and the 101.

Mayor Scruggs asked how big the one at Bethany Home Road was. Mr. Skeete replied it was around 16 acres.

Mayor Scruggs commented when the city goes into one of these agreements with these companies to put up an electronic billboard, is that forever or is it for a certain period of time? She was asking since down the road the city might want to sell that property.

Mr. Skeete explained billboards reduce the market value if the city tries to sell to a developer unless they are also selling the income rights along with that. The current agreements are for about 10 years with renewal options.

Councilmember Clark noted the two billboards at the Park and Ride lot do not meet the 1/3 mile but these were installed prior to any discussion on billboards in Glendale. She discussed the Rovey brothers' concerns and understands they are in agreement with the ordinance as it was passed. She talked about the Rovey brothers' plans for the property. She supports staff's thought on this item since they really did not have anything to lose in moving forward.

Councilmember Martinez asked what was the terms regarding revenues on this item. Mr. Skeete said his negotiations were not complete, however, he believes it was a little over \$8000 a month. He said the city had too many issues pending at the moment and he would like to analyze this further.

Mayor Scruggs commented the city has so many things in flux right now and when the city went in with this whole billboard issue, it was very quick. They did not stop and think, or analyze; the city said they have to do this. She likes the idea of waiting especially because of the parking situation because if the city doesn't work that thing out, she doesn't know how it will work out. She just thought the city has too many things in flux. She would rather see more of an analysis of the whole thing rather than jump in with these people. The city has made too many decisions quickly to just grab a few bucks here a few bucks there. She would rather take the time to analyze it herself.

Councilmember Knaack stated she supports analyzing this item further. She stated that parking was not a bad idea in that area and they could still put a billboard up.

Mayor Scruggs stated Council was going to go with further analysis. The city doesn't have many options on that whole parking thing. So do further analysis and then come back to Council when you have something for us to compare. Mr. Skeete agreed.

ADJOURNMENT

The meeting was adjourned at 5:10 p.m.