

**MINUTES OF THE REGULAR MEETING OF THE COUNCIL
OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA,
HELD TUESDAY, JUNE 12, 2007, AT 7:00 P.M.**

The meeting was called to order by Mayor Elaine M. Scruggs, with Vice Mayor Manuel D. Martinez, and the following Councilmembers present: Joyce V. Clark, Steven E. Frate, David M. Goulet, Yvonne J. Knaack, and H. Philip Lieberman

Also present were Ed Beasley, City Manager; Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

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

A statement was filed by the City Clerk that the thirteen resolutions and three ordinances to be considered at the meeting were available for public examination and the title posted at City Hall more than 72 hours in advance of the meeting.

APPROVAL OF THE MINUTES OF THE MAY 22, 2007 CITY COUNCIL MEETING

It was moved by Goulet, and seconded by Clark, to dispense with the reading of the minutes of the May 22, 2007 regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. The motion carried unanimously.

PROCLAMATIONS AND AWARDS

**RECOGNITION OF COMMUNITY SERVICE FOR PLANNING COMMISSIONERS
RICHARD SCHWARTZ AND DANIEL DREW**

This is a request for the City Council to recognize Mr. Richard Schwartz and Mr. Daniel Drew for their dedicated service to the Glendale Planning Commission.

The Glendale Planning Commission analyzes, reviews, and makes recommendations to the City Council regarding land use and development issues. Planning Commission members serve the public interest by representing the community as a whole. Planning Commissioners have the unique opportunity to shape the present and future quality of Glendale by making decisions and recommendations that can have long-term impacts on the community.

Mr. Schwartz served on the Planning Commission from 2003 to 2007. He served one year as Chair of the Commission. Mr. Drew served on the Planning Commission from 2003 to 2007.

The recommendation was to present plaques to Mr. Richard Schwartz and Mr. Daniel Drew for outstanding contributions and dedication to serving the citizens of Glendale.

Mayor Scruggs presented plaques to Richard Schwartz and Daniel Drew, recognizing them for their outstanding service to the Planning Commission.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

This is a request for the City Council to accept the Certificate of Achievement for Excellence in Financial Reporting award for the city's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2005-06.

The Government Finance Officers Association of the United States and Canada (GFOA) recently issued the plaque awarding a Certificate of Achievement for Excellence in Financial Reporting for the city's Comprehensive Annual Financial Report for the Fiscal Year ending June 30, 2006.

This award is presented to the city for the nineteenth consecutive time.

Each year a CAFR is prepared to provide complete, readily available information to the City Council, citizens, the media, other public agencies and New York based bond-rating agencies. Preparation of a CAFR reflects positively on local government's financial management, as it relates to providing complete public disclosure of its financial condition. It provides valuable information on topics as diverse as employee pension plan performance, debt management, and ten-year trends in general government revenues and expenditures.

The recommendation was to accept the Certificate of Achievement for Excellence in Financial Reporting.

Mr. Raymond H. Shuey, Chief Financial Officer, presented the Certificate of Achievement for Excellence in Financial Reporting to the Mayor and Council.

Mayor Scruggs expressed her appreciation on behalf of the entire City Council to all the members of the financial team and staff. She thanked staff for leading them through tremendous growth and also some very exciting times.

CONSENT AGENDA

Mr. Ed Beasley, City Manager, read agenda item numbers 1 through 8 and Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 9 through 19 by number and title.

1. LIQUOR LICENSE NO. 3-1119 TANDOORI TIMES 2 INDIAN BISTRO

This is a request for the City Council to approve a new Series 12 (Restaurant – All Liquor) license for Tandoori Times 2 Indian Bistro, located at 5626 West Bell Road, Suite #103. The Arizona State application (number 12077071) was submitted by Sanjeev Chopra.

The 60-day deadline for processing this application is May 28, 2007. The location of the establishment is 5626 West Bell Road, Suite #103 and is within the Sahuaro District, zoned C- 2 (general commercial). The business operated as Kokopelli Sonoran Grill at this location from March 2005 to present. This is a new license application by Sanjeev Chopra operating with an interim permit. The population density is 4,743 people per square mile. The approval of this license will not increase the total number of liquor licenses in this area. The number of liquor licenses within a one-mile radius is 38 as listed below:

Series	Type	Quantity
6	Bar – All Liquor	6
7	Bar – Beer & Wine	3
9	Liquor Store – All Liquor	1
10	Liquor Store – Beer & Wine	4
12	Restaurant – All Liquor	24
	Total	<hr/> 38

No previous action has occurred.

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

The City of Glendale Planning and Police Departments, as well as the Maricopa County Health Department, have reviewed the application and determined that it meets all technical requirements. Therefore, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

2. LIQUOR LICENSE NO. 3-1122 LUNA PIZZA

This is a request for the City Council to approve a new Series 12 (Restaurant – All Liquor) license for Luna Pizza, located at 7800 North 55th Avenue, Suite #108. The Arizona State application (number 12077031) was submitted by Halil Lala.

The 60-day deadline for processing this application is June 16, 2007. The location of the establishment is 7800 North 55th Avenue, Suite #108 and is within the Ocotillo District, zoned C-2 (general commercial). This is a new license at a new location. The population density is 4,359 people per square mile. The approval of this

license will increase the total number of liquor licenses in this area by one. The number of liquor licenses within a one-mile radius is 31 as listed below:

Series	Type	Quantity
6	Bar – All Liquor	4
7	Bar – Beer & Wine	5
9	Liquor Store – All Liquor	3
10	Liquor Store – Beer & Wine	6
12	Restaurant – All Liquor	9
14	Private Club	4
	Total	<hr/> 31

No previous action has occurred.

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

The City of Glendale Planning and Police Departments, as well as the Maricopa County Health Department, have reviewed the application and determined that it meets all technical requirements. Therefore, it is staff’s recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

3. AWARD OF CONSTRUCTION CONTRACT FOR DOWNTOWN PARKING STRUCTURE – PHASE II

This is a request for City Council approval of a Construction Manager at Risk (CMAR) contract with McCarthy Company for the second of two phases of construction of the downtown parking structure at 5835 West Palmyra. The first construction phase included site grading, relocation of existing utilities, excavation of the basement and construction of the basement walls and foundations. The second phase covers the balance of the work, including the parking garage structure, landscaping and shell retail space.

The Council has a strategic goal of “One Community with a Vibrant City Center” which specifies that a new parking structure should be constructed in the downtown area.

In October of 2006, Dick and Fritsche Design Group (DFDG) completed a parking garage feasibility study which evaluated several sites for location of a downtown parking structure. They recommended the parking lot located at 5835 West Palmyra, north of the Bank of America building, as the best site for a 600-space mixed-use parking garage.

Construction of the first phase work started in early March of 2007 and the garage is expected to be available for use by the end of this calendar year.

On February 27, 2007, the Council approved a \$3,964,682 GPM with McCarthy for Phase 1 construction services.

On December 12, 2006, the Council approved a contract with DFDG for architectural services on the parking structure and a CMAR Agreement with McCarthy Company to provide design support services.

The Council provided guidance at the September 5, 2006 workshop to continue with planning for a downtown parking garage.

On June 27, 2006, the Council approved the Fiscal Year 2006-07 Capital Improvement Projects Budget, which includes funding for a downtown parking structure.

On May 9, 2006, the Council approved the selection of DFDG to complete a feasibility study for a downtown parking structure.

A parking structure in the downtown area will provide safe, accessible parking in order to encourage citizens and visitors to frequent the shops, restaurants and events held within the downtown area.

Additional structured parking provides more efficient land utilization and will be designed to allow ground-floor retail. A multi-use parking structure will benefit the Glendale community and visitors who come to the downtown for shopping, city services and special events.

Pedestrian-level retail will further enliven the streets around the garage and offer business opportunities that support Glendale's Dining District and downtown events.

In particular, Glendale Avenue businesses, Catlin Court shops, and the visitors to the Civic Center and City Hall will enjoy the convenient, close parking that is currently in short supply.

DFDG and McCarthy Company held a public meeting on March 5, 2007 at the Civic Center Annex to discuss the design of the parking structure, construction timeline, interim parking arrangements and utility relocation impacts. There were 20 attendees.

DFDG and McCarthy Company held a public meeting on December 20, 2006 at the Civic Center to discuss the construction schedule and receive citizen input on the design of the structure. There were 24 attendees.

Ongoing communication is being achieved through a monthly newsletter, the city's website, a 24-hour hotline, and periodic contractor updates. This plan is similar to the one used during the Grand Avenue construction and currently used for the Downtown Pedestrian Enhancement project.

Engineering Department staff negotiated a fee to cover the second phase cost in the amount of \$13,077,390. The first GMP equaled \$3,964,682, thus the total GMP for the construction of the parking garage will be \$17,042,072. Funding is available in Fiscal Year 2007-08 of the Fiscal Year 2008-17 preliminary capital improvement plan that the Council reviewed in the March and April 2007 budget workshops.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$13,077,390

Account Name, Fund, Account and Line Item Number:
 FY 2007-08 Downtown Parking Structure, Account No. 1980-68113-550800

The recommendation is to authorize the City Manager to award the construction contract for the second phase of the downtown parking structure to McCarthy Company in the amount of \$13,077,390.

4. AWARD OF PROPOSAL 07-06, BUS STOP POWER WASHING

This is a request for the City Council to approve an award for power washing services for the City's bus stop shelters and bus stop shelter furniture with Shelter Clean in an amount not to exceed \$60,000 annually.

One of the Council goals is to provide high-quality services to the citizens of Glendale. The award of this contract will present clean transit facilities for citizen and visitor use.

Nine proposals were received for the provision of bus stop power washing services. An evaluation panel, consisting of staff from the Transportation Department, reviewed the proposals. Specific evaluation factors included capabilities of firm and staff, cost and references. Shelter Clean submitted the proposal that scored highest and was selected for recommendation by the evaluation committee. The terms of the agreement will be for two years with four, one-year renewal options.

Currently the city has 177 bus stops with transit furniture improvements such as shelters or benches. This agreement will provide monthly power washing of all bus shelters and bus-stop furniture. Furthermore, this contract allows for the additional cleanings as requested. Award of this contract will ensure a clean transit environment to encourage transit usage and present maintained transit facilities.

Funds are available in the proposed Fiscal Year 2007-08 GO! Transportation operating budget that Council reviewed in the March and April budget workshops.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$60,000

<u>Account Name, Fund, Account and Line Item Number:</u> Fixed Route, Account No. 1660-16540-518200

The recommendation was to award the agreement to Shelter Clean for the provision of bus stop power washing services in the amount not to exceed \$60,000 annually.

5. AWARD OF BID 07-05, STREETLIGHT AND AREA LIGHTING MAINTENANCE

This is a request for the City Council to approve the award of a streetlight and area maintenance lighting agreement with Fluoresco Lighting Sign Maintenance Corporation in an amount not to exceed \$296,510 annually.

One of the Council's goals is to provide high-quality services to citizens. Maintaining the city street lighting system will promote nighttime safety for the traveling public.

Three bids were received to provide streetlight and area lighting maintenance. This includes the replacement of lamps and the repair and replacement of streetlight poles, along with new light pole installations in city neighborhoods. The lowest responsive bid was submitted by Fluoresco Lighting Sign Maintenance Corporation in the amount of \$296,510. The bid by Fluoresco is significantly lower than the next lowest bid of \$464,855.

The maintenance of the street and area lighting systems will be provided on an "as needed" basis by issuing work orders for each request. The agreement shall begin July 1, 2007 and continue for one year with four, one-year renewal options.

The City Council approved Invitation for Bid 01-54 for streetlight and area lighting maintenance on March 26, 2002.

Having properly-maintained streetlights ensures a safe street system for both motorists and pedestrians. Street lighting is vital for traffic safety on city roadways, in intersections, neighborhood crime prevention, bicycle and pedestrian safety after daylight hours.

Funds for streetlight and area maintenance are available in the proposed Fiscal Year 2007-08 Transportation operating budget that the Council reviewed in the March and April 2007 budget workshops.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$296,510

Account Name, Fund, Account and Line Item Number:
 Street Light Management, Account No. 1340-16920-518200

The recommendation was to award the agreement for streetlight and area lighting maintenance to Fluoresco Lighting Sign Maintenance Corporation in the amount not to exceed \$296,510 annually.

6. AWARD OF PROPOSAL 07-07, DIGITAL ARCHIVE WRITER

This is a request for the City Council to approve the purchase of a digital archive writer for the City Clerk’s Department.

This purchase meets the City Council Goal of “A City with High Quality Services for Citizens.” The digital archive writer will reduce microfilming time; the saved staff time can be spent on providing increased citizen services.

A digital archive writer is used for transferring scanned images to microfilm. The State of Arizona requires certain permanent vital records to be on microfilm. A request for proposal was issued with specific evaluation factors, including compliance with specifications, ability to provide training and support, overall cost, and ability to comply with a requested delivery schedule. One bid was received from Wave Imaging Corporation. An evaluation committee, consisting of staff from the City Clerk’s Department and the Informational Technology Department, reviewed the offer. It was determined that the offer met all of the necessary requirements and is within budget.

A digital archive writer will allow the City Clerk’s Department to microfilm more documents and provide a higher quality of the microfilmed image. This is especially important to the community as it protects documents that are vital to the public and the operation of the City.

Funding for the purchase of the archive writer is available in the Fiscal Year 2006-07 capital improvement program.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
		X	X		\$53,295.46

Account Name, Fund, Account and Line Item Number:
 Archive Writer, Account No. 1000-81032-551400

The recommendation was to award the purchase of a digital archive writer to Wave Imaging Corporation in the amount of \$53,295.46, taxes included.

7. AWARD OF CONTRACTS FOR UTILITY CUTS AND CONCRETE WORK

This is a request for the City Council to award the contract for utility cuts to Specialized Surfacing in the amount of \$315,000, and the contract for concrete work to C.T. Price in the amount of \$89,000 for one year, with an option for four one-year extensions, each for a total amount not to exceed \$404,000 annually. This work will take place throughout the city as necessary.

Completing the pavement and concrete restorations will foster a smooth and reliable surface for motorists and pedestrians. This project addresses the Council goal of providing high-quality service for Glendale residents and will help foster a positive image to the public.

The Water Distribution Division performs approximately 900 excavations a year for routine and emergency water service repairs throughout the city. The award of this contract will allow the city to hire the necessary expertise to complete pavement and concrete restorations in a timely manner. The proposal is broken into two groups in order to allow multiple contractors to bid on one and/or both groups.

Group One work consists of the removal of any sub-grade material and/or temporary asphalt material and the placement of a permanent asphalt patch on utility cuts generated by the city at various locations throughout the city.

Group Two work consists of minor concrete work to include the removal, replacement, and construction of concrete sidewalks, curbs, gutters, and valve and manhole adjustments associated with repairs on the water distribution and/or sewer system throughout the city.

All impacted residents, apartment managers, and businesses will be notified of any work in progress by handbill 48 hours in advance of any street restriction that will affect access to their property or place of business and any removal of landscape or irrigation system. The handbill will include the month and date(s) expected for the restrictions, and the project inspector's office phone number.

Five bids were received and Specialized Surfacing was the lowest responsive, responsible bidder for the utility cut repairs and C. T. Price was the lowest responsive, responsible bidder for the concrete work.

The contracts will begin upon approval by Council and continue for one year. Bid specifications contain an option clause that will permit the city, at the discretion of the City Manager, to extend these contracts for four additional years in one-year increments.

On May 14, 2002, the Council approved a contract with Specialized Surfacing Utility Paving and Construction, LLC for utility cut repairs.

These bid awards will enable the Utilities Department to continue to provide reliable and adequate water service and fire protection to Glendale residents and businesses. In addition, this will allow the city to maintain a positive public image by completing pavement and concrete restorations in a timely manner while providing a smooth and reliable surface for motorists and pedestrians.

Funding is available in the proposed Fiscal Year 2007-08 Utilities Department's operating budget that the Council reviewed in the March and April 2007 budget workshops.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$404,000
<u>Account Name, Fund, Account and Line Item Number:</u>					
Water Distribution, Account No. 2400-17290-518200				\$369,000	
Wastewater Collection, Account No. 2420-17630-518200				\$ 35,000	

The recommendation was to approve the contract for utility cuts to Specialized Surfacing in the amount of \$315,000, and the contract for concrete work to C.T. Price in the amount of \$89,000 for one year, with an option for four one-year extensions, each for a total amount not to exceed \$404,000 annually, taxes included.

8. AWARD OF PARK CONSTRUCTION CONTRACT: 63RD AVENUE AND BUTLER DRIVE

This is a request for the City Council to approve a contract with Tri-Com Corporation for the construction of the neighborhood park located on the northwest corner of 63rd Avenue and Butler Drive.

The construction of the neighborhood park is consistent with the Council-approved Parks and Recreation Master Plan and the City Council Strategic Goal of providing one community with strong neighborhoods, and a city with high-quality services for citizens.

In November of 2004, the City entered into a sales and development agreement with KB Home to purchase a five-acre neighborhood park site and develop off-site improvements. Off-site improvements included KB Home completing the half street, sidewalks, curbs, and gutters around the future park site.

The City engaged RBF Consulting to conduct two public meetings and develop a master plan for the neighborhood park based on the input from these neighborhood meetings. Input was gathered and developed into a park master plan that was presented at a second public meeting. Minor changes were made to the park master plan to represent additional public input.

In November of 2004, the City Council approved a sales and development agreement with KB Home to purchase a five-acre neighborhood park site and develop off-site improvements. Off-site improvements included KB Home completing the half street, sidewalks, curbs, and gutters around the future park site.

In April of 2005, the Council approved the professional services agreement with RBF Consulting to conduct public meetings and develop a master plan for the neighborhood park based on the input from the public meetings.

Once the park is developed, it will meet the service needs for this area prescribed by the 2002 Parks and Recreation Master Plan. The park will provide neighborhood recreation amenities currently not available in this service area.

Public input gathered for the 2002 Parks and Recreation Master Plan identified accessible neighborhood parks as a top priority. This input was generated through public meetings and a citywide survey.

RBF Consulting conducted two public meetings and developed a master plan for the neighborhood park based on the input from the public meetings. Public input represented in the master plan and included in the construction scope items consist of open turf area, age-appropriate playgrounds, picnic areas with natural shade (trees and shrubs), basketball court, and a looped pathway system. Other features incorporated in the master plan include the main entrance into a plaza area, access to the park from 63rd Avenue and Butler Drive, and landscape along residential area.

Funding for this project is included in the Fiscal Year 2006-2007 Capital Improvement Plan.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$787,512.29

<u>Account Name, Fund, Account and Line Item Number:</u> 63rd - Butler Park Development (Z2), Account No. 1560-73401-550800

The recommendation was to award a construction contract to Tri-Com Corporation for the construction of the neighborhood park at 63rd Avenue and Butler Drive in the amount not to exceed \$787,512.29.

CONSENT RESOLUTIONS

9. NOTICE OF SPECIAL ELECTION SEPTEMBER 11, 2007

This is a request for the City Council to adopt a resolution to inform voters about important information regarding the Special Election to be held September 11, 2007, as well as establishing polling place hours and locations pursuant to A.R.S. Sec. 16-228.

Municipal elections promote increased citizen involvement in all aspects of municipal government.

On May 8, 2007, the Council passed Resolution 4053, New Series, calling a Special Election for Tuesday, September 11, 2007.

The recommendation was to waive reading beyond the title and adopt a resolution providing notice of the Special Election for September 11, 2007.

Resolution No. 4062 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, PROVIDING NOTICE OF THE SPECIAL ELECTION PURSUANT TO A.R.S. SEC. 16-228 BY SETTING THE DATE OF THE ELECTION (SEPTEMBER 11, 2007), ESTABLISHING THE LOCATIONS OF POLLING PLACES AND VOTING DISTRICTS, SETTING THE HOURS THAT SUCH POLLS WILL BE OPEN; AND CONTRACTING FOR ELECTION OFFICIALS AND FIXING THEIR COMPENSATION; AND DIRECTING THAT THE CITY CLERK PUBLISH THIS NOTICE OF ELECTION IN ACCORDANCE WITH A.R.S. SEC. 16-228.**

10. INDUSTRIAL COMMISSION OF ARIZONA WORKERS' COMPENSATION EXEMPTION

This is a request for the City Council to adopt a resolution stating that the city provides sufficient funding to cover liabilities for workers' compensation claims. Adopting a resolution in lieu of posting security will reduce workers' compensation trust fund expenses.

Maintaining sufficient funding to cover actuarial liabilities provides financial stability to meet current and future workers' compensation claim obligations.

The Industrial Commission of Arizona requires self-insured employers to annually post financial security for claim liabilities. The Industrial Commission revised rules in March of 2005 to exempt public entities from posting financial security, provided a certified statement signed by the governing body is provided annually to the Industrial Commission prior to July 1st each year. The certified statement must state that funds are sufficient to pay liabilities for workers' compensation claims.

The City Council adopted a similar resolution in June of 2006.

By adopting the resolution, the city avoids providing a letter of credit to the Industrial Commission. The annual cost for a letter of credit would exceed \$15,000.

The recommendation was to waive reading beyond the title and adopt a resolution stating that the city provides sufficient funding to cover liabilities for workers' compensation claims, and should funding become insufficient, the city will notify the Industrial Commission of Arizona and provide proof of appropriate security.

Resolution No. 4063 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REQUESTING EXEMPTION FROM THE REQUIREMENT BY THE INDUSTRIAL COMMISSION OF ARIZONA TO POST SECURITY FOR THE CITY OF GLENDALE'S SELF-INSURED WORKERS COMPENSATION CLAIMS.**

11. ROADWAY AND UTILITY EASEMENT AGREEMENT WITH THE BUREAU OF RECLAMATION

This is a request for the City Council to approve a Contract and Grant of Roadway and Utility Easement with the Bureau of Reclamation (BOR) for a portion of the north side of Thunderbird Road, west of Thunderbird Paseo Park, adjacent to their office located at 6150 West Thunderbird Road.

On December 30, 2004, the Bureau of Reclamation acquired a small parcel of land from the city for ingress/egress to its adjacent property where they were going to construct a new office facility. The parcel continues to be used for roadway right-of-way and utility with the larger parcel. The Bureau of Reclamation acknowledges the city's public use of the property by its Contract and Grant of Roadway and Utility Easement.

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the City Manager to execute a Contract and Grant of Roadway and Utility Easement with the U. S. Bureau of Reclamation for a portion of the north side of Thunderbird Road, west of Thunderbird Paseo Park.

Resolution No. 4064 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A CONTRACT AND GRANT OF ROADWAY AND UTILITY EASEMENT WITH THE U.S. BUREAU OF RECLAMATION FOR A PORTION OF THE NORTH SIDE OF THUNDERBIRD ROAD, WEST OF THUNDERBIRD PASEO PARK IN THE CITY OF GLENDALE.**

12. ARIZONA ATTORNEY GENERAL'S OFFICE VICTIM'S RIGHTS PROGRAM GRANT

This is a request for the City Council to accept a grant offer in the amount of \$75,900 from the State of Arizona Office of the Attorney General to continue victim's rights programs.

This grant will provide funds to the Police Department to continue victim's rights support. This is the fourteenth consecutive year of this program.

Funding from this grant will be used to offset costs associated with the performance of duties that are mandated under victims' rights laws. Services provided through this grant will include direct victims' assistance by caseworkers working in

cooperation with the Glendale City Court and the Prosecutor’s Office, and the publication and distribution of victims’ rights brochures, informational materials, and the maintenance of technology necessary for the timely notification of victims regarding the status of their cases and the status of arrested suspects moving through the city’s criminal justice system.

There is no financial match required for this funding. This is one-time funding by the State of Arizona Office of the Attorney General. A specific account will be established in Fund 1840, the city’s grant fund, once the grant agreement is formally executed. The funds provide the salary and benefits for a current full-time employee, Victim Information Notification Everyday (VINE) program and operating expenses.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X		X			\$75,900

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the City Manager to accept the grant funds in the amount of \$75,900 from the State of Arizona Office of the Attorney General.

Resolution No. 4065 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ACCEPTING THE GRANT OFFER AND AUTHORIZING THE SUBMISSION AND EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS TO THE ARIZONA OFFICE OF THE ATTORNEY GENERAL FOR PARTIAL REIMBURSEMENT OF THE COSTS OF IMPLEMENTING AND MAINTAINING THE MANDATED VICTIMS’ RIGHTS PROGRAM.**

13. RESOLUTION PROMULGATING THE REVISED EMERGENCY OPERATIONS PLAN

This is a request for the City Council to adopt a resolution promulgating the 2007 revision of the Emergency Operations Plan (EOP).

Adoption of the City of Glendale Emergency Operations Plan addresses the Council Strategic Goal of “One Community Focused on Public Safety for Citizens and Visitors”. This is achieved by providing direction to city departments and volunteer agencies in responding to emergencies or disasters and delineation of emergency response procedures, responsibilities, and lines of authority.

Arizona Revised Statute Title 26, Chapter 2, Paragraph 26-308 and Glendale Municipal Code Chapter 14, Section 14-5 authorize the development of an Emergency Operations Plan. The city’s EOP corresponds with the Emergency Support Functions in the National Response Plan, State of Arizona Emergency Operations Plan, and the Maricopa County Emergency Operations Plan. The city’s EOP is also in accordance with the City of Glendale Resolution No. 3878, which adopted the National Incident Management System as the city’s approach to incident management. The City of

Glendale EOP establishes a framework through which the city intends to prepare, respond, and recover from emergencies or local emergencies that affect the health, safety, and welfare of its citizens.

In January of 2007, the Mayor and Council were provided copies of the Final Draft Emergency Operations Plan for review and comment.

In November of 2006, an overview of the Final Draft Emergency Operations Plan was presented to the City Leadership Team for review and comment.

In July of 2006, State and County Stakeholder Agencies, and the City Attorney's Office were provided copies of the Revised Initial Draft Emergency Operations Plan for review and comment.

On January 20, 2006, City Departments were provided copies of the Initial Draft Emergency Operations Plan for review and comment.

On July 26, 2005, the Council adopted a resolution supporting the National Incident Management System (NIMS) as the standard for the incident (emergency) management structure within the city.

On November 9, 1999, the Council approved a resolution adopting a revised Emergency Operations Plan.

On October 11, 1988, the Council adopted, through resolution, an Emergency Response Plan.

This plan provides guidance to city departments and supporting agencies. It directs city departments to prepare for and execute assigned emergency tasks included in the plan to reduce the impact on the population, minimize property damage, as well as recover and reconstitute the city and its communities in the event of an emergency or disaster. It is applicable to all elements of the city government and the private sector engaged in, or acting in support of emergency operations.

The recommendation was to waive reading beyond the title and adopt a resolution promulgating the 2007 revision of the Emergency Operations Plan (EOP).

Resolution No. 4066 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THE CITY OF GLENDALE EMERGENCY OPERATIONS PLAN; AND AUTHORIZING THE MAYOR TO EXECUTE A LETTER OF PROMULGATION.**

14. INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR THE CDBG SPECIAL TRANSPORTATION SERVICES PROGRAM

This is a request for City Council authorization to enter into an intergovernmental agreement (IGA) with Maricopa County Human Services Department for Fiscal Year 2007-08, to provide elderly and disabled Glendale citizens with transportation services for medical and social service appointments outside the city limits of Glendale. Community Development Block Grant (CDBG) funds will be utilized for this activity.

Council identified programs that benefit Glendale seniors and youth as one priority to be addressed through CDBG funding. This program will help elderly and disabled Glendale residents by providing transportation outside Glendale city limits to get to needed medical care or attend social service activities. This agreement will provide 1,905 one-way trips.

Since 1997, Glendale has partnered with the Maricopa County Human Services Department for the Special Transportation Services (STS) Program to provide trips to eligible Glendale low-income elderly and disabled for appointments outside Glendale city limits. The program is used for medical and dialysis appointments, adult day care, social services, and other related services. Door-to-door service will be provided and all qualified Glendale residents are eligible for this service. The STS Program will continue to work closely with Glendale Dial-a-Ride in providing the most efficient transportation service for Glendale residents.

The Community Development Advisory Committee (CDAC) presented their funding recommendations to the Council by memo dated February 21, 2007. After the 30-day public comment period and public hearing, the Council adopted the CDAC's funding recommendations for Fiscal Year 2007-08 at the March 27, 2007 regular meeting.

This service has provided transportation to Glendale citizens since 1997. This program addresses transportation barriers for seniors, disabled, and economically disadvantaged individuals.

The Council approved funding for this project during the adoption of the Fiscal Year 2007-08 CDBG Annual Action Plan. These funds will be utilized for the operational costs of the program, including fuel and vehicle maintenance.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X			X		\$30,978

<u>Account Name, Fund, Account and Line Item Number:</u> Maricopa County STS Program, Account No. 1320-31036-518200

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the Maricopa County Human Services Department for the Special Transportation Services Program.

Resolution No. 4067 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A SUBRECIPIENT CONTRACT WITH MARICOPA COUNTY HUMAN SERVICES DEPARTMENT FOR A SPECIAL TRANSPORTATION SERVICES PROGRAM.**

15. INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY TO PROVIDE SPECIAL TRANSPORTATION SERVICES-GO! TRANSPORTATION PROGRAM

This is a request for the City Council to approve an intergovernmental agreement with Maricopa County Special Transportation Services (STS) to provide transit services to the citizens of Glendale.

One of the Council's goals is to provide high-quality services for citizens. Improving and providing transportation options within the city will assist in achieving this goal.

This agreement with Maricopa County will provide up to 2,152 trips for special transportation services to Glendale residents traveling outside of city limits. This agreement will supplement the intergovernmental agreement between Maricopa County and the City of Glendale Community Partnerships Department by adding more trips for a highly-utilized service. Without this agreement the STS transit services provided by Community Partnerships will not be enough to fund the entire fiscal year.

Maricopa County STS provides an affordable transit option to elderly, low-income and disabled citizens in Glendale needing transportation to destinations outside the city for social, medical or employment purposes. The service reduces the need for passengers to transfer from one city service to another at city boundaries.

Funds are available in the proposed Fiscal Year 2007-08 GO! Transportation program's operating budget that council reviewed in the March and April 2007 budget workshops.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$34,992

<u>Account Name, Fund, Account and Line Item Number:</u> Fixed Route, Account No. 1660-16540-518200

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the City Manager to sign any and all documentation entering into an intergovernmental agreement with Maricopa County Special Transportation Services for the provision of transit services in an amount not to exceed \$34,992.

Resolution No. 4068 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY HUMAN SERVICES DEPARTMENT FOR A SPECIAL TRANSPORTATION SERVICES PROGRAM.**

16. INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR FEDERAL TRANSIT ADMINISTRATION GRANT FUNDS

This is a request for the City Council to authorize the City Manager to enter into an intergovernmental agreement (IGA) with the City of Phoenix for acceptance of Federal Transportation Authority (FTA) funds for transit purposes in the amount of \$594,160. Regional share-matching funds total \$96,000, and the city's required match contribution is \$52,540. The IGA will allow the City of Phoenix to reimburse the City of Glendale for transit vehicle maintenance expenses, purchase of replacement vehicles, and a computer upgrade for the dispatch system. The purchases will be made under the Federal Transit Administration (FTA) Grant AZ-90-X080.

One of the Council's goals is to provide high-quality services for citizens. Improving and providing transportation options within the city will assist in achieving this goal.

The City of Phoenix has been designated as the regional recipient of FTA grants, and distributes the funds to cities in the metropolitan area. Past FTA grants have provided funds for transit improvements, including buses and shelters. In addition, this is the first year regional funds from Proposition 400 are available to be used as match funds for revenue vehicle purchases (i.e., buses).

This grant will provide replacement buses for aging Dial-A-Ride and GUS vehicles, and upgrades to the transit dispatch system, which will continue service reliability and quality.

Expenditures for replacement buses, computer dispatch upgrades, and vehicle maintenance total \$742,700. Federal funds will reimburse the city for \$594,160. The required local match comes from two sources: Proposition 400 contributions cover \$96,000, and the city's matching contribution is \$52,540.

Funding for the city's required match contribution of \$52,540 is available in the Fiscal Year 2006-07 GO! Transportation Program's operating and capital budgets.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$52,540

<u>Account Name, Fund, Account and Line Item Number:</u> Dial-A-Ride, Account No. 1660-16530-532400 (\$27,740) Transit Support Capital, Account No. 2210-65014-551400 (\$24,800)

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the City of Phoenix for Federal Transit Administration Grant Funds under the FTA Grant AZ-90-X080.

Resolution No. 4069 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT (GRANT PASS-THROUGH AGREEMENT) WITH THE CITY OF PHOENIX FOR GRANT NO. AZ-90-X080 RELATING TO TRANSIT SERVICES.**

17. MARICOPA ASSOCIATION OF GOVERNMENTS' 2007 AIR QUALITY PLAN FOR PARTICULATE MATTER: GLENDALE COMMITMENTS

This is a request for the City Council to adopt a resolution that contains Glendale's commitment to implement air quality control measures for particulate matter (PM-10). The resolution will be included in the regional Maricopa Association of Governments' (MAG) 2007 Five Percent Plan for airborne dust, soot, and other particulate matter. The regional air quality plan will be submitted to the U.S. Environmental Protection Agency.

The development and implementation of an air quality plan addresses the Council's goal of having a city with high-quality services for citizens. The development and implementation of a new air quality plan will help to make the air cleaner for all people in our community.

The Phoenix metropolitan area continues to violate the federal PM-10 standard. PM-10 includes dust, soot, and other particulate matter, 10 microns in diameter or less. The U.S. Environmental Protection Agency (EPA) requires that the Phoenix area prepare and submit a new air quality plan by December 31, 2007.

The Phoenix area must reduce PM-10 emission by 5 percent a year until we can meet the standard. Failure to submit an acceptable plan or failure to meet the air quality standard could result in federal sanctions. These sanctions include the withholding of over a billion dollars in federal highway funds and the imposition of a federal air quality plan prepared by the EPA.

MAG is responsible for the coordination and development of the regional air quality plan. The MAG cities and towns, Maricopa County, and the State of Arizona are responsible for implementing the commitments in the plan. MAG has recommended that the Phoenix area adopt over 50 measures. The MAG measures were selected after considering cost, effectiveness, and feasibility.

Nine of the measures suggested by MAG require city commitments to implement. Once the city commits to implement a measure, it must continue to implement the measure even after the region is in compliance with the air quality standard.

If the city decides not to implement a measure, it needs to justify why the measure is not feasible. The justifications may be subject to a legal challenge. The city's commitments must be adopted through a Council resolution. MAG has requested that the resolutions committing to adopt and implement PM-10 control measures be submitted by June 15, 2007.

The state legislature is also in the process of enacting state laws requiring Maricopa County and the cities to implement specific ordinances for measures that may or may not have been recommended by MAG. Since the city is required to adopt and submit its resolution prior to the finalization of the measures by MAG and the Legislature, the city's resolution may not contain all the measures the city will be implementing.

Over the years, Glendale, in coordination with MAG has prepared and submitted several air quality plans to the EPA.

Air quality is a public health concern for all communities. The people most affected by air quality conditions are children, the elderly, and those with respiratory and cardiovascular conditions. The public expects to breathe clean air.

MAG utilized its Air Quality Technical Committee to develop the suggested list of PM-10 control measures. Glendale's representative on the Committee was Doug Kukino, Environmental Resources Director. The Committee meetings were open to the public. In addition, MAG is required to hold a public review and hearing on the regional plan. The public hearing is scheduled for October of 2007.

The adoption and implementation of certain particulate emission control measures may require additional ongoing resources that are currently unbudgeted. Staff currently anticipates the need for additional resources to enforce stricter dust control on unpaved parking lots, off-road vehicle use, and vehicles on vacant land. The city will also incur additional cost to more aggressively deal with unpaved shoulders.

The amount and timing on the need for the resources will depend on the specific provisions and implementation timeframes set forth in state law, which have not yet been adopted. Under the current draft state air quality bill, the city would begin the implementation of the current unbudgeted particulate control measures in Fiscal Year

2008-09. More information on costs will be presented to the Council when the state air quality legislation is adopted and the amended City ordinances are brought forward for adoption.

The recommendation was to waive reading beyond title and adopt a resolution containing Glendale's commitment to implement air quality control measures for particulate matter.

Resolution No. 4070 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, IMPLEMENTING MEASURES IN THE MAG 2007 FIVE PERCENT PLAN FOR PM-10 FOR THE MARICOPA COUNTY NONATTAINMENT AREA.**

18. ACQUISITION OF RIGHT-OF-WAY FOR THE GLENDALE ONBOARD TRANSPORTATION PROGRAM

This is a request for the City Council to authorize the purchase of property near 43rd and Northern Avenues to complete intersection improvements at a cost of \$21,774.

One of the Council's goals is "A City With High-Quality Services for Citizens". Improving and providing transportation options within the city will assist in achieving this goal.

Intersection improvement projects have been previously identified in the GO Program as approved by voters in 2001. The city needs to acquire the following property to complete improvements at the intersection of 43rd and Northern Avenues. This property is needed for a utility easement. Improvements at this intersection include right-turn lanes, raised median, and a bus pullout.

Southeast Corner of Northern Avenue and 44th Drive

T & D Northern Venture, L.L.C, owners of property located at the southeast corner of Northern Avenue and 44th Drive, will sell approximately 7,258 square feet of property for \$21,774.

This project was included in the Capital Improvement Program budget process and funding is available from the half-cent transportation sales tax program.

On November 14, 2006, the Council approved the construction contract with Achen-Gardner Engineering, L.L.C. for Phase II street and intersection improvements on 43rd and 51st Avenues.

Intersection improvements along 43rd Avenue will improve public safety and traffic flow.

The GO Program provides multiple opportunities for public input. An annual report was sent to all Glendale households, a transportation fair was held on April 22, 2007, and a community meeting for the annual report was held on May 2, 2007.

Intersection projects along 43rd Avenue were presented for citizen review at a public meeting held on February 15, 2007.

Funds for right-of-way acquisition and improvements are available in the Fiscal Year 2006-07 GO! transportation program's capital budget.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$21,774

<u>Account Name, Fund, Account and Line Item Number:</u> 43 rd Ave Bethany Home to Peoria, Account No. 2210-65050-550400

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the city manager to execute all documents necessary to purchase the property for the Glendale Onboard Transportation Program in an amount not to exceed \$21,774.

Resolution No. 4071 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ACQUISITION OF PROPERTY LOCATED AT THE SOUTHEAST CORNER OF NORTHERN AVENUE AND 44TH DRIVE AS RIGHT-OF-WAY FOR INTERSECTION IMPROVEMENTS FOR THE GLENDALE ONBOARD TRANSPORTATION PROGRAM; AND DIRECTING THE EXECUTION OF ANY DOCUMENTS NECESSARY TO EFFECTUATE SAID PURCHASE.**

19. AUTHORIZATION TO SELL GENERAL OBLIGATION BONDS

This is a request for the City Council to adopt a resolution ordering the sale by competitive bid of general obligation bonds in an amount not to exceed \$61 million. The bond proceeds will fund various projects included in the city's Capital Improvement Plan (CIP).

Voters of Glendale previously authorized the issuance of bonds for various capital improvements in the city including public safety, flood control projects, street improvements, and government facilities.

The bonds will be secured by the City of Glendale and are payable from property taxes levied on all taxable property within the city.

Contingent upon the Council's approval, staff will proceed with the publication of the resolution authorizing the sale of the bonds. Staff will also prepare and publish an

“Official Statement” for the bonds. The statement will be sent out to potential underwriting firms who are interested in buying the city’s bonds. In addition, staff will present the rating agencies with information about the financial strengths of the city and staff will work in conjunction with the city’s financial advisor and bond counsel to monitor the changes in the marketplace and legal disclosure issues that may arise.

It is currently anticipated that underwriting bids will be received on June 26, 2007. Once the proposals are received from the underwriting firms, staff and the city’s financial advisor will evaluate and verify the bids received to assure their accuracy and benefit to the city. These bids will then be brought to the Council for review. The Council can accept the lowest, most responsive bid by adopting the bond ordinance, which is currently scheduled for consideration at the June 26, 2007 meeting.

Budgeted CIP projects that will be funded by this transaction include the multi-use training facility for fire and police personnel, relocation of Fire Station 151, the storm drain from 67th and Peoria Avenues to the Arizona Canal Diversion Channel, the storm drain on Northern Avenue from 45th to 63rd Avenues, street beautification, and city-wide roofing upgrade of city-owned facilities.

The bonds will be paid from the city’s secondary property tax rate. There will be no increase in the city’s total property tax rate as a result of the issuance of the proposed general obligation bonds.

The recommendation was to waive reading beyond title and adopt a resolution ordering the sale by competitive bids of not to exceed \$61,000,000 of general obligation bonds.

Resolution No. 4072 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ORDERING THE SALE OF NOT TO EXCEED \$61,000,000 PRINCIPAL AMOUNT OF CITY OF GLENDALE, ARIZONA GENERAL OBLIGATION BONDS, SERIES 2007; AUTHORIZING CERTAIN OTHER DOCUMENTS AND THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ORDER OF SALE; AND DECLARING AN EMERGENCY.

It was moved by Lieberman, and seconded by Clark, to approve the recommended actions on Consent Agenda Item Nos. 1 through 19, including the approval and adoption of Resolution No. 4062 New Series, Resolution No. 4063 New Series, Resolution No. 4064 New Series, Resolution No. 4065 New Series, Resolution No. 4066 New Series, Resolution No. 4067 New Series, Resolution No. 4068 New Series, Resolution No. 4069 New Series, Resolution No. 4070 New Series, Resolution No. 4071 New Series, and Resolution No. 4072 New Series; and to forward Liquor License Application No. 3-1119 for Tandoori Times 2 Indian Bistro and Liquor License Application No. 3-1122 for Luna Pizza to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.

ORDINANCES

20. WATER AND SEWER REVENUE OBLIGATIONS

Mr. Ray Shuey, Chief Financial Officer, presented this item.

This is a request for the City Council to approve an ordinance authorizing the sale of up to \$44,500,000 of water and sewer revenue obligations. An emergency clause is needed so that the ordinance will become effective immediately to address interest rate fluctuations in financial markets. The proposed June 14, 2007 sale funds projects approved in the Fiscal Year (FY) 2006-07 capital improvement plan (CIP). Financing proceeds will fund a variety of approved water and sewer projects, including various improvements and extensions of the system which are contained in the City's water and sewer Capital Improvement Plan.

Proceeds will fund budgeted FY 2006-07 CIP projects that meet goals of providing financial stability, managing growth, preserving neighborhoods, and enhancing the quality of life for residents.

A team from the Budget, Finance and Utilities departments met to review available funds for projects in FY 2006-07. They consulted with the city's bond counsel, Greenberg Traurig, LLP and financial advisor, Johnson Consulting Group, LLC along with rate study advisor, Red Oak Consulting. The team determined that sale of water and sewer obligations is prudent based on market conditions and projected cash flow. The city would receive funds from the sale around June 27, 2007.

Council adopted the FY 2006-07 budget including water and sewer CIP projects in June 2006. The adopted budget anticipated financing of projects. The proposed sale of the 2006 obligations is consistent with the previous Council actions

In January of 2006, the Council adopted Ordinance No. 2481, which authorized issuance of revenue obligations.

In October of 2003, the Council adopted Ordinance No. 2530, which authorized issuance of revenue obligations.

In September of 1993, the Council adopted Ordinance No. 1784, which amended the city's master water and sewer ordinance with respect to rate covenants applicable to the sale of additional bonds and covenants applicable to operation of the systems.

In December of 1984, the Council adopted water and sewer master Ordinance No. 1323.

Financing proceeds will fund a variety of approved water and sewer projects, including various improvements and extensions of the system which are contained in

the City's water and sewer Capital Improvement Plan. Examples include (a) payments for the City's share of upgrades to and expansion of the 91st Avenue Regional Wastewater Treatment Plant, (b) replacement and rehabilitation of water and sewer lines throughout the system, (c) a water resource master plan and water treatment plant design, (d) design and construction of upgrades at the Cholla Water Treatment Plant to meet federal regulations, (e) construction of water treatment plants and associated transmission lines, and (f) design and construction of upgrades at the wastewater treatment plants to meet federal regulations.

The obligations will be paid from water and sewer fund pledged revenues. Estimated revenues from customers in the current and future fiscal years are anticipated to adequately fund repayment of the outstanding and proposed obligations. The city continues to covenant to maintain water and sewer rates, fees and charges at a level sufficient to pay the existing and proposed water and sewer system obligations.

The recommendation was to waive reading beyond the title and adopt an ordinance approving the issuance and sale of water and sewer revenue obligations.

Mayor Scruggs said the proceeds of these bonds will go to a number of funds. She asked if the list of projects given would be completed with these funds. Mr. Roger Bailey stated that the list were projects that would be funded with the bond proceeds, however not in totality. Mayor Scruggs voiced her concerns with a project not being completed. Mr. Bailey stated that they would make their list again next year and add additional revenues to complete projects. He explained that they did not know the amount of bonds to be used for a specific project; however most of the bonds would be used for each of the projects.

Councilmember Frate asked if they would also be used to replace aging pipes in the system. Mr. Bailey stated that they had an extensive distribution system with over 700 miles of distribution lines varying in age from 50 years to the most recent. He noted that they do have a water line break almost every week.

Mayor Scruggs inquired as to the time frame on the water pipe project as well as the funding. Mr. Bailey explained that this was a 10 year program. He said this year; they were doing 12.5 million dollars worth of work. He added that they had done a comprehensive assessment of the distribution system and had identified certain areas that were most critical and were working on those first.

Ordinance No. 2569 New Series was read by number and title only, it being **AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT, A SUPPLEMENT TO THE TRUST AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, AND, IF REQUIRED, AN OBLIGATION PURCHASE CONTRACT; APPROVING A PRELIMINARY OFFICIAL STATEMENT; APPROVING THE ISSUANCE AND SALE OF NOT TO EXCEED \$44,500,000 SUBORDINATE LIEN WATER AND SEWER REVENUE OBLIGATIONS, SERIES 2007, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN THE PURCHASE AGREEMENT; DELEGATING THE DETERMINATION OF CERTAIN PROVISIONS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS ORDINANCE; AND DECLARING AN EMERGENCY.**

It was moved by Frate, and seconded by Martinez, to approve Ordinance No. 2569 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Martinez, Frate, Knaack, and Scruggs. Members voting “nay”: none.

21. DEDICATION OF RIGHT-OF-WAY: ESCUDA ROAD EAST OF 53RD AVENUE

Mr. Larry Broyles, P.E., City Engineer, presented this item.

This is a request for the City Council to adopt an ordinance to dedicate city-owned property as public right-of-way for the north half of Escuda Road, approximately 301 feet east of 53rd Avenue.

The city acquired a remnant parcel from the Arizona Department of Transportation (ADOT) on February 23, 2000, by a Special Warranty Deed. A portion of that parcel is Escuda Road, which is an existing residential roadway that was never formally dedicated as public right-of-way. Council action is required to formally dedicate this portion of Escuda Road as public right-of-way

The recommendation was to waive reading beyond the title and adopt an ordinance authorizing the City Manager to sign all documents necessary for the dedication of city-owned real property to the public for roadway purposes.

Ordinance No. 2570 New Series was read by number and title only, it being **AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A DEDICATION OF RIGHT-OF-WAY FOR THE NORTH HALF OF ESCUDA ROAD, EAST OF 53RD AVENUE IN THE CITY OF GLENDALE; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.**

It was moved by Martinez, and seconded by Frate, to approve Ordinance No. 2570 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Martinez, Frate, Knaack, and Scruggs. Members voting “nay”: none.

22. SALT RIVER PROJECT EASEMENT

Mr. Larry J. Broyles, P.E., City Engineer, presented this item.

This is a request for the City Council to adopt an ordinance granting an underground power distribution easement in favor of Salt River Project (SRP), on the south side of Northern Avenue just west of 43rd Avenue.

Glendale Onboard (GO) Program had begun GO-6 intersection improvements along 43rd Avenue from Bethany Home Road to Peoria Avenue. The city requested SRP to underground electrical service at these intersections. SRP agreed to accommodate this request, but requested an underground power distribution easement from the city, within city right-of-way, for the installation and protection of its facilities.

The recommendation was to waive reading beyond the title and adopt an ordinance authorizing the City Manager to execute the easement in favor of Salt River Project.

Ordinance No. 2571 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN UNDERGROUND POWER DISTRIBUTION EASEMENT IN FAVOR OF SALT RIVER PROJECT LOCATED ON THE SOUTH SIDE OF NORTHERN AVENUE JUST WEST OF 43RD AVENUE; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.

It was moved by Knaack, and seconded by Frate, to approve Ordinance No. 2571 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Martinez, Frate, Knaack, and Scruggs. Members voting “nay”: none.

PUBLIC HEARING RESOLUTIONS

23. FISCAL YEAR 2007-08 PRELIMINARY BUDGET

Ms. Sherry M. Schurhammer, Management and Budget Director, presented this item.

This is a request for the City Council to review the Fiscal Year 2007-08 preliminary budget, conduct a public hearing, and adopt a resolution formally approving the preliminary operating, capital, debt service, and contingency appropriation budget

and giving notice of the date for setting the property tax levy. Council approval of the preliminary budget will set the maximum level of expenditures for Fiscal Year 2007-08. Adjustments and reallocation of appropriation authority can be made after adoption of the preliminary budget, but the total amount of appropriation cannot be increased.

Once the Council approves the preliminary budget, a public notice will be published in a newspaper of general circulation for two weeks, with the adoption of the final budget and the required public hearing scheduled for June 26, 2006. The property tax levy adoption and public hearing also are scheduled for June 26, 2006.

The budget incorporates the Council's strategic goals and key objectives while ensuring the city's financial stability by presenting realistic analyses about the provision of city services and future revenue expectations.

A series of Council budget workshops were conducted in March and April of 2007 to review the proposed Fiscal Year 2007-08 budget, as well as the General Fund (GF) revenue projection for Fiscal Year 2007-08.

Similar to past fiscal years, the City of Glendale enters Fiscal Year 2008 in a strong financial position. The city's budget for the coming fiscal year provides the means to maintain essential city services that support a high quality of life for the entire Glendale community and enhance public safety services, the Council's highest priority, while moving forward with strategies that ensure a positive, sustainable future by building upon the city's strong financial position.

The Fiscal Year 2007-08 budget, as reflected in the Fiscal Year 2007-08 preliminary budget book, is balanced. The foundation is Council's vision of 'one community' and the supporting strategic goals and key objectives, which are identified below. The recommended budget integrates these guiding principles for Fiscal Year 2007-08 with public safety as the highest priority.

1. One community with strong neighborhoods,
2. One community focused on public safety for citizens and visitors,
3. One community with quality economic development,
4. One community with a vibrant city center,
5. One community with an active partnership with Luke Air Force Base,
6. A city with high-quality services for citizens, and
7. A city that is fiscally sound.

While public safety has been a high priority for the Council for several years, staffing and equipment assessments presented by the Police and Fire chiefs in January of 2007 demonstrated a critical need for more resources. Therefore, during the Fiscal Year 2008 budget development process, the Council decided to refer to voters a proposed increase to the sales tax dedicated for public safety. The election will be in September of 2007.

In the meantime, the Fiscal Year 2008 budget that Council adopts will be based on budget scenario 1, as presented during the spring 2007 budget workshops. If voters approve the proposed adjustment to the public safety sales tax in the September election, the City Council will convene another workshop session in the fall of 2007 to review the supplemental requests presented under budget scenario 2 during the spring 2007 budget workshops.

The fourth budget workshop occurred on April 17, 2007. These budget discussions included total compensation and departmental base budgets, as well as the City Council's final decisions regarding the Fiscal Year 2008 operating and capital budgets.

The third budget workshop occurred on April 10, 2007. These budget discussions included follow up to the questions from the April 3, 2007 budget workshop related to the proposed adjustment to the existing public safety sales tax and the proposed 10-year capital improvement plan and property tax rate adjustment.

The second budget workshop occurred on April 3, 2007. These budget discussions included follow up to questions from the March 27, 2007 budget workshop, the 10-year capital improvement program, and supplemental requests related to stadium activities.

The first budget workshop occurred on March 27, 2007. These budget discussions included the two budget scenarios for the General Fund (GF), the GF supplemental requests that could be funded under the two scenarios, and the supplemental requests for the Police and Fire Departments.

The Budget Workbook containing the city manager's recommended budget for Fiscal Year 2007-08 was posted on the city's webpage for citizens to view beginning Friday, March 23, 2007.

The Fiscal Year 2007-08 GF revenue projection was presented at the March 20, 2007, workshop along with the Fiscal Year 2006-07 second quarter report on GF revenues and expenditures.

Glendale's budget is an important financial, planning and public communication tool. It gives residents and businesses a clear and concrete view of the city's direction for public services, operations and capital facilities and equipment. It also provides the community with a better understanding of the city's ongoing needs for stable revenue sources to fund public services, ongoing operations and capital facilities and equipment.

All budget workshops were open to the public and posted publicly per state requirements. In addition, the Budget Workbook containing the city manager's recommended budget for Fiscal Year 2007-08 was posted on the city's webpage for citizens to view beginning Friday, March 23, 2007, prior to the start of the budget workshops.

The annual budget (all funds) for the City of Glendale is divided into four major components, which include all appropriations for the city. The total budget, including all four components, is \$942.0 million for Fiscal Year 2008. The four components and their respective total amounts for Fiscal Year 2007-08 are as follows:

- The *operating budget* finances the day-to-day provision of city services and totals \$363.2 million.
- The *capital improvement budget* funds the construction of city facilities, such as police/fire stations and libraries, in addition to the construction of roads, public amenities and other infrastructure throughout the city. This year the capital improvement budget totals \$418.8 million.
- The *debt service budget* is used to repay money borrowed by the city, primarily for capital improvements, and amounts to \$74.4 million.
- The final component of the budget is the *contingency appropriation*, which is made up of fund reserves and is available to cover emergency expenses or revenue shortages should they arise during the fiscal year. The contingency appropriation for this fiscal year totals \$85.6 million.

This represents an increase of only 3.2% from the Fiscal Year 2007 total budget of \$913.0 million.

The recommendation was to conduct a public hearing, waive reading beyond the title, and adopt a resolution approving the Fiscal Year 2007-08 preliminary budget and give notice of the date for a public hearing on setting the property tax levy.

Vice Mayor Martinez asked a question in regards to the contingency appropriation fund stating it as 85.6 million. He said that it should be 10 % of the total budget. Ms. Schurhammer clarified it is 10% of the General Fund. She stated that the number Vice Mayor Martinez quoted was for all funds not just the General Fund.

Mayor Scruggs called Mr. Lynch forward to answer questions.

Mayor Scruggs first acknowledged the many projects the city had accomplished and were still working on under the direction of staff. She said she was very proud of the city's undertakings and appreciated all the work that went into their accomplishments.

Mayor Scruggs referenced a meeting that was held with Vice Mayor Martinez, Councilmember Clark, Mr. Lynch and herself in attendance. The topic discussed was municipal bond transfers. She said \$23 million in fiscal year 2008 were slated to be used for other funds. She also needed further clarification on the largest transfer fund in the amount on \$15.7 million to the municipal property corporation debt service fund.

Mayor Scruggs also had questions on the MPC funds issued on June 1, 2006. She said it appears they were going to pay for the entire complex through municipal property corporation bonds, which uses the General Fund sales taxes. She asked if that was the case.

Mr. Lynch stated that it was just a back-up funding source, however the primary structure was to have new revenues generated by those facilities to help pay the debt so as to not have it all be paid from the General Fund.

Mayor Scruggs said that new revenue would still go into the General Fund to pay for multiple uses for the city, so essentially this revenue would still be diverted to pay for the debt for those bonds. Mr. Lynch agreed. He added that that was the concept of the transfers and that there were regulations in place which called for putting the cost of a facility and matching it with the revenues generated by that facility.

Mayor Scruggs asked if it could possibly have been paid through bonds that would be paid out of property tax. Mr. Lynch stated that if there was a desire to use the general obligation bonds, some of those facilities could qualify. He noted that there were some facilities which would not meet the criteria for the general obligation bond or property tax funding. He went on to discuss several scenarios for the obligation fund and property tax funding.

Mayor Scruggs commented on her concern about places such as the new convention media center and other like ventures as new revenue for projects needed in Glendale, not to be used to pay down debt. She asked how they would ever raise enough revenue if funds were always being diverted. Mr. Lynch explained that it was essentially set up this way because even though population and debt continue to rise, revenue and cash flow also continue to grow because of the new destinations and developments that were created which were always out-pacing the incremental amount debt. He added that it was the reason why they used different streams of revenue for different purposes.

Mayor Scruggs asked if a project was put into the MPC plan, would it stay in forever. Mr. Lynch stated that they do try and pay off those obligations as quickly as possible which essentially make the city stronger.

Mayor Scruggs asked for further clarification on the project called Zanjero. Mr. Lynch stated that the project was the infrastructure cost to be paid over a 10 to 12 year period. Mayor Scruggs commented that this was yet another project that would not be generating revenues for the city because it would still be paying off debt. Mr. Lynch stated that as with all the projects, the hopes are to pay them down quickly to be able to use the revenues for the city.

Mayor Scruggs voiced her concerns on how the MPC bonds funding worked. She stated that it was possible that she did not understand how it was initially set-up and would wager that others did not know enough about it as well. Mr. Lynch stated in

response to one of Mayor Scruggs questions, that there was no limit to the amount of projects that could go into the MPC bonds program; however they would have restrictions and disclosures.

Mayor Scruggs asked if there had been any analysis done that would show if at any point in the life of these bonds, the amount of revenue would exceed the annual bond debt to where there was actually new funds coming in, to be used for other City needs. Mr. Lynch stated that yes, analysis had been done on some project; however they were not at that point in regards to the conference media structure but were working toward it.

Mayor Scruggs stated that she would like to discuss this complicated topic further, possibly at the fall retreat. She also would like to discuss options in getting ahead with new projects needed and not necessarily only paying on debt service. She explained that she wanted to find ways to appropriate funds where they were truly needed. Mayor Scruggs acknowledged and thanked Mr. Lynch for his financial abilities.

Councilmember Clark asked if there were any legal structures in place that would allow for a project that generated sales tax and possibly attain a revenue split with 45% going to pay the debt and the rest going into the General Fund. Mr. Lynch stated that in his professional opinion, it was possible and would be glad to look into it. Mayor Scruggs agreed. She asked Mr. Lynch to run the numbers for the different projects and get back to Council. Mr. Lynch agreed.

Mayor Scruggs inquired about the \$597,000 figure for stadium operations. Mr. Lynch said it was related to some of the acquisition and infrastructure for leases and other expenses pertaining to the stadium. She also asked about a figure of \$882, 000 in transfers to the marketing and special events fund. Mr. Lynch stated that it was the annual budget for all the events.

Councilmember Frate asked a question in regards to the public safety fund portion. He asked if this fund would only be used for public safety and not for any other purposes. Mr. Lynch stated that he was correct.

Mayor Scruggs thanked Mr. Lynch for his patience in answering all their questions.

Mayor Scruggs opened the public hearing on Agenda Item No. 23. As there were no comments, Mayor Scruggs closed the public hearing.

Resolution No. 4073 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF GLENDALE FOR THE FISCAL YEAR 2007-2008; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE REVENUE, THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS FOR FIXING THE TAX LEVIES.**

It was moved by Clark, and seconded by Martinez, to pass, adopt and approve Resolution No. 4073 New Series. The motion carried unanimously.

24. PROPOSED INCREASE IN WATER AND SEWER RATES

Mr. Roger S. Bailey, P.E., Utilities Director, presented this item.

This is a request for the City Council to hold a public hearing and adopt a resolution implementing a water and sewer rate adjustment effective with the October 2007 utility billing.

Consistent with the Council goal of providing high-quality services for citizens, Glendale's Utilities number one priority is to provide safe drinking water and sewer services 24 hours a day, seven days a week to all of its customers. Factors in the proposed rate increase include the expansion, replacement, and rehabilitation of the utilities infrastructure, construction of a new water treatment plant, security enhancements and continuing to meet federal and state regulations.

One of Glendale's top priorities is to provide safe drinking water 24 hours a day, seven days a week to its utilities customers. In order to provide quality water and sewer services, and remain in compliance with Federal and State regulatory requirements, there are a series of improvements that need to be completed. These include: construction of the Oasis Water campus, renovation of water and wastewater treatment plants, rehabilitation of the water distribution and sewer collection systems and security enhancements to critical facilities. The recommended rate adjustments are necessary to provide the financial resources to complete required system improvements, operate and maintain the system to remain in compliance with Federal regulations, and ensure that the Water and Sewer Enterprise Funds maintain adequate operational cash reserves.

In 2006, the Utilities Department contracted with Red Oak Consulting to update the water and sewer rate report. This update addresses the financial requirements of the Utilities Enterprise Fund. As part of this evaluation, Red Oak Consulting reviewed and evaluated revenues and revenue requirements of the department.

The results of this updated analysis were presented at the April 3, 2007 Council Workshop. The Council directed staff to begin the process to raise water and sewer rates as presented, effective with the October 2007 billing.

On November 14, 2006, the Council authorized Red Oak Consulting to conduct an independent assessment of the existing rates, fees, revenue generation and full cost recovery for Fiscal Year 2006-07 and provide recommendations to Council to ensure the Utilities Department continues to remain fiscally sound into the future.

On April 24, 2007, the Council adopted a notice of intention to increase water and sewer rates and set the public hearing for June 12, 2007.

The proposed water and sewer rate adjustments will help to ensure that the city has the financial resources to continue to provide the highest quality water and sewer services to Glendale citizens and remain in compliance with federal and state regulations.

The recommendation was to conduct a public hearing, waive reading beyond the title and adopt a resolution implementing water rate and sewer rate adjustments effective with the October 2007 utility billing.

Councilmember Clark stated that it was always very difficult to raise any type of taxes and the Council was always against it. She explained that there were several things that were driving these increases, starting with the 13 year drought in Arizona. She said that the increase would help pay for additional well water projects needed in the City. She noted that the needs are only going to increase and they need to prepare for the future.

Mayor Scruggs opened the public hearing on Agenda Item No. 24. As there were no comments, Mayor Scruggs closed the public hearing.

Resolution No. 4074 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ESTABLISHING WATER RATES PURSUANT TO GLENDALE CITY CODE SEC. 33-77; ESTABLISHING SEWER SERVICE USER CHARGES PURSUANT TO GLENDALE CITY CODE SEC. 33-174; AND SETTING FORTH EFFECTIVE DATES.**

It was moved by Goulet, and seconded by Clark, to pass, adopt and approve Resolution No. 4074 New Series. The motion carried unanimously.

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

It was moved by Martinez, and seconded by Frate, to hold a City Council Workshop at 1:30 p.m. on Tuesday, June 19, 2007 in Room B-3 of the City Council Chambers, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried unanimously.

CITIZEN COMMENTS

Mr. Ian Wang, a Phoenix resident, stated that he would like to suggest naming the Regional Park, Library, and Pool on 83rd Avenue and Bethany Home after Jordin Sparks. Mayor Scruggs thanked Mr. Wang for his suggestion.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Clark discussed the mega events committee meeting coming to Yucca District this Thursday evening at 7:00pm at City Hall. She said they would be reviewing the many outcomes of the events and reviewing the system to help improve it. She discussed articles from other cities the sited Glendale as a site for premiere city events. The articles also sited how well Glendale fairs with mega events while still being able to operate a smooth running city.

Councilmember Lieberman discussed the many changes that the City of Glendale has gone through in financial growth.

Councilmember Frate discussed water conservation and how Glendale citizens can become better informed to conserve water. He also discussed issues regarding the draining of pool water and the correct way to drain it. He reiterated his stand on people to always watch children around water, especially now when it so hot.

Councilmember Knaack commented on the water increases. She stated that not everyone would see a water increase. She noted that low water users could possibly see a decrease.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:30 p.m.

Pamela Hanna - City Clerk