



**MINUTES OF THE
GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
December 08, 2009
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, David M. Goulet, Yvonne J. Knaack, and H. Philip Lieberman.

Councilmember Steven E. Frate was absent.

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 4 resolutions and 6 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 NOVEMBER 24, 2009 CITY COUNCIL MEETING AND CORRECTION TO THE MINUTES OF THE OCTOBER 27, 2009 CITY COUNCIL MEETING

It was moved by Goulet, and seconded by Clark, to dispense with the reading of the minutes of the November 24, 2009 Regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. It was additionally moved to approve the correction to the minutes of the October 27, 2009 Regular City Council meeting. The motion carried unanimously.

PROCLAMATIONS AND AWARDS

PRESENTATION OF PARKS AND RECREATION AGENCY ACCREDITATION AWARD

This is a request for City Council to accept the Agency Accreditation Award and designation from the Commission for Accreditation of Park and Recreation Agencies. National Recreation and Park Association Past-President Jodie Adams will present the award.

On October 13, 2009, the Glendale Parks and Recreation Department became the 80th agency in the country and internationally to earn agency accreditation from the Commission for Accreditation of Park and Recreation Agencies.

The process of accreditation was extensive and took approximately two years to accomplish. The agency accreditation process is a systematic evaluation of the agency's management and operational business practices in 10 major categories of 155 best practice standards. The department not only received accreditation, but it also met 100% of the 155 standards.

Earning accreditation required an extensive self-evaluation of Glendale's business practices; identification of areas for improvement by comparing Glendale against national standards of best practices; enhanced staff team work, and pride by engaging all employees in the department as well as other departments and organizations in the process; created an environment for regular reviews of operations, policies and procedures; and assures there are business practices to offer high quality customer services. This award provides external validation that the Glendale meets national standards and it also enhances the community's reputation in offering nationally accredited park and recreation programs and services.

The recommendation is to accept the award acknowledging the City of Glendale Parks and Recreation Department as a CAPRA accredited agency.

Ms. Adams was called forward and presented the award to the Mayor on behalf of the city.

Mayor Scruggs asked Ms. Becky Benna, Parks and Recreation Director, to also come up to the podium to receive this award.

Ms. Adams thanked the City of Glendale and the Parks and Recreation Department. She stated that on October 13, 2009, the Glendale Parks and Recreation Department became the 80th agency in the country and internationally to earn agency accreditation from the Commission for Accreditation of Park and Recreation Agencies. She indicated this accreditation was one of the most prestigious honors that could be bestowed on a Recreation Department in this country. She commended and congratulated the Mayor, Council, City Manager, and all city departments for supporting this process. She added that today, parks and recreation were more important than ever because of these economic times. They serve as safe havens for citizens to meet. She noted that Glendale had succeeded in what most agencies could not, with not only receiving accreditation, but also meeting 100% of the 155 standards.

Mayor Scruggs remarked this was exceptionally phenomenal award to be given. She related how in the past, when her daughter was growing up, the parks they usually visited had equipment in need of repair and how things had changed dramatically. She stated that much of the credit of what has been achieved had to go to the Council for making recreation a priority. They were able to realize the role parks play in the quality of life for citizens and families of Glendale, as well as being an economic development attraction. She remarked on the significant changes that have occurred in a very short period of time in the amount of parks, amenities and services provided. She thanked the Parks and Recreation Department for the remarkable job they had

done in improvements in programs, enhancements, organization and insuring high quality standards.

Ms. Benna commended the Parks and Recreation Department staff for their success in this area. She stated staff had worked extremely hard for this achievement, with their efforts and commitment to this goal. She thanked the Mayor, Council and City Manager for their leadership and support.

CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion.

Mr. Ed Beasley, City Manager, read agenda item numbers 1 through 7 and requested that item number 8 be pulled from the agenda, and Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 9 through 11 by number and title.

1. LIQUOR LICENSE NO. 3-1275, APGUJUNG KARAOKE CAFE

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license. Apgujung Karaoke Cafe is located at 10040 North 43rd Avenue, Suite 1-E. The Arizona Department of Liquor Licenses and Control application (No. 12078156) was submitted by Jong Woo Lee.

The location of the establishment is 10040 North 43rd Avenue, Suite 1-E and is located within the Cactus District. The property is zoned C-2 (General Commercial). The population density within a one-mile radius is 21,743. This series 12 is a new license, therefore, the approval of this license will increase the number of liquor licenses in the area by one. The number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
06	Bar - All Liquor	10
07	Bar - Beer and Wine	3
09	Liquor Store - All Liquor	4
10	Liquor Store - Beer and Wine	5
12	Restaurant	7
	Total	<hr/> 29

The Maricopa County Health Department and the City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

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

Based on information provided under the background, 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. 3-1276, STINGER'S SPORTS BAR

This is a request for City Council to approve a location-to-location transferable series 6 (Bar – All Liquor) license. Stinger's Sports Bar is located at 10040 North 43rd Avenue, Suite 1-H. The Arizona Department of Liquor Licenses and Control application (No. 06071004) was submitted by Dale William Hanson.

This business is currently operating at 10222 North 43rd Avenue with a series 6 (Bar – All Liquor) license. Upon approval of this location-to-location transferable series 6 license, they will be relocating to 10040 North 43rd Avenue, Suite 1-H. This business is moving within 300 feet of current location, therefore the approval of this license will not increase the number of liquor licenses in the area. The property is located within the Cactus District and zoned C-2 (General Commercial). The population density within a one-mile radius is 21,743. The number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
06	Bar - All Liquor	10
07	Bar - Beer and Wine	3
09	Liquor Store - All Liquor	4
10	Liquor Store - Beer and Wine	5
12	Restaurant	7
	Total	29

The Maricopa County Health Department and the City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

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

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

3. SPECIAL EVENT LIQUOR LICENSE, KNIGHTS OF COLUMBUS, CHURCH SOCIAL CHRISTMAS SUPPER, DECEMBER 19, 2009

This is a request for City Council to approve a special event liquor license for the Knights of Columbus. The event will be held at St. Raphael Church inside Hibner Hall located at 5545 West Acoma Road on Saturday, December 19 from 6 p.m. to 11 p.m. The purpose of this special event liquor license is for a church social Christmas supper with live music held indoors.

If this application is approved, the total number of days expended by this applicant will be three of the allowed 10 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Based on the information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

4. SPECIAL EVENT LIQUOR LICENSE, FIESTA EVENTS, INC., THE FIESTA BOWL, JANUARY 4, 2010

This is a request for City Council to approve a special event liquor license for the Fiesta Events, Inc. The event will be held at the Stadium Club VIP area located at 6222 North 91st Avenue on Monday, January 4 from 10 a.m. to midnight. The purpose of this special event liquor license is Fiesta Bowl Football Pregame Festivities with interactive games, climber's wall, and live music held outdoors.

If this application is approved, the total number of days expended by this applicant will be one of the allowed 10 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Based on the information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

5. SPECIAL EVENT LIQUOR LICENSE, CITY OF GLENDALE, GLENDALE GLITTER AND GLOW BLOCK PARTY, JANUARY 16, 2010

This is a request for City Council to approve a special event liquor license for the City of Glendale. The event will be held in downtown Glendale located at 58th Avenue and Glenn Drive on Saturday, January 16 from 4 p.m. to 10 p.m. The purpose of this special event liquor license is for Glendale Glitter and Glow Block Party.

If this application is approved, the total number of days expended by this applicant will be one of the allowed 10 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Based on the information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

6. WINE FESTIVAL LICENSES, KOKOPELLI WINERY

This is a request for City Council to approve three wine festival licenses for Kokopelli Winery. These events will be held in downtown Glendale at 58th Avenue and Glenn Drive. The purpose of these wine festival licenses is for Kokopelli Winery to participate in Glendale Glitter and Glow Block Party, January 16; Glendale Chocolate Affaire, February 5-7; and Glendale's Gibson Jazz & Blues Festival, April 17 and 18, 2010.

If these licenses are approved, the total number expended by this applicant will be 4 of the allowed 25 licenses per calendar year and 9 of the allowed 75 days per calendar year. Under the provisions of A.R.S. § 4-203.03, the Arizona Department of Liquor Licenses and Control may issue a wine festival license only if the Council recommends approval of such license.

Based on the information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

7. AWARD OF PROPOSAL 09-27: HYDROGEN PEROXIDE SUPPLY, SERVICE AND MAINTENANCE

This is a request for City Council to approve the award of proposal 09-27 to U.S. Peroxide, LLC to supply hydrogen peroxide as well as service and maintenance of equipment. Hydrogen peroxide helps to convey wastewater to the wastewater treatment plants in an environmentally safe process.

One of Council's strategic goals is one community with high quality services for citizens. Awarding this contract will allow the city to continue to provide high quality service to the community by providing chemicals to properly maintain the Utilities Department wastewater collection system.

A bid opening was held on September 14, 2009, and two proposals were received for this project which included a full service maintenance agreement. An evaluation committee consisting of staff from the Utilities Department reviewed the offers received. Specific evaluation factors included overall cost, compliance with specifications, references and personnel experience, and delivery schedule. U.S. Peroxide, LLC submitted the highest scoring offer.

Pricing under the new agreement is approximately 5% less than the current agreement, which is also held by U.S. Peroxide, LLC. Factors for the price reduction include an overall cost

reduction in materials used to make hydrogen peroxide and the product volume ordered by the city.

Council previously approved a contract for hydrogen peroxide supply, service, and maintenance to U.S. Peroxide, LLC on October 12, 2004.

The use of hydrogen peroxide in the wastewater dosing stations reduces corrosion and odors throughout the city’s wastewater collection infrastructure.

Funding is available in the FY 2009-10 operating budget of the Utilities Department.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$1,308,300

<u>Account Name, Fund, Account and Line Item Number:</u> Wastewater Collection, Account No. 2420-17630-518200, \$1,308,300
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The recommendation is to approve the award of proposal 09-27 to U.S. Peroxide, LLC for hydrogen peroxide supply, service, and maintenance in an amount not to exceed \$1,308,300; and authorize the City Manager to renew said agreement, at his discretion, for up to four one-year terms.

CONSENT RESOLUTIONS

8. ACQUISITION OF FRONTAGE RIGHT-OF-WAY FOR GRAND AVENUE IMPROVEMENTS

This item was pulled administratively and not heard.

9. ACQUISITION OF VISTA MOTEL PROPERTY FOR GRAND AVENUE IMPROVEMENTS

This is a request for City Council to adopt a resolution authorizing the City Manager to execute all documents necessary to acquire the Vista Motel property in the amount of \$595,000 plus customary closing costs. This property is located east of Grand Avenue and west of 63rd Avenue and is needed for access control and beautification along Grand Avenue.

This request addresses Council’s goals of one community with high quality services for citizens and one community with quality economic development by improving and providing transportation options within the City of Glendale.

The Arizona Department of Transportation (ADOT) and Glendale are pursuing access control and beautification improvements to Grand Avenue based on studies previously completed by Maricopa Association of Governments (MAG), ADOT, and Glendale. In order to improve traffic on Grand Avenue, existing access points will be closed.

Both Glendale and ADOT funds are programmed to improve access control and beautify Grand Avenue as per the Intergovernmental Agreement. Glendale funds are focused on securing right-of-way and beautification, and ADOT funds will be used for design and construction. In addition to the cost for land and buildings, the city will pay relocation costs in accordance with the Federal Uniform Relocation Act, customary closing costs, and the cost for demolition of the buildings.

The property to be acquired is described below:

6324 Northwest Grand Avenue

Ramesh P. Bhakta and Kashmira R. Bhakta, owners of the Vista Motel will sell approximately 40,290 square feet of property for \$595,000.

On October 9, 2007, Council approved the preparation of a Design Concept Report by DMJM Harris for Grand Avenue between 43rd and 71st avenues. At this meeting, Council also authorized an Intergovernmental Agreement with ADOT to compensate the city for the preparation of this report.

The proposed improvements on Grand Avenue will help improve traffic flow and enhance safety. It will also improve the appearance of Grand Avenue with landscaping, sign upgrades, sidewalks, and under-grounding of utilities.

On June 26, 2008, ADOT held an open house meeting in Glendale for public comments on the Design Concept Report and Environmental Study for Grand Avenue improvements.

The proposed improvements on Grand Avenue have been presented at various public meetings including: the GO Transportation Program annual meetings, and a MAG meeting on the draft Grand Avenue Major Investment Study, Phase II Report. There were no comments received from the public at these meetings.

Funds for right-of-way acquisition are available in the FY 2009-10 capital improvement plan. Additional closing costs, relocation, and demolition expenses are also programmed in the FY 2009-10 GO Transportation capital improvement plan. The operating costs associated with this purchase will be absorbed by the Transportation Department operating budget.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$595,000

Account Name, Fund, Account and Line Item Number:
 Grand Avenue Access Enhancements, Account No. 2210-65007-550400, \$595,000

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to execute all documents necessary to authorize the purchase of the Vista Motel property along Grand Avenue located east of Grand Avenue and west of 63rd Avenue for access

control and beautification improvements in the amount of \$595,000 plus customary closing costs.

Resolution No. 4329 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 6324 NORTHWEST GRAND AVENUE (VISTA MOTEL) FOR GRAND AVENUE IMPROVEMENTS AS PART OF THE GLENDALE ONBOARD TRANSPORTATION PROGRAM; AND DIRECTING THE EXECUTION OF ANY DOCUMENTS NECESSARY TO EFFECTUATE SAID PURCHASE.**

10. AMENDMENT TO FY 2009-10 INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR COMMUNITY ACTION PROGRAM FUNDING

This is a request for City Council to adopt a resolution approving Amendment No. 3 to the Intergovernmental Agreement (IGA) with the Maricopa County Human Services Department for Community Action Program (CAP) funding.

The services provided by CAP are consistent with the Council goals of promoting high quality services for citizens and one community with strong neighborhoods.

CAP provides direct services to low and moderate-income Glendale residents. Services include energy assistance payments, minor home repairs, crisis assistance for families, which includes homeless assistance and temporary rent/mortgage subsidies.

The Maricopa County General Budget was recently approved, and with the addition of American Recovery & Reinvestment Act (ARRA) funds, the total funding from Maricopa County has increased. The amount of increase for Glendale CAP is \$92,248. This increase will change the IGA between Maricopa County Human Services Department and the City of Glendale from \$242,047 to \$334,295 for FY 2009-10.

Currently Maricopa County provides \$334,295 for the provision of CAP services in FY 2009-10. Glendale provides General Fund monies to cover the remainder of the CAP operating budget. In addition, the city provides in-kind contributions by providing the office space and covering the cost of utilities, custodial services, and miscellaneous operating expenses for the CAP office.

On March 24, 2009 Glendale and Maricopa County entered into Amendment No. 2 extending the contract to June 30, 2010.

On May 13, 2008, Glendale and Maricopa County entered into Amendment No. 1 extending the contract to June 30, 2009.

On April 24, 2007 Glendale and Maricopa County entered into Contract No. C-22-08-070-2 with a term from July 1, 2007 to June 30, 2008. The contract included two options for one-year extensions.

CAP will ensure that the low and moderate-income Glendale residents will continue to receive crisis services that promote financial stability and enhance the quality of life in Glendale.

Maricopa County will provide an additional of \$92,248 for a total of \$334,295 in FY 2009-10 for CAP Office operations.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X			X		\$92, 248

Account Name, Fund, and Account and Line Item Number:
 Maricopa County Human Services, Account No. 1820-01820-412200, \$92,248

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into Amendment No. 3 to the Intergovernmental Agreement with Maricopa County Human Services Department for the FY 2009-10 funding of Glendale’s Community Action Program.

Resolution No. 4330 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 AMENDMENT #3 TO THE INTER-GOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY HUMAN SERVICES DEPARTMENT INCREASING COMMUNITY ACTION PROGRAM FUNDING FOR FY 2009-10.**

11. LICENSE AGREEMENT WITH AGL NETWORKS, LLC FOR FIBER OPTIC NETWORK

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into a license agreement between the city and AGL Networks, LLC, for the placement of an underground fiber-based communications network within public rights-of-way.

Granting the license supports the Council goal of one community with high quality services for citizens by allowing AGL access within public rights-of-way for installation of additional telecommunications and data transmission capabilities for the community.

AGL contacted the city to request permission to expand its existing network in the valley into Glendale. AGL’s infrastructure investment in the west valley allows them to meet their current and future clients’ connection needs and the growing demand for fiber optic telecommunications service including cable, telephone and internet. It is anticipated that the installation will begin early 2010 with the majority of the work completed within 18 months. Additional installation may be needed as their network expands.

Granting the license will create additional benefits to ensure future economic development and enhanced communication for Glendale’s residents with improved state-of-the-art service.

The projected revenue generated during the first year of this agreement is projected at \$402,353 which includes the annual license fee of \$148,782 and related plan review and permitting fees. Future revenue projections are \$148,782 per year with annual increases based on Consumer Price Index, however should AGL be granted its Certificate of Convenience and Necessity from the Arizona Corporation Commission they shall pay to the city the Privilege Tax of 5.4% of its gross revenue per year per City Code 21.1-470. All revenue shall be deposited into the General Fund.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into a license agreement with AGL Networks, LLC, for the placement of an underground fiber-based communications network within public rights-of-way.

Resolution No. 4331 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A LICENSE AGREEMENT FOR FIBER OPTIC NETWORK WITH AGL NETWORKS, LLC IN GLENDALE, ARIZONA.**

It was moved by Martinez and seconded by Knaack, to approve the recommended actions on Consent Agenda Item Nos. 1 through 7 and 9 through 11, including the approval and adoption of Resolution No. 4329 New Series, and Resolution No. 4330 New Series, Resolution No. 4331 New Series; and to forward Special Event Liquor License Applications for Knights of Columbus, Church Social Christmas Supper on December 19, 2009, Fiesta Events, Inc., The Fiesta Bowl on January 4, 2010, City of Glendale, Glendale Glitter and Glow Block Party on January 16, 2010 and Liquor License Application No. 3-1275 for Apgujung Karaoke Café and 3-1276 for Stinger’s Sports Bar to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.

ORDINANCES

12. SALT RIVER PROJECT IRRIGATION EASEMENT: NORTHWEST CORNER OF 51ST AVENUE AND CAMELBACK ROAD

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

This is a request for City Council to adopt an ordinance granting an easement for underground irrigation facilities within the right-of-way at the northwest corner of 51st Avenue and Camelback Road in favor of Salt River Project (SRP).

Granting the irrigation easement supports the Council goal of one community with high quality services for citizens by accommodating construction improving the transportation options within the city.

Roadway improvements are planned for the intersection of 51st Avenue and Camelback Road as part of the Transportation Department’s GO Program. SRP was asked to relocate its existing

underground irrigation facilities to accommodate the construction. To protect its facilities in the new location, SRP has requested the city of Glendale grant an easement.

The recommendation is to waive reading beyond the title and adopt an ordinance authorizing the City Manager to execute an irrigation easement in favor of Salt River Project within the right-of-way at the northwest corner of 51st Avenue and Camelback Road.

Ordinance No. 2710 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 IRRIGATION EASEMENT IN FAVOR OF SALT RIVER PROJECT AT THE NORTHWEST CORNER OF 51ST AVENUE AND CAMELBACK ROAD; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.**

It was moved by Knaack, and seconded by Goulet, to approve Ordinance No. 2710 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Knaack, Martinez, and Scruggs. Members voting “nay”: none.

13. BEAD MUSEUM LEASE AGREEMENT

Cathy Gorham, Deputy City Manager, Community Services presented this item.

This is a request for City Council to adopt an ordinance authorizing the City Manager to enter into a new lease agreement with the Bead Museum.

The Bead Museum, through the provision of a one-of-a-kind in the world cultural arts collection in downtown Glendale, advances the Council’s goal of one community with a vibrant city center. The museum serves as a tourist destination and over the last decade has drawn many out of town visitors to the heart of the city.

The Bead Museum, a nonprofit 501(c)(3), first located in downtown Glendale in 1999 following Council’s approval of a lease agreement for property located at 5754 W. Glenn Drive. In 2004, a new lease agreement with the city was approved in coordination with the development of the Downtown Plaza project. That lease and city expansion project provided the Bead Museum with an additional 2000 square feet of space, dedicated classroom space in the Civic Center Annex and 10 parking spaces.

The 2004 lease expired this year and the Bead Museum board expressed its interest to city officials in staying at their current location. The proposed new lease agreement provides for a three-year term beginning January 1, 2010 and ending on December 31, 2012. Monthly rent will remain the same at \$625. The lease provides the Bead Museum with an option to renew for an additional two-year term. If this option is executed, the monthly rent is subject to review and adjustment by the city based on the Consumer Price Index – Urban Areas, Western States (CPI-U Western States) not to exceed 5%. Other lease provisions require the museum to prepare and

submit to the city a three-year strategic business plan to be updated annually and an annual report documenting all activities on the property for the previous year.

Council approved a lease agreement with the Bead Museum on December 22, 1998 and a second lease agreement that was effective on August 1, 2004.

The Bead Museum provides a cultural benefit to downtown and provides unique exhibits and educational opportunities for residents and visitors alike. The museum holds a vast collection of diverse and historically significant beads from around the globe and is one of its kind in the world.

The Bead Museum will pay monthly rent of \$625 and that revenue will be deposited to the General Fund. Along with rent, the city benefits from the unique character of the collection which draws tourists, artists and bead collectors from around the world. There is an economic spin-off to other downtown businesses as a result of visitors being drawn to this cultural facility in the city center.

The recommendation is to waive reading beyond the title and adopt an ordinance authorizing the City Manager to enter into a new lease agreement with the Bead Museum.

Ordinance No. 2711 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 AND DIRECTING THE MAYOR AND/OR CITY MANAGER AND CITY CLERK TO EXECUTE A LEASE AGREEMENT WITH THE BEAD MUSEUM; AND ORDERING THAT THE LEASE AGREEMENT BE RECORDED.**

It was moved by Goulet, and seconded by Clark, to approve Ordinance No. 2711 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Knaack, Martinez, and Scruggs. Members voting “nay”: none.

14. LEASE AGREEMENT: BANK OF AMERICA PLAZA, SUITE 275

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

This is a request for City Council to adopt an ordinance approving a five-year lease with Smith Construction Management, LLC, for approximately 4,171 square feet of office space in the Bank of America Plaza building.

Approving the lease supports Council’s goals of one community with a vibrant city center by bringing a new commercial business tenant into the Bank of America Plaza building, located at 5800 West Glenn Drive.

Council last approved a standard lease for the Bank of America Plaza building in April 2008. This tenant obtained a grant from the U. S. Small Business Administration to locate in the Bank

of America Plaza which requires the lease to have specific termination language. Therefore the city's master lease had to be modified to include this language, which requires Council approval.

The lease was negotiated for a five year term at current market rates, and with annual increases. After the first year, the tenant, like other tenants of the Bank of America Plaza, will also pay a pro-rata share of any increases in operating costs incurred by the city for the building. The occupancy by this tenant will reduce the vacancy of the Bank of America Plaza building to approximately 5.4%.

The recommendation is to waive reading beyond the title and adopt an ordinance authorizing the City Manager to execute all documents necessary to effectuate a lease agreement with Smith Construction Management LLC for Suite 275 in the Bank of America Plaza building.

Ordinance No. 2712 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 AND DIRECTING THE MAYOR AND/OR CITY MANAGER AND CITY CLERK TO EXECUTE AN OFFICE LEASE AGREEMENT WITH SMITH CONSTRUCTION MANAGEMENT, LLC FOR OFFICE SPACE AT THE BANK OF AMERICA PLAZA.

It was moved by Knaack, and seconded by Martinez, to approve Ordinance No. 2712 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Clark, Goulet, Lieberman, Knaack, Martinez, and Scruggs. Members voting "nay": none.

15. FISCAL YEAR 2008-09 BUDGET AMENDMENTS

Sherry Schurhammer, Budget Director presented this item.

This is a request for City Council to adopt an ordinance approving the FY 2008-09 budget amendments.

Review of the FY 2008-09 budget amendments is consistent with the Council's goal of ensuring sound fiscal management to support the city's financial stability.

A budget amendment is a transfer of appropriation authority and most amendments are done to reconcile the prior fiscal year's actuals savings with requested carryover. Council is requested to adopt an ordinance approving the amendments to the prior FY budget as a final action.

Most of the budget amendments deal with capital projects. During the course of FY 2008-09, capital project carryover was reconciled to actual savings from the prior FY. When departments prepared their FY 2008-09 capital project budgets, they estimated their amount of carryover savings. The Management and Budget Department subsequently reconciled each department's actual savings from the prior FY with their estimated carryover budget for FY 2008-09 and then increased or decreased their budgets accordingly.

This type of action is routinely done. For example, Council approved a similar ordinance for FY 2007-08 on October 14, 2008 and for FY 2006-07 on October 23, 2007.

The budget amendment information in this report does not change the General Fund expenditure figures presented to council at the September 15, 2009, workshop.

Overall, the City of Glendale's total FY 2008-09 budget appropriations for all funds remain unchanged.

The recommendation is to waive reading beyond the title and adopt an ordinance approving the FY 2008-09 budget amendments.

Councilmember Clark asked Ms. Schurhammer to explain the term "CIP Reserve". Ms. Schurhammer said this is a holding account for appropriation authority from the capital plan for those projects that requested carryover but ended up not needing it because the expenses occurred before the end of the prior fiscal year. Councilmember Clark asked if this meant funds were transferred and Ms. Schurhammer replied no and emphasized that the transfers into and out of the capital reserve account related only to appropriation authority.

Ordinance No. 2713 New Series was read by number and title only, it being **AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE TRANSFER OF APPROPRIATION AUTHORIZATION BETWEEN BUDGET ITEMS IN THE ADOPTED FISCAL YEAR 2008-09 BUDGET.**

It was moved by Clark, and seconded by Lieberman, to approve Ordinance No. 2713 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Clark, Goulet, Lieberman, Knaack, Martinez, and Scruggs. Members voting "nay": none.

16. AUTHORIZATION TO SELL GENERAL OBLIGATION BONDS

Art Lynch, Financial Consultant presented this item.

This is a request for City Council to adopt an ordinance awarding general obligation bonds to the lowest responsive bidder and to authorize issuance of the bonds. The bond proceeds will fund various projects included in the city's Capital Improvement Plan.

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

The bonds will fund projects authorized by the 1999 and 2007 bond elections and are payable from property taxes levied on all taxable property within the city.

Underwriting bids were received on December 8, 2009. Staff evaluated and verified the bids received to assure their accuracy and benefit to the city. The recommended bid is now brought to the Council for review. The Council can accept the recommended bid by adopting the bond ordinance.

On November 24, 2009, Council adopted a resolution authorizing the publication of a notice in the Glendale Star of the city's intent to sell general obligation bonds, and authorized staff to prepare and distribute the official statement and other bid documents.

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 is to waive reading beyond title and adopt an ordinance authorizing the sale and issuance of the principal amount of bonds set forth in the ordinance not to exceed \$43 million of general obligation bonds.

Mr. Lynch reported that staff received underwriting bids through the work of budget finance and financial advisors assistance. He stated nine firms had been interested in the bidding process. He was also very pleased to report the rating on city bonds reflected a very strong rating. This reflects the high quality credit Glendale has in terms of their bonds. He indicated the winning bid came from the Robert W. Baird & Company Inc. He explained the bidding process and how the bidders were allowed to bid on two different types of bonds. He indicated this was the first time this process was used in Arizona and only the second time in the country. He stated he was pleased to report this process had really been to the benefit of the city and citizens in lowering their total borrowing and cost. The winning bid presented by Robert W. Baird & Company Inc. was a bond rate of 3.39872%. He explained that if this had been done as a regular obligation fund, the cost would have been \$2.6 million dollars in additional interest cost. Additionally, in using the Build America Bond option, there is a stimulus subsidy provided that lowers borrowing cost by approximately a gross amount of \$9.4 million. Voters of Glendale previously authorized the issuance of bonds for various capital improvements in the city including public safety, flood control projects, street improvement, and government facilities.

Councilmember Lieberman thanked Mr. Lynch for providing the memorandum of December 1, 2009, to the Mayor and Council answering the questions asked of Mr. Horatio Skeete, Deputy City Manager, at the meeting on November 24, 2009. He also thanked Mr. Lynch for taking the time to come to his office to make sure he totally understood the bond issue and how the figures were compiled. He had not been aware of the stimulus subsidy and how it assisted the city financially. He wanted to personally thank Mr. Lynch and staff for making sure the city was a Double A 2 in bond rating, as well as for his dedication to the city.

Ordinance No. 2714 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 AND PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF GLENDALE, ARIZONA GENERAL OBLIGATION BONDS, SERIES 2009, IN AN**

AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$43,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL, OR A PORTION OF, THE COSTS OF CERTAIN PROJECTS OF THE CITY AND TO PAY ALL NECESSARY LEGAL, FINANCIAL, ARCHITECTURAL, ENGINEERING AND OTHER COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE AWARD OF SAID BONDS; AUTHORIZING THE EXECUTION OF A BOND REGISTRAR AGREEMENT; AUTHORIZING AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE UNDERTAKING, DTC LETTER AGREEMENT AND CERTAIN OTHER DOCUMENTS AND THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS; AND DECLARING AN EMERGENCY.

It was moved by Knaack, and seconded by Lieberman, to approve Ordinance No. 2714 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Knaack, Martinez, and Scruggs. Members voting “nay”: none.

17. DEEDS AND EASEMENTS ORDINANCE

Pamela Hanna, City Clerk presented this item.

This is a request for City Council to adopt an ordinance to formally accept real estate properties on behalf of the City of Glendale.

The Deeds and Easements Ordinance is comprised of properties that have been deeded to the City. The deeds have all been recorded with Maricopa County.

The recommendation is to waive reading beyond the title and adopt an ordinance formally accepting the real estate properties on behalf of the City of Glendale.

Ordinance No. 2715 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA ACCEPTING DEEDS AND EASEMENTS FOR PROPERTY CONVEYED TO THE CITY OF GLENDALE.

It was moved by Martinez, and seconded by Knaack, to approve Ordinance No. 2715 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Goulet, Lieberman, Knaack, Martinez, and Scruggs. Members voting “nay”: none.

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

It was moved by Martinez, and seconded by Knaack, to hold a City Council Workshop at 1:30 p.m. in Room B-3 of the City Council Chambers on Tuesday, December

15, 2009, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried unanimously.

MOTION TO EXCUSE COUNCILMEMBER FRATE

It was moved by Martinez, and seconded by Clark, to excuse Councilmember Frate from tonight's Council meeting. The motion carried unanimously.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Clark commented on the Parks and Recreation Department accreditation. She stated most of the department's staff was here tonight to witness this honor. She noted the hard work and sacrifice the department had made to ensure this success. She congratulated and thanked them for their efforts. She remarked on Glendale Glitters' success on opening night with an attendance record of 75,000 people. She thanked the marketing staff for their insight and implementation of a great show. She encouraged everyone to find ways to remember and give to the troops that were fighting abroad and away from their families. She commented on the two lease agreements that had been passed tonight. She compared the two lease agreements with the non-profit lease rate being considerably lower. She wonders why, if staff was able to offer two different lease agreements in this case, since both buildings were city-owned, why they could not come-up with a favorable lease structure for the parking garage parking retail spaces.

Councilmember Goulet congratulated and recognized the Park and Recreation Department and Commission for their great accomplishment tonight. He noted they had worked through difficult issues and brought tremendous recognition to the city. He also encouraged everyone to shop and dine in Glendale during this time.

Councilmember Lieberman congratulated the Parks and Recreation Department and Commission for the tremendous job they had done. He said they had earned every bit of it. He remarked on the many people that had attended Glendale Glitters and had a fabulous time. He encouraged people to attend.

Vice Mayor Martinez also congratulated the Parks and Recreation Department, which not only met but exceeded the 155 standards. He noted he was proud of the excellent services they provide the citizens of Glendale.

Councilmember Knaack stated she was very proud of the Parks and Recreation Department reaching 100% of the requirements. She remarked it was just one more thing that makes her a proud citizen. She encouraged everyone to give this holiday season. She noted that the Salvation Army was looking for volunteers and it was a great opportunity to give of someone's time if not money.

Mayor Scruggs thanked everyone for their interest and support of the City of Glendale. She was very sorry that for the very first time, she had missed the open night of Glendale Glitters. She stated she was pleased and delighted to hear it was an incredible success.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:45 p.m.

Pamela Hanna

Pamela Hanna - City Clerk