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**MINUTES OF THE
GLENDALE CITY COUNCIL WORKSHOP SESSION
Council Chambers – Room B3
5850 West Glendale Avenue
May 6, 2014
1:30 p.m.**

PRESENT: Mayor Jerry P. Weiers, Vice Mayor Yvonne J. Knaack and Councilmembers Norma S. Alvarez, Ian Hugh, Manuel D. Martinez, Gary D. Sherwood, and Samuel U. Chavira

ALSO PRESENT: Brenda Fischer, City Manager; Julie Frisoni, Assistant City Manager; Jennifer Campbell, Assistant City Manager; Michael Bailey, City Attorney; and Pamela Hanna, City Clerk

CALL TO ORDER

WORKSHOP SESSION

1. **GLENDALE 2035 GENERAL PLAN UPDATE**
PRESENTED BY: Jon M. Froke, AICP, Planning Director
Celeste Werner, AICP, Vice President, Matrix Design Group
Rick Rust, AICP, Vice President, Matrix Design Group

Staff will provide a status report of the General Plan Update and introduce to Council the consultants who are working with staff to develop the plan, Matrix Design Group. The city's General Plan is required by state law to be periodically updated and the Planning Division is beginning this process. As part of the General Plan Update, the Planning Division will be assisted by a professional planning firm. This presentation is for Council information only.

Mr. Froke introduced Celeste Warner and Rick Rust, both Vice Presidents of the Matrix Design Group. He said the general plan is Glendale's vision for future land use. He said the light rail, the general plan and other large scale projects are coming up. He said a general

plan is required by state law for cities of 50,000 or more. He said this plan also includes policies for redevelopment and many cities in the valley have recently completed their general plans. He provided a general plan land use map and said it has been updated over the last 12 years. He said the map is critical in guiding principles for land use. The current general plan, which is being updated, will reflect current conditions such as the development of employment and transportation corridors of the Loop 101 and Loop 303. He also said it will formally recognize the sports and entertainment district and will further the city's partnership with Luke Air Force Base. Updating the general plan will continue into 2016. Mr. Froke said Matrix Design Group has been chosen to assist with this general plan update. City Council and voter approval will be required and they plan on seeking voter approval in the general election in November 2016. Mr. Froke next discussed some basic content requirements of the general plan and said they are governed by Arizona state law. The general plan requires certain elements, also known as chapters, and some of those elements are elective. He provided an overview of upcoming tasks for the general plan update, which include public involvement, compilation of existing data, plan elements, public hearings and production and delivery of the general plan update and maps.

Mr. Froke turned the next portion of the presentation over to Celeste Werner. Ms. Werner said they will provide the technical expertise to update the plan. She provided a history of Matrix Design Group and said every general plan update they have assisted with in the valley has been approved. She said they have learned not to accelerate the general plan update and push it through too quickly. She said it is important to have public involvement throughout the process. She said another issue they have encountered in other cities is allowing the steering committee too much authority. She said their role is to provide guidance and direction and the city is the deciding body in the decision making process.

Councilmember Martinez asked Ms. Werner to repeat the first part of her presentation about the steering committee. She repeated her comments and said the Council will be the key component in the decision making process.

Ms. Werner said the Council and the public at large will be guiding this effort. Matrix Design Group will be providing the technical work needed to develop the update. Ms. Werner said public involvement will be critical in this process. She said they have worked with city staff for the public involvement throughout the plan update. There will be public workshops and open houses as well as updates on the general plan on the city website. There will also be an online survey and opportunities to sign up for email blasts and newsletters. She said there will be a lot of opportunity for community input during this process.

Councilmember Sherwood asked if Glendale 2035 was a working title. Mr. Froke said it was a working title. Councilmember Sherwood continued that in 2002 they voted for General Plan 2025 that was 23 years out. The next election is 2016 and if they are using 2035, that same number of years would make it out to 2039. He said 2040 was much more appropriate and it seemed like the Council was already behind when they come out in 2016 with the 2035 general plan. He said another city that just approved a plan called its 2040. Mr. Froke said they will take that into consideration as they go through the process.

Mr. Froke said a steering committee known as the General Plan Focus Group has been formed. This committee was formed earlier this year through Ordinance 2872 and will assist with development of Glendale 2035 and will provide guidance to staff and Matrix Design Group. He said recruitment for the steering committee was processed through the Government Services Committee and business and community leaders were selected and recommended for appointment. The initial meeting of the steering committee will take place on May 7th so work can begin on the update.

Ms. Werner said the steering committee will be an advisory board and will assist in the process.

Mr. Froke said they are already in this process and will continue through 2016 until the election. He said public involvement will be critical. He said there will be a 60 day review per statute as well as two public hearings. City Council approval will also be required.

Ms. Werner said an approximately 18 month time frame is standard for this type of project. She said the next step is developing the white papers which are the building blocks for this project. In the spring of 2016, they should be presenting a draft document after the public and Council have provided input and this input will continue throughout the process until the election in 2016.

Councilmember Martinez asked how long the process would take. He asked if there was going to be a plan or timeline. He said they mentioned district meetings and asked if they could be a little more specific, so Council can be prepared for what is coming down the line. Mr. Froke said they are going to be busy in the spring and summer and they will be working to set up some district meetings in the fall to get the materials out early to the public.

Councilmember Martinez said it was mentioned that the Steering Committee was an advisory committee and the Council has the final say. He wanted to point out to all the other commissioners that the city has 18 Boards and Commissions and they are all advisory none of them are any more or less important than any other. He said the Steering Committee is an ad hoc committee, but they do have 18 other Boards and Commissions that are also advisory.

2. WEST PHOENIX/CENTRAL GLENDALE LIGHT RAIL UPDATE

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

Stephen Banta, Chief Executive Officer, Valley Metro

Benjamin Limmer, Capital Planning Manager, Valley Metro

This report presents an update on the Valley Metro Study, initiated in 2013, in cooperation with the cities of Phoenix and Glendale, to analyze potential high-capacity transit improvements in the West Phoenix/Central Glendale study area. The purpose of this report is to inform the City Council of the study progress and to seek input in preparation for public meetings in May 2014.

Ms. Colbath introduced Stephen Banta, Chief Executive Officer with Valley Metro, and Benjamin Limmer, Capital Planning Manager with Valley Metro. She said they met on this issue about a year ago to update Council on the study, which is a 2 to 3 year process. She said they have received quite a bit of public input.

Mr. Banta first spoke about advancing transit in the valley. They have a couple projects already under construction in central Phoenix and in Mesa. He discussed a map which showed several study areas for the transit system. He provided a timeline and explained that their projects took a long time from the planning stage to operations. He said city staff has worked very hard to make sure this corridor has stayed in the plan. He said they are looking at a service area from Northern to Glendale and from 19th Avenue to the Loop 101. He said this area would be funded by Prop 400. He said they also may be able to expand that area down to Camelback and out to the Loop 101.

Mr. Limmer said they are doing a two year planning process and will pursue federal funding for this project. He said they need to develop recommendations for what type of transit is required and where to locate that route. He said they do a variety of public outreach throughout this two year planning process. He said they are looking at three options for this area, which include light rail, bus rapid transit and streetcars.

Councilmember Martinez asked of these three, which is the option that would cost the least. Mr. Limmer said he would be going over the cost for each of these.

Mayor Weiers asked whether the streetcars being considered would require overhead power lines. Mr. Limmer said usually the streetcars do have overhead power lines and they are a smaller, shorter version of light rail.

Mr. Limmer first explained the light rail system, which usually operates in its own lane and the stations are usually located a one half to one mile apart. He said it is built to carry a large number of riders. The light rail stations usually draw a lot of activity in the area as well. He said the capital costs per mile for light rail varies greatly but in the Phoenix area, it is about \$60 to \$90 million per mile, but the costs are less on a day to day basis once the system is operational.

Councilmember Martinez said Mr. Limmer mentioned federal funding will be available for this. He asked if the city had to come up with a certain percentage or if there was a formula that was used for this. Mr. Limmer said it is assumed they will seek federal funding for a portion of the capital costs to build the system for about half of the cost. He said some monies would come from the Prop 400 sales tax and other monies from the Glendale On Board sales tax and Phoenix transit 2000 sales tax. He said the operating costs once the system is opened are funded by the cities based on the number of miles within each jurisdiction. Councilmember Martinez asked if there was any money put away for the light rail system and asked if it was just part of the transit funds. Ms. Colbath said the sales tax the city has that is dedicated to transportation has a 25 year balance plan. She said they have those funds planned in the long term plan, but they do not have any funds allocated as

of yet. Councilmember Martinez commented that whichever way they go, it seemed like this project is going to be very costly. Given the city's financial position, they don't have the funds right now. He said they should consider starting to set aside funds earmarked specifically for this project as soon as possible. Ms. Colbath said that is what will happen as they get closer to the years planned for it.

Mr. Limmer said the second type of transit is bus rapid transit. He said it can or cannot be operated in its own lane and offers the flexibility of a bus but with the speed of light rail. He said stations are about one half to one mile separation. This type of transit can carry a large number of passengers, but not as many as the light rail. The areas around these bus stations have not seen the same level of activity as the light rail. He said the capital costs to build the bus rapid transit system can be from a couple of million per mile to \$15 to \$20 million per mile, depending on the number of stations.

Mr. Limmer said the third option was the modern streetcar. He said it has the ridership attractiveness of light rail. He said these are usually used in a downtown area or in major activity centers. He said stations are closer together, being about a quarter to half mile apart. The streetcars are mixed in with automobile traffic and can be running in the center or curbside lane. There is a lot of residential and commercial activity near streetcar stations. Costs are about \$40 to \$60 million per mile.

Mr. Banta went back to the question about modern streetcars and said they are seeing manufacturers of streetcars introducing non-overhead wired vehicles. He said these vehicles run on batteries and capacitors which eliminate the overhead wires.

Councilmember Chavira said there were different frequencies for the different types of transportation. He asked if there was a specific formula that was used to determine where to place the stations. Mr. Limmer said they try and place the stations strategically closer to the most number of jobs, residents and major activity centers. Councilmember Chavira said it would also depend on whether it was a streetcar, light rail or bus. Mr. Limmer agreed.

Mr. Limmer summarized the steps they go through during the two year planning process. He said they are about halfway through the process. He discussed the level 1 route alternatives. He said they have reviewed population, ridership and number of activity centers served on each of these routes. He went over specific findings for each route. He said they eliminated the Northern Avenue route in the level 2 review of this project. They focused on the transit support of land use, economic potential of the station and the basic right of way required for high capacity transit for each corridor. He explained some of the land use compatibility in these areas as well. He said their federal partners take a serious look at the land uses in the area to determine which projects to fund. He said Camelback Road and Glendale Avenue have a much higher transport supportive land use in economic development than does Bethany Home Road or Grand Avenue.

Mr. Limmer said they have been busy with public outreach, including about 30 different stakeholders and community outreach briefings. He said the next steps include public

meetings, identifying potential ridership, preferred alternatives, and route options in downtown Glendale, property impacts and developing preliminary cost estimates. They will seek Council approval in spring of 2015.

Vice Mayor Knaack said the property owners on Glendale completed a survey and she asked if anyone knew the results of that survey. Mr. Limmer said the survey showed a heavy preference for Glendale Avenue and/or Camelback Road. Vice Mayor Knaack asked if the costs would include when buildings were sitting nearly on the street. Mr. Limmer said when they do the detailed downtown study; they will determine which options are feasible. Ms. Colbath said that is part of the next step. Once they determine which corridor will be used, they will be looking in more detail at the alternatives and with more options. Vice Mayor Knaack asked if that would include smaller side streets. Ms. Colbath said that is correct.

Councilmember Sherwood said it is no secret that he is excited about light rail. He said Valley Metro is doing a good job working with businesses during the construction phase. He said Vice Mayor Knaack was talking earlier about a survey of actual businesses in Glendale. He said when you have the opportunity to talk to the business owners a little more about the advantages; he said they become a little more positive. He said there is disruption to businesses during the construction phase, but it is a benefit afterwards. He said Valley Metro has worked well with businesses during their busy times of the year. He gave some examples of model cities and how it has benefitted other areas of the country. He asked if the guests could speak in a little more detail about the study that was done and if it was a study done with the businesses that are on Glendale Avenue.

Mr. Limmer said public outreach is critical to the entire process. He said they have provided surveys at all the meetings. He said the survey is focused on the type of transit and the general route. He said as they narrow the options throughout the study, they will follow up with the businesses on the route options. He said it is critical for success to keep the businesses involved in the process as well. He said they will even walk the routes and hand out the surveys to include all the business leaders.

Councilmember Sherwood clarified that a survey of the businesses had not been done yet. Mr. Limmer said no. Councilmember Sherwood's final comment was there have been many discussions about Centerline. He said this project lends itself to exactly what is needed in this area and at some point out to the sports and entertainment district.

Vice Mayor Knaack followed up and said several business owners brought her the survey and wanted to know more because they were very concerned about it coming down Glendale Avenue. She said businesses in Phoenix have struggled, even though Valley Metro did everything they could to smooth the process. She would prefer that outreach be done earlier with the businesses as there is a lot of concern about Glendale Avenue. She also said the Centerline Alliance might be a good place to start.

Councilmember Chavira said he has had a lot of conversations about this issue and shares their excitement. He said this project is the future. He appreciates the time they have

taken to make an investment that will pay off in the future. He said this is bringing all the cities together to show that public transit is their future.

Councilmember Sherwood said regarding the comment Vice Mayor Knaack made about the 19th Avenue extension, he said it was during the downturn and the project took longer than expected.

Councilmember Martinez said when they first started talking about light rail and transit several years ago, he heard that some of the business owners were not too pleased to hear about it and it would destroy the downtown area. He said when they started talking about this, the light rail was being mentioned coming down Glendale Avenue and he thought Phoenix would have to pay for any costs from 19th Avenue down to Glendale. He asked if that was still the case. Mr. Limmer said in the financial plan, it is the assumption that the local share of the cost to build the project for the miles that are in Phoenix will be paid by the Phoenix Transit 2000 sales tax and the miles in Glendale would be paid for by the Glendale On Board sales tax. He said that was the assumption when the financial plan was put together in support of Prop 400 in 2004. Councilmember Martinez said along with that, based on the experience they had in Phoenix, a lot of businesses went out of business. He said when they talk about return on investment that is good if they weather the storm for two years. He said it will probably be good for someone coming in after whoever is there, but for those businesses that are in place now, they are going to suffer. He said this is more directly connected to what would happen in Glendale if they were to come this far west. He said if it is not light rail, but transit and it would come from wherever. He asked if Phoenix would be in support of the other options such as a streetcar or bus rapid transit. He said the other thing he heard is they have the hammer and that the route would go where they wanted it to go, not where Glendale wanted it to go. Mr. Banta said the hammer is defined differently city by city. He said they would recommend from their study what they think the right mode would be. He said they haven't come up against a challenge yet from their cities. They will have justification on ridership and the correct mode of transit. He has yet to see someone turn down the mode they have recommended. He said they would get approvals from both cities once the study is finished.

Councilmember Chavira said in reference to businesses that have weathered the storm, they have put together a very comprehensive outreach program, and asked for further clarification. Mr. Banta said each time they do a project, they learn to do it a little better. He said the 19th Avenue extension was a locally funded project by Phoenix. He said they decided to shelve the project due to the economic downturn. He said they partnered with the city of Mesa and the business district and developed ways to assist with parking in vacant lots close to the businesses they wanted to frequent. He said they also constructed rear door access to businesses while construction was going on. He said they recognize the importance in keeping businesses in operation during construction.

3. COUNCIL ITEM OF SPECIAL INTEREST: ADDING ELECTRONIC VOTING MODULE TO GRANICUS AGENDA MANAGEMENT SOFTWARE

PRESENTED BY: Chuck Murphy, Executive Director, Technology & Innovation
Diana Bundschuh, Deputy Chief Information Technology Officer

Chris Voorhees, Senior Enterprise Account Manager, Granicus, Inc.
Thao Hill, Vice President of Sales, Granicus, Inc.

During the April 1, 2014 Council Workshop, Vice Mayor Knaack expressed interest in electronic voting. The City currently uses a platform by Granicus, Inc. to stream Council meetings and provide archived videos on the City's website. Additionally, the City will be implementing the company's agenda management software. In response to Vice Mayor Knaack's request, Technology & Innovation is recommending that the City evaluate and consider Granicus' Meeting Efficiency module, which provides electronic voting and other functionality. Staff is seeking guidance from Council regarding the implementation of Meeting Efficiency.

Mr. Murphy introduced Chris Voorhees from Granicus and turned the presentation over to Ms. Bundschuh.

Ms. Bundschuh said the Granicus model will provide not only electronic voting but also allows for roll call and motions to be cast via touch screen displays and for Councilmembers to request to speak. She said it also provides a public display which includes a countdown timer for public speakers so they know how much time they have left to speak. She provided the Council with a short history of Granicus and how the city is already using some of their technology. She also said that Council recently approved using Granicus agenda management software.

Vice Mayor Knaack asked regarding the request to speak button, if the requests would be in the order they hit the button. Mr. Murphy confirmed it would be in the order that they hit the button.

Ms. Bundschuh said next is a demonstration of the roll call voting and request to speak functionality.

Mr. Voorhees assisted with providing that demonstration. He said the technology will provide a display of the active item on the floor and explained in more detail how a voting item would work, including what the public screen would show the audience during the meeting.

Ms. Fischer asked if the votes would all go up on the screen at the same time or if they would go up as the Councilmember is pressing the vote button. Mr. Voorhees said the voting would display once the voting has closed.

Councilmember Chavira asked about the amount of time a Councilmember would have after making a vote. Mr. Voorhees said the length of time is configurable and Council can choose how much time they would like to have. Councilmember Chavira asked about the time to change a vote. Mr. Voorhees said they have until the vote is stopped and has been recorded to change the vote, and the time will vary. Mayor Weiers said there was not a time on it; it would close once the chair closed the vote. Mr. Voorhees said the votes will be shown for a configurable amount of time.

Mayor Weiers asked what the purpose was for not showing the votes until all votes are in. Mr. Voorhees said they refer to that as voting integrity, so the votes are independent of one another. Mayor Weiers asked how many different cities do this with Granicus. Mr. Voorhees said almost

100 cities and that is a normal process. Mayor Weiers asked how many different cities have this system with Granicus. Mr. Voorhees said the number is somewhere around 50 across every level of government in the United States. Mr. Limmer said each municipality handles their legislative business a little differently. Mayor Weiers said this would not affect a voice vote. Mr. Voorhees said a voice vote could still be conducted as needed. Mayor Weiers asked if someone requested a roll call voice vote, they would go back to the manual way of doing things so integrity is basically out the door. Mr. Voorhees said in the event of a voice vote, the interaction with the tablet can be overridden.

Vice Mayor Knaack asked if a roll call vote could be done electronically or both. Mr. Voorhees said it could. Ms. Fischer said she has worked with this system previously and said the idea is it replaces the roll call. She said the roll call is accomplished by the posting of that vote. Vice Mayor Knaack said they would not need a voice roll call then. Ms. Fischer asked Mr. Bailey to confirm.

Mr. Bailey said the purpose of a roll call vote is to insure that you are correctly recording the individual's vote. He said this effectuates that.

Vice Mayor Knaack said there have been votes where she did not hear everyone say "yay" or "nay" so this would make sure that everyone voted. Ms. Fischer asked if in this system the clerk could see who had not voted and then could say they are waiting on a vote. Mr. Voorhees said the clerk can see if there are any votes left to be cast.

Councilmember Chavira said he has been the swing vote several times and the electronic voting will reduce the stress. He said it will maintain the integrity of the vote. He asked if he was on the right path with his thinking. Mr. Voorhees said he was on the right track and each Councilmember's vote was independent of the others.

Ms. Fischer asked how they would handle call in votes. Mr. Voorhees said those votes can be handled at the clerk's station. He also said there is a public display that allows the audience to see where they are at on the agenda.

Mayor Weiers asked if they could discuss the cost. Mr. Voorhees said the cost is based on the hardware, including the actual tablet itself as well as training and a yearly license service for the software operations. He said the upfront cost is approximately \$23,000 for the system, with a monthly managed service fee of approximately \$1,500 per month. Mayor Weiers asked if that included the training and the tablets as well. Mr. Voorhees replied it did. Mayor Weiers asked about the hardware the city does not currently have. Mr. Voorhees said that is a configuration city staff can determine how that information will be displayed on the current system. Mayor Weiers said there were no other costs besides the \$23,000 up front then \$1,500 per month Mr. Voorhees said that was correct. He said the tablets have a hardware warranty of three years and the software is designed to last for the life of the system. Mayor Weiers asked additional questions about the warranty and costs associated with a warrant. Mr. Voorhees provided the required information.

Councilmember Sherwood asked if this software adds to what the city already uses with Granicus. Mr. Voorhees said that was correct.

Ms. Bundschuh clarified although the city has the monthly managed service fee, when the three to four years came up, the tablets would have to be replaced so that would need to be budgeted.

Councilmember Hugh asked about the cost to replace the hardware. Ms. Fischer said they are changing the way they fund for technology and are looking at technology as a capital investment. Each year the newly established Governance Committee will analyze it to replace upon need. They will look at what the city's technology needs are and they would budget accordingly

Mr. Murphy said they project the useful life of the equipment and if it is still working and they don't need to replace it, they won't.

Vice Mayor Knaack asked if this system would give a warning to the speaker that their time is about to run out. Mr. Voorhees said the speaker will get a visual announcement before their time has elapsed.

Councilmember Hugh said this might help the meetings flowing smoothly, but the interaction between the Councilmembers might go away with this system and there is a cost.

Councilmember Sherwood said they are also trying to get away from producing the books every week for workshops and voting meetings. He said most cities are going to this. Ms. Fischer said they would like to save the time and cost for producing the Council packets, but would phase it in at the Councilmember's comfort level. She said this is to keep the city moving forward in technology. She said it would also help the Clerk's office and streamline the meeting process itself.

Councilmember Chavira said this would address the issue of not having to use paper anymore.

Vice Mayor Knaack said this is a much more accurate recording of what is going on.

Mayor Weiers said they are looking at \$40,000 minimum the first year and at least \$18,000 per year after that. He said for two meetings a month that average 2 hours it is expensive. He said no one has sacrificed integrity on their vote. He said swing votes will be there no matter what you are going to do. He said his concern is the budget they will be voting on in a few weeks. He wasn't in favor of this because of the budget impact.

Councilmember Alvarez commented she was not against technology, but they have services that are needed in the community. She said it doesn't seem reasonable to spend the money at this time since the city doesn't have the money. She said she will not vote on this at all.

Councilmember Martinez said Ms. Fischer mentioned there would be some offsets in staff time and costs. He asked her to give some examples. Ms. Fischer said she didn't know those numbers at this time but could get back to Council. She commented funds were available in the technology replacement fund. She said the licensing fees would be part of the whole technology package they look at every year.

Councilmember Sherwood reminded Mayor Weiers that for the vote on billboards, he did change up the order on that vote and started with Councilmember Chavira. He said the electronic voting would alleviate the situation so no one sees how anyone else is voting until the votes are tabulated. Mayor Weiers said he assumed a Councilmember would vote the way they wanted to vote regardless of the position they were in.

Ms. Fischer asked for clarification by Council whether there is a majority desiring to move forward. Councilmembers voiced a majority to move forward.

4. FY14-15 BUDGET FOLLOW-UP ITEMS
PRESENTED BY: Tom Duensing, Executive Director, Financial Services

The purpose of this item is to review the Fiscal Year 2014-15 (FY14-15) proposed revenue budget, proposed transfers budget, and proposed Capital Improvement Program (CIP) project carry-forward funding budget for Council consideration and take any feedback relative to the upcoming budget adoption process.

Mr. Duensing provided an overview of the follow up items, which included anticipated revenues for each fund with an emphasis on sales tax legislation, property tax levies and rates, inter-fund transfers, CIP carry forward funding, the one-time impact of budgeting COP's and SAFER grants and alternative service delivery. He also revisited the dates of the budget meetings which have been held to date and advised the dates of the remaining public meetings. Mr. Duensing next provided a budget summary for the FY14-15 budget. He also provided a chart showing the FY14-15 revenues by fund type. He broke down the general fund to show the different types of revenue in the general fund, which included sales tax, property tax, state shared revenue, and sales tax.

Mr. Duensing provided information about the sales tax simplification, HB2111 tax reform bill passed last year. He said this allows businesses a one point of pay system. He said the effective date for this is January 2015. He also said the Arizona Department of Revenue will handle multi-jurisdictional audits regarding these funds. He said the city will continue to handle local audits. With these changes, the city can expect payment delays of up to six weeks to receive payments, but revenues are not expected to change. He said an IGA will be coming forward which will further define the various roles of each agency. He said staff will continue to monitor the progress of this.

Mr. Duensing next discussed property taxes. The slide presented showed the current FY13-14 rate and levies compared with FY14-15 rate and levies that will be brought forward during the budget process. He said they have received direction to increase the primary levy by 2 percent. He said they are leaving the secondary levy flat. He said the chart indicates the growth is greater than 2 percent. He said the reason for that is that there are new construction properties coming onto the city's rolls.

Councilmember Sherwood asked on the rate itself, both the primary and secondary show a lesser rate and asked Mr. Duensing to explain that. Mr. Duensing said that rate has gone down. He said the city chose to increase the primary levy by 2 percent. The reason the rate

goes down is the limited property values have gone up. The rate is just a function of the levy the city implements and the limited cash value. He said the rate is provided to the city. It is called the truth in taxation rate and is provided by the Maricopa County Assessor and they will give the city that rate.

Mr. Duensing showed a slide showing figures for existing properties on the city's tax rolls. He said this is where the 2 percent comes from. He explained the numbers including existing properties, new properties and how they arrived at the budget numbers.

Councilmember Sherwood asked if when you look at the new property that came in at \$301, 000 if that was being realized. Mr. Duensing said they are and are going to levy that for the new property owners. When they said the new primary property tax revenue is going up about 3 percent that is the 2 percent truth in taxation plus the new construction. He said new construction is provided by the county assessor.

Mr. Duensing next discussed property tax rates and provided a 2014 property tax bill as an example. He went into detail explaining the bill.

Vice Mayor Knaack said overall for the average taxpayer in Glendale, the tax is going to go down or stay flat. Mr. Duensing said overall the primary levy will go up 2 percent and the secondary levy will stay flat. He said they should notice a very small change for the most part.

Councilmember Martinez asked if the city's portion of that was about 14 percent. Mr. Duensing confirmed it was 14 percent.

Mr. Duensing next discussed inter-fund transfers. He said a large portion of the transfers were for capital fund projects, such as the transportation sales tax fund. He provided several other examples of how these types of transfers work. He also provided a list of the \$129 million in inter-fund transfers.

Mr. Duensing went over the CIP carry-forward. He said this includes the appropriation for projects not yet completed. They still need to approve appropriation for new projects, which is called carryover. He provided a more detailed list of several capital improvements projects and the dollar amounts.

Mr. Duensing next discussed public safety grants. He said they had not built in any expenditure or revenue estimates until Council gave direction on those. He said the total impact on the forthcoming budget is just under \$3 million. He said there is no impact to the general fund for this. He said after working with Police and Fire, they want to be able to absorb these one-time costs with public safety sales tax funds.

Councilmember Sherwood asked if this reduces overtime and it assists with the overtime. Mr. Duensing said that is true, especially within the Fire Department. He said they had to get additional appropriation in this current year for that overtime. He said they intend to keep the overtime in check by bringing on these additional FTEs.

Mr. Duensing next discussed alternative service delivery and said this process is ongoing. He said it is part of the standard operating procedures, and as positions open, alternative service delivery will be evaluated and will not impact existing staff. He said they are going to try and get this model in place just through attrition.

Mr. Duensing went over the next steps and upcoming meeting dates.

Councilmember Alvarez asked Mr. Duensing to explain a move into the private sector and asked if it would be outsourcing. Mr. Duensing said that is correct and it was one of the areas they are looking to for opportunities. He said their idea is to not actively eliminate staff but as staff leave or retire look at those options to save money.

CITY MANAGER'S REPORT

There are no items to report at this time.

COUNCIL ITEMS OF SPECIAL INTEREST

There are no items being requested at this time.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:50 p.m.