



**GLENDALE CITY COUNCIL WORKSHOP SESSION**  
**Council Chambers – Room B3**  
**5850 West Glendale Avenue**  
**June 3, 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. COUNTY ISLAND FIRE DISTRICT  
PRESENTED BY: Mark Burdick, Fire Chief  
John Flynn, Consultant, Policy Logic

The purpose of this item is to provide Council information on the formation of a County Island Fire District (CIFD). This is for Council information only.

Chief Burdick introduced John Flynn, consultant and Executive Director of the Arizona Fire District Association. Chief Burdick said there is a large county island in the western part of Glendale and it is currently being serviced by Rural Metro.

Mr. Flynn provided an overview of the county island fire district processes. He explained there are five valley municipalities that currently have county island fire districts and all are in the east valley. County island fire districts are independent special taxing districts and governed by a five member board. He said these fire districts are governed by an IGA with the municipality in which they reside. They also obtain service from the city where the county island is located. He said the city has the first right of refusal to service the county island fire district. He explained these county island fire districts are contract only districts and have no statutory authorization to acquire assets or employ personnel. He said the county islands are designed to take advantage of current municipal fire

department resource and infrastructure for service delivery. He said there is no requirement to add services to serve these county islands. Mr. Flynn said costs for service are based upon a formula, taking into account municipal fire service costs and property values. He explained these county islands must be located within a Municipal Planning Area (MPA), bordered on all sides by an incorporated city, town or other governmental property. Only one county island fire district is allowed per MPA. He said the area cannot have a provider of medical services, public or private, and if a private service provider exists, the provider must give permission for the county island fire district to be formed. He explained the county island fire district is formed by the voters, but he said no one actually goes to the polls. He said this process is done by petition. The county board of supervisors authorizes circulation of the petitions subsequent to filing an impact statement and public hearing on the matter. The county island fire district formation requires approval of at least 50 percent plus one of all county island property owners located within the County Island Fire Districts (CIFD). Mr. Flynn provided a map showing the three county island zones for reference purposes.

Councilmember Sherwood asked Mr. Flynn to clarify 39 or 35 square miles and asked if that was 68 parcels. Mr. Flynn said it was 6800 parcels. Councilmember Sherwood asked if you are going to petition in the area, what area that would be. Mr. Flynn said all the property owners would be petitioned. Councilmember Sherwood asked if that could be made up of any number of the parcels. Mr. Flynn said yes.

Mr. Flynn discussed cost recovery for fire services. He said the cost recovery formula is based on property values of the municipality and CIFD, so CIFD property owners would pay their pro rata share of the Glendale budget for those costs. He also said taxes are collected by the county and tax proceeds are distributed by the CIFD and, under the IGA, the CIFD would pay the city for their pro rata share. He explained the revenue sharing portion of the contract will be negotiated between the city and Rural Metro to provide cost recovery to both agencies. As the city annexed land within the CIFD, the CIFD would no longer tax that area and the remaining CIFD property owners will continue to pay adjusted pro rata share of the fire department budget.

Chief Burdick said the next steps include meeting with Rural Metro to discuss revenue sharing opportunities and receive permission to move forward with the district as well as creation of an agreement between the city and Rural Metro. This agreement would be submitted to Council for approval.

Vice Mayor Knaack said the premise for entering into this type of agreement would be to provide better fire service to citizens and residents. She asked what the fees paid to rural metro were compared to the fees paid to the county for this service. Mr. Flynn said back in 2010 when the analysis was done, property values were much higher and it was more cost efficient to be in the district. He said now, costs are about the same, but the value in this type of agreement is that all the property owners help pay for the service and with all the services working together, the city is able to deliver a more robust service to residents. Vice Mayor Knaack discussed mutual aid versus automatic aid. She asked if that happens in the district, the city would have automatic aid. Chief Burdick said that was correct. Vice

Mayor Knaack said this was a benefit of this system. She asked at the present time, would this entail using the current stations that the city and Rural Metro currently have. Chief Burdick said that would be the case. He explained where the various city and Rural Metro fire stations were located in the three zones listed on the map. Further discussion took place regarding insurance issues and reducing response times.

Councilmember Chavira said Vice Mayor Knaack touched on the transition from mutual aid to automatic aid and how that reduces the call times. He said there are positive benefits for the citizens and the city. He said this not only generates money for the city, but the citizens in those areas have reduced call times and they receive the fire service benefits of being part of the city.

Councilmember Sherwood said the fire protection codes or ISO would improve. He said right now they have a lot of Rural Metro users who don't pay that rate so they get charged per incident. He said let's say we haven't annexed anything more and there is a need regarding population and commercial businesses for a new fire station. He asked if that would be a Rural Metro fire station. He said extra equipment may be provided under the CIFD, but before anymore annexation and the way it is today, if there is more equipment or another fire station needed, he asked what would that come under. He asked if it would come under a Rural Metro expansion. Chief Burdick said right where we are today, it would be up to Rural Metro to determine if they would add a new station or not. He said the station operating at the 303 and Olive was opened by Rural Metro about 3 or 4 years ago. He said that is a business decision on the part of Rural Metro. He explained the advantage of this is as the city annexes areas, the city will need to provide services. He said if there are large county pockets around that, it is expensive for the city to provide that service and this agreement would give the city an offset of the revenue to cover those areas.

Mayor Weiers said Councilmember Sherwood wanted to know if this passes and a new fire station goes up, does the city build that fire station. Chief Burdick said if it is in the district, then Rural Metro would build the fire station. Mr. Flynn said the district will not build anything. He said the district is always paying its pro rata share of the fire department's budget. He said if the district exists and the city contracts with the district to provide those services, if Glendale determined that they needed a fire station anywhere in the city, because that enhances the entire system, the district would pay their pro rata share of that fire station, regardless where it is located.

Councilmember Sherwood said that was closer to answering his question, but added if the city needed something in the very far left portion of the zone map, he asked if that would be a prorated facility. Mr. Flynn said yes, unless the city and the district came to some type of agreement otherwise. He also said if the district felt there was a need for a facility, but the city did not feel there was a need, in this instance, the district would bear all the cost for any facility that was built.

Mayor Weiers asked what the department's intention was now and asked where the next station would be located. Chief Burdick said they anticipate building two stations out in that area many years from now. He said they have identified land and are working with

developers to set aside land for that purpose. He said one parcel was near the Loop 303 and Olive Avenue and another station was identified south of Glendale Avenue around Cotton Lane. Chief Burdick said they also had a very successful trial partnership with Luke Air Force Base where they used an innovative staffing model. He said Luke Air Force Base is interested in any type of sharing of resources and that is another option to consider. He said the exact location of future stations will be driven by growth in the area.

Councilmember Martinez asked if in the area of the city where they had county islands and now they have fire districts, were there any problems encountered. Mr. Flynn said there really were not any problems and any small issues were addressed early on in the process. Councilmember Martinez said in reading the materials and hearing the comments, he said this is a win-win situation for everybody. He said it will improve services in those areas and might move annexations along. He said this is a good proposition.

Councilmember Chavira said it is important to realize the benefit from mutual aid to automatic aid and the reduction of call times.

Councilmember Alvarez asked what would happen if they enter into this CIFD agreement and Rural Metro would declare bankruptcy. Mr. Flynn said Rural Metro would be the city's partner and the district has its own special taxing district and has its own elected officials. He said it is only capable of contracting. He said the CIFD would continue to collect the taxes no matter what happened between Rural Metro and the city. The city would still be paid. Councilmember Alvarez asked if the partnership was between the CIFD and the city. Mr. Flynn said there were two. The partnership would be between the CIFD and the city and there would also be an agreement between the city and Rural Metro. He said financially, it won't affect the city.

## 2. FIRE DEPARTMENT EXTERNAL CUSTOMER BASED STRATEGIC PLANNING PROCESS PRESENTED BY: Mark Burdick, Fire Chief

This item is to provide Council information on the Fire Department external customer based strategic planning process that was conducted from February through April, 2014.

Chief Burdick said the fire department has gone through the accreditation process several times, most recently in 2012. He said in 2012, the accreditation recommended they reach out to the citizens, which has never been done before in the history of the department. He said he tasked Assistant Chief DeChant with this project.

Chief DeChant said one of the tasks suggested by the accreditation team was to provide a community based strategic plan. He said they wanted to look at both internal and external customers and this is the external customer portion of the process. This process will be repeated in 2017 just prior to their next accreditation and they are the first fire department in the valley and one of the first in the state to complete this process. He provided a list of all the city departments involved in the outreach process, including Marketing and Communications who created the flyer used. Chief DeChant said there were 47 participants, who included 41 citizens and 6 business representatives, and several public

meetings were held. He said without the support of many other city departments, they would not have been able to complete this project. He said the next steps are to take the information received and update the values and mission statement of the department, as well as updating the SWOT analysis. He said these internal and external processes will be repeated again in 2017.

Councilmember Sherwood said he was at the Cholla/Sahuaro meeting and said half of the participants were at that meeting. All the participants were very engaged in the process and he complimented the staff on the success of the process. He also said the follow up meeting was very successful as well. He also mentioned the last table in the information that was provided to Council. The table showed the second highest number of incidents in all the cities listed, but with minimal personnel, compared to cities of a comparable size. He said this really shows the city can be more efficient with less with this system. He also said most of the cities listed were not on a mutual aid system. Chief Burdick said that was correct and it does demonstrate the value of the automatic aid they have in the valley.

Councilmember Chavira asked if there was a consistent theme in the district meetings that were held. Chief DeChant said citizens were not fully aware of all the services the fire department provided and all of the groups indicated the fire department provided excellent customer service. Councilmember Chavira said citizens don't realize all the services available until an emergency occurs. He said this project was crucial to provide the public with that information.

Councilmember Martinez commented there may be others in the room that he was not aware of, but he saw one participant in this group, Mr. Novakowski, but there may be others in the audience that he did not know.

3. PROPOSED ORDINANCE AMENDING GLENDALE CITY CODE, CHAPTER 3, ARTICLE 22, SECTION 3-47 (ALARM SUBSCRIBER PERMITS)  
PRESENTED BY: Debora Black, Police Chief

This is an opportunity for staff to provide information to Council regarding a proposed ordinance, which would amend Glendale City Code Chapter 3, Article II, Section 3-47, relating to Alarm Subscriber Permits. The proposed amendment to the ordinance would establish a \$20 annual fee for residence and business alarm subscriber permits in the City of Glendale. Staff is seeking guidance from Council regarding moving forward with the proposed ordinance.

Chief Black said the ordinance relating to alarms was adopted on June 22, 2010, and it required alarm subscribers and proprietor alarm owners to obtain a permit. It also allows fees to be assessed for two or more false alarms in a 365 day period. She said alarm businesses and alarm agents have been identified and the number of false alarms has been reduced. Over 13,000 business and residential alarm system accounts have been registered and the collection rate of penalty fees for false alarms has increased from 19 percent to 50 percent. She said to date in 2014, over 8,000 annual alarm subscriber permits have been issued at no charge. The alarm program administration costs are

\$82,860, which includes one full time employee (FTE) and supplies, equipment and software maintenance. In order to achieve cost recovery for the alarm program, the implementation of an annual fee for alarm subscriber permits is proposed, which establishes a \$20 annual fee for business and residential alarm permits. She said they researched similar programs in other cities in the valley. All cities that have an alarm registration program also have a fee. She said the fees range \$10 to \$25 annually. Chief Black said if Council approves moving forward, the police department will conduct community outreach and an education campaign regarding the proposed permit fee. She said once the process has been completed, this item will be brought to a voting meeting for Council approval in January of 2015.

Vice Mayor Knaack said the original ordinance was to cut down the number of false alarms and reduce the time the police spent responding to false alarm calls. She said there was no charge for permits, but there were penalties on false alarm calls and this has been successful in the reduction of false alarm calls. Chief Black confirmed the reduction in the calls for service for false alarms. Vice Mayor Knaack said the main goal of this item was to not have patrol officers responding to false alarms. She said the \$82,000 yearly cost seemed like a lot of money to facilitate this program when the original goal was to just decrease false alarms. She also asked if the city had agreements with alarm companies so they know who has to pay the fee. Ms. Fischer said as they went through the budget process, they were trying to find new revenue sources. Chief Black said back in 2010, the fee was part of the original proposal. She said the full cost of the alarm program is almost \$400,000. She said this fee is just intended to cover administrative costs, work on collections when they do have chronic offenders and get the problem rectified. Vice Mayor Knaack said she wanted this explained so everyone understood the need for cost recovery. Vice Mayor Knaack asked if they were going to charge a permit fee, how they would know who has alarms. Chief Black said they do work with the alarm companies. Those companies are responsible for advising the subscriber there is a requirement to register. She said if they respond to a false alarm and the subscriber is not registered, they provide the subscriber an opportunity to register within a 10 day period or a fee is assessed. Through education and the website, this program can be strengthened. Ms. Fischer said they already have a database for participants and there is a requirement to update their registration every year and they will be notified of the new fee as part of the annual renewal process. Vice Mayor Knaack asked if the \$20 was an annual fee. Chief Black said it was.

Mayor Weiers said the alarm program administrative costs were \$82,000 and the total cost of the program was \$400,000. He asked what the difference was. Chief Black said the \$82,000 was administrative costs, costs for mailing and software. She said the \$400,000 was the total cost from the person that handled the 911 call and all the way down. Mayor Weiers said if participants paid the penalties, there shouldn't be a separate cost for everyone. He said everyone will share in a burden for those that don't pay if there is a fee. He said if the alarm goes off more than twice, that person should pay a higher penalty. Chief Black said they looked at the consistency of other valley programs. She said there was a range of fees associated with false alarms. Mayor Weiers asked if there was any

difference between the single family homeowner and the large business owner as far as the fees. Chief Black said that was the recommendation that there be no difference.

Councilmember Martinez said right now if someone gets an alarm system, they are required to register with the city, is that correct? Chief Black said yes. Councilmember Martinez asked if Council was to go with the fee, if it was correct to assume since he was a subscriber now if he did not want to pay the fee, he would have to get rid of his alarm system. Chief Black said that would be an option or he would not be in compliance with the ordinance. Councilmember Martinez said they started in 2010 and don't have a full year there, but asked how many persons subscribed in 2011 and 2012 when the service was free. Chief Black said they average about 11,000 subscribers per year. Councilmember Martinez said that was his next question as his notes said there would be over 10,000 subscribers next year and he was going to ask how Chief Black arrived at that figure. He said it appeared to him there might be a drop off and maybe it is reflected in that. He said some folks may not want to pay that fee and getting back to the comments of the Vice Mayor, when they discussed this the first time it came around, that was one of the problems they had that they would be charging a fee, so they said yes they will do it but without the fee. He said he understands the reasons they are doing it, but he was having a problem with charging a fee. He said also it seems like they are going to be at the higher end of the fees, so if they do this, he would recommend not to make it \$20. He said most of them only charge about \$10 or \$15 and that is the thought he had right now.

Councilmember Hugh asked if alarms purchased at a local business such as Home Depot, also have to register. Chief Black said an audible alarm would have to be registered even though it was not through an alarm service. Councilmember Hugh said he was not sure if it was audible to the neighbors or just a noise inside the house. Chief Black said she would get back with Councilmember Hugh on that specific question. Councilmember Hugh asked if there was any good news on the audible alarms, if it helped catch a prowler in the house. Chief Black said fire alarms are exempted from this ordinance. She said occasionally there is a valid alarm that does assist in catching a burglar.

Vice Mayor Knaack said if they are going to charge a fee, it should be the same for residential and business. She said she would not want anyone penalized over another. She said she has no problem with the \$20 fee.

Mayor Weiers said there was consensus to move forward with this and asked if Chief Black would need direction on the cost of the fees. Chief Black said she would need direction. Mayor Weiers asked if the city of Phoenix was still charging \$15. Chief Black said residential and business fees are \$17. Mayor Weiers asked if there were cities that charged different rates for residential and businesses. Chief Black said virtually all of the permit fees are between \$10 and \$25. She provided the fees charged by several cities in the valley that had different fees for residential and businesses.

Councilmember Alvarez said they are not charging now. Chief Black said that was correct. Councilmember Alvarez said so there is no increase. Chief Black said they do ask people to register their alarms, but they do not charge a fee. Councilmember Alvarez said they

should charge, but she is against hitting the taxpayer with so many other fees and charges. She said she did not agree with starting at the higher level of \$20.

Councilmember Martinez asked Ms. Fischer what is the cost for the program right now. Chief Black said to administer the program is about \$82,000. Councilmember Martinez said he thought he heard Ms. Fischer mention the other costs. Ms. Fischer said they are just looking for general revenue for the city and trying to close the budgetary structural deficit. Councilmember Martinez said he would be alright with the \$20.

Mayor Weiers verified there was Council consensus for the \$20 fee.

4. **AUDIT COMMITTEE**

PRESENTED BY: Tom Duensing, Executive Director, Financial Services  
Vicki L. Rios, CPA, Assistant Finance Director, Financial Services

The purpose of this item is to seek guidance from the Council regarding the Audit Committee which was established by Ordinance on October 9, 2012.

Ms. Rios said the purpose of the committee was to review and approve the annual audit plan and to review the audit results. She clarified the ordinance concerned the external audit done by an outside entity. She said the audit plan is developed by the external auditors and the city has and should have very little input in this process. She continued that the audit committee did not meet in either 2012 or 2013 and Council approved the contract with the external auditors for a two year term with option to renew for three additional years. She said the audit findings were reviewed with the entire Council and the intent is to review the annual audit with the entire Council vs. an audit committee. Ms. Rios went over several options for the audit committee, which included continuing the committee in its present form, continuing the committee, but modifying the purpose and lastly dissolving the committee.

Councilmember Martinez commented he would like to go with the recommendation for dissolution of the committee.

Vice Mayor Knaack said she agreed with Councilmember Martinez. She said the previous actions were done in an attempt to be more transparent and said it feels unnecessary now. She would move to dissolve the committee.

Councilmember Sherwood and Councilmember Hugh said they also agreed.

Mayor Weiers commented there was Council consensus to dissolve the committee.

5. **SPECIAL PROJECT RECOMMENDATIONS – IMPLEMENTATION PLAN STATUS**

PRESENTED BY: Julie Frisoni, Assistant City Manager,  
Jim Brown, Executive Director, Human Resources and Risk Mgt.

Tom Duensing, Executive Director, Financial Services

The purpose of this presentation is to provide the Council with an update on the recommendations as outlined in the final report performed by the law firm of Haralson, Miller, Pitt, Feldman & McAnally, and P.L.C. (HMPFM).

Ms. Frisoni said they were going to provide an update on the special audit. She said this item is just to provide information to the Council. Ms. Frisoni provided an overview and recap on the special project which researched early retirement program expenditures, transfers to/from trust funds, management's disclosure to Council and potential civil or criminal liability based on findings. Ms. Frisoni said every item recommended by the audit has effectively been completed. She said as they were moving through this process, the City Manager and staff identified additional items not originally identified in the audit. She said they have also taken action on every one of those items as well. She said the audit was both expensive and extensive and was completed on August 20, 2013. The same day, the entire investigation was distributed to all city staff, the media and posted on the city's website. She said Ms. Fischer immediately directed staff to implement the recommendations and some recommendations was implemented prior to the final report. The report was also submitted to the Attorney General's Office which was done on August 23, 2013 to determine if any civil or criminal liability existed. Ms. Frisoni said the city is still awaiting the results of the Attorney General's investigations. More than 20 recommendations were identified and involved systemic changes in the way the organization does business.

Ms. Frisoni said at the time of the last Council update, most of the recommendations had been completed. The rest of the items have now been completed. The first remaining recommendation was the code of conduct and training. A code of conduct exists for all city employees and training has been provided. She said a revised ethics training program started just last month for all employees. The report also recommended an ethics hotline for anonymous calls with all calls investigated immediately. The city does have an ethics hotline and provided training for all employees in 2011. An email was also sent to all employees reminding them of this hotline. Ms. Frisoni said the third recommendation was an update of the city's transfer of funds policies. This was completed on December 20, 2013 by Council adoption of Resolution 4759. The next recommendation concerned the telecommuting policy, and while this item was not identified in the audit, it was identified by the City Manager. Ms. Fischer asked for immediate review of all telecommuting procedures. After a review, no employee abuse of the system was found at that time. A city wide policy was created and is currently scheduled for review by the personnel board. Another recommendation was to implement an anti-fraud program. A policy has been drafted and reviewed and is scheduled to become effective on July 1, 2014. Ms. Frisoni said an additional recommendation was for the City Attorney's office to be notified of all significant fiscal transactions. All significant financial transactions require sign off of the City Attorney. The next item was the audit of items over \$50,000 to a single vendor in a single year. This item was requested by Ms. Fischer. This item has been completed. Ms. Fischer also asked the City Auditor to conduct a follow-up to the 2012 risk management trust fund audit. This audit has been completed. Ms. Frisoni said these items highlight

transparency and are grounded in fundamental best business practices. She said it is staff's goal to ensure financial stability and accountability.

Vice Mayor Knaack said she is very proud of staff for getting the city back on the right track. She also thanked Ms. Fischer.

### **CITY MANAGER'S REPORT**

There were no items to report.

### **COUNCIL ITEMS OF SPECIAL INTEREST**

There were no items.

### **Adjournment**

The meeting was adjourned at 2:56 p.m.