

City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301



Meeting Minutes - Final

Tuesday, October 7, 2014

1:30 PM

Workshop

Council Chambers - Room 3B

City Council Workshop

Mayor Jerry Weiers
Vice Mayor Yvonne J. Knaack
Councilmember Norma Alvarez
Councilmember Samuel Chavira
Councilmember Ian Hugh
Councilmember Manny Martinez
Councilmember Gary Sherwood

CALL TO ORDER**Rollcall**

Councilmember Alvarez arrived after item 2.

- Present** 5 - Mayor Jerry Weiers, Councilmember Norma Alvarez, Councilmember Manny Martinez, Councilmember Ian Hugh, and Councilmember Gary Sherwood
- Absent** 2 - Vice Mayor Yvonne J. Knaack, and Councilmember Samuel Chavira

1. [14-287](#)**CONSTRUCTION UPDATES ON THE ARENA**

Staff Contact: Julie Frisoni, Assistant City Manager

Presenter: Anthony LeBlanc, Co-Owner, President, CEO, Arizona Coyotes

Presenter: Jim Foss, Senior Vice President of Strategic Planning, Arizona Coyotes

Presenter: Ron Barrett, President, Brayden Management

Jim Foss, Senior Vice President of Strategic Planning, IceArizona, presented a construction update on the arena. He presented a video for Council review which showed the improvements that have been made to various areas of the arena. He explained two of the projects, the locker room and the Fox Sports broadcast booth, were non-fan related. He said they used focus groups to determine what fans wanted in terms of upgrades. Mr. Foss explained that suite usage is starting to decline and opera boxes were much more in demand. So, some of the suites would be converted into opera boxes. He said the arena is very competitive in this market.

Councilmember Sherwood asked what loge boxes were and how many they seat.

Mr. Foss said loge boxes seat 4 or 6 and many are used by the small business owner. He said the 16 loge boxes in the arena are currently all sold out.

Councilmember Martinez asked if there were 87 suites and asked how many of those suites were leased out.

Mr. Foss said about half were leased out right now. He said the goal is to fill the building.

Mr. Foss next discussed three possible upgrades, which included the Rinkside Club, the opera boxes and the Gila River Club. He said he would like to see the fans have more contact with the players and making some adjustments in these areas would encourage more direct fan contact with the players. Mr. Foss said they would like to make the club more modern and fan friendly. He also said creating a lounge atmosphere would encourage fan attendance. Also, the opera boxes would create a suite atmosphere at a much more affordable price for the fans.

Ms. Fischer asked Mr. Foss to provide Council with the cost of these upgrades and modifications.

Mr. Foss said they spent \$3 million on non-capital upgrades. He said this would be 100 percent team initiative in upgrading the arena.

Ms. Frisoni asked Mr. Foss to speak to the revenue component and why the team

believes this is a good opportunity for the city.

Mr. Foss said this goes back to the partnership with the city. He said it is all about revenue and getting bodies into the facility. He spoke about both ticket and parking revenues and said they need to fill the building.

Mayor Weiers asked how many seats the arena loses by doing these upgrades, changing the suites to opera boxes.

Mr. Foss said there were 195 seats. He said they would lose a few seats, but at the end of the day, they are not filling those seats. Mr. Foss said they are losing 16 suites with 12 seats each, for 32 opera boxes with 4 seats each.

Mayor Weiers said if they had a concert at that facility and the concert was a sellout those seats potentially might make a difference for a concert.

Mr. Foss said the seats up in the suites are team revenue. He said they can sell annual seats, annual boxes year round.

Councilmember Sherwood said they would end up losing 63 seats.

Councilmember Martinez thanked Mr. Foss for what he had done. He said this would be helpful. He said there was something in the last agreement that at some point in the future a stage might be built for smaller acts coming in that don't require as many seats. He asked where this stood in the plans.

Mr. Foss said they have a show booked in November and the curtaining system in already in place to close off the upper seats, which would make the arena into a 5500 seat arena. He said the goal is to go after some of the smaller shows with the theater like atmosphere.

Councilmember Martinez said he thought something additional was going to be built and asked if there was anywhere they can build onto that.

Mayor Weiers said they were talking about building a mini stage with naming rights and things like that.

Mr. Foss said the stages are carried by the tours themselves or the facility has its own stage they can put in place, depending on the needs of the show. He said once they have the interest of the market, they can get into the naming rights.

Ms. Fischer asked Mr. Foss to provide information on the timing of when construction would start and be completed.

Mr. Foss said they want to get into focus groups and ask the customers what they are looking for before spending the money. He said they don't have a definite construction date right now. He said this project will cost millions of dollars and they want to do their research in order to do it right. He said he will get back with City Council once those decisions have been made.

Councilmember Sherwood said this is just a vision right now and after determining costs, it will be concluded well ahead of the season to get building permits in place. He said if they were going to move forward, it would be next summer.

Mr. Foss said they would need at least a 12 month runway for a project of this size. He explained they have hired Ron Barrett as their consultant and said Mr. Barrett oversaw construction of the Renaissance Hotel and the Media Center. He said they were partnering with a real professional.

Councilmember Sherwood said nothing would be ready for next season.

Mr. Foss said not at this time.

2. [14-223](#)

COUNCIL ITEM OF SPECIAL INTEREST - GLENDALE URBAN IRRIGATION UPDATE

Staff Contact: Craig A. Johnson, P.E., Director, Water Services

Staff Presenter: Craig A. Johnson, P.E., Director, Water Services

Staff Presenter: Douglas Kupel, Ph.D., Deputy Director, Water Service

Staff Presenter: Ron Short, Chairman, Water Services Advisory Commission

Craig Johnson introduced this item of special interest referred by Councilmember Alvarez. He introduced Ron Short, Chairman of the Water Services Advisory Commission, and Dr. Doug Kupel, Deputy Director for Water Services. He said they were going to discuss what is urban irrigation, the early and recent history, what kind of actions have been taken related to urban irrigation, and talk about activities of the task force and the commission. He also said they were going to discuss the financial status of the urban irrigation program. Mr. Johnson said urban irrigation has been in place for 100 years in Glendale and said it is a service that costs more to provide than the revenue it produces.

Mr. Short said the members of the Water Services Advisory Commission expressed their appreciation for establishing this commission and their appreciation of the work done by Mr. Johnson and his staff. He said urban irrigation is a small financial portion of a large water services operation budget. He said urban irrigation is a major component of the city's historic district. He said the ad hoc committee also discussed urban irrigation and that it is running at a deficit. He said there were intense discussions regarding the importance of maintaining the historical character of several historic districts. He said the task force was unable to come to a consensus about urban irrigation. He said the topic was left out of the final report. He said they hoped the Water Services Advisory Commission could address this issue as an early topic to reach a balance. He said there have been discussions, presentations and tours on this issue. He said there has been strong citizen interest and input during these meetings. He said the commission appreciates all the public comments it has received.

Dr. Kupel said this item is in response to a request from Councilmember Alvarez and in response to a request from the Water Services Task Force and the Water Services Advisory Commission. Dr. Kupel explained what urban irrigation is. He said it is the direct delivery of non-potable irrigation water to locations in urbanized areas. He said water rights are determined by prior appropriation and beneficial use. He said the city delivers water from the SRP system in response to demand on the potable system, there is a certain demand every day and the city advises SRP how much they will need the next day. He said it is the same with urban irrigation. At the beginning of the season, they have a number of customers who sign up and then based on that number of customers and their demand water is distributed.

Dr. Kupel provided a short history of water use in the city, including how determinations were made regarding how much land would be irrigated. He said the city has had an

irrigation program since 1912 and in 1914, ordinances were approved that allowed the city to charge a per lot fee. Dr. Kupel provided a map which showed SRP lands in the city. He explained in the early years, the federal government operated the project directly and it is the Bureau of Reclamation that purchased those canals from private land owners. In 1913, Glendale authorized an agreement with the reclamation service for the delivery of irrigation water. In 1917, the federal government turned over operation to the Salt River Water Users Association. He said during this time, all the water outside was irrigation water, as water inside the homes came from a well.

Dr. Kupel said there have been very few changes to the system over the last 60 years. He said when the city was a small town, some lots in the downtown area, many of which are now located in the historic district, received irrigation water. He said some of the lots continue to receive irrigation water today. He explained in 1952 there was an agreement with Phoenix and SRP that serves as a model for agreements with other cities that have on project services within their boundaries. This agreement called for Phoenix to pay SRP assessments on acreage that was no longer in agricultural production. In exchange, SRP delivered water associated with those lands to a Phoenix water treatment plant where it would be treated to potable standards and delivered through municipal pipelines to homes that had been constructed on those former agricultural lands. He said lands so treated are called cut over lands because they have been cut over to the city's account, meaning the city takes responsibility for paying the assessments to SRP for lands no longer in agriculture. He said it was this agreement that allowed potable surface water development for towns like Glendale. In 1961, Glendale did sign a domestic water service agreement with SRP that covered potable water. He explained in recent years, concern about the cost of providing urban irrigation service led to action by the city. From 1962 through 1992, Glendale recovered about 24 percent of the cost to run the system. Over the past 15 years, the city has recovered about 28 percent of the cost to run the system. Both the level of cost recovery and the number of customers has remained very stable over this time period. He said to address the concerns about cost, in 1960, the city adopted Ordinance 588, which required property owners to pay for the cost of installation of the infrastructure. In 1989, Glendale conducted a legal analysis to determine if it could develop a plan to divest itself of the urban irrigation business. He said attorneys determined the city could discontinue the service and turn the system over to the landowners, but that did not take place. He said the city also started a cost analysis of the system in 1989, which resulted in a rate study that concluded the system had consistently operated at a deficit since the early 1960s.

Dr. Kupel explained in 1990, the city entered into a contract with Salt River Irrigation (SRI), a private contractor that provides irrigation services to city-owned parks. He said the city continued to have one full time worker dedicated to the residential portion of the irrigation system, but this private contract assumed the responsibility to maintain and repair that portion of the system that serves city parks. In 1992, the city hired an engineering firm to evaluate the condition of the 23 miles of pipe that comprised the system at that time and the cost to rehabilitate the system ranged from \$6 million to \$7.2 million. He said that 23 miles of pipe in 1992 is the same as exists today. The system is the same size. He said those cost estimates were for full rehabilitation of the system, but there was no evidence those costs were necessary at that time, so it was a high estimate. He said no action resulted from that 1992 study and the public/private partnership for the operation and maintenance of the non-residential portion of the system continued.

Dr. Kupel reviewed recent Council actions regarding irrigation. He said in 1989, Council set up a special committee about urban irrigation. He said they held 3 meetings and members of the Council utilities committee attended. He said the three alternatives

discussed at that time was elimination of the services, continuation of the service and make it pay for itself, or continue the service with a subsidy gradually bringing that subsidy up to a 50 percent cost recovery. He said there were no changes as a result of that 1993 study. In 2003, a similar rate study was conducted and in 2008, several alternatives were outlined. Those alternatives were very similar to the 1993 study alternatives. Those were: to maintain the current services while matching increase in rates with water increases, increasing urban irrigation rates to match full cost recovery or to increase rates to full cost recovery and add another capital improvement charge on top of that for major expenses. There was no Council action as a result of that study. In 2010, Council decided to index the urban irrigation rates to water rate increases.

Dr. Kupel provided a map that showed the Glendale urban irrigation service area in relation to the historic districts. He said urban irrigation did not occur uniformly across the valley. There are many areas of the valley that never received urban irrigation. The decision to have urban irrigation was one made by the property owner or the developer at the time the land was first subdivided or placed into use. He said this was a personal decision of those property owners. In different eras, people had different views regarding the value of urban irrigation.

Dr. Kupel reviewed actions taken by the Citizen Task Force and Water Services Advisory Commission. On June 27, 2011, Mayor Scruggs requested a citizen's task force on water and sewer. On January 24, 2012, an ordinance establishing an ad hoc citizen's task force on water and sewer was adopted. On December 28, 2012, the water services department presented to Council the task force recommendations. On June 25, 2013, Council adopted an ordinance establishing the Water Services Advisory Committee and in September and November 2013, member appointments were made.

Dr. Kupel next identified Water Service Advisory Commission's discussions of urban irrigation. On November 6, 2013, the Commission identified urban irrigation as a topic of interest. On December 4, 2013, staff made a presentation on urban irrigation and the Commission directed staff to present alternatives. On March 5, 2014, staff presented urban irrigation alternatives, and on September 3, 2014, an urban irrigation public participation plan was adopted. On October 1, 2014, a public participation meeting occurred on this issue. Dr. Kupel said staff is going to provide the Water Services Commission with a summary of the comments received at the public meeting and via the internet and the commission will have this as an action item at its November 5th meeting. He said the next step is at the Commission level and they will be making recommendations after consideration.

Dr. Kupel said one key item in the public participation plan was future discussions of urban irrigation rates which would take place within the context of discussions of water and sewer rates generally. He said it would be part of the overall budget and rate setting process beginning in January. He said the main concern for the Commission is that the cost of maintaining the urban irrigation system and delivering water is not covered by the revenue the system generates. Urban irrigation expenses and revenues have been operating at a deficit since 1963, and since that time, the city has only recovered from 13 to 62 percent of its costs, with average cost recovery since 1998 of 28 percent. He said questions were raised at the October 1st meeting about whether these cost figures include other non-urban irrigation items. He said the occasional cost discrepancies would not impact the overall cost recovery figures and it has been stable since 1962. He said the low cost recovery does mean that city rate payers that do not directly benefit from receiving urban irrigation support this system. He said the city as a whole does benefit from this system and said the city has a historical and environmental amenity in the downtown area that contributes to the quality of life of the entire community. He said

one item that has saved money for the city is the extension of the public/private partnership to the residential side of the system by contracting with SRI, the same contractor that provides the services to the city parks since 1990. He said in 2012, the city entered into a contract with SRI to extend that service to the residential side. Prior to that, city workers were doing that service and the contracted service has saved money. He said when this came before Council on August 12th, Council did authorize the City Manager to extend that agreement for 3 years, and the city will continue to save money.

Dr. Kupel said another change at Water Services is they are looking at requests for new service on a case by case basis. He said if the property is within the Glendale residential urban irrigation service area and can safely take water and the costs of extending that service are reasonable, water services is happy to discuss that with the property owner. He said it was important to note that just adding new customers does not solve the revenue shortfall. He said there is a structural deficit in the cost recovery model. If fees stay the same, the city will continue to lose money on each new customer added.

Ms. Fischer asked Dr. Kupel to explain what will happen to the recommendations that come from the board. Dr. Kupel said the Water Services Advisory Commission will provide recommendations to the Council after the November meeting.

Councilmember Alvarez asked to go back to the map. She said the area from Bethany to Glendale, that's in the town site and said that irrigation was discontinued in the 60's along with the Sonorita area. She said they have a map that shows green and brown, which is that area. She asked why that water was discontinued in the 60's.

Dr. Kupel said research has been done on this issue and it is his understanding that portion of the town site south of Glendale Avenue and east of 59th Avenue never had urban irrigation. He said they have looked at aerial photos, done an oral history and based on the testimony of the participants at the October 1st meeting, this is an area of town that never had urban irrigation. He said some parts of the valley had it, some parts of the valley never had it and some parts do not have it now.

Councilmember Alvarez asked what kind of irrigation that area had.

Dr. Kupel said it is his understanding the only kind of irrigation that area had was to the school by the post office. He said there may have been laterals and canals down there, but preliminary research shows that the area never had urban irrigation.

Councilmember Alvarez said that is why she was asking about the irrigation, because there was irrigation. She said she was just a kid, but she knows that was cut. She also said in the Sonorita area, they do have the pipes for irrigation. She said the water going there was through urban irrigation. She asked if they had proof that it doesn't have those pipes for the urban irrigation.

Dr. Kupel said he realizes there are pipes, canals and ditches going down a lot of the valley streets and they were tiled over. He said there may be pipes and tile ditches in this area, but based on the preliminary research into this issue, this was not an area of town that ever had urban irrigation.

Mr. Johnson commented about testimony received at the public meeting on October 1st, he said a couple stood up and said they did not have urban irrigation to their house, but they could see it as it was within yards of their home. He said it was a main ditch that fed agriculture to the south. He said they will have to look at more records if they can to determine the location of that pipe. He said they indicated it was in Market Street and

they saw it. He said they know it was there, but the same information they got from them also, was they were very close, but they were never connected to that main pipe. He said they have more homework to do in preparation for the November meeting. He said that is the preliminary information they have received so far.

Councilmember Alvarez said she didn't know about tiling, but she knew their yards had water from the canal. She said the canal was going in front of her house, so there was irrigation. She said they had pictures and the yards were the perfect example. She said the yards were green like the others, but then all of a sudden it was cut and it was the city's decision they could not have water. She said in the brown area, there is a legend that says cut to the city. She asked what cut to the city meant.

Dr. Kupel said this is in reference to the 1952 agreement he spoke of in the presentation, the domestic water service agreement. He said after WWII, formerly agricultural land was being built up with houses, so someone had to pay the assessments on that land. He said the homeowners and developers had not been paying the assessments. He said SRP proposed that if the city paid the assessments on that land, SRP would deliver the water to the property through the water treatment plant where it would be treated to a potable standard and then the city would deliver it to the customers. He said that is what cut over means.

Councilmember Alvarez said on urban irrigation, there is a property in the Catlin Court east that was urban irrigation, but now they don't have it. She said now you pay the assessment for that. She asked why they were denied having the urban irrigation since they already had the pipes and they were covered.

Dr. Kupel said in many instances this is a matter of preference for the property owner. He said many people who once had urban irrigation no longer have it and it is not a decision of the city whether a person has urban irrigation. He said it is a decision of the property owner.

Councilmember Alvarez said the property owners are saying they have come to the city because they want the urban irrigation and they can't get it, the city is already paying Salt River for that water. She asked how much has the city paid for those lots and that water. She asked if SRP can give them records of how much the city paid, what it was costing the city.

Dr. Kupel said there were two parts to the question. One is how does the city respond to requests for service. He said the second point is the cost of the water. He said water is delivered on the basis of demand. He said they tell SRP at 2 p.m. the day before how much water the Glendale system is going to need the next day and that is how much SRP gives the city. He said if that water is not used, it does not come to Glendale, the city does not keep it or give it to anyone else. He said it is the same case for urban irrigation water. At the beginning of the irrigation season, citizens indicate an interest whether or not they want to receive urban irrigation water and SRP delivers that water for those 15 irrigations throughout the season. He said if people don't take the water, it doesn't go somewhere else, the city doesn't sell it and the city does not get any extra water that the city doesn't take.

Councilmember Alvarez asked what happens to the water. She said SRP is saying something different.

Dr. Kupel said that water goes to a junior user or stays behind the dam.

Councilmember Alvarez said there is no cost if someone doesn't take the water, the city doesn't get billed for it.

Dr. Kupel said the city pays the assessments to SRP whether or not they get the water. He said it is not per acre charge for the water, it is a per acre assessment. He explained an example of when the city gets a big storm and the yards are wet, SRP will bypass that irrigation. He said the urban irrigators pay the city, so in the case of bypass, they will either get a refund or get another run of irrigation at the end of the season.

Councilmember Alvarez said she does have other questions, but it would be taking all day. She said the communication has not been good to the neighborhoods. She said they are saying they want the water, but they can't get it. She said she has to go by what the citizens are telling her. She went on to discuss the urban irrigation public participation plan. She said they adopted the plan, but asked who came up with the plan and what input did they get from the people in the community.

Dr. Kupel asked Mr. Johnson to speak about how people can get service.

Mr. Johnson said members within the system that do not currently have irrigation and some have indicated they couldn't get service. Mr. Johnson said if they fall within the 23 miles of system operating right now, they are to call the city and the city will meet with them and evaluate the property and will have discussions as to the viability of getting hooked up to water. He said water delivery has to be done in a safe manner, but staff will talk to them about their property.

Councilmember Alvarez said so those people have not been denied forever.

Mr. Johnson said he cannot speak forever as he has only been here for three years. He said as long as they are within the 23 miles system.

Councilmember Alvarez said on the plan, usually when they get people to participate in order to adopt, she asked when those meetings were held and who participated.

Mr. Johnson said they were asked by the Water Services Advisory Commission to put together a public participation plan and present the plan on September 3rd. He said a draft plan was put together and brought forward to the commission. The plan for the October 1st meeting was a plan directed by the Water Services Advisory Commission.

Councilmember Alvarez said so they were the only ones that participated.

Mr. Johnson said it was an agenda item so they also took comments from the floor before they made the decision on the plan.

Councilmember Alvarez commented that they need to improve on the communication. She said putting a public notice that is as big as a business card is not the way to get public participation. She said she offered in September to use her discretionary money so they could do the right kind of publicity to get the people's input.

Mr. Johnson said they had taken everything she has said to heart before advertising the October 1st meeting. He said they sent out 3300 notices, a press release, asked Councilmembers to put the notice out in their weekly bulletins, and they took out ads in the newspaper. He said they did a very large advertisement program for this meeting. He said it got to a number of people, including current residents. He said they followed the prescribed requirements set forth by the Water Services Advisory Commission. He said

101 citizens showed up.

Councilmember Alvarez said that was due to the public fliers which got out to motivate the public to go to the meeting. She said the public affected were the participants at that meeting.

Mayor Weiers asked how many homes are affected by urban irrigation.

Mr. Johnson said it is hard to tell the exact number of lots. He said the 3300 notices were sent out to all the residents in the area outlined in blue on the map presented.

Mayor Weiers said he thought the number 440 had been presented.

Mr. Johnson said there are 468 available spaces within those 23 miles of pipe. He said as of the last fiscal year, they have a count of 354 participants.

Mayor Weiers said you sent out ten times more notices.

Mr. Johnson said the advisory commission recommended sending the notices to the whole area outlined in blue on the map and he said they would do that. Councilmember Martinez thanked the commission and staff for their participation and said the presentation has been very helpful. He said he heard today that the commission is going to come to the Council with recommendations. He said one of the issues from some folks has been the cost that the service is not paying for itself. He said he was sure the commission would take all this into account and come up with a recommendation that is fair and equitable and still be able to provide residents with the service if they want it.

Mayor Weiers asked what the actual cost and loss was for this service.

Mr. Johnson said the loss was about \$90,000. He said they will be having more discussions about cutting even more costs.

Mayor Weiers said being a water commissioner in Arizona, you can't win. He said it looks like they have made progress in the right direction.

Councilmember Martinez said the system is on demand. He asked if he is using it and he wanted it 20 times during the season, would he get the service that 20 times.

Mr. Johnson said it is a 7 month program and they do 15 waterings.

Mayor Weiers said he can order up to so many acre feet as often as he wants because he is agricultural, until he runs out of water. He said others just agree whether they want water or not.

Mr. Johnson said there is a defined list of properties and SRI manages all of that based on the lot sizes. SRI determines the amount of water that is brought forward into the system.

Councilmember Martinez said the cost in Mayor Weiers' case, which has an acre and a half; he asked how the cost compared to having a lot. He asked if it was based on the amount of water used or was it a flat rate.

Mr. Johnson said the assessment is based on the lot size.

Dr. Kupel said most lot sizes are less than 12,000 square feet and they pay about

\$169.00 per year for the 15 irrigations. He said larger lots sizes pay a little bit more.

Mayor Weiers said with that the irrigation company is taking care of the labor and any leakage or broken valves.

Councilmember Sherwood said there are about 114 spaces available in the current system. He said they mentioned \$6 million to \$7.2 million to bring the system fully up if it was in need of total repair. He said that was done back in 1992. He asked if there have been any recent evaluation of that and asked if the SRI includes that now, if there were any needed improvement to those 23 miles.

Mr. Johnson said the SRI contract does not include any sort of upgrades that might be needed to the system. He said it is strictly an operations and maintenance contract. He said there was a provision in the contract for an hourly rate of \$75 per hour. He also said they have set aside \$15,000 in the budget in case there is a need to expend those funds. He said they have not yet had to use those funds. He said they do repairs and maintenance year round and the city pays the required contract amount monthly for that.

Councilmember Sherwood asked the risk was on the 23 miles of pipe needing major repairs.

Mr. Johnson said this system has been working for 100 years. He said maintenance is done all the time on the pipes. He said there is no pressure to the pipe and it flows with gravity. He said they had some citizens' testimony about issues with leaks in their yards. He said there is a process for notifying the city about those leaks and they will get them fixed.

Councilmember Sherwood said the city is still at some risk at some point for having a sizable capital improvement project to take care of this.

Mr. Johnson said with a system this old, there is risk.

Councilmember Sherwood said for the additional hookups, since they haven't opened this up to a lot of other citizens, the city could have been getting more money for it. He commented on what Mr. Johnson said earlier that just by adding additional customers, there are additional costs to the city. Councilmember Sherwood asked if that was because the city needs to pay SRI more for the allocation of extra water and asked how that worked.

Mr. Johnson said they did an estimated model if they were to do all 468 hookups. He said the city would be gaining about fifty cents on the dollar, which is better than where they are now, but is still a structural deficit.

Councilmember Sherwood said when people are presented with a bill for \$167 per year, in terms of cost sharing, he said the city can't recoup the total cost recovery in the next few years, but they do need to do a better job of doing that. He said even if the bills doubled, they want to keep those areas under this type of water irrigation because it is much cheaper to do so and it makes the downtown area look nicer. He hoped the commission comes up with a solution that is fair, but gives the city a little more cost recovery and at some point approach 100 percent cost recovery. He said even then, this system is still so much cheaper than using potable water. He said that was a concern with most of the commissioners during the original task force. He added the public did have plenty of notice of the meetings on this issue.

Councilmember Hugh said the historical part of the presentation was great. He said the Council agrees with the community benefit for this program.

CITY MANAGER'S REPORT

Ms. Fischer said on September 8, 2014, the valley experienced an unprecedented rainstorm. She highlighted the outstanding response from the city's emergency operations and other city staff to this emergency. She said her intent was to give a certificate of appreciation to the staff that went above and beyond in this emergency. She said the number of employees exceeded 100 people. She said the staff was fantastic in this event and all will receive certificates of appreciation. She mentioned the staff from Engineering, Right of Way, Facilities and Risk Management, Solid Waste Collection, Transportation, Communications, Water Services, Parks and Recreation, and Public Safety.

Ms. Fischer turned time over to Mr. Bailey for an announcement.

Mr. Bailey said they will be adding an item to the agenda which will be the City Attorney report for answering questions or presenting items of interest to Council. He said he provided Councilmembers a response regarding negotiations on the Coyotes agreement. He said with delivery of that response, he considers the matter closed.

COUNCIL ITEMS OF SPECIAL INTEREST

Councilmember Sherwood spoke for an absent Councilmember regarding the recent discussions about the Palm Canyon billboards. He asked the Councilmembers to vote at the October 27th meeting on rescinding the previous denial based on this recent information on the Becker Boards case at the Loop 101 and Bell. He said if the rescission vote is successful, then too immediately at the same Council meeting on October 27th vote on approving the billboards request of Becker Boards and direct staff to notify all parties as required by law at the expense of the applicant.

Ms. Fischer asked for clarification. She said they do not have a meeting on October 27th. She confirmed it was the meeting on October 28th. Councilmember Sherwood said October 28th was the correct date.

Mayor Weiers asked Mr. Bailey for clarification and asked if one Councilmember can do that for another Councilmember or should Councilmember Sherwood do that for himself.

Mr. Bailey said technically if that was the means by which you would want to operate, he did not see anything prohibiting it, but there is nothing saying it is allowable. He deferred to Council.

Mayor Weiers said this almost has the appearance of a proxy and was not sure how that would be taken by the public.

Mr. Bailey said in terms of process with regard to items of special interest, he said he did not see anything prohibiting it.

Councilmember Martinez said it appeared to him that the request was to take it to the Council to a vote.

Mr. Bailey said his understanding was there were two items. One was an item for rescission of the previous decision and the second would be a reconsideration of that decision in the event it was rescinded.

Councilmember Martinez asked if this would be at an evening meeting.

Mr. Bailey said the 28th is a voting meeting.

Councilmember Martinez said he would be opposed to that. Usually items that appear on the voting meeting agenda are at the direction of the Council after a workshop. He said this would be circumventing the process. He said this would not be the way to do this.

Ms. Fischer said during items of special interest, a request is made; staff has between 30 and 60 days to research the issue and bring it back to a workshop. She said this is the first time she has seen something like this requested on a specific date and to go directly to a voting meeting.

Mayor Weiers said we can take it just as it is for right now and move forward with the other Councilmembers items of special interest.

Councilmember Alvarez said she would like more information on the Municipal Property Corporation.

Councilmember Hugh asked if the Councilmembers could bring the first item back to a workshop for discussion and reconsideration.

Mr. Bailey said there may be some value in that, but he will defer to Council. He said this is not staff initiated, but Council initiated and will look to the Council for direction.

Mayor Weiers said the Council can't give any direction at this point.

Mr. Bailey said since a Councilmember made the request, he would defer to Council and mentioned the meeting schedule is running thin.

Ms. Fischer said between now and October 28th, a workshop is scheduled on October 21st. She asked Councilmember Sherwood if this item could be brought forward to the October 21st workshop and then, based on the feedback brings it to the October 28th evening meeting if necessary.

Councilmember Martinez said he would not agree to this, because they were bringing this item forward by proxy. He said the Councilmember who would want to present the item should be present at the meeting to bring the item forward.

Mayor Weiers said he didn't think they could agree right now anyway.

Mayor Weiers spoke about the storm on September 8th. He spoke about an area near his home flooded in the first big storm and about a city worker that showed up in the area when the second big storm came, he was waiting to see if the area would flood again. He commended the staff for their dedication and efforts.

Councilmember Martinez thanked Ms. Fischer for bringing this out today so the public is aware of what staff has done.

MOTION TO GO INTO EXECUTIVE SESSION

The meeting proceeded into Executive Session at 3:15 p.m.

This agenda item was approved.

Aye: 5 - Mayor Weiers, Councilmember Alvarez, Councilmember Martinez, Councilmember Hugh, and Councilmember Sherwood

Absent: 2 - Vice Mayor Knaack, and Councilmember Chavira