

City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301



Meeting Minutes - Final

Tuesday, January 20, 2015

1:30 PM

Workshop

Council Chambers - Room B3

City Council Workshop

Mayor Jerry Weiers

Vice Mayor Ian Hugh

Councilmember Jamie Aldama

Councilmember Samuel Chavira

Councilmember Gary Sherwood

Councilmember Lauren Tolmachoff

Councilmember Bart Turner

CALL TO ORDER**Rollcall**

Present 7 - Mayor Jerry Weiers, Vice Mayor Ian Hugh, Councilmember Jamie Aldama, Councilmember Samuel Chavira, Councilmember Gary Sherwood, Councilmember Lauren Tolmachoff, and Councilmember Bart Turner

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

WORKSHOP SESSION

1. [15-045](#) FY13-14 COMPREHENSIVE ANNUAL FINANCIAL REPORT AND YEAR-END AUDIT UPDATE
Staff Contact and Presenter: Thomas F. Duensing, CPA, Director, Finance and Technology
Presenter: Dennis J. Osuch, CPA, Principal, CliftonLarsonAllen LLP

Mr. Duensing said this item was to present the findings of the 2014 external audit. He introduced Dennis Osuch, the principal with outside audit firm Clifton, Larson & Allen.

Mr. Osuch explained an audit was not to detect fraud or illegal acts. It was to examine and verify management's assertions and provide an opinion, and this includes findings and recommendations. Auditors evaluate risk and work for and communicate results to the governing board, which is the Council. He also discussed what they are looking for in the audit. He said they identify the risks and since they have already worked with the city, they also rely on their past experiences with the city. They review internal documents and make fraud inquiries and identify where higher risks are. He said they also perform a rotation of audit procedures as well as performing surprise procedures. He also explained the audit process, which includes communication with governance, an audit opinion on the CAFR and the HURF report as well as others.

Mr. Osuch discussed the CAFR and said the audit provides an opinion on the basic financial statements, an in-relation-to opinion on the combining and individual financial statement and schedule, provides an in-relation-to opinion on the federal data schedule; disclaim an opinion on the required supplementary information, introductory and statistical sections. He said they rendered an unmodified, clean opinion on the financial statements.

Mr. Osuch explained they issue two reports on a single audit report, a report on internal control over financial reporting and a report on compliance. On the internal control report, they will report on any material weaknesses that were noted and significant deficiencies. They will also issue a report on internal controls and compliance with major federal programs. He also discussed the definition of a deficiency, a significant deficiency and a material weakness.

Mr. Osuch said the one material weakness they noted in the audit was related to the city's capital asset software. He said the software the city is currently using does not have the capability to calculate depreciation. He said a misstatement could go

undetected in the financial statements. A significant deficiency that was noted there were account balances that were recognized within the balance sheet as a liability, but should have been recognized as revenue in the financial statements. He said these did not result in a material misstatement. He said on the single audit compliance, they test several programs and a major federal program, one of which was the Low Income Home Energy Assistance Program (LIHEAP). They noted on the annual report there was a month that was excluded from that report.

Councilmember Sherwood asked how Glendale compares with other cities concerning the number of deficiencies noted.

Mr. Osuch said the city was doing very well for a city of its size.

Councilmember Sherwood said compared to some of the other companies, the city is doing well.

Mr. Duensing said the city prepares its own CAFR for award and he said it is important that cities do that. He said bond ratings also look at that. He said they anticipated the CAFR will be awarded. He also noted auditor's findings are immediately relayed to staff. He said they move on those issues right away and take this audit very seriously. He said they do intend on reporting back to Council every year.

Councilmember Sherwood said the work Mr. Duensing has done over the past year has been tremendous and they appreciate his staff's hard work.

Councilmember Chavira said things are looking up and the city is better off than it was a year ago. He thanked Mr. Duensing and his staff and Ms. Fischer for their hard work.

Councilmember Aldama recognized Mr. Duensing and staff for working so hard on this and correcting the deficiencies.

2. [15-039](#)

FEDERAL AVIATION ADMINISTRATION (FAA) CHANGES TO AIRCRAFT FLIGHT PATHS AT PHOENIX SKY HARBOR AIRPORT

Staff Contact: Jack Friedline, Director, Public Works

Staff Presenter: Walter Fix, Airport Administrator

Mr. Friedline said Mr. Fix would present the item regarding FAA changes to aircraft flight paths at Phoenix Sky Harbor Airport.

Mr. Fix provided some background on the FAA's NextGen Program and said it was implemented in 2009 to modernize national airspace and improve safety and efficiency of flight. Flight paths were modified by the FAA on September 18, 2014. He explained that Phoenix has received over 2,000 complaints since that change, including some from Glendale. He said the FAA and Phoenix Aviation Department will partner to research any changes to flight paths in 2015.

Mr. Fix provided a map showing departure tracks prior to the 2014 changes and the flight track changes after the flight path changes. He said most of the complaints from residents of the city of Glendale are from the west departures, between 6,000 to 8,000 feet above ground level. Mr. Fix also provided an overlap showing flight paths both before and after the FAA changes. He provided a map of the arrival flight tracks both before and after the FAA changes. He said complaints are from the east flow into Sky Harbor between 4,000 and 6,000 feet above ground level.

Mayor Weiers said the incoming map did not show any flights coming from the west, or California.

Mr. Fix got the flight map from the FAA after requesting strictly Glendale on the arrival tracks.

Mr. Fix said the current actions being taken are monthly updates to the City Council by Phoenix Aviation Department staff, community meetings in January 2015, conducting neighborhood-focused noise monitoring, and holding a second series of community meetings to share the noise monitoring data. He also said Phoenix Aviation Department staff will continue to ensure the FAA continues to review this issue as a high priority. He said he was working with Phoenix on obtaining noise monitoring equipment for Glendale. Additionally, a letter was sent by the Phoenix City Manager to the FAA to cease using the new flight paths and to return to the flight paths previously used. He said he did not believe there had been a response to that request. He provided information on when the next community meetings were going to be held.

Councilmember Sherwood asked a question about an error.

Mr. Fix said the FAA admitted some of the turns were too early on the departure tracks and they are working with the airlines and air traffic control to remedy that.

Councilmember Sherwood continued to question Mr. Fix.

Mr. Fix said that was for some neighborhoods which are located close to Sky Harbor Airport.

Mayor Weiers said he got a lot more than 8 complaints in his office. He said the complaints were both for departures and arrivals. He said the early turnouts may create a situation for hazards and could be an issue. He asked why Glendale was not having a meeting with the FAA for these issues.

Mr. Fix said he is working with Phoenix Aviation staff and the FAA to get a line of communication set up if that is required.

Mayor Weiers said it was a good idea to do that and commented all of the council districts are affected by this.

Ms. Fischer said this is the feedback they are looking for from Council. She said they will set up public meetings, draft letters, whatever the Council wanted to do.

Mayor Weiers said it is good for citizens to have a voice, and they need to hear a direct response from the FAA.

Councilmember Chavira asked if this issue was more about commercial aircraft or just general aviation aircraft. He wanted the public to know there was a difference between the two. He said the issue regarding turning early to save fuel sounds more like a commercial aircraft issue

Mr. Fix said he has heard this as well and citizens were primarily concerned about commercial aviation, however, there were also complaints about the general aviation.

Councilmember Chavira confirmed most of the complaints were about commercial aircraft. He confirmed that the Glendale Airport catered primarily to general aviation

aircraft and not commercial aircraft.

Mr. Fix said that was correct.

Councilmember Tolmachoff said it looked like there was a dramatic increase in flights over Glendale and said this could affect the marketability of a home. She also said she had heard that some of the flights have been rerouted.

Mr. Fix said he was not sure about flight paths being rerouted at this time, and that the issue was being looked at by the FAA.

Councilmember Tolmachoff asked if there were statistics in the numbers of aircraft flying over the city.

Mr. Fix said he can get the actual numbers from the City of Phoenix aviation staff.

Mayor Weiers said if the flights were pushed out, Glendale would be happy, but the city of Surprise probably wouldn't be that happy.

3. [15-031](#)

COUNCIL ITEM OF SPECIAL INTEREST: CITY SUITE POLICY

Staff Contact: Julie Watters, Director, Communications

Councilmember Sherwood asked since this was a Council Item of Special Interest, if he could restate what his intentions were on requesting this item.

Mayor Weiers said he would let Ms. Watters introduce the item first.

Ms. Watters said this was a follow-up on a Council Item of Special Interest and when this item was first presented, Council gave direction to repeat this item when the new Council was in place. She said Council requested a report on the Council approved process and policies for suite usage by Councilmembers and whether or not Council has approved reserving two tickets for each Councilmember for each event when the suite is used at Gila River Arena and Camelback Ranch. She provided background regarding the suites at both venues.

Ms. Watters said the city suite usage policy has always been an administrative policy. She said the policy was created on the city's mission for use of those suites as well as best practices of other cities who have suites at sports facilities. All the other cities have administrative policies except Phoenix, which has a Council approved policy. Glendale's suite policy defines acceptable uses as conducting city business, City Council conducting business, recognition of non-profit and youth organizations and city volunteers. She said there are 36 tickets per event available at the Gila River Arena and 12 tickets per event available at Camelback Ranch. If reservations have not been made by city staff, the suite is offered to a non-profit organization.

Ms. Watters said in response to the question whether Council has ever approved reserving tickets, the answer is no. Additionally, administrative policy has not required getting tickets for any event for any elected official. As background, staff received a request from Mayor Weiers in 2013 to reserve 2 suite tickets to all events at Gila River Arena and this request was approved by a former acting city manager. She said the mayor, in the past, has had a lanyard from Camelback Ranch which provided him admission to all events. He also requested an additional suite ticket to all Camelback Ranch events to bring a guest. She confirmed that other valley cities do not have a regular system of reserved tickets for their elected officials.

Ms. Watters said staff recommends adjusting the policy for elected officials to be more equitable. Staff recommended adjusting the policy to allow no Councilmembers to have reserved tickets or allow all Councilmembers to have reserved tickets. She said should Council adjust the policy to allow all Councilmembers to have reserved tickets, several points need to be considered. The available pool of tickets for the suites would be impacted. At Gila River Arena, if 14 tickets are reserved for each event, there would be 22 tickets left per event. At Camelback Ranch, there are only 12 tickets available, so it is not possible for each Councilmember to receive 2 tickets to each event. She explained the overall pool of tickets would decrease for conducting city business and recognizing youth non-profit organizations and volunteers.

Mayor Weiers asked her to go back to Camelback Ranch and asked if there were seats available also at Camelback Ranch for the city.

Ms. Watters said it is her understanding there are seats available outside the suite.

Mayor Weiers asked how many seats.

Ms. Watters said she thought there were about 10 seats.

Mayor Weiers said then 10 seats could be added to the 12 available tickets.

Ms. Watters said that was correct, but not everyone could sit inside the suite. She went on to explain if 4 or more Councilmember used the suite, it would be considered a quorum and appropriate public notice would have to be posted for each event on a regular basis. She said staff would also have to create another internal layer to reserving these tickets. A structured RSVP system would need to be created and managed by staff.

Ms. Watters said the city has 76 nonprofit organizations in the database and they have used the suites at both locations about 57 times per year. She said the city often get thanks from those organizations for allowing use of the suites to honor their volunteers. She also said five city departments use the suites to honor their volunteers.

Councilmember Sherwood said continuing with the process as it stands now would be the appropriate thing to do. He said when the tickets are used by the nonprofit groups and Mayor Weiers attends the event, those groups are very excited to see the Mayor. He said it allows them to engage with the public at these events. He said the suite usage is part of the city's ownership and is not something they are paying for. He spoke about charging \$5 a person so all the tickets will be used. He said he didn't think it was right for each Councilmember to always get a ticket.

Vice Mayor Hugh asked how Phoenix's policy works.

Ms. Watters said it was her understanding that Phoenix has a council approved policy that has been in place for many years. She said she does not have all the details of that policy, but said it is run through their Economic Development Department. She also said it is her understanding that it is not used a lot by the Phoenix Council.

Vice Mayor Hugh asked who came up with the list of priorities. He said he was referring to mention of conducting city business and activities for youth.

Ms. Fischer said that was implemented in 2003 and based on best practices. She said the volunteer portion was added by Council last year.

Ms. Watters said they did a presentation last year and it was Mayor Weiers' suggestion to add the volunteers. She said to answer Vice Mayor Hugh's question why it was put in this order, she said she does not know because she was not a part of the department at that time. She said she believed it was based on best practices.

Vice Mayor Hugh said it might be the order of priorities.

Ms. Frisoni said it was just put in that order and was not meant to indicate a priority of one over another.

Vice Mayor Hugh said paragraph 2 mentioned it was a priority, so they might want to consider getting rid of that language. He said extending the suites to the volunteers is great and asked if that included the boards and commissions members.

Ms. Watters said they have reached out to them, but is not sure they have been going through the volunteer process set up in her office.

Mayor Weiers said he regularly uses the suite and it is not being use to capacity. He said this troubles him. He said he tries to show up and welcome everyone. He said he needs to represent the city. He also said they frequently give the suite to a charity and the charity will sell the suite to raise money at an auction. Once that happens, the city has no control over who uses the suite. He isn't sure staff wants to worry about charging \$5 to attend an event. He said he wasn't sure how to do that without it costing more than it was worth.

Mr. Bailey said they are prohibited from selling tickets from the suite.

Mayor Weiers said Councilmember Sherwood was never intending to sell tickets to the suite, and he meant the \$5 as a snack fee to make sure they show up. He said he agreed with that, but just didn't know how staff would do it.

Councilmember Sherwood said marketing staff has suggested that to the requestor of the tickets, and the city wouldn't have any control over that whatsoever. He said other organizations have used that idea and the suite is filled and everyone shows up. He said the organization took the money and used it for snacks. He didn't mean the city should be responsible for collection of a \$5 fee.

Mayor Weiers said he didn't know how they could pull that off. He said he made the request for tickets for the entire year is because it's a hassle for his office to have to call marketing staff for each event. He said they need to fill the arena for every event and it is up to all of them to promote that as much as possible.

Councilmember Aldama asked if the suite is open for use by employees of the city.

Ms. Watters said the suite is open for the purposes in the policy. Ms. Watters said employees cannot just request a ticket to go for entertainment purposes.

Ms. Watters said an example would be a new business wanting to relocate in Glendale and the Economic Development Department took the interested party to a hockey game at the suite.

Councilmember Tolmachoff said that the non-hockey events seemed to be the problem and modifying the policy might be helpful. She asked who determines what is city business.

Ms. Watters said in the process of filling out the form to request tickets, the form is routed through the communications director to the city manager's office. She said if there are questions, they will ask the requestor more details about city business.

Ms. Fischer said entertaining other jurisdictional leaders is considered city business.

Councilmember Tolmachoff asked about filling the suites during the non-hockey events.

Ms. Fischer said they see more problems getting the revenue for special events, which is less frequent than the hockey.

Ms. Frisoni said there are many more hockey events than for special events there are issues surrounding numbers of tickets available. She said they were suggesting a different policy for those special events. She said it is up to Council to make a decision on this issue.

Vice Mayor Hugh asked who has the final say for tickets requested.

Ms. Watters said the final say rests in the city manager's office, and it is on a first come, first served basis.

Councilmember Hugh asked if they can request the 10 tickets not located in the suite at Camelback Ranch.

Ms. Watters said correct.

Councilmember Hugh asked if he could just direct his staff to send in a request for event tickets through the proper channels.

Ms. Watters said forms are filled out and routed and any questions would be forwarded back to the requestor.

Councilmember Aldama asked if there are anyone excluded to bring to any events.

Ms. Frisoni said there are restrictions when legislators are invited. She explained when one individual is invited, it has to be the individual of an entire committee, you must invite the entire committee.

Councilmember Aldama wanted everyone to have that information.

Ms. Fischer said other examples would include someone who is currently in the RFP bidding process with the city.

Councilmember Turner wanted to see that tickets are available to boards and commissions members, at least after one year of service. He also asked to make tickets available to city employees in recognition for their service. It is worth consideration to internally recognize the employees. He also asked that they automatically include all the tickets available at Camelback Ranch. He said he would like to see the subject addressed that if a Councilmember requested tickets, the public would know it was strictly for city business. He also said the Councilmembers shouldn't be faulted for bringing a spouse.

Mayor Weiers said he doesn't know why they are changing anything they are doing right now, other than fine tuning the policy. He said they need to promote the arena as much

as possible, including boards and commissions members.

Ms. Fischer asked for an explanation of the consensus as there was a little confusion. She specifically mentioned the change on whether no Councilmembers have reserved tickets or they all have reserved tickets.

Mayor Weiers said he doesn't see a need for any changes right now, but would revisit the issue if the suite is filled and they start to have an issue.

Councilmember Sherwood said he is concerned about perceptions and he would like to see no Councilmember has reserved tickets.

Councilmember Aldama said he would like some time to look at this issue, but they need to fill the suite to promote the city. He said he didn't feel like they need reserved tickets, but doesn't want to prevent anyone from using the suite. He would like to leave it as is, but leave the options open. He would like to continue use, but now allow reserved tickets for any one individual.

Councilmember Sherwood clarified Councilmember Aldama's suggestion was really option 1.

Ms. Watters said they are looking at all reserved tickets or not reserved tickets.

Mayor Weiers asked who has reserved tickets.

Ms. Watters said Mayor Weiers has reserved tickets.

Mayor Weiers said he has made the request for tickets, they have not been reserved. He said he has no problem if the request is denied because the suite is full, but no one has ever told him it was full.

Councilmember Aldama said he isn't worried about who has tickets or who has requested them, but as a new Councilmember he does not feel at this time any one person should have use or a long term reservation of tickets. He is for option 1 right now.

Ms. Watters explained to Mayor Weiers that as a processing function, staff looks at a request and a reservation as the same thing.

Councilmember Chavira agreed with Councilmember Aldama and said reservations should not be so long term and would not want to prevent anyone usage that is doing city business.

Vice Mayor Hugh asked if city employees are able to walk into an event without a ticket.

Ms. Watters said she did not think so; you would have to have a ticket.

Councilmember Turner asked about the lanyard.

Councilmember Tolmachoff said Mayor Weiers may just go there to greet the guests who are using the suite and it means a lot to those guests. She asked everyone to think about a way Mayor Weiers can attend the events and do his job.

Mayor Weiers answered the question about the lanyard. He said the owner of Camelback Ranch provided him with a lanyard for easier access to Camelback Ranch.

He said the city never had anything to do with that.

Vice Mayor Hugh asked if there were lanyards that could get them into Camelback Ranch.

Ms. Watters said it was her understanding that lanyards will no longer be issued from Camelback Ranch and they would be starting a process similar to the arena where visitors would have to sign in.

Vice Mayor Hugh asked if there were lanyards for the arena.

Ms. Watters said there are no lanyards for the arena.

Councilmember Chavira asked how they can improve communication to make sure if the Mayor attends an event, there will be someone there.

Mayor Weiers said it would be nice if the suites are full.

Councilmember Chavira asked how can they improve communication so they know who is going to be at the suites ahead of time.

Ms. Frisoni said it is the city's goal to have the suites used every event. She said staff works very hard to make sure the suite is filled every night, but some of that is out of the city's control. She said she always knows who is in the suite on any given night and for what purpose. She said it could be as easy as a phone call to find out who is in the suite on any given night.

Councilmember Chavira said he just wanted to get that information out there.

Councilmember Aldama asked if the suite is empty and if they could reach out to nonprofits to use the suite when it is empty. He asked if they can do that.

Ms. Watters said they already do that and sometimes it is last minute.

Councilmember Turner said information on who uses the suites is public record. He said they are just trying to establish a policy. He asked where a citizen would go to find out who uses the suites.

Ms. Watters said it is all on the city's website. She said the information is located in the newsroom area.

Councilmember Chavira said staff does works hard and it is great this issue is being discussed.

Councilmember Tolmachoff asked if there was a calendar posted anywhere regarding suite usage.

Ms. Watters said there is no calendar posted, but they can look into that.

Mayor Weiers said he does not see a major problem with this. He asked if there was a consensus on not allowing reserved tickets or all Councilmembers can reserve tickets.

Councilmember Chavira said he was against a blanket reservation.

Councilmember Aldama said option 1, no reservation, but continue use.

Councilmember Sherwood said no reservations.

Councilmember Turner said he has no problem with the Mayor requesting a ticket for every event.

Vice Mayor Hugh agreed with Councilmember Turner.

Councilmember Tolmachoff agreed with Councilmember Turner and said a calendar would be helpful, with possibly an option to make a request.

Mayor Weiers confirmed what Councilmember Turner was saying and asked if she didn't want to change anything now.

Councilmember Turner said option 1.

Mayor Weiers said they have consensus.

Ms. Watters thanked everyone for their patience and thanked Council for acknowledging Ms. Denuit for her hard work.

4. [15-061](#)

COUNCIL ITEM OF SPECIAL INTEREST: DEDICATED USE OF MOTOR POOL VEHICLE FOR COUNCIL OFFICE

Staff Contact: Brent Stoddard, Director, Intergovernmental Programs

Mr. Stoddard discussed the dedicated long term use of a motor pool vehicle to the Council Office. If a vehicle is utilized in that way, the costs for maintenance are paid by the Council Office. He said motor pool vehicles are available for use with a phone call, and no maintenance or fuel costs are associated with use of this vehicle. He explained there would be budgetary impacts with the use of a dedicated vehicle.

Councilmember Sherwood said the new Council hasn't had an opportunity to know what sort of travel will be required of them. He suggested holding off for several months on this issue until they have a chance to see a need for further discussion on this issue. He suggested the Councilmembers speak with Mr. Stoddard to gauge interest in this issue.

Councilmember Turner asked if the department was also assigned depreciation costs for a vehicle when they reserve it long term.

Mr. Stoddard said the policies do not get into the details of depreciation, only the costs of maintenance and fuel. He said no other types of costs are assigned to the department.

Mayor Weiers said there was a consensus to drop this issue for now.

CITY MANAGER'S REPORT

City Manager Fischer had nothing to report.

CITY ATTORNEY'S REPORT

City Attorney Bailey had nothing to report.

COUNCIL ITEMS OF SPECIAL INTEREST

Mayor Weiers wants citizens to be aware of anything that doesn't look right and asked

them to report it.

Ms. Fischer asked if Mayor Weiers wanted to consider the item of posting the colors as an item of special interest.

Mayor Weiers said he would like that.

MOTION TO GO INTO EXECUTIVE SESSION

It was moved by Councilmember Sherwood, and seconded by Councilmember Chavira, to move into Executive Session. The motion carried unanimously.

The Council moved into Executive Session at 4:00 p.m.