

# City of Glendale

5850 West Glendale Avenue  
Glendale, AZ 85301



## Meeting Minutes - Final

Tuesday, November 17, 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 Ray Malnar*

*Councilmember Lauren Tolmachoff*

*Councilmember Bart Turner*

**CALL TO ORDER**

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

Also present were Richard Bowers, Acting City Manager; Jennifer Campbell, Assistant City Manager; Michael Bailey, City Attorney; and Pamela Hanna, City Clerk.

**WORKSHOP SESSION**

1. [15-665](#) GLENDALE URBAN IRRIGATION UPDATE ON WATER SERVICES ADVISORY COMMISSION (WSAC) RECOMMENDATIONS  
Staff Contact: Craig A. Johnson, P.E., Director, Water Services  
Staff Presenter: Craig A. Johnson, P.E., Director, Water Services  
Staff Presenter: Douglas E. Kupel, Ph.D., Deputy Water Services Director  
Guest Presenter: Mr. Jonathan Liebman, Chairman, Water Services Advisory Commission

Mr. Johnson introduced Jonathan Liebman, the Chairman of the Water Services Advisory Commission, and Dr. Doug Kupel, the Deputy Water Services Director. He thanked the Water Services Advisory Commission for the work they have done on the irrigation issue. Mr. Johnson went into a brief history of irrigation in Glendale. He said there are only three remaining cities in the Valley that continue to operate urban irrigation systems and Glendale is one of them. He said the irrigation system requires continuous maintenance and the costs of maintenance do not match the revenue collected from its customers. Mr. Johnson said the city does not own the system, but operates and maintains it. Urban irrigation is part of Glendale's heritage, and citizens feel it is important to maintain this service.

Mr. Liebman said it is an honor to serve as the Water Services Advisory Commission Chairman and noted the other commissioners felt the same way. He provided a history of this issue. In 2012, a task force was created and out of that task force, the Water Services Advisory Commission was created. He said commission responsibilities include making recommendations to staff and Council on policies and strategies for water services. He said since the first commission meeting in the fall of 2013, citizens and the commission have asked many questions about urban irrigation, and water services staff has provided answers to all those questions. He said city staff has put many hours into answering these questions, and the commission is very grateful for all the work they have done. He said the commission had a meeting in May of 2015 and came up with 7 recommendations. He said the commission is committed to maintain urban irrigation for the city. The commission is looking for Council direction on this issue for the benefit of the citizens and to keep Glendale green.

Dr. Kupel said staff is looking for direction on the items discussed at the commission's

May 2015 meeting. He provided a map that showed urban irrigation in relation to Glendale Historic Districts. At the May 2015 meeting the Water Services Advisory Commission (WSAC) made the following recommendations.

Recommendation No. 1 made to Council that they preserve, protect and maintain urban irrigation in the future. The department has consistently supported the idea that urban irrigation is a historical amenity for the city. Dr. Kupel said the Council is already on record as being committed to repairing and maintaining the urban irrigation system as established by Ordinance No. 27, Old Series. He said the city has continued to fund, support and maintain the system.

Recommendation No. 2 made to Council that when feasible as per staff suggestion that urban irrigation could be extended to those customers within the service area, subject to department analysis, and lots must be capable of safely taking delivery. The Water Services Department (WSD) has reinforced that it is open for business when it comes to urban irrigation, and the current policy is to handle requests for urban irrigation on a case by case basis. Owners must show the lot is capable of receiving the water safely and also pay for the needed connections to the city system. He said this is also city policy.

Recommendation No. 3 made to Council that new service customers are responsible for costs incurred for establishing new service and ensuring that property is up to standards so it can safely receive urban irrigation water. He said there is already a payment requirement as adopted by the Council, which requires customers to pay for installing the urban irrigation infrastructure.

Recommendation No. 4 made to Council that urban irrigation be de-indexed to potable water rates and tie them to the direct cost of urban irrigation service. Dr. Kupel said this is a logical first step to shift to a cost of service rate. He said the water services department should be a standalone rate component based on the cost of service or some percentage thereof. This recommendation would alter Council policy and would take Council direction to change this.

Recommendation No. 5 made to Council that a 50% cost recovery rate roll forward over a 5 year period of 2010-2014, with the ultimate target of a 50% cost recovery rate to be reached at the end of the fifth year. Dr. Kupel said over the past 15 years, revenues paid by the customers of the urban irrigation system have covered approximately 28% of the cost of service. During the course of many discussions, a general consensus emerged that the initial goal for cost recovery should be about 50%. That percentage may effectively balance the benefit to the customers with the benefit to the community as a whole. Because the 50% recovery rate will vary, depending on annual variation and expenses and revenues, staff established a base period to arrive at that cost recovery amount. He said the commission recommends using a 5 year base period so the variations would be averaged into that 5 year period. Staff believes that will result in a reasonable approximation of cost, and the commission recommended the last 5 years be used in order to make sure the cost estimates were recent. He explained the more recent years will have heavier expenditures than prior years.

Dr. Kupel said it was the department's position that it might be preferable to omit the roll forward provision of the commission's recommendation, and eliminate uncertainty for customers by avoiding more recent years when costs may tend to be higher. He suggested using the 2010-2014 base periods, when the average annual expenses was \$181,883, and a 50% cost recovery would be \$90,942. The annual revenues over that period were \$53,806. Additional revenues in the amount of \$37,136 would be needed to reach 50% cost recovery. Based on 350 customers, each customer would need to pay an additional \$106.10 over what they are currently paying to reach 50% cost recovery. Another issue was how to lessen the impact of increasing this rate. It would lessen the impact on the urban irrigation customers if any changes would be phased in over a period of years. He said the Water Services Department is supportive of setting the 50% cost recovery goal and using the 2010-2014 as the five year base period. The department recommends it be an amount certain of \$106.10, and that this increase be phased in over a 5 year period to lessen impact on individual customers.

Dr. Kupel explained this 50% cost recovery amount will not remain the same, it will be necessary for a periodic reevaluation of the cost recovery percentage to determine if goals are being met. Dr. Kupel provided a cost recovery summary back to 1998 for Council review. He said the average annual revenue was about \$52,000 and average annual expenses was about \$183,000. The cost recovery percentage has been about 28%. He said the department and the commission both recommend a base period of 2010-2014.

Recommendation No. 6 made to Council that the cost recovery program be delayed until documentation is submitted by the city to support and define expenses assigned to urban irrigation. He said urban irrigation has been a key focus of the commission for the last year. He also said there have been other meetings where urban irrigation was discussed. He said department staff also met individually with citizens to ask additional questions in more detail. Water services staff has responded in writing to 23 public records requests and emails from citizens and commission members in the past fiscal year. It is the department's position that the expense information is available and there is no need to delay the cost recovery program for this reason.

Recommendation No. 7 made to Council that prior to implementation of a Capital Improvement Fee Program, that the city maintain and repair the system up to standards, with certification of the system by an engineering firm, for a period of 10 years. He addressed the question of how major repairs to the system will be made. He said the system is gravity fed, they do not anticipate that major repairs will be needed. He said the system will require both minor and major repairs in the future. He said to minimize impact to the budget a Capital Improvement Fund should be established for those major repairs. He also said one way to develop a reserve fund would be assess a Capital Improvement Charge on each account. The funds collected could be set aside for major repairs. He said if Council chose to do this, an appropriate amount would have to be determined. He suggested considering this option after the transition period to lessen the impact on customers.

Dr. Kupel said it was difficult to predict how much an engineering study would cost, but it might be in excess of \$100,000. He said it was the staff's position that this amount

could be better spent improving the infrastructure itself. He said the Water Services Department does not support certification by an engineering firm. He said the department does recommend developing a reserve fund and instituting a Capital Improvement Charge, but suggested not doing this until the end of the 50% cost recovery period to lessen the impact on customers. If Council desires to have such a fee sooner, staff recommends limiting the fee to a nominal amount.

Dr. Kupel summarized by saying the Water Services Department recommended that urban irrigation rates be de-indexed to potable water rates and tied to the direct cost of urban irrigation services instead and establish a 50% cost recovery goal using the 5 year base period of 2010-2014, with each customer paying \$21.22 each year for 5 years for an additional \$106.10 to reach 50% cost recovery. He said the other 5 WSAC recommendations are already addressed by current policies and procedures and are not needed. Both the Water Services Department and WSAC believe water rates should be based on cost of service.

Mayor Weiers asked if the cost varied between homeowners depending on the size of their lot.

Dr. Kupel responded the cost is based on the size of the lot. He said the basic fee is about \$170 per year, and customers get 15 runs of irrigation for that amount. He said there are a few larger lots and the cost does increase due to the amount of water they receive.

Mayor Weiers asked if the customers had to do anything to get their water, or if the customer had to do anything.

Dr. Kupel said most of the process was done for the customer by the contractor, Salt River Irrigation. He said the customers' responsibility is to make sure the water isn't running off their property and that the valves are open.

Mayor Weiers asked if Zanjero did the main water line and the individual property owners did their own valves. He also asked if the customer forgot to open their valves, the person south of them would get their water.

Dr. Kupel said that was correct.

Councilmember Turner said in his experience, the irrigator typically turned the valves on and off and makes sure each yard gets the appropriate amount of water. He said they may turn on as many as 10 yards at a time, manage them, and move on gradually.

Mayor Weiers asked about the CAP water plant in Page, Arizona, and how that would impact cost for water users in Glendale.

Dr. Kupel said they were talking about non-potable water SRP water, which comes down in a separate system. He said this is a separate cost of service.

Mayor Weiers asked if CAP had to raise their rates, would that affect SRP rates and costs to citizens.

Dr. Kupel said no, it would not affect those costs. This is based on the cost of water provided by SRP.

Mayor Weiers said that might be an issue. He also asked if there was any type of insurance for low pressure water system that might cost less than the potable water insurance.

Mr. Johnson said he was not aware of any program for insuring this type of infrastructure.

Mayor Weiers said it might be something to check into.

Councilmember Aldama said the capital improvement fund is a great idea. He asked if large users, such as schools and churches would also pay into that fund.

Dr. Kupel said they certainly could. He explained it is a community cooperative system and improvements in one part of the system may benefit users further down the system. He said the Capital Improvement Fee would cover the 23 miles of wet system the city is responsible for. He said the city does not own the system, but is responsible for repairing and maintaining the system.

Councilmember Aldama said if they decided to proceed with a Capital Improvement Fund, he recommended the large users also be part of that process. He also said he has heard the city support urban irrigation many times and does not want it to go away, and recommended they put Recommendation No. 1 into a policy.

Councilmember Turner said this is an issue that connects citizens to city hall. He said there are social and private benefits to urban irrigation. He said increasing the financial burden to urban irrigation customers is not a good idea if they start to lose customers. He said raw water is used to irrigate the city's properties. He said the cost recovery chart covers the costs for the last 17 years. He said the cost recovery is currently at 39% and that is the highest it has ever been. He asked if a decrease in labor is causing the drop in expense costs.

Mr. Johnson said that is exactly right, the costs have come down after the city started using a contractor for this program instead of a full time employee.

Councilmember Turner asked if it is anticipated to add a FTE back into the program.

Mr. Johnson said the program is working fine as it is right now, but he could not say for sure that a FTE would not be added at some point in the future.

Councilmember Turner said he has heard from constituents that the system is working well. He also said staff should only go back two years on the base number used to calculate a fee increase. He said this would be to the beginning of the public/private

partnership, rather than using figures when the city had a FTE running the urban irrigation program. He also wanted staff to develop a 12 month billing cycle for the irrigation fee to spread the costs out over the entire year.

Councilmember Tolmachoff asked if staff considered tying a Capital Improvement Fee to new users.

Mr. Johnson asked if Councilmember Tolmachoff was suggesting grandfathering in current users and charging new users a \$25 fee.

Councilmember Tolmachoff said it was a one-time fee. She said this would eliminate the bookkeeping for the other fees for the entire year.

Mr. Johnson said that was a great point, but he wasn't sure how much cost recovery they would gain as they had a net loss of customers last year.

Councilmember Tolmachoff asked is it cost effective to spread out the cost over a 12 month period for urban irrigation users? She said it would be many man hours processing very small monthly payments, and suggested collecting payments quarterly or biannually.

Mr. Johnson said the city is pretty flexible now and some customers pay their yearly bill in one payment. He said the payments come in during the irrigation season. He said they will work with the Finance Department to determine what will be most reasonable in terms of billing.

Councilmember Malnar asked what some of the supporting documents for Recommendation No. 6 addressed.

Dr. Kupel said at one point some expenses were coded incorrectly in 2012, and when that was discovered, those figures were backed out. He said corrected figures were in the cost recovery summary chart that was provided to Council.

Councilmember Malnar asked if the last 5-10 years' of figures were correct on the table provided to Council.

Dr. Kupel said those figures were correct.

Councilmember Malnar asked why the 50% recovery rate, and how the commission came up with that figure.

Dr. Kupel said 50% struck a balance, and it is an environmental amenity to the city to keep the downtown area attractive, and he said they went down the middle.

Councilmember Aldama asked about the certification of the engineer in Recommendation No. 7 and asked what the thought process was behind this recommendation. He asked if the engineer was going to point out any future repairs that may be necessary, or would

they just certify that the system was working as it was designed.

Mr. Johnson said this system is 100 years old, and it would be quite an effort to have an engineer certify the system for another 100 years. Staff believes the money could be better spent to improve the system. He said some of the hotspots could be repaired for \$100,000 to \$400,000.

Councilmember Aldama also said they could spend all that money on an engineer and still not get a stamp of approval from the engineer. Councilmember Aldama said irrigation to Glendale is significant to the city. He asked why staff might be against putting support for urban irrigation into a policy.

Mr. Johnson said Ordinance No. 27, New Series already covers the requirements the city has to operate and maintain the system. He staff would support Council's decision to reenergize the Ordinance or come up with a policy to support that Ordinance.

Councilmember Aldama asked if a statement in a policy would be redundant to Ordinance No. 27, New Series.

Mr. Johnson said he believed that would be the case.

Councilmember Turner asked if big expenses to the system would involve a street or street improvement. He asked if staff anticipated costs for such a repair would be paid out of other revenues, rather than the improvement fund that was discussed.

Mr. Johnson said yes and they have a line item for major repairs for \$15,000.

Councilmember Turner said he would be happy to rely on the commission's recommendation for reconciliation of revenues and expenses. He agreed with staff regarding Recommendation No. 7, but given the age of the system, it would be wiser to keep the money for any necessary repairs. He also said he would support Recommendations Nos. 1 through 6 being put into a resolution. He said this would build confidence in current and future customers that the city is committed to urban irrigation.

Mayor Weiers said there was a consensus to move forward.

Mr. Johnson clarified so we are looking at a cost recovery period and looking at a 2 year period versus the recommended 5 year period.

Councilmember Turner said a two year period would be much more accurate for the future.

Mr. Johnson said they will work with Customer Service and Finance on a reasonable billing cycle. He also asked for clarification that they will work to come up with a policy for recommendation Recommendations Nos. 1 through 6.

Mayor Weiers said yes.

**2. [15-728](#) COUNCIL ITEM OF SPECIAL INTEREST: STREET NAME CHANGES**

Staff Contact: Jack Friedline, Director, Public Works

Mr. Friedline this item is to consider honorary street naming for Martin Luther King, Cesar Chavez and Marty Robbins. Mr. Friedline introduced David Beard, City Engineer.

Mr. Beard said this item is a follow up to the April 7th workshop that centered on honorary street naming options, and the Council considered both the downtown and Westgate area. At that meeting, Council expressed an interest in having streets named for Martin Luther King and Cesar Chavez intersects. A Street named after Marty Robbins was also considered by the Council. The Historical Preservation Commission recommended moving forward with the honorary street naming option and recommended that Martin Luther King Jr and Cesar Chavez be located in the West Gate sports and Entertainment District and Marty Robbins in downtown Glendale. Mr. Beard discussed examples of the honorary street name signs above the actual street name signs. Mr. Beard said several colors were available, but staff recommended a blue sign. Mr. Beard said the street retains its current name, but provides recognition of the individual or event, there is no financial impact to residents or businesses and there is a minimal financial impact to the city, which is about \$100 a sign. Mr. Beard said staff and the Historical Preservation Commission recommended placement of intersecting signs at 95th and Maryland Avenues which is at the northwest corner of the stadium. He said staff is looking for guidance from Council for which name should be placed on which street at that intersection.

Mr. Friedline said the point is on 95th Avenue from Glendale Avenue to Bethany Home Road and also from 99th to 91st Avenue on Maryland.

Mr. Beard discussed some examples of how the signs would look. He said staff recommends Lamar Road for the honorary road name for Marty Robbins.

Mayor Weiers asked why Lamar Road was chosen over Glendale Avenue or Glenn Drive.

Mr. Beard mentioned that Marty Robbins grew up and had his home on Lamar Road.

Mayor Weiers said that was a good reason.

Mr. Beard said there are street signs that would be replaced there. Mr. Beard provided examples of street blade signs for 95th Avenue and Lamar and 57th Avenue. Mr. Beard recapped the recommended location of the signs in the sports and entertainment district and Lamar Road for Marty Robbins in downtown Glendale. He said staff is recommending the blue Glendale sign.

Mr. Friedline clarified the downtown signs would run from 51st to 57th Avenue on Lamar Road.

Councilmember Chavira discussed the life achievements of Marty Robbins and said he sang more songs in Spanish than most singers of his day. He also said Martin Luther King and Cesar Chavez were both labor leaders, as well as civil rights leaders. He said the only issue he had with putting the King and Chavez signs at Westgate is they were labor leaders and civil rights activists and their signs should be located in downtown Glendale, and felt the Robbins sign should be located at Westgate.

Councilmember Tolmachoff expressed concern about confusion over street names for visitors to the Westgate area.

Mr. Friedline said the placement of the sign and the way the signs are designated as commemorative won't cause confusion. He said he has not heard of any confusion about any other honorary street name signs in other cities.

Mayor Weiers said he didn't see a great concern about confusion over the street names. He was excited about visitors to the city seeing the city honoring these leaders. He said his concern about Marty Robbins being on Lamar Road, most people won't ever see the sign. He said a Glendale Avenue location might be better since Mr. Robbins was known to be from Glendale.

Councilmember Tolmachoff asked if the commemorative signs play a part in Google maps or other search engines that people use on their phones.

Mr. Friedline said they will look into that, but they will not officially name the streets anything other than the names they have now.

Mayor Weiers said the addresses of the buildings will stay the same as they are now.

Vice Mayor Hugh agreed with Mayor Weiers on using a portion of Glendale Avenue for Martin Robbins, and said Lamar is not very well traveled. He said originally this naming idea came about for visitors coming to the city to see, but he said that good points were made about Cesar Chavez and the old farming district in downtown Glendale. He said maybe Cesar Chavez should be located downtown with Marty Robbins. He said he will be happy as long as they get all three done.

Councilmember Chavira said the Council has shown they are diverse in nature by taking up this issue. He said it would be more appropriate to have Marty Robbins where there was entertainment, but it is also appropriate to have his name in the downtown area. He said he would prefer to see all three names downtown, and they are talking about the intimacy of downtown where residents get to see them every day.

Councilmember Malnar said this is a great thing to do. He asked if this was going to be the process in the future. He said he would support permanently naming new streets rather than just doing historical naming.

Mr. Friedline said it is always at the discretion of Council. He said they have spent time

discussing the downside of renaming a street if there is already residential and commercial development in place. They also talked about the upside of honorary naming of the streets. He said staff is more than happy to do whatever Council pleases.

Councilmember Malnar said he would like to see permanent naming of new streets as the city grows.

Councilmember Turner agreed with the Historic Preservation Commission and likes the idea of King and Chavez streets out in the Westgate area. He would prefer King on Maryland Avenue and Chavez on 95th Avenue. He agrees with putting Robbins on Lamar Road, as long as staff checks the historical accuracy, but also agrees with putting Robbins on Glendale Avenue.

Mr. Friedline said it would be great to get this done before January 18, 2016, which is Martin Luther King, Jr.'s birthday.

Mayor Weiers asked if there was support for King and Chavez at the entertainment district.

Councilmember Tolmachoff wanted to make sure the historical naming would not interfere with Google maps.

Councilmember Aldama suggested 59th Avenue as a possible sign for historical naming.

Mayor Weiers said originally it was proposed that the King and Chavez streets intersect.

Councilmember Aldama said none of them actually spoke about 59th Avenue specifically. He wanted to thank the commission for what they did. He said 59th Avenue is a significant road and any one of the names could be placed there.

Mayor Weiers said he was trying to see if there was consensus on the streets in Westgate.

Councilmember Tolmachoff said she did not care as long as they intersect.

Vice Mayor Hugh said the first thing they talked about Martin Luther King Blvd on Maryland in the Westgate Sports and Entertainment District. He asked if they could agree that could be dedicated with historical signs first.

Councilmember Tolmachoff said it had to be done before January 18th.

Vice Mayor Hugh said let's do Martin Luther King on Maryland Avenue out by the stadium. He said he was trying to nail at least one down.

Councilmember Chavira recommended 59th Avenue for Chavez and Glendale Avenue for Robbins.

Several Councilmembers said they could support that Councilmember Chavira's suggestion.

Mayor Weiers said they had a consensus and he wasn't going any farther.

Mr. Friedline asked how far on Glendale Avenue Council wanted to go with the Robbins naming signs.

Mayor Weiers said it should go from 51st Avenue to 59th Avenue.

Councilmember Chavira said he wanted the signs on Glendale from 59th to wherever appropriate for Robbins, and 59th Avenue north for Chavez. He said he wanted to use the intersection of 59th Avenue and Glendale as the center point and go out from there.

Mayor Weiers asked if they could take Chavez and go half mile north and a half mile south of Glendale.

Councilmember Chavira said yes.

Mayor Weiers said that is the heart of Glendale.

Councilmember Chavira said that was what he was indicating.

Jack Friedline said the recommendation is Martin Luther King on Maryland from 99th Avenue to 91st Avenue, Cesar Chavez on 59th Avenue, running a half mile north and a half mile south of Glendale Avenue, and Marty Robbins on Glendale Avenue, running a half mile east and a half mile west.

Councilmember Aldama said it should run a little further east on Glendale Avenue.

Mayor Weiers said he agreed on that.

Mr. Friedline said Marty Robbins' signs on Glendale Avenue running from 51st to 59th Avenue and then a half mile west of 59th Avenue to 63rd Avenue.

Mayor Weiers said there was a consensus.

**3.**      [15-734](#)

**COUNCIL ITEM OF SPECIAL INTEREST: HUMAN RELATIONS COMMISSION**

**Staff Contact:** Jim Brown, Director, Human Resources and Risk Management

Mr. Brown said this item comes from a Council Item of Special Interest request from Councilmember Aldama to establish a diversity commission. Staff reviewed the diversity programs or human relations commissions in 11 valley benchmark cities. Six of those cities currently have Human Relations Commissions, including Chandler, Gilbert, Mesa,

Phoenix, Scottsdale and Tempe. Mr. Brown explained the purpose of a Human Relations Commission was to act in an advisory role with regard to bringing awareness about racial, religious, ethnic, cultural, disability or other human relations issues affecting the community. A Human Relations Commission will promote ways to encourage unity as well as mutual respect and understanding within the community, provide strategies to help eliminate prejudice and discrimination and to disseminate information on human relations topics within the community, and promote community events that celebrate diversity and demonstrate the inclusivity of the community. He said the commissions are made up of citizens from different backgrounds and cultures. The size of the commissions range from 7 to 17 members and members serve 3 year staggered terms. Mr. Brown said the role of a Human Relations Commission is usually advisory in nature, does not enforce Ordinances, focuses on community education and awareness, and does not address complaints. The commission promotes and obtains sponsorships for community events such as a Celebration of Unity Luncheon, Multi-Cultural Festivals, MLK Awards Program, Unity Walk, Pride Parade, as well as education events and diversity dialogues. Mr. Brown said Human Relations Commissions receive minimal funding, but do obtain corporate sponsorships for events.

Councilmember Tolmachoff said she thought Councilmember Aldama brought up this Council Item of Special Interest to research establishing a Diversity Committee within the city and asked Mr. Brown why there has been a name change.

Mr. Brown said he found most of the cities used the name Human Relations Commission, but the Council can name the commission whatever they choose to.

Councilmember Tolmachoff said she thought some of the cities had an Office of Diversity and asked if this has changed.

Mr. Brown said these cities have an Office of Diversity, but the commissions they support are called Human Relations Commissions. He said internally, the city does have a Diversity Committee, which is called the Inclusion Network, which is focused on employees and education. He said this Human Relations Commission would be externally focused on the community.

Councilmember Aldama said his request was for a commission on diversity. He read a passage from the city's website. He asked which of the four committees he read about are active in the city.

Mr. Brown said at one point, all those committees was active, but around 2012 or 2013, budget cuts were made and some of those committees became inactive. Currently, he said the city has the Diversity Committee, and they are in the process of reorganizing and moving toward more of an Inclusion Network name. He said GEMS is a part of that organization and was a part of the Diversity Committee the city had several years ago, as well. He said the city does not have a Diversity Commission, but there was a Diversity Coordinator in 2012/2013 that did have an external focus and worked internally with the Diversity Committee. He said that contracted position was eliminated with budget cuts.

Councilmember Aldama said the city also had a Diversity Administrator or Director, but he knows that is gone now. He said a diversity commission is listed on the city's website, so that should be updated. He asked Mr. Brown if the committee he mentioned is just made up of employees.

Mr. Brown said that was correct, that committee is internally focused.

Councilmember Aldama said he wanted a Commission on Diversity that citizens can be involved with and bring those types of events to the city. He also said the employee committees are also important.

Mr. Brown said the externally focused commission is what they are bringing before Council today. These commissions help Council keep their finger on the pulse of the city.

Councilmember Aldama said they should also get the other committees for employees going again. He also said there should be funding for those programs.

Councilmember Tolmachoff said a couple of the benchmark cities have commissions that hear complaints. She asked if staff knew how those commissions are working.

Mr. Brown said they have had general discussions, but have not gotten into detail. He said they have found that those commissions are not a venue for complaints, but are more for dialogue and discussion.

Councilmember Tolmachoff said respondents from the community meetings held recently said they would like to see more cultural events and gatherings to get people to exchange ideas. She said that would be more of a focus of a Diversity Committee.

Mr. Brown said several of the benchmark cities do have an Office of Diversity and that is an area where some of the complaints may go.

Councilmember Tolmachoff said the commissions in other cities are promoting or hosting events that promote diversity in their communities.

Mr. Brown said that was correct.

Mayor Weiers asked if this type of commission could be called a Diversity and Human Relations Commission, because they go hand in hand. He said it makes a lot of sense.

Councilmember Chavira said he thought it did too.

Councilmember Aldama agreed with that and thought this should be the case. He said there were two events, the annual MLK Dinner and Cesar Chavez Breakfast, which the city used to take part in. He said the city needs to take a look at those events and decide if they want to be a part of that again. This benefits the community by showing residents Glendale is a diverse city. He said it is important for staff and Council to attend

those events. He said the first step is getting the Human Relations Commission going and start funding it to be a part in those events. Councilmember Aldama requested the Council create a Commission on Diversity and Human Relations. Councilmember Malnar asked if the Council was going to discuss any of the functions of that committee at this time.

Mayor Weiers said once the committee is established, another workshop will be held to discuss details.

Councilmember Turner asked if they wanted to discuss the number of commissions and suggested structuring the commission similarly to the other current city commissions with one representative from each district and a mayoral appointment.

Several Councilmembers said they agreed.

Mayor Weiers asked what else was needed.

Mr. Brown said this item was to get direction from Council to move forward with a commission and he said it sounded like there was consensus on that. He said they are looking at education, public communication, and events. He will also gather information on the make-up and structure of the commission and will bring this before Council.

Mayor Weiers said to bring this back to a future workshop and there was a consensus.

4. [15-744](#)

#### FY16-17 BUDGET OVERVIEW AND KEY INITIATIVES

Staff Contact and Presenter: Tom Duensing, Interim Assistant City Manager

Staff Presenter: Vicki Rios, Interim Director, Finance and Technology

Mr. Duensing said this is the budget overview and key initiatives prior to the long range budget forecast on December 15th. In this overview, staff will discuss the budget overview, the budget calendar, key initiatives (budgetary impact items), the 5 year forecast, FY14/15 preliminary (unaudited) results, and the fund balance policy.

Ms. Rios said they will kick off the budget cycle with the 5 year forecast on December 15th. She provided a detailed calendar of the upcoming workshop and other budget meetings that will occur during this budget cycle. Ms. Rios said some key initiatives include consideration of the impact of the Police and Fire Services Delivery Analysis, Compensation and Classification Study, and PSPRS contribution rates. Ms. Rios explained the upcoming court decisions and the pending impact that might have on the city's budget.

Mr. Duensing said \$3 million was added in the December 2014, FY15/16 forecast for Police and Fire services. However, subsequent to the forecast, in January 2015, the Superior Court ruled on the impact of the Hall court case. Through information received from PSPRS, it is estimated this court case will have a similar financial impact in

FY16/17 than the recent Fields court case which would be between \$3.0 and \$3.5 million.

Ms. Rios said other key initiatives include an analysis on lowering the Sales Tax Rate, Primary Property Tax, western area branch library operation costs, arena management proposals, regional wireless consortium, vehicle replacement, and transition to ADOR sales tax collections. Ms. Rios said the 5 year forecast will be brought forward to Council on December 15th and which kicks off the FY16/17 budget process. Discussions will be held about the General Fund and other funds and there will be a focus on long-term financial stability and financial policy compliance. She said there will be estimated moderate Sales Tax growth for the next 3 years and they anticipate slowly going to no growth for the next 2 years after that. Staff also expects moderate salary and benefit growth. The forecast will assume that the current arena agreement and the current FTEs will remain stable. They will seek direction on vehicle replacement at that time.

Mr. Duensing said the current arena agreement expires in June 2017. So the 5 year forecast will use the current numbers for the current arena management agreement.

Ms. Rios went on to discuss FY14/15 preliminary (unaudited) results on the city's financial stability. She said the fund balance should be at 25%, but is currently only at about 13%.

Mr. Duensing said the goal is to reach a fund balance of \$50 million over a period of 5 years.

Ms. Rios said they are working on completing the Audited Financial Report. The projected total fund balance in June 2015 will be almost \$49 million. She said the city is a little better and further ahead than they originally thought.

Mr. Duensing said the city ended up about \$5 million better off than was originally forecasted. Some of the money will be set aside for Capital Improvements. He said it will be about a week or two before they have the audited and final results. He explained in further detail how the city ended up better than the December 2014 forecast.

Ms. Rios provided information on how those funds are allocated, such as the Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Some parts of the Unassigned Balance are earmarked to set aside for budget stabilization and budget reserve. Staff is still looking to reach the 25% in 5 years. Ms. Rios said with the fund balance estimates per financial polices starting in FY15/16; the city is still on target to reach the 25% in 5 years.

Councilmember Tolmachoff asked how many of the key initiatives are included in the projected numbers.

Mr. Duensing said staff will have to put the initiatives into the forecast and he isn't able to answer that question before December. He said they would assess the ability to grow into funding some of the initiatives. He said this is not true for Public Safety Personnel

Retirement System (PSPRS) expenses, and staff will assume about \$3.5 million, but will know the actual figures in early 2016. He said everything else will pretty much stay the same.

Councilmember Tolmachoff said she understood some of the money will have to be phased in.

Mr. Duensing said that was correct. He said Council has taken steps to pay off a capital lease and renegotiated an agreement to save the city some money in next FY15/16. He said the 5 year forecast in December should give a pretty good idea of where the city is expected to stand financially. He said the city still needs to set money aside to get to the goal.

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

Acting City Manager Bowers had nothing to report.

#### **CITY ATTORNEY'S REPORT**

City Attorney Bailey had nothing to report, but reminded Council there was an Executive Session scheduled.

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

The City Council had no new requests for Council Items of Special Interest.

#### **EXECUTIVE SESSION**

The City Council entered into Executive Session at 3:44 p.m.

#### **ADJOURNMENT**

The meeting was adjourned at 4:54 p.m.