



**MINUTES OF THE  
GLENDALE CITY COUNCIL MEETING  
Council Chambers  
5850 West Glendale Avenue  
June 26, 2012  
7:00 p.m.**

The meeting was called to order by Mayor Elaine M. Scruggs, with Vice Mayor Steven E. Frate and the following Councilmembers present: Joyce V. Clark, Yvonne J. Knaack, and Manuel D. Martinez.

Councilmembers Norma S. Alvarez and H. Philip Lieberman participated and voted by telephone.

Also present were Horatio Skeete, Acting City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk.

Mayor Scruggs called for the Pledge of Allegiance and a moment of silence was observed.

**COMPLIANCE WITH ARTICLE VII, SECTION 6(c) OF THE GLENDALE CHARTER**

A statement was filed by the City Clerk that the 12 resolutions and 5 ordinances to be considered at the meeting were available for public examination and the title posted at City Hall more than 72 hours in advance of the meeting.

**APPROVAL OF THE MINUTES OF THE JUNE 8, 2012 SPECIAL MEETING AND THE JUNE 12, 2012 REGULAR CITY COUNCIL MEETING**

**It was moved by Martinez, and seconded by Frate, to dispense with the reading of the minutes of the June 8, 2012 Special City Council meeting and the June 12, 2012 Regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. The motion carried unanimously.**

**BOARDS, COMMISSIONS AND OTHER BODIES**

**BOARDS, COMMISSIONS AND OTHER BODIES**

This is a request for City Council to approve the recommended appointments to the following boards, commissions and other bodies that have a vacancy or expired term and for the Mayor to administer the Oath of Office to those appointees in attendance.



Drowning Impact Awareness Month is part of Phoenix Children's Hospital's community outreach for drowning prevention. This is a statewide effort to foster awareness of childhood drowning which takes the lives of the equivalent of a classroom of children each year in Arizona. Every child drowning is preventable. Purple ribbons may be worn to remember those touched by child drowning and encourages safety around water. Drowning Impact Awareness Month is Arizona's largest collaborative effort to prevent drowning.

Together, the Mayor and Council, Glendale Fire Department, Glendale Parks and Recreation Department and Phoenix Children's Hospital work vigorously to promote water safety and prevent childhood drowning by providing swim lessons and water safety education to the community.

The recommendation is to present the proclamation to John and Anna Keliroomalu, parents of a child that was the victim of a near drowning.

Mayor Scruggs called John and Anna Keliroomalu forward and presented the proclamation.

Anna Keliroomalu commented on her sons near drowning incident which caused a lot of damage to him. She implored parents that have a pool in their homes, to also have a fence around it for safety.

## **CONSENT AGENDA**

**Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion.**

Mr. Horatio Skeete, Acting City Manager, read agenda item numbers 1 through 7 and Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 8 through 18 by number and title.

Mayor Scruggs asked that item number 14 be heard separately.

### **1. SPECIAL EVENT LIQUOR LICENSE, KNIGHTS OF COLUMBUS COUNCIL 7114**

This is a request for City Council to approve a special event liquor license for the Knights of Columbus Council 7114. The event will be held at St. Raphael's Church inside Hibner Hall located at 5525 West Acoma Road on Saturday, September 29, 2012, from 6 p.m. to midnight. The purpose of this special event liquor license is for a fundraiser.

If this application is approved, the total number of days expended by this applicant will be two of the allowed 10 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Based on the information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

**2. LIQUOR LICENSE NO. 5-6414, THE LEGEND AT ARROWHEAD**

This is a request for City Council to approve a person-to-person transferable series 7 (Bar - Beer and Wine) license for The Legend at Arrowhead located at 21027 North 67<sup>th</sup> Avenue. The Arizona Department of Liquor Licenses and Control application (No. 07070544) was submitted by Andrea Dahlman Lewkowitz.

The location of the establishment is 21027 North 67<sup>th</sup> Avenue in the Cholla District. The property is zoned SU (Special Use). The population density within a one-mile radius is 20,560. The Legend at Arrowhead is currently operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area. The current number of liquor licenses within a one-mile radius is as listed below.

<b>Series</b>	<b>Type</b>	<b>Quantity</b>
07	Bar - Beer and Wine	4
09	Liquor Store - All Liquor	4
10	Liquor Store - Beer and Wine	3
12	Restaurant	12
	<b>Total</b>	<b>23</b>

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

No public protests were received during the 20-day posting period.

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

**3. LIQUOR LICENSE NO. 5-6415, ARROWHEAD COUNTRY CLUB SERIES 12**

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license for Arrowhead Country Club located at 19888 North 73<sup>rd</sup> Avenue. The Arizona Department of Liquor Licenses and Control application (No. 12079129) was submitted by Andrea Dahlman Lewkowitz.

The location of the establishment is 19888 North 73<sup>rd</sup> Avenue in the Cholla District. The property is zoned SU (Special Use). The population density within a one-mile radius is 18,929. Arrowhead Country Club is currently operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area. The current number of liquor licenses within a one-mile radius is as listed below.

<b>Series</b>	<b>Type</b>	<b>Quantity</b>
07	Bar - Beer and Wine	2
09	Liquor Store - All Liquor	2
10	Liquor Store - Beer and Wine	1
12	Restaurant	7
14	Private Club	1
	<b>Total</b>	<b>13</b>

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

No public protests were received during the 20-day posting period.

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

4. LIQUOR LICENSE NO. 5-6415, ARROWHEAD COUNTRY CLUB SERIES 14

This is a request for City Council to approve a new, non-transferable series 14 (Private Club) license for Arrowhead Country Club located at 19888 North 73<sup>rd</sup> Avenue. The Arizona Department of Liquor Licenses and Control application (No. 14073065) was submitted by Andrea Dahlman Lewkowitz.

The location of the establishment is 19888 North 73<sup>rd</sup> Avenue in the Cholla District. The property is zoned SU (Special Use). The population density within a one-mile radius is 18,929. Arrowhead Country Club is currently operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area. The current number of liquor licenses within a one-mile radius is as listed below.

<b>Series</b>	<b>Type</b>	<b>Quantity</b>
07	Bar - Beer and Wine	2
09	Liquor Store - All Liquor	2
10	Liquor Store - Beer and Wine	1
12	Restaurant	7
14	Private Club	1
	<b>Total</b>	<b>13</b>

The City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

No public protests were received during the 20-day posting period.

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

5. AUTHORIZATION FOR EXPENDITURE OF CITY FUNDS FOR THE GLENDALE CIVIC CENTER

This is a request for City Council to authorize the expenditure of city funds to purchase carpet and installation for the Glendale Civic Center in an amount not to exceed \$115,659 from ReSource Arizona.

The carpet at the Glendale Civic Center is due for replacement after being installed in 1999 when the facility opened its doors. After 13 years, with almost a million guests total using the facility, the carpet and the pad have reached their lifespan with evident wear and tear. The carpet is buckling in many areas and is no longer repairable. The lifespan of carpet in facilities such as the Glendale Civic Center is approximately 10 years. The city received two bids for carpet and installation and ReSource Arizona was determined by Materials Management to be the lowest responsive and qualified bidder. The Civic Center will use CIP funding, that is part of the building’s 10 year restoration plan, to purchase the carpet, which will enable the award winning facility to continue serving clients. The installation will be scheduled within a two week timeframe to have a minimal impact on the facility.

Staff consulted with a professional designer to determine the best product to accommodate the foot-traffic of approximately 62,000 guests a year, daily use of hundreds of tables, chairs and heavy equipment on the carpet, as well as the use of food and beverage in the building. The designer also made recommendations to match the facility’s chairs, wall coverings and granite flooring. The ballroom and hallway carpet will be comprised of individual modular carpet tiles, three foot by three foot squares, allowing sections of carpet to be replaced or cleaned one at a time. Not only is this style of carpet common in large facilities such as conference centers, casinos and hotels, it will allow the life of the carpet to be extended.

The mission of the Glendale Civic Center is to provide top-quality meeting and banquet facilities and services and to encourage local economic growth. Updated furnishings allow the facility to remain relevant and competitive within the hospitality industry.

Funds are available in the FY 2011-12 capital improvement plan. There are no operating costs associated with this project once completed.

<b>Grants</b>	<b>Capital Expense</b>	<b>One-Time Cost</b>	<b>Budgeted</b>	<b>Unbudgeted</b>	<b>Total</b>
	X		X		\$115,659

**Account Name, Fund, Account and Line Item Number:**  
 Civic Center 10 Year Restoration, Account No. 1740-84555-551000, \$115,659

The recommendation is to approve the expenditure of city funds and purchase carpet and installation for the Glendale Civic Center in an amount not to exceed \$115,659 from ReSource Arizona.

6. ORACLE DATABASE SOFTWARE MAINTENANCE AND SUPPORT RENEWAL

This is a request for City Council to approve the expenditure of funds for the city’s Oracle database annual software maintenance and support renewal from the State of Arizona contract with SHI, Inc. in the amount of \$97,469.67.

Several of the city’s business applications utilize Oracle’s database software which requires an annual maintenance contract to ensure optimal performance. The Oracle database maintenance agreement provides software support, security and software updates, fixes, and upgrade rights.

Funds are available in the FY 2012-13 operating budget of the Technology and Innovation’s Technology Replacement Fund.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$97,469.67

<b><u>Account Name, Fund, Account and Line Item Number:</u></b> Technology Replacement, Account No. 1140-11530-522700, \$97,469.67
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The recommendation is to approve the expenditure of funds for the city’s Oracle database annual software maintenance and support renewal from the State of Arizona contract with SHI, Inc. in the amount of \$97,469.67.

7. ORACLE PEOPLESOFT SOFTWARE MAINTENANCE AND SUPPORT RENEWAL

This is a request for City Council to approve the expenditure of funds for the city’s Oracle PeopleSoft software maintenance and support renewal from the State of Arizona contract with SHI, Inc. in the amount of \$367,365.40.

The city utilizes Oracle’s PeopleSoft products for human capital management, finance, and payroll systems. These systems require an annual maintenance contract to ensure optimal performance. Annual PeopleSoft maintenance and support provides software support, general updates, fixes, upgrade rights, 1099 and payroll tax updates.

The request for proposal, PeopleSoft HCM 8.9 Payroll Tax Updates and ERP Software Support Services, was posted for four weeks to determine if any other companies could provide the needed PeopleSoft support and payroll updates. The city did not receive any responses; therefore, the purchase will default to SHI, Inc. a state contracted vendor that is authorized to broker Oracle annual maintenance contracts.

Funds are available in the FY 2012-13 operating budget of the Technology and Innovation’s Technology Replacement Fund.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$367,365.40

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**Account Name, Fund, Account and Line Item Number:**

Technology Replacement, Account No. 1140-11530-522700, \$367,365.40

The recommendation is to approve the expenditure of funds for Oracle PeopleSoft software maintenance and support renewal from the State of Arizona contract with SHI, Inc. in the amount of \$367,365.40.

**CONSENT RESOLUTIONS**

8. ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT FOR THE CHILD SAFETY SEAT PROGRAM

This is a request for City Council to adopt a resolution authorizing the City Manager to accept an Arizona Governor's Office of Highway Safety (AGOHS) Grant in the amount of \$7,164.51 to continue the Glendale Fire Department's (GFD) child safety seat program.

The GFD began conducting child safety seat inspections, installations, and education in 2003 when a Federal Emergency Management Agency Fire Act Grant provided funding to launch this program. Since the inception of this program, it has been primarily funded through the use of donated car seats and citizen volunteers.

In 2011, the GFD sought and received a grant through the AGOHS Occupant Protection Program to continue offering child safety seat education in the amount of \$20,959. Since the grant was awarded in February 2011, midway through the AGOHS 2011 grant cycle, not all of the funding was spent before the grant expired on September 30, 2011. The approval of this request will enable the GFD to use the unspent portion of the 2011 grant to purchase child safety seats, supplies, as well as provide critical training. Due to delays with the state processing of the grant paperwork, this extension was only recently approved. Staff will, however, be able to use the unspent portion before the new expiration date of September 30, 2012.

On September 27, 2011, Council adopted Resolution No. 4514, New Series, for the acceptance of an AGOHS Child Safety Seat Grant to continue the GFD safety seat program in the amount of \$10,000.

On February 8, 2011, Council adopted Resolution No. 4457, New Series, for the acceptance of an AGOHS Child Safety Seat Grant to continue the GFD safety seat program in the amount of \$20,959.

On February 8, 2011, Council adopted Resolution No. 4458, New Series, for an Agency Agreement of AGOHS for the Children are Priceless Passengers (CAPP) Program and further authorized the GFD to collect up to \$25 for the class fee.

Since 2000, Council has approved several Governor's Office of Highway Safety grants awarded to the Glendale Police Department.

The objective of this grant is to reduce the number of children riding unrestrained in passenger vehicles. With this grant, the GFD will reach approximately 240 families, caregivers and new parents with vital information on safety seat selection, use and installation.

The grant funding requested will be for the unspent balance of the 2011 AGOHS award. There is no grant match requirement.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X					\$7,164.51

<p><b><u>Account Name, Fund, Account and Line Item Number:</u></b>          GOHS Occu Protection Educ., Account No. 1840-34071-500600, \$1,840          GOHS Occu Protection Educ., Account No. 1840-34071-518200, \$2,655          GOHS Occu Protection Educ., Account No. 1840-34071-524400, \$2,669.51</p>
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The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to accept an Arizona Governor’s Office of Highway Safety Grant in the amount of \$7,164.51 to continue the Glendale Fire Department’s child safety seat program.

**Resolution No. 4587 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ENTERING INTO OF A HIGHWAY SAFETY CONTRACT WITH STATE OF ARIZONA, GOVERNOR’S OFFICE OF HIGHWAY SAFETY FOR THE ACCEPTANCE OF A GRANT FOR THE OCCUPANT PROTECTION EDUCATION AND EQUIPMENT PROJECT BY THE GLENDALE FIRE DEPARTMENT.**

9. AMENDMENT NO. 3 TO THE INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR CHILDHOOD IMMUNIZATIONS

This is a request for City Council to adopt a resolution authorizing the City Manager to approve Amendment No. 3 to the intergovernmental agreement (IGA) with Maricopa County Department of Public Health (County) for childhood immunization services provided by the Glendale Fire Department (GFD).

Since the GFD entered into this IGA in 2009, paramedics have immunized over 6,000 children against seasonal influenza and childhood diseases in Glendale Elementary School based clinics.

The IGA approved in 2009 contained a right to extend provision which allowed the IGA to be extended for additional one year terms, not to exceed a total term of five years. The original IGA specified that the County would reimburse GFD \$15 per immunization, not to exceed \$75,000. Amendment No. 3 extends the agreement for an additional year starting June 3, 2012 through June 2, 2013, and provides reimbursement to GFD of \$15 per immunization, not to exceed \$75,000. This amendment also revises the reimbursement for Amendment No. 2.

Amendment No. 2 was initially approved by Council at a reimbursement rate of \$15 per immunization. Midway through 2011, the County began reimbursing GFD at a rate of \$25 per immunization. This increase in reimbursement was due to the County expecting additional monies from the Federal government. When the County did not receive additional funding, they reduced the reimbursement rate back down to \$15 per immunization for Amendment No. 3. GFD has worked with the County to obtain an amendment reflecting the new rate, and was unable to obtain this amendment in a timely manner.

The City of Glendale is designated as a Metropolitan Medical Response System (MMRS) city by the Federal Emergency Management Agency. As part of the MMRS Biological Response Plan, GFD is expected to participate in public immunizations, provide staffing at vaccination clinics and operate vaccination clinics in times of crisis.

On May 10, 2011, Council authorized the City Manager to approve Amendment No. 2 to the IGA with the County for childhood immunization services by the GFD which extended the IGA for another year starting June 3, 2011 through June 2, 2012, for a budgeted amount of \$75,000 with a reimbursement rate of \$15 per immunization.

On May 25, 2010, Council authorized the City Manager to approve Amendment No. 1 to the IGA with the County for childhood immunization services by the GFD which extended the IGA for another year starting May 31, 2010 through June 2, 2011, for a budget amount of \$75,000 with a reimbursement rate of \$15 per immunization.

On June 23, 2009, Council authorized the City Manager to enter into an IGA with the County for childhood immunization services provided by the GFD.

Through this agreement, the GFD will be able to continue conducting and participating in childhood immunization clinics that help to reduce the occurrence of childhood diseases in the community.

There is no cost to the city for providing childhood immunizations through this IGA. The County will continue to provide federal pass-through funding for each child that the GFD vaccinates, at a reimbursement rate of \$15 per immunization, for the period of June 3, 2012 through June 2, 2013, up to an annual limit of \$75,000.

<b>Grants</b>	<b>Capital Expense</b>	<b>One-Time Cost</b>	<b>Budgeted</b>	<b>Unbudgeted</b>	<b>Total</b>
X					\$75,000

**Account Name, Fund, Account and Line Item Number:**

A specific project account will be established in Fund 1840, the city's grant fund, once the amendment to the IGA is formally executed.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to approve Amendment No. 3 to the intergovernmental agreement with Maricopa County Department of Public Health for childhood immunization services provided by the Glendale Fire Department.

**Resolution No. 4588 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 3 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE MARICOPA COUNTY DEPARTMENT OF PUBLIC HEALTH FOR CHILDHOOD IMMUNIZATION SERVICES BY THE GLENDALE FIRE DEPARTMENT.**

**10. MEMORANDUM OF UNDERSTANDING WITH THE ARIZONA DEPARTMENT OF PUBLIC SAFETY**

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into a memorandum of understanding with the Arizona Department of Public Safety (DPS) for the Arizona Counter Terrorism Information Center Terrorism Liaison Officer Program (Program).

As part of the State's Homeland Security plan, the Program was created in an effort to share and collect information related to local and global terrorist threats. The Program is managed on a day-to-day basis by the DPS.

Through this agreement the Glendale Police and Fire Departments will establish connectivity to the Program for intelligence collection and domestic preparedness to respond to potential acts of terrorism. This partnership allows for the sharing of critical information, and provides the training to mitigate and resolve high-profile incidents.

On May 11, 2010, Council approved a memorandum of understanding with the DPS for the Program.

This Program enhances the Glendale Police and Fire Departments' level of preparedness to operate more effectively as it relates to potential acts of terrorism.

The recommendation is to waive reading beyond the title adopt a resolution authorizing the City Manager to enter into a memorandum of understanding with the Arizona Department of Public Safety for the Arizona Counter Terrorism Information Center Terrorism Liaison Officer Program.

**Resolution No. 4589 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A MEMORANDUM OF UNDERSTANDING WITH THE ARIZONA DEPARTMENT OF PUBLIC SAFETY FOR THE ARIZONA COUNTER TERRORISM INFORMATION CENTER (ACTIC) ON BEHALF OF THE GLENDALE POLICE DEPARTMENT.**

**11. VICTIMS OF CRIME ACT GRANT**

This is a request for City Council to adopt a resolution authorizing the City Manager to accept a Victims of Crime Act (VOCA) grant in the approximate amount of \$96,137 through the Arizona Department of Public Safety (DPS) for the Victim Assistance Program.

The Glendale Police Department’s Victim Assistance Program is part of a nationwide movement to better serve victims of crime by enhancing and expanding direct services in accordance with the VOCA. The program assists victims in exercising their rights and helping them to gain stability in their lives. The program also ensures the Glendale Police Department continues to maintain compliance with Arizona’s Crime Victims’ Rights mandates.

This VOCA grant will fund the salary, benefits and training for one Victim Assistance Caseworker. It will also fund the salaries for one part-time Victim Assistance Caseworker and one part-time Victim Assistance Volunteer Coordinator.

On June 28, 2011, Council approved the acceptance of the FY 2010-11 VOCA Grant from DPS.

The Victim Assistance Program provides direct services to Glendale residents, and their families, who have become crime victims. Services offered through the Victim Assistance Program include: resource referrals, crisis counseling, court accompaniment, crime prevention, as well as advocacy services.

The grant award totals \$96,137 and there is a \$24,034 financial match required for this funding. Expenditures for the Police Department’s Advocacy Center qualify as the required financial match. Therefore, funds for the financial match are available in the FY 2011-12 operating budget of the Police Department.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X			X		\$120,171

**Account Name, Fund, Account and Line Item Number:**

Crime Investigations, Account No. 1000-12150-528600, \$24,034

A specific account will be established in Fund 1840, the city’s grant fund, once the grant agreement is awarded and formally executed.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to accept a Victims of Crime Act grant in the approximate amount of \$96,137 through the Arizona Department of Public Safety for the Victim Assistance Program.

**Resolution No. 4590 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ACCEPTING A GRANT OFFER FROM THE ARIZONA DEPARTMENT OF PUBLIC SAFETY, VICTIMS OF CRIME ACT (VOCA), FOR THE GLENDALE POLICE DEPARTMENT’S VICTIM ASSISTANCE PROGRAM.**

**12. CITY OF TUCSON HIGH INTENSITY DRUG TRAFFICKING AREA GRANT AGREEMENT**

This is a request for City Council to adopt a resolution authorizing the acceptance of a High Intensity Drug Trafficking Area (HIDTA) grant from the City of Tucson to provide overtime funding in the approximate amount of \$40,000 for the Warrant Apprehension Network and Tactical Enforcement Detail (WANTED) to the Glendale Police Department.

The WANTED initiative is an extension of the United States Marshals Service’s (USMS) Violent Offender Task Force, which the Glendale Police Department joined in 2011. Federal grant funding, distributed by the City of Tucson, was recently reallocated to the Glendale Police Department for the WANTED initiative.

One full-time detective is assigned to assist the USMS with the Violent Offender Task Force as part of joint law enforcement operations. The detective assigned investigates and arrests persons who have active state and federal warrants. The intent of the joint effort is to investigate and apprehend local, state, and federal fugitives. In addition to overtime for the detective assigned to the Task Force, this grant covers overtime for the entire Glendale Police Department’s Fugitive Apprehension Unit when they work on USMS cases.

On March 8, 2011, Council approved a memorandum of understanding with the USMS to join the Violent Offender Task Force.

Participation in the WANTED initiative will allow the Glendale Police Department to more efficiently and effectively coordinate the investigation and apprehension of dangerous, wanted felons who reside and/or have committed violent crimes in Glendale.

There is no match required for this grant funding.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X					\$40,000

**Account Name, Fund, Account and Line Item Number:**

A specific account will be established in the Fund 1840, the city’s grant fund, once the grant agreement is formally executed.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the acceptance of a High Intensity Drug Trafficking Area grant from the City of Tucson to provide overtime funding in the approximate amount of \$40,000 for the Warrant Apprehension Network and Tactical Enforcement Detail by the Glendale Police Department.

**Resolution No. 4591 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ACCEPTANCE OF A HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA) GRANT FROM THE CITY OF TUCSON TO PROVIDE OVERTIME FUNDING IN THE APPROXIMATE AMOUNT OF \$40,000 FOR THE WARRANT APPREHENSION NETWORK AND TACTICAL ENFORCEMENT DETAIL (WANTED) BY THE GLENDALE POLICE DEPARTMENT.**

### 13. G.R.A.S.P. FITNESS AND NUTRITION PROGRAM FOR GILA RIVER INDIAN COMMUNITY STATE-SHARED REVENUE FUNDING

This is a request for City Council to adopt a resolution authorizing the City Manager to apply for and accept a grant from the Gila River Indian Community in the amount of \$55,188 for the Fitness and Nutrition program through the Glendale Recreation After School Program (G.R.A.S.P.).

In 2002, Arizona voters passed Proposition 202 which requires Native American communities that derive revenue from gaming to set aside 12% for a state-shared revenue program for distribution to “cities, towns, or counties for government services that benefit the general public including public safety, mitigation of the impacts of gaming, or promotion of commerce and economic development.” The Gila River Indian Community developed a revenue-sharing program that is also open to applications from local governments or non-profits, provided there is support by the local government.

The City of Glendale Youth and Teen Division offers an after school program, G.R.A.S.P., at 10 sites throughout the city for children in grades K-8. The one-year program is regulated by the Arizona Department of Health Services (DES) and accepts DES qualifying families.

If awarded, the \$55,188 grant will help the Youth and Teen Division develop and implement the G.R.A.S.P. Fitness and Nutrition Program at each of the city’s 10 after-school programs. This program will use the “Let’s Move” curriculum developed by the President’s Challenge Program, and nutrition curriculum developed by the University of Arizona Maricopa County Cooperative Extension Office, to teach fitness and nutrition skills to approximately 300 Glendale school children in grades K-8 to combat childhood obesity.

This item was reviewed and recommended for approval by the Parks and Recreation Advisory Commission at its June 11, 2012 meeting.

On June 14, 2011, Council adopted a resolution of support for the submission of a grant application for the Boys & Girls Clubs of Metropolitan Phoenix in the amount of \$10,000 from the Gila River Indian Community State-Shared Revenue Program.

On August 31, 2010, Council adopted a resolution of support for city social and human services via the city’s “From the Heart” program in the amount of \$225,000 from the Gila River Indian Community.

Nationally over the past three decades, childhood obesity rates in America have tripled, and today, nearly one in three children are overweight or obese. Childhood obesity can lead to chronic obesity-related health problems in adulthood such as heart disease, diabetes, high blood pressure, cancer, and asthma. The Glendale residents who participate in this program will gain awareness and learn valuable skills to lead an active and healthy lifestyle. The intent is that these valuable skills they learn through this program will transfer into their family life and daily routine.

This grant is for \$55,188 and the city will act as a fiscal agent and grant administrator for the proposed funding. A specific account will be established to track revenue and expenses.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X					\$55,188

**Account Name, Fund, Account and Line Item Number:**

A specific project account will be established in Fund 1840, the city’s grant fund, once the grant agreement is formally executed.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to apply for and accept a grant from the Gila River Indian Community in the amount of \$55,188 for a Fitness and Nutrition program through the Glendale Recreation After School Program.

**Resolution No. 4592 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION AND, IF AWARDED, AUTHORIZING THE ACCEPTANCE OF A GRANT FROM THE GILA RIVER INDIAN COMMUNITY STATE-SHARED REVENUE PROGRAM IN THE AMOUNT OF \$55,188 FOR THE FITNESS AND NUTRITION PROGRAM THROUGH THE GLENDALE RECREATION AFTER SCHOOL PROGRAM.**

**14. RECIPROCAL BORROWING AGREEMENT WITH THE MARICOPA COUNTY LIBRARY DISTRICT**

This item was heard after the consent agenda items.

**15. INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY LIBRARY DISTRICT FOR NEW INTEGRATED LIBRARY MANAGEMENT SOFTWARE**

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement (IGA) with the Maricopa County Library District (MCLD) to replace the current Horizon Integrated Library System (ILS), with Polaris ILS and provide maintenance and support.

The Glendale Public Library currently utilizes an integrated library management software system called Horizon. At the time of purchase in 2005, this system met the needs of patrons and staff. In 2007, the manufacturer of this system announced its intention to move towards a single integrated library management software platform that would no longer be supported.

In 2010, the MCLD presented information at the Maricopa Association of Governments management committee meeting concerning services it could provide to municipal libraries by utilizing the special districting tax funds collected from all Maricopa County landowners. At this

meeting, the MCLD indicated that it was committed to assisting any public library with the conversion to the Polaris ILS management system.

As part of the city's ongoing effort to explore alternative funding sources and increase customer service for Glendale Public Library patrons, the city has had ongoing discussions with the MCLD to determine if it will fund and support a new ILS. As a part of the city's new Reciprocal Borrowing Agreement with the MCLD, the MCLD has agreed to purchase a new ILS for the Glendale Public Library and pay the costs associated for migrating, training, and annual maintenance, including upgrades.

The item was reviewed and discussed during the City Council FY 2012-13 Cost for Service workshop presentations and direction was provided to move forward with the MCLD for a new Polaris ILS.

The item was also presented for review and discussion at the February 7, 2012 City Council Workshop. On January 19, 2012, the Library Advisory Board also reviewed and expressed its support of the item.

The immediate benefits to the community include a more intuitive catalog interface which equates to increased ease of use through features that improve searching capabilities, a more seamless access to e-Books, and optimized catalog enhancements for mobile device users.

There are no budget impacts or costs to the city. Approval of this item will save the city approximately \$347,000 in one-time costs and \$35,000 annually in operating and maintenance costs.

The recommendation is to waive the reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the Maricopa County Library District to replace the current Horizon Integrated Library System, with Polaris Integrated Library System and provide maintenance and support.

**Resolution No. 4594 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT WITH THE MARICOPA COUNTY LIBRARY DISTRICT FOR A SERVICE LEVEL AGREEMENT FOR THE PURCHASE OF AND SUBSCRIPTION TO THE POLARIS INTEGRATED LIBRARY SYSTEM.**

**16. AMENDMENT TO INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY**

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into Amendment No. 5 to the intergovernmental agreement (IGA) with the Arizona Department of Economic Security (DES) for Community Action Program (CAP) funding and operations.

CAP provides direct services to low and moderate income Glendale residents. Services include energy assistance payments and crisis assistance for families, which includes homeless assistance and rent/mortgage subsidies.

Currently, CAP is being operated through an IGA with DES which provides funding for the provision of CAP services in FY 2011-12. The City of Glendale provides General Fund monies to cover the remainder of the CAP operating budget. In addition, the city provides in-kind contributions including office space, utilities, and custodial services and miscellaneous operating expenses for the office.

DES has changed the reporting requirement regarding data entry into our software data system. This is a contract change to the IGA which requires Council approval. The amendment also provides an allocation of funds under Case Management and the Community Services Block Grant for CAP services. Per terms of the contract, the FY 2012-13 allocations to the city for CAP services is \$920,843.

On November 22, 2011, Council approved entering into Amendment No. 4 of the IGA between the city and DES for additional funding in FY 2011-12 for CAP operations and services.

Amendments No. 1 through 3 were previously entered into by the City Manager as they dealt with only funding allocations. This was the direction of Council when they approved the original approved a five-year IGA on June 22, 2010, between the city and DES for funding CAP operations and services effective July 1, 2010.

CAP ensures that low and moderate-income Glendale residents will continue to receive crisis services that promote financial stability and enhance the quality of life in Glendale.

The DES will provide \$920,843 in FY 2012-13 for CAP office program administration and operations. This funding will be deposited directly into the CAP Grant Fund.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X					\$920,843

<b><u>Account Name, Fund, Account and Line Item Number:</u></b> Arizona Department of Economic Security, Account No. 1820-32060-412200, \$920,843
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The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into Amendment No. 5 to the intergovernmental agreement with the Arizona Department of Economic Security for Community Action Program funding and operations.

**Resolution No. 4595 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 5 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY FOR COMMUNITY ACTION PROGRAM FUNDING.**

## 17. INTERGOVERNMENTAL AGREEMENT WITH THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY FOR TRANSIT SERVICES

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into an annual intergovernmental agreement (IGA) with the Regional Public Transportation Authority (RPTA) for the continued operation of fixed route and express bus service in the City of Glendale, and reimbursement of transit services for the Americans with Disabilities Act (ADA) eligible riders.

This agreement secures the RPTA portion of funding for fixed route, express routes and ADA transit service in Glendale

Fixed route bus service in Glendale is provided through an agreement with the City of Phoenix at an estimated cost of \$5,998,508 for FY 2012-13. The RPTA will provide regional funds in the amount of \$2,521,368 on behalf of Glendale toward the cost of this service, and the remaining \$3,477,140 will be provided by the GO Transportation Program.

The RPTA will also provide an estimated \$128,721 for the continued operation of two express routes between Glendale and downtown Phoenix.

Additionally, this agreement provides partial reimbursement of FY 2012-13 ADA transit costs up to \$648,275 with funds provided through Proposition 400. Glendale provides ADA transit service within three-quarters of a mile of fixed route service, as required by ADA legislation.

This IGA reflects a reduction of transit service due to decreased regional transit funding. Service impacts include a reduction of fixed route transit service on Glendale Avenue; reduced service on Grand Avenue Limited; and elimination of Route 581 express service from 59<sup>th</sup> Avenue and Thunderbird Road to Metrocenter.

On May 24, 2011, Council approved an annual IGA with the City of Phoenix for fixed route services.

This action provides the city with funding for bus service on Glendale, Peoria, Grand, 59<sup>th</sup> and 67<sup>th</sup> Avenues, and all express routes in Glendale. Fixed route and express service was provided to more than 2,000,000 riders in Glendale last year, and Glendale's ADA transit service will provide approximately 20,000 rides this year.

Six regional public hearings were held by the RPTA, including two in the Glendale Council Chambers on July 13, 2011, and February 29, 2012. The meetings were to receive input on potential impacts to bus service in the region, including Glendale. A total of 91 people attended the regional public meetings on potential changes to Valleywide transit service. A total of 10 people attended the meetings in Glendale. Transit staff considered the comments received at these meetings when recommending changes to Glendale's service.

In FY 2012-13, regional transit funds will provide an estimated \$2,521,368 toward the cost of fixed route service, \$128,721 toward the cost of express service, and up to \$648,275 for the

reimbursement of ADA transit expenses. Reimbursement funds will be deposited into the RPTA Revenue Account, 1660-16530-419250.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an annual intergovernmental agreement with the Regional Public Transportation Authority for the continued operation of fixed route and express bus services in the City of Glendale, and reimbursement of transit services for the Americans with Disabilities Act eligible riders.

**Resolution No. 4596 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT NO. 4 TO THE RPTA PROPOSITION 400 INTERGOVERNMENTAL AGREEMENT WITH THE VALLEY METRO REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA) FOR THE PROVISION OF PUBLIC TRANSPORTATION SERVICES.**

**18. INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR FIXED ROUTE BUS SERVICE**

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into Contract Change Order No. 5 to the intergovernmental agreement (IGA) with the City of Phoenix for the continued operation of fixed route bus service in the City of Glendale.

Fixed route bus service in Glendale is provided through an agreement with the City of Phoenix at an estimated cost of \$5,998,508 for FY 2012-13. The Regional Public Transportation Authority (RPTA) will provide regional funds in the amount of \$2,521,368 on behalf of Glendale toward the cost of this service, and the remaining \$3,477,140 will be provided by the GO Transportation Program.

This IGA will provide continuation of fixed route bus service in Glendale, and includes reductions for FY 2012-13 due to decreased state, regional and local transit funding. The service impacts reflected in this agreement include reduced service on Peoria Avenue, Thunderbird and Bell Roads, and elimination of service on Cactus Road. In recommending these reductions, which will take effect in July 2012, Transit staff analyzed ridership levels throughout the city and considered citizen comments received at public hearings. Transit staff believes the proposed reductions will cause the least impact to Glendale citizens.

For over 30 years, fixed route bus service has been provided in Glendale through an IGA with the City of Phoenix, and this action will provide continuation of fixed route bus service in Glendale.

On January 24, 2012, Council approved a change order to the IGA to extend service on 59<sup>th</sup> Avenue due to the receipt of grant funds.

On May 24, 2011, Council approved an annual IGA with the City of Phoenix for fixed route services.

This action provides citizens with bus service on Union Hills Drive; Bell, Thunderbird and Bethany Home Roads; and Northern, Olive, Peoria, 67th, 59<sup>th</sup> and 51<sup>st</sup> Avenues. Fixed route bus service is provided to more than 2,000,000 riders in Glendale annually.

Six regional public hearings were held by the RPTA, including two in the Glendale Council Chambers on July 13, 2011, and February 29, 2012. The meetings were to receive input on potential impacts to bus service in the region, including Glendale. A total of 91 people attended the regional public meetings on potential changes to Valleywide transit service. A total of 10 people attended the meetings in Glendale. Transit staff considered the comments received at these meetings when recommending changes to Glendale’s service.

Funds for Contract Change Order No. 5 are available in the FY 2012-13 GO Transportation Program operating budget. The cost is an estimate provided by the City of Phoenix.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$3,477,140

<b><u>Account Name, Fund, Account and Line Item Number:</u></b> Fixed Route, Account No. 1660-16540-518200, \$3,477,140
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The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into Contract Change Order No. 5 to the intergovernmental agreement with the City of Phoenix for the continued operation of fixed route bus service in the City of Glendale.

**Resolution No. 4597 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF CONTRACT CHANGE ORDER NO. 5 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR THE OPERATION OF FIXED ROUTE BUS SERVICES IN THE CITY OF GLENDALE.**

**It was moved by Frate and seconded by Knaack, to approve the recommended actions on Consent Agenda Item Nos. 1 through 7 and 8 through 13 and 15 through 18, including the approval and adoption of Resolution No. 4587 New Series, Resolution No. 4588 New Series, Resolution No. 4589 New Series, Resolution No. 4590 New Series, Resolution No. 4591 New Series, Resolution No. 4592 New Series, Resolution No. 4594 New Series, Resolution No. 4595 New Series, Resolution No. 4596 New Series, and Resolution No. 4597 New Series; and to forward Special Event Liquor License Application for Knights of Columbus Council 7114 and Liquor License Application No. 5-6414 for The Legend at Arrowhead, No. 5-6415 for the Arrowhead Country Club Series 12 and No. 5-6415 for the Arrowhead Country Club Series 14 to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.**

Mayor Scruggs asked that item 14 be heard separately because it's going to represent quite a big change for a lot of people in how they use city libraries. A change in a good way and so she wanted the public to be more aware of this. Mr. Skeete introduced the item.

#### 14. RECIPROCAL BORROWING AGREEMENT WITH THE MARICOPA COUNTY LIBRARY DISTRICT

This item was heard after the consent agenda items.

Cheryl Kennedy, Chief Librarian, presented this item.

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into a reciprocal borrowing agreement with the Maricopa County Library District (MCLD).

As a part of the FY 2012-13 budget cost for service exercise, Council provided staff with direction to enter into the Reciprocal Borrowing Program with the MCLD. This program is funded with a portion of property tax that is exclusively collected by the MCLD to provide library services in areas of Maricopa County that are unincorporated and/or incorporated. The program has been in place since the mid-1980s and Glendale is currently the only Valley city that is not a member.

As coordinated by the MCLD, the Reciprocal Borrowing Program allows any Maricopa County resident, regardless of the municipal jurisdiction in which they live, to use their library card at any municipal and/or county library throughout Maricopa County. For example, a resident of Glendale can use their Glendale Library card in Peoria and vice-versa. At the end of the year, the MCLD calculates the number of non-city residents using a municipal library for each city as well as those patrons who use other city libraries and/or County libraries.

According to the MCLD, if the City of Glendale had been a member in the Reciprocal Borrowing Agreement in FY 2011-12, the city could have potentially received approximately \$163,271 in additional revenue through direct cash, book purchases and electronic database services (this amount will vary from year-to-year, based on usage patterns). Membership in the Reciprocal Borrowing Program will also assist in the MCLD purchasing the Polaris ILS operating system for the Glendale Library, which has a value of approximately \$347,000 and will be provided to the city at no charge. This will result in an additional cost savings to the General Fund of approximately \$35,000 each year because the library will no longer have to pay for operating and maintenance costs of the ILS operating system. This was also discussed at the FY 2012-13 budget cost for service exercise and is included in the Library's FY 2012-13 cost reductions.

With the approval of this item, the city will no longer charge a non-resident card fee.

At the Council Budget Workshop on February 28, 2012 and again on April 17, 2012, staff was directed to enter into the Reciprocal Borrowing Program with MCLD. The city was an initial member of the Reciprocal Borrowing Program when first instituted by the MCLD in 1986; however, the city withdrew from the program in 1989. The city did so based on the fact that over 18,000 non-residents received Glendale library cards due to the lack of other library services in neighboring cities (primarily Peoria and Phoenix). Since then, five new libraries have been built

within a five mile distance of Glendale and re-entry into the program will benefit Glendale residents based at a much higher rate of reimbursement (\$10 per person in 1989 versus \$25 in 2013).

The citizens of Glendale will have access to more services provided by MCLD through additional materials, a language database, and music download services. Entering into reciprocal borrowing will also include MCLD purchasing the Polaris ILS operating system. This will provide residents with more intuitive searching capabilities, more seamless access to e-Books, optimized catalog enhancements for mobile device users, summer reading programs, and a cost savings of approximately \$35,000 annually plus the \$347,000 for initial purchase of Polaris ILS from the General Fund. In addition, Glendale residents will be able to freely utilize all other municipal and MCLD library services should they chose to frequent those facilities.

The reciprocal borrowing program coordinated by the MCLD was discussed with the Library Advisory Board at the February 16, 2012 and November 17, 2011 meetings. The Board expressed its support of the program.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into a reciprocal borrowing agreement with the Maricopa County Library District.

Cheryl Kennedy, Chief Librarian, presented the summary.

Mayor Scruggs thanked Ms. Kennedy. She asked for an explanation about the borrowing aspect, for example the Glendale resident can go to any library in Maricopa County. Any person in Maricopa County can come to a Glendale library. She believed the city will no longer have the non-resident fee. How does that work and why is it possible that everybody can move among all the libraries?

Ms. Kennedy explained that when a resident from outside Glendale visits one of their libraries, they will no longer need to pay a fee. With the Reciprocal Borrowing Program, outside residents will be able to come to the library and Glendale will receive funding for them coming to the city's libraries. Additionally, any Glendale resident can also visit any other library in the valley using the Reciprocal Borrowing Program at no charge.

Mayor Scruggs emphasized at no charge; she continued that according to the literature here, had this – had this been in effect in the current FY, the city would have saved Glendale – the city could have potentially received approximately \$163,271 in additional revenue. So it's going to make it easier for city residents to use services, although she thought, they already could go to other libraries. Council isn't going to be receiving the calls about why people have to buy non-resident cards, it all evens out and whoever has spent more money is reimbursed and so forth. She thanked Ms. Kennedy and added she appreciated her work on this item.

Councilmember Clark asked if Glendale residents will have to show their card when they visit another library. Ms. Kennedy replied no. She stated they will be issued a new card which will help keep track of the net borrows. Councilmember Clark noted visitors will be issued new cards according to which library they are visiting in each city. Ms. Kennedy agreed.

Mayor Scruggs asked so you mean it's not just one card for the whole system. So if somebody wants to go to seven different libraries, they have to have seven different cards?

Ms. Kennedy replied yes.

Mayor Scruggs replied that's interesting. Maybe there will be a way to work all that out and there will be a universal borrowing card.

Mayor Scruggs said she'd forgotten to ask Councilmember Alvarez or Councilmember Lieberman if they had any questions or comments on any of these consent items.

Councilmember Lieberman stated the Reciprocal Borrowing Program was a great program and a great opportunity for the residents of Glendale. He thanked Ms. Kennedy for all her work on this item.

**Resolution No. 4593 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT WITH THE MARICOPA COUNTY LIBRARY DISTRICT FOR THE RECIPROCAL BORROWING PROGRAM TO EXPAND THE AVAILABILITY OF LIBRARY SERVICES.**

**It was moved by Frate, and seconded by Martinez, to pass, adopt and approve Resolution No. 4593 New Series. The motion carried unanimously.**

## **BIDS AND CONTRACTS**

### **19. PROFESSIONAL SERVICES AGREEMENT FOR THE GLENDALE ONBOARD TRANSPORTATION PROGRAM**

Jamsheed Mehta, AICP, Executive Director, Transportation Services, presented this item.

This is a request for City Council to authorize the City Manager to approve a two-year extension of a professional services agreement with URS Corporation for general engineering services to complete capital projects in the Glendale Onboard (GO) Transportation Program.

An agreement currently exists that allows the city to utilize the services of URS Corporation (URS) to provide technical assistance to program and implement the GO Transportation Program. URS provides general engineering services, including technical support and expertise within several engineering disciplines. Through the existing agreement, URS provides technical resources for drainage, traffic engineering, bridge and roadway design, right-of-way acquisitions, relocation services, public involvement, financial analysis and environmental analysis. This proposed extension will provide for the continuation of these services for an additional two years, as provided in the current agreement, and includes a revised rate schedule. The total for this proposed two-year extension is 36% less than the contracted amount for the previous two-year agreement.

Grand Avenue and Northern Parkway continue to be the two major transportation projects that require contracted expertise. Other activities in the GO Transportation Program that require consultant support include completion of multiuse pathways, street safety improvements, public outreach activities and financial analyses.

On June 22, 2010, Council approved the first two-year extension of the professional services agreement with URS Corporation for general engineering services for the GO Transportation Program. This extension of the agreement expires at the end of FY 2011-12.

On June 24, 2008, Council approved a professional services agreement with URS Corporation for general engineering services for the GO Transportation Program for two years with the option to extend the agreement for two additional two-year terms, for a total of six years.

The consultant will work collaboratively with city staff, stakeholders and residents to provide general engineering services that will address the transportation needs of Glendale residents, visitors and businesses.

Funding is available in the FY 2012-13 and FY 2013-14 capital improvement plan. There are no operating expenses associated with this agreement.

<b>Grants</b>	<b>Capital Expense</b>	<b>One-Time Cost</b>	<b>Budgeted</b>	<b>Unbudgeted</b>	<b>Total</b>
	X		X		\$1,495,000

<b><u>Account Name, Fund, Account and Line Item Number:</u></b> PE & Oversight for Transp. Pkg, Account No. 2210-65022-551200, \$1,495,000
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The recommendation is to authorize the City Manager to approve a two-year extension of a professional services agreement with URS Corporation for general engineering services to complete capital projects in the Glendale Onboard Transportation Program in an amount not to exceed \$1,495,000.

Councilmember Clark asked what the projects were left to do under the GO program that URS will be overseeing.

Jamsheed Mehta, AICP, Executive Director, Transportation Services, noted there were several projects that have already begun; however, the total life of the project was several years out. He cited the Northern Parkway project and its many aspects which will be worked on until the end of 2025. Therefore, there will always be some element of Glendale’s involvement in just that one project. He also mentioned other projects such as Loop 303 and Grand Avenue. Councilmember Clark asked if the city had someone working closely with URS on these projects. Mr. Mehta replied yes.

Councilmember Martinez questioned the proposed two-year extension and it being 36% less than the contracted amount for the previous two-year agreement. He asked how this was possible. Mr.

Mehta explained the city was doing fewer projects than the previous cycle, therefore the amount was less.

Vice Mayor Frate inquired as to the open house the GO program usually has for the public. Mr. Mehta stated the GO open house was usually in the month of April. The open house was an opportunity for residents to visit and see all the projects that are active and planned.

Councilmember Clark inquired about funding that was available in the FY 2012-13 and FY 2013-14 capital improvement plan; however, it was her understanding the capital improvement plan was frozen for the next five years since the city was not doing any projects. Mr. Mehta explained the funding for these projects was the ½ cent transportation dedicated sales tax money, not money from the CIP fund. Councilmember Clark inquired if the GF capital improvement plan was frozen but since the city still collects some sales tax, a portion goes to the GO transportation program. Mr. Mehta replied she was correct.

Mayor Scruggs said Mr. Mehta, in the table of contents there are 10 different tasks that are listed and within each task has a number of different projects. Are all 10 of these tasks with their associated projects what URS will be working on with this contract extension?

Mr. Mehta explained tasks 1 through 6 are the primary core parts of this contract and the aspects will be done by the consultant. He added that tasks 7 through 10 are supplemental projects that could be called upon when needed as more projects become obtainable.

Mayor Scruggs said so if a grant came in, one of those projects in 7 through 10 comes forward. Then would the \$1,495,000 need to be increased?

Mr. Mehta explained the \$1,495,000 was staff's best estimate for all 10 projects. Mayor Scruggs said so the city may not spend that much.

Mr. Mehta replied she was correct. He added the pattern has been that they are anywhere between half to one third of the total amount.

Mayor Scruggs thanked Mr. Mehta.

**It was moved by Clark, and seconded by Martinez, to authorize the City Manager to approve a two-year extension of a professional services agreement with URS Corporation for general engineering services to complete capital projects in the Glendale Onboard Transportation Program in an amount not to exceed \$1,495,000. The motion carried unanimously.**

## 20. ARROWHEAD RANCH WATER RECLAMATION FACILITY REPAIRS

Craig Johnson, P.E., Executive Director, Water Services, presented this item.

This is a request for City Council to authorize the City Manager to enter into a warranty agreement, and approve the expenditure of funds to Currier Construction, Inc. in the amount of \$196,307.70 for the replacement of the skimmer system at the Arrowhead Ranch Water Reclamation Facility.

Clarifiers and related equipment are crucial components of the wastewater treatment process. There are six clarifier systems at the Arrowhead Ranch Water Reclamation Facility with a skimmer at each clarifier. Clarifiers allow suspended solids to settle and be removed during the treatment process. Skimmers remove surface material to keep filters from plugging, which is a critical step in the treatment process.

Due to the age of the equipment (clarifiers 1-4 were built in 1986 and clarifiers 5 and 6 were built approximately 1999), mechanical failure occurred to the skimmer system in July 2011 rendering them operationally unreliable. Wastewater operations were able to continue due to frequent and consistent manual operation of the skimming processes. Replacement of the skimmers was necessary to keep the facility functioning efficiently and to remain in compliance with state and federal regulations. Due to the scope and immediacy of repairs needed, Currier Construction, Inc. was selected to do the repairs based on their experience and prior performance.

Initially fiberglass skimmers were installed, however, once installed the fiberglass skimmers did not function as indicated by the manufacturer. After multiple attempts to have the fiberglass skimmers function as intended, city staff worked closely with Currier Construction, Inc. to replace the fiberglass skimmers with conventional carbon steel skimmers.

A progress payment of \$103,303.43 was made in November 2011 for the purchase and installation of the fiberglass skimmers. The Water Services Department worked closely with the City Attorney's Office to ensure a credit of \$103,303.43 was given towards the project to install the conventional carbon steel skimmers. The project cost increased from \$175,106.09 to \$196,307.70 due to the material cost difference for the carbon steel skimmers.

The work has been completed and the new conventional carbon steel skimmers have been tested to ensure they are functioning properly. The work was completed on April 6, 2012 and accepted by city staff, and on April 20, 2012 final payment in the amount of \$93,004.27 was made to Currier Construction, Inc.

On February 13, 2012, Mayor and Council received a memo regarding the repairs at the facility.

This project benefits the community by continuing to provide high-quality effluent.

Funding is available in the FY 2011-12 capital improvement budget of the Water Services Department. No additional operating costs are associated with this project.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$196,307.70

<b><u>Account Name, Fund, Account and Line Item Number:</u></b> Arrwhd Wtr Reclam Fac Imps, Account No. 2360-60007-550800, \$196,307.70
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The recommendation is to authorize the City Manager to enter into a warranty agreement, and approve the expenditure of funds to Currier Construction, Inc. in the amount of \$196,307.70 for the replacement of the skimmer system at the Arrowhead Ranch Water Reclamation Facility.

**It was moved by Martinez, and seconded by Clark, to authorize the City Manager to enter into a warranty agreement, and approve the expenditure of funds to Currier Construction, Inc. in the amount of \$196,307.70 for the replacement of the skimmer system at the Arrowhead Ranch Water Reclamation Facility. The motion carried unanimously.**

**21. AWARD OF BID 12-31 FOR UTILITY CUTS AND CONCRETE WORK**

Craig Johnson, P.E., Executive Director, Water Services, presented this item.

This is a request for City Council to award bid 12-31 and authorize the City Manager to enter into an agreement with Specialized Surfacing, Utility Paving & Construction, L.L.C. (Specialized Surfacing) in an amount not to exceed \$1,395,000 annually for utility cuts, concrete work, and pavement restorations throughout the city.

The Water Services Department performs approximately 900 excavations a year for routine and emergency water service repairs throughout the city. The Public Works Department provides routine maintenance services to over 700 miles of city roadways. The award of this contract will allow the city to hire the necessary expertise to complete pavement and concrete restorations in a timely manner.

Three bids were received in response to bid 12-31 for utility cuts and concrete work. Specialized Surfacing submitted the lowest responsive, responsible bid. The agreement will begin upon approval by Council and continue for one year.

On June 12, 2007, Council awarded a contract to Specialized Surfacing for utility cut repairs in the amount of \$315,000 and a contract to C.T. Price for concrete work in the amount of \$89,000 for use by the Water Services Department. On February 23, 2010, Council authorized an increase in the annual expenditure to Specialized Surfacing in the amount of \$85,000.

These bid awards will allow the Water Services Department to continue to provide reliable and adequate water service to Glendale residents and businesses; and enable the Public Works Department to continue to repair roadways and sidewalks throughout the city. In addition, this will allow the city to maintain a positive public image by completing pavement and concrete restorations in a timely manner while providing smooth and reliable surfaces for motorists and pedestrians.

Funds are available in the FY 2012-13 Water Services and Public Works Departments' operating budgets, and GO funds.

<b>Grants</b>	<b>Capital Expense</b>	<b>One-Time Cost</b>	<b>Budgeted</b>	<b>Unbudgeted</b>	<b>Total</b>
			X		\$1,395,000

**Account Name, Fund, Account and Line Item Number:**

Street Maintenance, Account No. 1340-16720-518200, \$490,000  
Pavement Management, Account No. 2210-65089-550800, \$430,000  
Water Distribution, Account No. 2400-17290-518200, \$425,000  
Wastewater Collection, Account No. 2420-17630-518200, \$50,000

The recommendation is to award bid 12-31 and authorize the City Manager to enter into an agreement with Specialized Surfacing, Utility Paving & Construction, L.L.C. in an amount not to exceed \$1,395,000 for utility cuts, concrete work, and pavement restorations.

**It was moved by Clark, and seconded by Knaack, to award bid 12-31 and authorize the City Manager to enter into an agreement with Specialized Surfacing, Utility Paving & Construction, L.L.C. in an amount not to exceed \$1,395,000 for utility cuts, concrete work, and pavement restorations. The motion carried unanimously.**

**22. AWARD OF PROPOSAL FOR IRRIGATION SERVICES**

Craig Johnson, P.E., Executive Director, Water Services, presented this item.

This is a request for City Council to authorize the award of proposal 12-25 and authorize the City Manager to enter into an agreement for urban irrigation services with Salt River Irrigation in an amount not to exceed \$138,108.60 annually.

Glendale began offering urban flood irrigation service in 1912 to approximately 1,600 customers. Currently, approximately 330 customers receive urban flood irrigation services on an as-needed annual basis during the irrigation season from April through October. This seasonal irrigation service is no longer being offered to new customers.

The proposal services include water purchase and delivery, delivery line inspection and maintenance, and a dedicated system maintenance coordinator and customer service representative on a year-round basis. The agreement will begin upon Council approval. Contract specifications contain an option clause that will permit the city, at the discretion of the City Manager, to extend this agreement for four additional years in one-year increments.

The current agreement expires on June 25, 2012. A formal solicitation was conducted, and after careful review, an evaluation committee recommended an award to Salt River Irrigation, the single proposal received.

On April 24, 2007, Council authorized the extension of proposal 02-02 with Salt River Irrigation for an additional five years in an amount not to exceed \$106,760.50 annually.

The continued delivery of irrigation water on a timely basis with no interruptions provides high quality services for irrigation customers.

Funds are available in the Water Services Department FY 2011-12 operating and maintenance budget.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$138,108.60

<b><u>Account Name, Fund, Account and Line Item Number:</u></b> Irrigation, Account No. 2400-17220-518200, \$138,108.60
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The recommendation is to authorize the award of proposal 12-25 and authorize the City Manager to enter into an agreement with Salt River Irrigation in an amount not to exceed \$138,108.60 annually for urban irrigation services and to renew the agreement, at his discretion, for up to an additional four years, in one-year increments.

Craig Johnson, P.E., Executive Director, Water Services, presented the summary and asked if there were any questions.

Councilmember Clark noted the proposed services included water purchase and delivery, line inspection, maintenance, and a dedicated system maintenance coordinator and customer service representative on a year-round basis; however, for water irrigation in her neighborhood, the residents were responsible for all of the maintenance. She inquired if the difference was because the system belonged to the city as opposed to a resident. Mr. Craig Johnson, P.E., Executive Director, stated she was correct. He explained the self-serve irrigators were handled differently.

Mayor Scruggs asked Mr. Johnson if he knew how much revenue comes in to the city from the 330 customers for this service.

Mr. Johnson said they estimate approximately \$55,000 annually.

**It was moved by Frate, and seconded by Knaack, to authorize the award of proposal 12-25 and authorize the City Manager to enter into an agreement with Salt River Irrigation in an amount not to exceed \$138,108.60 annually for urban irrigation services and to renew the agreement, at his discretion, for up to an additional four years, in one-year increments. The motion carried unanimously.**

**23. AWARD OF PROPOSAL FOR TELEPHONE SYSTEM MAINTENANCE**

Chuck Murphy, Executive Director, Information Technology and Innovation, presented this item.

This is a request for City Council to award request for proposal (RFP) 12-28 and authorize the City Manager to enter into a one year contract with Copper State Communications, Inc. for the city's annual telephone system maintenance and service in an amount not to exceed \$155,060.

The city utilizes Shore Tel and Avaya's Nortel phone systems and telecommunications software to provide telephone service to all city office locations. To ensure optimal performance, these systems

require an annual maintenance contract that provides hardware and software updates, system configuration, and assistance with technical changes which are outside the scope of normal maintenance and repair.

In February of 2012, the city issued RFP 12-28 “Nortel Telephone System Maintenance” to select a phone system maintenance vendor. Two offers were received and a cross-departmental evaluation committee consisting of staff from Information Technology, Library, Utilities and Transportation reviewed the offers and Copper State Communications, Inc. was selected due to their price and ability to meet the requirements of the RFP.

Funding is available in the FY 2012-13 operating budget of the Technology and Innovation’s Telephone Fund.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$155,060

<b><u>Account Name, Fund, Account and Line Item Number:</u></b>
Telephones, Account No. 1100-11520-514600, \$105,060
Telephones, Account No. 1100-11520-516400, \$30,000
Telephones, Account No. 1100-11520-518200, \$20,000

The recommendation is to award RFP 12-28 and authorize the City Manager to enter into a one year contract with Copper State Communications, Inc. to provide telephone hardware and software maintenance and service in an amount not to exceed \$155,060 and to renew the contract, at his discretion, for an additional four years, in one-year increments.

Chuck Murphy, Executive Director, Information Technology and Innovation, presented the summary.

Councilmember Clark asked what telephone system was currently used. Mr. Murphy stated that currently they were using a Nortel System, except it was recently taken over by Avaya. Councilmember Clark inquired as to the age of the system. Mr. Murphy explained the system reaches end of life in 2016. They are currently looking at a new technology process that will possibly reduce maintenance cost and capital cost. Councilmember Clark inquired why Copper State Communication was chosen to provide telephone hardware and software maintenance when the system was not theirs. Mr. Murphy explained Copper State was a third party vendor authorized to provide maintenance service for Nortel and Avaya.

**It was moved by Clark, and seconded by Martinez, to award RFP 12-28 and authorize the City Manager to enter into a one year contract with Copper State Communications, Inc. to provide telephone hardware and software maintenance and service in an amount not to exceed \$155,060 and to renew the contract, at his discretion, for an additional four years, in one-year increments. The motion carried unanimously.**

**PUBLIC HEARING – ORDINANCES**

24. ZONING TEXT AMENDMENT - ZTA11-01 (ORDINANCE) (PUBLIC HEARING REQUIRED) (ITEM TABLED DURING JUNE 12, 2012 CITY COUNCIL MEETING)

Jon M. Froke, AICP, Planning Director, presented this item.

This is a request for City Council to conduct a public hearing and adopt an ordinance for Zoning Text Amendment ZTA11-01 for billboards.

This request to amend the Zoning Ordinance will provide a new definition and a new section to enact zoning regulations and establish a set of development standards to regulate digital billboards along the Loop 101 in the Sports and Entertainment District between Northern Avenue and Camelback Road. Digital billboards will continue to be prohibited in all other areas of the city, and will continue to be prohibited along the Loop 101 between 51<sup>st</sup> Avenue and Bell Road.

The Zoning Text Amendment will provide a new definition of digital billboards matching size and frequency of advertisement change of the two existing billboards on the Park and Ride Lot property in the Sports and Entertainment District. Digital billboards are proposed to be limited to sites zoned Planned Area Development (PAD). The amendment will require sites to have at least 1,000 feet of freeway frontage and one-third mile (1,760 feet) between signs on a single PAD.

The amendment would also prohibit billboards in the Heavy Commercial (C-3) zoning district that is located primarily in the center of the city, including the Glendale Centerline.

It was decided at the June 12, 2012 City Council public hearing to table ZTA11-01 to the next evening meeting scheduled for June 26, 2012.

On March 1, 2012, Planning Commission conducted a workshop and a public hearing regarding ZTA11-01. No action was taken at the workshop. At the public hearing, the Commission moved to approve ZTA11-01; however, the motion failed 3-4.

On November 15, 2011, staff presented the proposed zoning text amendment to the City Council at their City Council Workshop. Council directed staff to continue working on the amendment. Staff did not perceive any Council consensus for changing the text amendment during the workshop.

Planning Commission initiated ZTA11-01 Zoning Text Amendment for digital billboards at the October 6, 2011 Planning Commission Workshop.

The subject matter for ZTA11-01, digital billboards were also previously considered as freeway billboard signs as a part of ZTA09-01 by the Planning Commission when ZTA09-01 was under consideration.

Prior to the October 6, 2011 meeting, consideration of freeway billboard signs as a part of ZTA09-01 was withdrawn from consideration by the city.

On August 4, 2011, Planning Commission voted to continue discussion of the section of ZTA09-01 regarding freeway billboard signs to the October 6, 2011 Planning Commission meeting.

On June 2, 2011, Planning Commission voted to continue discussion of the section of ZTA09-01 regarding freeway billboard signs to the August 4, 2011 Planning Commission meeting.

Council rezoned the city's property at the northwest corner of the Loop 101 and the Bethany Home Road alignment to PAD to permit erection of digital billboards by the adoption of Ordinance No. 2702 New Series on September 22, 2009.

Council rezoned the city's sewer lift station at the northwest corner of the Loop 101 and Camelback Road to permit the erection of a digital billboard by the adoption of Ordinance No. 2701 New Series on September 22, 2009.

Council rezoned the city's Park and Ride lot to PAD by the adoption of Ordinance No. 2686 New Series on June 23, 2009, to establish zoning which would satisfy the Arizona Department of Transportation to permit erection of the first two digital billboards.

The city adopted the Westgate PAD through a public hearing process in 2002, which included a number of outdoor building and digital signs.

Council approved a comprehensive update of the Zoning Ordinance in 1993, which included billboard regulations.

By providing a new section concerning digital billboards, the current section that addresses billboards will remain unchanged, except for the prohibition of billboards in Heavy Commercial (C-3) zoning districts. Eliminating C-3 zoning districts would help protect existing established neighborhoods and historic districts.

Existing billboards will not be converted into digital billboards with changeable panels. A new section for digital billboards will ensure that proposed site locations prevent placement on sites, which could negatively impact neighboring residential areas. The amendment will emphasize that digital billboards are only to be erected in proximity to the Sports and Entertainment District.

On May 24, 2012, a legal notice was published in *The Glendale Star*, which indicated which sections of the Zoning Ordinance were proposed to be amended. On May 25, 2012, staff, as the applicant, mailed notification postcards to property owners within 300 feet of the proposed area within the Sports and Entertainment District and those persons listed as Interested Parties on the City-Wide Additional Notification list.

Public testimony concerning ZTA11-01 Digital Billboards occurred at the Planning Commission meeting of March 1, 2012.

On November 9, 2011, a neighborhood meeting was held at the City Council Chambers and approximately 30 people attended. The comments received repeated those previously mentioned concerning dimensions and standards of the existing billboards on the city's Park and Ride Lot as the standard for future billboards.

Public testimony concerning freeway billboard signs occurred at the Planning Commission meetings of June 2, 2011, and August 4, 2011, as part of ZTA09-01 Zoning Text Amendment Ordinance Update. During the June 2, 2011 Planning Commission meeting, concern was expressed regarding the impact of digital billboards on the existing community located along the Loop 101 between 51<sup>st</sup> Avenue and Bell Road.

The recommendation is to conduct a public hearing, waive reading beyond the title, and adopt an ordinance for Zoning Text Amendment ZTA11-01.

**Ordinance No. 2805 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE ZONING ORDINANCE OF THE CITY OF GLENDALE, ARIZONA, FOR BILLBOARDS AS FOLLOWS: ARTICLE 2 (DEFINITIONS AND RULES OF CONSTRUCTION), SEC. 2.300 (DEFINITIONS); AND ARTICLE 7 (GENERAL DEVELOPMENT STANDARDS), SECS. 7.103(F) AND (K), 7.106, AND 7.110; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE.**

**The motion was made by Lieberman, and seconded by Knaack, to remove this item from the table and hear it. The motion carried unanimously.**

Mayor Scruggs asked if anyone have any questions before she opened the public hearing. No.

**Mayor Scruggs opened the public hearing on Agenda Item No. 24.**

Ronald Rovey, a Yucca resident, stated he and his family had been involved in this digital billboard sign Text Amendment process for more than two years. He said from the onset, they've asked the city to be fair and treat the private sector the same as the city treated itself with the Park and Ride digital billboard signs. There have been many issues and differences in positions throughout this process, for many of those, both parties have been able to come to a compromise. Therefore, he and his family believe they will be able to live with the proposed text amendments and support the adoption of this ordinance. He thanked the city and staff for all they have done in this matter.

Vice Mayor Frate thanked Mr. Rovey for taking the time to set up meetings with each of the Councilmembers to discuss his concerns. He was glad they were able to work together for the betterment of Glendale and its residents.

**Mayor Scruggs closed the public hearing.**

Councilmember Clark commented that reducing the number of billboards in the area had been her main concern during this matter. She thanked staff for their work on this issue not only for working with the Rovey Family and the billboard interest but most importantly for the best interest of the residents of Glendale. She stated the proposed text amendment, while not totally to her satisfaction, was something they can all live with.

Councilmember Martinez thanked staff and everyone involved in this project. He noted the discussions from both parties had been very informative and useful in this matter.

Mayor Scruggs agreed and added what a difference a year makes. It was a year ago at this time, maybe a little bit short of a year, that there was a very active citizen movement within the city to start an initiative to ban electronic billboards totally because of the thoughtless way in which the ordinance was presented the first time. She said it was really very destructive and inconsiderate and totally disregarded neighborhoods. So the Planning Commission had a lot of problems with it too, for those reasons and many other reasons. Mayor Scruggs thanked Mr. Froke again for his almost two decades of work here; this certainly was one very significant piece. She also wanted to thank Mr. Skeete because he took control of this issue and he expanded it so that it was more thoughtful and it looked to the future. She commented so many things come into our world unexpectedly. She remembered a decade or so ago when big boxes appeared out of nowhere and the city didn't know anything about it. These digital billboards are sort of the same thing, but the city needs to look to the future because these things all sort of have a life expectancy and then they go away. She commented that now the city is providing not only for how they are going to be used now but how they are going to go away when the time comes. She said there's so much more thought that went into this ordinance than the very superficial one that was presented to the City Council initially. She said thank you to everybody involved and to Mr. Rovey and his entire family, this was quite a chore and quite an effort on their part. And to the various other representatives of the industry and various other attorneys, thank you and she thought the city had a model ordinance here in Glendale.

**It was moved by Knaack, and seconded by Martinez, to approve Ordinance No. 2805 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Alvarez, Clark, Lieberman, Knaack, Martinez, Frate, and Scruggs. Members voting "nay": none.**

**25. REZONING APPLICATION ZON12-01: HOSPICE OF THE VALLEY (ORDINANCE)**  
**(PUBLIC HEARING REQUIRED)**

Jon M. Froke, AICP, Planning Director, presented this item.

This is a request for City Council to conduct a public hearing and adopt an ordinance to rezone from C-O (Commercial Office) to G-O (General Office) for a property located 13614 North 59<sup>th</sup> Avenue.

The property was once used as a plant nursery but is currently vacant. Hospice of the Valley intends to develop a 10,000 square foot, single-story inpatient care facility with the capacity to hold up to 12 beds.

The Planning Commission recommended approval of ZON12-01 on June 7, 2012.

This project will include the redevelopment of a currently underutilized property that will complement the existing office and medical land uses in the vicinity of 59<sup>th</sup> Avenue and Thunderbird Road.

A Notice of Public Hearing for the City Council hearing was published in *The Glendale Star* on June 7, 2012. The property was posted on June 8, 2012. Notification postcards were mailed to 73 adjacent property owners and interested parties on June 8, 2012.

At the June 7, 2012 Planning Commission public hearing, one individual spoke in support of the rezoning request and had a question pertaining to parking. Staff responded that the proposed site plan provides surface parking in excess of the Zoning Ordinance requirement.

The recommendation is to conduct a public hearing, waive reading beyond the title, and adopt an ordinance for rezoning application ZON12-01, subject to the stipulations as recommended by the Planning Commission.

**Ordinance No. 2808 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REZONING PROPERTY LOCATED AT 13614 NORTH 59TH AVENUE FROM C-O (COMMERCIAL OFFICE) TO G-O (GENERAL OFFICE); AMENDING THE ZONING MAP; AND PROVIDING FOR AN EFFECTIVE DATE.**

Andy Jochums, of Beus Gilbert PLLC, representative of the applicant, Hospice of the Valley, stated Mr. Froke had made an excellent presentation and he really had nothing further to add. However, he would like to say how very happy they were with their proposal to redevelop this underutilized property.

Vice Mayor Frate commented on the outstanding work done to clean up this property. He stated the surrounding neighborhoods very much appreciate all the work that has been done and fully approve the project. Mr. Jochums stated they were ready to move forward with this project as soon as Council approves it. Vice Mayor Frate asked if they would be breaking ground by the end of the year. Mr. Jochums replied that was a big possibility.

Councilmember Clark remarked she could not think of a higher or better use for a piece of land than Hospice of the Valley. She noted the services that Hospice provides were unparalleled with its compassion and caring for people. She was very glad they will be in Glendale.

Mayor Scruggs agreed with Councilmember Clark and she asked Mr. Jochums to take word back to his clients that their services are sadly sorely needed and very much appreciated.

**It was moved by Frate, and seconded by Knaack, to approve Ordinance No. 2808 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Clark, Lieberman, Knaack, Martinez, Frate, and Scruggs. Members voting “nay”: none.**

**26. AMENDING CITY PRIVILEGE AND USE TAX CODE BY ADOPTING LOCAL OPTION V TO THE MODEL CITY TAX CODE (ORDINANCE) (PUBLIC HEARING REQUIRED)**

Diane Goke, Chief Financial Officer, presented this item.

This is a request for City Council to conduct a public hearing and adopt an ordinance amending Glendale City Code Chapter 21.1 by adopting Model City Tax Code Local Option V to impose a two-level tax structure on sales and uses of tangible personal property exceeding \$5,000 at the tax rate of 2.2%. The effective date of the ordinance will be August 1, 2012.

At the June 19, 2012 Council workshop, staff presented options for City Council consideration for an alternative tax rate on gross income from the sale or use of a single item of tangible personal property exceeding \$5,000. At the conclusion of the Council workshop, staff was advised to proceed with the Local Option V, which will adjust the privilege (sales) and use tax rate to 2.2% for tangible personal property exceeding \$5,000.

Public notice for the adoption of Local Option V was posted in the Glendale Star on May 31 and June 7, 2012 for a public hearing to occur on June 26, 2012, with an effective date of August 1, 2012.

On June 12, 2012, Council adopted Ordinance No. 2807, New Series, increasing the privilege and use tax rates by .7%, except for the privilege tax rate on the business of renting or leasing real property for residential purposes, mining and the additional tax upon transient lodging. The tax rate increase will become effective August 1, 2012.

Adopting the ordinance will allow Glendale retailers that routinely sell tangible personal property items in an amount exceeding \$5,000 to remain competitive with similar retailers in neighboring cities. In addition, the tax structure will help mitigate any possible loss of large ticket spending in the community thus allowing the city to continue to capitalize on the recovering economy.

A review of the impact on revenue projections for the FY 2012-13 budget indicates the potential loss of revenue associated with implementing this tax structure for single-item purchases is estimated at \$1.1 million. To mitigate the revenue loss, departmental expenditures have been reduced by \$1.1 million as presented during the Council Workshop on June 19, 2012.

The recommendation is to conduct a public hearing and waive reading beyond the title and adopt an ordinance amending Glendale City Code Chapter 21.1 by adopting Model City Tax Code Local Option V to impose a two-level tax structure on sales and uses of tangible personal property exceeding \$5,000 at the tax rate of 2.2%. The effective date of the ordinance will be August 1, 2012.

**Ordinance No. 2809 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING GLENDALE CITY CODE CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE), ARTICLE IV (PRIVILEGE TAXES), SEC. 21.1-460(d) AND ARTICLE VI (USE TAX), SEC. 21.1-640(e) BY ADOPTING LOCAL OPTION V IMPOSING A TWO-LEVEL TAX STRUCTURE ON SALES AND USES OF TANGIBLE PERSONAL PROPERTY EXCEEDING \$5,000; AND SETTING FORTH AN EFFECTIVE DATE OF AUGUST 1, 2012.**

**Mayor Scruggs opened the public hearing on Agenda Item No. 26.**

Nicholas Wood, of Snell and Wilmer, representative of Sands Chevrolet, thanked the Council for considering this amendment that they feel was very important. He noted this amendment was especially for the residents of the city of Glendale. He stated if the Council approves this tonight, people will be saving a tremendous amount of money every time someone buys a car. He thanked

the Council for their willingness to compromise which was a hallmark of true statesmanship. He believes this was a good solution and the right thing to do.

Jerry Weiers, a Yucca resident, stated his approval of this item. He said this was the very least the Council can do to mediate their damages regarding the sales tax increase situation. He indicated the single most important job of any government is to provide for the safety of its citizens. He asked them to remember their real priorities are the people that wear the bullet proof vest and the fire retardant suits, not the hockey pads and masks.

Diane Douglas, a Sahuaro resident, remarked how she had sat through the meeting where this two tier taxation scheme was first floated. During the workshops some Councilmembers proudly boasted of bringing this idea to staff and had said they were thankful it was not too late. However, her belief was that all businesses were important not only the car dealerships. She said those other businesses are important to those owners and their families who have invested their time and money into their Glendale business. She noted every business was equally important to the people they employ. The sales tax increase will hurt businesses and their citizens. She indicated Glendale businesses were already at a disadvantage more so now with this corporate subsidy to only certain businesses. She said that first it was the NHL and the Coyotes and now it's certain businesses that are deemed worthy while others will suffer. She asked the Council to vote no on this ordinance.

Manuel Cruz, a Yucca resident, commented on the challenges and deficits facing Glendale today as well as the threats regarding the referendum. He believes this could signify cuts to fire and police which were already operating on a tight budget. He talked about the possibility of further cuts to parks and amenities Glendale residents enjoy. He asked the Council to pull together as one for the betterment of Glendale.

Anthony Kern, a Sahuaro resident, stated he appreciates the attempt on the two tier sales tax proposal since it does appease big businesses. However, this does not take care of the small business owner. He said this will hurt the small businesses when people start going across town to find a better bargain. He noted there was an initiative being formed to bring this sales tax increase to the voters. He said what the citizens of Glendale were seeing was money going out to Westgate and the NHL while the city was asking them to pull more money out of their pockets to make up for this budget shortfall. He said citizens were not happy and will bring the referendum to the voters in November. He supports the referendum to change the Charter.

Arthur Thruston, a Cactus resident, stated what they were talking about here was about being fair and equitable. He said the city was taxing the poor and exempting the rich which seems to be the policy everywhere in America. He questioned why the city was following this same pattern. He asked them to stand up against inequitable taxation and be fair and equitable to all the people. He said they should also exempt all the things poor people were going to need such as milk and food products needed by families to feed their children. He explained this was strictly an effort to subsidize the people that can buy expensive cars. He believes this tax can all be worked out in the dealership and can possibly be absorb by them and still be competitive. He remarked that if they were going to approve a sales tax increase, he believes it should be fair and equitable taxation.

**Mayor Scruggs closed the public hearing.**

Mayor Scruggs addressed Ms. Goke, and noted there is one thing that Council didn't talk about when she was presenting in the beginning. She said last week or two weeks ago when City Council was hearing about the city budget and about the sales tax increase and so forth. She was very agitated about the idea that the City Council was passing a budget that they were then going to take some revenue out of and so forth. She had said staff needed to address the other side of the ledger – the expense side – that was done. And the finance department did prepare a list of reductions. She asked Ms. Goke if she had that so it could be shown on the screen for people to see. Mayor Scruggs said so the staff estimated that the two tier tax structure would lower the revenue collection by \$1,134,019. And so, reductions were developed in the various departments- most of the various departments to come up with the \$1.1 million.

Ms. Goke stated she was correct.

Mayor Scruggs said the biggest concern has been in fire and police. She asked Ms. Goke to go over again what City Council heard in workshop that these are not taken from public safety official salaries or the number of public safety officials – not personnel. If Ms. Goke could just recap that for the public she thought it would be helpful.

Ms. Goke stated the reduction in the fire budget were maintenance related as well as similar reduction on the police side. However, none of the reductions were in staff personnel.

Mayor Scruggs said she believed what it was, was reductions in fuel cost and in the police side was reductions in uniform money they put aside to replace uniforms that get torn or whatever. But they have the money over on the public safety tax side and then shop charges. She thought that was what made them up.

Ms. Goke stated she was correct.

Councilmember Lieberman commented on the difficult decisions he has had to make throughout his life, this being one of them. He said he could see both sides of this issue since two of his friends are car dealership owners and knows how this could affect their business. He explained he did not vote for the sales tax increase to begin with and was against taxing the food industry. He stated this was a very difficult decision since the two tier tax will help the dealers, however, was against raising taxes entirely. He wished there was a different solution to this other than the one presented and would have possibly voted for it if it included the same exemption for food. He commented on the dwindling car dealerships in Glendale.

Councilmember Alvarez stated she was totally against this issue. She said what bothers her most was that they were giving to the people that have money and taking away from the poor. She believes they should not have gotten involved in the sports industry and spending millions of dollars in that area. She said if the city hadn't become involved in sports, Glendale would be in a better place financially right now. Therefore she will not vote to support this item which supports a sales tax.

Councilmember Martinez stated he will be supporting the ordinance this evening. He said most of the reasons why he has talked about many times. Such as the steps staff has taken to be able to balance the budget with furloughs, layoffs and cuts. However, people still keep coming back to the arena management fee which they believe is the cause of all their problems. He reminded everyone that if the Coyotes go away, they still have to manage that arena and pay someone to run it. Therefore, some kind of fee will still have to be paid. After hearing the public speak tonight, it seems to always come back to the Coyotes and it being the root of all of Glendale's problems, which was not the case. He explained if this referendum was to be successful, it will be extremely difficult for the city. He stated the message needs to get out to the public of what it means if this referendum is successful. The city will still be facing a deficit of \$16 million if the referendum is successful. He commented on staff proposed reduction for the two tier tax that will only target the non-personnel budget in fire and police. The reductions will be in shop charges, uniform replacement and fuel charges. He also mentioned the reduction in Parks and Recreation and other departments. These reductions are needed to cover the \$1.1 million for the two tier initiative. He explained these budgets were already at their limit and any future reductions could mean closures and more reduction in services. The reason he was pointing this out was because they were only cutting \$1.1 million and it was still difficult for everyone. However, as he mentioned earlier, the city was probably looking at a \$16 million deficit should the referendum go through and this was not even close to what just happened with only cutting \$1.1 million from the budget. He explained there was no other place they can go for funding if the referendum goes through, therefore, the city had a big, big problem. He restated if the referendum is successful there will not only be reductions in library hours but they will have to possibly end up with only the main library at Brown and 59<sup>th</sup> Avenue. He explained he was somewhat admonished earlier by Mr. Skeete for mentioning this outcome, however, he wants everyone to be fully aware of what the city was facing.

Mayor Scruggs said before we go any further because this really is turning into a discussion of the referendum which we learned is not a referendum but an initiative. City Council was told just a couple of hours ago it does nothing to affect this sales tax increase that was passed two weeks ago but is only proactive for future increases. And so everything seems to be revolving around the discussion of this referendum which based on what we were told two hours ago – does not even affect the sales tax increase voted in. Is that correct Mr. Tindall?

Mr. Craig Tindall explained the package that was circulating was an initiative not a referendum and it was prospective.

Mayor Scruggs said prospective, so everything that we are hearing in the audience and from Councilmember Martinez is about a referendum taking away the sales tax increase. But Mr. Tindall just told Council recently that, that's not what it does. She said Mr. Tindall told Council that it prevents future Councils from passing future sales tax increases without taking them to the vote of the people. But there is nothing for what was passed two weeks ago. Is that correct?

Mr. Tindall stated that was the way they read the initiative that was being currently circulated.

Mayor Scruggs said so the concerns that are being raised appear to be not anything that is going to be happening because the Council of four people voted for that sales tax increase. She continued

that the initiative Mr. Tindall says does nothing to it so she thought Council should move on to whether Council wants a tier tax structure or not.

Councilmember Martinez asked if this guaranteed that a referendum will not be enacted. Mr. Tindall stated there was no guarantee and that could still happen. Councilmember Martinez noted his comments were directed at those people circulating petitions for a referendum. Mr. Tindall restated his earlier comments regarding the initiative not being a referendum. The initiative will be an amendment to the charter and will be prospective only and will not apply to the existing tax structure.

Mayor Scruggs asked if anyone had taken out a referendum to overturn the sales tax. City Clerk Pam Hanna said that there was an initiative being circulated at this time. Mr. Tindall reiterated that the initiative that is out there now, if successful, is a charter amendment, would impact future acts of the Council/

Councilmember Alvarez stated her earlier comments were not only for things this year but for things that have happened in the past. She noted the issues with the Coyotes and all the other questionable decisions the Council has made to lead them to the troubles they were having today. She also cited the issues with Camelback Ranch and the millions being lost on that project. She noted they needed to start thinking of the past and what brought them to this point.

Councilmember Martinez remarked the Council did all hear about the initiative a few hours ago, however, he still stands by his comments regarding the referendum and its consequences to the city.

Councilmember Clark commented on the cuts that were made last year for library hours and for eliminating the CAT program. She said the Council was inundated with emails regarding those small cuts. Currently, they were receiving email complaints about the fee increase at the Adult Center which was again a very small increase that will produce a small amount of revenue and people were already upset. She believes Councilmember Martinez's comments on this issue were correct even if this initiative was prospective and appears to only affect future Councils. She explained if there was a demand for future cuts or if this sales tax does not go through, they should leave the Coyotes out of it and stop blaming them for all of the city's problems. Even without the Coyotes, the city still faces a large budget deficit. She stated for those people circulating petitions for initiatives or referendums, they should be prepared to reap what they will sow since cuts in police and fire were very possible. She remarked she was astounded that some public safety people were supporting some candidates who actually support this sales tax scheme at a time when Glendale desperately needs it. She noted they were simply cutting off their noses to spite their face because if their candidates are successful, there will be drastic cuts and those cuts will come from public safety and possibly the elimination of whole departments. She commented that the City of Stockton, California was declaring bankruptcy because of having to pay over \$400 million in the next 20 years on public safety pensions. She stated Glendale was not that city and can and will meet their obligations. They had simply hit a rough patch like many other cities throughout this nation because of the economy. She will vote to support the two tier tax initiative.

Councilmember Knaack stated she will support the two tier initiative and was glad this proposal was brought forward and they were able to come up with a compromise. She explained this was not

about helping the rich and not the poor; it was about helping the consumer and the tax payer. She appreciates staff's work in getting them to this point and will support the two tier tax.

Vice Mayor Frate agreed with Councilmember Knaack's comments about this being about the consumer and not about helping the car dealers. He said those candidates that might be elected and were opposed to the sales tax increase will be the ones dealing with the fallout if the sales tax does not go through and they have to cut services. He noted it was sometimes difficult to make hard and unpopular decisions on the Council, however, sometimes they had to be made for the betterment of the city. He commented on the cuts that might occur if this does not go through. He explained that not many people were upset or emailing the Council on this subject and it was mostly the organized groups such as the Goldwater Institute and vocal groups. However, he believes the majority understood the circumstances surrounding their decision. He will vote to support the two tier tax initiative.

Councilmember Clark inquired if this required the motion to sunset this ordinance since they were amending a provision. Mr. Tindall stated there was no need to sunset this portion since the rate will remain the same.

Mayor Scruggs asked what would the sunset date be.

Councilmember Clark said she would like to include the same sunset provision that applied to the original passage of the sales tax to also apply to this provision.

Mayor Scruggs commented but it is going to sunset in five years. There is no plan whatsoever – you're going to sunset it from 2.9% to 2.2%, but this sets it at 2.2%.

Councilmember Clark explained she just wanted to cover all bases since this makes her nervous.

Mayor Scruggs commented that since Council has all declared their positions before reading the ordinance she would state hers which was. She opposed the sales tax increase two weeks ago. She opposed the budget for very specific reasons that she outlined. She still opposes both. She still opposes the sales tax increase, she still opposes the budget. Now she would tell everyone the statements made by Ms. Douglas and Mr. Kern and Mr. Thruston, having to do with equality and fairness and no exclusivity had quite an impact on her. They very eloquently presented in their comments and they made a lot of sense to me. However, since she opposed the sales tax increase, she thought that she would support this two tiered tax rate because it gets her partly to where she wanted to be in the first place which is no sales tax increase. Now it does not exempt everything, the speakers have very good valuable points, which it really should. But Council would not go there, the city would not go there at all so she will settle for as much as she can get. So she will support the two tier tax rate because it gets closer to no tax rate increase. So that's her simple statement.

**It was moved by Clark, and seconded by Frate, to approve Ordinance No. 2809 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Clark, Knaack, Martinez, Frate, and Scruggs. Members voting "nay": Alvarez and Lieberman.**

Councilmember Martinez suggested an amendment to remove the sunset provision and let each Council review the ordinance at that time.

Councilmember Clark noted there was no sunset provision on this amendment.

## **ORDINANCES**

### **27. FISCAL YEAR 2012-13 PROPERTY TAX LEVY ADOPTION**

Sherry M. Schurhammer, Executive Director, Financial Services, presented this item.

This is a request for City Council to adopt an ordinance setting the Fiscal Year (FY) 2012-13 primary property tax rate at \$0.2252 per \$100 of assessed valuation and the secondary property tax rate at \$1.6753 per \$100 of assessed valuation, an increase of \$0.3054. The total property tax rate will increase \$0.3054 from \$1.5951 to \$1.9005.

Arizona state law requires Council to set the property tax levy by the third Monday in August.

Arizona's property tax system consists of two tiers. The primary property tax levy has state-mandated maximum limits; however, it can be used by a city for any purpose. The primary property tax revenue is included in the General Fund's operating budget. The secondary property tax levy is not limited; however, it can be used only to retire the principal and interest on a municipality's bonds. The secondary property tax revenue funds much of the city's capital improvement plan.

All Truth in Taxation requirements of A.R.S. 42-17107 have been met. A Truth in Taxation hearing is not required; according to the Property Tax Oversight Commission's letter of April 30, 2012, a Truth in Taxation hearing is required only if the city chose to levy a primary rate greater than \$0.2592. The public notice requirements of A.R.S. 42-17103 also have been met.

A public hearing on the proposed FY 2012-13 property tax levy was conducted at the June 12, 2012 Council meeting. At that same meeting, Council also conducted a public hearing on the final budget and convened a special meeting to adopt a resolution approving the FY 2012-13 final operating, capital, debt service and contingency appropriation budget.

City Council reviewed the FY 2012-13 tentative budget and adopted a resolution formally approving the tentative operating, capital, debt service and contingency appropriation budget at the May 22, 2012 evening meeting. At that time, Council also gave notice of the date for the June 12, 2012 public hearings on the FY 2012-13 final budget and the FY 2012-13 property tax levy and the June 26, 2012 date for the adoption of the FY 2012-13 property tax levy. Public notices regarding this information were published in the *Glendale Star* on May 31 and June 7, 2012.

The 8<sup>th</sup> budget workshop occurred on April 23, 2012.

The 7<sup>th</sup> budget workshop occurred on April 17, 2012.

The 6<sup>th</sup> budget workshop occurred on April 3, 2012.

The 5<sup>th</sup> budget workshop occurred on March 20, 2012.

The 4<sup>th</sup> budget workshop occurred on March 6, 2012.  
The 3<sup>rd</sup> budget workshop occurred on February 28, 2012.  
The 2<sup>nd</sup> budget workshop occurred on February 21, 2012.  
The 1<sup>st</sup> budget workshop occurred on February 14, 2012.

At the January 10, 2012 Council meeting, an ordinance was adopted authorizing the refunding/restructuring of outstanding water/sewer revenue obligations and Municipal Property Corporation (MPC) excise tax revenue bonds and authorizing the issuance of these bonds in an amount not to exceed \$99 million and \$70 million respectively.

At the January 3, 2012 Council workshop, staff presented the debt management plan and options related to refinancing outstanding MPC debt and refunding outstanding water/sewer debt.

Glendale's budget is an important financial, planning and public communication tool. It gives residents and businesses a clear and concrete view of the city's direction for public services, operations and capital facilities and equipment. It also provides the community with a better understanding of the city's ongoing needs for stable revenue sources to fund public services, ongoing operations and capital facilities and equipment. The budget provides Council, residents and businesses with a means to evaluate the city's financial stability.

All eight budget workshops were open to the public and were posted publicly per state requirements. The Council budget workbook materials were posted publicly along with each of the workshop's meeting agenda.

In accordance with the posting requirements of A.R.S. 9-499.15, a notice of this rate increase was posted to the city website's home page sixty (60) days in advance of today's meeting.

Public notices were printed in the May 31 and June 7, 2012 issues of *The Glendale Star* regarding the date, time and location for the public hearings regarding the FY 2012-13 final budget and the FY 2012-13 property tax levy as well as the date for the adoption of the property tax levy.

It is estimated that the FY 2012-13 primary property tax rate will generate approximately \$2.6 million and the FY 2012-13 secondary property tax rate will generate approximately \$19.3 million for a total of approximately \$21.8 million.

The recommendation is to waive reading beyond the title and adopt an ordinance setting the FY 2012-13 primary property tax rate at \$0.2252 per \$100 of assessed valuation and the FY 2012-13 secondary property tax rate at \$1.6753 per \$100 of assessed valuation. The total property tax rate will increase from \$1.5951 to \$1.9005.

Sherry M. Schurhammer, Executive Director, Financial Services, presented the summary. She indicated that since 2000 the city has completed \$276 million worth of General Obligation bond-funded infrastructure, service facilities and public amenities. The \$276 million represents the costs incurred for the projects funded with General Obligation bonds, not the debt service on those bonds. The slides also show the four GO bond categories with the largest share of GO bond capital expenses since FY 2000. Some examples are public safety construction at \$79.4 million, parks

construction at \$67.4 million, flood control construction at \$55.4 million and government facilities at \$24.1 million.

She explained that the revenue source that pays GO bond debt service is the secondary prop tax revenue. Secondary prop tax revenue cannot be used for operating expenses of any sort. She noted that revenue was limited to payment of long-term debt for long-term bond debt and not used for MPC debt service.

Mayor Scruggs asked if Ms. Schurhammer could tell people why it's important to say it's not used for MPC debt service. Because most people don't have a clue what was being talked about.

Ms. Schurhammer explained MPC debt service referred to Municipal Property Corporation where the arena bonds are held. She stated the \$179 million shown on the slide represents the total outstanding principal as of 7/1/2012. Since 2000, GO debt service has been paid and therefore is less than costs incurred shown on the prior slide. Bond covenants are agreements or promises made as part of the issuance of bonds. Those may include covenants to adjust rates/fees of pledged revenues to ensure the debt service payment is made. The covenants are legally enforceable; therefore, if the city does not adhere to them then default on the bonds occurs and negatively impacts their credit ratings and their ability to issue future bonds. GO bonds are considered safe investments so not paying GO debt would affect the city's ability to sell/restructure bonds and that would negatively impact ability to ensure appropriate cash-flow. GO bond covenants require the secondary property tax fund balance to be at least 10% of the upcoming FY's debt service payment. Even with the secondary property tax rate increase, the secondary property tax revenue fund balance will continue to be drawn down over the next five years; however, they will still meet the 10% bond requirement. Some General Obligation Bond Capital Projects completed since 2000 include the EOC/Training Facility, Public safety communications, Gateway police and fire stations, Fire Station 159, Adult Center, West Area Regional Park, Foothills & Rose Lane Aquatics Centers and Sahuaro Ranch Park improvements. Other projects include flood control projects such as the Bethany Home Outfall Channel, Northern Avenue drainage improvements between 43<sup>rd</sup> and 59<sup>th</sup> Avenues, downtown Glendale drainage improvements and Skunk Creek channelization. Government Facilities projects include new vehicle and equipment repair facility, various equipment and facility replacements at City Hall, the Tourism Visitor Center and landscape and lighting improvements to the Civic Center.

Ms. Schurhammer presented a bar chart that showed Glendale's secondary assessed valuation across all types of properties more than doubled between FY 2003 and FY 2009. It also showed that the valuation then declined 54% between FY 2009 and FY 2014. This unprecedented drop in secondary assessed valuation has had a significant impact on secondary property tax revenue for payment of the annual GO debt service. The next slide showed the impact of declining secondary valuation and what that means if the secondary property tax is not increased. She said revenue is expected to decline 43% from \$29.7 million in FY 2010 to an estimated \$16.8 million in FY 2013 as a result of declining property values in Glendale. Yet annual debt service on general obligation bonds has grown from \$22.6 million to \$25.6 million over the same time period. She explained if the city did not increase its secondary property tax rate; the city would be unable to pay its general obligation bond debt service for FY 2014 and maintain the bond covenant for fund balance. This means the city would be violating its obligation to pay the annual debt service. Therefore, leaving

the secondary property tax rate unchanged at \$1.3699 is not fiscally prudent and will result in violating the city's bond covenants. The next graph slide showed the recommended secondary property tax rate increase of 30.54 cents for FY 2013. The results in the secondary property tax revenue are expected to stabilize by FY 2017 with the rate increase in effect the entire 5 years. Additionally, the secondary property tax revenue will be able to pay the annual debt service requirement and that a 10% minimum fund balance requirement is maintained each FY, even in 2017. She said the bottom line is that the secondary property tax rate adjustment for FY 2013, results in Glendale being able to pay its annual debt service for general obligation bonds as well as meet the fund balance requirements. Therefore, this approach is fiscally prudent because it is essential to meeting the city's annual general obligation debt service requirement and bond requirements.

Ms. Schurhammer stated that although tonight's recommendation is for a rate increase, it's important to remember that the Council did decrease the city's total property tax rate from \$1.98 to \$1.59 since FY1995. She said that is a decrease of 38.5 cents or 19%. Glendale is in compliance with the state's truth and taxation law. The recommendation is to waive reading beyond the title and adopt an ordinance setting the FY 2012-13 primary property tax rate at \$0.2252 per \$100 of assessed valuation and the FY 2012-13 secondary property tax rate at \$1.6753 per \$100 of assessed valuation. The total property tax rate will increase from \$1.5951 to \$1.9005.

Councilmember Knaack thanked Ms. Schurhammer for her thorough presentation. She stated it was very clear where they were regarding this tax and where they needed to go next. She will support this ordinance.

Vice Mayor Frate commented on the Council's decrease of the total property tax rate from \$1.98 to \$1.59 since FY 1995. He remarked on the Council's promise of when times were good, they would lower the property tax which they did. However, everyone said that when things get bad, they may be forced to raise the property tax. Unfortunately, that was what they were facing today.

Mayor Scruggs said that she has been pretty loud about being against tax increases. But she has been trying really hard to explain why she will support this one. And it's really hard, she thought for the general public to keep all the different terms in place and assessed valuation and the rate and so forth and so on. But she has been collecting copies of stories of other cities because what's happened in Glendale has happened throughout the entire valley. When your assessed valuation drops by 54%, that is a huge hit but it goes back to understanding that that assessed valuations of the piece of property whether is a home or a shopping center or movie theater or whatever, that is what the rate is applied to. Other communities, other cities in the east valley have much more commercial property which has much higher valuations so maybe it doesn't hit the residential properties as hard because they have a lot more, especially if you think of the east valley with the huge resorts and the hotels even Phoenix and so forth. But as much as she kept all these articles in her folder dutifully, she left them in the car or at home or some place.

Mayor Scruggs continued that she did remember Tempe is going up to \$2.14 per 100 of assessed valuation. The city is going to go to \$1.90 and she realizes this only sets one because Council decided to do a two step process instead of all at once hoping that there'll be some wonderful turnaround next year and the city would not have to go higher. But she would like to put that in

perspective for people. Scottsdale is having a very large increase in their property tax rate; they're not going to be anywhere near Glendale because they have the very expensive hotels and other commercial property to apply the rate to. So their base is just higher.

Mayor Scruggs said she'd questioned Ms. Schurhammer, real heavily when assessed valuations were going through the roof. She didn't know if anybody believed they were going to stay there – she couldn't even imagine anybody would believe that their home suddenly was worth twice as much as it was six months before. She was always worried about when that escalation would end. And she would always ask, is the city spending money according to this assessed valuation and she was always told, no, Glendale is not, the city is keeping with the capital improvements program, and are not going out and spending just because the assessed valuation is higher. Now, what she recalls and stop her if she was saying this incorrectly, but what she recalls when Council sat here in the budget workshops and presented the property tax situation, she recalls Ms. Schurhammer saying that when the valuations were way sky high in 2006 or whatever that year she said, and that the city's tax rate stayed level – the city didn't lower it – that the excess between what were the more normal assessed valuations and this higher amount was sort of put aside and that the city has been drawing down from that for four years. Is that correct?

Ms. Schurhammer replied yes.

Mayor Scruggs continued that to her, that is very important. Maybe it wasn't what the city should have done, maybe the city should have bitten the bullet and raised the taxes earlier so they didn't have as much of a climb but that meant so much to her that the excess was put aside and then as those assess valuation started coming down, you would draw from that excess to make up what was not coming in from the actual property tax. And that's what's important to her is stewardship, good honest stewardship of the money and she believed that is what was done with the property tax rate. She doesn't think a single one of the Council thought this would go this long. And to continue to decline, she thinks - didn't Ms. Schurhammer project another decline?

Ms. Schurhammer stated four or five years of decline was projected for secondary assessed valuation.

Mayor Scruggs commented and she didn't know – does the city have the assessed valuation for what is going to be applied next year? Has it gone down again?

Ms. Schurhammer explained preliminary numbers indicate it will go down again in 2014.

Mayor Scruggs continued that it's hard for people to not feel their taxes are going up, they are going up. But they are really not; they are going back down to where they were in 2006. She knows in her head how it works and it's hard to express. But she will support the property tax increase because this is totally because of what is going on in the real estate economy in the valley and because the money was used – the bond debt that this is being applied to. It might be five years old, might be ten years old, and might be fifteen years old but it all went to build those amenities that people wanted in the city of Glendale. She remembers when she first moved to Glendale, a park was just a square patch of grass and maybe a broken old merry-go-round and some swings. And that's not what people want. People want skate parks and dog parks and the water parks and the

city has done everything they can to build a better city. And she thinks the points about the flood control are very, very important. Those are the types of things people don't see but boy if it's not taken care of, everyone has a big mess. So she is going to support this. She has been sending a lot of emails to people who are very upset about it – trying to explain why and she does appreciate the efforts that were made over the past several years to not spend just because it's coming in but to put it away and to use it to meet the shortfalls because there's just none left anymore. And for anybody who really wants to check us out, what's going on in other cities, just Google them and you'll find just about everyone of them raising their property taxes because their city had the same problem Glendale has.

Ms. Schurhammer added that cities were not the only ones raising their rates. She said School Districts which make up the vast majority of a person's property tax bill have been raising rates and are likely to continue. Additionally, staff figured out that Glendale's secondary property tax rate would actually be less than what they paid in 2009 since their assessed valuation had gone down.

Mayor Scruggs commented that was what she was trying to explain. It's very hard to get that concept across but you hear your rate is going up so you assume the amount you are paying is going up. But if the base to which it's applied has gone down so far, when you say they might be paying less, they'll probably be paying no more. Ms. Schurhammer replied she was correct for FY 13.

Mayor Scruggs continued that she had been on this rampage; Councilmember Clark reminded me a few weeks ago to lower the city's property tax rate because the city was so non-competitive with other cities, other cities were so much lower and again it was because they had the big developed properties to apply the rate to. And so it is hurtful, the city brought it down to .39 cents off of a \$1.98 which would be –around 27%. It's hard to put it back but you know, hopefully next year there will be a turnaround in the real estate market and the Council won't have to increase it very much.

Councilmember Clark commented on the many amenities Glendale offers their residents to enjoy and enrich their lives. These amenities are all being paid for by the secondary property tax. She compared it to the city having a mortgage and having to pay the bill, only at the moment, there was not enough money coming in to pay the bill.

Councilmember Martinez commented on the fun years when they were able to lower taxes, however, they were currently in a totally different climate and unfortunately will have to raise them. He will support this ordinance.

**Ordinance No. 2810 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF GLENDALE, SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR**

**GENERAL MUNICIPAL EXPENSES; ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2013; AND DECLARING AN EMERGENCY.**

**The telephonic connection with Councilmember Alvarez was lost.**

**It was moved by Frate, and seconded by Martinez, to approve Ordinance No. 2810 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Knaack, Martinez, Frate, and Scruggs. Members voting “nay”: Lieberman.**

**28. FISCAL YEAR 2011-12 BUDGET AMENDMENTS**

Sherry M. Schurhammer, Executive Director, Financial Services, presented this item.

This is a request for City Council to adopt an ordinance approving the FY 2011-12 budget amendments.

A budget amendment is a transfer of appropriation authority and most amendments are done to reconcile the prior fiscal year’s actuals savings with requested carryover. Overall, the City of Glendale’s total FY 2011-12 budget appropriation across all funds is unchanged.

Budget amendments are associated with appropriation changes between departments to accommodate actual spending activity. The budget represents a plan for spending and is established several months before the current FY commenced. As actual spending activity occurs, transfers of appropriation authority within and between departments is required to reflect changes to the initial spending plan. The causes of changes to the initial spending plan can be summarized as follows: unexpected expenses arise due to unforeseen circumstances and planned spending does not occur as work plans are modified to address changing circumstances.

While Council approved a similar ordinance for FY 2011-12 at the May 22, 2012 evening meeting, another ordinance is required to capture unexpected year-end appropriation authority transfers that were needed since mid-May.

Council approved a similar ordinance for FY 2011-12 on May 22, 2012.

Council approved a similar ordinance for FY 2010-11 on January 24, 2012.

Overall, the City of Glendale’s total FY 2011-12 budget appropriation across all funds remain unchanged.

The recommendation is to waive reading beyond the title and adopt an ordinance approving the FY 2011-12 budget amendments.

Sherry M. Schurhammer, Executive Director, Financial Services, presented the summary.

Mayor Scruggs asked if anyone had any questions regarding this item. No. Well she will ask some about the things that usually get people’s attention. Looking at the little chart here, go to the second

one from the bottom please. And tell us what the transfer from arena special revenue of \$884,046 to MPC bond debt is? Is that just a regular thing that goes on every year?

Ms. Schurhammer explained staff plans on a transfer from the arena special revenue fund every year which is where the sales tax generated at arena and Westgate area as well as the fees that are paid for arena rents and so on and where all that revenue goes. She noted staff makes an estimate of how much will come in when they establish the budget. She said they were showing that a transfer will be made to the MPC bond debt service and will reduce the general fund transfer that was budgeted for this year for MPC bond debt since more came in than expected.

Mayor Scruggs commented that this is what Council wants to have happen. Council wants to have a lot of arena special revenue to go pay the MPC bond debt so the city doesn't have to take it out of the general fund. Yes it's a good thing but it's just one of those things that just sticks out that people might wonder about. Now the city had contingency appropriation of \$100,000 for outside legal fees. That's because so many people – why would that be Mr. Tindall?

Mr. Tindall explained this was part of accommodating some legal expenses that came up during the year.

Mayor Scruggs asked if these were things that no one knew were going to come along and things happen and so on?

Mr. Tindall replied yes and added that legal can only make an estimate of what will happen during the course of the year.

Mayor Scruggs stated that she was just going to be nosey and ask why \$67,000 needs to go to the city manager's office. The mayor's office gave up \$74,000 this go around plus \$20,000 the previous one. Now she is just curious.

Ms. Schurhammer explained they sometimes have to do this when a department has a small budget. She said that in this case, there were some contractual obligations needed to be fulfilled with the former city manager. She added they did not foresee a retirement last year, therefore this was not budgeted for.

**Ordinance No. 2811 New Series was read by number and title only, it being AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE TRANSFER OF APPROPRIATION AUTHORIZATION BETWEEN BUDGET ITEMS IN THE ADOPTED FISCAL YEAR 2011-12 BUDGET.**

**It was moved by Martinez, and seconded by Knaack, to approve Ordinance No. 2811 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Clark, Knaack, Martinez, Frate, and Scruggs. Members voting "nay": Lieberman.**

## **RESOLUTIONS**

### **29. FEE ADJUSTMENTS FOR PARKS, RECREATION AND LIBRARY SERVICES**

Erik Strunk, Executive Director, Parks, Recreation and Library Services, presented this item.

This is a request for City Council to adopt a resolution approving rate adjustments for Parks, Recreation and Library Services Department, pursuant to City Code Chapters 20 (Library) and 27 (Parks and Recreation).

The City of Glendale's Parks, Recreation and Library Services Department is nationally recognized and has received numerous awards for partnering to provide a variety of recreation, educational and social activities for Glendale residents for all ages and walks of life.

As a part of the department, the Glendale Library System is responsible for the operations and services of the Velma Teague, Main and Foothills libraries. It is the combined mission of these facilities to promote literacy and cultural enrichment throughout Glendale. In Fiscal Year (FY) 2010-11, the Library System circulated over 2.1 million items; hosted 885,000 library patrons; had 257,000 computer lab users; and sponsored over 1,800 educational programs resulting in approximately 53,000 participants.

The Parks and Recreation Division is responsible for the upkeep, maintenance and providing services at 92 different neighborhood, community and regional park and open-space sites; two aquatics centers; 23 sports fields; and four city-owned community recreation centers. The division is also responsible for overseeing eight Glendale Recreation After School Program (G.R.A.S.P.) sites; the allocation system used to rent-out athletic fields used by approximately 90,000 participants each year; the rental of all ramadas and facilities for private and public use; ensuring that 77,000 open-swim and aquatics lesson participants are safe and supervised; providing recreational opportunities for 3,118 active members of the Adult Center; and for providing services to over 5,000 persons annually special interest classes.

The ability to provide many of these programs and services is contingent upon the establishment and collection of user fees. These user fees have typically been established and charged for the private use of public facilities and/or to offset the costs to provide certain parks, recreation and library services. As a part of the FY 2012-13 Council budget review process, staff reviewed and developed proposed fee adjustments for a variety of programs and services offered by the Parks, Recreation and Library Services Department, to provide additional revenue to continue them.

On April 17, 2012, and as part of the recent budget review process, staff brought forward a plan to adjust fees at the Glendale Adult Center, Foothills Recreation and Aquatics Center, Sports Fields, Parks and Recreation Facility Rentals, the Historic Sahuaro Ranch, Aquatics Programs, G.R.A.S.P. Programs, and to implement new rental fees for meeting rooms at the Main and Foothills Library Branches. Research of comparable rates show the adjustments and new fees will price the facilities and programs in a competitive range.

Council was again presented with the fee adjustments at the budget meeting on April 23, 2012, and provided staff direction to include them in the FY 2012-13 budget. In accordance with the posting requirements of A.R.S. 9-499.15, a notice of this rate increase was posted to the city website home page 60 days in advance of today's meeting.

The mission of the Parks, Recreation and Library Services Department is to provide top-quality recreational and educational facilities and services. Increasing facility usage by providing first class services and programs at competitive rates that generate revenue for the City of Glendale continues to be a positive contribution to the quality of life for the community.

This revenue enhancement opportunity was discussed during the FY 2012-13 budget workshops on April 17 and April 23, 2012. The adjustment of the fees is expected to generate an additional \$643,000 annually. All revenue generated from these fee adjustments will be deposited into the General Fund.

The recommendation is to waive reading beyond the title and adopt a resolution approving rate adjustments for Parks, Recreation, and Library Services Department, pursuant to City Code Chapters 20 (Library) and 27 (Parks and Recreation), effective July 1, 2012.

Erik Strunk, Executive Director, Parks, Recreation and Library Services, provided a brief summary.

Councilmember Knaack commented on how harsh the Council had been when it came to the budget discussions regarding parks and library services since their budget was so large. She thanked Mr. Strunk and staff for all their hard work and the wonderful job they did on the budget. She said the results are very good and fair.

Mayor Scruggs noted that was well said. She asked if Mr. Strunk had ever worked with Tim Ernster. Tim was one of those folks and she knows a lot of people in the audience know Tim. He is now the city manager of Sedona, so the city doesn't need to feel too badly for Tim. But Tim was one of those people that whatever assignment he got, that was the department or the function that was blowing up right at that particular moment. So the Council kind of teased him – or she would anyway – tease Tim about it, it really wasn't really very funny for him. But it sort of seemed to be that way and Mr. Strunk came into his position pretty recently and Councilmember Knaack is exactly right. Because the budget is so big Council really looked hard there and he did do an extraordinarily good job of being very open and very transparent. She appreciated that too.

**Resolution No. 4598 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, SETTING FORTH THE RESIDENT AND NON-RESIDENT FEES FOR PARKS, RECREATION AND LIBRARY SERVICES; AND ESTABLISHING AN EFFECTIVE DATE.**

**The telephonic connection with Councilmember Lieberman was lost.**

**It was moved by Clark, and seconded by Knaack, to pass, adopt and approve Resolution No. 4598 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Clark, Knaack, Martinez, Frate, and Scruggs. Members voting “nay”: none.**

**REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION**

**It was moved by Frate, and seconded by Knaack, to vacate the July City Council Meetings and Workshops. It was additionally moved to hold a City Council Workshop at 1:30 p.m. in Room B-3 of the City Council Chambers on Tuesday, August 21, 2012, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried unanimously.**

## **CITIZEN COMMENTS**

Bill Demski, a Sahuaro resident, stated he would like to start off by exempting Councilmember Alvarez from his comments tonight. He said it was unbelievable to him that Glendale was firing 52 employees, making additional cuts and trying to sell buildings all for the Coyotes. He noted the city of Glendale was in debt 2 billion dollars and does not see how they can get themselves out of it. He does not understand why the city would give \$16.7 million to Cabela's and \$200 million to the White Sox and Dodgers for a stadium in Phoenix that was not even in Glendale. He mentioned Ms. Alma Carmicle receiving a car allowance while living in Mississippi as well as \$17,000 bonus for being a good employee. He said this was total insanity from the Council. He believes the Jobing.com arena was a bottomless money pit that should be sold or blown up. He questioned giving the NHL \$50 million when the city was in so much debt. He stated it was unbelievable how the Council's erroneous decisions had gotten the city of Glendale in this mess and \$2 billion in debt. He said this was total financial insanity on their part. He hopes the Council sleeps good tonight knowing all the bad they have done to Glendale.

## **COUNCIL COMMENTS AND SUGGESTIONS**

Vice Mayor Frate commented on the ribbon cutting event for Rural Metro 911 Center in downtown Glendale. He stated the center has taken over 95% of the leasable space and have hired 70 people and that number can go up to 140 people working out of there in the future. He noted that downtown restaurants had reported an increase in volume because of that particular business. He remarked on the new bed tax initiative to promote tourism and how it has been well received. He mentioned that the Civic Center had been ranked the number one type facility in the state by Ranking Arizona. He also mentioned the new Tanger Outlet coming to Westgate. He stated he just wanted to mention that there were good things also happening in Glendale even though at the moment they were going through rough times. He thanked the family who spoke earlier regarding drowning and near drowning. He asked everyone to watch children around water during this Fourth of July weekend. He reminded everyone that fireworks were now illegal in Glendale.

Councilmember Martinez stated this will be their last meeting for a while and he would like to thank staff for all their work in getting them through this very difficult budget year. He hopes things get better next year. He said he had some good news for the neighborhood near 54<sup>th</sup> Avenue and Topeka. He said someone had purchased that property and will start cleaning it up and making plans for its use. He added that as soon as he receives more information he will be informing everyone of the progress.

Councilmember Knaack thanked staff for all their work. She also thanked all the citizens attending the meetings and being involved in the city. She said the Council really appreciates all their input and participation. She wished everyone a good summer break and hopes everyone will come back ready to face the challenges they will have in the next FY.

Mayor Scruggs said that she didn't expect Council not to meet between now and August or whatever date was read because there is just too darn much to be done. So she thought Council will be meeting, they have talked to Mr. Skeete about that so she was not going to say good-bye for the summer. She thought Council would be around and they need to be. Council needs to be here doing their jobs not pawning them off on somebody else. Thank you all for your attendance, the meeting is adjourned.

## **ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:18 p.m.

Pamela Hanna

Pamela Hanna - City Clerk