

# DRAFT



**MINUTES  
BOND COMMITTEE  
CITY HALL, CONFERENCE ROOM B3  
5850 W. GLENDALE AVE.  
GLENDALE, ARIZONA 85301  
JUNE 2, 2020  
4:00 P.M.**

1. **CALL TO ORDER**

The meeting was called to order at 4:00 p.m.

2. **ROLL CALL**

Present: Jon Froke, Chair  
Lisa Baker, Vice Chair  
John Guers, Committee Member  
Gary Hirsch, Committee Member  
Michael Socaciu, Committee Member

Absent: Michael Boule, Committee Member  
Ryan Wesselink, Committee Member

Also Present: Vicki Rios, Assistant City Manager  
Lisette Camacho, Budget and Finance Director  
Julie Patterson, Budget and Finance Management Assistant  
Michelle Woytenko, Field Operations Director  
Trevor Ebersole, Transportations Director  
Jack Friedline, Assistant City Manager  
Don Bessler, Engineering Director  
Purab Adabala, Transportation Planning Administrator  
Javier Gurrola, Principal Engineer  
Angie Lara, Management Assistant  
Bill DeHaan, Shareholder, Greenberg Traurig, LLP

3. **CITIZEN COMMENTS**

No citizens present. No comments.

4. **APPROVAL OF THE MINUTES**

Presented by: Jon Froke, Citizen Bond Committee Chair

1. Approval of the Citizen Bond Election Committee Minutes of March 3, 2020.

A motion was made by Committee Member Gary Hirsch, second by Committee Member Michael Socaciu, to approve the March 3, 2020 Citizen Bond Election Committee minutes as written.

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

5. **PRESENTATION ON CAPITAL IMPROVEMENT PLAN (CIP)**

Presented by: Vicki Rios, Assistant City Manager

Presented by: Lisette Camacho, Budget and Finance Director

Ms. Camacho announced the following to be presented this evening:

- Overview of CIP
- Projects and timeline have been approved as part of the FY21-30 CIP Program. This Program was approved as part of the Tentative Budget Adoption on May 26, 2020.
- The floor will be opened for discussion and questions.

Ms. Camacho recapped past Committee meetings and presentations:

November

- General Obligation (G.O.) Bond
- RBC Capital Markets (Financial Advisor)
- Voter Authorization
- Greenberg Traurig (Bond Counsel)

December

- Election Process
- Capital Improvement Plan
  - Adopted 10-Year CIP
  - G.O. Bond Prioritization

January

- G.O. Bond Voter Authorization
- Landfill
- Flood Control

February

- Parks
- Governmental Facilities – Public Safety

1. **PRESENTATION ON TRANSPORTATION CIP**

Presented by: Jack Friedline, Assistant City Manager

Presented by: Trevor Ebersole, Transportation Director

Mr. Ebersole presented the FY21-30 Streets CIP by Project; highlighted projects include the following:

- Pavement Management
- Street Reconstruction of Glendale Avenue, 101 to El Mirage Road

Mr. Ebersole also:

- Presented the Streets CIP by Funding Source and announced Streets Projects new to the CIP.
- Reported that the Pavement Management project increased from \$5.2 million per year to \$10.2 million per year, as requested from and approved by City Council.
- Stressed that Pavement Management is a Council priority and provided details on allocation of G.O. Bond funding and the Transportation Sales Tax.
- Stated that the 5-Year Arterial Reconstruction Program (ARP) needs an additional \$30 million in funding for additional projects and presented a chart with the funded and unfunded projects.
- Presented a timeline from FY20-21 to FY24-25 for the ARP projects, both funded and unfunded.

Mr. Ebersole shared the following information on the ARP:

- 748 centerline miles of streets
- 101 miles of arterials
- 30-Year lifecycle
  - The standard is 25-Years, but a more conservative length of time is being utilized.
- 3 miles/year
- \$3.2 million/mile
- \$10 million/year in G.O. Bonds needed for ARP

Mr. Ebersole summarized the Streets need:

- Reallocate \$15 million in cash funding to pre-authorized G.O. Bonds
- Additional \$30 million in G.O. Bonds needed over five years (Years 1 – 5 of CIP)
- Ongoing need of \$10 million/year for ARP or (\$50 million over five years (Years 6 – 10 of CIP, in present day dollars)

Ms. Camacho clarified that the Streets total CIP was \$95 million. Therefore, the additional G.O. Bond need was \$95 million, less the current remaining bond authorization of \$15 million, for a total of \$80 million.

Ms. Rios explained that it is not the purview of this Committee to determine if Streets can use the pre-authorized \$15 million in G.O. Bonds, as this is up to the Council. Ms. Rios stated that it is up to the Committee to determine if they want to request the additional authority from the voters.

Mr. Ebersole stated that Council will see this same Streets presentation at the June 23rd Council meeting.

Committee Member Hirsch inquired as to how staff intends to achieve a 30-year street life cycle versus the traditional 25-years. Mr. Ebersole replied that products are improving, and staff has a high confidence level that with proper treatment, the streets can last 30-years. Committee Member Hirsch asked if staff anticipated improvements in materials and process. Mr. Ebersole replied in the positive.

Mr. Friedline commented on the conservative financial thought process behind the 30-year versus 25-year life cycle.

Mr. Ebersole presented the FY21-30 Transit CIP by Project and Transit CIP by Funding Source.

Committee Member Hirsch inquired about the proposed bus stop enhancements. Mr. Ebersole stated that Glendale has 577 bus stops and 165 of these have a bench, shelter, and trashcan. Mr. Ebersole explained the enhancement project would put these same facilities at other bus stops and the cost is approximately \$25,000 per bus stop. Committee Member Hirsch asked if this improvement would include a bus pull out. Mr. Ebersole replied in the negative and reported that a bus pull out would cost approximately \$100,000 each.

2. **PRESENTATION ON LIBRARY CIP**

Presented by: Michelle Woytenko, Field Operations Director

Ms. Woytenko presented the FY21-30 Library CIP by Project, explaining the three specific projects in detail.

Chair Froke asked if the new library in west Glendale was a success. Ms. Woytenko replied in the positive.

6. **ADDITIONAL VOTER AUTHORIZATION AND BALLOT LANGUAGE REVIEW**

Presented by: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

Presented by: Vicki Rios, Assistant City Manager

Presented by: Lisette Camacho, Budget and Finance Director

Ms. Camacho presented the Remaining Voter Authorization for the 5-Year CIP and the 10-Year CIP and specific projects by Department.

Ms. Rios explained that the Committee could decide to request voter authorization for the projects on the 5-Year CIP, the 10-Year CIP, or any combination of projects or years. Ms. Rios reported that staff will present the Committee's recommendations to Council next week.

Committee Member Hirsch stated that he had heard that the Velma Teague

Library, which was included in the Library CIP, may no longer be a library. Ms. Rios replied that there has not been formal discussion on the topic. Committee Member Hirsch asked if the Velma Teague Library was no longer a library, would the approved funds be used for another library. Ms. Rios replied that the voters are protected in that the funds must be used in the library category and could not be used for another category, such as Streets for example.

Committee Member Hirsch had heard that City Hall might eventually be reallocated further west, possibly at Westgate and thought that the voters should know that the City Hall remodel may not exactly mean for use at its current location. Ms. Rios commented that the specific ballot language would be more inclined to state that the bonds would be used for governmental facilities, such as City Hall.

Committee Member Geurs asked if Council could use the funds to buy a new building or would they have to remodel the current building. Ms. Rios explained that this would depend on the ballot language.

**1. COUNCIL PRESENTATION ON BALLOT LANGUAGE JUNE 9, 2020**

Presented by: Vicki Rios, Assistant City Manager

Presented by: Lisette Camacho, Budget and Finance Director

Ms. Rios presented the ballot language template.

Committee Member Geurs inquired about the maximum bonding that could be authorized in order to maintain the level of the current secondary property tax; so that the rate would not change with new bonding. Ms. Rios responded this was a complex question and explained the difference between voter authorization and actually issuing the bonds. Ms. Rios commented that the costs would have to be disclosed to the voters. Mr. DeHaan stated that the ballot question will have a charge regarding the costs and an amortization table. Ms. Rios announced that within the next three to five years, the City has the capacity to issues approximately \$175 million in bonds without raising the property tax rate.

Committee Member Hirsch suggested a discussion on the 5-Year versus the 10-Year CIP and asked if there were any cost advantage to the ten years or any legal implications. Ms. Rios stated there were no legal implications. Ms. Rios noted that staff must remain neutral during these discussions. Ms. Rios relayed that the last bond election was conducted in 2007; however, the City can go out every two years with a general election and it could be done on a non-general election year as well.

Vice Chair Baker inquired as to the cost of a bond election and if there was savings in asking for the 10-Year CIP. Ms. Camacho estimated the cost at \$150,000 to \$200,000. Ms. Rios noted that the cost is less expensive when done with a general election and staff cost is not included in Ms. Camacho's estimate.

Committee Member Socaciu stated the Committee could consider projects on

both the 5-Year and 10-Year CIP and suggested particularly considering the 5-Year Library CIP due to technology that may change in the future.

Committee Member Hirsch recommended consideration of the 10-Year CIP, citing the great need for these projects.

Ms. Rios stated that the Committee will need to make a recommendation on ballot language this evening due to the timing of City Council review.

Committee Member Geurs inquired about the Landfill reimbursement to the City and what would happen if the Landfill defaulted on its payments. Ms. Rios explained the Landfill will pay the City back for the bonds and if the Landfill defaults, the City will still be responsible for the debt. Mr. DeHaan stated that ballot language could also include reference to revenue sources.

Discussion was held regarding the rounding of CIP estimates on the ballot language.

Mr. DeHaan recommended keeping the ballot language generic, but using bullet points as appropriate.

The Committee reviewed and discussed the ballot language. Motions were made as follows.

#### PROPOSITION NO. 1 - LANDFILL

A motion was made by Committee Member John Geurs, second by Committee Member Michael Socaciu, to recommend City Council advance Proposition No. 1 - Landfill, for the principal amount of \$9.9 million, with the addition of the term "design" to the first bullet point and adding the revenue source to the ballot language.

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

#### PROPOSITION NO. 2 – GOVERNMENT FACILITIES

It was noted that for Government Facilities, there is enough current bond authorization to fund the 5-Year CIP.

Committee Member Geurs suggested staying within the 5-Year CIP. Committee Member Socaciu agreed. Vice Chair Baker commented on the need for the proposed Community Services Resource Center, which is in the 10-Year CIP. Committee Member Geurs expressed concern about asking for bond authorization for a project that might not be built. Committee Member Socaciu agreed with deferring authorization.

A motion was made by Committee Member Michael Socaciu, second by Vice

Chair Lisa Baker, to recommend City Council not hold a bond election for Proposition No. 2 - Government Facilities.

Chair Froke requested a roll call vote.

AYE: Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu  
NAE: Chair Jon Froke

#### PROPOSITION NO. 3 – PARKS AND RECREATION

A motion was made by Committee Member Michael Socaciu, second by Committee Member John Geurs, to recommend City Council advance Proposition No. 3 – Parks and Recreation, for the principal amount of \$87.2 million, with the following changes:

- Remove bullet points 1 and 2
- Change bullet point 3 to: “planning, constructing, adding to, and renovating existing parks and recreation citywide facilities”
- Change bullet point 4 to: “furnishing and equipping parks and recreation facilities, including such things as lighting and irrigation, structures and restrooms”

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

#### PROPOSITION NO. 4 - LIBRARY

It was noted that for Library, there is enough current bond authorization to fund the 5-Year CIP.

Committee Member Hirsch supported the 5-Year CIP and commented that technology may change in 10-Years.

Vice Chair Baker supported the 5-Year CIP plus the Main Library renovation. Committee Member Socaciu noted that this calculated to only a few hundred thousand dollars more than the current remaining Library bond authorization. Committee Member Geurs commented that possibly the Velma Teague Library might not need all of the amount budgeted in the 5-Year CIP.

A motion was made by Committee Member Michael Socaciu, second by Vice Chair Lisa Baker, to recommend City Council not hold a bond election for Proposition No. 4 - Library.

AYE: Chair Jon Froke  
Vice Chair Lisa Baker

Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

#### PROPOSITION NO. 5 – STREETS AND PARKING

Committee Member Socaciu requested a clarification of the request. Ms. Rios explained the need, Transportation Excise Tax and HURF funds, and the gap to be filled by G.O. Bonds.

Committee Member Geurs asked if there were any parking projects in the CIP and if not, suggested removing the word “and Parking” from the title. Mr. Adabala confirmed there were no parking projects.

A motion was made by Committee Member Gary Hirsch, second by Vice Chair Lisa Baker, to recommend City Council advance Proposition No. 5 – Streets and Parking, for the principal amount of \$81.5 million, with the following changes:

- Change the Proposition title from “Streets and Parking” to “Streets”
- Change bullet point 2 to: “constructing and reconstructing major and local streets, highways, and bridges within the City”

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

#### PROPOSITION NO. 6 – PUBLIC SAFETY

It was noted that for Public Safety, there is enough current bond authorization to fund the 5-Year CIP.

Vice Chair Baker suggested seeing how the remodel of the City Court building turns out before funding the construction of a new City Court building. Committee Member Hirsch noted that it was one thing to construct the building; however, it is another to operate it. Committee Member Socaciu noted the project was far out in the CIP and a later Bond Committee could consider the project.

A motion was made by Committee Member Gary Hirsch, second by Committee Member Michael Socaciu, to recommend City Council not hold a bond election for Proposition No. 6 – Public Safety.

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

## PROPOSITION NO. 7 – FLOOD CONTROL

Vice Chair Baker suggested recommendation for the 10-Year CIP. Committee Member Hirsch agreed.

A motion was made by Vice Chair Lisa Baker, second by Committee Member Gary Hirsch, to recommend City Council advance Proposition No. 7 – Flood Control, for the principal amount of \$9.3 million, with the following changes:

- Change the bullet point 1 to: “planning, constructing, equipping, acquiring, and installing flood control facilities, which may include joint facilities to be used with others”
- Change bullet point 2 to: “improvements to storm water lines and drains, flood control channels, and detention and retention basins”

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

Ms. Camacho announced that all Propositions approved will not exceed an interest rate of 8% per annum. Ms. Rios noted that this was the recommendation of the City’s financial advisor.

### 7. **STAFF REPORT**

Presented by: Vicki Rios, Assistant City Manager

Presented by: Lisette Camacho, Budget and Finance Director

Ms. Camacho announced the following:

- June 9: The ballot language will be presented to Council at Workshop and Council will vote on the ballot language in the evening.
- June 16: Next Bond Election Committee meeting
- June 21: Deadline for the final ballot language to be sent to the county.
- No Committee meetings in July
- August 4: Bond Election Committee meeting

Ms. Rios stated that the Committee Members could attend the June 9th Council Workshop; however, there is no public comment allowed at the Workshop. Ms. Rios stated that the Council voting meeting will be held June 9th at 5:30 p.m., at which public comment could be made. Ms. Camacho will send all Committee Members an invitation to the meetings.

Ms. Camacho inquired if any of the Committee Members wanted to attend the Workshop on June 9th. Ms. Rios asked if any Committee Members would want to co-present the information to the Council with staff. Committee Member Geurs and Vice Chair Baker volunteered, and it was decided they would be co-presenters.

8. **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**  
Presented by: Jon Froke, Citizen Bond Committee Chair

None.

9. **COMMITTEE COMMENTS AND SUGGESTIONS**  
Presented by: Jon Froke, Citizen Bond Committee Chair

None.

10. **NEXT MEETING**

The next regular meeting of the Citizen Bond Election Committee will be held on June 16 at 5:00 p.m., in the 4th floor conference room, located at 5850 West Glendale Avenue, Glendale, Arizona, 85301.

11. **ADJOURNMENT**

A motion was made by Committee Member John Geurs, second by Vice Chair Lisa Baker Committee Member, to adjourn the meeting at 7:18 p.m.

AYE: Chair Jon Froke  
Vice Chair Lisa Baker  
Committee Member John Geurs  
Committee Member Gary Hirsch  
Committee Member Michael Socaciu

The Bond Committee meeting minutes of June 2, 2020 were submitted and approved this 16th day of June 2020.

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Lisette Camacho  
Budget and Finance Director