

# COUNCIL MINUTES

November 21, 2005

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on November 21, 2005 at 4:00 p.m.

## COUNCIL PRESENT

Mayor Keno Hawker  
Rex Griswold  
Kyle Jones  
Janie Thom  
Claudia Walters  
Mike Whalen

## COUNCIL ABSENT

Tom Rawles

## OFFICERS PRESENT

Mike Hutchinson  
Debbie Spinner  
Barbara Jones

Mayor Hawker excused Councilmember Rawles from the entire meeting.

### 1. Review items on the agenda for the November 21, 2005 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest declared: 4e (Hawker)

Items added to the consent agenda: 7b

Items removed from the consent agenda: 6d; 7c and d; 9a

### 2. Discuss, consider and provide direction on the Mesa 2025: Financing the Future Committee's recommendation regarding an enhanced audit function.

Deputy City Manager Debra Dollar advised that information is provided in the Council packet regarding the current structure, staffing and budget for the City Auditor's Office, in addition to a five-year history of the audits conducted and information on the structure utilized in other local governments. She stated that Acting City Auditor Gary Ray was present to provide additional information and answer questions.

In response to a series of questions from Mayor Hawker, Mr. Ray advised that the City of Scottsdale's Audit Committee is comprised of Councilmembers and that the Committee reports to the entire Council. He explained that the Audit Committee in the City of Phoenix reports to the Council and includes three Councilmembers, the City Manager, the Assistant City Manager and a citizen.

Councilmember Jones, Chairman of the Financing the Future Committee, stated that a primary concern of the Committeemembers was that the activities of an Audit Committee be transparent in order to address a lack of public trust in government. He added that the Committeemembers debated whether the Audit Committee should report to the City Manager or directly to the City Council.

Discussion ensued relative to the fact that an Audit Committee could analyze the efficiency of a department and make recommendations to the Council; that audits of the Utility areas should include individuals with an understanding of utility businesses; that there is typically an overlap between financial and performance audit activities; and that the Council is interested in a broader aspect of an audit, such as determining if a specific function of City government is being operated in an effective manner.

Mr. Ray emphasized the importance of the audit function being independent in order to maintain the credibility of the process. He advised that audit reports are directed to the City Manager and Ms. Dollar. Mr. Ray added that periodically members of the press request and receive copies of the audit reports.

City Manager Mike Hutchinson stated that a "compliance audit" conducted by the Audit Office typically addresses cash handling procedures and inventory counts. He cited an audit of the Drug Abuse Resistance Education (D.A.R.E.) Program as an example of a "performance audit" that resulted in a program being terminated.

Further discussion ensued relative to the fact that the majority of the Financing the Future Committeemembers voted to have the Audit position continue to report to the City Manager, but several members expressed a preference to have the position report directly to the City Council; and that the Finance Committee could assist the Audit Office to identify areas that should be audited.

Vice Mayor Walters noted that the public perceives that the City Council is not fully aware of the actions of staff or the financial status of the City. She suggested that Quality and Organizational Development (Q & OD) staff merge with the Audit Office in order to conduct performance audits. Vice Mayor Walters also expressed the opinion that the City Auditor position should report directly to the Council.

Councilmembers Thom and Griswold both expressed support for an Independent Auditor position that would report directly to the Council.

Councilmember Whalen advised that he would like to receive additional information regarding appointed auditors in other municipalities, and he stated that he was not prepared to place the issue on a ballot at this time.

Councilmember Jones expressed the opinion that an Independent Auditor who reports directly to the Council would provide additional assurance to the public.

Mayor Hawker stated that the consensus of the Council appears to be that ballot language should be drafted to address the creation of an Independent Auditor position that reports directly to the Council. He requested that staff prepare a draft of the Charter amendment language and that an estimated budget for that activity be included for Council review.

In response to a question from Mr. Hutchinson, Mayor Hawker advised that the proposed position would primarily address “performance audits.” He added that the Council could also direct the Independent Auditor to monitor the activities of the City’s internal auditors.

Vice Mayor Walters stated that she would like consideration given to combining Q & OD with this function.

Additional discussion ensued relative to the fact that consideration should be given to combining Q & OD with the Independent Auditor’s function; and that citizens with expertise in specific areas could be invited to participate in an audit.

Mayor Hawker requested that staff provide the requested information prior to the December 19<sup>th</sup> Council meeting.

3. Hear a presentation regarding Building Safety services and financial data.

Building Safety Director Terry Williams displayed a PowerPoint presentation (a copy is available for review in the City Clerk’s Office) and provided a printed copy to each member of the Council.

Mr. Williams noted that the ultimate goal of Building Safety is to enable their customers to occupy and utilize a building as quickly as possible. He reviewed the accomplishments of the past three years, which include the following:

- Implementation of the Tidemark System.
- Additional online services.
- Adoption of International Code Council Codes.

Mr. Williams outlined the following new services offered by Building Safety:

- The Development Project Coordinator system, which assists customers in navigating the permit process.
- Call Center technology to improve customer access to information and staff’s ability to handle the call volume.
- “Expedited Plan Review” service for those who wish to pay an additional fee for faster service.
- Normal turnaround times have been reduced.
- Rebate of a portion of the fees if turnaround times are not met.

Mr. Williams reviewed data related to permit volume, commercial plan review volume, turnaround times and missed turnaround times. He reported that a “finance group” was created within Building Safety to monitor and correct permit fee calculations to insure that customers are charged the proper fees. Mr. Williams advised that three managerial positions were eliminated, and that an effort is being made to maintain staffing at a 90 percent level. He added that certain positions remain unfilled in order to reduce expenditures. Mr. Williams also reported that of the 22 items identified in the Council Priority Work Plan, only two remain to be completed: 1) fee simplification, and 2) a digitized records storage and retrieval system. He summarized the presentation by noting that the relationship between Building Safety and the development community has dramatically improved in the past three years.

Discussion ensued relative to the fact that the average number of plan reviews for a project is just over two; that a number of small projects are approved with only one plan review, but most are approved at the second review; and that staff has been able to reduce turnaround times.

Councilmember Griswold acknowledged the efforts of Mr. Williams, and he stated that Building Safety has made significant service improvements in the past few years.

Further discussion ensued relative to the fact that a filing error or an incorrectly noted penalty date account for many of the missed turnaround dates; that a backlog of cases may also be the cause of a missed turnaround date; that in a three-month period, Building Safety missed five turnaround dates out of 600 to 700 projects reviewed; and that an increased number of small projects are being approved "over the counter."

Mr. Williams noted that residential permits have been down in the past couple of years due to the fact that the available vacant lots sold faster than anticipated by the developers. He stated that many new subdivisions are now breaking ground, and that residential permits will be somewhat stronger than in the past two years. Mr. Williams advised that commercial development continues to be strong in all areas.

Vice Mayor Walters complimented Mr. Williams and his staff for the improvements implemented, and she also acknowledged the cooperation of the development community in this effort.

Mr. Williams responded to questions from Councilmember Whalen by advising that a small residential remodel may require two visits to the department. He noted that three Development Information Specialists are assigned to the counter to assist the applicants.

In response to a comment by Councilmember Thom, Mr. Williams acknowledged that the Tidemark system experienced some problems earlier in the year. He reported that corrections were made to the system, and he stated that the Tidemark system has been operating in an efficient and effective manner for the past three months.

Responding to a question from Councilmember Jones, Mr. Williams concurred that individuals with small projects who are unfamiliar with the process could become frustrated. He advised that a supervisor is always available, and that the applicants should be encouraged to request to speak to a supervisor if they require clarification of the information provided by Development Information Specialists at the counter.

Mayor Hawker thanked Mr. Williams for the update.

4. Discuss and consider a request from the Child Crisis Center to grant an exception to property ownership policy for CDBG funded projects.

Community Revitalization Specialist Lisa Hembree addressed the Council and advised that she is serving as the City's Project Manager for the Community Development Block Grant (CDBG) funds allocated by the Council to the Child Crisis Center for the new Family Resource Center. She introduced Christine Scarpati, Executive Director of the Child Crisis Center.

Ms. Scarpati advised that the property on which the Family Resource Center will be constructed was purchased from the First Christian Church utilizing CDBG funds. She reported that as a result of meetings held with the area neighbors, the proposed building has been relocated on

the site, and she noted that meetings with the neighbors would continue to be held regarding ingress and egress issues. Ms. Scarpati expressed concern that construction delays will increase the cost of the project. She requested that the Council grant an exception to the ownership policy, and that the property title be transferred to the Child Crisis Center.

In response to a question from Mayor Hawker, Ms. Hembree advised that the Council allocated CDBG funds in the amount of \$400,000 to purchase the property on which the Child Crisis Center plans to construct a \$3.3 million building to be utilized as a Family Resource Center.

Discussion ensued relative to the fact that titles to properties acquired utilizing CDBG funds are typically held by the City for 15 years; that if the Child Crisis Center had requested CDBG funding in the amount of \$400,000 in order to complete the building, the City would not hold title to the property; and that transferring the title to the Child Crisis Center removes the City as a party to the issues with the neighbors.

City Attorney Debbie Spinner confirmed that transferring title of the property to the Child Crisis Center would absolve the City of responsibility for injuries or incidents on the property and for insuring proper easements and access.

It was moved by Mayor Hawker, seconded by Vice Mayor Walters, that an exception to the CDBG property ownership policy be granted and that staff's recommendation to transfer title of the property located at 805 North Country Club Drive to the Child Crisis Center be approved.

Further discussion ensued relative to the fact that transferring the title for this project could initiate similar requests from other non-profit agencies; that the City will have access to the utility poles; that the neighbors have not produced any evidence of a legal easement; and that the Child Crisis Center staff continues to work with the neighbors to resolve the issues.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES –	Griswold-Hawker-Jones-Thom-Walters-Whalen
NAYS –	None
ABSENT –	Rawles

Mayor Hawker declared the motion carried unanimously by those present.

5. Discuss and consider approving the selection of an executive search firm for recruitment of a Police Chief.

Mr. Hutchinson advised that staff conducted telephone interviews of several executive search firms relative to recruiting for the position of Police Chief. He advised that staff recommends the firm of Bob Marin and Associates to conduct the recruitment process. Mr. Hutchinson noted that this firm recruited a Mesa Police Chief several years ago and that they recently recruited the new City of Glendale Police Chief. He reported that information was faxed to the future City Manager, Chris Brady, who concurred with staff's recommendation. Mr. Hutchinson added that, subject to Council approval, the process could begin in January.

It was moved by Councilmember Whalen, seconded by Vice Mayor Walters, that the Council approve the selection of Bob Marin and Associates as the executive search firm for the recruitment of a Police Chief.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Thom-Walters-Whalen  
NAYS – None  
ABSENT – Rawles

Mayor Hawker declared the motion carried unanimously by those present.

6. Acknowledge receipt of minutes of various boards and committees.

- a. Judicial Advisory Board meetings held February 9, March 2, and October 5, 2005.
- b. Board of Adjustment meeting held November 8, 2005.

It was moved by Councilmember Thom, seconded by Councilmember Whalen, that receipt of the above-listed minutes be acknowledged.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Thom-Walters-Whalen  
NAYS – None  
ABSENT – Rawles

Mayor Hawker declared the motion carried unanimously by those present.

7. Hear reports on meetings and/or conferences attended.

- Councilmember Thom: Mesa Sports Hall of Fame Breakfast.  
Move of the Historic Isley House.
- Vice Mayor Walters: Municipal Tax Code Commission Meeting.  
National Federation for the Blind Event.  
Boys and Girls Club Event.
- Mayor Hawker: Williams Gateway Airport Authority Board Retreat.
- Councilmember Jones: YMCA Groundbreaking Ceremony.

8. Scheduling of meetings and general information.

City Manager Mike Hutchinson stated that the meeting schedule is as follows:

Monday, November 28, 2005, TBA – Special Study Session

Thursday, December 1, 2005, 7:30 a.m. – Study Session

Monday, December 5, 2005, TBA – Study Session

Monday, December 5, 2005, 5:45 p.m. – Regular Council Meeting

Thursday, December 8, 2005, 7:30 a.m. – Study Session - Cancelled

Thursday, December 15, 2005, 7:30 a.m. – Study Session

Thursday, December 15, 2005, TBA – General Development Committee

Monday, December 19, 2005, TBA – Study Session

Monday, December 19, 2005, 5:45 p.m. – Regular Council Meeting

9. Prescheduled public opinion appearances.

a. Hear from Dr. Michael Margolis regarding mercury contamination in wastewater.

Dr. Margolis was not present.

b. Hear from Manny Cortez regarding budget cuts.

Manny Cortez, 2837 East Emelita, addressed the Council in support of funding sports programs for Mesa youth.

10. Adjournment.

Without objection, the Study Session adjourned at 5:25 p.m.

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KENO HAWKER, MAYOR

ATTEST:

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BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 21st day of November 2005. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

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