

COUNCIL MINUTES

October 18, 1999

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 October 18, 1999 at 4:17 p.m.

COUNCIL PRESENT

Mayor Wayne Brown
Jim Davidson
Keno Hawker
Bill Jaffa
Dennis Kavanaugh
Pat Pomeroy

COUNCIL ABSENT

John Giles

STAFF PRESENT

C.K. Luster
Kevin Adam
Wayne Balmer
Neal Beets
Denise Bleyle
Jamie Brennen
Candace Cannistraro
Dennis Compton
Mark Coon
Linda Crocker
John Geier
Mike Hutchinson
Barbara Jones
Wayne Korinek
Rich Lorig
Tom Mattingly
Keith Nath
Joe Padilla
Ellen Pence
David Plumb
Bryan Raines

STAFF PRESENT (CONT.)

Andrea Rasizer
Tom Remes
Becky Richardson
Sharon Seekins
Jenny Sheppard
Jan Strauss
Kim West
Mike Whalen
Bob White
Mindy White
Mark Woodward
Others

OTHERS PRESENT

Valerie Frank
Barrett Marson
Gerald Oldani
Robbie Sherwood
Others

Mayor Brown excused Vice Mayor Giles from the meeting and expressed sympathy on the recent passing of his father.

1. Review items on the agenda for the October 18, 1999 Regular Council Meeting.

All of the agenda items were reviewed among the Council and staff, with no formal action taken. There was particular discussion with regard to the following agenda items:

4. Consider the following contracts:

- *b. Two-year supply contact for automotive/truck parts as requested by Fleet Support Services Division.

In response to a question from Councilmember Davidson, Purchasing Administrator Sharon Seekins explained that the apparent low bidder, C.W. Carter Company, failed to bid on one entire category and was therefore eliminated from consideration. Ms. Seekins stated that although the bid submitted by the second lowest bidder, B & K Fleet Supply Company, Inc., is substantially higher than the low bidder, staff is recommending that B & K be awarded the contract in order to honor the requirements listed in the Request for Proposals that was issued by the City of Mesa.

City Attorney Neal Beets commented that an alternative option would be to totally rebid the project but stated the opinion that this action may be viewed as unfair and inappropriate.

Ms. Seekins advised Councilmember Davidson that future bids will be written to ensure that a majority of the contractors are qualified to bid on the contract.

- h. Gas and Water system Replacement of Fraser Drive, City of Mesa Project No. 97-87.

Councilmember Hawker indicated that he had a conflict of interest in connection with the matter currently under discussion which he wanted recorded in the minutes of the meeting and because of such conflict, he would refrain from discussing and/or participating in any manner in connection with same.

- 5. Introduction of the following ordinances and setting November 1, 1999 as the date of the public hearing on these ordinances.

- *g. Z99-88 The 1300 block of North Val Vista Drive (west side)

In response to a question from Councilmember Jaffa, City Attorney Neal Beets stated that although Councilmember Jaffa is not required to declare a conflict of interest in connection with the introduction of the above listed ordinance, he will be required to declare a conflict at the meeting in which this ordinance is discussed and considered by the Council.

- 6. Consider the following resolutions:

- c. Authorizing the sale of \$38,500,000 of General Obligation Bonds, Series 1999.
 - d. Authorizing the sale of \$7,900,000 of Street and Highway Revenue Bonds, Series 1999.

In response to a question from Councilmember Jaffa relative to the fact that both of the above listed proposed resolutions contain emergency clauses, Assistant to the City Manager Bryan Raines explained that the clauses are the recommendation of the City's Financial Advisor. Mr. Raines added that delays may negatively impact the sale of the bonds.

- *e. Approving and authorizing the City Manager to execute an agreement between the Central Arizona Water Conservation District (CAWCD) and the City of Mesa.

Councilmember Hawker requested that staff provide information at a later date relative to whether banked water credits are reflected as an asset on the City's balance sheet.

In response to a question from Councilmember Davidson, Mr. Beets stated the opinion that Councilmember Davidson is not required to declare a conflict of interest relative to this agenda item.

- 7. Consider the following ordinances:

- b. A98-5 – Annexing the south side of East McDowell Road from North Waterbury road east to North 90th Street.

Community Development Manager Wayne Balmer advised that this item was continued from the September 21, 1999 Regular Council Meeting in order to allow time for a study to be conducted relative to desert uplands policies and regulations. Mr. Balmer said that this item is an annexation of a property which has already participated in the County's zoning process.

Councilmember Hawker questioned whether the City of Mesa would be allowed to charge higher rates to properties that are not located within the City's water service area and noted that the City does not receive any long-term benefits from those parcels.

Mr. Beets indicated his intention to follow up on Councilmember Hawker's question and also brought up the issue of whether the City is required to provide service outside of the City's corporate limits.

Councilmember Hawker requested that both of these issues be the subject of a future discussion and said that he would like to review fee schedules and pursue the possibility of charging higher rates in non-incorporated areas of the City

In response to comments from Mayor Brown relative to this case, Ralph Pew, an attorney for the applicant, indicated his intention to discuss this case in depth at the ensuing Regular Council Meeting.

8. Consider the following recommendations from the Police Committee:
 - a. Awarding Diversified Towing, Inc., dba Cactus Towing, an extension of the existing contract for accident recovery towing service as recommended by the Police Committee.

Councilmember Jaffa indicated that he has a potential conflict of interest in connection with the matter currently under discussion which he wanted reflected in the minutes of the meeting and because of such conflict, he would refrain from discussing and/or participating in any manner in connection with same.

9. Consider the following subdivision plat:
 - *a. SUPERSTITION TRIANGLE BUSINESS PARK UNIT 1.

In response to a question from Councilmember Davidson, Mr. Balmer explained that the zoning on this particular case was previously approved and said that consideration of the subdivision plat is the issue currently before the Council.

2. Hear presentations from representatives of the following relating to their Proposals to provide City Manager search services.
 - a. DMG-Maximus
 - b. The Oldani Group

Valerie Frank, representing DMG-Maximus, addressed the Council and expressed company president Norm Roberts' apologies for not being present at the meeting. Ms. Frank explained that Mr. Roberts was in the process of conducting previously scheduled interviews and was unable to cancel the appointments.

Ms. Frank presented a brief overview of DMG-Maximus' history and qualifications and advised that the company has been in the business of executive recruitment for approximately 30 years. Ms. Frank outlined a number of major cities and towns which have utilized the services of DMG-Maximus, some on a repeat basis, and emphasized the company's experience in minority placement and private-sector recruitment.

Discussion ensued relative to the company's practice of continuously generating new candidates and performing new research to identify the most highly qualified applicants for every position, the company's extensive data base which contains between 15 and 20,000 resumes, the company's pro-active philosophy and operations, follow up calls and letters, background checks, degree and reference verification, internet searches, the company's policy of contacting all of the applicants' former supervisors during the previous 15-year period of time, and the fact that peers and subordinates are also contacted to provide relevant input.

Ms. Frank informed the Council that all of the research materials and data is compiled in a report that is submitted to the hiring agency and said that a typical executive search process will take approximately 100 days to complete. Ms. Frank commented that although the outlined process has proven successful, the company is willing to entertain suggestions for possible modifications to the search proposal.

In response to a question from Councilmember Pomeroy, Ms. Frank stated that although the company will advertise for the position, they do not rely on this method alone to locate qualified applicants. Ms. Frank noted that supplemental information forms which the applicants are required to complete, contain proposed hire dates, and said that the candidates are asked to indicate whether they would be able to begin employment on a specified date should they be selected.

Additional discussion ensued relative to the importance of public input, a recommendation to appoint a citizen advisory committee to discuss qualifications and attributes desirable in candidates for the position, the fact that the firm carries sufficient liability insurance, the fact that if selected, Mr. Roberts will attend every meeting and personally meet with all of the candidates prior to the interviews that will be conducted by the members of the Council.

In response to a question from Mayor Brown, Ms. Frank reported that five years is the average length of time City Managers remain in that position but added that exceptions do exist.

Ms. Frank commented that candidates for the position who are currently employed by the City of Mesa are encouraged to apply and said that the firm will verify degrees and certifications but does not typically perform background checks.

Ms. Frank stated the opinion that approximately five to seven candidates will be selected to participate in the interview process.

Ms. Frank thanked the Council for the opportunity to represent Mr. Roberts and provide information relative to DMG-Maximus' qualifications and expertise in the area of executive recruitment.

Mayor Brown thanked Ms. Frank for her presentation and advised that following a presentation by Gerald Oldani, representing The Oldani Group, the Council will deliberate and possibly select the firm to conduct the search for a City Manager for Mesa.

Gerald Oldani, President of The Oldani Group, addressed the Council and presented a brief overview of his firm's background, qualifications, and experience in the executive search field. Mr. Oldani informed the Council that his organization has four affiliate offices throughout the United States and stressed the organization's networking ability and regional resources. Mr. Oldani advised that 95% of the final candidates selected by The Oldani Group are the result of direct recruitment as opposed to responses to advertisements

and added that the Council would be advised if an applicant participated in a previous recruitment effort conducted by the organization.

Discussion ensued relative to the fact that the Council would receive periodic status reports on the search process, staffing, the fact that The Oldani Group is the only search firm nationally that offers a two-year guarantee, the fact that the company has only had to honor one guarantee during its entire history, the fact that an average candidate placed by the firm remains in the position for approximately 7 ½ years versus the national average of 4 ½, behaviorally-based interviews, and the firm's extensive experience and expertise in this field.

In response to a question from Councilmember Pomeroy, Mr. Oldani stated that an average interview lasts approximately three to four hours and added that although the firm usually selects five to six applicants to participate in the interview process, as many as 20 may be qualified. Mr. Oldani said that he will seek the Council's direction in narrowing the list of candidates should an abundant number of candidates be identified. Mr. Oldani also advised that the proposed search schedule may be amended to accommodate the City's goals.

Additional discussion ensued relative to the fact that current City employees may apply for the position, the fact that The Oldani Group receives a set fee and does not receive a percentage of the selected candidate's salary, and the extensive interview process that is conducted by the firm.

Mr. Oldani thanked the members of the Council for the opportunity to present the firm's qualifications and said that if selected, The Oldani Group will provide excellent service to the City of Mesa.

Mayor Brown thanked Mr. Oldani for his presentation and said that the Council will enter into deliberations in an effort to select a firm to locate a City Manager for Mesa.

3. Discuss and consider the Proposals from DMB-Maximus and The Oldani Group.

Mayor Brown requested input from the Council and said that he is inclined to act on the selection of a firm at this time. Discussion ensued among the members of the Council relative to DMG-Maximus and The Oldani Group's presentations.

It was moved by Councilmember Pomeroy, seconded by Councilmember Jaffa, that The Oldani Group be selected to conduct a City Manager executive search for the City of Mesa.

Councilmember Davidson indicated that he preferred DMG-Maximus and stated the opinion that the firm possesses more experience in the area of high profile executive management searches.

Councilmember Hawker advised that although both firms conducted excellent presentations and appear qualified to perform the job, he will support DMG-Maximus.

Councilmember Kavanaugh concurred that both firms possess the necessary expertise but said that he too will vote in support of selecting DMG-Maximus to conduct the City's search.

Mayor Brown commented that he will vote against the motion and also support DMG-Maximus.

Councilmember Jaffa stated that he prefers The Oldani Group and commented on Mr. Oldani's thorough presentation.

Upon tabulation of votes, it showed:

AYES - Jaffa-Pomeroy
NAYS - Brown-Davidson-Hawker-Kavanaugh
ABSENT - Giles

Mayor Brown declared the motion failed by majority vote of those present.

It was moved by Councilmember Hawker, seconded by Councilmember Davidson, that DMG-Maximus be selected to conduct an executive search for a City Manager for the City of Mesa.

Mayor Brown declared the motion carried unanimously by those present.

Mayor Brown requested the Ms. Frank and Mr. Oldani be asked to rejoin the meeting. Mayor Brown thanked both firms for their presentation and stated that although both organizations are qualified and possess the expertise to carry out the job, the Council has selected DMG-Maximus. Mayor Brown advised Ms. Frank that City Attorney Neal Beets will contact her firm regarding the process.

Ms. Frank and Mr. Oldani thanked the Council for allowing them to participate in the process. Ms. Frank expressed her firm's appreciation to the Council for selecting DMG-Maximus to conduct the search for the City of Mesa.

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

- a. Council City Manager Search Committee meetings held September 15 and October 6, 1999.
- b. Design Review Board meeting held September 29, 1999.
- c. Finance Committee meeting held October 11, 1999.
- d. Police Committee meeting held October 7, 1999.

It was moved by Councilmember Kavanaugh, seconded by Councilmember Pomeroy, that receipt of the above listed minutes be acknowledged.

Mayor Brown declared the motion carried unanimously by those present.

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

Mayor Brown advised that there were no reports on meetings and/or conferences attended.

6. Scheduling of meetings and general information.

City Manager Charles Luster advised that the meeting schedule is as follows:

Tuesday, October 19, 1999, 2:00 p.m. – Transportation Committee

Tuesday, October 19, 1999, 6:00 p.m. – Transportation Committee

Wednesday, October 20, 1999, 4:00 p.m. – Fire Committee

Thursday, October 21, 1999, 7:30 a.m. – Study Session

Thursday, October 21, 1999, 4:00 p.m. – Police Committee

Monday, October 25, 1999, 5:30 p.m. – Utility Committee

Wednesday, October 27, 1999, 4:00 p.m. – General Development Committee

7. Prescheduled public opinion appearances. (Prescheduled appearances will begin after the preceding scheduled agenda items, which should be about 5:30 p.m. there will be a maximum of three speakers for three minutes per speaker).

Mayor Brown stated that there were no prescheduled public opinion appearances.

8. Adjournment.

Without objection, the Study Session adjourned at 5:49 p.m.

WAYNE BROWN, MAYOR

ATTEST:

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 18th day of October 1999. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 1999

BARBARA JONES, CITY CLERK