



City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301

City Council Workshop Agenda

Mayor Jerry Weiers
Vice Mayor Ian Hugh
Councilmember Jamie Aldama
Councilmember Samuel Chavira
Councilmember Ray Malnar
Councilmember Lauren Tolmachoff
Councilmember Bart Turner

Tuesday, December 1, 2015

1:30 PM

Council Chambers - Room B3

Workshop

One or more members of the City Council may be unable to attend the Workshop or Executive Session Meeting in person and may participate telephonically, pursuant to A.R.S. § 38-431(4).

CALL TO ORDER

WORKSHOP SESSION

1. [15-775](#) COUNCIL ITEM OF SPECIAL INTEREST: DEVELOPING A BROADER PLAN TO ADDRESS THE CONDITION OF VACANT PROPERTIES
Staff Contact and Presenter: Sam McAllen, Director, Development Services
Staff Presenter: Tim Boling, Code Compliance Administrator
2. [15-777](#) COUNCIL ITEM OF SPECIAL INTEREST: SERVICE LINE WARRANTY PROGRAM
Staff Contact: Craig A. Johnson, P.E., Director, Water Services
Staff Presenter: Craig A. Johnson, P.E., Director, Water Services
Staff Presenter: John Henny, Deputy Water Services Director

CITY MANAGER'S REPORT

This report allows the City Manager to update the City Council. The City Council may only acknowledge the contents to this report and is prohibited by state law from discussing or acting on any of the items presented by the City Manager since they are not itemized on the Council Workshop Agenda.

CITY ATTORNEY'S REPORT

This report allows the City Attorney to update the City Council. The City Council may only acknowledge the contents to this report and is prohibited by state law from discussing or acting on any of the items presented by the City Attorney since they are not itemized on the Council Workshop Agenda.

COUNCIL ITEMS OF SPECIAL INTEREST

Councilmembers may indicate topic(s) they would like to have discussed by the Council at a future Workshop and the reason for their interest. The Council does not discuss the new topics at the Workshop where they are introduced.

MOTION TO GO INTO EXECUTIVE SESSION**1. CALL TO ENTER INTO EXECUTIVE SESSION****EXECUTIVE SESSION****1. LEGAL MATTERS**

A. The City Council will meet with the City Attorney for legal advice, discussion and consultation regarding the city's position in pending or contemplated litigation, including settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. § 38-431.03(A)(3)(4))

B. Council will meet to discuss and consider records exempt by law from public inspection and are specifically required to be maintained as confidential by state or federal law. (A.R.S. § 38-431.03(A)(4))

C. The City Council will meet with the City Attorney for legal advice, discussion and consultation regarding the city's position on Urban Irrigation matters. (A.R.S. § 38-431.03(A)(3)(4))

2. LEGAL MATTERS - PROPERTY & CONTRACTS

A. Discussion and consultation with the City Attorney to receive an update, consider its position and provide instruction and direction to the City Attorney regarding Glendale's position relating to annexation boundaries, real estate and taxation issues concerning the area in, near and surrounding Litchfield and Camelback Roads. (A.R.S. § 38-431.03(A)(3)(4))

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. § 38-431.03(A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. § 38-431.03(A)(2));
- (iii) discussion or consultation for legal advice with the city's attorneys (A.R.S. § 38-431.03(A)(3));
- (iv) discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. § 38-431.03(A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. § 38-431.03(A)(7)).

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. § 38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless the City Council takes a legal action at a properly noticed open meeting to approve of such expenditure prior to incurring any such obligation or indebtedness. A.R.S. § 38-431.07(A)(B).



Legislation Description

File #: 15-775, Version: 1

COUNCIL ITEM OF SPECIAL INTEREST: DEVELOPING A BROADER PLAN TO ADDRESS THE CONDITION OF VACANT PROPERTIES

Staff Contact and Presenter: Sam McAllen, Director, Development Services

Staff Presenter: Tim Boling, Code Compliance Administrator

Purpose and Recommended Action

At the September 15, 2015 Council Workshop, Councilmember Aldama identified a Council Item of Special Interest asking staff to develop a broader plan to address the condition of vacant properties citywide. This report provides City Council with information on how the Code Compliance Division addresses property maintenance violations on vacant properties and identifies how staff has expanded those efforts citywide.

Background

The Development Services Department's Code Compliance Division is responsible for ensuring private properties are maintained in compliance with established city standards that have been adopted as city codes. Some of these codes apply to the condition of vacant properties; both vacant unimproved lots and properties with vacant structures on them. In most cases, enforcement action is initiated when staff receives a complaint from a resident identifying a property with possible code violations. Staff takes enforcement action when a code violation is observed by a Code Compliance Inspector. As of October 31, 2015, 78 percent of all Code Compliance cases were initiated in response to resident complaints while last Fiscal Year, 68 percent of the cases were complaint based. Once a violation is observed on a property, staff research ownership and send a Compliance Order to the property owner to begin the enforcement process.

Arizona State Statute (ARS) 9-499 provides the legal authority for cities and towns to "compel the owner, lessee or occupant of property to remove from the property and its contiguous sidewalks, streets and alleys any rubbish, trash, weeds or other accumulation of filth, debris or dilapidated buildings that constitute a hazard to public health and safety". ARS 9-499 also requires that "The notice shall be given not less than thirty days before the day set for compliance and shall include the legal description of the property and the cost of such removal to the city or town if the owner, occupant or lessee does not comply". In Fiscal Year 2014-15, Code Compliance staff coordinated abatement of violations on 115 properties at a total cost of \$23,469. We call this city coordinated abatement process our Clean and Lien Program.

Prior to Code Compliance Inspector reductions (13 Inspectors in 2008-09 to eight Inspectors currently) that took place as the city adjusted to the recent economic downturn; Code Compliance staff performed systematic proactive neighborhood audits and opened cases on occupied and vacant properties as soon as a violation was observed. Early violation detection provided quick relief for neighbors and helped sustain neighborhood conditions in accordance with city standards. The Code Compliance Division's current staffing levels do not allow for that same level of proactive neighborhood audits, rather, inspections staff is assigned

to geographic grid sections to maximize responsiveness to resident complaints. In addition to the current allocation of Code Compliance Inspectors, the Code Compliance Division has successfully applied for and received Community Development Block Grant, CDBG, funding and hired one temporary Code Compliance Inspector. That Inspector conducts proactive residential inspections in low and low/moderate income neighborhoods. The location where CDBG funding activities can take place, such as our proactive residential inspections, is established by the Federal Government and is a condition for appropriation of CDBG funds.

Analysis

Code Compliance staff resolved 7,163 cases in Fiscal Year 2014-15 with about 5 percent involving a vacant property. That was accomplished during a time period when the Division had staff vacancies and was not fully staffed at any point during the fiscal year. The Division has recently become fully staffed and benefits from having an additional Code Compliance Inspector, CDBG funded, working in our community.

The following actions are currently taking place to broaden the city's ability to address violations on occupied properties, vacant properties and unimproved lots.

- The city has been divided into eight (8) geographic grids and each grid is assigned to a Code Compliance Inspector who addresses the reported and/or observed violations within those grids.
- An additional Code Compliance Inspector, funded with CDBG funds, has been hired and directed to focus on addressing code violations observed on vacant properties and undeveloped lots within CDBG eligible neighborhoods.
- The City Council approved additional abatement "Clean and Lien" funding for use by the Code Compliance Division during Fiscal Year 2015-2016. These funds are being used to abate violations on vacant properties using the city's Clean and Lien Program.
- The Division is recruiting volunteers to remove illegal signs which allow Code Compliance Inspectors to focus more time addressing violations on properties within their assigned grids.
- While participating in community/neighborhood events, Code Compliance staff is promoting the need for residents to report visible violations on private properties (vacant or occupied) so the violations may be appropriately addressed.
- The Division recently participated in a City Council sponsored Code Compliance Information Meeting that was attended by more than 80 residents and is currently being broadcast on Channel 11. The program encourages residents to contact Code Compliance to report observed violations on vacant properties.
- The Division is preparing Code Compliance information for the upcoming semester of Glendale University. Along with teaching about property violation awareness, the Code Compliance presentation will emphasize the need for residents to report observed violations on vacant properties.
- The Code Compliance Division submitted a new application for CDBG funding (Fiscal Year 2016-17) which, if successful, will continue funding one additional Code Compliance Inspector who can address violations in CDBG eligible neighborhoods.

Conclusion

The Code Compliance Division plays a critical role in maintaining the established city standards that promote the health, safety and physical conditions of our neighborhoods and community. The Division has recently

become fully staffed, and has taken the action steps identified above to increase enforcement actions on private properties, vacant or occupied, with code violations and is working to expand our cooperative partnership with residents and volunteers to address and correct code violations in a timely manner.



Legislation Description

File #: 15-777, Version: 1

COUNCIL ITEM OF SPECIAL INTEREST: SERVICE LINE WARRANTY PROGRAM

Staff Contact: Craig A. Johnson, P.E., Director, Water Services

Staff Presenter: Craig A. Johnson, P.E., Director, Water Services

Staff Presenter: John Henny, Deputy Water Services Director

Purpose and Policy Guidance

At the May 19, 2015 City Council Workshop, Councilmember Sherwood identified a Council Item of Special Interest asking about service line warranty programs.

Staff provided City Council with a presentation on his topic at the October 20, 2015 Workshop meeting. A consensus was reached to have staff gather more information regarding service line warranty programs.

This report provides the City Council additional information related to private water and sewer line protection programs.

Background

A water/sewer line warranty program is a private warranty policy that provides homeowners the ability to safeguard themselves from unexpected, costly service line repairs that are caused by normal wear and tear such as tree roots and aged service lines. These warranties cover repairs for broken or leaking water and sewer lines on private property and outside the City's area of responsibility.

The City's obligation is to allow the use of the City logo on marketing material including letters, and advertising sent to Glendale residents. While there have not been any direct costs identified, there would be an indirect cost of staff time to manage the contract and review marketing materials. In return, the City would receive a license and/or royalty fee for the right to use the City's name and logo. The revenue received by the City is dependent on the terms and conditions of the partnership agreement.

Currently, staff is aware of five cities in Arizona that have a service line warranty program within their community, four of which partner with an outside provider. Those Cities include: Phoenix, Tucson, Avondale, Mesa and Tempe. The cities of Phoenix, Tucson, Avondale and Mesa have an agreement with Service Line Warranties of America (SLWA). Tempe's Service Line Protection Program is self-funded and administered in-house.

Analysis

The following addresses the additional information requested by Mayor and Council:

1. Public outreach identifying the City’s responsibility vs. the customer’s responsibilities for water and sewer line repairs.
 - a. There will be an article in the 2015 Clean and Green newsletter, which is sent to all Glendale residents.
 - b. The Water Services Department has updated the department’s website. The following statement has been included on the website: “Service Line Warranties are available to the public for purchase on the open market.”
 - c. The website link directing Glendale customers to the department’s website will be included in a future water bill.
2. Fee structure differences based on the age of home and/or location.
 - a. Based on our initial conversations with three private warranty providers, the fee that is established would be the same city-wide.
3. Participation/penetration rates for other Arizona cities using the Service Line Warranties of America (SLWA) program are as follows:

<u>Market</u>	<u>Current Enrollments</u>	<u>Enrollment %</u>
Tucson	16,319	17%
Avondale	1,012	8%
Phoenix	63,851	30.21%
Mesa	9,159	11%

4. Nationwide cities sponsoring a public/private partnership for service line warranties.

American Water Resources has contracts with New York City, Orlando Utilities Commission (OUC), Nashville, TN Metro Water Services, Burlington Iowa, Rialto CA, Georgetown SC (Intent to Award), and Wilmington DE (Intent to Award).

Service Line Warranties of America (SLWA) has almost 300 cities nationwide that participate in the SLWA program including: Phoenix, Tucson, Mesa, Avondale, San Diego, Santa Fe, Las Vegas, Atlanta, Tulsa, Newark and Arlington.

HomeServe USA has contracts with utility providers throughout the country including Charleston Water Services; De Moines; Florida Public Utilities; Louisville Water; and City of Baltimore.

5. Potential revenue opportunity for Glendale.

Although every agreement is negotiated, based on initial discussions with three private warranty providers the approximate potential revenue opportunities are as follows:

- One-time revenue: \$40,000-\$90,000
- On-going revenue based on enrollment: \$0.50-\$0.90 per policy/per month

Community Benefit/Public Involvement

Recognized benefits of a service line warranty program to consider include:

1. No direct cost to the City to participate.
2. Revenue sharing opportunity with the City.
3. Optional program for Glendale residents.
4. Creates awareness by informing homeowners of their service line responsibilities.
5. Repairs are made by local contractors when possible.

On May 7, 2014, the Water Services Department presented information related to service line warranty programs to the Water Services Advisory Commission (WSAC). The WSAC expressed a belief that these types of programs were not ones it felt the City should pursue and by way of vote declined an opportunity to endorse these programs.

Budget and Financial Impacts

While there have not been any direct costs identified, there would be an indirect cost of staff time to manage the contract and review marketing materials. In return, the City would receive a license and/or royalty fee for the right to use the City's name and logo. The revenue received by the City is dependent on the terms and conditions of the partnership agreement.

Conclusion

Staff is seeking City Council guidance on the use of the City logo for the sole purpose of endorsing a private water and sewer line warranty program. If Council supports this type of private/public partnership, staff will begin the process of soliciting a private vendor(s) through a request for proposal (RFP).