



Minutes of MAYOR AND COUNCIL Meeting

Approved by Mayor and Council
on April 12, 2005

Date of Meeting: June 7, 2004

The Mayor and Council of the City of Tucson met in regular session, at the Tucson Convention Center Ballroom, 260 South Church Avenue, Tucson, Arizona, at 5:36 p.m. on Monday, June 7, 2004, all members having been notified of the time and place thereof.

1. ROLL CALL

The meeting was called to order by Mayor Walkup and upon roll call, those present and absent were:

Present:

José J. Ibarra	Council Member Ward 1
Carol W. West	Council Member Ward 2
Kathleen Dunbar	Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Steve Leal	Council Member Ward 5
Fred Ronstadt	Vice Mayor, Council Member Ward 6
Robert E. Walkup	Mayor

Absent/Excused: None

Staff Members Present:

James Keene	City Manager
Michael House	City Attorney
Kathleen S. Detrick	City Clerk
Michael D. Letcher	Deputy City Manager

2. INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Minister Nathan P. Randolph, Ina Road Church of Christ, after which the pledge of allegiance was presented by the entire assembly.

Presentation

- a. Mayor Walkup presented a Historic Preservation Certificate to Kim McKay from the Tucson/Pima County Historical Commission for her work as the Project Manager on the Historic Southern Pacific Railroad Depot.

3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS

Mayor Walkup announced City Manager's communication number 278, dated June 7, 2004, would be received into and made a part of the record. He also announced this was the time scheduled to allow members of the Mayor and Council to report on current events and asked if there were any reports.

- a. Council Member Dunbar announced on Father's Day, June 20, 2004 the Ward 3 Dog Park would be dedicated. The park is located at 2075 North Sixth Avenue.
- b. Council Member West invited everyone to a blessing service of a Hohokam burial site on Saturday, June 12, 2004 at 9:00 a.m., located at Vista del Rio Archaeological Park, on the corner of Desert Arbors and Essel.
- c. Vice Mayor Ronstadt announced at 7:00 p.m. this evening the women's professional softball team, the Arizona Heat, would be playing at Hi Corbett Field. Additionally, they would celebrate Pima Community College's Women's Softball Team, the Division I Champions.

4. CITY MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Mayor Walkup announced City Manager's communication number 279, dated June 7, 2004, would be received into and made a part of the record. He asked for the City Manager's report.

James Keene, City Manager, reported:

- a. The City of Tucson's Tucson-Mexico Trade Office was recently honored with the "Paul Fanning Award" from the Arizona-Mexico Commission. This award is presented annually to groups that have successfully worked with Mexico.
- b. The City had received four proposals from national firms to develop and build the proposed Downtown Arena.

5. LIQUOR LICENSE APPLICATIONS

Mayor Walkup announced City Manager's communication number 275, dated June 7, 2004, would be received into and made a part of the record. He asked the City Clerk to read the Liquor License Agenda.

b. Person Transfer

- | | |
|---|---|
| 1. Stein-n-Dine
7002 E. Golf Links Road
Applicant: Rae S. Pak
City 026-04, located in Ward 4
Series 6
Action must be taken by: June 20, 2004 | Staff Recommendation

Police: In Compliance
DSD: In Compliance
Revenue: In Compliance |
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c. Special Events

- | | |
|---|---|
| 1. Tucson Breakfast Lions Club
4823 S. 6 th Avenue
Applicant: Wayne F. Locke
City T054-04, located in Ward 5
Date of Event: June 18, 2004
June 19, 2004 | Staff Recommendation

Police: In Compliance
DSD: In Compliance
Parks: In Compliance |
| 2. St. Demetrios Greek
Orthodox Church
1145 E. Ft. Lowell Road
Applicant: Peter A. Matiatos
City T055-04, located in Ward 3
Date of Event: June 13, 2004 | Staff Recommendation

Police: In Compliance
DSD: In Compliance |

It was moved by Council Member West, duly seconded, and carried by a voice vote of 7 to 0, that liquor license 5b1, 5c1, and 5c2 be forwarded to the Arizona State Liquor Board with a recommendation for approval.

6. CONSENT AGENDA ITEMS A THROUGH E

Mayor Walkup announced the reports and recommendations from the City Manager on the Consent Agenda Items would be received into and made a part of the record. He asked the City Clerk to read the Consent Agenda.

A. REAL PROPERTY: CONVEYANCE OF A PORTION OF COMMON AREA "A" OF KENYON TERRACE SUBDIVISION TO THE CITY OF TUCSON FOR THE PRUDENCE LANDFILL

1. Report from City Manager JUNE7-04-276 W2

2. Resolution No. 19841 relating to real property; authorizing and approving the acceptance of an agreement for the conveyance of certain real property constituting a portion of Common Area "A" of Kenyon Terrace Subdivision to the City of Tucson; and declaring an emergency.
- B. GRANT APPLICATION: FEDERAL TRANSIT ADMINISTRATION SECTION 5309 CAPITAL GRANT APPLICATION FOR FISCAL YEAR 2004
1. Report from City Manager JUNE7-04-277 CITY-WIDE
 2. Resolution No. 19842 relating to redevelopment; approving and authorizing submission of a Federal Transit Administration Capital Grant Application in the amount of \$6,974,044 for the acquisition of 11 clean burning fuel replacement buses for the Sun Tran fleet, and Modification of Ronstadt Transit Center; and declaring an emergency.
- C. GRANT APPLICATION: FEDERAL TRANSIT ADMINISTRATION SECTION 5307 CAPITAL GRANT APPLICATION FOR FISCAL YEAR 2004
1. Report from City Manager JUNE7-04-282 CITY-WIDE
 2. Resolution No. 19843 relating to redevelopment; approving and authorizing submission of a Federal Transit Administration Capital Grant for FY 2004 in the amount of \$9,873,309 for Capital Assistance and for funding under the Surface Transportation Program (STP) through the Arizona Department of Transportation and the Pima Association of Governments; and declaring an emergency.
- D. GRANT: ACCEPTANCE OF GRANT FUNDS FROM THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY FOR A YOUTH ALCOHOL EDUCATION AND ENFORCEMENT PROGRAM
1. Report from City Manager JUNE7-04-274 CITY-WIDE
 2. Resolution No. 19844 relating to the police department; approving and authorizing the execution of a Grant Agreement with the State of Arizona Governor's Office of Highway Safety for the funding of a Youth Alcohol Education and Enforcement Program and declaring an emergency.
- E. REAL PROPERTY: ACCEPTANCE OF EARLY LEASE TERMINATION AGREEMENT FOR PROPERTY LOCATED AT 1125 SOUTH I-10 FRONTAGE ROAD
1. Report from City Manager JUNE7-04-284 W5

2. Resolution No. 19845 relating to real property; authorizing and approving an Early Lease Termination and Release Agreement with Goodyear Tire and Rubber Company, for the property at 1125 South I-10 Frontage Road; and declaring an emergency.

Mayor Walkup asked the Council's pleasure.

It was moved by Council Member Dunbar, duly seconded, that Consent Agenda Items A through E, be passed and adopted and the proper action taken.

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Dunbar, Scott, and Leal;
Vice Mayor Ronstadt and Mayor Walkup.

Nay: None

Consent Agenda Items A through E were declared passed and adopted by a roll call vote of 7 to 0.

7. CALL TO THE AUDIENCE

Mayor Walkup announced this was the time any member of the public was allowed to address the Mayor and Council on any issue except for items scheduled for a public hearing. Speakers would be limited to three-minute presentations. He said there were a number of speakers.

- a. Richard Cook, representing Council 97 American Federation of State, County, and Municipal Employees (AFSCME), addressed the Mayor and Council regarding the budget and noted "Employees need help too".
- b. Michael Toney addressed the Mayor and Council regarding the Downtown Service Center.
- c. Jay McCall, representing Life Donor USA, extended a challenge from City of Phoenix Mayor Phil Gordon to the Mayor and Council of Tucson to educate City employees to allow them to sign up to be organ donors.
- d. Linda Bohlke, representing AFSCME, addressed the Mayor and Council regarding employee compensation and urged them to reconsider the compensation plan.
- e. Wayne Lundeberg, representing the High Tech Manufacturing Industries, spoke in support of Business Linc Program.

- f. Raj Kohli, representing the Pan Asian Community Alliance, spoke in support of Community Development Block Grant (CDBG) funding for the Neighborhood After School Academy (NASA) program.
- g. John Rix spoke in support of Business Linc Program.
- h. Gretchen Lueck spoke in support of preserving 26 to 34 East Congress, the Talk of the Town Building.
- i. Winston Watson spoke in support of preserving 26 to 34 East Congress, the Talk of the Town Building.
- j. Mary Apitz, representing Tucson Meadows mobile home park, addressed the Mayor and Council with a concern regarding the amount of money the City pays for employee health insurance.
- k. Dan Coleman, representing the Tucson Symphony, addressed the Mayor and Council regarding the economic activity generated by the “Arts” and urged support of the arts funding and “bed tax” surcharge.
- l. Roy Martin, a resident of Pima County, spoke in support of the preservation of the Thrifty Block’s Talk of the Town Building.
- m. Natalie Prince spoke in support of the preservation of the historic Talk of the Town Building and 26 to 34 East Congress.

8. PUBLIC HEARING: AMENDING TUCSON CODE (CHAPTER 27) - RELATING TO AN INCREASE IN WATER RATES

Mayor Walkup announced City Manager’s communication number 283, dated June 7, 2004, would be received into and made a part of the record. He also announced this was the time and place legally advertised for a public hearing with respect to a proposed increase in water rates. This increase would go into effect on July 12, 2004.

Mayor Walkup said the public hearing was scheduled to last for no more than one hour, and speakers would be limited to five-minute presentations. He had received a number of cards and he asked the speakers to come forward when he called their name. He asked them to state their name, address, whether or not they lived in the city, who they were representing and whether or not they were being paid.

Kathleen S. Detrick, City Clerk, stated staff would like to make a brief presentation.

Marie Pearthree, Deputy Director of Tucson Water, asked Mayor and Council to approve the rate schedule that had been forwarded by the Citizens’ Water Advisory Committee (CWAC). This took ten months of effort and had also involved, for the fourth

time, a customer rate design group consisting of representatives of different rate classes. The financial plan that Mayor and Council approved on April 12, 2004 indicated water revenue increases of one and a half percent every other year. The system equity fee was primarily what had allowed the City to reduce the rate increase from 4.3 percent every year to 1.5 percent every year. The plan was to find the amount of revenues needed from water rates for fiscal year 2005. The CWAC recommended rate schedule provided the targeted revenue at one hundred million dollars.

Ms. Pearthree also stated the elements of the recommended rate schedule included increasing the Central Arizona Project (CAP) water surcharge on all potable usage by one cent per ccf (one hundred cubic feet), from three cents to four cents. There were no changes to reclaimed or potable monthly service charges. Single-family residential customers were seventy-five percent of City customers who used lower amounts of water between one and fifteen ccf's. They would only see that one cent increase that was related to CAP water, which resulted in a monthly water bill increase of twelve cents for the average user. For multi-family, commercial, industrial and construction water customers there was no increase, or just a one-cent increase. For sub-metered mobile home parks, at the request of their groups' representatives and the Customer Rate Design Group, the rate structure was proposed to be changed to a uniform structure year-round.

Ms. Pearthree also mentioned the reclaimed water rate targeted recovery of seventy-three percent of the cost of service. That rate went from five hundred seventy one dollars per acre-foot to six hundred ten dollars per acre-foot. She also said that this was a very modest increase and hopefully the Mayor and Council did not have to hear from them again until two years from then. If Mayor and Council did approve this rate increase, it would go into effect July 12, 2004.

Mayor Walkup called on the first speaker.

Irma Guzman said she started to plan for her retirement about three to four years ago. The events of September 11, 2001, took care of her 401(k). She decided to get her home in town, so she could have usage in her older years of the city bus service and to be able to live within her means. But then there was the increase in water and the possibility of the increase for garbage of twelve dollars a month. She said there was no way any human being could plan for the future with those types of increases from the City. She was an older person. She would like to live with dignity and she urged the Mayor and Council to reconsider for people like her who were trying to make ends meet. These types of increases were outrageous and she proposed an alternative. They used to have garbage collection twice a week, then it became once a week. She asked why the City could not think of garbage collection every other week instead of increasing the fee to twelve dollars. Ms. Guzman also said water was a necessity that they all needed. They liked to have water to drink, to bathe with and wash their clothes, to be able to look clean to the outside community.

Bill DuPont said he was there on behalf of his neighborhood association, Colonia Solana, and residents in that area. The Colonia Solana residents worked in 1987/1988 to

provide reclaimed water to their neighborhood. They worked on it for almost four years. The reason he was there was that they were looking at water rate increases. They had looked at using reclaimed water and the cost to them and at that time it was feasible for all residents. Since then, they visited this situation again about two years ago and it went from two thousand two hundred dollars per resident, plus the meter which was about one thousand seven hundred dollars. So almost about eighteen thousand plus meter, which was about three thousand. This was not feasible, because in the long term it did not pay for itself. His concern was what had occurred with residents putting in their own wells. A lot of those in his neighborhood respected their desire and ability to do so, but in the long run it was not saving anybody water. This was a concern to his neighborhood and he wanted the City to address this somehow.

Mr. DuPont said they would also like the City to start looking at reclaimed water for the existing neighborhoods. What upset them back then was when Civano came in. They rushed reclaimed water to them and here they were with reclaimed water on three sides of their neighborhood. He understood the need for this, but he wished the City would address the issue and make it more feasible for the neighborhoods to hook up to the reclaimed water.

Paul Mackey said he had hoped to address some remarks earlier during Call to the Audience, but he realized he could not do that. He wanted to speak generally about the whole idea of the Water Department raising their rates. The Water Department was touted as an example of enterprise funds in a self-supporting organization. They were talking about trash fees and how that was going to be self-supporting, yet they were talking about another increase in the water rates. Ever since the Water Department became self-supporting, they have seen a steady increase in rates over the years. When he was looking at the budget and he looked at where the expenditures were, he looked at various departments. There were approximately one and a half million dollars for travel and periodicals. When he asked the budget staff where all this travel money went to, he was told that the Water Department was the biggest agency using traveling funds. The point he was making was that the idea of enterprise funds self-supporting things, was fine as far as it went, but asked where the oversight was on this.

He said if they kept on indulging in travel expenditures and things like that, then they were self-supporting at the expense of the taxpayers. He stated before the Council went along with increasing rates, there needed to be a much harder scrutiny in the budgets of the travel expenditures for departments like Water and some of the others. It was very easy to speak about self-supporting, self-funded and things like that, but that was simply a way of moving it off to the side and setting up a situation where there was a lack of oversight. He asked before the Council went down the path of automatically raising the rates because somehow it paid for itself, they were self-supporting, that the Council would take a hard look at the actual object codes and items in the budgets of those departments themselves.

Jon Spalding said he had not planned on speaking on this issue, but he wanted to relate an anecdote that happened to his landlady. He worked with her to help fix up her

house that was uninhabited, to get it ready to sell. There was a malfunction in the irrigation system of that house and her water bill at the vacant house was normally about fifteen dollars a month. The Water Department went out and shut this off. It was not like it was running all over; it was just a little water in the backyard. But her bill was one hundred thirty two dollars for that one month. It appeared to him that if the City was going to put in these exorbitant water rates, there should have been something built in there for natural human error that would not cost somebody. He did not know what the percentage was, but to go from fifteen dollars a month to one hundred thirty two dollars because of a malfunction in the irrigation system for a couple of days, to him this was a bit excessive.

Mayor Walkup called on Marie Pearthree, Deputy Director of Tucson Water. He said it was an important subject to comment on. He said he knew there was a policy in place and asked Ms. Pearthree to explain what that policy was.

Ms. Pearthree said Tucson Water did have leak adjustment policy. One needed to call their customer service office and come in and speak to them or speak to them over the phone. They had a policy in place to adjust that bill and they would be glad to discuss that with Tucson Water customers.

Mayor Walkup said he had used that policy on occasion. He asked if there was anyone else who would like to speak on this particular subject. There was no one.

Mayor Walkup called on Vice Mayor Ronstadt.

It was moved by Vice Mayor Ronstadt, duly seconded, and carried by a voice vote of 7 to 0, to close the public hearing.

Mayor Walkup asked if there was any further discussion. Hearing none, he asked the City Clerk to read Ordinance 9979 by number and title only.

Ordinance 9979, relating to water; amending certain portions of the Tucson Code, Chapter 27, Article II, Rates and Charges, Section 27-31, Definitions; Section 27-32.1, Monthly Reclaimed Water Service Charges; Section 27-33, Monthly Potable Water Service Charges; and declaring an emergency.

Mayor Walkup called on Council Member Scott.

It was moved by Council Member Scott, duly seconded, to pass and adopt Ordinance 9979.

Mayor Walkup asked if there was any further discussion.

Council Member Dunbar said in light of the public hearing, for clarification purposes, she asked Ms. Pearthree how much of an increase it would be for the lowest volume user for one month.

Ms. Pearthree responded the lowest volume users, between one and fifteen ccf's, would only see a one cent per ccf increase on their water bill. That meant that if they used ten ccf's in a month, they would see a ten-cent increase.

Council Member Dunbar asked if that was a ten-cent per month increase for the average family.

Ms. Pearthree responded for the average family water bill, it was about twelve ccf's. Families that used that average amount would see just a twelve-cents per month increase.

Council Member Dunbar said this increase would be somewhere between a penny to twelve cents.

Mayor Walkup asked if there was any further discussion.

Council Member West said there was a couple of things that they ought to look at. First of all, she said Mr. DuPont was right-on. She hoped they could again go to the legislature this year to try to get these exempt wells under control, because that was a problem. In the meantime, she did not know if there was any way to help Colonia Solana with a reclaimed line, but if there was one near there she would like to suggest that they look into providing them. They had bigger lots and this might be a way to save our ground water. Council Member West asked Ms. Pearthree how Tucson Water would inform the public of these increases if they were passed.

Ms. Pearthree said they had number ways to go about that. They would put information in the water bill insert. All of their customers would be receiving an insert that would show the proposed increases, assuming they were passed. They would also put information in the newsletters that they send out to the community. Those were the two primary methods at this point.

Council Member West reiterated it was important that people understand there would be a slight increase. There were two other things that she wanted to mention, because she was beginning to hear from more people about this. First of all, there were the television ads. She said people have told her they would just prefer that Tucson Water not televise quite so often, the ads about water quality, etcetera. The other issue that came up often was the costly Water Quality brochure. Council Member West asked how much the brochure costs, per brochure, and why was it sent out.

Ms. Pearthree said they were required by the Federal Government, by the United States Environmental Protection Agency to send the brochure out once a year to all customers, including those that did not actually receive a bill. They needed to send out that report to everyone who used the water. There were very stringent requirements on what had to be in the report. It was basically a federal regulation. She said the last time she checked, and it had been a while so she could update this information for the Council,

but it cost them about fourteen cents per Consumer Confidence Report, which is what it was called, to have that developed to send out to all their customers.

Council Member West held up one of the newsletters, and on the back it said thirteen cents, so she said they were doing even better this year. She felt it was important people understood this was something that was required by Federal Government. She also noted both the City's survey and the Ward 2 survey indicated that water quality was one of the top three priorities for people, so it was important they had this information.

Mayor Walkup asked if there was any further discussion. Hearing none, he asked for a roll call on the motion.

Upon roll call, the results were:

Aye: Council Members West, Dunbar, Scott, and Leal;
Vice Mayor Ronstadt and Mayor Walkup.

Nay: Council Member Ibarra

Ordinance 9979 was declared passed and adopted by a roll call vote of 6 to 1.

9. PUBLIC HEARING: PROPOSED AMENDMENTS TO THE TUCSON CODE (CHAPTER 15) - RELATING TO REFUSE

Mayor Walkup announced City Manager's communication number 288, dated June 7, 2004, would be received into and made a part of the record. He also announced this was the time and place legally advertised for a public hearing with respect to a proposed amendment to the Tucson Code, pertaining to refuse, and to allow the public to provide input regarding the proposed Environmental Service fee.

Mayor Walkup said before the public hearing, staff would be making a brief presentation.

Eliseo Garza, Director of Environmental Services, said the Ordinance before the Council was bringing draft amendments to Chapter 15 of the Code. The amendments pertained to the authorization of the residential refuse fee and also provided some definition and clarification with respect to language in the Code. It made clear that the disposal of hazardous materials into garbage and recycling cans is prohibited. It provided some other clarifying language to the Code. He said they were not asking for the Mayor and Council to act on the draft. The final Code amendment was scheduled to be brought to the Council on June 14, 2004. The public hearing was an opportunity for residents of Tucson to comment to the Mayor and Council on the drafted language that was before them, including the proposed residential refuse fee. After the hearing he would be glad to answer any questions the Mayor and Council might have.

Mayor Walkup announced the public hearing was scheduled to last for no more than one hour, and speakers would be limited to five-minute presentations. He had

received a number of cards and he asked the speakers to come forward when he called their name. He asked them to state their name, address, whether or not they lived in the city, who they were representing and whether or not they were being paid.

Wanda Felix said she lived outside of the city, but worked for the City in Environmental Services. She was speaking on behalf of all her fellow co-workers and said they all did a really good job. She was there to address the Mayor and Council and said that last week they missed the Council because they were all at home having a Memorial Day weekend with their family and loved ones. They were also celebrating passed loved ones, while the rest of them were all working. They were the only department that worked that weekend with the exception of the Police and Fire Departments. She said it was all about them. They were the ones that picked up everyone's garbage out of their alleys and recycles to the recycling plant.

Ms. Felix said without them, she was not sure the city would get the services they did. She had a family and would like to stay home with her family as the Council did last Monday. She was there to ask if they could work on getting some of their Holidays back. As it was, they all pulled together with Holidays they had, by cleaning up half of the city prior to and the other half the day after. Without working together they would not provide the services as they had. She thanked Council Members West and Dunbar for rethinking their Saturdays, because they would like to have a normal life like rest of the city and have their weekends off.

Richard Cook, representing Council 97 of the American Federation of State, County, and Municipal Employees (AFSCME), said he was there to speak on refuse collection fees. When the City of Tucson went out to annex areas (he thought the Council should remember John Jones), one of the things that Mr. Jones and the rest of them said was they were going to give free garbage collection. Now the City was going to turn around and say that they lied. He did not think that was right, the fees were a bad idea. Once a fee was established for the garbage collection, the Council would be opening this issue up to privatization. Basically, the waste management companies could come in and compete. They could bid against the City. They would low-ball it and take it over. Mr. Cook said this needed to be stopped. He did not care if the Council wrote in this ordinance they could not do that, it would be declared illegal. He guaranteed it, stating this had been done in other cities. They tried to say that they were the only ones that could do it, then government came in and said they were not. Mr. Cook said this issue had been watched closely, because this was going to hurt the poorest people in the city. That twelve dollar a month fee was going to hurt them and he was sure they were going to remember this. In seeing how this Ordinance was written up, he felt the City was reneging on their responsibilities to the citizens of the city or attempting to. Many of the citizens were watching this, because they were all going to be affected. He asked Mayor and Council to keep that in mind.

David Fossdal said he had spoken to the Mayor and Council occasionally in the past. He was there to say no to the trash tax. This was his twelve dollars. He earned it, as did the citizens of Tucson. He urged that they keep their jobs, no privatizing and not

to hold this over their heads. This twelve dollars would go back into his pocket. He was a single guy and he generated one green barrel of trash a month. He generated two blue barrels a month. He asked why he should pay the same as the guy down the street who may have big parties every weekend and had his trash all over the neighborhood on Monday during their collection times. He asked why the lady next door to him should have to pay that, when she puts her green can out only once a month, maybe once a month on her blue can. He said he had a suggestion, since he had heard most of Council Members saying they had very tough decisions to make. Instead of always trying to balance the budget on the backs of the taxpayers and those of them who were really struggling in the audience and those folks who were watching on television, the top one hundred City employees should have their salaries cut by twenty percent right off the top.

Mr. Fossdal said he was not going to make a lot of friends by having said that, because he knew a lot of the bureaucrats. But that twelve dollars made a lot more difference to him than it would to those making over one hundred thousand dollars. The Council needed to be thinking about the working and living poor and the people who were on fixed incomes who did not have that extra twelve dollars, or those who may not generate the huge amount of trash that seemed to accumulate everywhere.

He said he had an eighty year old father who lived alone. Why should he have to take on that burden. He did not make one hundred thousand dollars; the poor guy barely paid his bills. As a matter-of-fact, family members had to make ends meet for him. Maybe that twelve dollars that he just put back in his pocket would go over to his dad's house, so he could pay this fee, this tax. He said they were not going to put up with this, not this time.

Mr. Fossdal said he had another suggestion to make. He said it had been brought up before, about the pay-as-you-throw. There were communities in British Columbia that were using radio frequency identification monitors on their trashcans. The garbage truck picked up their trash, weighed it, scanned it and the owners were billed. He asked if the Council had looked into that possibility. Since he did not hear a response, he supposed the Council had not looked into that possibility. He said his comment was really directed towards staff from Environmental Services, not the Mayor and Council. He felt somehow they were being discriminated against, because of the amount of trash they threw out and said a flat fee was not fair for the rest of them.

Mr. Fossdal said he also wanted to address the people who would be getting into the new homes on Balboa, at the new development for the low income that Habitat for Humanity and Primavera set up. He asked Mayor and Council if those people were going to afford another twelve dollars. He urged the Mayor and Council to give some thought to his suggestions.

Tim Coleman told the Mayor and Council he could understand what the other speaker related. He was glad to see this was a democracy and he could share how he felt as well. He was a City employee working in the General Services Department as a Management Assistant. While he supported the budget of the City Manager, he did not

come before Mayor and Council as a representative of General Services. He came to Mayor and Council as a resident of the City of Tucson who had entrusted the elected officials to represent him in an effort to guide the direction of the future of the City of Tucson. He wanted to spend a few minutes discussing Tucson's recent past. He believed it was a person by the name of Gene Boden (ph), who said "the study of history is the beginning of political wisdom". He was pretty sure everyone on the Council was familiar with the coffer, which was the recorded history of the City's financial records. This was produced annually and came out each year around November or December. As recently as 2002, Gatsby 34 had required that a management discussion be put in that coffer.

Mr. Coleman stated the coffer had done a very good job laying out to the lay-reader like himself, an overview of the City's financial condition. All one had to do was look at several of the past five years to see that Tucson was indeed in financial trouble. Mr. Coleman added that of particular note, was the unreserved, undesignated funds, better known as their rainy-day fund, that had dropped a whopping 82.9 percent since 1999. That figure came straight from the coffer. Currently, they had about three and a half million dollars left in the rainy-day fund.

He said the problem was in place long before September 11, 2001. That event only exacerbated the situation. Today, if they continued to rely on status quo and did not seek diversified methods to find other revenues, they would face a rather certain short run for tomorrow, whereby their bond rating would be dropped again. The investors were also watching the City of Tucson. Mr. Coleman told the Council that if they did not come up with a resolution that moved them forward soon, Moody's and other bond rating companies would reward their efforts with lower bond ratings, and make it even more difficult for the City of Tucson. What the City had done was not just use their rainy-day fund, but they had almost gotten rid of their credit cards. They had come up with other ways to solve their problem. He said Tucson had always been a little slow on moving forward. It had taken the City from 1940 to 1990 to fall four billion dollars behind. In the last ten years, the City had one-upped themselves. They were now six billion dollars behind. For the audience's benefit, he repeated that it was now six billion dollars behind. He said he did not even have the concept of that number. He told the Council they had to do something else and that something else was not necessarily a pleasure to any of them.

Mr. Coleman said the City Manager had made a valid attempt to come up with some methods to move the City forward. However, he said the attempts did come at a cost. Nothing came for free, nor should it. The purpose of the general fund was for general government, police protection, fire protection, general public safety, parks and recreation for senior citizens and youth, and special services for those with special needs. He said that was all it should be for. It was the City government's responsibility to administer federal transportation funds through HURF (Highway User Revenue Fund), mass-transit grants and community services for the poor and disadvantaged. Along with that, municipal government throughout the country also offered enterprise funds, because they could do a cheaper job than the private sector could, and quite often a better job. They currently had two. They had discussed them at the meeting; the water fund and golf fund. He said that these funds were alive and, yes, they had their problems. But they

were vibrant. They provided a valuable service to the citizens at a cost that far exceeded the value that could be obtained from the private sector.

Mr. Coleman said he would wrap up his comments quickly, but he wanted to speak about the Environmental Service's fee. Each year they spent approximately twenty million dollars out of the general fund subsidizing solid waste. He did not know if people realized it, but the sixty-five garbage trucks it took to service the city cost one hundred eighty three thousand dollars each, and they had to be changed out every seven years. He did not believe that the property taxes, where they got about one hundred dollars, covered any more than the bond rate, and maybe two weeks of the cost to pick up garbage. He thought that the four hundred million dollars that equated to could have been spent in other places, that the people who claimed they needed the help could have gotten the help they were asking for. He did not recommend that Mayor and Council just cut out garbage. He said that was not the answer. If they did this, private companies would come in. The city would lose its ability to have infrastructure within two years. That tax everybody was claiming would occur was going to get a lot worse than if they had done it themselves. They would raise the rate and then the city would lose everything. He wanted to leave Mayor and Council with two final thoughts. First from Maya Angelou, "History despite its wrenching pain cannot be unlived. However, if they had faced it with courage, it need not be lived again." He said they had been living this for about the last five years. Secondly, from George Bernard Shaw, "If history repeats itself, the unexpected always happens. How incapable must man be of learning from experience."

Linda Bohlke representing the American Federation of State, County, and Municipal Employees (AFSCME) Union, and speaking on behalf of the blue collar employees and Labor and Trades Union for the City of Tucson. She said the Mayor and Council would be facing some difficult decisions in terms of how to deal with Environmental Services and how to continue to provide a mandated service under the City Charter. She wanted to speak primarily about the fact that this was a mandated service. Trash collection, refuse collection and maintenance were all mandated under the Charter. They heard a lot of talk the last several weeks about there not being enough votes for the garbage fee, and having to contract it out and privatize it. She asked the Council to look at Chapter 4, Section 1, Number 23 of the City Charter, which stated the only way to contract out trash collection or anything to do with maintenance of landfill was by a vote of the people.

Ms. Bohlke asked the Mayor and Council to look at that and understand that if there was any move to privatize trash, they would have a fight on their hands. This was mandated under City Charter and they could not do this without a vote of the people. She said week after week, as they went through the process of budget discussions, the public came out very strongly against the privatization of trash collection. It would be a wise decision to come out against that, because private companies collected trash, but they did it for a profit. They made a profit by driving the wages of their employees down to bare minimum wage. They did it by robbing the employees of any benefits, any pension, and they did it by cutting corners of the services they provided to the communities that had privatized collection.

Ms. Bohlke asked the Council to look at the example of Phoenix. Phoenix sold off a lot of its infrastructure in trash collection and a couple of years later they had to buy it back at a considerable increase of what it sold for. She asked the Council to pull the discussion of privatization of Environmental Services trash collection off the table. She asked the Council again, to get creative in how they were going to fund this year's budget. What had been most disturbing through the process was to see where the politics of division had come into play. She heard a woman come up and talk earlier about instead of the garbage fee maybe shifting the cost of health insurance onto City employees. She said it would look good on paper in the short run, but in the long run, they would all pay for that as taxpayers. Should that cost be shifted back to the employees, the families of city employees and their children would not have health insurance coverage. They would end up on AHCCCS (Arizona Health Care Cost Containment System). They would end up at El Rio Neighborhood Health Center, Kino Hospital and in the emergency rooms. She said they already had a crisis of health care in the community, because the government at all levels had abdicated their responsibility to provide for public health. She implored the Council not to abdicate their responsibility in continuing to provide a mandated public safety service and the management in collection of refuse and trash in the community. She begged the Council to reconsider and not to pit working families from the City of Tucson against poor people and working families in the community and to use creativity and wisdom, as they approached a very difficult decision and how to fund it.

Yolanda Herrera LaFond, self-employed, said the time she spent doing volunteer work, sitting on committees, going to Phoenix to fight liquor issues, neighborhood issues and attend town-halls, meant less money in her pocket. She had no insurance, she had no AHCCCS and she was close to being without a home. She was dedicated to the City of Tucson, as were many members of her family and her neighborhood association. She could not count how many times she had come before the Council. She was at this meeting because she did not support an additional twelve dollars a month that her very tiny little budget did not have. She could not afford the water that the City asked her to pay for. She had desert landscaping and lived alone. She had struggled since her husband's death five years ago. There was no Social Security for her. She was also speaking on behalf of all retired individuals that were in her neighborhood association.

Ms. LaFond said the Sunnyside Neighborhood Association was one of the city's largest registered neighborhood associations. With the 2000 census, it was one of the highest stressed areas. They also had a high number of seniors who had always been supportive of many of the Council's issues. Every single member of the Council had come before their association at one time or another, and they have tried to come to the table with them to try to work out solutions. She thought the City of Tucson was top heavy. She thought they should start making cuts where it was going to be more visible. She did not support the privatization of refuse. She believed that the city workers were excellent employees and she was going to applaud them. She said they went above and beyond, as most everyone should.

Ms. LaFond went on to say that volunteers had saved the City of Tucson millions of dollars. She said Vice Mayor Ronstadt had said at one time, at TNAC 2000, where he gave the volunteers a standing ovation for all the dollars and cents they had saved. They were the eyes and the ears of the city and had saved the Tucson Police Department additional time in knowing where the problems of the city were. She asked the members of the audience to stand if they were against the twelve-dollar garbage fee. She understood the challenges the City Manager had put before the Mayor and Council in trying to balance the budget; but she asked they not do so on the backs of the working class poor, seniors and the children.

Joan Hemsley said she was there to protest the twelve dollars a month garbage fee. She was a senior on a fixed income, as were many of the people who were there at the meeting. She was there to say something about the additional fee. She shared a dumpster in the alley with three other families. She was a single person living by herself and generated very little garbage. When she needed to dump garbage, she could not, because the other three families did not recycle and all the recyclable items went into regular garbage. She asked the Council what she should do with her garbage, and they wanted to charge an additional twelve dollars for something she could not use. She had paid her way all her life, but her life changed now that she retired. She understood this twelve-dollar fee could be used for something other than refuse, infrastructure and things that come up. She asked if this was going to be used for garbage, or was it going to be used for something else. She did not think it was quite fair and she had been trying since July of last year to get her side of the street switched to curbside, so she could have her own trashcan. She was still waiting and she stated it was not fair. She said she happened to agree with a lot of things other people had said at the meeting.

Myrna Sorce said she was a single person and did not generate much garbage at all, but she did have her own refuse container. Their alleyways were deplorable with trash that people would throw into the alleyways. To raise their rates would not be the answer. There was no way working class, singles, retirees and seniors could pay these high fees. Ms. Sorce urged the Mayor and Council to rethink this whole situation.

Bill Harrison said he did not have the answer to the problem. He did not even understand the problem. But he did understand this problem was something that was going to cause not only inconvenience, but effect some of the living standards of some of the citizens of Tucson. This bothered him. He said if he came up with the answer the Mayor and Council would be the first ones to know, because he was sure going to think about it. Many senior citizens, his colleagues, lived on a limited income. Some of them enjoyed Social Security benefits only. During the past few years their benefit from Social Security had increased very little. Fortunately, for most of them, their fixed income expenses had not greatly increased. Their goods and services had not greatly increased and there had been very modest increases with the exception of gasoline. But now they were faced with an increase and this was what really bothered him. He had been a businessman all of his life and he had to increase his fees for goods and services. He never thought that anything would ever increase six hundred percent in one fell

swoop. This was exactly what their monthly bill was going to do. He said this seemed to be extremely excessive.

Mr. Harrison urged the Mayor and Council to rethink this plan and give them a new rate that they could all live with. Mr. Harrison noted the Council had his name and address and advised them to contact him if he could be of any support.

Paula Burton, at Tucson Meadows Senior Citizens Park, said most of them there were senior citizens that were on a fixed income. Her income was five hundred twenty two dollars a month. Her rent and her utilities were four hundred thirty three dollars a month. Her medicines for her heart problems, etcetera, were one hundred dollars a month. Gasoline had gone up to where it costs her forty dollars to fill up her tank. She did not know where she was going to find the twelve dollars, when she did not have the rest of the money for bills. She had a little bit of savings that she kept taking out to make up the difference. This was not going to last the rest of her life; she was sixty three years old. She wanted to register a complaint by saying that most senior citizens got discounts at restaurants and at other places. She thought maybe at least the Council could give senior citizens a discount on the trash pick up.

Ann McLaughlin said she had been a resident of Tucson and had been a very happy resident for the last twenty-one years. She was a seventy five year old widow and was still working. She worked part-time and she did not mind working as long as she was healthy enough to work. She started working when she graduated from high school at the age of sixteen. That was fifty-nine years ago. Medical cost for her husband's illness over thirteen and a half years depleted their retirement from Xerox Corporation and Eastman Kodak. So now she was living on a fixed income and, as she said, she worked part-time.

Ms. McLaughlin said this increase would be a real hardship for her, with food prices sky rocketing the way they were. She did not have much garbage, at least not worth twelve dollars a month to carry away. Twelve dollars a year would be more within her budget. She did not understand why so much money was spent on mammoth garbage barrels in the first place. She could use it for storage. She could rent it out, perhaps. She certainly could not fill it. She did not even have enough garbage once a month. But because of the heat causing bad odors, she rolled that barrel out to the curb faithfully to put her little bit of garbage out. She had a question that had been bothering her for quite sometime. When out-of-state people who wanted to live and work in this beautiful city and enjoy beautiful weather, when they were hired, were their salaries adjusted to reflect the Right to Work state wages. She asked if not, why not. Why not promote growth from within.

Barbara Thompson said she managed a fifty five plus age manufactured home community of which she was also a resident owning her own home. Manufactured homes were affordable housing to many people, including herself. Many of her neighbors had only their Social Security pension to live on and obviously found it difficult to make ends meet each month. Some took advantage of discounts offered by

Tucson Electric Power and Southwest Gas, but many still had problems finding the money to pay their bills. Another twelve dollars a month paid for trash pick-up would make their lives even more stressful. She was sure this applied to many of the residents of Tucson. Charging all citizens of Tucson the same amount for trash pick up was also difficult to understand.

Ms. Thompson said many of her neighbors had very little garbage or recyclables to be picked up. Yet, they would have to pay the same amount as large families. They were very proud of their well-kept community and, although many of them were on limited incomes, they could still voice their opinions. She said she was British by birth and American by choice and appreciated this opportunity to express her concerns not only for herself, but also for the neighbors in her community. They all had budgets to balance and some of them did it better than others. She urged the Council not to balance the City's budget on the backs of those who could least afford it.

Jon Spalding said he probably was the only person who was not terribly opposed to the garbage fee. He had lived in a lot of cities and had experienced that. Although, he wanted to echo people's statements that they would hate to see it go privatized because it would just go non-union with no benefits. He wanted to see the Council think a little more outside the box. It was not very long ago when they had the little green recycle bins and the people came around; then all of a sudden at four in the morning, he heard this big "crash!" Then there were these dumpsters that they knocked off back of the truck with no wheels. These were delivered to everybody's house, with a number on it. He assumed that it was now ascribed to his property, so now Ashcroft would find out every can of pork and beans and bottle of beer that he put in there. The point was that he heard there was something over a million dollars that was spent on these dumpsters. Every week that it went by, he did not know if it went into the trash or recycle bin. He said he called up his City Councilman and asked why they were only getting twenty-three percent or something out of this when there was thirty-three percent recyclable. Why not put everything in the dumpster and recycle it wet, instead of making eight hundred fifty thousand people sort out the recyclables, pick it all up in one thing and sort it out there. Then the City would get everything that they wanted except for whatever might be damaged, because it was in with coffee grounds and things.

Mr. Spalding said this was just one example of a lot of things that he saw done by the City. If it was their own money there would not have been a million dollars going into blue barrels. Somehow they would have figured out a better way to recycle, without having to spend a million dollars to do it and then turn around and tell everybody that they were going to have to start charging for this. He lived on a fifty foot wide lot. It did not appear to him that it was going to be near as costly to go down every fifty feet and pick up something as it was for somebody living out on these two and a-half acre tracts of land. A lot of the people present were talking about living in mobile home parks and those were real close together. It seemed to him that there could be some kind of an adjustment for a fee based on that. He said there were a lot of engineers in Tucson and they could go around and tell how much garbage somebody used on an average basis.

This way the City could make an adjustment for single people, or if there were only a couple of people in the home, have them make an application to the Environmental Services Department stating that there were only two people living there. They could have them adjust their bill versus somebody who had six, eight or ten people.

Mr. Spalding felt there had to be some way, if this fee was necessary, that the Council could think outside the box and quit trying to look for ways to spend money on Rio Nuevo and snake bridges. He said that people must lay awake at night dreaming up these things. He did not know who uses this bridge, but he said he was driving down Palo Verde and there was a great big bicycle path there and it was 106 degrees. There were surprisingly two people on that bridge in 106-degree temperature. He asked how much the bridge cost, with a bridge across the arroyo and everything. He asked if the Council would have spent the money on those kinds of things if it had been their money. He also said that when he was commenting to some of the people within the city about the wet recycling, they said there were members of the City Council that did not want wet recycling because then the public would not be involved.

Mr. Spalding said the Council felt that the public should have a personal involvement in their recycling, so they had a hand in it and they knew what was going on. He added that they had enough trouble just trying to get through a day without trying to figure out whether a cup was angled this way to go down in the recycle bin, or was it the other way. He asked the Council to give them a break and try to be of service to them.

Rosemary Koshmider said she was a single person and, like so many others had said, did not have that much garbage. She added two dollars a month would be a great amount to be charged, because they just did not have that much garbage. She had been there almost six months and she had not put out her garbage can yet. This was too much for a single person.

Herman Paul said he would like to speak on the garbage tax, which was referred to as a fee. Like the man earlier from Business Linc said, he would summarize his comments with one word. The businessman's word was "value", but his word was "vote". Mr. Paul said he represented the homeowners association of Pantano Vista/Harrison Hills Community, and it had about six hundred homes, probably about one thousand two hundred voters. They were going to watch very carefully how the Council voted.

Donald Heywood said he was a disabled veteran and he lived on a very limited income. He was very much against the tax and could not figure out where this was going to end. He asked why they could not just tax people in the foothills a fire tax. If the Council were going to tax people who were barely making it, why not tax people who were spending millions of dollars on every year fighting the fires in their backyards up in the foothills. Why not tax them a fire tax.

Virginia Childs, representing the Desert Shores Mobile Home Park, said she had been a mobile home owner for over forty-five years and she lived in that park all that

time. Like many of her neighbors, she was on fixed income. Many of them were retired. She had State retirement and Social Security, and that was her only income. She just paid her monthly bill and she noticed that, before any other taxes, she was paying ninety-seven dollars a year in City, State, and sales taxes. If a garbage tax were placed upon her, it would be another one hundred forty-four dollars a year, adding up to about two hundred fifty dollars a year in taxes. She thought that was a lot of money. Again, she said she lived alone and did not have a lot of garbage either. She managed to recycle, which cut it back even more. She was opposed to the tax and hoped that the Mayor and Council listened to them and voted accordingly.

Dick Hughes said he approved this message. He asked how many people remembered Laugh-In, and said that use to be a religion. He asked how many people remembered Sammy Davis, Jr., who said, "Do the name Ruby Begonia ring a bell". He said he wanted to paraphrase it and asked did the word "recall" ring a bell.

Paul Mackey said he had been a resident of Tucson for over thirty-six years, and there were two points he wanted to address. One of the issues before the Council was to create a situation where the refuse fee and all environmental service fees were set aside as an enterprise fund. He questioned the whole idea of going in this direction, stating it had a certain superficial attraction, which was that it should be self-supporting and would operate as a business.

Mr. Mackey said as they looked at running many of these operations like the Water Department, when money was earmarked specifically for these things, instead of becoming more efficient they ended up having a guaranteed source of income. This was supposed to be a business model. He asked what business had guaranteed income and what business had incentives to economize unless there were things out there in the public sector driving it. Yet, what they had was a case where they would insulate this from public pressure. It would be set off to the side by itself. There were certain attractions to it. It would help the bonding situation. It would relieve pressure so that there would be more money in the general fund. In other words, there would be more money to spend on other things, but those in themselves might even be questionable. He said there was a serious question here about going down this path towards an enterprise fund and exactly what it meant. To him, this meant it would take it away from the intense scrutiny that it really should have.

Mr. Mackey said when he was looking at some of the budget things, he went back to look at object codes and line item things like travel. He found that departments like Water where enterprise funds were removed from public scrutiny had the highest costs. This was one of the things that troubled him. If they had set these things off to the side, they would lose the pressure of public oversight and the pressure to economize and have incentives to have the lowest cost. Instead, when they had these guaranteed incomes, the pressure was off and they did not really look at them the way they should. He thought there was a certain danger going down that path. He understood the need to dedicate certain funds for certain purposes and he was not totally at odds with that. However, he did not think the City should actually set up as an enterprise fund. He said they could

earmark funds, they could do it for that use, but they did not have to set it off separately on its own course.

The second thing Mr. Mackey wanted to bring up was the fact that they were talking something in the neighborhood of nineteen million dollars. There had been a lot of pressure not to go in the direction of the rental tax or ad tax. What that would mean was that the entire burden in making up the so-called budget deficit would fall on the trash tax. He noted that one person on the Council asked where exactly that twenty-six million dollar deficit would come from. He was not sure there had been an answer to that. He asked why, if they were not sure what the deficit was, was it all right to pay fourteen dollars a month to make up the deficit they were not even sure existed.

Mr. Mackey said he was at a budget session that afternoon and one of the things that bothered him was a statement made by the City Manager. The City Manager said they were not dealing with a million dollars in cuts here and there, a million dollars in revenue. What they really were dealing with were significant amounts like nineteen million dollars. Mr. Mackey said they had a case where they had approximately one and a half million dollars in travel funds and periodicals. When they went to the Budget Department, they asked where that came from. They were told that was a routine thing that was just carried forward each year. Yet here the City had a crisis, a firestorm, according to some of the reports, and the City still had one and a half million dollars that they were carrying forward every year for travel. He asked the Council if they remembered a couple of months ago when a woman named Carrie Stagg came before them with a young child. She was pregnant and spoke about paying rent and low paying jobs. He wondered what her travel plans were for the summer, with the price of gas. He asked why she would not be able to travel or pay her rent, but they had one and a half million dollars so bureaucrats could go out and travel for routine conferences, simply because they routinely carried over these amounts every year. He said there was one and a half million dollars there.

Mr. Mackey continued that they had a range of economic development programs, of which they were going to fund four or five. They had a staff of eleven people in Economic Development, yet they did not have a clear idea of what they were doing in Economic Development. They were still pursuing the fantasy of corporate headquarters. He asked how many hundreds of thousands and millions they were paying there. There were so many opportunities to cut the budget and to minimize cost before they started talking about adding fees of fourteen dollars a month for people who hardly could pay for it. He noted that Dave Fossdal spoke earlier about his father. Mr. Mackey said he had a ninety one year old mother-in-law who barely had anything in the barrels. They routinely rolled out the barrel every week. He said he would be very concise. Before the Council started talking about fourteen-dollar monthly increases, they should cut the budget. There were so many opportunities and the Mayor and Council had not even scratched the surface. He said that if they could not do that, they did not deserve to be elected officials.

Peggy Matsuda, whose business was located in Healdsburg, CA, said she was one of the owners of a manufactured housing community for seniors, called Park West

Mobile Estates. She believed they were under the constituency of Council Member Ibarra. Some of her customers were at the meeting, but she also knew there were a lot of other manufactured housing community customers at the meeting. She asked everyone who was against the fee to stand up and wave and say they were against this increase. She thanked seniors and those in attendance and said they opposed the fee for many reasons.

Ms. Matsuda wanted to bring up a couple of things that concerned her, specifically with regards to Mr. Garza's proposals for the amendments. She wanted to note that Park West Mobile Estates residents had done their very best over the years to help the City conserve fuel and their vehicles for garbage pick up. They voluntarily went from house-to-house garbage pick up to a one-site garbage pick up, using one giant-size can, and this has been working out quite well. But her customers did not generate a lot of garbage and this was very true of senior communities here and in other states. She hoped that the Council would keep that in mind if they decided to impose a fee. To Mr. Garza, she wanted to say his introductory letter to the Council regarding the purpose for this evening, the amendments that would be reviewed and possibly approved at the meeting, there was one section that was of particular interest to her because she represented manufactured housing community owners. She was referring to Section 15-16A. This section specifically talked about "residential collection", but did not address the exception of large apartment building complexes and mobile home parks over twenty five units as described in the cover letter.

Ms. Matsuda's concern was that if the Council passed this, they specifically needed to talk about these larger communities. They had special issues as far as their garbage collection went. If they were given an opportunity for competitive bidding on bulk garbage pick up, she would like to pass on that savings to her customers. She owed it to them. They were her lifeline and she thought she was their lifeline also. She asked that the Council be more specific in mentioning mobile home parks in specific and also large apartment complexes. The laws and statutes governing rent adjustment in the state were very specific as to how they could pass the cost along. In order for them to do it legally and also so that there was no misunderstanding, she requested that the words "manufactured housing communities" or "mobile home parks" be put in the language of the amendments. She urged the Council to contact her if they needed assistance on the wording.

Ms. Matsuda also wanted to suggest that it would be prudent if the Council considered a tiered garbage fee if they decided to pass this. Her customers did not generate that much garbage and many of her customers left for the summer. They were residents of another state. She believed that, given their age and also where they came from, they added a wonderful dimension to the community. She told the Council not to discourage them from coming back to Tucson and spending their money in this lovely town and making it better. Lastly, she asked Mayor and Council to consider a turn-on or turn-off fee if her customers decided to leave for the summer and if they were not producing any garbage. Also, if she had the vacant spaces where there was no home whatsoever, that she not be charged for garbage collection for that. She said the city of

San Jose did that and so did a lot of other cities. She offered her assistance to any staff members, should they have any questions about manufactured housing laws in the state of Arizona and amendments to help make it more economical for garbage pick up in her communities.

Nance Falk, Tucson Mobile Home Park, said she knew that the Council heard it all before. She also was a senior citizen. Her son lovingly called her Q-tip because she had gray hair. Be that as it may, she said the Q-tip would finally end up in the garbage and the fee would definitely make her end up in the garbage. She said her income was very fixed, very non-movable, non-drillable and her money tree had died. She felt this rate increase was just little bit in excess. She asked the Mayor and Council to take into consideration the number of people they would be putting a hardship on. She thanked Mayor and Council for listening.

Jean Reeney said she was representing Terra Vista Community Park. She suggested to the Council that garbage pick up be every two weeks instead of every week, especially in the senior parks, because they had no children. She was also on a fixed income and it was not easy, since her husband passed away, but the bills kept coming in.

Horace Brelsford, representing Terra Vista Mobile Home Park, said he appreciated the fact that they could speak their mind and they had Council Members who listened to them. He had a lot of things he wanted to say, but most of it had already been said. He said he liked this city, he had faith in the Mayor and Council and would leave the matter in their hands.

Kelly Kirkham said, while she did not really live in Tucson, she spent a lot of time here and felt like she did reside in Tucson. They owned several manufactured housing communities in the Tucson area. She was disturbed about this twelve dollars a month trash fee increase. While she understood the need to employ people within the city and she supported the fifty or so people who were at the meeting, she did not feel the twelve dollars a month trash fee was not going to do it. According to the young lady who was at the meeting, the Mayor and Council just approved a two percent increase for the City staff. That two percent amounted to one dollar and fifty cents a week, which amounted to six dollars a month. So in essence, these people were going to pay the City six dollars a month. That was what it would come down to.

Ms. Kirkham said CPI, which was what most senior citizens lived off of because that was what their social security increased every year, was approximately 2.5 percent for the year 2004. The Mayor and Council were proposing a one hundred twenty percent increase for them, because that was what the twelve dollars a month would equate to, one hundred twenty percent. The Council needed to put these in terms. They needed to balance the budget for the City of Tucson. The Council needed to take a hard look at some of things the City was spending its money on. Being in private enterprise, one of the first things she had to do was report to her shareholders. The same went for the Council who had to report to its citizens. When she gave in, her shareholders said, "wait

a second". That was what the citizens were saying at the meeting. They were asking the Council to take a step back and take a look at what they were doing.

Ms. Kirkham said while she understood the need to support the people out there, she understood the job they did and said they worked hard. She said what the Council was doing was not going to end up helping these people. This was a simple math equation, as the people told them. She asked the Council to take a look at what they were spending money on, such as public housing. She said that sixty-six million dollars spent on public housing to employ approximately seventy-seven employees was ridiculous. But these people would get a one dollar and fifty cent per week raise that the council said will come out of a twelve dollar per month garbage fee. This did not make sense. She asked the Mayor and Council to take another look at this and take that into consideration.

Susan Brenton said she was the Executive Director for the Manufactured Housing Communities of Arizona. They represented the community owners throughout the state. She was there to ask the Council to look at some of their expenses, rather than consider instituting a garbage fee. There were many things in the budget that could be gone over, for example Access Tucson. She said it was interesting to her that Access Tucson was budgeted one-point-two million dollars. The Los Angeles city Access TV was only budgeted for one-point-one million dollars. Access Phoenix was budgeted a quarter of a million dollars. She asked why Access Tucson needed so much money. Perhaps it was to pay their Executive Director the eighty two thousand dollars a year to manage his seventeen employees.

Ms. Brenton believed another area the Council needed to look at was Rio Nuevo. Rio Nuevo had borrowed more than nine million dollars of City funds. She thought that maybe it was time to get some of that money back. The A-7 ranch was another issue. It was costing the City about half a million dollars a year in expenses to run the ranch. Maybe it was time to sell the ranch and fix some of the roads, instead. She asked the Council to look at some of the City departments, such as Development Services. Some of the Department's excessive reviews on housing probably could have saved half a million dollars. Another area to look at were the special interest groups the City supported, rather than keeping the money that was used for City purposes. Another issue would be to look at City employee expenses. She said she ran a small business and knew what it took to pay for insurance. Over the years it had been difficult for her to go to her employees and say, "you know what, my insurance tag and insurance prices went up again another ten percent this year. I am going to have to ask you to put in a little more to help pay for that insurance". All of them had seen insurance prices go up. She thought that employee benefits were another area that should be looked at. She hoped that Mayor and Council would consider that, as opposed to instituting a twelve dollars a month garbage fee.

Elezabeth Cameron indicated that she had been before the Mayor and Council over a hundred times. She represented the "A" Mountain Neighborhood and Casa Alegre Neighborhood, and they were all opposed to the increase. The Architectural Barrier,

which was a disabled group, was opposed to this also. The Mayor and Council had heard reasons all night long about why they should not do this, so she was not going to rehash that. The disabled did not have money, nor did people on a fixed income.

On the other hand, Ms. Cameron said the Mayor and Council kept hiring top salary people who made one hundred twenty-seven thousand dollars and were not doing their jobs. If they were in a business and they were not doing their job, they would not get a pay increase just because they were there. When people were there making over one hundred thousand dollars and that was why they were there, not because they cared about what happened to Tucson, then that was the wrong person to have hired. Maybe the City should hire people at lower salaries who were there because they cared about Tucson and were the people who actually worked. She said she was speaking about the garbage men who took her trashcan down every week. They were the ones who should be making more money, not someone sitting upstairs in an office, twiddling their thumbs or taking someone out to lunch. She said they were right about looking over the City budget, their personal expenses. The Council was saying that they had to pay everybody more. Why was it that if they were paying everybody more, everybody who was getting paid more was not doing more of a job. She said she could not afford it. She had gone a month without having her trash picked up, because when the City switched, they forgot that they needed to haul her trashcan down. Her trashcan had a broken wheel and the City sort of forgot these things.

Ms. Cameron said she would not pay fourteen dollars and not have her trash picked up. At that point she said she was going to be too upset and she would be hollering at their supervisors, who would be hollering at them that they missed her house, and they would have to come back. That would cost them more money. She asked what would happen with those people who did not pay the fee and whose garbage was not collected. What was going to happen to all that garbage in her neighborhood. She used to work with firemen and used to be a paramedic. This was Arizona, where spontaneous combustion fires were a problem. She said there were houses in her neighborhood that caught fire every year because of the garbage. If the City would not be picking up garbage, would they have to hire more firemen. When would this stop. When would the council look at the reality. The Mayor and Council had to get off the backs of the low income, the blue-collar workers. The Council needed to look at this community. When they hired someone to replace Mr. House, Mr. Keene, or for any of the upper jobs, would this person be here because they cared about Tucson or cared about the money. And they were trying to fight with Phoenix, because they were going to be paying more money than somebody else. This was Tucson, not Phoenix, not New York, not Dallas, not Los Angeles.

Jesse Ybarra said he was president of Local 449 of the American Federation of State, County, and Municipal Employees (AFSCME). He said that earlier they heard from someone else about what their stand was. He wanted to make it clear that the only person who could speak for AFSCME was himself, their paid representatives and the officers of their local. As president of their local, their stand was that they did not oppose the twelve dollar tax. However, they strongly opposed privatization and the loss of jobs.

Jon-Paul Alexander said he had a wife and a two year-old daughter. He introduced his extended family and said he probably spent more time with them than he did with his own family. He understood their hardships with a fixed income and said that he, along with some others there, barely made over the poor minimum wage, thirty thousand dollars a year. Although they lived on a fixed income, he had a house, wife and kid, so he, too, lived on such a fixed income. He had no free money. He was not there to ask the Council to charge a fourteen dollar fee so he could get a merit raise, although he would like one, because they work hard for it. He said he was there because the City needed that fee. They needed their parks, they needed the streets and they needed the sidewalks.

Mr. Alexander said they needed these things and the only way to do that was for them to pay for it, because they used it. He said they all wanted something for free, but that was not the way the world worked. So, he said, charge a fee for the City of Tucson, not so that he could get his merit raise and not so that they do not privatize it. These people did not understand privatization. But if the City went to privatization like Vice Mayor Ronstadt wanted, they would lose control of their services, how much they paid and all those things. He said Vice Mayor Ronstadt did not tell them that. He said this service needed to be kept within the City, because then they could regulate the services they got and regulate the fees they charged. Mr. Alexander said that if they did go to privatization, just like Sun Tran, a company would come in and pay a certain amount of money per year to service the garbage. The City had twenty eight inactive landfills. The money that would be generated by privatizing would pay just for those twenty eight landfills. The money would not go into the streets, parks, library and others. He urged the Council to keep the money in Tucson, not in somebody else's pockets on the East Coast.

Mayor Walkup thanked everyone in attendance and said he appreciated their diligence and their input.

Mayor Walkup asked if there was further discussion. Hearing none, he asked for a motion to close the public hearing.

It was moved by Vice Mayor Ronstadt, duly seconded, and carried by a voice vote of 7 to 0, to close the public hearing.

RECESS: 8:02 P.M.

Mayor Walkup announced the Council would stand at recess for ten minutes.

RECONVENE: 8:17 P.M.

Mayor Walkup called the meeting to order and upon roll call, those present and absent were:

Present:

José J. Ibarra	Council Member Ward 1
Carol W. West	Council Member Ward 2
Kathleen Dunbar	Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Steve Leal	Council Member Ward 5
Fred Ronstadt	Vice Mayor, Council Member Ward 6
Robert E. Walkup	Mayor

Absent/Excused: None

10. ZONING: (C9-98-08) WILMOT/I-10 PARTNERSHIP, SH, MH-2 AND C-2 TO MH-1, CHANGE OF CONDITIONS AND ORDINANCE ADOPTION

Mayor Walkup announced City Manager's communication number 287, dated June 7, 2004, would be received into and made a part of the record. He also announced that this was a request for a change of conditions for property located on the east side of Wilmot Road, south of Interstate 10. The City Manager recommended approval subject to certain conditions.

Mayor Walkup asked if the applicant was present and if he was aware of and agreeable to the proposed amendment.

John Laidlaw, representing the applicant, said they were.

Mayor Walkup asked the City Clerk to read Ordinance 9981 by number and title only.

Ordinance 9981, relating to zoning: amending rezoning conditions in the area located southeast of Wilmot Road and Interstate 10 in case C9-98-08, Wilmot/Interstate 10 Partnership – Interstate 10, SH, MH-2, and C-2 to MH-1; and setting an effective date.

Mayor Walkup recognized Council Member Scott.

It was moved by Council Member Scott, duly seconded, to pass and adopt Ordinance 9981.

Mayor Walkup asked if there was any further discussion. There was none.

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Dunbar, Scott, and Leal;
Vice Mayor Ronstadt and Mayor Walkup.

Nay: None

Ordinance 9981 was declared passed and adopted by a roll call vote of 7 to 0.

11. ZONING: (C9-04-02) ST. PAUL'S CHURCH – BROADWAY BOULEVARD, RX-1 TO R-3, CITY MANAGER'S REPORT, AND ORDINANCE ADOPTION

Mayor Walkup announced City Manager's communication number 285, dated June 7, 2004, would be received into and made a part of the record. He also announced this was a request to rezone property located on the northwest corner of Broadway Boulevard and Maguire Avenue and also requesting an early ordinance adoption. The Zoning Examiner and the City Manager recommend approval subject to certain conditions.

Mayor Walkup asked if the applicant or a representative was present and if he was aware of and agreeable to the proposed conditions.

Gordon Stone, representing Stantec, stated they were agreeable to the proposed conditions.

Mayor Walkup asked the City Clerk to read Ordinance 9980 by number and title only.

Ordinance 9980, relating to zoning: amending zoning district boundaries in the area located at the northwest corner of Broadway Boulevard and Maguire Avenue in case C9-04-02, St. Paul's Church – Broadway Boulevard, RX-1 to R-3; and setting an effective date.

Mayor Walkup called on Council Member West.

Council Member West said before she moved this item, one of the things that was a problem in this area was the unsafe condition crossing Broadway. There were many senior citizens living in that area. Even though this was not a condition of the final Ordinance, one of things she wanted to ask staff to do was determine the cost of a HAWK (high intensity activated crosswalk) light at Broadway and Maguire that would cross Broadway. She said she would like to find a way, including the church and the other apartment complexes around that area along with the City, to come up with the funding to put this in sometime within the next six months. This was becoming increasingly dangerous. She said there was a kind of a knoll in the road and motorists coming up there could not see the pedestrians that try to cross there. They have had near misses and even some injuries. She said that Mr. Stone was unable to get a hold of church people tonight to find out whether or not this was acceptable. Therefore, she

requested that the church fellowship square, the apartments in the area, her office and Mr. Glock or his representative, get together to discuss this and come up with a way to put this in.

It was moved by Council Member West, duly seconded, to approve the request for rezoning as recommended by the Zoning Examiner and pass and adopt Ordinance 9980.

Mayor Walkup asked if there was any further discussion. There was none.

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Dunbar, Scott, and Leal;
Vice Mayor Ronstadt and Mayor Walkup.

Nay: None

Ordinance 9980 was declared passed and adopted by a roll call vote of 7 to 0.

12. ZONING: (C9-03-24) ABRAMS/ACEDO – FOURTH STREET, R-1/R-2 TO R-2, CITY MANAGER’S REPORT

Mayor Walkup announced City Manager's communication number 281, dated June 7, 2004 would be received into and made a part of the record.

Kathleen S. Detrick, City Clerk, announced they had received a request from the applicant to continue this rezoning case for sixty days.

Mayor Walkup recognized Vice Mayor Ronstadt.

It was moved by Vice Mayor Ronstadt, duly seconded, and carried by a voice vote of 7 to 0, to approve the request for a sixty day continuance.

13. BUILDING AND DEVELOPMENT: CONTINUING THE PUBLIC HEARING DATE FOR DEVELOPMENT IMPACT FEES FROM JUNE 14, 2004 TO SEPTEMBER 13, 2004

Mayor Walkup announced City Manager’s communication number 286, dated June 7, 2004, would be received into and made a part of the record.

Mayor Walkup called on Council Member Dunbar.

It was moved by Council Member Dunbar, duly seconded, to continue the public hearing for Development Impact Fees to September 13, 2004.

Mayor Walkup announced before he called for a vote, they had received a card that had been submitted by Paul Mackey. He called on Mr. Mackey.

Paul Mackey said he just wanted to make a couple of brief points. He supported the extension. He sat in as part of the stakeholders committee. There had been a number of methodological and procedural questions that had come up during the course of their discussion that warranted consideration, so he fully supported that. One of the other reasons he supported the extension was that one of the major weaknesses of the stakeholders committee was the fact that there was a totally skewed composition in the committee. For the most part, with the exception of himself and someone from the State Land Department, it was essentially a development builder community on the committee. There were some inner-city housing people and even the person who represented the Cox point of view was a commercial real estate broker.

He suggested between now and September they consider adding some people who represented some of the impacted areas between eastside, southeast, northside and northwest to the committee. He thought that more of a balanced composition was necessary. They were supposed to be operating on a consensus basis, but if the city had an overwhelming majority in one area, the consensus really did not mean too much in that sense. He asked that the Council consider making some additions or directing the Department of Urban Planning and Design to enlarge it so there would be a more balanced view. Just to give the Council an example, the state of New Mexico had a neighboring legislation where they set up impact fee committees by statute of the state. They set up a twenty person committee that had to be composed of forty percent (inaudible), forty percent neighborhood, ten percent civic education and ten percent others. He said they needed that balance in Tucson. The prime reason for that was that they came in with a recommendation to do certain things on impact fees, but without a doubt because of the makeup of the committee, the recommendation was going to be to cut in with the lowest fees possible.

Mr. Mackey said no one was interested in seeing exorbitant fees, but if they were low to the point that they did not do a job, then they really had not accomplished what they really should. Everyday he read that someone was promising impact fees for Cienega Road, for Broadway or for other thing like that. But if they were going to promise that impact fees were going to do some of this, then they were going to need the money to back it up. He asked them to consider that and direct the City Manager and Urban Planning and Design to broaden the committee. Mr. Mackey also wanted to point out that the original methodology talked about having an overall city-wide area for the fees. The committee, and rightfully so, had broken it down into number of discrete areas where the impact could be shown. He asked the Council consider between now and September, that they had areas like Rio Nuevo, empowerment zones, and other areas that the City wanted to revitalize. The question was, did they want to impose impact fees in those areas. So, in effect, they would be working across purposes. If they said they wanted to revitalize, like Rio Nuevo, and areas like that, but at the same time started putting in hurdles such as impact fees, they had a major policy clash there. This was something he brought up to the committee, but they had not taken a position on it. But he brought it up now so that the Mayor and Council could think about this as they went down the road. This was an important policy. Either they were doing revitalization,

making it possible to happen, or if they put impact fees or other things in the way, then they were at cross-purposes.

He concluded saying the Council recently received a report on Rio Nuevo, one year running ahead of what was projected. He asked if that meant public funds were going to keep being plowed in there as opposed to private investment. If they put a hurdle in the way of private investment, then they were simply putting more public dollars in there.

Mayor Walkup asked if there was any discussion. Hearing none he called for a voice vote on the motion.

The motion to continue the public hearing for Development Impact Fees to September 13, 2004, carried by a voice vote of 7 to 0.

14. REDEVELOPMENT: APPROVAL TO EXECUTE AN AMENDMENT TO A COMMERCIAL LEASE AGREEMENT WITH COLTON PROPERTIES FOR THE REDEVELOPMENT OF THE CITY HALL ANNEX, 110 E. PENNINGTON

Mayor Walkup announced City Manager's communication number 273, dated June 7, 2004, would be received into and made a part of the record. He asked if staff had a presentation to make. There being none, he asked the City Clerk to read Resolution 19846 by number and title only.

Resolution 19846, relating to development; authorizing the City Manager to execute a First Amendment to a Commercial Lease Agreement with Colton Properties, Inc. for the lease of 375 parking spaces in the Pennington Street Garage; and declaring an emergency.

Mayor Walkup recognized Vice Mayor Ronstadt.

It was moved by Vice Mayor Ronstadt, duly seconded, to pass and adopt Resolution 19846.

Mayor Walkup asked if there was any discussion. Hearing none, he called for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Dunbar, Scott, and Leal;
Vice Mayor Ronstadt and Mayor Walkup.

Nay: None

Resolution 19846 was declared passed and adopted by a roll call vote of 7 to 0.

15. APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES

Mayor Walkup announced City Manager's communication number 280, dated June 7, 2004, would be received into and made a part of the record. He asked for a motion to approve the appointments in the report.

It was moved by Council Member Leal, duly seconded, and carried by a voice vote of 7 to 0, to appoint John Burr to the Barraza/Aviation Parkway – Downtown, Citizen Advisory Committee; Jamey Sumner to the Citizens' Transportation Advisory Committee; Diane Jimenez-Young and Linda Nadell to the Library Board; and Dennis Coon, Joyce Kelly and Andrew Meyer to the Joint City/County Outdoor Lighting Code Committee.

16. ADJOURNMENT 8:30 p.m.

Mayor Walkup announced the Council would stand adjourned until its next regularly scheduled meeting to be held Monday, June 14, 2004, at 5:30 p.m., in the Mayor and Council Chambers in City Hall, 255 W. Alameda, Tucson, Arizona.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the city of Tucson, Arizona, held on the 7th day of June, 2004, and do hereby certify that it is an accurate transcription.

DEPUTY CITY CLERK

KSD:lr/sac