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CALL TO ORDER

[Time: 00:00:05]

Mayor Lane: Good afternoon, everyone. Would like to call together the 2016 special meeting with a possible executive session. We can start with roll call, please?

ROLL CALL

[Time: 00:00:20]

City Clerk Carolyn Jagger: Mayor Lane.

Mayor Lane: Present.

City Clerk Carolyn Jagger: Vice Mayor Kathy Littlefield.

Vice Mayor Littlefield: Present.

City Clerk Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

City Clerk Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Linda Milhaven.

Councilwoman Milhaven: Here.

City Clerk Carolyn Jagger: Guy Phillips:

Councilman Phillips: Here.

City Clerk Carolyn Jagger: David Smith.

Councilman Smith: Present.

City Clerk Carolyn Jagger: Acting City Manager Brian Biesemeyer.

Acting City Manager Brian Biesemeyer: Here.

City Clerk Carolyn Jagger: City Attorney Bruce Washburn.

City Attorney Bruce Washburn: Here.

City Clerk Carolyn Jagger: City Treasurer Jeff Nichols. Present. City Auditor Sharron Walker.

City Auditor Sharron Walker: Here.

City Clerk Carolyn Jagger: And the clerk is present.

PLEDGE OF ALLEGIANCE

[Time: 00:00:45]

Mayor Lane: Thank you. We'll start with the pledge of allegiance. If you can, please stand.

I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

[Time: 00:01:14]

Mayor Lane: in view of some of the tragedies of the day, I would ask that we take a moment of silence in private prayer or thoughts for officer Darrin Reed of the Show Low police department who was shot and killed while responding to a disturbance at a restaurant a couple of days ago. If you could, please, a moment of silence. Thank you.

CITY MANAGER CANDIDATE PRESENTATIONS, INTERVIEWS , AND APPOINTMENT

[Time: 00:01:49]

Mayor Lane: Our one and only mission with this special meeting is for the city manager candidate presentations, interviews and appointment. Tonight's special meeting is specifically for the introduction and interview of the three finalists for the city manager's vacancy.

I would like to thank human resources, director Donna brown, and Jim mercer of the Mercer Group forgetting us to this point. These presentations and interviews are of the following city manager candidates, Konrad Hildebrandt, Gary Luebbers and Jeffery Nichols. We have the requirement to ask Mr. Luebbers and Mr. Nichols to wait in another area and Mr. Konrad Hildebrandt to come to the podium for the presentation.

[Time: 00:03:14]

Mayor Lane: It's clear, and I think you have a clock for you, but so there is a ten minutes we are trying to stay to, it's not hard and fast, with you we would like to keep in that range of things. We may have questions of you as well. Mr. Luebbers welcome and we appreciate your presentation.

Konrad Hildebrandt: Thank you, Mayor. I'm Konrad Hildebrandt.

Mayor Lane: I'm sorry.

Konrad Hildebrandt: That's fine. It's a pleasure to be here tonight to present myself as a candidate for the city manager here. I want to thank your H. R. Director and your staff for being very hospitable and very good to me and to all of us through this process, and all of you for your help through this. Thank you very much.

As you know, I am Konrad Hildebrandt. I want to tell you that I have been preparing, I believe, for this position for my entire career. I have my educational background is that of -- I got a business undergraduate degree in business management, and a graduate degree in public administration with local government management. I am one of the few that is doing what I went to school for, and I have enjoyed it. I got those degrees, both at the school of management at Brigham Young University.

As I alluded to, I have 28 years of public sector experience in five different cities. 14 years as a city manager in two cities, ten years in one and four year in the other and three years currently as an assistant city manager with the city of Odessa, Texas. I would like to say that as you know, my start in the public sector was here in the great city of Scottsdale as a recreation person, and enjoyed it, and was thrilled and felt privileged to be part of that.

My goal as your city manager amongst other goals of helping the city grow stronger fiscally and interpersonally and closer to our residence, another goal would also be that I try to do in every place that I have been and been successful virtually every year is to savor create my salary every year. In essence, you are not paying for me. You may say I had a public works director that told me and I was like, rich, that's your job. That's why we hired you to create revenue sources and make things cost effective. He had wisdom in that and I try to do that through my actions and actions of staff.

I want to let you know that I am a highly honest and ethical and fun leader. I believe that with all of the time we spend at work, it should be a place that is not only accountable, but a place that's enjoyable as well. I try to allow staff to enjoy their jobs and work toward helping them enjoy their jobs and having fun at work. That does not diminish my emphasis on accountability. Everyone will know what they are accountable for when they step into an end of the year or half year performance review, it's not a surprise. They know exactly because through the time they have been talked to about what they are accountable for in their positions. I believe in that.

I am not a micromanager. I believe that we need to allow the employees to do their job, provide them the tools that they need, provide them the training and education and help that we can give them, and allow them to do their job. Some employees will need more emphasis than others. If we have that superstar employee, I don't want to slow them up. I want to get out of the way and encourage them to continue going forward. That in a nutshell is my management style.

I pledge to bring back and continue what's ongoing, the culture of fanatical customer service. Fanatical is a word I chose for a purpose, that I believe we are here to represent our residents. That's why we are here, every single one of us. If we don't have that mindset, we need to learn that mindset because that's the purpose of each one of our jobs. So fanatical customer service and stability in city management.

City management has had some ups and downs. I pledge that I can be of strength to bring stability back to that position and to the city staff. Finally, I want to let you know that I will be honored, excited to be your next city manager. Thank you very much.

Mayor Lane: Thank you, Mr. Hildebrandt. We may have questions from city council at this time. I'll let the audience know we'll be going in for conversations amongst ourselves afterwards, likely an executive session, but we wanted to make sure there was opportunity for public comments and questions if we had some from the council. Do I have council questions? Yes, I'll start with Councilman Smith.

[Time: 00:10:40]

Councilman Smith: Thank you, Konrad and thank you for your presentation. For your brief familiarity with our city or 28 year, whichever it is. I know you were here a couple of years ago. What do you see as helpful to the council? Off the cuff?

Konrad Hildebrandt: I believe the responsibility of the city manager is leadership. My definition is not specifically what I do, but what I assist others to become and to do. I think that's somewhere where I can help the city in providing and helping all of us becoming more of a team atmosphere, working on the same page instead of, we have this department and this department. We are not all together. You can have highly functioning departments and still not be a team. I would work, and I think it's very important here in Scottsdale and in every city to have that team effort through strength in leadership. That strength in leadership comes from being able to trust. Not just me, starting with me, and each other. Trust is earned, not given, so that's what I would try to do.

Specifically with Scottsdale, Scottsdale is in my opinion and going out on a limb because I'm telling the

experts my limited knowledge which you have a lot more, but Scottsdale, every city specifically Scottsdale goes through different learning cycles where you grow in one cycle and stabilize and mature, and as you go through those different cycles of different citydom, different choices have to be made. Scottsdale is in my opinion, not past the growth, but has experienced a lot of fast growth that may start slowing down and infill and redevelopments and other things. Decisions like that and having comprehensive planning in place is, I believe, crucial so you always know the direction that you are going, and you are headed in the direction you want to go instead of the direction that just happens to go on.

Councilman Smith: Thank you. Thank you, Mayor.

Mayor Lane: Councilmen, any other questions? Seeing none, thank you very much, Mr. Hildebrandt.

Konrad Hildebrandt: Thank you very much, Mr. Mayor.

Mayor Lane: Mr. Gary Luebbers may now come to the podium. They are trying to undo all the locks to remove the soundproofing.

[Time:

Gary Luebbers: Good evening, Council.

Mayor Lane: Thank you for being here. We are looking at a short presentation of about ten minutes or so. There may be questions after that period of time. We thank you for being here.

Gary Luebbers: Thank you, Mr. Mayor. I have the clock in front of me. The first person I want to thank, 28 years ago my wife and I planned a trip to Hawaii. A week later I got the city manager job in Redlands, and I couldn't take a job and leave to Hawaii, so I said we'll do it later. We made the trip, made the reservations, and we are supposed to be going to Hawaii today. This is my wife in the second row. Thanks, kiddo.

35 years ago, I was at an impact point of my work life where I was in the Air Force. I was stationed at Williams. I lived in Tempe. I was at the four year point. You keep going or move on. I was going to move on and be a police officer in Scottsdale. What a good place to be a police officer in Scottsdale. You don't even need a gun. In the end, I liked being in the Air Force and serving the country, so I went on 20 years in the air force, so here I am today to talk about being Scottsdale's city manager.

It's been on the top of my list. In one city I worked I worked well with the city council. They wanted me to stay. I said I'll stay as long as we are doing well unless if the Scottsdale city manager job comes open, I'll have to look at that.

That's enough about how much I like Scottsdale and have always been fond of it. I coached boy's basketball when I was in the Air Force and went to see the old stadium. It's a little different now, just a little. It has all of the amenities. When you drive into the city, you know you are someplace special and different.

I have spent 21 years as a city manager. I have been in southern California, northern Utah and Silicon valley, California. Each of the cities had an element in their community, they were a very different community. In Redlands, it was a moderate growth, slow-growth community. There was a part of the community that said we like it the way it is. Please, don't change. Here in Scottsdale you have a community that says, we like it the way it is, please don't change.

I went to Utah. They said let's go. They needed developed land. It was the opposite. Whoa. We did well. I stayed there eight years. The population went up. More significantly, we increased the tax rate by many percents.

We went to Sunnyvale, California. When I was there and since I left, every tech company you can think of has a footprint there. The whole emphasis there was on redevelopment, revitalization, bringing the kind of businesses into town that we needed. At the same time, making sure that the people that lived there, lived there 30 or 40 years could live with the change. It was not easy for them to live with it, but generally, it was accepted. Not without emotion on their part.

I think that here is the same case. We are growing and growing in a different way. Those that live here a long time and moved when it was this way are being forced to adapt. We have to in the city doing everything we can to mitigate impact on their lives, traffic or how much public safety is stretched in their service delivery. I bring those three perspectives to a city with all those three situations in place at the same time. It's probably a unique perspective.

My time in the Air Force was -- I spent the last four years working on the SR-71 program. It's supposed to be a secret program, and no one has heard of it. Not true. It's called the Blackbird. I transferred and tiptoed my way. One day they needed a city manager. I was available. That's how I got started. I was lucky. I have been lucky for a long, long time starting there to be here.

I think you went over on your time, Konrad, so I'll cut my time short.

Mayor Lane: I think everyone is right on schedule. I hope everyone understands you were pointing to your wife when you said you got lucky, out there. In any case, thank you for the presentation. We may have questions from the councilmembers? Seeing none -- Councilman Smith?

[Time: 00:21:24]

Councilman Smith: I don't want to let you off the hook too easily. I understand your flight to Hawaii doesn't leave until this evening, does it?

Gary Luebbers: You told them.

Councilman Smith: You are back again and have followed us over the years. What might you describe as a couple of the issues that you think the city would face in the near future that you as the city manager could be helpful to all of us as the council on?

Gary Luebbers: We had a good tour Wednesday morning yesterday. It was a seven hour tour. We did it in three and a half hours. The staff was along, never stopped talking the whole time. What

it was was information. It was a terrific guide of what's happened and why it's happened and what's going to happen around the city. We went from the far north to the far south and east and west. As I got off the freeway coming here off the 101, we turned on to Indian School road. We saw a sign that said "auto show." I said that's terrific the revenue is great from automalls, so I mentioned that to the tour guide and he said not exactly. We all know the auto show will be on the tribal land.

As we lost auto row on McDowell and all of the revenue that came from the car dealers, when you lose, you have to replace that revenue. That's a problem in Scottsdale and every city, how do you replace revenue? The world is changing around us. The tech world has changed the world we live in. You may not want to evolve, but we have to evolve. We have to focus on what we are doing. Ideally, seven people are onboard with that. Where are we going? McDowell is a perfect example. We need to have a specific plan in place of exactly what we want to do on McDowell, what we want to do on Scottsdale road and follow the plan. It will go slow. If we do it right in a systemic way, they'll develop the way you want them to. It doesn't reflect on the rest of Scottsdale. There is no reason it can't again. It's in Scottsdale.

I told one of you today, sorry, it went fast and it was a blur so I don't remember, but as my wife and I were getting ready to leave St. George, Utah where we live now, Tuesday, one of my neighbors came out to talk. He said I'll see you when you come back. He said we are going to Scottsdale Arizona on Thanksgiving to play golf. The guy across the street I said will you pick up the paper when we are gone? He said my wife will be running -- biking, she's a racer. We are going to Scottsdale and going to race. That was two out of two, we are going to Scottsdale. There are certain cities around the world where you can say the world, and I'm not talking about New York, but you can say Scottsdale and everyone knows what you mean.

That planning is important to continue to make Scottsdale mean what it means now to everyone outside of the city. Land use planning is important especially when you don't have a lot of it left.

[Time: 00:25:30]

Mayor Lane: Thank you, Councilman. Mr. Luebbers, I wonder if you have extensive background, and I should mention to the audience watching as well that each of the candidates were interviewed by each of the members of the council, so a good deal of the questions we have had have been asked and answered, but in combination here from the podium, it's good to communicate some of the same questions. You may hear some of the same questions as a candidate. We'll discuss it later as a body separately.

My question is of a sort, that is, what do you feel uniquely in your background, and I think this might be an easy one, but I would like you to say uniquely in your background, that makes you a good candidate for the city manager here in Scottsdale?

Gary Luebbers: I have managed large cities, but that doesn't make me unique from other candidates. I have managed unique cities. I could work in southern California, and you have all likely been there, and know what it is. We lived in a bedroom community embedded in southern California an anomaly, a no grow city. I went to Utah and I have been asked the obvious question about someone from Utah. We were not part of the predominant culture in Utah. It was -- Utah is the most republican state in the

United States to get the highest percentage of votes out of Utah than any other state in an election. I went to that city, a fast-growth city, a republican city and fast-growth area and had a good time there. I went to Silicon Valley, California, probably the most liberal area in the United States, a fully democratic council. This and that, both ends of the spectrum, and it went, in my estimation well.

I know how to adapt and work in different situations because I had to. Even my time in the Air Force, when you are tasked with doing something, you do it and get it done. I think it's helped me throughout my whole career. I was asked was it hard to leave the military and go to civilian life? It was for a little while. When I told people to jump, I expected them to say, how high? Instead they said why. You are not going to get that kind of unique experience, I don't think.

Mayor Lane: Thank you very much for that answer. Excuse me. Any other questions from councilmembers? Seeing none, thank you for the presentation and your responses.

Gary Luebbers: Thank you for inviting me and to the audience, Thursday night, thank you. I recognize many of these faces from the last three days. Thanks for staying around and being here to listen.

[Time: 00:29:07]

Mayor Lane: so now, Mr. Jeffery Nichols may come to the podium, please. Thank you, Mr. Nichols. Welcome. The council may ask questions after a short presentation of about ten minutes, so have at it.

Jeffery Nichols: I know you get bonus points for leaving minutes on the table. Thank you for the opportunity to interview for this position. Wow, this seems like Deja vu over again to me, sitting here with two candidates in the audience that I didn't get to hear speak, but I'm glad they get to hear me. If I'm not successful in convincing you to hire me for this position, I'll work with one of them, I hope.

As to how I got here, I started in accounting a long time ago 1986. I went from being an accountant to senior management assistant in field services. That provided commercial residence refuse, street maintenance, park maintenance, golf park maintenance a \$20 million operating budget and comparable budget of a capital improvement project. I was responsible for the administration, budget, human resources. I had very limited knowledge of any of those things when I went to that division. I learned all of those things. I learned how to manage staff during this period of time.

I went from being a senior management analyst and assistant temp to being a budget analyst in Scottsdale. Not responsible for people anymore, that was new to me, but I was responsible for a \$1.2 billion capital improvement plan. I worked with Craig Clifford, the city manager, all department heads with a capital improvement budget, and I was the first one to do a cash flow analysis for the CFO. His comment to me was, I have been asking for that ten years. Everyone told me it couldn't be done. I believe I was successful in this position as the one I described previously.

I went from being an analyst to the deputy director of the Pima County waste water management department in 2004-2010. I was responsible for the administration, budget, operating budget of \$100 million, the human resources procurement, finance and information technology, those areas.

Many of those areas I had no idea. I had never been responsible for seeing those areas before. There were 430 employees. My knowledge of all things water at that time was like most people here in the audience, most people at home, is that when you turned on the water, when you turned on the faucet, you expected water. When you used the water, it went down the drain and you hoped everything was taking care of itself. I quickly during that six year period of time became familiar with everything, treatment, conveyance, engineering, was part of a very, very high-powered team limiting the regional optimization master plan which they completed and won awards for. I learned the process and learned to work with regulations over waste water which are numerous. I worked on bringing that department together. When we first got down there, the team, the department was kind of not favorably looked upon by many people. We changed that. I believe I was successful in that position.

I went from that position to being accounting director if the city of Scottsdale and I was responsible for the financial staff recording systems. This was the first time I was responsible for posting the books and compiling the CAFRA and signing the ledger. It's a big responsibility and the city does it well. We have won awards for more than 40 years. I considered myself successful in that position as well.

I left there to go to the Scottsdale Cultural Council now called the Scottsdale Arts Organization. This from a person who likes to play golf and bleeds blue on Saturday, I knew nothing about art. I knew nothing about museums. However, my responsibilities included administration, accounting, budget, finance, procurement, and information technology. What I did learn in that organization, and there was trepidation when I went over there, there was a lot of rumors. I built relationships with the people in each one of those programs, and we kept an organization that was in turmoil at the time together. I think I had a large part to do with that. I lost my whole information technology department. I had to go to the private sector to keep things going and make a hire. I probably made a critical hire. The person is still there getting accolades. I went into a job, chief financial officer, hadn't done it before but I was successful in that position.

I then competed for the city treasurer position. I was successful in that competition, but the vote was not unanimous. However, in just this past summer, you all took a vote and gave me a vote of confidence as well as the charter officer team. That was great. The vote was 7-0. Even though it wasn't unanimous when I came in, it's unanimous now. I appreciate that and do the balance of the charter officers. We work well together. Again, I think I was successful in that position.

Most people's path to this office as city manager doesn't start at the top. I don't think it's unusual for a CFO to become a COO or CEO. It happens in governmental positions. It happens in the private sector often. There are people that know the organization through its books, budget, and they are very knowledgeable, however, in each one of these I said I was successful, but I wasn't successful just because of myself. I'm not delusional. I realize I was successful because of the team I built and led. The team here at Scottsdale is a very good team. I look forward to leading them as well in accomplishing the visions and goals you lay out for us.

This job is about building relationship with you, with the staff, and with the citizens. That's exactly what I do. I have come to find out that people don't care how much you know until people know how much you care. Once they know that, and once they know you are there have to have your back, they get onboard.

In closing, I believe I'm qualified to fill this position and be a successful city manager. I want to thank you for the opportunity to compete to do so. I would like to say happy birthday to all of my fellow Marines. With that, I would take any questions you may have.

Mayor Lane: Thank you, Mr. Nichols for the presentation. We may have questions. Reliable Councilman Smith will start us off with a question.

[Time: 00:38:13]

Councilman Smith: Thank you, Mayor. Jeff, I asked this question of the other candidates as well. There is nothing tricky about it. If you could discuss what you think might be two of the challenges in the city from the future with your familiarity of the city and how you think the city manager, you in particular, might be helpful in meeting those challenges and supporting the council?

Jeffery Nichols: I believe one challenge we face in the city and all charter states face this, the overreach of the state government. Most recently a law was passed that said all it took was one legislator to say a city was do you think something improperly and an investigation could be done by the attorney general. If the attorney general in their sole opinion believed that the accusation was true, then he could tell the state treasurer to withhold state shared revenues from that city until they came into compliance. I believe that's over reach, over kill and unwarranted. I don't know of any cities that I'm aware of that need to be treated in that manner. Some things are best controlled at the local level.

There are quite a few issues we have. One I'll need to address as city manager is infrastructure. We all know we are having difficulty getting bond propositions passed by the voters. We have infrastructure that is crumbling. As you know, just like having a car, if you buy a car, you maintain a car, change the oil, do what you are supposed to do, that car can last a long time. If you ignore that car, it's not going to last a long time. There comes a time when you get past a point of no return on assets. Many of our assets, I'm not sure if we are there yet, but it's a problem we need to address. That's failing infrastructure. Every visitor that I have that comes out here, they tell us how nice our roads are, but you have to remember, my visitors are coming from Michigan where I can tell you what the roads are like. We don't want that.

Mayor Lane: Thank you. Any other questions from the council? Seeing none, thank you very much for the presentation and for your response.

Jeffery Nichols: Thank you, Mr. Mayor.

[Time: 00:41:08]

Mayor Lane: So at this point in time, we have the opportunity to adjourn into executive session to consider some of our thoughts on the process. Do I have a motion?

Vice Mayor Littlefield: So moved.

Councilmember Korte: Second.

Mayor Lane: Motion made by Vice-Mayor Littlefield and seconded by Councilwoman Korte. With that, we are ready to vote. We have it on the board so we can vote electronically. All right. We have voted unanimously to adjourn into executive session. We'll do that and upon our return.

RECESS

RECONVENE SPECIAL MEETING

[Time: 00:43:11]

Mayor Lane: We would like to reconvene the special council meeting. We'll start with a roll call.

City Clerk Carolyn Jagger: Mayor Lane.

Mayor Lane: Present.

City Clerk Carolyn Jagger: Vice Mayor Kathy Littlefield.

Vice Mayor Littlefield: Present.

City Clerk Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

City Clerk Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Linda Milhaven.

Councilwoman Milhaven: Here.

City Clerk Carolyn Jagger: Guy Phillips:

Councilman Phillips: Here.

City Clerk Carolyn Jagger: David Smith.

Councilman Smith: Present.

City Clerk Carolyn Jagger: Acting City Manager Brian Biesemeyer.

Acting City Manager Brian Biesemeyer: Here.

City Clerk Carolyn Jagger: City Attorney Bruce Washburn.

City Attorney Bruce Washburn: Here.

City Clerk Carolyn Jagger: City Treasurer Jeff Nichols. Present. City Auditor Sharron Walker.

City Auditor Sharron Walker: Here.

City Clerk Carolyn Jagger: And the clerk is present.

[Time: 00:43:46]

Mayor Lane: Thank you very much. First and foremost, I want to thank all of the applicants that have been here and all of the work that has been done to bring the applicants to us today. It has been a decision made by the council. We want to thank all of the applicants for the time today and we are pleased with the high quality of applicants we met.

It is best for us to consider a pool of five to six candidates. Four withdrew so we are advised to interview additional candidates and this can be done beginning of December. All of those applicants today will hopefully be able to be with us through the extended process.

I would like to ask the council for a motion from the council to accept the advise of that advise from our consultant and all current applicants will remain in consideration.

Councilwoman Milhaven: So moved.

Vice Mayor Littlefield: Second.

Mayor Lane: The motion made by Councilwoman Milhaven and seconded by Vice-Mayor Littlefield. We are ready to vote on that. All in favor indicate with aye. It's unanimous to carry this forward. So that will be the process that we'll employ.

We want to thank everyone for their patience with us in this process. We think it will be a good way to go forward and we think we are in good shape. I want to reemphasize the applicants we have now we would like you to come back to consider the process and arrange for that and we'll bring additional candidates to expand the pool. Thank you very much for all of the work and time you have dedicated. Hopefully, we'll see you soon. Thank you.

ADJOURNMENT

[Time: 00:45:55]

Mayor Lane: Motion to adjourn? That was Councilwoman Korte and seconded by Councilwoman Klapp. All in favor signify by saying aye. We are adjourned. Thank you very much.