

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE WORK STUDY SESSION
FOUNTAIN HILLS TOWN COUNCIL
JUNE 14, 2016**

* **CALL TO ORDER AND ROLL CALL**

Mayor Kavanagh called the Work Study Session to order at 5.30 p.m. in the Fountain Hills Council Chambers.

Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice-Mayor Henry Leger, Councilmember Nick DePorter, Councilmember Dennis Brown, Councilmember Cecil Yates, and Councilmember Alan Magazine. Town Manager Grady E. Miller, Town Attorney Andrew McGuire and Town Clerk Bevelyn Bender were also present.

Councilmember Cassie Hansen arrived at 5:31 p.m.

ADENDA ITEM #1 –DISCUSSION OF LEGAL SERVICE OPTIONS FOR THE TOWN OF FOUNTAIN HILLS.

Town Manager Grady Miller addressed the Council and pointed out that Town Council provided direction to staff to research legal services options and their cost. Mr. Miller stated that staff had compiled information received from the League of Cities and Town's annual survey of key positions and with the assistance from the Town's Administrative Services Director David Trimble. Mr. Trimble researched the information along with team members from the Town's staff consisting of Finance Director Craig Rudolph, Accountant Beata Bogdan, and Town Clerk Bevelyn Bender. The team also looked at the Town's previously collected information and used that as a base since this issue had been addressed by Council in previous years. Mr. Miller introduced Administrative Services Director David Trimble who gave a presentation including a PowerPoint (available on line and in the office of the Town Clerk).

David Trimble stated at the request of Town Council in August 2016, staff compiled comparative cost data from ten cities and towns including Fountain Hills and he explained that legal services included two general categories; "criminal" included the Prosecutor and Public Defender in most cities and as a side note, staff also looked at these two positions and this information was presented in his handout to Council. Mr. Trimble explained that the main focus was "civil" legal services that typically involved the Town Attorney who represented the Town to ensure compliance with State and Federal laws, along with providing legal advice. He pointed out the Town Attorney legal services had been provided by Gust Rosenfeld, PLC, since 2002 and that staff had looked at the cost data provided by Mr. McGuire and compared those costs to the nine other cities and towns under civil services, but not criminal matters. Mr. Trimble explained that many of the legal functions were listed in the Councilmember's packets and he noted a few of the attorney's functions were drafting ordinances and resolutions, Planning and Zoning, personnel and employee related issues and benefits.

Mr. Trimble stated that Staff had utilized the latest "League of Arizona Cities and Towns 2016 Salary Survey" and found that cities and towns listed their expenditures in numerous and different ways and he pointed out that "contract" in some cases meant the Town Attorney had an employment contract and in others "contract" meant there was an outsource or professional service agreement, which the Town had with their attorney. He continued that the salary listings did not include benefits, employee related benefits or expenditures such as overhead and in some cases civil and criminal expenditures were inter-mixed. He added that Staff collected information through emails, had phone conversations with Town Clerks, Finance Directors and other key members of researched cities and towns along with looking over those budget reports available on line and then it was manually broken down - civil expenditures from criminal expenditures - to determine whether they were professional service contracts with accounted benefits to achieve a good comparison and he expressed it was a very difficult task to accomplish and he added hopefully the information Council received would help in their discussion. Mr. Trimble added that the towns and cities used in staff's survey and in the comparison had the same population category and were located generally in the Phoenix and Tucson Metro areas along with Kingman, Payson and Florence and was either for fiscal year 2015-16 or their proposed 2016-17 budgeted amounts.

Mr. Trimble reported that Fountain Hill's legal services costs for general services, without bonding, covering a four-year average totaled \$276,157 per year and the total amount that included the work the firm handled on the Town's 2015 bond total average was \$299,511 per year and stated these totals also included all other services requested by the Town. He mentioned that staff recognized in their research that when some cities and towns initiated a bond their legal services for that bond would generally be contracted out to another legal service other than their legal staff. Mr. Trimble noted that criminal legal services was not the team's main focus, but those calculations were also included on Council's spreadsheet.

Mr. Trimble addressed the findings by staff comparing the cost of an in-house versus contracted civil legal services and added that even with in-house staff the cities and towns additional cost for outside legal service firms averaged \$119,050 per year and he noted that the Town of Florence had been spending more on outsourcing law services due to a big mining company law-suit that was outside the scope of their internal staff. Mr. Trimble continued that the Town of Sahuarita switched from contracted to in-house legal staff in 2006 and their expenditures increased by 44% due to outside legal costs and the Town of Oro Valley outsourced their Town Attorney function and his position was limited to mainly his attendance at Council meetings at the cost of approximately \$82,000 per year.

Mayor Kavanagh asked if the Town of Sahuarita's increase in cost was due to an unforeseen situation such as a law suit and Mr. Trimble answered that he could not say if there was a specific reason, but it appeared on their web site information that their legal costs continually grew each year.

Mr. Trimble stated that the Town of Oro Valley had a unique in-house legal situation and they employed a Director of Legal Services and an Assistant Prosecutor for a total of 2.75 full-time employees (FTE) in addition to outsourcing a Town Attorney who attended Council meetings. Mr. Trimble stated that out of the eight cities and towns surveyed that employed "in-house" staff for civil legal services averaged 2.83 FTE with Marana highest at 4.3 FTE and Paradise Valley the least at 1.5 FTE.

Mr. Trimble noted that the findings on seven cities and towns that employed specifically in-house city or town attorneys, their average cost was \$189,136 per year and included salary and benefits along with three of those that included a car allowance and he noted those attorneys only worked the civil portion. Mr. Trimble pointed out that two of the cities compared had their attorneys devote a small portion of their time to criminal and prosecutor legal services and he expressed that he had eliminated three cities and towns that worked under employment contracts. He stated that the range of salaries were Florence at \$128,400 and Paradise Valley the highest at \$252,000. Mr. Miller asked if that number included salary and benefits and Mr. Trimble answered that it was for both. Mr. Trimble stated that the total civil costs for the cities and towns researched was on average \$417,173 and included salary, benefits and contracted services covering their civil portions only and listed Marana the highest at \$579,281 and the least being Florence at \$306,058 and without the mining lawsuit their cost was approximately \$175,000 per year.

Mr. Trimble pointed out that Fountain Hills had budgeted \$334,996 for fiscal year 2016-17 and an actual projected cost was \$302,000 for the fiscal year 2015-16. He added with bonding and subscriptions the Town's average four-year total per year was \$299,511 and without bonding services and with subscriptions totaled \$276,157 for a four-year average. Mr. Trimble touched on the "Total Civil Costs" chart and pointed out that based on the survey of nine other cities and towns Fountain Hills ranked in the lower 1/3 and also ranked the lowest by other measures when looking at the projected actual four-year averages. Mayor Kavanagh asked if the budget for this fiscal year was a true actual total and Mr. Trimble answered that unless an unforeseen expense were received this was a good cost projection.

Mayor Kavanagh stated what she was confused and wonder how staff could compare totals from other cities and towns and what they paid for their contracted legal services without knowing how many hours their Attorneys work per year and she questioned if the Town could get twice the amount of legal services with an in-house Attorney who would be available and working only for Fountain Hills. Mr. Trimble answered that Staff did not have the time to retain those factors and only looked at the numbers without getting into details. Mayor Kavanagh pointed out the Apache Junction liked having an Attorney on staff to consult with whenever needed.

Councilmember Cecil Yates thanked Mr. Trimble for his presentation and acknowledged the difficulties staff had collecting this information. Councilmember Yates asked if Mr. Trimble knew how much the Town had paid out in litigation over the past six or seven years. Mr. Trimble referred the question to Town Attorney Andrew McGuire who believed they were referencing a study he created in the past for legal services expenses paid to Gust Rosenfeld from

2002 through 2009, which included descriptions and costs of all litigations involving the Town including who was responsible for the legal cost along with pay-outs or bills paid to the other party. Mr. McGuire noted that his firm did not handle the Town's litigation except for two small areas that included election lawsuit matters and noted that Gust Rosenfeld had one of the possible three Attorneys that handle these type cases in Arizona and they handle tax matters as in tax lien situations. Mr. McGuire did not have data on what was paid out since 2009 or paid out by the Town's Risk Pool on behalf of the Town related to law suits and he noted that Gust Rosenfeld did not have the connections to receive that information because Gust Rosenfeld only gave their input. Mr. McGuire noted there were only six matters that he was involved in regarding law suits since his last report and those were a trash hauling dispute with Gust Rosenfeld billing the Town for \$8,000 in fees about six-years ago, Education Resources involving a tax lien matter at approximately \$3,000, and the Galassine injunction where the Risk Pool did not represent and Gust Rosenfeld handled on behalf of the Town, which went on for three-years and he pointed out the town did not have an interest in, but was an issue between the Institute for Justice and the State that ended with Gust Rosenfeld billing \$31,000 to the Town over and above what Risk Management paid out. He added that the last law suit was another one that the Town had no interest in, was when the Town was sued because they were the entity that controlled the action involving a fight between the two medical marijuana facilities at a cost to the Town for \$10,000 in legal fees, so the total legal fees billed since 2009 was \$52,000.

Councilmember Cassie Hansen asked when the Town used other Gust Rosenfeld attorneys for their expertise was that included in the Town's costs or was that billed separately. Mr. McGuire answered the other attorneys fees were included in the Town's costs and that the summary given to Council for their review had the cost broken down by attorney hours and amounts by attorney and what matters were billed for that year and added that those attorneys were available at the discounted rate for any of the firms partners working for the Town. Councilmember Hansen pointed out that while using Gust Rosenfeld the Town always had an Attorney available if needed. Mr. McGuire agreed and explained that was the reason Gust Rosenfeld had these additional services available and at a good cost to the Town and he added that nobody else could give the Town an Environmental attorney down the hallway at the cost of \$240.00 per hour and only bill for the time needed when outsiders pay \$400.00 per hour at a minimum of five hours for the same attorney on their staff. Mr. McGuire also stated that Gust Rosenfeld had added to the amount of people on their staff that was available to the Town since 2002 as reflected on their handout dated for fiscal years 2014-15 and 2015-16 and for an additional 15-20 people who worked based on their expertise in the course of a year. Mr. McGuire pointed out that the work listed on the summary was mostly time he had worked for the Town and added that other experts were always available for matters that an in-house counsel could not handle and added that was the reason for cities and towns to have an outside counsel budget.

Councilmember Cecil Yates wanted to clarify that there were six law suits the Town was involved in from 2009 to 2016 and he wondered how many went to litigation with or without Gust Rosenfeld. Mr. McGuire did not know the number since Risk Pool handled all the basic litigations for the Town. Mr. Miller stated that most of the litigation involving the Town was handled by the Risk Management because the law suits involved physical injuries and he noted that two law suits involved injuries at the Community Center where those injured was suing the Town for lost wages and the Risk Pool was handling those cases. Mr. Miller added there were minor insurance claims, motor vehicle law suits that were also handled by the insurance company, along with a couple of development issues, which one had already been resolved.

Councilmember Cassie Hansen asked Mr. McGuire if someone from the Town called him on the phone would that create a charge and Mr. McGuire answered that he billed by the hour for calls and emails and he pointed out that the summary showed what he felt was billable from calls from Councilmembers, Staff or the Town Manager, but added if a citizen called him he did not billed his time unless it was for a specific issue and the citizen was directed to call him. Councilmember Hansen asked Mr. Miller if the Town kept close tabs on calls and emails to Mr. McGuire and Mr. Miller replied that staff was instructed to fill out a "Request for Legal Services" form that would then be approved by him and added if this process was not followed, Mr. McGuire would refer the caller back to his office for action. Mr. Miller noted that McGuire was physically at Town Hall on scheduled Council meetings days and staff tried to use that time to ask questions or discuss issues by appointment with Mr. McGuire.

Councilmember Alan Magazine expressed that he found the summary very useful and was in favor of the research, but he felt the cost of legal services was not the dominate issue and stated some Councilmembers felt Mr. McGuire was not giving the service required or advice the Town needed. Councilmember Magazine wanted this issue to be brought

out because people were concerned with Mr. McGuire's performance and that Mr. McGuire should have an opportunity to respond.

Mayor Kavanagh asked why the Town did not have a contract for legal services like they had with the Prosecutor and Judge and she noted that she was previously not aware that the Town did not have a contract with Mr. McGuire. Mayor Kavanagh added that a contract could be reviewed each year during the budget process and Mr. Miller answered that the Town had a letter of engagement that allowed the Town to continue to use Mr. McGuire as long as Council approved and he noted the letter of engagement could be changed easily at Council's requested and he stated a contract for legal services could be explored. Mr. Miller stated it was not uncommon to have contracts and explained that Mr. McGuire's firm preferred this method, but Mr. McGuire had stated previously Gust Rosenfeld would work with the Town.

Councilmember Cecil Yates said he liked the open discussion but stated in no way was this about the quality of Mr. McGuire or Gust Rosenfeld's legal services, but was about the right tool for the job. Councilmember Yates added that Mr. McGuire and his firm had a great reputation, but the Town was paying too much for their services and he felt the information received was not a perfect comparison since there were no contracts or matrix. He stated that after asking for invoice copies from Mr. McGuire he was told that the invoices did not fit what a normal invoice looked like and he expressed his appreciation for the information Mr. McGuire presented to Council but he felt the Town needed a check and balance for review. Councilmember Yates respectfully stated that the estimate for the Town's budget year always went over with or without a bond and the overages were never brought to Council for review. He stated that legal services have gone up and permits were down and he did not see where the Town needed additional legal expenses.

Councilmember Yates expressed the opinion that Mr. McGuire's fiduciary responsibilities were to Gust Rosenfeld and added he had visited with other Town Managers and legal counsels and everyone agreed that the market average salaries for legal service was at \$133,000 and with hiring a Paralegal along with paying benefits, that would total around \$200,000 along with an outside services budget. Councilmember Yates added that the Town could possibly have two full-time staff members on site and they would only be responsible to our Town. Councilmember Yates expressed his appreciation that other Attorneys were available at Gust Rosenfeld to give advice, but felt it was overkill and he was looking at the financial side along with the way the Town's legal services were structured. He then proposed to the Council test the market with a "Request for Proposal" (RFP) at \$90,000 to \$130,000 and then see what the response is; he also suggested a paralegal maybe shared with the Prosecutor's office. He expressed that with a Town our size we should have an in-house Attorney.

Andrew McGuire stated that the numbers listed in the Council's handout showed in 2013-14 the increase of \$37,000 and was generated to work on the development agreement with MCO Properties for the reconstituted agreement that involved discussions that were long and hard and that the Council did not need a \$133,000 attorney but someone with 20+ years of land use experience to be in the room. He added that MCO had agreed to offset part of the Town's attorney fees knowing that their person with the expertise and an hourly rate of \$750.00 was present and that the hourly amount billed by Gust Rosenfeld was less than that amount. Mr. McGuire also pointed out that the beginning of 2014-15 fiscal years showed another \$14,000 billed for Adero Canyon and another \$14,000 for Town Center Morningstar and Park Place Development projects and he noted in 2015-16 through early May the Town was charged for legal services involving additional Park Place and the Morningstar projects, which were not the run of the mill issues. Mr. McGuire added that the bulk of the tasks were completed by an associate or paralegal trained by Gust Rosenfeld to handle issues that an Attorney did not have to look at until the project was completed and noted that he handled issues at his level and others handled the day to day items that some would consider mundane. Mr. McGuire stated that outside perspective was that the Town Attorney's roll was viewed as low brain power job and he added that with 21 years experience he knew a lot could go wrong.

Mayor Kavanagh stated she agreed with a lot with Mr. McGuire and added it was not about the quality of services but questioned the extreme the Town goes to resolve issues such as the free dirt for the Town's trailhead offered to the Town by MCO and that Mr. McGuire required an Intergovernmental Agreement (IGA), which MCO refused to sign, along with having the dirt tested and ultimately Mr. McGuire informed the Town that without the approved IGA the Town could not take the free dirt. The Mayor explained that after speaking to Town Manager Miller the Town eventually took the dirt; she added that little issues had come up and the Town should not have to go so far for resolution and that they needed to be more practical. Mayor Kavanagh expressed that residents have asked why the Town wanted to collect \$3.00 from property owners per month, scrutinized the budget, and cuts staff that alternatively

cuts the resident's services, but did not go out and at least look for a less expensive option for legal services, which she felt was important since Council spends tax payers dollars. The Mayor stated that she could not give the residents an answer to their question and she felt it would not hurt to look at options and services available so she would be able to say to the tax payers that this was the best bang for the Town's buck.

Councilmember Alan Magazine asked how was the free dirt situation presented and who decided on the action to be taken. Mr. McGuire answered that the document discussed was a license agreement because the dirt would be placed on Town property and it was unknown in the trailhead area what land needed to be protected since the trailhead was in a Saguaro forest. Mr. McGuire explained the issue did not go to Council because the Town Manager was allowed to sign the license agreement since the total value was less than \$30,000 and added that this type of agreement had been done on other Town projects.

Councilmember Nick DePorter expressed it was all about a contract for him and the opportunity to review performance yearly, which was very important along with competition for services. Councilmember DePorter expressed he did not know the advantages of an in-house Attorney and understood that outside legal services could raise the budget dramatically, but until the Town looked at what services were available, he could not make a decision and that he preferred a contract. Mr. McGuire explained the reason his firm preferred not to be under contract was for the reason that if the Council at anytime was not satisfied with his services, the Council could end their relationship with Gust Rosenfeld since they were not bound by contract until the end of the year and he added that situation could be dangerous for everyone. Mr. McGuire also pointed out that Council could review his services annually and he would assist them with information at the time of the budget because he was confident with his services and he did not mind competition, but if Council was to request an RFP for in-house verses what services his firm offers, that would not be a good comparison.

Mayor Kavanagh asked Mr. Miller what kind of contract the Town had with the Town's Prosecutor and was there conditions that he could be terminated. Mr. Miller answered that the Prosecutor's contract could be terminated at any time by Council. Mayor Kavanagh added that a contract could be written for one-year with conditions written into the contract as requested by Council.

Councilmember Dennis Brown suggested Council look at this on an hourly rate over the entire year and noted it appeared that in 2014-15 Mr. McGuire's rate calculated to \$192.00 per hour and in 2015-16 at \$190.00 per hour, which was a very reasonable rate. Councilmember Brown also suggested it may be an issue of the right communication between Mr. McGuire and the Council since this discussion had been repeated three times since he had been elected to Council and he added that it was always determined that Gust Rosenfeld did a great job in the end. Councilmember Brown mentioned his recent meetings and negotiations regarding the Park Place project and explained how their issues were resolved and expressed he was 98% content with the services the Town received from Mr. McGuire. Councilmember Brown expressed that the Town did not know what services they received because the cost explanation was given to Council every few years and stated he would absolutely like to have an in-house Attorney that was available every day to visit and discuss issues, but he also suggested that Gust Rosenfeld cost per hour was reasonable and should be considered and added that changing could be a risk. He also pointed out the Town needed to come up with a review method with information to be provided by Mr. McGuire on a regular basis and stated again he would like an in-house Attorney, but understood the Town could not afford it.

Councilmember Cassie Hansen stated that communication goes both ways and Councilmembers should speak up if they had an issue understanding what advice Mr. McGuire suggested on a case-by-case basis and then Mr. McGuire could answer concerns along with Councilmembers expressing their opinions on a situation. Councilmember Hansen asked Mr. McGuire if it was possible for him to review a situation and go one-step further by requesting additional information and possibly make a phone call and try to have a conversation before going to the extreme on certain issues. Mr. McGuire responded that actually those steps happened a lot and he stressed that he provided legal advice only and did not make policy and he added if Council decided to do something different, that would be their decision. Councilmember Hansen added that she felt it was important to remember the term "advice" and the point that then the Council would make the decision whether they wanted to take the legal advice.

Mr. McGuire stated that he was charged with the fiduciary duty to provide the best legal advice possible and not direction on policy. Councilmember Hansen noted that the League's information was limited and it was almost impossible to compare services because they were too diverse.

Mayor Kavanagh commented that Council needed more communication and she expressed that communication was one of the issues since she hesitated calling Mr. McGuire and that Council needed to understand that picking-up the phone to call Mr. McGuire would be a billable hour and more cost to the Town.

Councilmember Magazine stated he did not have a communication issue with Mr. McGuire such as Councilmember Brown suggested, but he would like to ask Mr. Miller and Mr. McGuire to meet together and come up with a way to communicate issues asked by other Councilmembers and the information be passed on to all the other Councilmembers.

Vice Mayor Leger believed it was important to go back and look at the scope of services Mr. McGuire provided Council and the level of expertise that Mr. McGuire brings to the Town, which was extremely important along with his fiduciary responsibilities to the Town and not the developer. He also noted that in the 10 years he had served on the Council there were no issues with communication with Mr. McGuire and asked Mr. McGuire if he billed for a five minute conference call. Mr. McGuire answered he did not bill for a quick question and only when the call or email was related to a specific topic and for an extended period of time. Vice Mayor Leger asked Mr. McGuire to explain why he took the approach that had been mentioned previously on the dirt issue? Mr. McGuire explained again that his action was due to the type of property and because the Town did not know anything about the area. Vice Mayor Leger stated that the perception of overkill in Mr. McGuire's action was to protect the Town's liability and he stressed that he did not have an issue with current legal services and he felt the cost was not over the top and stressed the excellent service received. Vice Mayor Leger also stated that his perception was that Mr. McGuire had a good working relationship with staff along with their trust and respect, which was extremely important.

Vice Mayor Leger asked if Mr. Miller would comment on this issue since Mr. Miller worked with staff and the information from staff came through him along with Mr. Miller receiving legal advice from counsel. Town Manager Miller answered that he and staff had a very strong relationship with Mr. McGuire and a lot of that was due to Mr. McGuire's history with the Town and his excellent expertise and he noted that he and staff members when necessary received quick answers. Mr. Miller mentioned that Mr. McGuire helped staff with the tightening of the Town's Procurement Policy and expressed his confidence with Mr. McGuire. Mr. Miller added this was clearly a policy issue for Town Council.

Councilmember Cecil Yates stated that Mr. McGuire's fiduciary to the Town did not exist, the Town was not primary, and he noted that as in the dirt issue an in-house attorney would maybe take a different route, He mentioned the Park Place negotiations and the 25 development agreement revisions, which he felt that was too many. Councilmember Yates pointed out that whether the Town needed to reconstruct legal services or if the issue was communication, this issue keeps coming up and was not being addressed. Councilmember Yates said that the Town staying within budget was needed and he added this problem needed to be addressed and not ignored so it did not come back up in the future.

Mr. McGuire commented that the last time legal services were discussed was in 2009. Councilmember Yates stated that Tait Elkie brought up legal services issue and that was in 2010, so it had been five years since this had been discussed and he asked Mr. McGuire how they could better engage.

Mr. McGuire addressed the issue of 25 revisions as referenced by Councilmember Yates regarding the Park Place Development Agreement; he stated if there had been more cooperation as seen the last six weeks with the lead people on the project and if the Attorneys in particular who are now engaged with this project had been involved in the beginning, there was no way this agreement would have taken that long to go through the process. Mr. McGuire continued that the number of revisions was purely a function of how he liked to prepare documents and he felt it was important not to hide anything, so revisions allowed the each side to see exactly what was revised; he pointed out it was actually 22 revisions with some consisting of a couple of words which allowed full disclosure and Mr. McGuire felt it was not an accurate statement to comment on the number of versions in the form of a delay.

Councilmember Yates asked Mr. McGuire if there were a better way to engage, improve information communication so the Council knows what the budget would be in a line item and possibly save money. Mr. McGuire stated his solution would be to allow the process to work as normal and his absolute fiduciary duty was to the Town (there was no competition).

Mayor Kavanagh addressed the money issue and expressed she was still faced with a problem when residents asked her if the Town knows if they are receiving the best legal service for their tax money. She added the discussion this evening could end by Council agreeing to a request for proposal for the Town's legal services. If the findings were that Gust Rosenfeld was the best firm, then we could end future controversy. Mayor Kavanagh stated she wanted to be able to inform the Town's tax payers that the Town did all they could do in this matter and then be able to inform them where and why the money was spent. Mayor Kavanagh stated she wanted the services the Town needed and added that since the Town did a search for the Judge and Prosecutor; they found the best service, cost and people for the jobs.

Councilmember Yates added that in 2002 an RFP was put out in this manner for legal services as a fee for service. He discussed the need for checks and balances and that the Town did not have a contract.

Councilmember Hansen pointed out the Town had always used engagement letters.

Vice Mayor Leger asked why Councilmembers could not go to finance and review bills to satisfy accountability since they would have a list of the billable services provided to them and he also asked how many times had the Town gone out for an RFP for the Prosecutor. He expressed that he did not have a problem with Mr. McGuire after reviewing the information and he added when he speaks to residents on the cost of Town services, he usually talks about scope of services and comparable services and stated he felt this discussion was a waste of time. Vice Mayor Leger explained that he had 30 years with companies using in house and external legal counsel and felt in house counsel option was not as objective as external counsel because in house counsel was hired by the organization; he felt with Mr. McGuire the Town got an objective opinion and he was not in favor of the RFP.

Mayor Kavanagh stated she did not feel anything was solved in this work study and noted residents wanted the bottom line with funding and expressed she would not recommend a property tax or any other tax if Council would not agree to look at a \$400,000 budget for legal service involving our small size Town and added if Council did not find better legal services, than at least they tried. Councilmember Hansen asked how the Mayor explained the contract with the Maricopa County Sheriff's Office and the Mayor answered that she gives speeches all the time to a lot of the Town's organizations and noted that the Fountain Hills Men's Club especially were very engaged in the Town's budget especially when the Town added an Environmental Fee to residents and they inquired on where the Town could cut expenses. She expressed that legal services was the last service Council had not looked at to review. Councilmember Hansen suggested giving residents more information or allowing them to see the scope of legal services, which would explain a lot. Mayor Kavanagh stated she believe residents clearly understood what services an Attorney provided, but residents would like to know if there were other Attorneys and services available and questioned if the Town needed a big firm.

Councilmember Hansen expressed she needed to go home. Mayor Kavanagh understood that Council could not vote on this issue during this meeting and requested any further comments. Councilmember Alan Magazine stated he wanted to get an idea where Council stood on this issue without violating any rules. Councilmember Hansen suggested Councilmembers express to Mr. Miller their opinion and then Mr. Miller could make a determination. Mayor Kavanagh stated she would like to have Councilmember's publicity state where they were on this issue. Vice Mayor Leger stated he was satisfied with legal service and that he agreed with Councilmember Magazine; there was more than meets the eye on this issue. Councilmember Cassie Hansen expressed that she was satisfied with the service. Councilmember Dennis Brown requested additional time to give the issue more thought and to review the information receive; he stated he would let her know. Councilmember Nick DePorter stated he was satisfied with the service, but was in favor of a contract and also open to an RFP; Councilmember Cecil Yates who agreed with Councilmember DePorter.

AGENDA ITEM #2 - ADJOURNMENT

Councilmember Nick DePorter **MOVED** to adjourn the meeting and Councilmember Cecil Yates **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0). The Work Study Session adjourned at 7:00 p.m.

TOWN OF FOUNTAIN HILLS

By _____
Linda M. Kavanagh, Mayor

ATTEST AND
PREPARED BY:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Study Session, held in the Fountain Hills Town Hall Council Chambers on the 14th day of June, 2016. I further certify that the meeting was duly called and that a quorum was present.

DATED this 18th day of August, 2016.

Bevelyn J. Bender, Town Clerk