

**SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, MAY 23, 2017**



**CITY HALL KIVA  
3939 N. DRINKWATER BOULEVARD  
SCOTTSDALE, AZ 85251**

**CALL TO ORDER**

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:05 P.M. on Tuesday, May 23, 2017, in the City Hall Kiva.

**ROLL CALL**

Present: Mayor W.J. "Jim" Lane; Vice Mayor Suzanne Klapp; and Councilmembers Virginia Korte, Kathleen Littlefield, Linda Milhaven, Guy Phillips, and David N. Smith

Also Present: City Manager Jim Thompson, City Attorney Bruce Washburn, City Treasurer Jeff Nichols, and City Clerk Carolyn Jagger

**PLEDGE OF ALLEGIANCE** – Girl Scout Troop 1667, Leader Anita Elko

**INVOCATION** – Mayor Lane requested a moment of silence to honor the victims of the Manchester bombing.

**MAYOR'S REPORT**

Mayor Lane noted the passing of Lorraine White, a Scottsdale native and wife of the City's first mayor, Malcom White.

**PRESENTATIONS** – None

**PUBLIC COMMENT** – Betty Janik, Christie Kinchen, Jason Alexander, and Michael Norton commented on the Desert Discovery Center.

**NOTE:** MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

## MINUTES

**Request:** Approve the Retreat Meeting Minutes of April 17, 2017, and Regular Meeting Minutes of April 25, 2017.

## MOTION AND VOTE – MINUTES

Councilmember Korte made a motion to approve the Retreat Meeting Minutes of April 17, 2017, and Regular Meeting Minutes of April 25, 2017. Councilman Phillips seconded the motion, which carried 7/0.

## CONSENT AGENDA

1. **Herbal Nail and Spa Liquor License (22-LL-2017)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 7 (beer and wine bar) State liquor license for a new location and owner.  
**Location:** 6590 N. Scottsdale Road, Suite 150  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
2. **Filiberto's Mexican Food and Bar Liquor License (23-LL-2017)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.  
**Location:** 8110 E. McDowell Road  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
3. **Mod Pizza Liquor License (24-LL-2017)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an acquisition of control change for an existing Series 12 (restaurant) State liquor license.  
**Location:** 10893 N. Scottsdale Road, Suite 101  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
4. **BCA 77, LLC Rezoning (1-ZN-2017)**  
**Request:** Adopt **Ordinance No. 4305** approving a zoning district map amendment from Industrial Park District (I-1) to General Commercial District (C-4) on a 1.05±-acre site.  
**Location:** 7995 E. Paradise Lane  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
5. **Zone 2 Water System Improvements Construction Phase Services Contract Modification**  
**Request:** Adopt **Resolution No. 10791** authorizing CM@Risk Contract No. 2017-033-COS-A1 with MGC Contractors, Inc., in the amount of \$4,074,170 for a portion of the Zone 2 Water System Improvements Project.  
**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)



- 6. Crime Lab Latent Print Comparison and AFIS Room Budget Transfer**  
**Request:** Adopt **Resolution No. 10813** authorizing a FY 2016/17 General Fund Capital Contingency Budget appropriation transfer in the amount of \$22,000 to the Crime Lab Latent Print Comparison and AFIS Room capital project (JD06), of which \$20,000 will be funded by Crime Lab Assessment funds and \$2,000 will be funded by the General Fund.  
**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555,  
[dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)
- 7. Fire Department Mutual Aid Agreement**  
**Request:** Adopt **Resolution No. 10793** authorizing Agreement No. 2017-070-COS with Rural/Metro Fire Department, Inc. (Rural), to allow the City to charge Rural for operational responses by the Fire Department, effective July 1, 2017.  
**Staff Contact(s):** Tom Shannon, Fire Chief, 480-312-1821,  
[tshannon@scottsdaleaz.gov](mailto:tshannon@scottsdaleaz.gov)
- 8. State Lobbying Services Contract Modification**  
**Request:** Adopt **Resolution No. 10744** authorizing Contract No. 2015-118-COS-A3 with The Aarons Company, LLC, in the amount of \$51,500, to provide state lobbying services on behalf of the City for FY 2017/18.  
**Staff Contact(s):** Brad Lundahl, Government Relations Director, 480-312-2683,  
[blundahl@scottsdaleaz.gov](mailto:blundahl@scottsdaleaz.gov)
- 9. League of Arizona Cities and Towns Annual Membership Dues**  
**Request:** Adopt **Resolution No. 10745** authorizing payment of annual membership dues in the amount of \$97,000 to the League of Arizona Cities and Towns for FY 2017/18.  
**Staff Contact(s):** Brad Lundahl, Government Relations Director, 480-312-2683,  
[blundahl@scottsdaleaz.gov](mailto:blundahl@scottsdaleaz.gov)
- 10. Proposition 202 Grant Applications**  
**Request:** Adopt **Resolution No. 10746** authorizing the Government Relations Director to submit Proposition 202 grant applications to the various local Indian Nations on behalf of City-operated programs during the period of July 1, 2017, through June 30, 2018.  
**Staff Contact(s):** Brad Lundahl, Government Relations Director, 480-312-2683,  
[blundahl@scottsdaleaz.gov](mailto:blundahl@scottsdaleaz.gov)
- 11. Jensen v. City of Scottsdale Settlement Agreement**  
**Request:** Adopt **Resolution No. 10812** to:  
  1. Authorize settlement in the approximate amount of \$425,848, and compliance with the terms set forth in a Petition for Approval of Final Settlement and Release of Undisputed Supportive Medical Maintenance Benefits filed before the Industrial Commission of Arizona, Claim No. 20020-840668.
  2. Rescind Resolution No. 10780 that was adopted by Council on April 4, 2017.**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405,  
[bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)
- 12. Ibarra Lopez v. City of Scottsdale et al. Settlement Agreement**  
**Request:** Adopt **Resolution No. 10815** authorizing settlement in the amount of \$37,500 of Maria Catalina Ibarra Lopez's lawsuit against the City entitled *Ibarra Lopez v. City of Scottsdale, et al.*, Case No. CV2016-096878, currently pending in the Maricopa County Superior Court.  
**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405,  
[bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)



**13. Monthly Financial Report**

**Request:** Accept the FY 2016/17 Monthly Financial Report as of March 2017.

**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

**13A. Fuciarelli v. City of Scottsdale et al. Legal Fees**

**Request:** Adopt **Resolution No. 10810** authorizing legal fees to be incurred in Contract No. 2015-035-COS with the law firm of Struck Wieneke & Love, in an amount not to exceed a total of \$450,000, for the defense of *Fuciarelli v. City of Scottsdale et al.*, Cause No. CV-14-01078-PHX-GMS, currently pending in the United States District Court.

**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405, [bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)

**MOTION AND VOTE – CONSENT AGENDA**

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 13A. Councilman Phillips seconded the motion, which carried 7/0.

**REGULAR AGENDA**

**14. Public Hearing and Adoption of Fiscal Year 2017/18 Rates and Fees**

**Requests:**

1. Accept citizen comments at a public hearing regarding proposed rates and fees.
2. Adopt **Ordinance No. 4308**, amending Scottsdale Revised Code, Chapter 49, Water, Sewers and Sewage Disposal by adjusting miscellaneous water and sewer/water reclamation rates and charges, effective July 1, 2017, and water rate (volumetric and base) charges effective November 1, 2017.
3. Adopt **Resolution No. 10799** declaring the document entitled "*Amendments to Chapter 49, Scottsdale Revised Code – Water, Sewers and Sewage Disposal*" to be a public record.
4. Adopt **Resolution No. 10779**, setting the Scottsdale Fire Department Fees & Charges Schedule, effective July 1, 2017.
5. Adopt **Resolution No. 10809** authorizing the Human Services Department Court-Directed Program Fee, effective July 1, 2017.
6. Adopt **Resolution No. 10769**, setting the Special Event Fee Schedule, effective July 1, 2017.

**Presenter(s):** Brian Biesemeyer, Water Resources Director; Tom Shannon, Fire Chief; Bill Murphy, Community Services Director; Karen Churchard, Tourism and Events Director

**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

Water Resources Director Brian Biesemeyer, Fire Chief Tom Shannon, Community Services Director Bill Murphy, Tourism and Events Director Karen Churchard, and Budget Director Judy Doyle gave PowerPoint presentations (attached) on the proposed Fiscal Year 2017/18 rates and fees.

**MOTION AND VOTE – ITEM 14**

Councilmember Korte made a motion to adopt Ordinance No. 4308, Resolution No. 10799, Resolution No. 10779, Resolution No. 10809, and Resolution No. 10769. Councilwoman Milhaven seconded the motion, which carried 7/0.

**15. Public Hearing on and Adoption of Proposed Fiscal Year 2017/18 Budget (Tentative Budget)**

**Requests:**

1. The City Council solicits and receives public input relative to the entire Proposed FY 2017/18 Budget, which includes both the Operating Budget and Capital Improvement Plan. The City Council may direct staff to make revisions to the Proposed FY 2017/18 Budget prior to adoption, or may adopt the proposed version as the Tentative Budget required for conformity with Arizona Revised Statutes and City Charter.
2. Adopt **Ordinance No. 4306** as presented (or as modified by Council) establishing the Tentative Budget for FY 2017/18. Establishment of the Tentative Budget statutorily fixes the maximum expenditure limit. The maximum expenditure limit may still be lowered by Council before final budget adoption. Adoption of Ordinance No. 4306 also directs the City Clerk to meet obligations regarding publication and notices imposed by Arizona Revised Statutes and City Charter. Through adoption of Ordinance No. 4306, Council also tentatively adopts the FY 2017/18 Classification Plan and Explanations in conformity with Scottsdale Revised Code Sec. 14-20, *et seq.*, and authorizes the City Manager to approve Other Premium Pay and Special Duty Pay programs in conformity with Scottsdale Revised Code Sec. 14-24.

**Presenter(s):** Judy Doyle, Budget Director; Dan Worth, Public Works Director

**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2017/18 Operating Budget.

Public Works Director Dan Worth gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2017/18 Capital Improvement Plan.

Mayor Lane opened public testimony.

Mark Stuart expressed concern about budget expenditures.

Mayor Lane closed public testimony.

**MOTION NO. 1 – ITEM 15**

Councilman Smith made a motion to transfer \$5 million from the unreserved fund balance to the General Fund Capital Improvement Program. The motion died for lack of a second.

**MOTION NO. 2 AND VOTE – ITEM 15**

Vice Mayor Klapp made a motion to adopt Ordinance No. 4306 establishing the Tentative Budget for FY 2017/18. Councilmember Korte seconded the motion, which carried 7/0.

**16. Sign Ordinance Update – Temporary Signs Text Amendment (2-TA-2016)**

**Requests:**

1. Adopt **Ordinance No. 4300** approving a text amendment to the City of Scottsdale Zoning Ordinance No. 455 to amend Article VII. (General Provisions) and Article VIII. (Sign Requirements) for the purpose of modifying the sign requirements for temporary and semi-permanent signs and to remove special event sign regulations from the Zoning Ordinance.



2. Adopt **Resolution No. 10727** declaring the document entitled "2-TA-2016 – Sign Ordinance Update – Temporary Signs" to be a public record.

**Presenter(s):** Andrew Chi, Planner

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

Planner Andrew Chi gave a PowerPoint presentation (attached) on the proposed temporary signs text amendment.

### **MOTION AND VOTE – ITEM 16**

Councilwoman Milhaven made a motion to Adopt Ordinance No. 4300 and Resolution No. 10727. Vice Mayor Klapp seconded the motion, which carried 7/0.

### **17. Monthly Financial Update**

**Request:** Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of April 2017.

**Presenter(s):** Jeff Nichols, City Treasurer

**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of April 2017.

**PUBLIC COMMENT** – Mark Stuart provided an update on the Save Our Preserve efforts.

### **CITIZEN PETITIONS**

### **18. Receipt of Citizen Petitions**

**Request:** Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

**Staff Contact(s):** Carolyn Jagger, City Clerk, 480-312-2411, [cjagger@scottsdaleaz.gov](mailto:cjagger@scottsdaleaz.gov)

No citizen petitions were received.

### **MAYOR AND COUNCIL ITEMS**

**ADJOURNMENT**

The Regular City Council Meeting adjourned at 6:51 P.M.

**SUBMITTED BY:**



**Carolyn Jagger**  
City Clerk

Officially approved by the City Council on


June 13, 2017

### CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 23<sup>rd</sup> day of May 2017.

I further certify that the meeting was duly called and held, and that a quorum was present.

**DATED** this 13<sup>th</sup> day of June 2017.

  
\_\_\_\_\_  
Carolyn Jagger, City Clerk



Item 14

**FY 2017/18 Proposed  
Rates & Fees Changes**

City Council  
May 23, 2017



**Enterprise Rates & Fees Policy**

- Enterprise Funds
  - Aviation, Solid Waste, Water, Sewer
    - Recovery of all direct and indirect costs of service
    - Rates based on multi-year financial plans

## Enterprise - Water Resources Significant Cost Drivers

- CAP rates/drought conditions
- CIP
  - Replacement and Rehabilitation
  - Technology and Security
  - Water Quality Improvements

## Enterprise - Water Resources CAP Costs Cost per Acre Foot

Calendar Year	2017	2018	2019	2020	2021	2022
M&I Delivery Rate	\$164	\$171	\$178	\$203	\$221	\$227
M&I Capital Rate	\$31	\$49	\$45	\$45	\$45	\$45
Total M&I Rate	\$195	\$220	\$223	\$248	\$266	\$272

Fiscal Year	FY18	FY19	FY20	FY21	FY22
Purchased Water Budget w/Published Rates (in \$ millions)	\$16.9	\$18.0	\$19.1	\$20.9	\$21.9

## Enterprise - Water Resources Significant CIP

	Water Resources (In \$ Millions)	FY18	5 Year
Water	Frank Lloyd Wright 24" Transmission Main & BS 83B	\$7.7	\$13.4
	Thomas Groundwater Treatment Facility	\$10.2	\$27.3
	Water Distribution System Improvements	\$6.3	\$35.2
	Zone 14/16 Water Improvements Phase 2	\$5.1	\$13.3
	Water Treatment Facility Improvements	\$4.6	\$12.5
	Other	\$21.7	\$101.3
	<b>Total Capital Program</b>	<b>\$55.6</b>	<b>\$203.0</b>
Sewer	Wastewater Collection System Improvements	\$7.7	\$25.2
	Wastewater Treatment Facility Improvements	\$3.4	\$12.6
	Sub Regional Operating Group (SROG)	\$3.0	\$19.0
	Campus/CAP Drainage & Paving Improvements	\$1.3	\$1.3
	Technology Master Plan Identified Sewer Projects	\$1.0	\$2.0
	Other	\$3.7	\$16.1
	<b>Total Capital Program</b>	<b>\$20.1</b>	<b>\$76.1</b>

## Enterprise – Water Resources Long Term Financing

- Water and Sewer capital financing:

Fiscal Year	Water	Sewer	Combined Issuance
2017/18 Forecasted	\$42.1 million	\$15.0 million	\$57.1 million
2022/23 Forecasted	\$35.0 million	-	\$35.0 million

Long term debt is used for system rehabilitation and replacement and improved system capabilities.



## Enterprise - Water Resources Rate and Service Charge Proposals

- Water rate increase proposed for FY 2017/18
- Sewer rate increase proposed for FY 2017/18
- Service charge adjustments proposed for FY 2017/18 to meet cost recovery requirements for various services

## Enterprise - Water Resources Water and Water Reclamation Rates

Rates / Surcharge	Current Estimated Revenue	% Change	Estimated Revenue Change
Water Rates	\$90,142,000	2.9%	\$2,614,000
Sewer Rates	\$36,494,000	2.6%	\$950,000
Additional Water and Sewer Fund Revenue			\$3,564,000

## Enterprise - Water Resources Water Rates

Base Fees (All Customers)		
	Current	Proposed
5/8" Meter	\$11.25	<b>\$11.90</b>
3/4" Meter	\$14.50	<b>\$15.40</b>
1" Meter	\$20.50	<b>\$21.75</b>
1.5" Meter	\$33.75	<b>\$35.75</b>
2" Meter	\$45.00	<b>\$47.75</b>
3" Meter	\$60.00	<b>\$95.00</b>
4" Meter	\$140.00	<b>\$148.50</b>
6" Meter	\$280.00	<b>\$297.00</b>
8" Meter	\$390.00	<b>\$413.50</b>

Proposed implementation date – November 1, 2017

## Enterprise - Water Resources Water Rates

Current Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)				Proposed Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To	Tier	Rate	From	To
1	\$1.65	0	5,000	1	\$1.65	0	5,000
2	\$2.85	5,001	10,000	2	<b>\$2.95</b>	5,001	<b>12,000</b>
3	\$3.55	10,001	30,000	3	<b>\$3.70</b>	<b>12,001</b>	30,000
4	\$3.85	Over 30,000		4	<b>\$4.05</b>	Over 30,000	

Proposed implementation date – November 1, 2017

## Enterprise - Water Resources Water Rates

Current Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)				Proposed Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To	Tier	Rate	From	To
1	\$1.65	0	5,000	1	\$1.65	0	5,000
2	\$2.85	5,001	12,000	2	<b>\$2.95</b>	5,001	12,000
3	\$3.55	12,001	40,000	3	<b>\$3.70</b>	12,001	<b>30,000</b>
4	\$4.50	40,001	65,000	4	<b>\$4.75</b>	<b>30,001</b>	65,000
5	\$5.25	Over 65,000		5	<b>\$5.55</b>	Over 65,000	

Proposed implementation date – November 1, 2017

## Enterprise - Water Resources Water Reclamation Rates

Base Fees (All Customers)		
	Current	Proposed
5/8" Meter	\$3.00	<b>\$3.25</b>
3/4" Meter	\$3.00	<b>\$3.25</b>
1" Meter	\$3.00	<b>\$3.25</b>
1.5" Meter	\$18.00	<b>\$19.50</b>
2" Meter	\$42.00	<b>\$45.50</b>
3" Meter	\$54.00	<b>\$58.50</b>
4" Meter	\$78.00	<b>\$84.50</b>
6" Meter	\$150.00	<b>\$162.50</b>
8" Meter	\$210.00	<b>\$227.50</b>

Proposed implementation date – July 1, 2017



## Enterprise - Water Resources Water Reclamation Rates

Proposed  
implementation  
date – July 1,  
2017

Customer Category	Current Rates	Proposed Rates	Percent Change
Single Family Residential	\$2.63	<b>\$2.63</b>	-
Multi Family Residential	\$2.70	<b>\$2.63</b>	(2.6%)
Commercial Without Dining	\$2.70	<b>\$2.63</b>	(2.6%)
Commercial With Dining	\$3.25	<b>\$3.50</b>	7.7%
Hotels Without Dining	\$2.79	<b>\$2.87</b>	2.9%
Hotels With Dining	\$3.35	<b>\$3.50</b>	4.5%
Car Washes	\$2.60	<b>\$2.60</b>	-
Commercial Laundry	\$3.39	<b>\$3.15</b>	(7.1%)
Metal Platers	\$2.76	<b>\$2.90</b>	5.1%
Laundromats	\$2.72	<b>\$2.63</b>	(3.3%)
Restaurants/Bakeries	\$4.70	<b>\$4.90</b>	4.3%
Service Station Auto Repair	\$2.79	<b>\$2.63</b>	(5.7%)
Medical Institutions	\$2.94	<b>\$2.63</b>	(10.5%)
Schools	\$2.72	<b>\$2.63</b>	(3.3%)

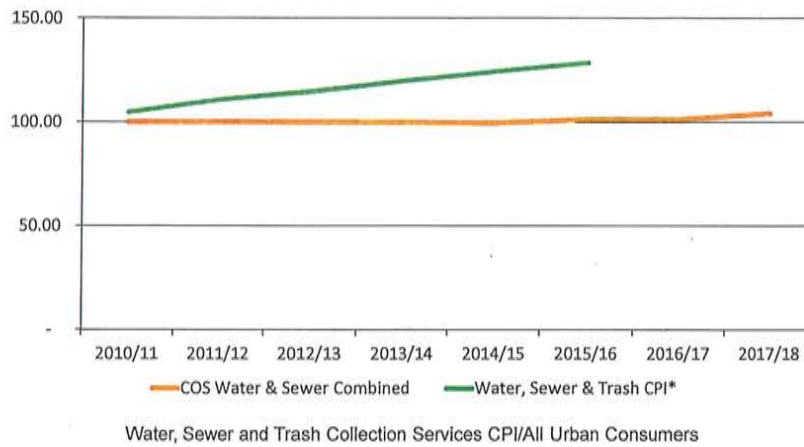
## Enterprise - Water Resources Historical Rate Changes

- Water and Sewer Rate Adjustment history:

Fiscal Year	Water	Sewer	Weighted Average
2010/11	- 0 -	- 0 -	- 0 -
2011/12	- 0 -	- 0 -	- 0 -
2012/13	- 0 -	- 0 -	- 0 -
2013/14	(1.8%)	4.0%	(0.2%)
2014/15	- 0 -	(1.2%)	(0.3%)
2015/16	1.3%	2.6%	1.7%
2016/17	- 0 -	- 0 -	- 0 -
2017/18	2.9%	2.6%	2.8%
<b>Cumulative</b>	<b>2.4%</b>	<b>8.0%</b>	<b>4.0%</b>

Rate reductions driven by rate structural changes as recommended by cost of service study results and revenue stability.

## Enterprise - Water Resources Historical Rate Changes and Utility CPI



## Enterprise - Water Resources Service Charge Proposals - Water

Service Charges	Estimated Transactions	FY 16/17 Fee	Proposed FY 17/18 Fee	Increase Amt	% Change	Estimated Revenue Change
Bulk Water Rate	3	\$1.65/1KG	\$1.75/1KG	\$0.10/1KG	6%	\$13,550
Move Meter Up To 15'	15	\$322	\$800	\$478	148%	\$7,170
Move Hydrant Meter	50	\$70	\$100	\$30	43%	\$1,500
1" Construction/Hydrant Deposit	25	\$300	\$500	\$200	67%	\$5,000
3" Construction/Hydrant Deposit	40	\$1,200	\$1,500	\$300	25%	\$12,000
Out of City Surcharge-Water	1,400	10%	15%	5%	50%	\$5,650
Out of City Surcharge-Sewer	175	10%	15%	5%	50%	\$2,500
AMI/AMR Turn Off Fee	New-1	-	\$25	\$25	100%	\$25
Com. Private Fire Suppression	New-3,370	-	\$2	\$2	100%	\$80,880
Com. Water Hauler Base Fee	New-10	-	\$10	\$10	100%	\$1,200
Res. Water Hauler Base Fee	New-50	-	\$5	\$5	100%	\$3,000
Additional Water Fund Revenue						\$132,475

KG – Thousand Gallons

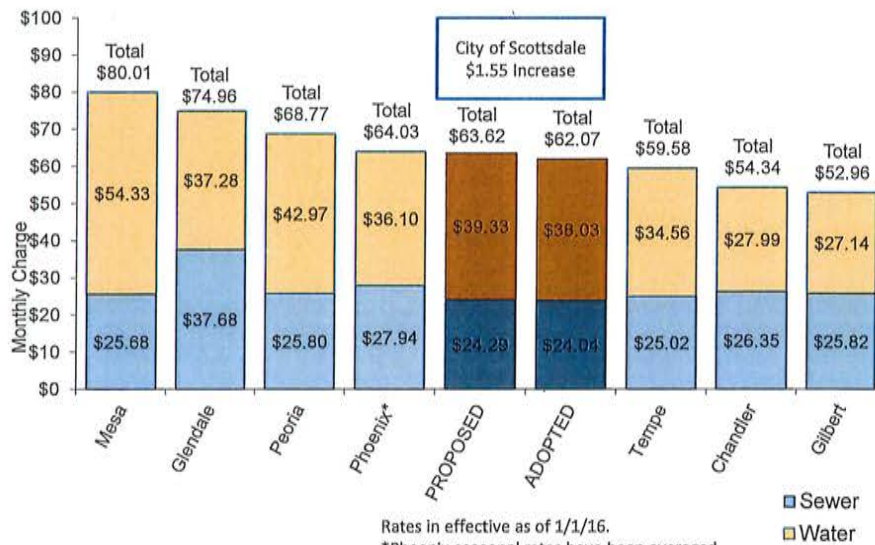
## Enterprise - Water Resources Service Charge Proposals - Water

Service Charges	Estimated Transactions	FY 16/17 Fee	Proposed FY 17/18 Fee	Increase Amt	% Change	Estimated Revenue Change
Service Only - 5/8" Meter	10	\$908	\$1,215	\$307	34%	\$3,070
Service Only - 3/4" Meter	15	\$919	\$1,215	\$296	32%	\$4,440
Service Only - 1" Meter	550	\$979	\$1,220	\$241	25%	\$132,550
Service Only - 1.5" Meter	20	\$1,576	\$1,795	\$219	14%	\$4,380
Service Only - 1.5" Fire*	10	\$1,700	\$1,795	\$95	6%	\$950
Service Only - 2" Meter	15	\$1,810	\$2,065	\$255	14%	\$3,825
Service Only - 2" Fire*	10	\$1,813	\$2,065	\$252	14%	\$2,520
Meter Only - 1.5" Meter*	10	\$472	\$530	\$58	12%	\$580
Meter Only - 2" Meter*	10	\$568	\$660	\$92	16%	\$920
Additional Water Fund Revenue						\$153,235

\*Total necessary increase was spread over two years. This is the second year of implementation.

## Utility Comparison

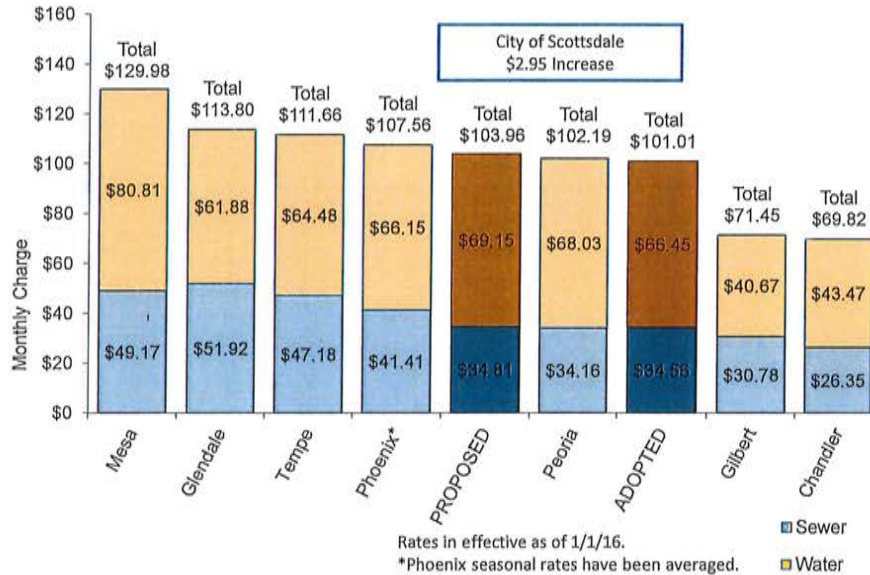
Residential Utility Bill Comparison  
Water Use 11,500 gallons on 5/8" Meter and  
Sewer Use 8,000 gallons





## Utility Comparison

Residential Utility Bill Comparison  
Water Use 17,000 gallons on 1" Meter and  
Sewer Use 12,000 gallons



## Enterprise - Water Resources City Code Updates

### Section 49-127. Building sewers and service lines

- Residential obstruction within the right-of-way
  - Due to physical failure-no cost to the user
  - Due to root intrusion or discharged waste failure-actual cost billed to the user

There are other changes to the City Code for housekeeping updates, including definitions, titles and clarifications proposed to be effective July 1, 2017.

## **Enterprise - Water Resources**

- Questions?

## **Non-Enterprise Rate Change Proposals**

- Annual review to determine direct and indirect cost of service recovery rate
- Acceptable recovery rate and associated rates and fees changes approved by City Council
- Proposals for rates and fees changes submitted by:
  - Public Safety – Fire
  - Community Services
  - Community & Economic Development - Tourism & Events

## Non-Enterprise Rates & Fees Change Proposals

- New/adjusted fees estimated to increase General Fund revenue by **\$190,300** for FY 2017/18

Public Safety - Fire	\$	0
Community Services		190,000
C&ED – Tourism & Events		300
Total Revenue Increase	\$	190,300

## Public Safety - Fire

### Fire Safety Permit Fees for Special Events

- Fire Safety Permit fee calculation being adjusted for temporary structures or vehicles.
- Establish a fee based on the current permit rate. The new fee calculation would be \$159 to establish the fire safety permit for 1 to 9 temporary structures or vehicles and \$477 for 10 or more.
- These fees cover the issuance of the permit and the follow-up site inspections for safety compliance.

Additional General Fund  
revenue of **\$0** for FY 2017/18



## Community Services

### Human Services – Court Program Fee

- The Human Services Department will assess Program participants a Program fee equating to a minimum of 110% recovery of direct- and indirect-related Program costs including staffing, contractual, commodity and capital outlay expenses divided by the projected number of participants.

Additional General Fund revenue  
of **\$190,000** for FY 2017/18

## C&ED – Tourism & Events

### Marshall Way Bridge & Stetson Plaza w/Trolley Access Fee Change:

- Eliminates \$250 daily fee for each or \$500 for both due to safety conflicts with simultaneous event use and trolley access. Fee was not used and is not expected to be used.

### Alley/Downtown Alley Closure Fee Change:

- Changes fee from 0.40 cents per square foot to a \$150 flat fee per alley segment per day. Fee was never used.
- The previous cost per square foot resulted in total fees that were in one case \$1,500 to close an alley when it would have only been \$400 to close a neighboring street.

Net increase of General Fund  
revenue **\$300** for FY 2017/18

## Rates & Fees Presented at June 27<sup>th</sup> Meeting

Community Services	\$ 137,338
C&ED - Planning & Development	38,285
C&ED – Tourism & Events	<u>(600)</u>
Total Revenue Increase	<u>\$ 175,023</u>

## FY 2017/18 Rates & Fees Adoption

**Adopt Resolution No. 10799 and Ordinance No. 4308**, amending *Scottsdale Revised Code, Chapter 49, Water, Sewers and Sewage Disposal* by adjusting miscellaneous water and sewer/water reclamation rates and charges, effective July 1, 2017 and water rate (volumetric and base) charges effective November 1, 2017

**Adopt Resolution No. 10779**, setting the *Scottsdale Fire Department Fees & Charges Schedule*, effective July 1, 2017

**Adopt Resolution No. 10809**, authorizing the Human Services Department Court-Directed Program Fee, effective July 1, 2017

**Adopt Resolution No. 10769**, setting the *Special Event Fee Schedule*, effective July 1, 2017

## Public Safety - Fire

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
<b>Tent Fire Safety Permit:</b>						
1 to 9 Tents	per 1-9 tents	Varied	\$159	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
10+ Tents	per 10+ tents	Varied	\$477	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
<b>Total Additional General Fund Revenue</b>					<b>\$0</b>	

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
<b>Vehicle Display Safety Permit:</b>						
1 to 9 Vehicles	per 1-9 vehicles	Varied	\$159	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
10+ Vehicles	per 10+ vehicles	Varied	\$477	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
<b>Total Additional General Fund Revenue</b>					<b>\$0</b>	

## Community Services

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
<b>Special Events:</b>						
Court Program Fee	per individual being sentenced	\$0	110% recovery of direct/indirect costs	N/A	\$190,000	Program costs include staffing, contractual, commodity and capital outlay expenses divided by the projected number of participants.
<b>Total Additional Revenue</b>					<b>\$190,000</b>	



## C&ED – Tourism & Events

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
<b>Marshall Way Bridge &amp; Stetson Plaza w/Trolley Access Fee:</b>						
Bridge & Plaza w/Trolley Access Fee	per day	\$250 for each, \$500 for both	\$0	(\$500)	\$0	This fee was not used and is not expected to be used this year. It is recommended that the fee be eliminated.
<b>Total Additional General Fund Revenue</b>					<b>\$0</b>	

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
<b>Alley/Downtown Alley Closure Fee:</b>						
Alley Closure Fee	per sq foot/per day	.40 cents	\$150	\$0	\$300	This fee was not used last year. It is recommended that it be replaced with a more cost efficient flat fee.
<b>Total Additional General Fund Revenue</b>					<b>\$300</b>	

Item 15

## FY 2017/18 Tentative Budget Adoption

May 23, 2017 City Council Meeting

### FY 2016/17 General Fund Summary

(\$ millions)

	<u>16/17</u> <u>Prpsd</u>	<u>16/17</u> <u>Tentv</u>	<u>16/17</u> <u>Diff</u>
<b><u>Sources:</u></b>			
Revenues	263.4	263.3	(0.1)
Transfers In	13.3	12.6	(0.8)
<i>Total Sources</i>	<u>276.8</u>	<u>275.9</u>	<u>(0.8)</u>
<b><u>Uses:</u></b>			
Expenditures	255.7	253.4	(2.3)
Contracts Payable	2.9	2.9	0.0
Transfers Out	30.0	27.4	(2.6)
<i>Total Uses</i>	<u>288.6</u>	<u>283.7</u>	<u>(4.9)</u>
<b>Sources Over/(Under) Uses</b>	<b>(11.8)</b>	<b>(7.8)</b>	<b>4.1</b>

Rounding differences may occur

## FY 2017/18 General Fund Summary

(\$ millions)

	17/18 Prpsd	17/18 Tentv	17/18 Diff
<b>Sources:</b>			
Revenues	272.1	272.7	0.6
Transfers In	9.0	9.1	0.1
<i>Total Sources</i>	<u>281.1</u>	<u>281.8</u>	<u>0.7</u>
<b>Uses:</b>			
Expenditures	264.9	265.6	0.7
Contracts Payable	2.9	2.9	0.0
Transfers Out	20.6	20.6	0.0
<i>Total Uses</i>	<u>288.3</u>	<u>289.0</u>	<u>0.7</u>
<b>Sources Over/(Under) Uses</b>	<b>(7.2)</b>	<b>(7.3)</b>	<b>(0.0)</b>

Rounding differences may occur

## Property Tax (\$ millions)

Apvd 16/17	Revenue	Tentative 17/18			Frcst 18/19	Frcst 19/20	Frcst 20/21	Frcst 21/22
		Amt	\$ Chng Fav(Un)	% Chng Fav(Un)				
	<b>Property Tax – Primary:</b>							
\$26.0	Prior Year Base	\$26.4	\$0.4	1.5%	\$26.7	\$27.0	\$27.4	\$27.8
0.4	New Construction	0.3	(0.1)	(28.6%)	0.3	0.4	0.4	0.4
<b>\$26.4</b>	<i>Subtotal</i>	<b>\$26.7</b>	<b>\$0.3</b>	<b>1.0%</b>	<b>\$27.0</b>	<b>\$27.4</b>	<b>\$27.8</b>	<b>\$28.2</b>
	<b>Statutory Adjustments:</b>							
n/a	2%/yr. Allowance	0.5	0.5	nm	1.1	1.7	2.3	2.9
n/a	2%/yr. Allowance (prior 6 yrs.)	n/a	-	-	1.0	2.0	3.0	3.0
1.0	Tort Recovery (Risk Fund)	1.0	0.1	6.6%	0.3	0.3	0.3	0.3
<b>\$27.4</b>	<i>Total Primary Levy</i>	<b>\$28.2</b>	<b>\$0.9</b>	<b>3.2%</b>	<b>\$29.3</b>	<b>\$31.3</b>	<b>\$33.3</b>	<b>\$34.4</b>
	<b>Property Tax – Secondary</b>							
34.1	GO Debt Service	34.2	0.1	0.2%	34.5	32.4	30.5	26.4
(0.5)	Use of Reserve (optional)	(0.6)	(0.1)	19.3%	(0.6)	(0.6)	(0.6)	(0.6)
<b>\$33.6</b>	<i>Total Secondary Levy</i>	<b>\$33.6</b>	<b>\$ -</b>	<b>(0.1%)</b>	<b>\$33.9</b>	<b>\$31.8</b>	<b>\$29.9</b>	<b>\$25.8</b>
<b>\$61.0</b>	<i>Total Levy</i>	<b>\$61.8</b>	<b>\$0.8</b>	<b>1.4%</b>	<b>\$63.2</b>	<b>\$63.0</b>	<b>\$63.2</b>	<b>\$60.1</b>
\$11.7	Debt Svc Resv Balance	11.1			10.5	9.9	9.3	8.7

Rounding differences may occur



## Property Taxes (\$ in millions, except rate)

Primary	GF	Growth	Statutory Adjustment	Total GF	Tort Recovery	Total Primary Levy	Primary Assessed Valuation	Primary Rate
	Primary Levy			Primary Levy				
Prior (FY16/17)	\$26.3	\$0.4	\$ -	\$26.4	\$1.0	\$27.4	\$5,398.9	\$0.5071
Tentative (FY17/18)	\$26.4	\$0.3	\$0.5	\$27.2	\$1.0	\$28.2 3.2%	\$5,698.7 5.6%	\$0.4956 -2.3%

Secondary	Debt Service	Debt Service Reserve	Total Secondary Levy	Secondary Assessed Valuation	Secondary Rate
Tentative (FY17/18)	\$34.2	(\$0.6)	\$33.6 -0.1%	\$5,698.7 5.6%	\$0.5889 -5.3%

Total	Total Levy		Total Rate
	Prior (FY16/17)	\$61.0	
Tentative (FY17/18)	\$61.8 1.4%		\$1.0845 -3.9%

Rounding differences may occur

## General Fund 5 Year Forecast Summary

(\$ in millions)

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
Beginning Balance	\$52.6	\$45.3	\$43.4	\$43.9	\$49.6
Revenues	\$272.7	\$281.1	\$289.8	\$298.2	\$306.0
Transfers In	\$9.1	\$9.3	\$9.4	\$9.6	\$9.8
<b>Total Sources</b>	<b>\$281.8</b>	<b>\$290.4</b>	<b>\$299.2</b>	<b>\$307.9</b>	<b>\$315.8</b>
Expenditures	\$268.5	\$268.1	\$273.4	\$276.1	\$280.3
Transfers Out	\$20.6	\$24.2	\$25.4	\$26.1	\$26.7
<b>Total Uses</b>	<b>\$289.0</b>	<b>\$292.3</b>	<b>\$298.8</b>	<b>\$302.2</b>	<b>\$307.1</b>
<b>Ending Balance</b>	<b>\$45.3</b>	<b>\$43.4</b>	<b>\$43.9</b>	<b>\$49.6</b>	<b>\$58.3</b>
Reserve	\$26.8 : 10%	\$26.8 : 10%	\$27.3 : 10%	\$27.6 : 10%	\$28.0 : 10%
Contingency	\$3.0 : 1%	\$3.0 : 1%	\$3.0 : 1%	\$3.0 : 1%	\$3.0 : 1%
Undesignated, Unreserved	\$15.5 : 6%	\$13.6 : 5%	\$13.6 : 5%	\$18.9 : 7%	\$27.3 : 10%
Ongoing – Sources Over/(Under) Ongoing Uses	\$1.5	(\$1.4)	\$1.0	\$5.6	\$8.8

Rounding differences may occur.

## General Fund 5 Year Forecast Summary

(\$ in millions)

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
<b>Beginning Balance</b>	\$52.6	\$45.3	\$43.4	\$43.9	\$49.6
<b>Total Sources</b>	\$281.8	\$290.4	\$299.2	\$307.9	\$315.8
<b>Total Uses</b>	\$289.0	\$292.3	\$298.8	\$302.2	\$307.1
<i>Sources Over/(Under) Uses</i>	(\$7.3)	(\$1.9)	\$0.5	\$5.6	\$8.8
<i>Less One-Time Items</i>	\$8.7	\$0.5	\$0.5	-	-
<i>Ongoing – Sources Over/(Under) Ongoing Uses</i>	\$1.5	(\$1.4)	\$1.0	\$5.6	\$8.8
<b>Ending Balance</b>	\$45.3	\$43.4	\$43.9	\$49.6	\$58.3
<i>Reserve</i>	\$26.8 : 10%	\$26.8 : 10%	\$27.3 : 10%	\$27.6 : 10%	\$28.0 : 10%
<i>Contingency</i>	\$3.0 : 1%	\$3.0 : 1%	\$3.0 : 1%	\$3.0 : 1%	\$3.0 : 1%
<i>Undesignated, Unreserved</i>	\$15.5 : 6%	\$13.6 : 5%	\$13.6 : 5%	\$18.9 : 7%	\$27.3 : 10%

Rounding differences may occur.

## FY 2017/18 Sources vs. Uses

(\$ millions)

<b>TOTAL Sources Over/(Under) TOTAL Uses</b>	<b>(7.3)</b>
Parker Case Ruling	7.8
Facilities Maintenance	0.7
Cultural Council Contract Facility Upgrades	0.2
Class and Compensation Study	0.1
<i>Total One-Time Items</i>	<i>8.7</i>
<b>ONGOING Sources Over/(Under) ONGOING Uses</b>	<b>1.5</b>

Rounding differences may occur

## Capital Improvement Plan Budget

### CIP Subcommittee Top Priority General Fund Projects

Project	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Yr Total
IT: Network Infrastructure					1.1	1.1
PW: Facilities Repair and Maintenance Program					2.1	2.1
IT: Server Infrastructure			(0.1)	(0.2)	0.5	0.2
Parks: Renovate Vista del Camino Park/IBW Area	(16.2)	6.2	5.0	5.0	5.0	5.0
Police: Portable Vehicle Radio Replacement					1.0	1.0
Police: Crime Laboratory Equipment Replacement					0.1	0.1
IT: Public Safety Radio Network Lifecycle Project	(1.5)	(0.1)	(0.1)	0.3		(1.4)
IT: Citywide Audio/Video Equipment Replacement					0.1	0.1
IT: City Microwave Radio Network Upgrade			(3.0)			(3.0)



### CIP Subcommittee Top Priority General Fund Projects

Project	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Yr Total
Tourism: Downtown Main St. Streetscape & Ped Improvements	2.3					2.3
Tourism: Downtown Entertainment Dist Street & Ped Lighting	0.4					0.4
Parks: Downtown Splash Pad	0.2					0.2
Planning: McDowell Road Berm Landscaping	1.0					1.0
Treasurer: License & Permit Management System	0.2					0.2
Police: Ballistic Glass at Police Department Facilities	0.3					0.3
Parks: Drainage Outfalls	0.5					0.5
WestWorld: Internet for TNEC	0.2					0.2
Parks: Irrigation Control System				1.4		1.4

### CIP Subcommittee Top Priority General Fund Projects

Project	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Yr Total
Fire: National Fire Protection Association Station Standards				4.6		4.6
Police: Records Management & Computer Aided Dispatch				0.5		0.5
Treasurer: Enterprise Resource Planning System					4.4	4.4
Parks: Park Building Improvements					3.3	3.3
Police: Closed Circuit TV Security Camera System					0.1	0.1
Fire: Renovate Fire Station 606					1.2	1.2
Libraries: Civic Center Scottsdale Heritage Connection					0.7	0.7
Libraries: Civic Center Library Story Time Room Expansion					0.2	0.2
	(12.6)	6.1	1.8	11.6	19.8	26.7

### CIP Subcommittee Top Priority Transp. Fund Projects

Project	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Yr Total
<b>Pavement Overlay</b>					<b>6.6</b>	<b>6.6</b>
<b>Intersection Improvements</b>		<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.9</b>	<b>1.2</b>
<b>Sidewalk Improvements</b>	<b>(0.1)</b>				<b>0.4</b>	<b>0.3</b>
<b>Bikeways</b>	<b>(0.1)</b>				<b>0.5</b>	<b>0.4</b>
<b>Neighborhood Traffic Management</b>	<b>(0.1)</b>				<b>0.3</b>	<b>0.2</b>
<b>Traffic Signal Construction</b>	<b>(0.1)</b>				<b>0.3</b>	<b>0.2</b>
<b>Streetlight Replacement</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>1.0</b>
Miller Road Underpass at 101 Freeway			5.7			5.7
Raintree Drive: Scottsdale to Hayden	(0.5)					(0.5)

### CIP Subcommittee Top Priority Transp. Fund Projects

Project	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Yr Total
Crosscut Canal Bridge and Path	0.4					0.4
Pima Road: Krail Street to Chaparral	0.9	(0.8)				0.1
Via Linda Traffic Circles	0.5					0.5
Trail Improvements Program	(0.1)	(0.1)	(0.1)	(0.1)	0.2	(0.2)
	1.2	(0.6)	5.9	0.2	9.4	16.1

**FY 2017/18 Tentative Budget Adoption**

Adopt **Ordinance No. 4306** as presented  
(or as modified by Council) establishing  
the Tentative Budget for FY 2017/18

Item 16

**Sign Ordinance Update – Temporary Signs**

**Case: 2-TA-2016  
Coordinator: Andrew Chi, Planner**

**City Council  
May 23, 2017**

Sign Ordinance Update  
Temporary Signs

**Request**

**Update to the Zoning Ordinance pertaining to temporary sign requirements.**

TEMPORARY SIGNS 2-TA-2016



Sign Ordinance Update  
Temporary Signs

### **Goals**

- Establish a more contemporary and user-friendly Sign Ordinance.
- Update is consistent with what other U.S. municipalities are doing.
- Recent federal court decision affecting sign regulations across the U.S.
- Avoid content-based regulations, and regulate temporary signs based on time, place, and manner.
- Remove the Special Event Sign requirements in the Zoning Ordinance, which are now regulated in Chapter 22.
- Maintain integrity of the existing ordinance for aesthetics and reduced sign clutter.

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

### **Planning Commission**

**The Planning Commission heard proposal on February 22, 2017, and recommended approval with a vote of 5-0.**

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

### Existing Ordinance

- 17 different temporary sign types, which include:
  - On-Premises Sale, Lease & Rent Signs
  - On-Premises Development Signs
  - On-Premises Contractor Signs
  - Off-Premises Open House Portable Signs
  - Campaign Signs
  - Window Signs
  - Grand Opening Banners
- Ordinance does not currently allow:
  - On-Premises Portable Signs

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

### Proposed Amendment

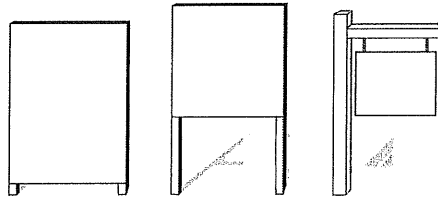
A. Combine semi-permanent and temporary sign categories into a single temporary sign category.

- Window Signs
- Banner Signs
  - Building Banners
  - Temporary Fencing Banners
- Post and Panel Signs (New)
- Portable Signs (New)
  - On-Premise
  - Off-Premise
- Yard Signs (New)

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

**Examples**



Post and Panel Signs Examples

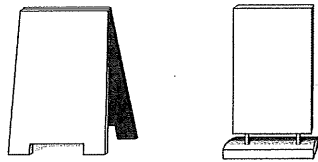
Example of Post and Panel  
Sign Uses Include:

- Realtor Signs
- Development Signs
- Contractor Signs
- Campaign Signs
- Non-Commercial Signs

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

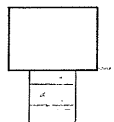
**Examples**



Portable Signs Examples

Example of Portable Sign Uses  
Include:

- Open House Signs
- On-Lot Commercial A-Frame Signs



Example of Yard Sign Uses Include:

- Open House Signs
- Campaign Signs & Non-Commercial Signs

Yard Sign  
Example

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

## Proposed Amendment

### B. Regulate temporary signs by time, place, and manner.

- Zoning district
  - Residential
  - Non-Residential
- Street frontage and length
  - Number of signs per frontage
- Location
  - Setbacks and placement
- Time
  - Duration of activity on lot

TEMPORARY SIGNS 2-TA-2016

Sign Ordinance Update  
Temporary Signs

## Community Involvement

- 2 Open House Meetings: December 6 and December 7, 2016.

### Comments Received:

- Allow Portable Signs within commercial developments.
- Allow display times for Off-Premise (Open House) Portable Signs during daytime hours.
- Increase the number of Post-and-Panel Signs allowed for large lots with longer street frontages.
- Realtors expressed concerns on early draft of ordinance and the effects on real estate signs – modifications have been incorporated.
- Regulate display of temporary signs based on the duration of activity.

TEMPORARY SIGNS 2-TA-2016



## Sign Ordinance Update – Temporary Signs

Case: 2-TA-2016  
Coordinator: Andrew Chi, Planner

City Council  
May 23, 2017

### Sign Ordinance Update Temporary Signs

Comparison Chart: Existing Sign Types to Proposed Sign Types

CURRENT CODE & CURRENT SIGN TYPES	TO →	PROPOSED CODE & PROPOSED SIGN TYPES
<b>SECTION 8.600 – TEMPORARY SIGNS ALLOWED</b>	→	<b>SECTION 8.600 – TEMPORARY SIGNS ALLOWED</b>
• Auto Dealership Promotional Events	→	➤ Moved to Scottsdale Revised Code Chapter 22 – Special Events – Special Vehicle Sale
• Grand Opening Signs	→	➤ On-Premise Banners
• Planned Regional Center (PRC) District	→	➤ On-Premise Banners
• Qualifying Directional Event Banner	→	➤ Moved to Scottsdale Revised Code Chapter 22 – Special Events – Special Event Signs
<b>SECTION 8.601 – SEMI-PERMANENT SIGNS ALLOWED</b>	→	<b>SECTION 8.600 – TEMPORARY SIGNS ALLOWED</b>
• On-Premises Development Signs	→	➤ On-Premise Post and Panel Signs
• On-Premises Contractor and Subcontractor Signs	→	➤ On-Premise Post and Panel Signs
• On-Premises Sale, Lease, and Rent Signs	→	➤ On-Premise Post and Panel Signs
• Off-Premises Open House Directional Signs	→	➤ Off-Premise Traffic Directional Signs
• No Trespassing Signs	→	➤ On-Premise Post and Panel Signs
• Menu Signs	→	➤ On-Premise Permanent Signs
• Master Planned Community Master Developer Identification Sign	→	➤ On-Premise Post and Panel Signs
• Master Planned Community Information Center Identification Signs	→	➤ On-Premise Permanent Signs
• Master Planned Community Information Center Directional Signs	→	➤ On-Premise Post and Panel Signs
• Major Master Planned Community Information Center Directional Signs	→	➤ On-Premise Post and Panel Signs
• Window Signs	→	➤ On-Premise Window Signs
• Temporary Noncommercial Signs	→	➤ On-Premise Non-Commercial Yard Signs
<b>SECTION 7.706 – SIGNAGE &amp; IDENTIFICATION ON TEMPORARY/SECURITY FENCING</b>	→	<b>SECTION 8.600 – TEMPORARY SIGNS ALLOWED</b>
• On-Premises Development Sign; Contractor and Subcontractor Signs; For Sale, Lease and Rent Signs, and No Trespassing Signs.	→	➤ On-Premise Temporary Security Fencing Banners
<b>PROHIBITED BY CURRENT CODE</b>	→	<b>SECTION 8.600 – TEMPORARY SIGNS ALLOWED</b>
• On-Premises Garage Sales, Estate Sales, Open Houses, and R-1 Zoning Activities	→	➤ On-Premise Portable Signs
• On-Premises A-Frame Signs In Non-Residential Districts	→	➤ On-Premise Portable Signs (100' setback from street curb, or screened by a structure)

TEMPORARY SIGNS 2-TA-2016

Item 17

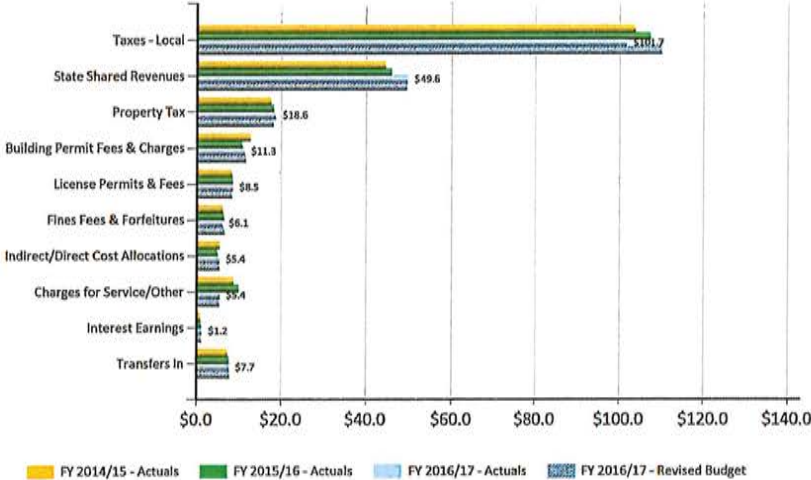
# Monthly Financial Update As of April 30, 2017

City Council  
May 23, 2017



## General Fund Operating Sources April 2017: Fiscal Year to Date

(in millions: rounding differences may occur)



## General Fund Operating Sources April 2017 : Fiscal Year to Date

(in millions; rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Taxes - Local	\$103.8	\$107.4	\$101.7	\$110.2	(\$8.5)	(8%)
State Shared Revenues	44.6	46.1	49.6	49.5	0.1	0%
Property Tax	17.5	18.2	18.6	18.2	0.5	3%
Building Permit Fees & Charges	12.6	10.8	11.3	11.6	(0.3)	(3%)
License Permits & Fees	8.3	8.5	8.5	8.3	0.3	3%
Fines Fees & Forfeitures	6.2	6.5	6.1	6.6	(0.5)	(8%)
Indirect/Direct Cost Allocations	5.4	5.0	5.4	5.3	-	-
Charges for Service/Other	8.7	10.0	5.4	5.2	0.2	4%
Interest Earnings	0.9	1.1	1.2	1.2	-	-
Transfers In	7.3	7.7	7.7	7.8	(0.1)	(1%)
<b>Total Sources</b>	<b>\$215.3</b>	<b>\$221.2</b>	<b>\$215.5</b>	<b>\$223.9</b>	<b>(\$8.4)</b>	<b>(4%)</b>

## General Fund Operating Sources: Sales Tax April 2017 : Fiscal Year to Date

(in millions; rounding differences may occur)



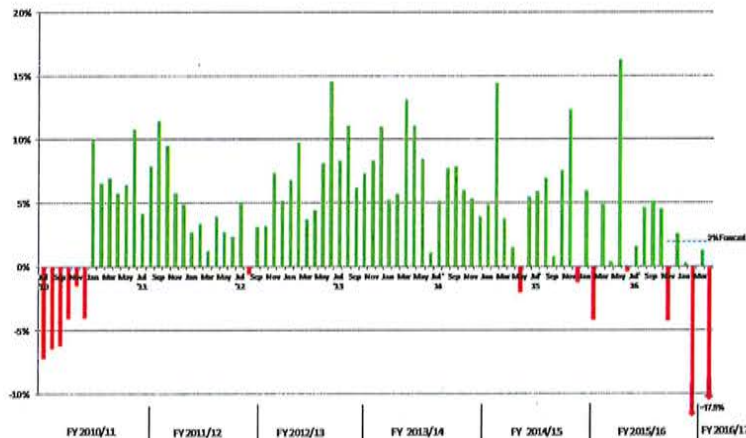
## General Fund Operating Sources: 1% Sales Tax April 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Misc Retail Stores	\$14.0	\$15.2	\$14.8	\$16.1	(\$1.3)	(8%)
Automotive	11.2	11.9	11.7	12.6	(0.9)	(7%)
Rental	10.8	12.0	11.2	11.9	(0.7)	(6%)
Other Activity	8.5	9.1	8.3	9.4	(1.1)	(12%)
Dining/Entertmnt	7.7	8.0	7.7	8.5	(0.9)	(10%)
Major Dept Stores	8.0	7.9	7.2	8.2	(1.0)	(12%)
Construction	9.8	8.6	7.9	8.0	(0.1)	(2%)
Food Stores *	5.8	6.0	5.5	6.2	(0.7)	(11%)
Hotel/Motel	4.4	4.5	4.5	4.7	(0.2)	(5%)
Utilities	3.7	3.8	3.8	3.8	-	-
<b>Sales Tax Total</b>	<b>\$83.7</b>	<b>\$86.8</b>	<b>\$82.6</b>	<b>\$89.4</b>	<b>(\$6.8)</b>	<b>(8%)</b>

\*YTD CIP transfer = \$1.8 million

## General Fund 1% Sales Tax Year over Year Change

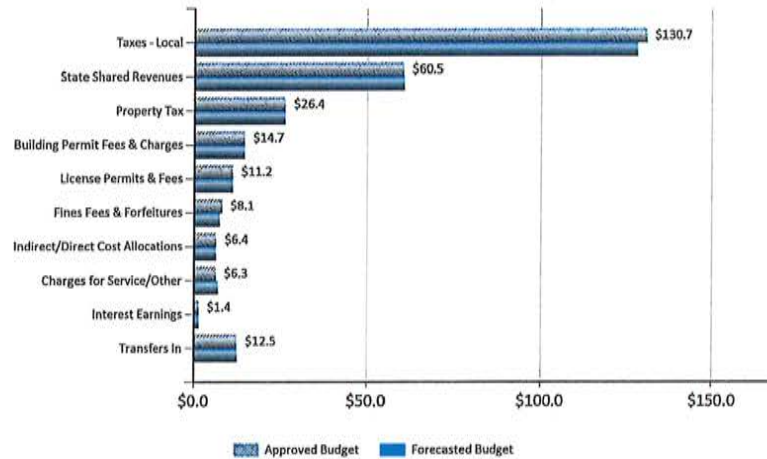


\*Arizona Department of Revenue (ADOR) took over administration, collection and reporting of transaction privilege sales tax as of January 1, 2017. Payments from ADOR are received weekly rather than daily, with the final week in each month being reported in the following month's revenue numbers. As a result, beginning in February, this has caused the revenue year over year to wildly fluctuate. November 2016 reduced year over year sales tax collections primarily due to large overpayment for construction contractor (corrected in December).



## General Fund Operating Sources April 2017 : Year-End Estimate

(In millions: rounding differences may occur)



## General Fund Operating Sources April 2017 : Year-End Estimate

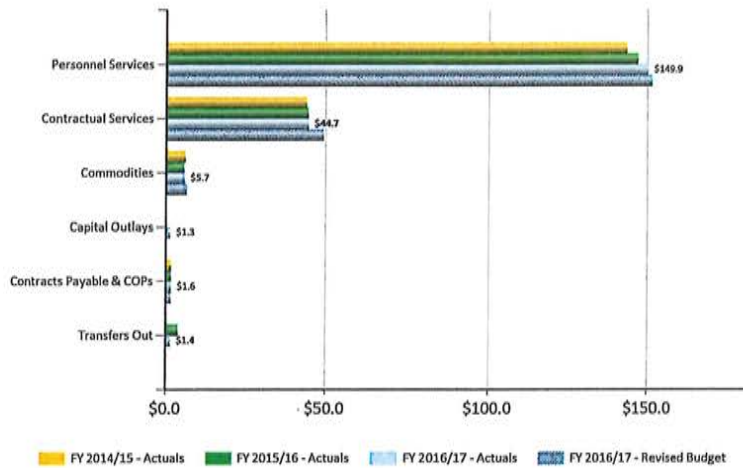
(In millions: rounding differences may occur)

	FY 2016/17	FY 2016/17	Approved vs. Forecast	
	Approved	Forecast*	Favorable / (Unfavorable)	
		Budget	Amount	Percent
Taxes - Local	\$130.7	\$128.1	(\$2.7)	(2%)
State Shared Revenues	60.5	60.8	0.2	0%
Property Tax	26.4	26.3	-	-
Building Permit Fees & Charges	14.7	14.7	-	-
License Permits & Fees	11.2	11.2	-	-
Fines Fees & Forfeitures	8.1	7.5	(0.7)	(8%)
Indirect/Direct Cost Allocations	6.4	6.4	-	-
Charges for Service/Other	6.3	7.0	0.7	11%
Interest Earnings	1.4	1.4	-	-
Transfers In	12.5	12.6	-	-
<b>Total Sources</b>	<b>\$278.3</b>	<b>\$275.9</b>	<b>(\$2.4)</b>	<b>(1%)</b>

\*Forecast as of 05-15-2017.

## General Fund Operating Uses: by Category April 2017 : Fiscal Year to Date

(In millions: rounding differences may occur)



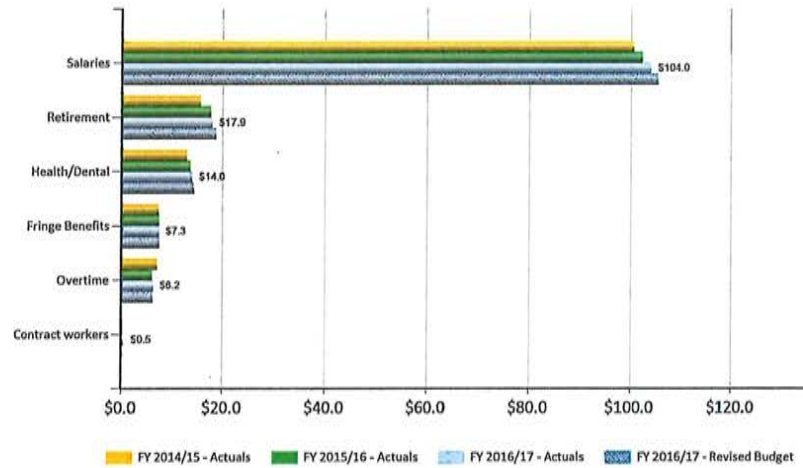
## General Fund Operating Uses: by Category April 2017 : Fiscal Year to Date

(In millions: rounding differences may occur)

	FY 2014/15 Actuals	FY 2015/16 Actuals	FY 2016/17 Actuals	FY 2016/17 Revised Budget	Actual vs. Budget	
					Favorable / (Unfavorable) Amount	Percent
Personnel Services*	\$143.4	\$147.0	\$149.9	\$152.2	\$2.3	2%
Contractual Services	44.2	44.8	44.7	49.4	4.7	9%
Commodities	6.0	5.6	5.7	6.4	0.7	12%
Capital Outlays	0.2	0.3	1.3	0.3	(0.9)	nm
Contracts Payable & COPs	1.6	1.6	1.6	1.6	-	-
Transfers Out	-	3.7	1.4	-	(1.4)	n/a
<b>Total Uses</b>	<b>\$195.3</b>	<b>\$202.9</b>	<b>\$204.6</b>	<b>\$210.0</b>	<b>\$5.3</b>	<b>3%</b>
*Pay Periods thru April:	22	22	22			

## General Fund Operating Uses: Personnel Services April 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)



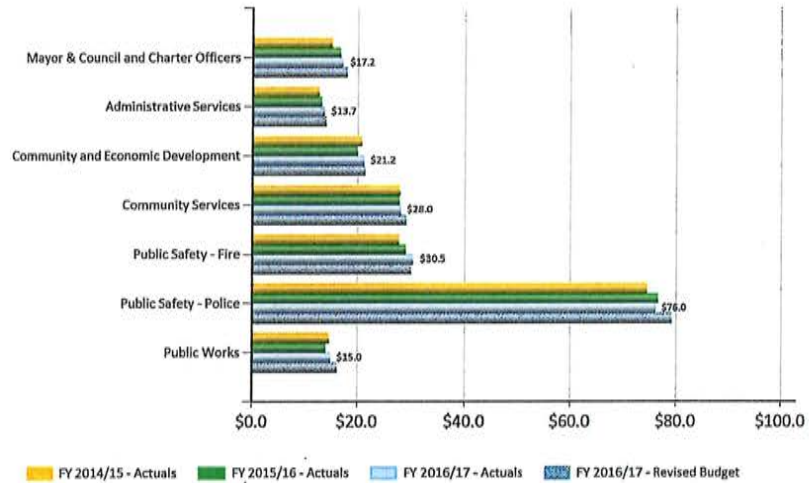
## General Fund Operating Uses: Personnel Services April 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Salaries*	\$100.6	\$102.3	\$104.0	\$105.5	\$1.4	1%
Retirement	15.6	17.7	17.9	18.7	0.8	4%
Health/Dental	12.8	13.6	14.0	14.4	0.4	3%
Fringe Benefits	7.2	7.3	7.3	7.4	0.1	1%
Overtime	6.9	5.9	6.2	6.1	(0.1)	(2%)
Contract workers	0.2	0.2	0.5	0.2	(0.3)	nm
<b>Personnel Services Total</b>	<b>\$143.4</b>	<b>\$147.0</b>	<b>\$149.9</b>	<b>\$152.2</b>	<b>\$2.3</b>	<b>2%</b>
*Pay Periods thru April:	22	22	22			

## General Fund Operating Division Expenditures April 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)



## General Fund Operating Division Expenditures April 2017 : Fiscal Year to Date

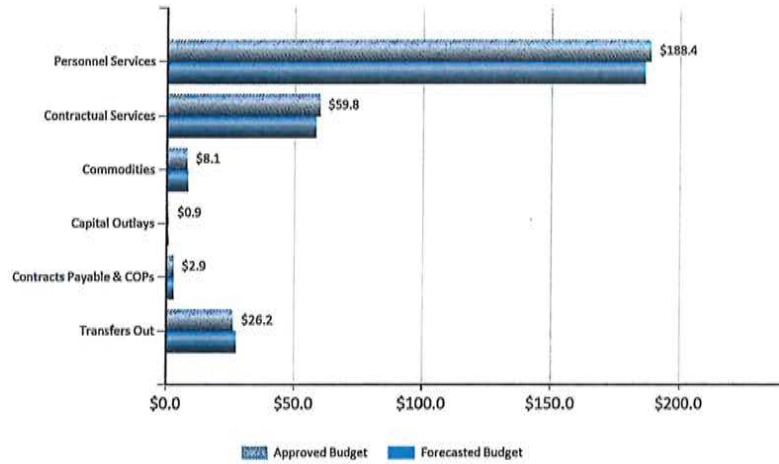
(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$15.2	\$16.8	\$17.2	\$18.0	\$0.8	5%
Administrative Services	12.7	13.2	13.7	14.1	0.4	3%
Community and Economic Development	20.8	20.0	21.2	21.5	0.3	1%
Community Services	28.0	27.9	28.0	29.2	1.1	4%
Public Safety - Fire	27.9	29.1	30.5	30.2	(0.3)	(1%)
Public Safety - Police	74.4	76.6	76.0	79.2	3.2	4%
Public Works	14.7	14.1	15.0	16.3	1.3	8%
<b>Total</b>	<b>\$193.7</b>	<b>\$197.6</b>	<b>\$201.6</b>	<b>\$208.4</b>	<b>\$6.8</b>	<b>3%</b>



## General Fund Operating Uses April 2017 : Year-End Estimate

(in millions: rounding differences may occur)



## General Fund Operating Uses April 2017 : Year-End Estimate

(in millions: rounding differences may occur)

	FY 2016/17	FY 2016/17	Approved vs. Forecast	
	Approved	Forecast*	Amount	Percent
Personnel Services**	\$188.4	\$186.2	\$2.2	1%
Contractual Services	59.8	58.2	1.6	3%
Commodities	8.1	8.4	(0.3)	(4%)
Capital Outlays	0.9	0.9	-	-
Contracts Payable & COPs	2.9	2.9	-	-
Transfers Out	26.2	27.4	(1.2)	(5%)
<b>Total Uses</b>	<b>\$286.2</b>	<b>\$284.0</b>	<b>\$2.2</b>	<b>1%</b>

\*Forecast as of 05-15-2017.

\*\*Includes budgeted vacancy savings net of leave accrual payouts, up to 3% pay for performance, up to 5% pay for performance for those in the Step Program, and compensation adjustments.

**General Fund Results: Summary**  
**April 2017 : Fiscal Year to Date**

*(in millions: rounding differences may occur)*

	FY 14/15	FY 15/16	FY 16/17	FY 16/17 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
<b>Sources</b>	\$215.3	\$221.2	\$215.5	\$223.9	(\$8.4)	(4%)
<b>Uses</b>	195.3	202.9	204.6	210.0	5.3	3%
<b>Change in Fund Balance</b>	\$20.0	\$18.3	\$10.9	\$13.9	(\$3.1)	

**General Fund Results: Summary**  
**April 2017 : Year-End Estimate**

*(in millions: rounding differences may occur)*

	FY 16/17	FY 16/17	Variance	
	Approved	Forecast	Fav/(Unf)	%
<b>Sources</b>	\$278.3	\$275.9	(\$2.4)	(1%)
<b>Uses</b>	286.2	284.0	2.2	1%
<b>Change in Fund Balance</b>	(\$7.9)	(\$8.1)	(\$0.2)	
<b>Ending Undesignated, Unreserved Fund Balance</b>	\$24.0	\$24.1		

## Butteweg, Cathleen

---

**From:** Jagger, Carolyn  
**Sent:** Wednesday, May 24, 2017 9:41 AM  
**To:** Butteweg, Cathleen  
**Subject:** FW: Pubic Comment for Tonight's Meeting  
**Attachments:** SOP May 23 2017.pdf

---

**From:** Mark Stuart [<mailto:savemsp@gmail.com>]  
**Sent:** Tuesday, May 23, 2017 4:47 PM  
**To:** Jagger, Carolyn  
**Subject:** Pubic Comment for Tonight's Meeting

Ms. Jagger:

Attached is a copy of my prepared remarks. Please include it as a public record for this meeting.

Please reference it in the meeting minutes and on the marked agenda. Please provide a link for the public.

Thanks.

Mark Stuart  
(602) 316-0999  
[www.savemsp.org](http://www.savemsp.org)



May 23, 2017



# **Scottsdale's Save Our Preserve Ballot Initiative Update**



May 23, 2017

**Sponsored by thousands of  
Citizens of Scottsdale.**



[www.savemsp.org](http://www.savemsp.org)

**INEVITABLE**



May 23, 2017

**I. Call the election on this ballot initiative now. It is inevitable that we will gather enough valid signatures to place this initiative on the ballot. Remember, we only need two per week per volunteer to reach 33,000 by June 30, 2018.**

May 23, 2017

**II. IF YOU COULD MAKE THE  
WORLD A BETTER PLACE,  
WOULD YOU DO IT?**

**EVERY VOLUNTEER ANSWERS  
YES, WITHOUT HESITATION.**

**TEAMWORK AND PERSISTENCE  
IS PAYING OFF. You guys are inspiring  
me to Spread the Word, and Save Our  
Preserve. You guys have inspired others**



May 23, 2017

**around the state to get involved and solve problems created by politicians.**

**No words can describe the gratitude I feel to all our volunteers every time I go out and get signatures. Your efforts remind me that people are inherently good. Your efforts are connecting to this goodness. We are all benefiting immensely from your example.**

**You guys rock. I cannot thank you enough.**

May 23, 2017

**BECAUSE OF YOU, IT IS  
INEVITABLE THAT WE  
WILL SAVE OUR  
PRESERVE.**



May 23, 2017

### **III. New Signs**

**We have a great new sign and new badges for our volunteers.**

### **IV. Trademark Laws Do Not Apply to political speech.**

**A letter is included in this presentation, in response to the Council's threats to sue me for our signs.**



May 23, 2017

**The circulation of an initiative petition is core political speech, where First Amendment protections are at their zenith. *Meyer v. Grant*, 486 U.S. 414 at 422 (1988)**

**Don't be frightened by the Council's tactics. You can use any city symbol for political discourse, especially in your law making capacity as a citizen legislator.**

May 23, 2017

**V. All City Trademarks Belong to the Sovereign People of Our City , not to the council or city employees. *City of Bisbee v. Conchise Cty.* , 52 Ariz. 1 at 10-12 (1938)**

**We have given ourselves permission, through the Arizona Constitution, our City Charter and the First Amendment, to utilize any city owned symbol for political discourse.**



May 23, 2017

# BALLOT INITIATIVE



## SIGN IT

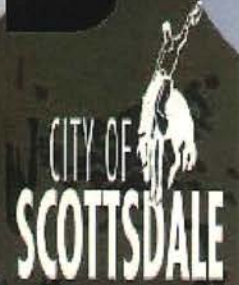


## SAVE OUR PRESERVE

# SPREAD

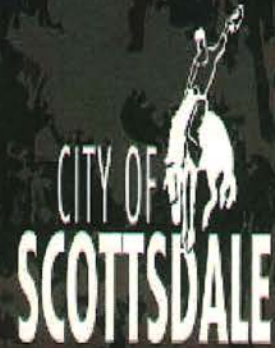
## THE

# WORD



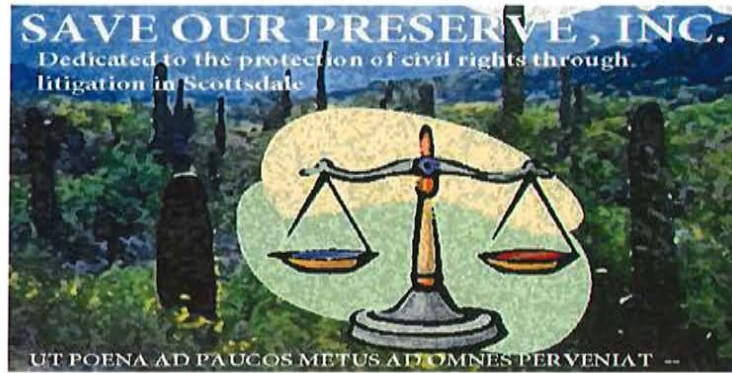
BALLOT INITIATIVE UNDERWAY

SAVE OUR PRESERVE



[WWW.SAVEMSP.ORG](http://WWW.SAVEMSP.ORG)





8629 E. Chery Drive Scottsdale, AZ 85258  
Ph: (480) 922-6169 Fax: (480) 626-4340 email: savemsp@gmail.com

May 17, 2017

Mr. Joseph R. Meaney  
1938 E. Osborn Rd.  
Phoenix, AZ 85016

Delivered as an email attachment to : [jmeaney@venjuris.com](mailto:jmeaney@venjuris.com)

Delivered via facsimile to: (602) 631-4529

**RE: First Amendment Retaliation and Infringement of Arizona Article II rights.**

Every person may freely speak, write, and publish on all subjects, being responsible for the abuse of that right. *Ariz. Const. , Art. II, Sect. 6.*

Congress shall make no law .....abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances. *U.S. Const., 1<sup>st</sup> Amendment.*

Dear Mr. Meaney:

I am writing in response to your letter dated May 08, 2016. Your letter is appalling and very frightening. Your letter appears designed to intentionally inflict emotional distress on me and my family. Your letter has caused me and my wife severe emotional distress. I have experienced several sleepless nights, and a lot of anxiety since I read your letter on May 10.

Your letter is an overt threat to misuse the judicial process to prevent me from exercising my civil rights. Your letter is also obvious retaliation against me by city of Scottsdale ("City") policymakers, in response to my First Amendment activities and my Arizona Article II activities here in Scottsdale.

Your letter is reminiscent of the tactics of the late L.B. Sullivan, of Montgomery, AL. You seem to have forgotten that those tactics did not work for L.B. and the KKK in 1971. These tactics will assuredly not work now, especially in Arizona and the Ninth Circuit.

You and your clients appear to be confused about the relationship between the First Amendment and Arizona Article II rights and trademark protections for commercial transactions provided by the Lanham Act. You might find the cases of *Radiance v. NAACP*, 786 F.3d 316 (4th Cir. 2015), or *Bosley Medical Inst. v. Kremer*, 403 F. 3d 672 (9<sup>th</sup> Circ. 2005) instructive. In *Bosley*, 403 F. 3d at 676-77, the Court explained that,

The Supreme Court has made it clear that trademark infringement law prevents only unauthorized uses of a trademark **in connection with a commercial transaction in which the trademark is being used to confuse potential consumers. (emphasis added).**

“[T]rademark infringement protects only against mistaken *purchasing decisions* and not against confusion generally.”.... “trademark rights do not entitle the owner to quash an unauthorized use of the mark by another who is communicating ideas or expressing points of view.”

Five federal circuits, including the Ninth Circuit, have interpreted the Lanham Act as “protecting from liability all noncommercial uses of marks.” *Radiance*, 786 F.3d at 322.

Federal courts have explained ad nauseum, that a citizen does not need a municipality’s permission to use a trademark or other city owned symbol for political discourse. The circulation of an initiative petition is “core political speech.”, where First Amendment protections are “at its zenith” *Meyer v. Grant*, 486 U.S. 414 at 422 (1988)

In my email of May 11, I introduced you to the legal concept of sovereignty. I sincerely hope that you review *City of Bisbee v. Cochise Cty*, 52 Ariz. 1, at 10-12 (1938). That Court’s discussion of sovereignty under Arizona law should dispel you and your clients’ confusion about the control of the use of city trademarks in the legislative process. As far as the legislative process is concerned, or any protected speech or publication activity, no citizen of Scottsdale needs a city employee’s or an elected official’s permission to use symbols owned by the sovereign people of Scottsdale.

You and your clients’ claims that I can incur “liability under federal trademark law, 15 U.S.C. §1114” are objectively unreasonable. A trademark infringement claim would not have a good chance of success under existing precedent. A reasonably prudent lawyer would not believe that you have a good chance of establishing a case for trademark infringement or “deceptive trademark



use” to the satisfaction of the court or the jury. See *Chalpin v. Snyder*, 207 P. 3d 666 at 675-77, (App. 2008).

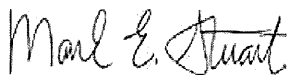
Your letter of May 08, 2017 defamed me. You wrote that I was “misrepresenting that your actions are "sponsored by the City" like you did at the April 25, 2017 Council meeting.” The plain words of page 2 of my written presentation display the phrase, “Sponsored by thousands of Citizens of Scottsdale.” A copy of page 2 is attached for your records.

As I am sure you know, “communication between two agents of the same principal is a publication for defamation purposes”. *Dube v. Likins*, 167 P. 3d 93 at 105, (App. 2007). You knew that your statement was false when you published it. You acted recklessly and negligently in failing to ascertain the truth, because you obviously had access to the entire written presentation before you wrote your letter. Your written statements are obviously false and are designed to bring me into disrepute, contempt and to ridicule me. In addition, you are clearly impeaching my honesty, integrity, virtue and reputation. *Likins*, 167 P. 3d 106, ¶ 46. “A publication which impeaches the honesty, integrity, or reputation of a person, or which is damaging to his professional reputation is [defamatory] per se and presumptive damages may be awarded without proof of special damages.” *Hirsch v. Cooper*, 153 Ariz. 454, 458, 737 P.2d 1092, 1096 (Ct. App. 1986)

Please stop spreading defamatory information about me forthwith. Otherwise, I will be forced to defend my reputation with appropriate litigation.

I sincerely hope that you will immediately cease and desist with your activities infringing and violating my constitutional rights. I also hope that you will advise your clients to cease this unlawful behavior immediately.

Warmest regards,



Mark Stuart, Chairman and Director of Save Our Preserve, Inc.  
Mark Stuart, a private Citizen and current resident of Scottsdale.