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CALL TO ORDER

[Time: 00:00:02]

Mayor Lane: I would like to call to order our March 7th, 2017 regular meeting, regular council meeting and we'll start with -- it's about 5:00. And we'll start with a roll call, please.

ROLL CALL

[Time: 00:00:17]

City Clerk Carolyn Jagger: Mayor Jim Lane.

Mayor Lane: Present.

City Clerk Carolyn Jagger: Vice Mayor Suzanne Klapp.

Vice Mayor Klapp: Here.

City Clerk Carolyn Jagger: Councilmembers Virginia Korte.

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Kathy Littlefield.

Councilwoman Littlefield: Present.

City Clerk Carolyn Jagger: Linda Milhaven.

Councilwoman Milhaven: Here.

City Clerk Carolyn Jagger: Guy Phillips.

Councilman Phillips: Here.

City Clerk Carolyn Jagger: David Smith.

Councilman Smith: Present.

City Clerk Carolyn Jagger: City Manager Jim Thompson.

City Manager Jim Thompson: Here.

City Clerk Carolyn Jagger: Deputy City Attorney Sherry Scott.

Deputy City Attorney Sherry Scott: Here.

City Clerk Carolyn Jagger: Budget Director Judy Doyle.

Budget Director Judy Doyle: Here.

City Clerk Carolyn Jagger: City Auditor Sharron Walker.

City Auditor Sharron Walker: Here.

City Clerk Carolyn Jagger: And the Clerk is present.

Mayor Lane: All right. Thank you very much. We do have some cards if you would like to speak on any subject. That's white card the city clerk is holding up over her head immediately to my right and that would be for public comment for an agenda item. We do also have yellow cards, which are for written comments, again being held up over the city clerk's head. For comments you might have on any of the agenda items and we read them through the course of our proceedings here tonight.

We have Scottsdale police officers Jason Glenn and Anthony Wells and they are almost immediately in front of me here if you have any need for their assistance. And the areas behind the council dais are reserved for council staff and there are restrooms on the south side under that exit sign you see to my left. And they are there for your convenience, of course. If you have any difficulty hearing the proceedings of our meeting, there are hearing assist headsets that are available. So you can check with the city clerk and her staff if you have a need for one and receive one.

PLEDGE OF ALLEGIANCE

[Time: 00:01:54]

Mayor Lane: Let's start with the Pledge of Allegiance. I would ask that councilman Smith lead us in the pledge. Please stand.

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

INVOCATION

[Time: 00:02:26]

Mayor Lane: Thank you. And we have an invocation by Pastor Josh Newton of first southern Baptist church of Scottsdale. Pastor, welcome.

Pastor Josh Newton: Let's pray. Dear Lord, we thank you so much for giving us this day, Lord. I pray for, Lord, those that are in this room who are making decisions for the city, Lord, for the mayor, the Vice Mayor, lord for the council men and women who are hear, Lord. God, we pray that you would give them wisdom and bless the great city of Scottsdale. We pray that we honor you with your decisions we make. And Lord God, we pray, Lord we look to you for the guidance. Thank you so much for blessing this city and we would pray that you continue to over it Lord, guide us and direct us. In Jesus' name, amen.

Mayor Lane: Amen. Thank you.

MAYOR'S REPORT

[Time: 00:03:16]

Mayor Lane: I just have a couple of items to report on myself, and that would be -- not on myself, but to -- specifically to issue a proclamation for the junior citizens science day. And I just wanted to read. This is in reference to our efforts here in our community and probably across the state and country, and that is to emphasize S.T.E.M., science, technology, education. Scottsdale McDowell Sonoran Preserve is an asset that inspire children to learn S.T.E.M. such as biology and ecology, and whereas a key preserve management object sieve to provide opportunities for education and research and whereas the McDowell conservancy through the feel institute is uniquely qualified to offer fun, impactful outdoor learning experiences for children in the Preserve. Whereas all children need opportunity to get excited about S.T.E.M. subjects and whereas learning S.T.E.M. subjects will help to qualify many of today's children for the jobs of tomorrow, I therefore, Jim lane, the mayor of the city of Scottsdale, Arizona, do hereby proclaim, March 10th, 2017 as junior citizen science day and encourage all citizens to support the efforts of McDowell Sonoran Conservancy and city of Scottsdale to provide opportunities for S.T.E.M. education, in the McDowell Sonoran Preserve. So a great effort. We have just wanted to acknowledge it and thank you very much for your participation in that.

[Time: 00:05:00]

Next, we have a social venture partners Arizona fast pitch day and I would like to just proclaim that we have -- whereas the city of Scottsdale takes great pride in the nonprofit groups that contribute to the exceptional quality of life in the community; and whereas, the nurturing of good ideas through nonprofits and social entrepreneurs; and whereas, the fast pitch competition, annually convenes the most innovative early stage nonprofits in Maricopa County before a live audience, with a panel of judges, business leaders and potential investors to grow anywhere social impact on the greater community. And whereas the fast pitch competition is a program of social venture partner Arizona, a nonprofit group that brings a venture capital approach to philanthropy and whereas Scottsdale, and the Scottsdale center of performing arts is the location of the seventh annual fast pitch competition, I have therefore, Jim lane, mayor of the Scottsdale, Arizona, do hereby declare, Tuesday, March 28th, 2017, to be social venture partners Arizona fast pitch day. So another great effort in our overall community efforts, both in education and in philanthropy.

So with that -- oops. Yes, I am sorry. On that last item? Thank you very much. We do have the social venture partners Arizona fast pitch presenter, Andrea Aker here, who would like to say a few words.

PRESENTATIONS

[Time: 00:06:44]

Social Venture Partners Arizona Fast Pitch Partner Andrea Aker: Thank you so much, Mayor Lane and Councilmembers for your support. Fast pitch is going to be March 28th at Scottsdale center for the performing arts. Since we moved the event to the Scottsdale center for the performing arts, we have record attendance, we expect 700 people. You will see eight nonprofit leaders take the stage for three minutes. They will explain each how they can change the world. And you will -- as I freeze at this moment.

I have a short video this. Explain it a little bit better, and it. Explain what the process is and how it works and what you can expect. So can we show that video?

(Video)

And so quickly, I will just explain that there are 20 nonprofit finalists that compete in a two-month program and they spend their time with business leaders, honing their three-minute pitch and then eight finalists are chosen, and they are chosen as we speak on March 28th, those are the people you will see. It's an exciting event. I hope you all come. [Off microphone comment]

PUBLIC COMMENT

[Time: 00:09:03]

Mayor Lane: Next order of business is our public comment period and the public comment is reserved for citizen comments regarding non-agendized items with no official council action taken on

these items. Comments are limited to issues within the jurisdiction of the city council. Speakers are limited to three minutes each, and with the maximum of five speakers. There will be another opportunity for public comment at the end of the meeting.

So we will -- we have three requests to speak and we'll start with Roberto Duran.

[Time: 00:09:54]

Roberto Duron: Good evening, Mr. Mayor, ladies and gentlemen of the Council. My name is Roberto Duron, the president of the Coronado Estates homeowners association. I'm here to present a petition from the property owners of our community and the El Quadro both located between the Coronado golf course and Miller Road. We are asking this council to order the attorney and the city manager to enforce relevant city ordinances and the provisions of the, quote, golf course lease and supplemental parcel agreement between the city of Scottsdale and Odonno Rock LLC and honor the recommendations regarding land use issues in the Scottsdale golf course policy published in May 1997.

Our problems began when a civil ticket and complaint issued on April 21st, 2015, by your code enforcement officer to stop the illegal construction of a fence using unsightly telephone poles on the city-owned Coronado golf course was vacated by the municipal court because no city attorney was present to correct the wrong interpretation of a building code by the judge. In addition, the city attorney inexplicably chose not to appeal this flawed and harmful decision.

On February 16, 2016, the parks and recreation office gave the lessee written notice that its, quote, failure to repair and maintain the driving range barrier in the first-class, sound, safe, clean and attractive manner, unquote, constituted a default and breach of its agreement with the city, but it did not enforce compliance.

A meeting held with the acting city manager in June led to a new civil citation and court appearance in October 19. This time the court gave the lessee 90 days to submit the necessary application for a building permit or face the statutory finds. On January 22, 2017, when we met with the staff of the planning department we learned that the lessee would not be asked to take down the illegally constructed fence, but would be allowed to complete it, if it was safe. The planning department had no interest in the aesthetics of the project, nor did it even give -- even know that the golf course lease and supplemental parcel agreement existed.

The February 16 -- the February 6, I'm sorry, we met with the new city manager brief him on these issues, only to learn that he had no intention of changing the existing application review process, nor requiring that the provision of the golf course agreement about the appearance of the fence be applied. We therefore, petition this council to stipulate that any building permit for any improvement of its Coronado Golf Course honor the improvement quality provisions of the agreement along with relevant building codes. Thank you.

[Time: 00:13:08]

Mayor Lane: Thank you, Mr. Duron. Next is Richard Porter.

Richard Porter: Good afternoon, Mr. Mayor and members of the City Council. My name is Richard Porter. I live in house number 19 at Coronado Park Estates at 2647 North Miller Road. 22 years ago, we chose to purchase our house on this lot, because it overlooked the Coronado Golf Course.

In 2005, when the city tried to replace the run down golf course for training fields for the San Francisco Giants. We fought to keep the golf course. We were promised it would be restored to top notch condition. We also had the city draft the parcel limit because we thought the city oversight would guarantee the course maintenance and upkeep. Now some 12 years later, we find that many of the city officials that we counted on to enforce the lease, and help protect our property values, didn't even know this was a lease. Some of them never even read it and they have no idea what rules or laws they are supposed to enforce.

Rather than repeat the timeline and the events that Mr. Duran has just presented to you, I have prepared an information package for you. There you will find a timeline summary, a few photos, our petitions, and a summary of the lease laws and rules that have been ignored. They clearly point out that the numerous events that have transpired, solely because of the city failure to enforce the laws, that would have prevented the situation that exists today. Now, we the taxpayers, we're wondering if it's just our geographic location within the city that's causing this lack of city support and the interest in the attractiveness of the project. So now we respectfully request that the council investigate how this problem was handled, and immediately adopt new reforms that will eliminate any further bureaucratic ignorance and laziness.

Given the history of this case, we -- and the improbability of the compromise being reached, we request that these poles be removed and the city exercise its right under 9.2 and terminate the lease and then acquire the supplemental parcel and turn the entire golf course complex into an expansion of El Dorado Park. This would proactively solve the overcrowding that will soon happen when we finish all of this construction in south Scottsdale. Thank you for your time.

[Time: 00:16:05]

Mayor Lane: Thank you, Mr. Porter. Next is Mark Stuart.

[Off microphone comment]

Mayor Lane: Excuse me, I am sorry Mark, you need to give those things to the City Clerk.

Mark Stuart: (inaudible) have to give it to the people individually, otherwise you lose it procedurally. I apologize for that, for those of you who don't know what's going on, the City Council, other than Mr. Phillips and Ms. Littlefield, generally don't care if they break the law and generally if you don't give them \$6,000 or more, they don't respond to your requests.

Regarding that golf course, you can sue to enforce it. I know because I have two lawsuits in superior court right now against the city over two golf courses. What you will probably find is that that golf course is far, far below fair market rental terms to the city. So not only are your civil rights being violated, but we're probably being screwed as taxpayers. We are probably losing money on the deal. That's generally what we found here in city hall over the last six or seven years once we really dig into

the financials of these arrangements.

Anyway, moving on. If you are wondering why I have my video out, I just have to be able to make an unimpeachable record that the city council people were served with their notices of claim. So it's unfortunate, but they don't cooperate. So you have to do it this way.

It's time for the save our preserve ballot initiative update. And as usual, we are rocking it! I want to share with you guys, the word "inevitable." It is inevitable that this will be on the ballot. So I would appreciate it, and everyone would appreciate it, if you would just go ahead and put it out there and let's have the election next November. Scottsdale voters really support resolving our political differences at the ballot box.

There's a lot of misinformation going out about the Desert Discovery Center. It's dead. Within the next 30 days, I will be going into court and get an injunction against anything that even appears to be construction related in the Preserve. I can't do it now because my attorney is sick. When she's over her sickness, we are going to move forward. So I would appreciate if you stop spreading misinformation. I know it's not Mr. Phillips or Ms. Littlefield who is spreading the misinformation, but it's coming from somebody up here. It's not very helpful.

We have our yard signs. If you would like to buy one and celebrate the second only ballot initiative in the history of Scottsdale, they are all yours.

[Time: 00:19:08]

Mayor Lane: Excuse me.

Mark Stuart: Please don't interrupt me. That is going to cost you \$40,000 personally. I'm trying to be nice to your wife.

Mayor Lane: Mr. Stuart, I do preside over this meeting and this is a city council meeting and I was just going to say, you cannot use this forum as a way to promote and to campaign for any official or any kind of candidate or any kind of issue. So I only ask you to stick to your -- the issue that was within the purview of the city council. We have no bearing on that.

Mark Stuart: Mayor Lane, I am not going to ask you again to not rudely interrupt me and if you do, I will go into court with another lawyer and get a temporary restraining order on you. So it's not funny. You are not a king. The constitution applies to you.

Mayor Lane: Mr. Stuart your time has expired I am sorry to say.

Mark Stuart: Well you interrupted me for 40 seconds.

Mayor Lane: You heard the city clerk, the clock was stopped during that.

Mark Stuart: Okay, can you give me 10 seconds to round up.

Mayor Lane: 10 seconds.

Mark Stuart: Thank you, your highness. Let he is move on to the notice of claim. Very quickly, I want to let you know that Maricopa County paid out a \$500,000 settlement to somebody who was interrupted and removed from a city council meeting for clapping when one of her colleagues spoke and the court, who dismissed all the claims before they filed suit against the city and Joe Arpaio said it was the most regrettable charge against the first amendment that he had ever seen in his entire life. We are going down path. You can avoid it if you want to. But if you don't want to.

Mayor Lane: Thank you, Mr. Stuart.

Mark Stuart: You're welcome.

ADDED ITEMS

[Time: 00:20:51]

Mayor Lane: That completes the public comment. And there season an indication of an added item on item 18 in your distributed agenda, and since the item 18 has been postponed to a later meeting date, there will be no need for a vote on that material since it will be timely at that time. At the next meeting.

MINUTES

[Time: 00:21:28]

Mayor Lane: Next order of business, I would request an approval of the regular meeting minutes of February 7th, 2017. Unless there are any adds deletes or amendments.

Councilmember Korte: So moved.

Vice Mayor Klapp: Second.

Mayor Lane: The motion has been made and seconded. All of those in favor, I think we are then ready to vote. All of those in favor, please indicate by aye and register your vote. Aye. The minutes are unanimously approved.

Let's move on to the consent items, 1 through 17. We have some requests to speak on the items that are -- the items on consent, items 15, 16, and 17. And that's Mr. Mark Stuart. This would require one period of three minutes for this.

[Off microphone comment]

Mayor Lane: I'm sorry?

City Clerk Carolyn Jagger: You can give additional time, if you like, but, yes, the policy is that it's one

time for anything that's on consent.

Mayor Lane: Okay. All right. Mr. Stuart, if you would like to come forward?

[Off microphone comment]

Mayor Lane: Let's leave it at three minutes on these. I think they are related.

Mark Stuart: Why do you think they are related? That's a perfect introduction to the public. We have no idea if these are related and why they are on the consent agenda.

Mayor Lane: Then let me go ahead and explain this, why don't I --

Mark Stuart: Why don't you let me speak and you can respond to it rather than interrupting me.

Mayor Lane: That's not what - we are not here to respond to this at this point in time, I'm sorry, Mr. Stuart. But I'm willing to explain to the public who may be listening that it is item 15 which is a request to adopt resolution 10735, authorizing risk management department to continue to pay a law firm of Holloway Odegard & Kelly in an amount not to exceed a total maximum of \$135,000 pursuant to a contract.

And next is 16, legal services contract, adopt resolution 10740 authorizing contract 207-047-COS, with the law firm of Dickinson Wright PLLC in the amount not to exceed \$35,000 and 17 is the legal services contract amendment to adopt a resolution of 10741 authorizing contract 2016-090-COS-A1 with Gust Rosenfeld PLC in an amount not to exceed \$35,000 to provide legal representation to the city.

And so with that introduction, that will save you maybe some time on that. In any case, if you would proceed, Mr. Stuart.

[Time: 00:24:27]

Mark Stuart: First I have a general comment about the consent agenda. Items that can have potentially a very large budgetary impact on the public should not be hidden from the public. I see this time and time again, in the last I don't know three meetings I think I have seen seven different litigation-related consent agenda items. How much have we spent total? How many do we lose? How many of them are totally unnecessary? How many times does the city attorney's office, in order to placate a member of the city council or a wealthy donor dare somebody to sue the city and then they do and then the city loses. How much does that cost us?

I would like to make an oral citizens petition that we keep a running matrix, day one, lawsuit number one, avoidable/unavoidable, win/loss, how much did we spend defending it. What was our worst case scenario if we lost and if we lost, how much we actually paid out. So that's the only way that we can keep tabs on you, but from what I can see, and just listening to my fellow citizens earlier, so much of this is totally avoidable, if you will simply enforce the laws and do your jobs as city council people. I know it's difficult. I know you don't get paid very much, but that's the burden that you chose.

I'm looking at the Erica Rahn settlement, where she alleged excessive force, false arrest, false

imprisonment, things like. The interesting thing to me, it appears to me, based on what I have been able to document, that we have a problem here with what's called first amendment retaliation, and if we -- if you can show that that's a custom or a well-established habit of a city, the city can be libel and the city can be liable for punitive damages.

So I think we have got that here and I think Mayor Lane, you are the poster child for that. Because rather than simply accommodating people and allowing them to speak freely and publish freely, you constantly bully them. You constantly interrupt them. But you only do that to the people you don't like. That's a problem. That's a problem for the city.

17 is a \$35,000 for legal representation to acquire land for a fire station. Can somebody explain that? I mean, how many people are in the civil department of the city attorney's office, ten? And not one of them can handle negotiations for land for a fire department? I don't -- I don't quite understand it. This is the kind of thing that we need to know.

But going forward, it would help immensely if you would just simply add one or two sentences to your consent agenda items. We believed it was necessary to place this on the consent agenda because and then just explain it. Thank you.

Mayor Lane: Thank you, Mr. Stuart. That completes -- I'm sorry -- yes, it completes the comments on consent items. And unless there's any comments from council on any of those items. I think I'm ready for a motion.

Councilmember Korte: Mayor, I move to accept consent agenda items 1 through 17.

>> Mayor Lane: The motion has been made by Councilwoman Korte.

Councilwoman Littlefield: Second.

Mayor Lane: Seconded by Councilwoman Littlefield. I think we are then ready to vote. All of those in favor of the consent items, please register your vote. Consent items 1 through 17 are unanimously accepted. Thank you very much. If you are here for those items, you can stay with us or you can, if you would, please leave quietly.

ITEM 18 – PALMERAIE REZONING (7-ZN-2016)

[Time: 00:28:31]

Mayor Lane: Moving on to the regular agenda item, as I mentioned before, number 18, Palmeraie rezoning, at the request of staff and the applicant, continued to March 21st, 2017, and that does not require a vote by us. It does. Okay. Then I would ask for a motion to continue the Palmeraie rezoning to the meeting of March 21, 2017.

Councilman Phillips: So moved.

Vice Mayor Klapp: Second.

Mayor Lane: Moved, I think that was Councilman Phillips. And seconded by Vice Mayor Klapp. I think we are then ready to vote on that item. So all those in favor, please indicate by aye and those opposed by a nay. That's unanimous to continue that item to the March 21st meeting.

ITEM 19 – WESTWORLD TENT AGREEMENT

[Time: 00:29:21]

Mayor Lane: The next item is WestWorld tent agreement, and we have Mr. Worth moving to the podium, our public works director to give us a presentation on that.

Public Works Director Dan Worth: Good evening Mayor and Council. If I can get the slide presentation up, Amy.

I'm here to solicit your direction on a couple of issues related to the possible continued use of our tent at WestWorld. I will begin with a little bit of background. January of last year, you gave us a direction to remove the tent. In fact, you gave us direction to remove the tent in the summer of 2016.

The discussion at that point in time centered on a couple of issues, the revenue that we would earn through continued use of the tent, versus the cost to keep the tent. Part of that cost is the cost to replace the fabric on the tent at some point in the future, which is estimated at about \$1.5 million. So that was part of the discussion. The revenue versus costs part of the discussion was a desire on the part of the community to see the tent disappear but the decision in January of last year was to remove the tent.

Shortly after that direction, you were approached by Mr. Craig Jackson, Barrett Jackson auto auction with a proposal to keep the tent for one or more additional years. The basic outline of that proposal was he would make a payment or his organization would make a payment, \$100,000 for each additional year we retain the tent. It would allow us to avoid replacing the fabric at the cost of \$1.5 million but it would allow continued use of the tent and it would give him time to find a replacement tent on the market. It would give us time to market the tent to a potential buyer.

At the same time, we started doing just that, trying to market the tent to potential buyers. We had that out for solicitation a number of times. To date, we haven't gotten anyone to respond to the solicitation to buy the tent.

In May of last year, after considering that proposal with Mr. Jackson, after negotiating the proposal. You did approve at contract which is currently in effect, that allowed the use of the tent -- allowed the tent to remain for a year longer and allowed the use of the tent for the 2017 Barrett Jackson auto auction, which just happened now in exchange for one, \$100,000 payment, and it had a firm removal date of summer of 2017. At the same time, the last bullet, you approved a C.I.P. project. We told you at the time, it would cost \$700,000 once the tent was removed to restore the site and it was to restore the site in a manner that would support using a new tent configuration in the future. It would relocate some of the electrical connections that are currently in the tent. It would remove the

footings and repave where they had been and leave the site able to support tents in the future. So that's the background.

This is a graph -- a graphic that shows the tent. This is the scope of the project that you approved in the C.I.P. last year, removal of an electrical service at the southeast corner. These arrows point to the new line along which we are going to place the electrical connections. There's electrical connections along the north and the south walls of the tent this project was going to take those and move them closer to the center of the current tent area, and line up with a new tent lineup and mount them flush to the ground. There are a items on here that are scope items that we did not include.

The new issues that I'm looking for some direction on now, we have been approached again by Mr. Jackson, with a request to keep the tent in place for possibly one or two more years. It would, again, allow the city more time to market the tent. We have not negotiated a contract. If the direction is to contemplate doing this we'll do contract negotiations. I have the additional \$100,000 payment for each year, because that was in the deal that we were negotiating a year ago. There's no guarantee that we will end up with that, but certainly that would be the city's initial position. Barrett Jackson and other users -- I have a chart with you that shows other users -- would pay a separate use fee, and by limiting it to one or two or however many years we can continue to get continued service without having to replace the fabric, the intent is to avoid that \$1.5 million cost to replace the fabric. So that's one of the issues we want to talk about.

Again, I have another slide that's going to give you some detail on that with regards to revenue and costs. The other issue is the change to the capital costs to remove the tent and there's two things in play. The project that's approved and in the C.I.P. right now is for \$700,000. If we were to do the same scope, the estimates that we're getting from contractors now are significantly higher than the price quote that we got a little bit over a year ago, when we put together that \$700,000 number. So if we weren't going to change anything else, if we are going to do the same scope I showed you on the previous diagram, instead of a \$700,000 project, it's actually a \$1.6 million project.

The other thing that's in play is that there's been a request from Mr. Jackson. We have talked about it at two WestWorld subcommittee meetings now, to make some changes to the -- the grade of the parking lot where the tent sits. Right now, the high point of the parking lot is inside the outline of our tent. So when it rains, rain falls on the tent and falls north and then flows north and falls south and then flows south. If we remove our tent and replace it with the largest commercially available tent that's out there on the market, it's narrower and the northern edge of that tent will be south of the crown of the parking lot. So rain will fall in the tent. It will flow north on the tent and then it will turn around and flow downhill under the tent. Not a desirable situation.

What we have done is priced out the cost of -- you can see the blue outline there to change the location of the crown, high point on that parking lot, we would remove that asphalt, that's an additional \$860,000. So if we were to do the exact same scope that we were planning to do last year, the C.I.P. project amount would be \$1.6 million to get it done. If we were to add this scope, it's \$800,000 additional construction costs, but when you add other associated costs it turn it's into a \$2.6 million project.

As to the revenue, I mentioned I was going to be showing this, three different years, 2015, 2016, actual

revenue. And then the 2016-2017, 2017-2018, these are shows that have used the tent and would be expected to use it again if the tent were still there, although, our marketing group out at WestWorld has not been actively marketing the tent because it's supposed to go away. So there's some assumption in here that these events would -- would continue to use the tent if we continue to offer it. There's also the distinct possibility that we would attract others, in fact, they talked to some that would be interested in coming here if they knew the tent would remain in place. Those are the events for 2015 and '16, actual revenue, about \$150,000 for the other two years, revenue that we would expect if we kept the tent in place. And, of course, 2016/17 is pretty much a done deal at this point, \$113,000 worth of revenue. You can see the annual tent maintenance cost, this is if we never replace the skin, it's about \$30,000 each year for a firm to come in and do a condition assessment, inspection and tighten bolts and another \$10,000 that we do with city staff to come in and do assorted repairs and work orders.

And then the other comments on the right-hand side pertain to revenue. The revenue I show in the chart is rental revenue. Each of those tent rentals also has additional rental that accrues to the city, food and beverage sales that happen inside the tent. Parking related to the tent but you can generally add about 50% of additional revenue that comes to the city as a result of the use of tent, to those rental numbers. I have already mentioned the fact that the future events only include current users although they have been talking to others, including the haunted house that we had here in 2014.

And the last bullet, I wanted to point out that shows renting the tent also rent other facilities often and those additional rent amounts are not shown. In some cases, if we don't have the tent, we lose the event, we lose those additional rents that we would otherwise be able to get as well and two examples, the sportsman expo, you can see in the chart. They pay \$34,000 for rent. Their total revenue for the use of the -- well, total rent revenue for that and other facilities that they use is \$78,000 and then when you add on the other components of revenue, the parking and the food and beverage, not the \$34,000 that's shown. So there's a couple of multipliers, same thing. \$86,000 of rent we add in the food and beverage and other revenue, it's \$166,000. In both cases, those go away if the tent is not there.

So with that, those are the issues, and I would be happy to answer any questions. We have the WestWorld general manager here, our market, team is represented here. If you have any questions that you need to direct to them.

[Time: 00:40:38]

Mayor Lane: We have several requests to speak on, that so we will go to that first. Nevertheless, I'm sure you will stand by for our questions as they may.

I would want to say first and foremost, as the chairman of our WestWorld subcommittee, and my committee members with me are Vice Mayor Klapp and Councilman Phillips, we have gone through these numbers and present through our subcommittee meeting last week and as you may have seen from some of what we have here, there's a fairly significant change in some of the numbers involved and how we are trying to calculate and deal with this. So it's caused us a little bit of a concern as to the accuracy of the numbers that may have come to us in past and maybe now.

But the recommendation really is -- and this is from the subcommittee and I'm speaking for the subcommittee. It was a unanimous consent of recommendation on this, and that's really -- to have the city manager negotiate a one-year extension for the tent to remain, and then be subject to, of course, the negotiation of a long-term agreement with Barrett Jackson as we try to move forward with this in its entirety. So we're looking to see that we can probably bring this together and finally and ultimately decide what's to become of that tent and when and where. But as it is right now, it's a one-year extension that we are recommending and that may be the consensus of opinion or even the vote as it relates to this full council but that's our recommendation from the subcommittee.

With that being said, we do have a number of folks who would like to speak towards this subject and I would start with Mr. Fred Green. Fred Green: Thank you, Mr. Mayor, members of the council, yes, as you know, I'm Fred Green, president of the D.C. Ranch association. We are the largest H.O.A. in close proximity to WestWorld.

I feel like I'm living in the movie "groundhog day" that's because every morning when I wake up, I hear Craig Jackson tell me that he wants to keep the tent up for just one more year. Unfortunately, this really isn't a laughing matter. For far too long, the residents of north Scottsdale have had to live with a giant eye sore in their backyard. As we all know, the tent was supposed to come down years ago, but Barrett Jackson's economic self-interest has kept that from happening.

When I attended the meeting of the WestWorld subcommittee last week, I heard basically three arguments in favor of keeping up the tent. The first, was this it would be too costly to take the tent down. There's actually enough money in the budget to dismantle the tent and do basic remediation work at the site. There's not, of course, enough money to pay for the list of capital improvements that Barrett Jackson has asked the city to pay for. I don't see why you should be paying for those capital improvements when they should largely benefit Barrett Jackson. I just noticed on Dan's slide that only four producers used the tent at WestWorld in the 2016-2017 period.

The second argument I heard is the city might lose bookings in the tent would come down. Remember, tent would be replaced with temporary seasonal tents, which could accommodate other producers. So that argument doesn't hold water.

And finally, the assumption that there's no cost to the city to keep the tent up. There is. It's an opportunity cost. Let me give you one great example. The single biggest problem at WestWorld is the lack of parking. The tent sits on acres of land there that could -- could you park hundreds of cars there and sell V.I.P. parking to attendees at other events.

You couldn't do that during Barrett Jackson, of course, because that's where the temporary tents would go, but for the bulk of the year, when that tent sits empty, you could have V.I.P. parking there and the city could earn premium parking rental from that. Finally, whatever you decide today, I hope the tent won't be part of the long-term outlook or future for WestWorld.

[Time: 00:45:57]

Mayor Lane: Thank you, Mr. Green. Next would be Chris Kirkpatrick.

Chris Kirkpatrick: Thank you, Mr. Mayor and City Council. My family and I reside in D.C. Ranch since 2005, in the lower part of the D.C. Ranch around 94th Street and Legacy. So we have dealt with the tent for many years. Being a Realtor for 15 years in the city of Scottsdale, I feel like it deflates our property values. It's an eye sore, something that we continue to live with in the lower part of D.C. ranch.

Our -- what we have always been told was that the tent was going to be temporary. Once the equestrian center was going to be built, that that was going to be removed. So the residents of that area, that we see every day at the enter it, we have been under the understanding that it would be removed and it seems like every year we continue to extend that every year. Looking at the stats, you had four to five people generating maybe \$150,000 a year and you are looking at putting another \$800,000 just to grate it. So I just don't think the numbers are there. I think the city of Scottsdale can use that area for a better purpose and I think we are better than that. I think that the new improvements have been made over in WestWorld, I think it's time for the city of Scottsdale to step up, have other people associate and help facilitate a better product over there. Thank you.

[Time: 00:47:37]

Mayor Lane: Thank you, Mr. Kirkpatrick. Next would be Mike Baker.

Mike Baker: I'm a little shorter than everybody else, I think. Mayor Lane, nice to see you and the Councilmembers, nice to be here. I'm here basically as a president of H.O.A. at Canyon Heights and my -- I will make this fairly short because I think Fred did a nice job of summarizing. You have the figures and I don't know how you go to \$700,000 to \$2.6 million a year. That number seems to be troubling, but my situation is we have a piece of garbage in what I call a true venue that's just fantastic and we're not doing ourselves a favor by continuing to leave it there. And you, as a Council and Mayor have promised to tear this down for of the last four years and you think it's the appropriate thing to do what have you promised the city of Scottsdale to do and I think there's no doubt that this is an eye sore and it's absolutely a piece of garbage in what I would call a world-class venue. Thank you.

[Time: 00:48:52]

Mayor Lane: Thank you, Mr. Baker. Craig Jackson.

Craig Jackson: Thank you. For one thing, I hate being the lightning rod on this because we are not the only user, but I am the one that stood here last year when you decided to take it down and said that I thought that it was a low-ball number.

To Fred's point, should the city pay to remediate the area, well, if we can't use it, we can't be here and it's not our property. When the tent was put up, I asked at the time that they recrown the whole area, so no matter what tent is tied to it at the time, could go back and forth. That was decided not to at the time. The low ball to take the tent down at the time, I think has caused a lot of these problems, that there is no money to bury the power lines that go in front of WestWorld, although the private sector has decided in the improve district next door to bury them, I think long term, we will see

them as a much bigger eye sore. I think the time is now if we want to do that.

We have been good partners of the city of Scottsdale and we want to be good partners of the city of Scottsdale. We are willing to help in some of the improvements to pave g lot and we have a lot of things that we want to do together with the new city manager and the council to get a long-term agreement with the city of Scottsdale but the facility has to work for us. We bring \$169 million to the city every year and we want to stay here long term, but we need a venue that works.

Just putting up TNEC as I said when you voted on it, is not the end. That's the start of what needs to happen out at WestWorld and we want to be here for the next 20 years but we need a facility in the short term. We have to figure out what we will do with this tent because if you take it down and don't remediate the area, we won't be here. It's a simple deal. We have to be able to stretch the tents. We put up 1 million square feet of temporary infrastructure. The city and I have worked very well together over all of these years to make it work. It rained almost every day this year in our event, but yet we still had 320,000 people go through the gates and that's because we have done a very good job of working together as partners with the city that I grew up with and I love. I love that area.

I will go back to the other subject. I wish the power lines were not going to go in front of WestWorld, but if there's not \$1 million to bury the power lines, where is our \$2.6 million to take down a tent that's making money and is part of the economic engine of \$169 million every year to the city of Scottsdale. That's it. Thank you very much.

[Time: 00:51:59]

Mayor Lane: Thank you, Mr. Jackson. Next is Ed Capen.

Ed Capen: Good evening Mayor Lane and city council, I'm with Good Guys Rod and Custom. As the stats showed up there, we use the tent twice a year and it's a very big part of our event because of the proximity to the Polo field, and the necessariness of having vendors in there, just like at Barrett Jackson and using the Polo feel for the show car. We have an economic impact on the city of Scottsdale as well. When we come here twice a year, both next weekend and in November, and we have been coming here to WestWorld since 1998, and have been doing events at that facility and would love to continue to stay doing events at that facility. The tent really works well for what we do and even the infrastructures that have been built since the tent has been up is not conducive for what we are trying to accomplish there.

Like what has been said before, you know, it may be something that we would have no look at in the future as to whether we can continue to have this type of an event at that facility. We do use all the parking structure that's, there as has been commented about, about parking. We use every bit of square inch of that facility when we are there and we would love to continue to do that. Use moving our commercial vendors into the new building is going to cause us to redo the whole layout and try to work with that, which we have discussed and are thinking about trying to see what we can do to make that work for us. But if the tent was to stay up, it's better for our company, and better for our environment here at WestWorld and we would like to see that. So that's what I have to comment about. Thank you.

[Time: 00:54:06]

Mayor Lane: Thank you. Next is Casey McDonald. Next then would be Dr. Philip Geiger.

Philip Geiger: Thank you, Mr. Mayor, members of the Council. I have been a resident for 18 years, and it kind of reminds me of the story -- the parents who had a child who never spoke and over the years they would take the kid to the doctor. They would try find out what happened and suddenly years later, the kid said to the parents, will you please pass me the darn potatoes. The parents said, my God, you can talk! And the kid said, of course, I can talk but up until now, everything has fine.

The same kind of applies to me being here tonight. I have been real happy with what everything that the city council has done and I have been very happy with the leadership of the city. I have great respect for the intelligence and the entrepreneurialism of the -- of Mr. Barrett and Mr. Jackson, but as city officials, is the trust of what the city does. Apparently many Jackson has been here several years in a row, saying I just need another year or two and it continues to go on and on. Probably if you had done something last year, and the number was \$700,000, you would have saved a whole lot of money rather than waiting a year. My suspicion is if you wait another year or two, it's going to be even more money that you are going to spend and the trust issue is really about has there been any real change in the betterment to the public in the reality is there hasn't.

The numbers that were projected for the 2.65 million, I presume, are estimates rather than actual firm bids that someone has received. And so the question begins to become, well, if you continue to extend that, really, what's it going to cost the city because eventually it has to come down. Because these gentlemen are very smart, the city should have been able to find some replacement between now -- between the now they said one more year two or three years ago to today.

And I think -- I think last thing that perhaps bother me even more was the threat of the council, by both parties just now, that if you don't do what we want, we will leave your city. That's being held hostage. Scottsdale should never be held hostage to anybody. Thank you very much.

Mayor Lane: Thank you Mr. Geiger. That completes the public testimony on item 19. So we are now back to a discussion and deliberations on this. And I will start since he's first on the screen with Councilman Smith.

[Time: 00:57:26]

Councilman Smith: Thank you, Mayor. A couple of questions, I guess, first, Dan, probably for you, since you made the presentation. What you said on to the new issues slide, first bullet said that if we kept the tent in mace for possibly one or two more years, the bullet said it would allow the city more time to market the tent. Does marketing stop if you take the tent down? Can the tent not be sold while it has been removed? I mean, essentially you are saving a potential buyer \$100,000 of removal costs if you take it down and put it somewhere.

Public Works Director Dan Worth: Mayor, Councilman Smith, if we are taking the tent down, with the knowledge that someone is going to buy it and erect it somewhere else, we will take it down, a lot

differently than if we take it down without any intention of placing it somewhere else. The proposal that we have got to take it down, that's part of the \$2.6 million involves grabbing on to the top of the trusses with a large track hoe and yanking on it. You will have a massive twisted metal, the only value is salvage value. If we would disassemble it for future reuse, it would cost us a lot more.

Councilman Smith: And when we look to the number of \$700,000 a year or so ago, was that yanking it down or taking it down?

Public Works Director Dan Worth: That was yanking it down, although biggest difference between that number and the \$1.6 million was not in the cost to take it down. It was actually in the electrical costs.

Councilman Smith: No, no, no. I'm still talking about the \$700,000. When we were told that the \$700,000 would be cost of remediation, I thought we were hoping that a buyer were coming for.

Public Works Director Dan Worth: We were. If a buyer came forward for the tent then we expected the buyer would remove the tent and the \$700,000 would go down.

[Time: 00:59:44]

Councilman Smith: That would be a first! The last bullet under this same slide said that keeping it up for a couple more years would avoid the future cost of replacing the tent fabric. How does that avoid the cost of replacing the tent fabric?

Public Works Director Dan Worth: Councilman Smith, we do an assessment every year. We have a consultant that comes in and tightens the bolts and assesses the fabrics and the bolts. They think we can get another year and possibly two and honestly, that's the same opinion they had two years ago. The tent seems to -- the fabric seems to be holding up fairly well. So the thought is we can get another would years without having to remove and replace the fabric on the tent, that's what that comment is alluding to.

Councilman Smith: There may have been a better way of saying it. I don't think keeping it up for two years avoids cost of reskinning it. You avoid the cost of reskinning it by not reskinning it. You suggest that keeping it up for two years is possible without reskinning it.

Public Works Director Dan Worth: I absolutely agree.

Councilman Smith: When you went through the slide that included the other uses it. Looks at the big year of '15/16 and people like kids closet and the fire department recruit and so on and so forth. Did these folks require a tent or did they just simply choose to use the tent instead of the north hall because it was cheaper or available or whatever?

Public Works Director Dan Worth: Councilman Smith, I would defer to the experts on this, but I can tell you that the tent is not cheaper than north hall of the venue of choice for most people is north hall. A lot of tent users are choosing the tent because that's what's available for them or they have both.

[Time: 01:02:02]

Councilman Smith: Well, maybe that's the only questions that I have on the presentation. I -- I think my comments -- and I apologize that you came to the microphone, because I may not -- you may not need to be there. I appreciate the partnership of the people that we have the major users at WestWorld, particularly the Barrett Jackson folks, the biggest users of this tent and they have certainly worked with the city, trying to find solutions from time to time.

When we went through the -- when you, Dan, went through some of the history of this you started in 2016, where we were. My memory of this project starts back much earlier than that, obviously. It starts back in 2012, when the city undertook one of the largest capital projects in its history to completely renovate what we now call TNEC, the Tony Nelssen equestrian center. By not only climate controlling the facilities that existed but adding both major facilities north and south halls and other improvements. And for the benefit of people, it started out at 30 million, grew to 40 and finally ended at \$50 million that was invested in this facility, but the importance to today's discussion was that we were assured as part of that presentation that not only would the tent come down, but that the estimate at the time was that we would realize a \$1 million bonanza from its sale to offset whatever the capital investment cost was and more importantly, the major producers at the time, all of whom applauded this project, never once took issue with the fact that the tent was coming down. And years later, when the project was finally finished, admittedly over budget but at world-class facility, as somebody pointed out, we undertook efforts to fulfill our commitment to the citizens, the trust issue that somebody mentioned, the promise that the tent would come down and surprisingly we were then told we with respect going to get 1 merchandise.

We probably weren't going to get anything because nobody was responding to the bid. And we were distressed by that, only for a short time, and then we became more distressed when we were told that it would cost \$700,000 to take down this piece of tent that's not apparently worth anything and to remediate the site. And now we are told it's not going to be \$700,000. It's going to be \$1.6 million. And while we're at it, with the bulldozers and whatever, we'll spend another \$1 million to remediate the site. And improve the site. And improve the tent foundations for the new tents or whatever.

If you go back far enough in history, you find how remarkably different today's story is than what it was originally, and how remarkably different some of the tent users are in their attitude towards the continued use of the tent. Normally things like this agreement to take down the tent, it's a quid pro quo. You do your part, and I will do mine, and I suggest to you and to anyone else watching this proceeding, the city has done its part. \$50 million worth of its part.

And to now be told if we don't take down the tent and don't grate it right, that, quote, we can't be here. I for one, somebody used the word "hostage." I'm not going to be held hostage. As far as I'm concerned we had an agreement. It was an agreement that everyone went into eyes wide open and my vote is to honor that agreement. I don't think we need more time to market the tent. I don't think we need -- I don't think keeping it up in any way is going to avoid the future cost of replacing the tent fabric.

I would predict for you, ladies and gentlemen, that if we do not take down the tent, as instructed, that

one year from now, or two years from now, we will be sitting at this dais again and somebody will say, you know what, it's going to cost \$1.5 million to reskin this tent and that's a lot money but it's a lot less to 2.6, which has grown to 3.6 or 9.5 or whatever the number might be to remediate the site. I said several months ago that my vote would be take this tent down. We made a promise to the citizens. It's not just the people in D.C. Ranch. It's everybody that goes driving up and down the 101 and they think this is Joe Arpaio's tent city over there. It is, as somebody said, a public eye sore in the middle of a first-class facility. It needs to come down. And that will be my vote.

Mayor Lane: Thank you, Councilman. Councilman Phillips?

[Time: 01:07:56]

Councilwoman Phillips: Thank you, Mayor. Well, if we are going to have opposing viewpoints. I don't have any questions, Dan. Just a statement.

You know, the things we use the tent for and we see the list of them, the good guys, the sportsmen and the Barrett Jackson, I know enough about it to know that we may spend 50 million and whether or not that was too much, it doesn't matter too much into it. As big as it is, it's not big enough. It's just not big enough. I would love to see a convention here in Scottsdale but that would be another \$100 million. So I kind of feel like it's been responsible to removing something that also helps us in the first place.

You know, we have increasing competition for events, especially our neighbors to the east. I look at Russo steel and that's first place they went to and they got it. Let's just say we tear down this tent the sportsmen are not going to go this or the good guys won't go there. Maybe they will get a better deal. You know, maybe our neighbors will buy the tent and put it up and we'll lose everything. This is the competition that Scottsdale has to look at and we have to be serious about.

Nobody can say, let's tear town the tent because it's ugly. I used to like to look at the tent. It used to have the American flag on it. I understand it gets old and dirty and for that matter, you maybe have to recloth it or something, and whatever cost that comes to, but it's not a safety hazard and as far as ugly goes, we will have 69k lines over there. We can't tell APS to put them in the ground because we think they are ugly.

I drove up Legacy, and I also drove up Thompson Peak Parkway and looked back to look at the tent and there's only a few spots where I could even see the tent. Because between Bahia and Bell Road, there's so much development. As far as I don't want to buy a house because I might see a tent if I get a certain spot. I just don't understand that.

And, you know, let's say the tent is a piece of garbage someone said. It's a piece of garbage, people wouldn't be putting their \$1 million cars in it in a car show and they wouldn't be flying all over the world to come here. I never heard once someone say, I don't want my nice car in here, it's a dirty, disgusting ten. It's not like that at all. It's pretty amazing. When you hear comment, we can't be here, if you don't something about that. I think really what he meant was the remediation. That may sound arrogant, but it's a reality. They really can't.

To think of a win/win situation, what I was thinking, because it's ugly, that that's the reason that people want us to remove, it because it's ugly. Maybe we lower it and we could probably lower it 15 to 20 feet because that height is just extra. We don't put cars up there and sportsman expo doesn't use the top light. We could easily lower that amount and then we could take the skin off and make it hard. It could be a building and it could be a good looking building and it could look along the same architectural design of the TNEC center but to do that and the staff to find out what that cost will be, we need more time and that's not an excuse. We need more time. So when we have the WestWorld subcommittee meeting, I brought that up. There are other options available to us.

And let's not get rid of a tent because it's ugly, and, you know, put the cart before the horse. Let's make sure, just like we did with our city manager, let's make sure that we take the time to pick the right one. To do the right thing. So we are don't -- we said, let's take the tent down and now we say, oh, great, everything is over on the reservation and now we are losing millions a years, bummer. So I really think we need this time, at least a year, like a subcommittee recommendation, to look at our options and really find out if that's the best thing for us to do, because personally, I'm afraid if we lose that tent, we will lose a lot of tourism and tourism is the life blood of Scottsdale and we can't really afford that. I will be in favor for keeping it up at least a year, along with the subcommittee's recommendation.

Mayor Lane: Thank you, Councilman. Vice Mayor Klapp?

[Time: 01:12:41]

Vice Mayor Klapp: Yeah, I was on the subcommittee also and it's already been mentioned the things that we talked about. I mentioned in the meeting and I would say again today, that I'm very disappointed about the fact that we are to the saying tonight, let's take the tent down, but we are not. I wish I could put my foot down and say I would like to see it come down because that's truly the way I feel.

I do feel that the tent is not -- it's not a good example of what we need at WestWorld. We have built a beautiful building and the tent just detracts from it and I felt that way since the building was built. And so I want to apologize to the neighbors and I understand we have lost your trust. So I do apologize that last year I said we needed to take the tent down now.

And tonight I feel that we should allow the city manager one year, no more, to come back to us with a plan on how do we operate WestWorld if we replace the tents with temporary tents that come down after several months, how do we operate WestWorld and still maintain the -- the users that are there, and attract more events and more visitors to come in and use the facilities. How do we plan the parking? What kind of long-term agreements do we have with the people that are coming in and using WestWorld? There's a variety of that's the city manager needs to look at and we need some time to do that. We have a new city manager who is willing to take this on and a holistic approach so that we can hopefully this time next year talk as a council about what is the need for a tent or temporary tents and my hope would be at that time, that we would be told that the large tent is not needed and it can be replaced by temporary tents, and that we have some plan in place on how we will pay for it.

We have no plan in place to find \$2.6 million. We don't have it. And so it would be great if we could bury the power lines, if we have, it but we don't have enough money for all the things that people want in this city. We have got to be picky about where certain projects rise to the top and which don't because we have not been able to get voters to pass bond elections of any substance in the past. So we have got a lot of issues to deal with, with limited resources.

So I believe it's best -- it's not my desire, but it's still best that we go for one more year with a plan to come back to us by the city manager on what we are going to do about planning for the future WestWorld so we have a beautiful first-class facility that doesn't have a 12-month tent and use temporary tents. What kind of projections can we expect over the course of the years as far as marketing to other users and obviously the ultimate goal and hope would be that if nothing else, we can break even at WestWorld. So it's my desire to continue with one more year as was recommended by committee and I would like to make a motion to that effect.

Mayor Lane: The motion has been made.

Councilwoman Littlefield: I will second it.

Mayor Lane: And seconded. Would you like to speak towards the second, Councilwoman?

[Time: 01:16:15]

Councilwoman Littlefield: Yeah, I was on here. I feel very much as Vice Mayor Klapp does. One of my biggest concerns with this is going year on year on year on year. One year at a time, slogging through the mud and not taking down the tent. I don't want to see that happen.

But I have some major concerns and I don't have answers to some of my questions. This has been going on for several years now, which we all know. How are we advertising this tent that we don't get any answers back? Has there been a multiple way of advertising different uses, different stratagems. How much do we anticipate the cost of this going up every year as we procrastinate taking it down, another estimate I would like to know.

I do feel that it would be uneconomic, if you will, for us to say we will take the tent down today, sorry about that, it's going, because we don't have anything to replace it with. We don't have any way to replace it. We don't have a budget for this. So, yeah, I will go along with one year. And do it. Keep it up for one year. But I want to use this year very carefully. For one thing, I don't want another year after this.

Another thing, Mr. City manager, I will put this squarely on your shoulders. I want to have an overall plan of where we want to go at WestWorld, what we want to do and how we're going to get there. And that includes all of the little gory details about elevations and water flows and excavations and electrical plans. Everything! I want a full blown plan of what we're going to do at WestWorld to make this work. And then if we take the tent down, what are we going to do to replace it? And who is going to pay for it? And how is that going to work?

I like the idea, Councilman Phillips said maybe we don't need to have a tent quite this high. Maybe

we can do a little lower and a little bit more in line with the other buildings and make it something that fits an all in one overall plan for the entire area. I like that.

I want a realistic timetable for something like that and then I want us to try to budget and plan for it. I want to say next year, let's complete the design. Let's use this last year, complete a design so we know where we are going to go! Unique idea. New concept. No more piecemeal approaches. No more, well, we will just move the electrical box over here and then shuffle this over here and do some grading over here. Are we going to pave the paving lots? Are we going to do this? What do we want it to end up being and then let's start working towards it. We may not be able to do it in one year or two year.

It may be too expensive but we can start moving in a direction that we know where we want to go. Even if it takes longer, let's do it that way. I would like to get commitments. I have read a lot of emails who want to keep the tent up, including Mr. Jackson and the good guys and they say, we are willing to help. We are willing to help do you this. Okay. Let's get some firm commitments. Let's do that. Let's get real. Let's get down to earth and let's make it work.

I will give it one more year so that we can get all of this done during that year. And then next year, we can come back and say, okay, now we know where we are going. We know how we are going to get there and we can start. Thank you.

Mayor Lane: Thank you, Councilwoman. Councilwoman Korte?

[Time: 01:20:21]

Councilmember Korte: Thank you, Mayor. Well, here we go again. And I must say that I am troubled and extremely disappointed to have talked about this a year ago looking at a \$700,000 price tag to make some changes there that we felt at the time were good changes. And then one year later, seeing a cost differential of 100% greater or more. \$700,000 to 1.6. And that's troubling to me. I just don't understand how that can happen. We talk about electrical changes, et cetera, et cetera, but I just don't really understand how that can happen.

And -- and it really places us in a bad position with our public and, yes, it is about public trust and I apologize to our citizens that we have said one thing a year ago, and some of us are taking another thing today.

But it was last year in our conversations, and I believe it was a work study session, we were talking about this and when the \$1 million sale price for the tent was proposed, I really questioned that. I didn't believe we would be able to market that tent. It is a unique size and certainly a difficult thing to market and I questioned at the time.

I also made the statement, that you know, we have an asset here that still has life to it. Why don't we maximize that life span for another two or three years? And I made that statement back then and there was some conversation follow-up, but it never got beyond the majority of vote. And I guess when we -- we look at perspectives from 2011, 2012, when WestWorld, we were looking at investing in WestWorld and making some changes and the belief that north hall was going to replace the need

for the tent, well, that belief and that hypothesis was false. It didn't.

So now we have over \$50 million of investment and growing into WestWorld. We are competing with venues across the valley and I believe it's important to maintain the flexibility of this facility to attract not only keep the producers and the events that we have today, but also to attract the new producers and events that are going to come our way.

So I will be supporting the motion but I would like for us to consider that instead of a one-year extension, that it would be through the life of the skin, which would be two years. And so I would ask for a friendly amendment to the motion maker.

Vice Mayor Klapp: No.

Councilmember Korte: Okay.

[Time: 01:23:57]

Vice Mayor Klapp: Let me explain that.

Councilmember Korte: No, no, you can say no.

Vice Mayor Klapp: I can just say that in saying no, two years could end up being three years, and could be four years. Nobody really knows how long the skin will last. We were told two years ago that it would last for two years so I would prefer to keep the recommendation to be one year, to bring a plan back to the council.

Councilmember Korte: And I guess, let me explain why I am proposing a two-year extension. Is that our market -- our people that market this event, staff and also Mr. Unger with his team, sometimes it takes two years to bring a new event to a facility. Sometimes it takes that long to negotiate and attract new events. So for -- if we just have a one-year extension, that does not provide the flexibility for our market -- to market the use of that tent.

[Time: 01:25:07]

Mayor Lane: Thank you, Councilwoman. I support the motion and it probably is not a surprise, because if, really. Consensus of opinion that we developed with the WestWorld subcommittee when we made the decision, is trying to be responsible, not only to our citizens and to that point nobody likes to be caught in a position of making a promise and then having to go renege on it, if you will, but there's a practical matter, we can't go halfcocked on something, as a responsible landlord, whether we are held hostage or simply working in the interest of the economics of it, and the reality of the situation as is.

But irrespective of, that I apologize to those that we made that promise to. But this is really an administrative matter. It's not normally a council matter. We don't negotiate contracts. We don't get involved with this. This is a job for the city manager and what we have tried to do here and really trying to be responsible about our obligations on policy and budget, is to hand it back to the city

manager and say, look, we'll do this for another year, but it's contingent upon making sure that we have that overall look on a contract, on a long-term contract, with Barrett Jackson. I think that's something that Mr. Jackson is in tune with and has been a willing partner with us for a number of years and I think it's time that we were able to bring that all together. I know that puts a little bit, certainly, of an effort within a year's time and actually, even to Councilwoman Korte's comment, I initially, in our subcommittee meeting, did mention two years too but I do think it's important to keep this as tight as possible for everybody, because these things have a tenancy, as we have already seen, to sort of just drag on.

So I'm in strong support of the motion but I want to make sure that it's clear that we are talking about a one-year extension for the tent, but it is subject to that long-term agreement with Barrett Jackson before we move forward. So I think that's a reasonable thing to do and that would be taking it to summer of 2018, versus what it is currently under the contract. So if that's an amendment or otherwise, I believe that's consistent from what you said.

Vice Mayor Klapp: I did not mention that in the motion but I could state that -- a part of that plan is to work on agreement with Mr. Jackson.

Mayor Lane: Yeah, and I think in that sense --

Vice Mayor Klapp: A long-term agreement.

Mayor Lane: I thought the earlier reference to the subcommittee's position, but I didn't, that makes it perfectly clear. So I see no other requests to speak on the subject. So I think we are now ready then to vote. We have a motion and a second. Those in favor, please indicate with aye and those opposed with a nay. Aye. The motion passes 6-1 with Councilman Smith opposing. All right. So that takes care of that item 19.

PUBLIC COMMENT

[Time: 01:28:33]

Mayor Lane: So last item on our regular agenda -- the last of our regular agenda items, we do have one further request for a public comment, and it is Mr. Jerry Lenhart. If you would like to come forward.

Jerry Lenhart: That's a photograph from 1973, I believe. That's Herb Drinkwater dedicating Hayden Road being paved north of Camelback. I'm a Scottsdale native, born and raised here. No clue why I ended up here tonight. I just came down to the city and thought, you know, I haven't been out here in a million years, I wanted to see what the heck is happening. And I saw Mark Stuart speaking earlier, got brought up to speed pretty quickly on the Preserve and his petition to do a sign there. I don't seem to I have a problem with it, evidently other folks do. I am going to get better well versed as to what this whole process is about.

But in the meantime, I am going to yield the rest of my time to him to take the stand, if that's okay.

Mayor Lane: He has not filled out a card, though.

Jerry Lenhart: I did.

[Off microphone comment]

Mayor Lane: I'm sorry?

[Off microphone comment]

Mayor Lane: I got the indication that that's not proper. The authority --

Jerry Lenhart: If that is not protocol, let me know.

[Off microphone comment]

Deputy City Attorney Sherry Scott: Excuse me, Mayor. Sherry Scott from the still attorney's office, if I'm correct, this public comment was attached with the citizen petition; is that correct? And your council rules make it very clear that there shall be no limit of the number of petitions a citizen may submit, however, each citizen shall be limited to a total time of three minutes to present and speak his or her petitions. So your council rules do not provide for yielding time to another citizen, much less a citizen, who as I understand it may have submitted another petition earlier tonight.

Jerry Lenhart: Okay.

[Off microphone comment]

Mayor Lane: Who?

Deputy City Attorney Sherry Scott: The other thing I would like to --

Mayor Lane: Mr. Stuart, I can't engage you from the floor like that. I am sorry, Sherry?

Deputy City Attorney Sherry Scott: And that was my other comment, that if you are going to take some comment from Mr. Stuart, it can't be from the floor because we need to be able to record those comments.

[Time: 01:31:40]

Jerry Lenhart: That's fine, I will wing it. All right. Based on my limited knowledge on what this is all about, I do possess a reasonably command of the English language. And the key word in all this seems to be the key word preserve. And to me a Preserve as I have seen a lot of property get developed in Scottsdale over the years, preserve means exactly what it says, is preserve it. And it looks like there's a proposal to build a fair number of buildings out there, based on what I have just learned tonight, and I would like to see it preserved. I will have to get myself up to speed a little bit more on this. But the key word there is preserve.

Mayor Lane: Certainly and I understand. Thank you very much. That completes further public comments.

[Off microphone comments]

Mayor Lane: I'm sorry, Mr. Stuart, you haven't filled out a card, number one.

[Off microphone comments]

Mayor Lane: On what? I mean –

[Off microphone comments]

Mayor Lane: You know what, I can't engage you from the floor. I'm sorry.

[Off microphone comments]

Mayor Lane: Right now I understand -- I understand, but if we do not have -- we not have it documented. We do not have a card. I don't have any idea what you are talking about with regard to any --

[Off microphone comments]

[Time: 01:33:10]

City Clerk Carolyn Jagger: Your Honor, that is not correct. And I'm happy to go on record on what we told Mr. Stuart, both in writing and tonight, but you were not brought into it, because as you know, I'm responsible for following the council rules. That's what we have done. Mr. Stuart was given a card to have his three minutes and he could talk about whatever he wanted, including the two petitions that he wanted to submit tonight. He chose to spend that time talking about other things. So he did not present his petitions and he does not get an additional card.

Mayor Lane: Thank you very much, Ms. Jagger.

[Off microphone comments]

Mayor Lane: Thank you, Mr. Stuart.

[Off microphone comments]

ITEM 20 – RECEIPT OF CITIZEN PETITIONS

[Time: 01:33:57]

Mayor Lane: Okay. We do have the petition that was offered from -- let me just make sure it was

given to us with regard to Coronado Golf course. Council has any direction that they would like to give on that and I will look at Councilman Phillips. Do you have a comment or a question or a motion?

Councilwoman Phillips: Thank you, Mayor. I would like to move that we direct the city manager to investigate this matter and prepare a written response to the council with a copy to the petitioner.

Vice Mayor Klapp: Second.

Mayor Lane: The motion has been made by Councilman Phillips and seconded by Vice Mayor Klapp. And I believe we are then ready to vote. All of those in favor, please indicate by aye. Those opposed with a nay. It's unanimous, the motion by Councilman Phillips.

ITEM 21 – BOARDS, COMMISSIONS, AND TASK FORCE NOMINATIONS

[Time: 01:35:55]

Mayor Lane: So at this time, we have item 21, which our boards, commissions and task force nominations and for that purpose being I will turn it over to the Vice Mayor. Vice Mayor.

Vice Mayor Klapp: Thank you. This evening, the City Council will be nominating Scottsdale residents interested in serving on citizen advisory boards and commissions. The six with vacancies are the Development Review Board, Human Relations Commission, Library Board, Loss Trust Fund Board, Neighborhood Advisory Commission and the Transportation Commission. However, I should point out that we have no applicants for two of these, that's the Neighborhood Advisory Commission and the Loss Trust Fund Board. Those nominated will be interviewed at the City Council meeting on Tuesday, March 21, 2017, and appointments will follow each set of interviews.

So we'll begin with the Development Review Board. There's one opening. The purpose of this Board is to maintain the quality of development in Scottsdale through review of architectural design and layout of proposed development plans for commercial development and preliminary plans for residential subdivisions. The city code specifies, the DRB membership consists of a City Council member, a Planning Commission member and five public members, three of whom shall be architects, environmental scientists, landscape architects or persons otherwise qualified by design background, training, or experience; and two of whom shall be land developers, builders, or contractors.

Kelsey Young was appointed to the Planning Commission on February 28, 2017. So her position is now open. So that means there's one vacancy and we have eight applicants. The applicants are: Lisa Collins, Doug Craig, Shakir Gushgari, Troy Hill, Bret Krossschell, Michael Leary, Daniel Raimer, Winston Thorne. So we will begin with nominations among that group for the Development Review Board, and I will begin with Councilwoman Littlefield, who will have one vote.

Councilwoman Littlefield: Thank you, Vice Mayor. I vote for Shakir Gushgari.

Councilwoman Milhaven: Lisa Collins.

Vice Mayor Klapp: I nominate Troy Hill.

Mayor Lane: Doug Craig.

Councilmember Korte: Brett Krosschell.

Councilman Smith: No further.

Councilwoman Phillips: No further.

Vice Mayor Klapp: Okay. So we have five people.

Mayor Chief of Staff Rachel Smetana: We do. Vice Mayor, members of Council, Lisa Collins, Doug Craig, Shakir Gushgari, Troy Hill and Brett Krosschell.

[Time: 01:37:43]

Vice Mayor Klapp: Thank you. Next is the Human Relations Commission. There are two openings. This commission advocates and promotes all dimensions of diversity including recommending ways to encourage mutual respect and understanding among people and helping produce special events that further its purpose.

James Campbell's term expires April 5, 2017, and he is not eligible for reappointment. Ragan Grossman's term expires March 18th, 2017, and is eligible for reappointment; however, has not submitted an application for consideration. There are two vacancies and six applicants. The applicants are: Maureen Aldes, Stephanie Collette, Anne Fowler, Susan Mellinger, Stuart Rhoden, Janice Shimokubo.

We will begin with nominations for this commission with Councilwoman Milhaven.

Councilwoman Milhaven: Maureen Aldes and no additional.

Vice Mayor Klapp: And I will nominate Janice Shimokubo.

Mayor Lane: I will nominate Anne Fowler.

Councilman Smith: No additional.

Councilwoman Phillips: No additional.

Councilwoman Littlefield: Stuart Rhoden.

Vice Mayor Klapp: That gives us four people who were nominated. Maureen Aldes, Anne Fowler, Stuart Rhoden and Janice Shimokubo.

[Time: 01:39:08]

Next is the Library Board, and there's one opening. This board advises the City Council on general policy relating to the programs, services and future development of the Scottsdale Public Libraries. Peggy Sharp-Chamberlain resigned February 10th of this year. There is one vacancy and one applicant. The applicant is: Shiela Reyman.

I will now entertain nominations for this board. I will begin with Shiela Reyman.

Since there's no other names, it looks like that will have one person to interview next time for this position.

As I mentioned earlier, we have two boards where we have no applicants. The Loss Trust Fund Board and the Neighborhood Advisory Commission and I'm going to read what these boards do, mainly because I would like to encourage somebody out there to apply.

We have no one who has put their name on for the Loss Trust Fund Board. It's not a big commitment, so we'll tell you what it's about. It's required by State Statue, the Loss Trust Fund Board makes recommendations to the City Council regarding the administration of the loss trust fund. The trustees shall meet only once a year and submit a report to the City Council regarding the status of the trust fund. The report shall also include recommendations the trustees deem necessary. Council appoints five joint trustees, of whom no more than of one trustee shall be a city employee.

And the other one is The Neighborhood Advisory Commission advises and makes recommendations to the City Council on policies, plans, strategies and programs for the preservation, improvement and revitalization of Scottsdale's housing and neighborhoods. Todd Becker's term expired January 27th of this year. He's eligible for reappointment but he's not applied for that appointment. We have a vacancy and we would like to have some people put their names in it.

So I will go back to the commissions that we do have openings and applicants, and that would be the Transportation Commission. We have one opening. This is an advisory board to the city council on matters related to transportation.

Barry Graham's term expires April 5, 2017. He is eligible for reappointment and has submitted an application for consideration. So with one opening, we have two applicants. The applicants are: Scott Angell, Barry Graham.

We begin with Mayor Lane.

Mayor Lane: Barry Graham.

Councilmember Korte: No additional.

Councilman Smith: No additional.

Councilwoman Phillips: Scott Angell.

Vice Mayor Klapp: Okay. We have two people who will be interviewed for this commission and we will conclude this nominating process at this time, because we have no other commissions to consider.

The staff will contact those who were nominated and provide them with additional information about the interview process. I would like to thank all who have applied to serve on boards and commissions. If you were not nominated, your application will remain on file for one year for consideration at a future date if there are additional vacancies. Thank you very much. I will turn the meeting back over to the mayor.

ADJOURNMENT

[Time: 01:42:34]

Mayor Lane: Thank you very much, Vice Mayor. Very efficient nomination process. All right. Any mayor or council items and I don't believe I have seen any offered thus far. I will then ask for a motion to adjourn.

Vice Mayor Klapp: Move to adjourn.

Mayor Lane: The motion to adjourn. I will be seconding that myself. All of those in favor of an adjournment please indicate by aye. We are adjourned. Thank you very much.