

SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, MARCH 2, 2021



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

**CALL TO ORDER**

Mayor David D. Ortega called to order a Regular Meeting of the Scottsdale City Council at 6:01 P.M. on Tuesday, March 2, 2021.

**ROLL CALL**

Present: Mayor David D. Ortega; Vice Mayor Betty Janik; and Councilmembers Tammy Caputi, Tom Durham, Kathleen S. Littlefield, Linda Milhaven, and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, Acting City Treasurer Judy Doyle, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

**PLEDGE OF ALLEGIANCE** – Councilwoman Whitehead

**MAYOR'S REPORT**

Mayor Ortega declared March 2, 2021, as Carolyn Jagger Appreciation Day and read a proclamation in honor of her years of service as the Scottsdale City Clerk.

**PRESENTATIONS/INFORMATION UPDATES**

- **2019 & 2020 Spirit of Scottsdale Awards**  
**Presenter(s):** Rachel Putman, Chair, Neighborhood Advisory Commission Chair; Michael Wills, Commissioner, Neighborhood Advisory Commission

Neighborhood Advisory Commission Chair Rachel Putman and Commissioner Michael Wills gave a PowerPoint presentation (attached) on the 2019 and 2020 Spirit of Scottsdale awards.

**PUBLIC COMMENT**

David Sketchley, Lee Lyons, and Anne Pogue commented on 5G wireless.

**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 Work Study Session Minutes of February 9, 2021; Regular Meeting Minutes of February 16, 2021; and Work Study Session Minutes of February 16, 2021.

## MOTION AND VOTE - MINUTES

Councilwoman Caputi made a motion to approve the Work Study Session Minutes of February 9, 2021; Regular Meeting Minutes of February 16, 2021; and Work Study Session Minutes of February 16, 2021. Vice Mayor Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead voting in the affirmative.

## CONSENT AGENDA

1. **Permanent Extension of Premises for Desert Mountain Outlaw (2-EX-2021)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor License and Control for a permanent extension of premises for a Series 14 (private club) State liquor license for an existing location to expand an existing clubhouse and include the Outlaw golf course.  
**Location:** 10333 E. Rockaway Hills Road  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
2. **Robinson Residence Abandonment (8-AB-2020)**  
**Request:** Adopt **Resolution No. 12057** authorizing the abandonment of the eastern 13 feet of the 33-foot General Land Office Patent Easement located along No. 69<sup>th</sup> Street (the western boundary of Parcel No. 216-68-096B), with Single-Family Residential District, Environmentally Sensitive Lands, Foothills Overlay (R1-70/ESL/FO) zoning.  
**Location:** 6902 E. Dynamite Boulevard  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
3. **One Scottsdale Right-of-Way Abandonment (11-AB-2020)**  
**Request:** Adopt **Resolution No. 12039** authorizing the abandonment of 1,110± square feet of right-of-way along the east side of N. Scottsdale Road, located along the western boundary of Parcel No. 215-05-010, with Planned Regional Center and Planned Community Development zoning.  
**Location:** 20001 N. Scottsdale Road  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
4. **One Scottsdale Planning Unit III Final Plat (7-PP-2007#3)**  
**Request:** Approve the final plat for a new 7-lot commercial subdivision, on a 22-acre site with Planned Regional Center, Planned Community District (PRC PCD) zoning.  
**Location:** 20001 N. Scottsdale Road  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**5. Capital Improvement Projects Roundabout Specialist Engineering Services Contracts**

**Request:** Adopt **Resolution No. 12071** authorizing the following one-year contract extensions for on-call roundabout specialist engineering services in an amount not to exceed \$250,000 per contract for design review, planning, analysis, and professional consultation pertaining to proposed roundabouts at various project locations throughout the City:

1. Contract No. 2017-032-COS-A3 with SE Ritchie Corp., dba Roundabouts & Traffic Engineering
2. Contract No. 2017-035-COS-A3 with MTJ Engineering, LLC

**Staff Contact(s):** Dan Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

**6. Vertical/Facilities Construction Job Order Contracts**

**Request:** Adopt **Resolution No. 12072** authorizing the following one-year contract extensions in an amount not to exceed \$5,000,000 per contract for Citywide vertical/facilities construction projects:

1. Contract 2018-021-COS-A2 with Balfour Beatty Construction, LLC
2. Contract 2018-022-COS-A2 with Builders Guild, Inc.
3. Contract 2018-023-COS-A2 with McCarthy Building Companies, Inc.

**Staff Contact(s):** Dan Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

**7. Capital Improvement Projects Water Resources Engineering Services Contracts**

**Request:** Adopt **Resolution No. 12073** authorizing the following one-year contract extensions for on-call engineering services contracts for design review, planning, analysis, and professional consultation pertaining to proposed water resources projects at various project locations throughout the City:

1. Contract No. 2017-030-COS-A3 with CDM Smith, Inc., in an amount not to exceed \$1,000,000.
2. Contract No. 2017-031-COS-A3 with Wilson Engineers, LLC, in an amount not to exceed \$1,500,000.

**Staff Contact(s):** Dan Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

**8. Booster Pump Station 83 A/B Rehabilitation Project Preconstruction Phase Services Contract**

**Request:** Adopt **Resolution No. 12084** authorizing CM@Risk Contract No. 2021-024-COS with MGC Contractors, Inc., in the amount of \$94,215 to provide preconstruction phase services for the Booster Pump Station 83 A/B Rehabilitation project.

**Staff Contact(s):** Dan Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

**9. Airport Lease Agreement**

**Request:** Adopt **Resolution No. 12075** authorizing Lease Agreement No. 2021-022-COS with 3R Ranch, Inc., for the lease of the north general aviation executive box hangar space at the Scottsdale Airport.

**Staff Contact(s):** Gary Mascaro, Aviation Director, 480-312-7735, [gmascaro@scottsdaleaz.gov](mailto:gmascaro@scottsdaleaz.gov)

**10. DUI Impaired Driving Education and Enforcement Grant**

**Request:** Adopt **Resolution No. 12070** to authorize:

1. Contract No. 2021-020-COS with the Arizona Governor's Office of Highway Safety for the acceptance of a Proposition 207 grant award in the amount of \$209,400 for *overtime and equipment related to education and enforcement of driving under the influence of marijuana and other drugs.*
2. The Chief of Police to execute Contract No. 2021-020-COS.
3. A budget transfer in the amount of \$209,400 from the FY 2020/21 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

**Staff Contact(s):** Jeff Walther, Chief of Police, 480-312-1900, [jwalther@scottsdaleaz.gov](mailto:jwalther@scottsdaleaz.gov)

**11. Public Housing Agency Plans**

**Request:** Adopt **Resolution No. 12077** to:

1. Approve the Public Housing Agency Streamlined Annual Plan for FY 2020/21 for the operation of and to serve as the application for funding for the Housing Choice Voucher Program to the United States Department of Housing and Urban Development (HUD).
2. Approve revisions to the Scottsdale Housing Agency Administrative Plan template and policies.
3. Accept additional Housing Choice Vouchers that HUD may offer during FY 2020/21.
4. Authorize the City Manager or designee to execute any other documents and take any other such actions as necessary.

**Staff Contact(s):** Greg Bestgen, Human Services Director, 480-312-0104, [gbestgen@scottsdaleaz.gov](mailto:gbestgen@scottsdaleaz.gov)

**12. Notice of Intention to Increase Water and Wastewater Rates**

**Request:** Adopt notice of intention to increase water and wastewater rates, increase miscellaneous water charges, and make housekeeping adjustments to Chapter 49 of the Scottsdale Revised Code for FY 2021/22, and establish May 18, 2021, as the date for a public hearing.

**Staff Contact(s):** Brian Biesemeyer, Water Resources Director, 480-312-5683, [bbiesemeyer@scottsdaleaz.gov](mailto:bbiesemeyer@scottsdaleaz.gov)

**MOTION AND VOTE – CONSENT AGENDA**

Vice Mayor Janik made a motion to approve Consent Agenda Items 1 through 12. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead voting in the affirmative.

**REGULAR AGENDA**

**13. City's Proposed Fiscal Year 2021/22 Rates and Fees**

**Request:** Presentation, discussion, and possible direction to staff regarding the City's proposed FY 2021/22 rates and fees.

**Presenter(s):** Brian Biesemeyer, Water Resources Executive Director; Dan Worth, Public Works Director; Randy Grant, Planning and Development Services Director; Bill Murphy, Assistant City Manager; Tom Shannon, Fire Chief

**Staff Contact(s):** Sylvia Dlott, Acting Budget Director, 480-312-2419, [sdlott@scottsdaleaz.gov](mailto:sdlott@scottsdaleaz.gov)

Rates and fees presentations were made by Acting Budget Director Sylvia Dlott, Water Resources Executive Director Brian Biesemeyer, Public Works Director Dan Worth, Planning and Development Services Director Randy Grant, Assistant City Manager Bill Murphy, and Fire Chief Tom Shannon. Copies of the PowerPoint presentations are attached.

## MAYOR AND COUNCIL ITEMS

### 14. Boards, Commissions, and Task Forces Appointments

#### **Airport Advisory Commission**

*Nominee(s): Ken Casey, Thomas Noon*

*Council to fill one vacancy (appointment effective March 2, 2021)*

Ken Casey: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

**Appointment:** Ken Casey was appointed to the Airport Advisory Commission, effective March 2, 2021.

#### **Board of Adjustment**

*Nominee(s): Conan Deady, Gary Steinback, Timothy Stratton, Ryan Wagner*

*Council to fill two vacancies (one appointment effective March 2, 2021; one appointment effective March 20, 2021)*

Conan Deady: Vice Mayor Janik and Councilmembers Durham, Littlefield, and Whitehead

Gary Steinback: Mayor Ortega and Councilmembers Littlefield and Milhaven

Timothy Stratton: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Milhaven, and Whitehead

Ryan Wagner: Councilmembers Caputi and Durham

**Appointments:** Timothy Stratton was appointed to the Board of Adjustment, effective March 2, 2021; and Conan Deady was appointed to the Board of Adjustment, effective March 20, 2021.

#### **Environmental Advisory Commission**

*Nominee(s): Heather Abrahami, Anthony Coletta, Andrew Scheck*

*Council to fill one vacancy (appointment effective March 2, 2021)*

Anthony Coletta: Mayor Ortega and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

Andrew Scheck: Vice Mayor Janik

**Appointment:** Anthony Coletta was appointed to the Environmental Advisory Commission, effective March 2, 2021.

#### **Historic Preservation Commission**

*Nominee(s): Ben Brosseau, \*Rose Smith*

*Council to fill one vacancy (appointment effective March 2, 2021)*

\*Nominee withdrew application from consideration for current vacancy.

Ben Brosseau: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

**Appointment:** Ben Brosseau was reappointed to the Historic Preservation Commission, effective March 2, 2021.

### **Industrial Development Authority**

*Nominee(s):* Mary Grier, Daniel Stewart, Thomas Williams

*Council to fill three vacancies (appointments effective March 2, 2021)*

Mary Grier: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

Daniel Stewart: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

Thomas Williams: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

**Appointments:** Mary Grier, Daniel Stewart, and Thomas Williams were appointed to the Industrial Development Authority, effective March 2, 2021.

### **Judicial Appointments Advisory Board**

*Nominee(s):* Laura Ingegneri

*Council to fill one vacancy (appointment effective March 2, 2021)*

Laura Ingegneri: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

**Appointment:** Laura Ingegneri was appointed to the Judicial Appointments Advisory Board, effective March 2, 2021.

### **McDowell Sonoran Preserve Commission**

*Nominee(s):* Laurie LaPat-Polasko, Marsha Lipps

*Council to fill two vacancies (appointments effective March 20, 2021)*

Laurie LaPat-Polasko: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

Marsha Lipps: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

**Appointments:** Laurie LaPat Polasko and Marsha Lipps were reappointed to the McDowell Sonoran Preserve Commission, effective March 20, 2021.

### **Parks and Recreation Commission**

*Nominee(s):* Eric Kurland, Teresa Kim Quale

*Council to fill one vacancy (appointments effective March 20, 2021)*

Eric Kurland: Mayor Ortega; Vice Mayor Janik; and Councilmembers Durham and Whitehead

Teresa Kim Quale: Councilmembers Caputi, Littlefield, and Milhaven

**Appointment:** Eric Kurland was appointed to the Parks and Recreation Commission, effective March 20, 2021.

**Tourism Development Commission**

*Nominee(s):* Sherry Henry

*Council to fill one vacancy (appointment effective March 20, 2021)*

Sherry Henry: Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead

**Appointment:** Sherry Henry was reappointed to the Tourism Development Commission, effective March 20, 2021.

**Veterans Advisory Commission**

*Nominee(s):* Deborah Dominick, Steven Jackson

*Council to fill one vacancy (appointment effective March 2, 2021)*

Deborah Dominick: Mayor Ortega and Councilmembers Caputi, Durham, Littlefield, and Milhaven

Steven Jackson: Vice Mayor Janik and Councilwoman Whitehead

**Appointment:** Deborah Dominick was appointed to the Veterans Advisory Commission, effective March 2, 2021.

**MAYOR AND COUNCIL ITEM – MOTION AND VOTE**

Councilmember Milhaven made a motion to agendaize an item to discuss and consider directing staff to hire a third-party expert in destination marketing to evaluate Experience Scottsdale's current contract and performance and make any recommendations they may have about future contracts. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead voting in the affirmative.

**ADJOURNMENT**

The Regular City Council Meeting adjourned at 7:26 P.M.

**SUBMITTED BY:**



Carolyn Jagger, City Clerk

Officially approved by the City Council on March 16, 2021

### 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 2<sup>nd</sup> day of March 2021.

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

**DATED** this 16<sup>th</sup> day of March 2021.



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**Ben Lane, City Clerk**



# Presentation

**Neighborhood Advisory Commission  
Spirit of Scottsdale Awards 2019 & 2020  
Chair Rachel Putman & Commissioner Michael Wills**

1

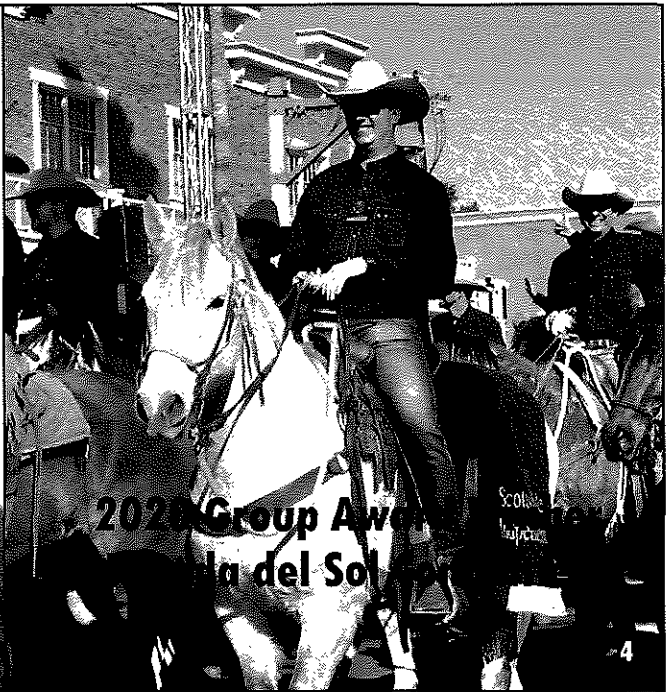
**Program  
Parameters**

- Program recognizes people/places that embody the Spirit of Scottsdale
- Inclusive of all Scottsdale residents & businesses
- One individual and one business/organization recognized.
- 2019 program frozen in March 2020 due to COVID-19 and carried into the 2020 nomination timeline (September 2020 to January 1, 2021)

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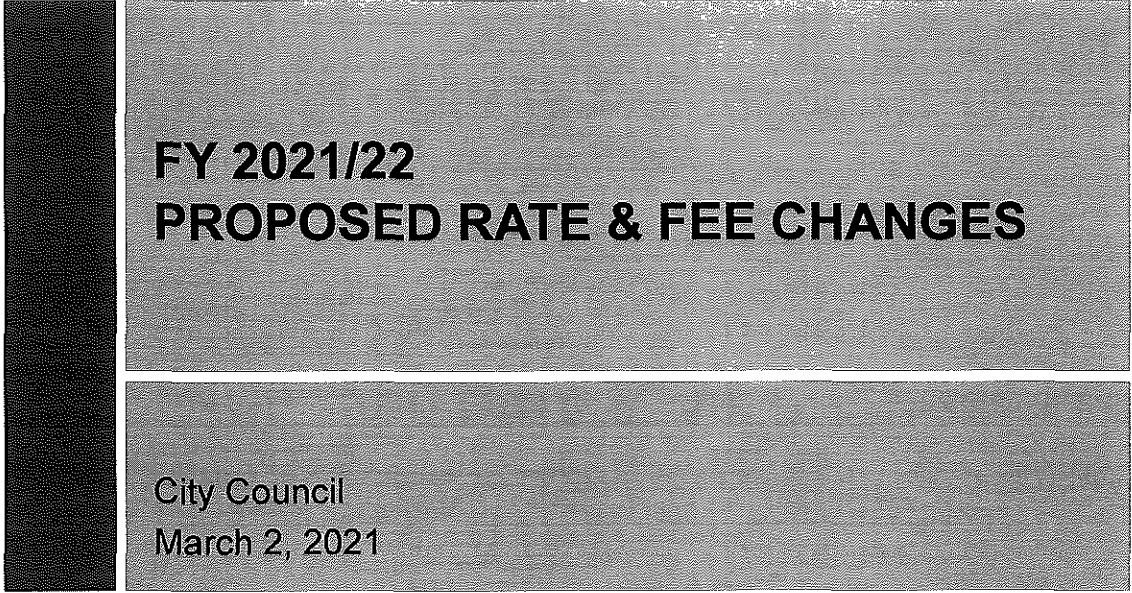
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**Neighborhood Advisory Commission  
Spirit of Scottsdale Awards 2019 & 2020  
Chair Rachel Putman & Commissioner Michael Wills**

# Item 13



**FY 2021/22  
PROPOSED RATE & FEE CHANGES**

City Council  
March 2, 2021

1

FY 2021/22 PROPOSED RATE & FEE CHANGES

- **Present in Detail**
- **60 Day Posting Compliance**
- **Public Hearing & Adopt on May 18, 2021**

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**ENTERPRISE  
PROPOSED  
RATE & FEE  
CHANGES**



Annual Review of Rates & Fees per Financial Policy No. 9



Ensure Rates & Fees Recover All Direct/Indirect Cost of Service, Debt Service and Provide Adequate Funding for Future Capital Needs



Proposed Rate & Fee Changes Submitted by:

Water Resources  
Water & Sewer  
Public Works  
Solid Waste

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**NON-ENTERPRISE  
PROPOSED  
RATE & FEE  
CHANGES**



Periodical Review of Rates & Fees per Financial Policy No. 10



Rates & Fees Based on Acceptable Recovery Rates for Direct/Indirect Cost of Services



Proposals for Rate & Fee Changes Submitted by:

Community & Economic Development  
Planning & Development Services  
Community Services  
Public Safety - Fire

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**FY 2020/21 FORECASTED REVENUE (IN MILLIONS)**

<b>ENTERPRISE</b>	
<b>Enterprise Funds</b>	<b>Revenue</b>
Water Resources	\$4,025,334
Public Works	\$1,233,399

<b>NON-ENTERPRISE</b>	
<b>General Fund</b>	<b>Revenue</b>
C&ED – Planning & Dev. Services	\$1,032,203
Community Services	\$105,400
Public Safety – Fire	\$46,500

<b>CIP Stormwater Special Revenue Fund</b>	<b>Revenue</b>
C&ED – Planning & Dev. Services	\$1,090,000

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	<p><b>ENTERPRISE</b></p>
	<p>Water Resources – Water &amp; Sewer</p>

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## ENTERPRISE RATES & FEES POLICY

### 🚰 Enterprise Funds

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

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## ENTERPRISE - WATER RESOURCES SIGNIFICANT COST DRIVERS

### 🚰 Operational

- Increasing cost of repairing aging infrastructure
- Increasing actions required for drought preparedness
- Increasing groundwater treatment operating costs to improve the reliability, safety and water quality of Scottsdale wells
- Increasing costs of raw water and treatment chemicals

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**ENTERPRISE - WATER RESOURCES  
SIGNIFICANT COST DRIVERS**

**💧 CIP**

- Drought driven improvements – Aquifer Storage and Recovery (ASR) wells and automated meter programs
- Increasing cost of rehabilitation and replacement of aging infrastructure
- Technology and security improvements

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**ENTERPRISE – WATER RESOURCES  
SIGNIFICANT CIP - WATER**

<b>Water Resources (In \$ Millions)</b>	<b>FY 2021/22 Request</b>	<b>5 Year</b>
Water Distribution System Rehabilitation/Improvements	\$17.7	\$34.5
Water Treatment Facility Rehabilitation/Improvements	1.0	24.2
Deep Well Recharge/Recovery Projects	10.7	19.1
Technology and Security Improvements	0.5	4.6
Water Meter Replacement Program	-	2.5
Other	0.9	4.4
<b>Total</b>	<b>\$30.8</b>	<b>\$89.3</b>

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**ENTERPRISE - WATER RESOURCES  
SIGNIFICANT CIP – SEWER**

<b>Water Resources (In \$ Millions)</b>	<b>FY 2021/22 Request</b>	<b>5 Year</b>
Sub-Regional Operating Group (SROG) Regional Wastewater Facilities	-	\$17.1
Wastewater Treatment Facility Rehabilitation/Improvements	-	6.6
Wastewater System (Sewer) Improvements	\$0.3	4.3
Technology and Security Improvements	0.3	3.6
Water Reclamation Participation Program	-	1.3
Other	0.2	2.1
<b>Total</b>	<b>\$0.8</b>	<b>\$35.0</b>

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**ENTERPRISE - WATER RESOURCES  
RATE AND SERVICE CHARGE PROPOSALS**

💧 Proposed for November 1, 2021

💧 Water rate increase (2.7%)

💧 Proposed for July 1, 2021

💧 Sewer rate increase (2.4%)

💧 Miscellaneous rate and service charge increases varied by type

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ENTERPRISE - WATER RESOURCES  
WATER AND SEWER REVENUE

	Estimated Revenue (Current)	% Change	Estimated Revenue (Increase)
Water Rates	\$106,439,000	2.7%	\$2,909,000
Sewer Rates	\$41,101,000	2.4%	\$968,000
Total Rates	\$147,540,000		\$3,877,000

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ENTERPRISE - WATER RESOURCES  
WATER RATES

	Base Fees (All Customers)		Proposed implementation date November 1, 2021
	Current	Proposed	
5/8" Meter	\$13.00	\$13.80	
3/4" Meter	\$16.80	\$17.50	
1" Meter	\$23.80	\$25.25	
1.5" Meter	\$39.00	\$41.40	
2" Meter	\$52.00	\$55.20	
3" Meter	\$104.00	\$110.40	
4" Meter	\$162.50	\$172.50	
6" Meter	\$325.00	\$345.00	
8" Meter	\$455.00	\$483.00	

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**ENTERPRISE - WATER RESOURCES  
WATER RATES**

<b>Current Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)</b>				<b>Proposed Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)</b>			
Tier	Rate	From	To	Tier	Rate	From	To
1	\$1.65	0	5,000	1	\$1.65	0	5,000
2	\$3.00	5,001	12,000	2	\$3.00	5,001	12,000
3	\$3.90	12,001	30,000	3	<del>\$4.05</del>	12,001	30,000
4	\$5.20	30,001	65,000	4	<del>\$5.50</del>	30,001	65,000
5	\$6.10	Over 65,000		5	<del>\$6.40</del>	Over 65,000	

Proposed implementation date – November 1, 2021

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**ENTERPRISE - WATER RESOURCES  
WATER RATES**

<b>Current Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)</b>				<b>Proposed Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)</b>			
Tier	Rate	From	To	Tier	Rate	From	To
1	\$1.65	0	5,000	1	\$1.65	0	5,000
2	\$3.00	5,001	12,000	2	\$3.00	5,001	12,000
3	\$3.90	12,001	30,000	3	<del>\$4.05</del>	12,001	30,000
4	\$4.60	Over 30,000		4	<del>\$4.90</del>	Over 30,000	

Proposed implementation date – November 1, 2021

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## ENTERPRISE - WATER RESOURCES SEWER RATES

	Base Fees (All Customers)		Proposed implementation date July 1, 2021
	Current	Proposed	
5/8" Meter	\$4.50	\$5.00	
3/4" Meter	\$4.50	\$5.00	
1" Meter	\$4.50	\$5.00	
1.5" Meter	\$27.00	\$30.00	
2" Meter	\$63.00	\$70.00	
3" Meter	\$81.00	\$90.00	
4" Meter	\$119.00	\$132.00	
6" Meter	\$225.00	\$250.00	
8" Meter	\$315.00	\$350.00	

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## ENTERPRISE - WATER RESOURCES SEWER RATES

Customer Category	Current Rates	Proposed Rates	Customer Category	Current Rates	Proposed Rates
Single Family Residential	\$2.68	\$2.68	Commercial Laundry	\$3.21	\$3.52
Multi Family Residential	\$2.68	\$2.68	Laundromats	\$2.68	\$2.68
Commercial Without Dining	\$2.68	\$2.68	Metal Platers	\$2.95	\$3.05
Commercial With Dining	\$3.57	\$3.75	Restaurants/Bakeries	\$4.98	\$5.10
Hotels Without Dining	\$2.92	\$2.68	Service Station Auto Repair	\$2.68	\$2.70
Hotels With Dining	\$3.57	\$3.75	Medical Institutions	\$2.68	\$2.68
Car Washes	\$2.65	\$2.68	Schools	\$2.68	\$2.68

Proposed implementation date – July 1, 2021

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## ENTERPRISE - WATER RESOURCES HISTORICAL RATE CHANGES

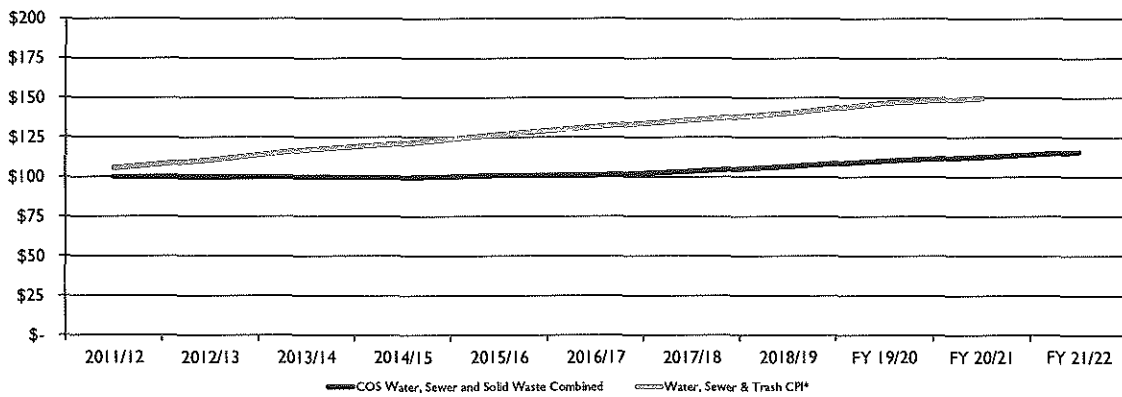
### Water and Sewer Average Rate Adjustments:

Fiscal Year	Water	Sewer	Weighted Average
2017/18	2.9%	2.6%	2.8%
2018/19	2.8%	1.5%	2.5%
2019/20	3.0%	2.0%	2.8%
2020/21	- 0 -	1.5%	0.4%
2021/22	2.7%	2.4%	2.6%
5 Yr Average	2.3%	2.0%	2.2%

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## ENTERPRISE - WATER RESOURCES HISTORICAL RATE CHANGES, UTILITY CPI



\*Water, Sewer and Trash Collection Services CPI/All Urban Consumers

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ENTERPRISE - WATER RESOURCES  
MISCELLANEOUS SERVICE CHARGES

Service Charges	Est. # Of Sales	FY 2020/21 Fee	Proposed FY 2021/22 Fee	Increase Amt	% Change	Est. Revenue Change
Meter and Service Lines (All Sizes)	295	\$250 - \$2,829	\$270 - \$3,120	Various	Average 12%	\$44,834
Move Meter Up to 15 Feet	20	\$800	\$870	\$70	9%	\$1,400
Raise or Lower Meter	1	\$210	\$260	\$50	24%	\$50
1" Construction Hydrant Meter Deposit	100	\$800	\$929	\$129	16%	NA*
3" Construction Hydrant Meter Deposit	100	\$2,000	\$2,566	\$566	28%	NA*
<b>Additional Water Fund Revenue</b>						<b>\$46,284</b>

Proposed implementation date – July 1, 2021

\*Deposits are refunded when meter returned

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ENTERPRISE - WATER RESOURCES  
MISCELLANEOUS SERVICE CHARGES

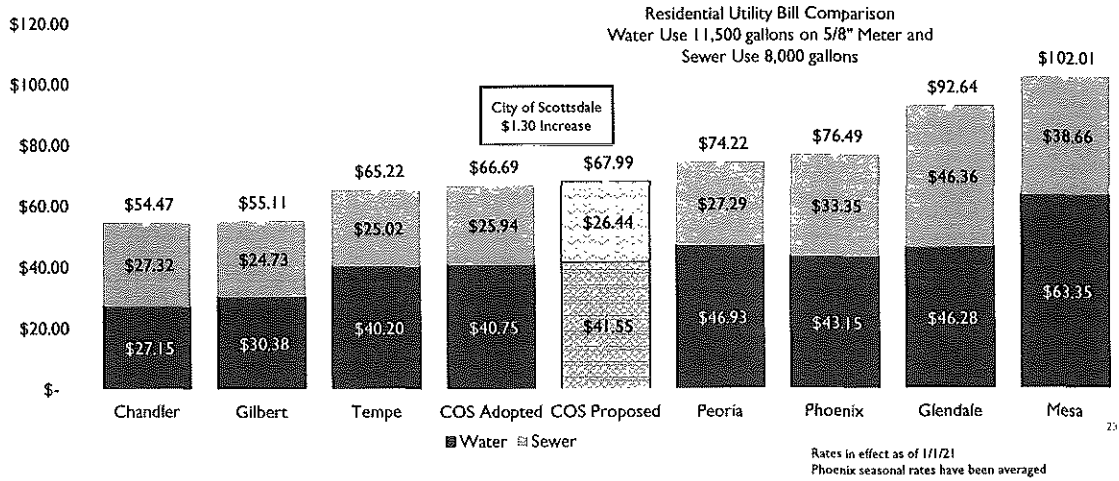
Service Charges	Est. # Of Sales	FY 2020/21 Fee	Proposed FY 2021/22 Fee	Increase Amt	% Change	Est. Revenue Change
Residential Water Hauler Capital Recovery	65	\$6	\$0	(\$6)	(100%)	(\$6,050)
Residential Water Hauler Flat Rate	65	Various	\$320	Various	Various	\$17,550
Commercial Water Hauler Capital Recovery	3	\$25	\$0	(\$25)	(100%)	(\$1,000)
Commercial Water Hauler Flat Rate	3	Various	\$50,000	Various	Various	\$45,000
Bulk Water Rate	2	\$1.75	\$1.85	\$0.10	6%	\$6,500
Hydrant Meter Flat Rate	110	Various	\$5,700	Various	Various	\$33,000
<b>Additional Water Fund Revenue</b>						<b>\$102,050</b>

Proposed implementation date – July 1, 2021

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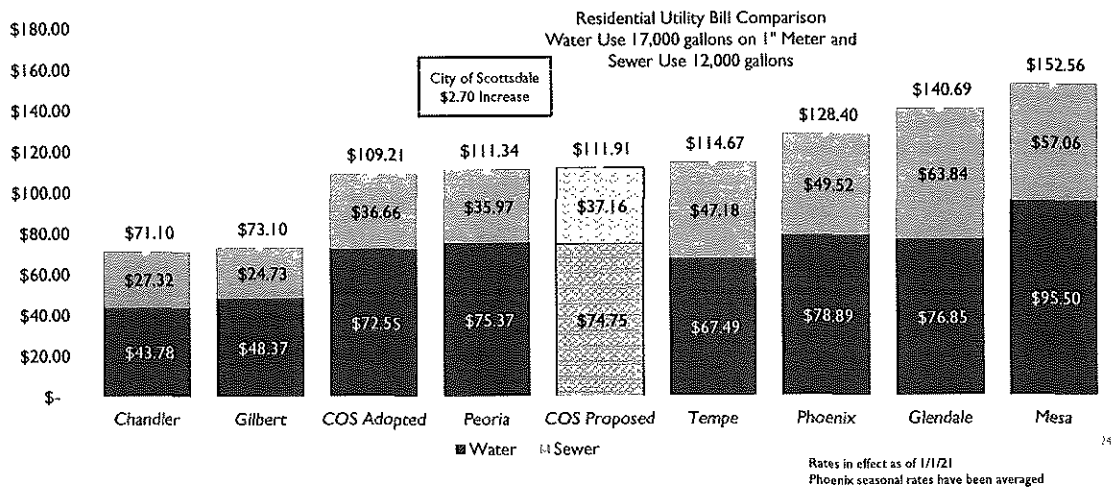
22

## ENTERPRISE – WATER RESOURCES UTILITY COMPARISON



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## ENTERPRISE – WATER RESOURCES UTILITY COMPARISON



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## ENTERPRISE - WATER RESOURCES RATE AND SERVICE CHARGE PROPOSALS

💧 Proposed for November 1, 2021

💧 Water rate increase (2.7%)

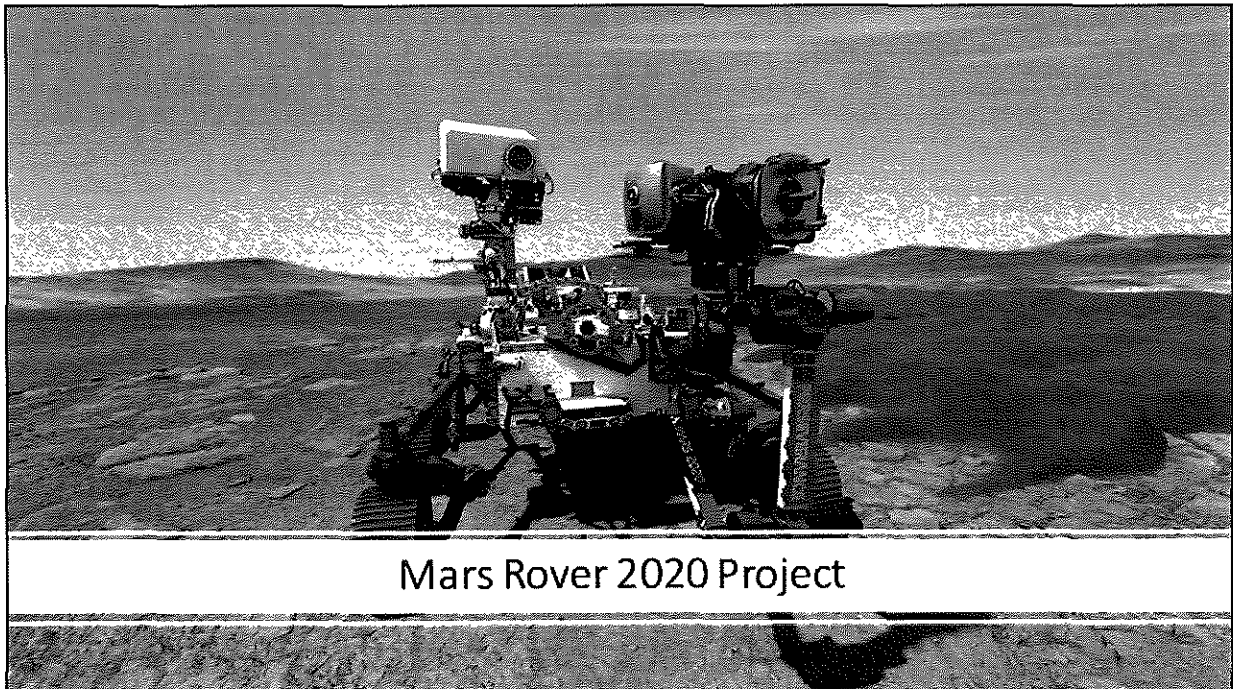
💧 Proposed for July 1, 2021

💧 Sewer rate increase (2.4%)

💧 Miscellaneous rate and service charge increases varied by type

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# ENTERPRISE

Public Works – Solid Waste

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## SOLID WASTE: PROPOSED FY 2021/22 RATES

	Type	FY 2020/2021 Rate	FY 2021/22 Rate	% Incr.
<b>RESIDENTIAL</b>	First Can	* \$21.51	* \$22.58	5.0%
	Additional Can	\$10.90	\$11.45	5.0%
<b>COMMERCIAL</b> Front Load	2 Cubic Yard	\$87.09	\$91.44	5.0%
	3 Cubic Yard	\$93.68	\$98.36	5.0%
	4 Cubic Yard	\$100.58	\$105.61	5.0%
	5 Cubic Yard	\$106.91	\$112.26	5.0%
	6 Cubic Yard	\$113.51	\$119.19	5.0%
	8 Cubic Yard	\$123.24	\$129.40	5.0%
		\$482.43	\$506.55	5.0%
<b>Roll-Off (incl. 3 tons)</b>		\$88.79	\$93.23	5.0%
<b>Holiday Park</b>		\$9.42	\$9.89	5.0%
<b>Recycling Carts</b>	90 Gallon	\$30.80	\$32.34	5.0%
	300 Gallon	\$66.97	\$70.32	5.0%
<b>Container Recycling</b>	2 Cubic Yard	\$70.39	\$73.91	5.0%
	3 Cubic Yard	\$73.81	\$77.50	5.0%
	4 Cubic Yard	\$80.65	\$84.68	5.0%
	6 Cubic Yard	\$87.50	\$91.88	5.0%

\* Total current rate of \$21.51 and proposed rate of \$22.58 include \$0.04 fee paid to the State of Arizona section 49.836

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## SOLID WASTE: PROPOSED FIVE-YEAR INCREASES

		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>RESIDENTIAL</b>	First Can	5.0%	4.0%	4.0%	4.0%	4.0%
	Additional Can	5.0%	4.0%	4.0%	4.0%	4.0%
<b>COMMERCIAL</b> Front Load	2 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	3 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	4 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	5 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	6 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	8 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
<b>Roll-off (incl. 3 tons)</b>		5.0%	3.0%	3.0%	3.0%	3.0%
<b>Recycling Carts</b>	90 Gallon	5.0%	3.0%	3.0%	3.0%	3.0%
	300 Gallon	5.0%	3.0%	3.0%	3.0%	3.0%
<b>Container Recycling</b>	2 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	3 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	4 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	6 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	8 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%

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## SOLID WASTE: PROPOSED FIVE-YEAR INCREASES

		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>RESIDENTIAL</b>	First Can	5.0%	4.0%	4.0%	4.0%	4.0%
	Additional Can	5.0%	4.0%	4.0%	4.0%	4.0%
<b>COMMERCIAL</b> Front Load	2 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	3 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	4 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	5 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	6 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	8 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
<b>Roll-off (incl. 3 tons)</b>		5.0%	3.0%	3.0%	3.0%	3.0%
<b>Recycling Carts</b>	90 Gallon	5.0%	3.0%	3.0%	3.0%	3.0%
	300 Gallon	5.0%	3.0%	3.0%	3.0%	3.0%
<b>Container Recycling</b>	2 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	3 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	4 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	6 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%
	8 Cubic Yard	5.0%	3.0%	3.0%	3.0%	3.0%

Last year projected: 3.0% (\$0.64)  
This year requesting: 5.0% (\$1.07)

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## SOLID WASTE: COST DRIVERS

- Vehicle replacement costs
- Recycling costs
- Vehicle loss
- COVID
- Alley conversion

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## SOLID WASTE: VEHICLE REPLACEMENT COSTS

- New purchase cost for a new residential side-loader:

2015	\$ 322,517.04
2016	\$ 326,721.43
2017	
2018	\$ 363,065.77
2019	\$ 372,822.03
2020	
2021	\$ 391,997.77

22%  
increase

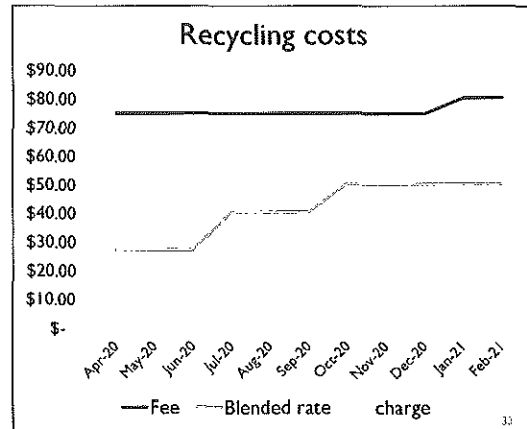
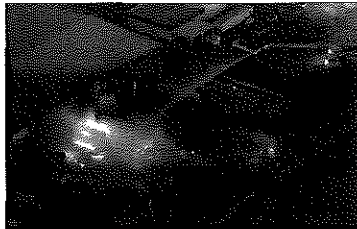
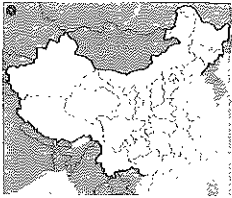


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## SOLID WASTE: RECYCLING COSTS

- ▣ Still affected by down market for recyclables, loss of contracted sorting facility due to fire
- ▣ Recycling again since April 2020 through Phoenix
- ▣ Negotiating contract with SRPMIC to allow rebuild of sorting facility
- ▣ Market moving in the right direction



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## SOLID WASTE: VEHICLE LOSS

- ▣ Fire January 3
- ▣ 9 trucks total loss (of 52 total); total depreciated value of \$1.6M
- ▣ Replacement strategy:
  - ▣ Scheduled replacements: 4 due in now, early order additional trucks planned for 2021/22 replacement
  - ▣ Buy 2 rear loaders with 2020/21 funds and defer others scheduled for replacement
  - ▣ Loaners from Phoenix, Tempe, Mesa, Peoria
- ▣ Did not change proposed rates, although future costs will increase



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## SOLID WASTE: COVID

- Commercial program:
  - 2-3% revenue loss
  - *Little customer loss; reductions were in service levels*
- Residential program:
  - 7% increase year-over-year in tonnage
  - Previous 4 years averaged 1% annual growth
  - Cost to transfer and dispose of additional tons: about \$124k
- Across programs:
  - About 2000 hours lost due to COVID

35

35

## SOLID WASTE: ALLEY CONVERSION

- Upfront costs, long-term savings
  - Affects 11,450 customers (about 14% of residential service)
  - \$978k in costs over 4 years
  - Savings through:
    - Larger, more efficient trucks; fewer trips to landfill
    - Reduce accidents
    - Reduce illegal dumping; fewer trips to landfill, reduced tipping fees
    - Address short-term rental problems



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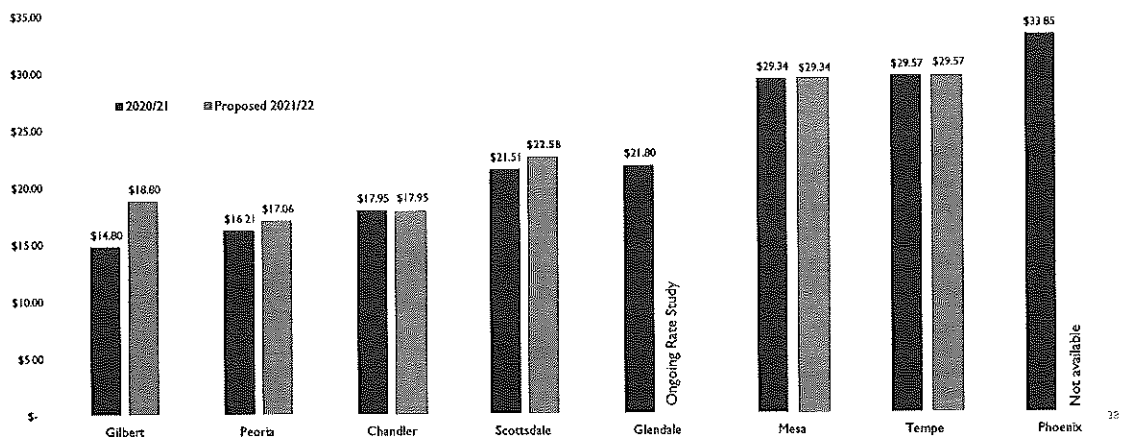
## SOLID WASTE: REVENUE ESTIMATES

Revenue	Estimated Revenue (Current)	% Change	Estimated Revenue (Increase)
Residential Rates	\$21,887,742	5.0%	\$1,091,023
*Commercial Front Load Rates	\$2,437,786	5.0%	\$121,920
Commercial Roll Off	\$265,819	5.0%	\$13,290
Commercial Recycling	\$143,360	5.0%	\$7,166
<b>Total Rates</b>	<b>\$24,734,707</b>	<b>5.0%</b>	<b>\$1,233,399</b>

\*Includes Holiday Park

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## SOLID WASTE: VALLEY RATE COMPARISON



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## SOLID WASTE: PROPOSED FY 2021/22 RATES

	Type	FY 2020/2021 Rate	FY 2021/22 Rate	% Incr.
<b>RESIDENTIAL</b>	First Can	* \$21.51	* \$22.58	5.0%
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## NON-ENTERPRISE

C&ED – Planning & Development Services

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Annual review of Fee Schedule resulted in the following proposals=

- **Base Rate & Fee** - Various increases of about 7.2% or less in aggregate. Help cover inflationary costs and department operating costs to provide a better customer experience and to properly and timely address customer needs.

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Additional General Fund revenue of \$1,003,703 for FY 2021/22

41

### **Wireless Communications Facilities (WCF) in Right-of-Way:**

- Resolution No. 7983 states Council is authorized to establish fees and may adjust these fees on an annual basis
- Proposed increase of 3% for installations
- Proposed increase is consistent with lease payments in the wireless industry
- Since adoption in FY 2008/09, WCF fees have increased each year by approximately 3%



Additional General Fund revenue of \$26,500 for FY 2021/22

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## C&ED - Planning & Development Services

### **CIP Stormwater Fee:**

- ▣ City staff recommend increasing the CIP stormwater fee on city utility bills by \$1.00 per month
- ▣ Dedicated entirely to city Drainage and Flood Control CIP projects
- ▣ Most projects will qualify for 50% matching funds from the Maricopa County Flood Control District

Additional CIP Stormwater revenue of \$1,090,000 for FY 2021/22

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**NON-ENTERPRISE**

Community Services

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## Community Services

### **Bell Road Sports Complex (BRSC) Rental Fee:**

- ▣ The Bell Road Sports Complex is a new bond-funded project set to open mid-FY 2021/22.
- ▣ There is not currently a fee structure set in place for this facility. Staff is proposing adding a Bell Road Sports Complex specific "Entire Complex Fee" to be utilized for events that book the entire complex (i.e., all 6 fields, parking lots, and patio, for an entire day) for a minimum of 2 days.
- ▣ Due to the timing of the opening of the complex, expected revenue for FY 2021/22 will be half of what is expected for a full fiscal year.

Additional General Fund revenue of \$26,800 for FY 2021/22 <sup>45</sup>

45

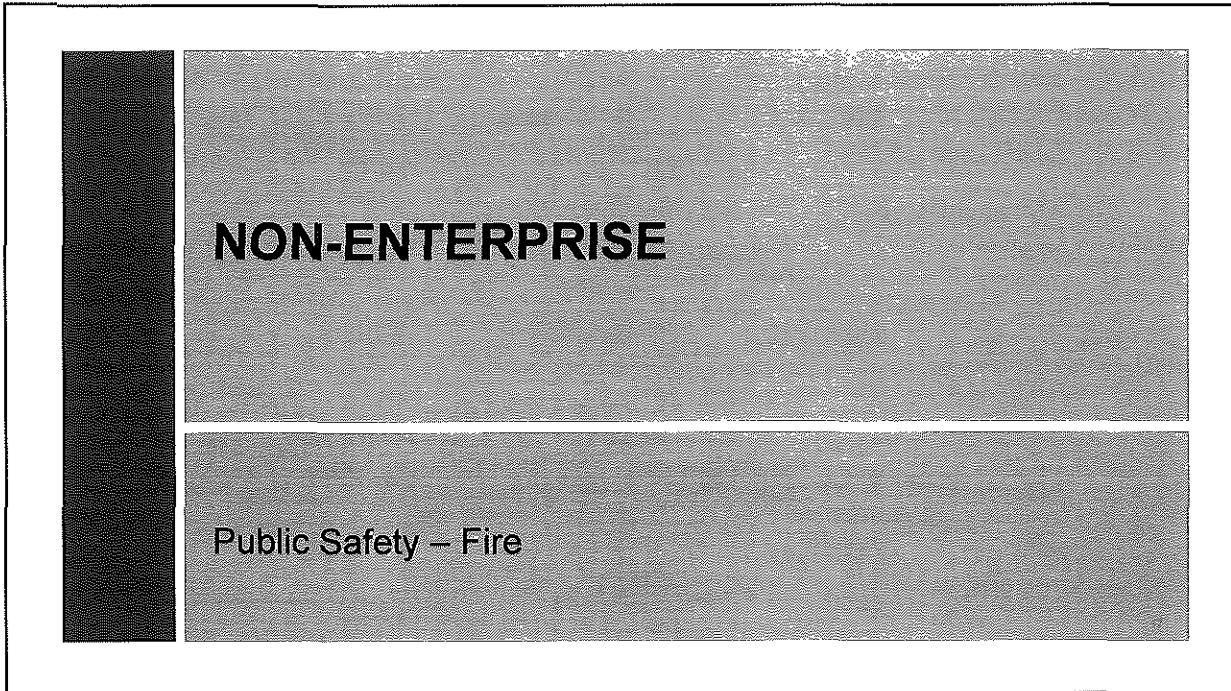
## Community Services

### **Scottsdale Sports Complex (SSC) Rental Fee:**

- ▣ Staff is proposing an increased "Entire Complex Fee" for the Scottsdale Sports Complex. The Entire Complex Fee is utilized for events that book the entire complex (i.e., all 10 fields, parking lots and patio, for an entire day) for a minimum of 2 days.

Additional General Fund revenue of \$18,600 for FY 2021/22 <sup>46</sup>

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**Public Safety – Fire**

**Public Education Class Fees:**

- **Existing Classes:** Fee increases are being proposed for existing CPR, CPR/First Aid Combo and Babysitting Public Education classes. These increases will address the higher labor cost of instructors and of materials, while still offering competitive pricing when compared to other local providers.
- **New Class: Preserve/Outdoor First Aid:** Fee related to newly offered class with the goal to offer training on administering first aid and dealing with medical emergencies while outdoors or on the Preserve. Pricing will be well below similar classes offered by the private sector.

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- **After Hours Fire Inspections:** This fee is to assist the new construction industry to get inspections done in an emergency fashion. Often used during the Final Certificate of Occupancy inspection whereas the building/business is approved and ready to be opened for business, thus keeping City of Scottsdale commerce moving forward.
- **Across the Board Permit Cost Increase:** These fees include permitting related to events involving the use of Tents and Vehicles as well as those for fireworks sales/shows and the need to rush permits. Historically, while Fire Permits have increased, they have not kept up with the costs in staff time nor have they kept up with the pricing of other Fire Department jurisdictions.

Additional General Fund revenue of **\$46,500** for FY 2021/22

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Questions?

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