

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING AND WORK STUDY SESSION MINUTES
TUESDAY, MAY 16, 2023**



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

CALL TO ORDER

Mayor David D. Ortega called to order a Regular Meeting and Work Study Session of the Scottsdale City Council at 5:01 P.M. on Tuesday, May 16, 2023 in the City Hall Kiva Forum.

ROLL CALL

Present: Mayor David D. Ortega; Vice Mayor Kathy Littlefield; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

PLEDGE OF ALLEGIANCE – Vice Mayor Littlefield

MAYOR'S REPORT

Mayor Ortega asked for a moment of silent reflection for the people of Ukraine as they continue their fight for freedom and democracy.

Mayor Ortega announced that May is Indian Bend Wash Celebration Month. In commemoration of the 50th Anniversary of the Wash opening, there are two more events scheduled. On Saturday, May 20th, there will be a dive-in movie at El Dorado Aquatic Center and on Thursday, May 25th, there is a "Toss on the Wash" event at Vista Del Camino Park. Both events are free to the public.

Mayor Ortega stated the McCormick Stillman Railroad Park concert series continues until Saturday, June 3rd.

PRESENTATIONS

- **Arizona Public Service (APS) Peak Solutions Rebate**
Presenter(s): Brian Biesemeyer, Water Resources Executive Director and Austin Prusak, Account Manager, Arizona Public Service

Water Resources Executive Director Brian Biesemeyer and Arizona Public Service Account Manager Austin Prusak gave a presentation.

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.

PUBLIC COMMENT

- William Teske, a Scottsdale resident, spoke about better government using his self-declared “Teske Rule”. He suggested setting up a tip line for people to report any wrongdoing to the authorities.
- Jason Alexander, a Scottsdale resident, said the best decisions are made when the Council considers all residents and various stakeholders and thinks towards the future. He displayed a video clip of public comment from a Scottsdale City Council Meeting in 2016 where that sentiment was expressed.

MINUTES

Request: Approve the following Council meeting minutes from April 2023:

- a. Retreat Minutes of April 13, 2023
- b. Regular Meeting and Work Study Session Minutes of April 18, 2023

MOTION AND VOTE – MINUTES

Councilwoman Whitehead made a motion to approve the Retreat Meeting Minutes of April 13, 2023 and Regular Meeting and Work Study Session Minutes of April 18, 2023. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

CONSENT AGENDA

1. The Boozy Brunch Liquor License (21-LL-2023)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.

Location: 14740 N. Northsight Boulevard, Suite 101

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

2. Hazel & Azure – Canal Improvements (37-DR-2021#2)

Request: Pursuant to the requirements of Ordinance No. 3909 (65-ZN-1992#7), the property owner is requesting City Council review and approval of the Development Review Board application for the hardscape and landscape plans for the canal bank improvements associated with the Hazel & Azure mixed-use development (37-DR-2021).

Location: Adjacent to 4605 N. Scottsdale Road, extending south to E. Camelback Road

Staff Contact(s): Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov

3. Rancho Vista Final Plat Replat (1-PP-2023)

Request: Approve the final plat replat for Lots 4, 5, 6, 7, 8, and 9 of the Rancho Vista subdivision zoned Single-Family Residential (R1-7) District.

Location: Southwest corner of E. Chaparral Road and N. 69th Place

Staff Contact(s): Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov

- 4. Crossroads East Zoning Adoption – De Rito/Van Trust (19-ZN-2002#11)**
Request: Adopt **Ordinance No. 4594** affirming the zoning classification approved as part of Case No. 19-ZN-2002#6 and finalizing the zoning district boundary as Planned Community District (PCD), with PCD comparable zoning districts Industrial Park (P-C I-1) and Central Business (P-C C-2).
Location: Southwest corner of N. Hayden Road and Loop 101
Staff Contact(s): Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov
- 5. Modernize and Expand Police and Fire Training Facility Construction Services Contract**
Request: Adopt **Resolution No. 12828** authorizing Construction Manager at Risk Contract No. 2023-065-COS with CORE Construction, Inc., in an amount not to exceed \$9,250,058, to procure long lead materials and equipment as required for the Bond 2019 Project 27 – Modernize and Expand the Police and Fire Training Facility.
Location: 911 N. Stadem Drive
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

(Moved to Regular Agenda, see page XX)
- 6. WestWorld Food and Alcohol License and Marketing Agreement and Office License Agreement**
Request: Adopt **Resolution No. 12800** authorizing Agreement No. 2023-053-COS with National Western Capital Corporation, for food, beverage, and marketing services at WestWorld.
Location: 16601 N. Pima Road
Staff Contact(s): Kris Cano, WestWorld General Manager, 480-312-6807, kcano@scottsdaleaz.gov
- 7. Social Services Professional Services Agreement**
Request: Adopt **Resolution No. 12836** to authorize and approve:

 1. Agreement No. 2023-072-COS with Community Bridges, Inc., in an amount not to exceed \$250,000, for social services, case management, outreach, and navigation services at Scottsdale Day Relief Centers for persons experiencing homelessness, including assistance to persons with Opioid Use Disorder and any co-occurring Substance Use Disorder or Mental Health conditions.
 2. The City Manager, or designee, to execute other documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Greg Bestgen, Human Services Director, 480-312-0104, gbestgen@scottsdaleaz.gov
- 8. Smart Region Consortium Agreement**
Request: Adopt **Resolution No. 12816** authorizing Agreement No. 2023-060-COS with the Partnership for Economic Innovation in the amount of \$25,000, for membership in the Greater Phoenix Connective.
Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov

- 9. 2022 Boards and Commissions Annual Reports**
Request: Accept the 2022 annual reports approved by each publicly appointed board, commission, and working task force.
Staff Contact(s): Ben Lane, City Clerk, 480-312-2411, blane@scottsdaleaz.gov
- 10. Regional Emergency Operations Management and Disaster Services Intergovernmental Agreement Amendment**
Request: Adopt **Resolution No. 12808** authorizing Agreement No. 2018-041-COS-A1, the first amendment to the Intergovernmental Agreement with Maricopa County, in an annual amount of \$19,000, for regional disaster and emergency services.
Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1821, tshannon@scottsdaleaz.gov
- 11. Proposition 202 Grant Applications**
Request: Adopt **Resolution No. 12826** authorizing the Government Relations Director, or designee, to submit Proposition 202 grant applications to local Indian Nations for tribal gaming grants for the period of July 1, 2023, through June 30, 2024.
Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov
- 12. Financial Statement Actuarial Services Contract**
Request: Adopt **Resolution No. 12781** authorizing Contract No. 2023-049-COS with Howard E. Nyhart Company, Inc., in an annual amount of \$19,700, for financial statement actuarial services.
Staff Contact(s): Anna Henthorn, Accounting Director, 480-312-7805, ahenthorn@scottsdaleaz.gov
- 13. Public Safety Personnel Retirement System Pension Funding Policy**
Request: Adopt **Resolution No. 12783** adopting the Fiscal Year 2023/24 Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy; accepting the City's share of assets and liabilities under the PSPRS actuarial valuation report; repealing the prior policy; and establishing an effective date of July 1, 2023.
Staff Contact(s): Anna Henthorn, Accounting Director, 480-312-7805, ahenthorn@scottsdaleaz.gov
- 14. Monthly Financial Report**
Request: Accept the Fiscal Year 2022/23 Monthly Financial Report as of March 2023.
Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov
- 15. Legal Services Agreement**
Request: Adopt **Resolution No. 12827** to authorize:

 1. Agreement No. 2023-064-COS with the law firms of Baron & Budd, P.C.; Cossich, Sumich, Parsiola & Taylor, LLC; and Law Office of Joseph C. Tann, PLLC, for the provision of legal services and legal representation related to pursuing remedies for damages, compensation, and other relief against the manufacturer(s) of firefighting foam products (known as "aqueous film forming foam" or "AFFF") and/or other products containing perfluoroalkyl substances ("PFAS") (including perfluorooctanoic acid ("PFOA" or "C8"), perfluorooctane sulfonate ("PFOS"), and any other related compounds).
 2. The City Attorney and City Manager, or designees, to execute any additional related agreements necessary to carry out the purposes of this Resolution and Agreement.
 3. The City Attorney, or designee, to commence and pursue such legal actions as may be appropriate in order to pursue remedies available to the City of Scottsdale resulting from the activities set forth in this Resolution.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

16. Confirm Appointments to the Council Subcommittee on Education

Request: Confirm the appointments of Mayor Ortega and Councilmembers Durham and Janik to the Council Subcommittee on Education.

Staff Contact(s): Rebecca Kurth, Management Assistant, 480-312-7977,
rkurth@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Janik made a motion to approve Consent Agenda Items 1 through 16, except Item 5, which was moved to the Regular Agenda. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

REGULAR AGENDA

5. Modernize and Expand Police and Fire Training Facility Construction Services Contract

Request: Adopt **Resolution No. 12828** authorizing Construction Manager at Risk Contract No. 2023-065-COS with CORE Construction, Inc., in an amount not to exceed \$9,250,058, to procure long lead materials and equipment as required for the Bond 2019 Project 27 – Modernize and Expand the Police and Fire Training Facility.

Location: 911 N. Stadem Drive

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555,
daworth@scottsdaleaz.gov

City Engineer Alison Tymkiw gave a presentation on the Police and Fire Training Facility modernization and expansion contract.

MOTION AND VOTE – ITEM 5

Mayor Ortega made a motion to approve Item 5 [Modernize and Expand Police and Fire Training Facility Construction Services Contract] and adopt Resolution No. 12828 authorizing Construction Manager at Risk Contract No. 2023-065-COS with CORE Construction, Inc., in an amount not to exceed \$9,250,058, to procure long lead materials and equipment as required for the Bond 2019 Project 27 – Modernize and Expand the Police and Fire Training Facility. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

17. Public Hearing on and Adoption of Fiscal Year 2023/24 Rates and Fees

Requests:

1. Accept citizen comments at a public hearing regarding proposed rates and fees.
2. Adopt **Ordinance No. 4588** amending Scottsdale Revised Code, Chapter 16, Licenses, Taxation and Miscellaneous Business Regulations and Chapter 24, Solid Waste Management, effective July 1, 2023.
3. Adopt **Resolution No. 12786** authorizing and approving adjustments to the Planning and Development Services Department's fees and charges, effective July 1, 2023.
4. Adopt **Ordinance No. 4592** amending Scottsdale Revised Code, Chapter 49, Water, Sewers and Sewage Disposal, effective July 1, 2023.
5. Adopt **Resolution No. 12805** authorizing and approving:
 - a. Adjustments to the Community Services Division schedule of program charges, rental fees, and fines, effective July 1, 2023.

- b. The City Manager, or designee, to execute Scottsdale Stadium and Indian School Park Use Agreements that contain negotiated fees or fees for areas that have not typically been reservable by the public.
 - c. The City Manager, or designee, to execute WestWorld agreements with negotiated fees.
6. Adopt **Resolution No. 12788** authorizing an adjustment of fees and charges by the Fire Department, effective July 1, 2023.

Presenter(s): Judy Doyle, Budget Director and Michael Clack, Chief Development Officer
Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

Budget Director Judy Doyle and Chief Development Officer Michael Clack gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2023/24 Rates and Fees and on the adjustments to the Planning and Development Services Department's fees and charges for Fiscal Year 2023/24, respectively.

Mayor Ortega opened the public hearing and noting there were no public comments, closed the public hearing.

MOTION AND VOTE – ITEM 17

Councilwoman Whitehead made a motion to:

1. Adopt Ordinance No. 4588 amending Scottsdale Revised Code, Chapter 16, Licenses, Taxation and Miscellaneous Business Regulations and Chapter 24, Solid Waste Management, effective July 1, 2023.
2. Adopt Resolution No. 12786 authorizing and approving adjustments to the Planning and Development Services Department's fees and charges, effective July 1, 2023.
3. Adopt Ordinance No. 4592 amending Scottsdale Revised Code, Chapter 49, Water, Sewers and Sewage Disposal, effective July 1, 2023.
4. Adopt Resolution No. 12805 authorizing and approving:
 - a. Adjustments to the Community Services Division schedule of program charges, rental fees, and fines, effective July 1, 2023.
 - b. The City Manager, or designee, to execute Scottsdale Stadium and Indian School Park Use Agreements that contain negotiated fees or fees for areas that have not typically been reservable by the public.
 - c. The City Manager, or designee, to execute WestWorld agreements with negotiated fees.
5. Adopt Resolution No. 12788 authorizing an adjustment of fees and charges by the Fire Department, effective July 1, 2023.

Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

18. Public Hearing on and Adoption of Proposed Fiscal Year (FY) 2023/24 Budget (Tentative Budget)

Requests:

1. The City Council solicits and receives public input relative to the entire Proposed FY 2023/24 Budget, which includes both the Operating Budget and Capital Improvement Plan. The City Council may direct staff to revise the Proposed FY 2023/24 Budget prior to adoption or may adopt the proposed version as the Tentative Budget as amended required for conformity with Arizona Revised Statutes and City Charter.

2. Adopt **Ordinance No. 4593** as presented (or as modified by Council) establishing the Tentative Budget for FY 2023/24 and adopting by reference the State-required budget forms. Establishment of the Tentative Budget statutorily fixes the maximum expenditure limit. The maximum expenditure limit may still be lowered by the City Council before final budget adoption.

Adoption of Ordinance No. 4593 also:

- a. Directs the City Clerk to meet obligations regarding publication and notices imposed by Arizona Revised Statutes and City Charter.
- b. Tentatively approves a one-time waiver for five projects of the maximum \$600,000 per commitment restriction in Financial Policy 10.02, which limits the use of the balance of remaining Tourism Development Fund revenues for one-time commitments not to exceed \$600,000 per commitment unless otherwise approved by the City Council for tourism-related operating expenses and capital projects.
- c. Tentatively adopts the FY 2023/24 Job Classification Plan and Pay Table in conformity with Scottsdale Revised Code Sections 14-20 through 14-24 and tentatively authorizes or approves, as applicable, certain salary adjustments included in the Tentative Budget for City employees and Charter Officers and sets the salaries of the Presiding Judge and Associate Judges.

Presenter(s): Sonia Andrews, City Treasurer and Alison Tymkiw, City Engineer

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

City Treasurer Sonia Andrews and City Engineer Alison Tymkiw gave a PowerPoint presentation (attached) on the Fiscal Year 2023/24 tentative budget and capital improvement plan.

Mayor Ortega opened the public hearing.

David Smith, a former Scottsdale City Councilmember, spoke about the proposed use of Tourism Development Fund revenues and the requested waivers of Financial Policy 10.02.

Mayor Ortega closed the public hearing.

MOTION AND VOTE – ITEM 18

Mayor Ortega made a motion to adopt Ordinance No. 4593 as presented establishing the Tentative Budget for FY 2023/24 and adopting by reference the State-required budget forms. Establishment of the Tentative Budget statutorily fixes the maximum expenditure limit. The maximum expenditure limit may still be lowered by the City Council before final budget adoption.

Adoption of Ordinance No. 4593 also:

- a. Directs the City Clerk to meet obligations regarding publication and notices imposed by Arizona Revised Statutes and City Charter.
- b. Tentatively approves a one-time waiver for five projects of the maximum \$600,000 per commitment restriction in Financial Policy 10.02, which limits the use of the balance of remaining Tourism Development Fund revenues for one-time commitments not to exceed \$600,000 per commitment unless otherwise approved by the City Council for tourism-related operating expenses and capital projects.
- c. Tentatively adopts the FY 2023/24 Job Classification Plan and Pay Table in conformity with Scottsdale Revised Code Sections 14-20 through 14-24 and tentatively authorizes or approves, as applicable, certain salary adjustments included in the Tentative Budget for City employees and Charter Officers and sets the salaries of the Presiding Judge and Associate Judges.

Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

PUBLIC COMMENT – None

CITIZEN PETITIONS

19. Receipt of Citizen Petitions

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

Staff Contact(s): Ben Lane, City Clerk, 480-312-2411, blane@scottsdaleaz.gov

No citizen petitions were received.

WORK STUDY SESSION

The City Council recessed at 6:56 P.M.

The City Council reconvened at 7:08 P.M.

PUBLIC COMMENT

- Thomas Kube spoke in opposition to road diets, citing growth and traffic impacts on safety. He asked for the issue to be put on a 2024 ballot.
- Ginny Bertoncino asked that a road diet measure be put on a ballot for residents to decide. She commented on growth, traffic congestion, safety, and federal grants.
- French Thompson said road diets are not about public safety, but rather about taxpayer money. He said road diets focus on the southern part of the City, resulting in a form of economic and traffic discrimination.
- Charles Fernandez spoke in support of road diets and commented that space should be prioritized for those who are living and visiting the city, not for the expediency of drivers who are passing through.
- Patti Badenoch noted she visited the Southwest Village neighborhood, conducted a survey, and collected signatures from residents who were opposed to the removal of vehicular lanes on 68th Street and the proposed lane reduction on Thomas Road. She asked the issue of road diets be put on the ballot.

Mayor Ortega noted there were a number of written comments (attached) submitted on this agenda item.

1. Roadway Reclassification (“road diets”) in the 2022 Transportation Action Plan

Request: Presentation, discussion, and possible direction to staff regarding roadway reclassification (“road diets”) in the 2022 Transportation Action Plan.

Presenter(s): Mark Melnychenko, Transportation and Streets Director

Staff Contact(s): Mark Melnychenko, Transportation and Streets Director, 480-312-7651, mmelnychenko@scottsdaleaz.gov

Transportation and Streets Director Mark Melnychenko gave a PowerPoint presentation (attached) on the roadway reclassification in the 2022 Transportation Action Plan.

There was consensus by the City Council on the following items:

- In the Transportation Action Plan (TAP), throughput traffic flow should be equal to safety, livability, and multi-modal community access.
- Communication and notification are important and poor communication can result in misinformation.
- Include a definition of “road diet” in the TAP.

Councilmembers made the following suggestions:

- The Council and public should be provided with accurate, up-to-date data related to traffic counts and flow.
- Traffic counts should be collected within one year of the proposed road narrowing.
- Traffic data collection should be done during peak demand times between January through March and a column should be added to the data for projected traffic counts associated with approved construction projects.
- Prior to any proposed changes to road classifications, there should be meetings between staff and each business owner and homeowner association that is adjacent to or affected by the road narrowing proposal.
- Postcards are not an effective means of communicating with residents.
- Install generous signage perpendicular to the road(s) under consideration for reclassification for at least 90 days.
- Use multiple media platforms, including social media, to notify affected parties of neighborhood meetings and encourage public participation.
- Consider implementation of a five-year moratorium on road diets.
- Consider a 2024 election ballot measure related to road diets and put a moratorium on the issue pending the election outcome.
- Seek input from Maricopa Ambulance on this issue.
- In the TAP, take out verbiage that lists of road classifications can also be road diets.
- In the TAP, have lane narrowing as an option in addition to the existing lane reduction option.
- In the TAP, any road that is not within the five-year paving cycle should not be in the table related to lane reconfigurations, such as Legend Trail Parkway.
- This item should not be sent to an election ballot.
- Having consistent evaluation criteria is important and clarifies Council decisions to the public. It is imperative to evaluate each case on its own merit, which will maximize neighborhood involvement.
- Staff should monitor the 68th Street project and report back to the Council and the public on the project status and whether it is effective or not.
- Staff should prepare a white paper for proposed projects that contains facts and data for Council and public evaluation.
- Proactively distribute data sheets to the community.
- Staff to review citizen input received to determine the number of unique commenters and how many live within a mile of the proposed project.
- Need more specific rules to determine when road diets are appropriate and what level of traffic volume is appropriate when considering a road diet.

- Staff to provide additional information related to the data collected for multi-family units and vehicle miles traveled.
- In the TAP, clarify when the data was collected.
- Rather than a rewrite of the TAP, clarifications of definitions, terms, and procedures are needed.
- These recommendations should be vetted by the Transportation Commission, which should make a recommendation to the City Council on possible changes to the TAP related to road diets.

MOTION AND VOTE – ADJOURNMENT

Councilwoman Whitehead made a motion to adjourn the Regular Meeting and Work Study Session. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor Ortega adjourned the Regular Meeting and Work Study Session at 9:43 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

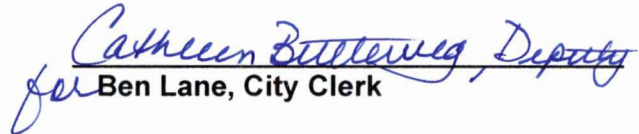
Officially approved by the City Council on June 13, 2023

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting and Work Study Session of the City Council of Scottsdale, Arizona, held on the 16th day of May 2023.

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

DATED this 13th day of June 2023.


for **Ben Lane, City Clerk**

Item 17

PUBLIC HEARING & ADOPTION OF FY 2023/24 RATES & FEES

City Council
May 16, 2023

1

FY 2023/24 PROPOSED RATE & FEE CHANGES

Presented
in Detail
March 7, 2023

60 Day Posting
on March 13,
2023

Public Hearing
& Adopt on
May 16, 2023

2

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FY 2023/24 FORECASTED REVENUE

ENTERPRISE

Enterprise Funds	Revenue
Water Resources	June 13, 2023
Public Works	\$2,309,952

NON-ENTERPRISE

General Fund	Revenue
C&ED – Planning & Dev. Services	\$1,241,825
Community Services	\$519,880
Public Safety – Fire	\$82,435

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

Special Programs Fund	Revenue
Community Services	\$583,346

FY 2023/24 RATES & FEES CHANGES

GREEN BUILDING COMPLIANCE FEE

PREVIOUS: \$600 flat fee per project

AMENDED: \$.10 per square foot, sliding scale up to \$600 maximum

1,000 sf	3,000 sf	6,000 sf or more
\$100	\$300	\$600

Most projects would be less than \$600 (78% are below 6,000 sf)

Revised revenue estimate = \$160k helps cover costs of 2 reviewers

Reminder: Fee only applies to commercial and multi-family projects (some exceptions)

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FY 2023/24 RECOMMENDATIONS

Adopt Ordinance No. 4588, amending chapter 16, licenses, taxation, and miscellaneous business regulations and chapter 24, solid waste management of the Scottsdale revised code, effective July 1, 2023.

Adopt Resolution No. 12786, authorizing and approving adjustments to the planning & development services department's fees and charges, effective July 1, 2023.

Adopt Ordinance No. 4592, amending portions of chapter 49 of the Scottsdale revised code regarding water, sewers, and sewage disposal, effective July 1, 2023.

Adopt Resolution No. 12805, authorizing and approving adjustments to the community services division schedule of program charges, rental fees, and fines to be effective July 1, 2023; authorizing the city manager or designee to execute Scottsdale Stadium and Indian School Park use agreements with negotiated fees or fees for areas not typically reserved; and authorizing the city manager or designee to execute WestWorld agreements with negotiated fees.

Adopt Resolution No. 12788, authorizing an adjustment of fees and charges by the Fire Department, effective July 1, 2023.

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**FY2023/24
TENTATIVE BUDGET
AND
CAPITAL IMPROVEMENT PLAN (CIP)**

Presented by
Sonia Andrews – City Treasurer
Alison Tymkiw – City Engineer

City Council Meeting
May 16, 2023

1

	Tue, April 4	Proposed Budget and CIP Published
FY2023/24 BUDGET AND CIP	Tue, April 25	Proposed Budget and CIP Presentation
	Tue, May 16	Public Hearing Tentative Budget and CIP Adoption Final Adoption of Rates & Fees
ADOPTION TIMELINE	Tue, June 13	Public Hearing Final Budget and CIP Adoption Truth in Taxation Hearing
	Tue, June 27	Public Hearing - Property Tax Final Adoption of Property Tax Levies

2

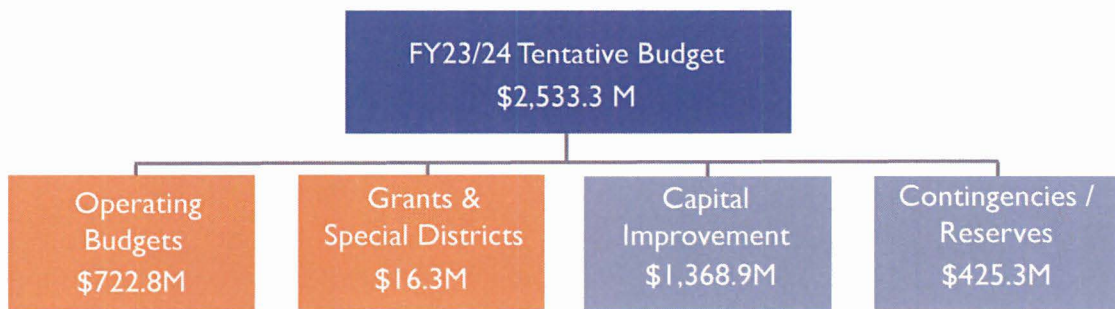
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Once the Tentative (preliminary) Budget is adopted, the total expenditure budget shall not be increased upon final budget adoption.

A.R.S. §42-17105(C)

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Rounding differences may occur

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Changes from Proposed Budget

FY23/24 Proposed Budget (presented on April 25)	\$2,540.6M
Council approved or directed changes to CIP:	
Funding for Pima sound wall	\$ 6.0M
Funding for additional West World horse barns	\$ 1.0M
Removal of additional funding for 2 nd street project	(\$ 14.0M)
Removal of addition funding not needed for solar projects	(\$ 1.2M)
Other approved changes	<u>\$ 0.9M</u>
Net change	(\$ 7.3M)
 FY23/24 Tentative Budget	 \$2,533.3M

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Expenditure Budget By Category

	(in millions)	FY 22/23 Adopted Budget	FY 23/24 Tentative Budget	% Change
Personnel		307.3	334.7	8.9%
PSPRS Contribution		12.0	10.0	-16.7%
Commodities & Contracts		246.8	271.7	10.1%
Debt Service		122.5	122.7	0.2%
Total Operating Budgets		688.6	739.0	7.3%
Capital Improvements		1,066.9	1,368.9	28.3%
Contingencies and Reserves		356.5	425.3	19.3%
Total Budget		\$2,112.0	\$2,533.3	19.9%

Rounding differences may occur

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Proposed FY23/24 Property Tax Levy

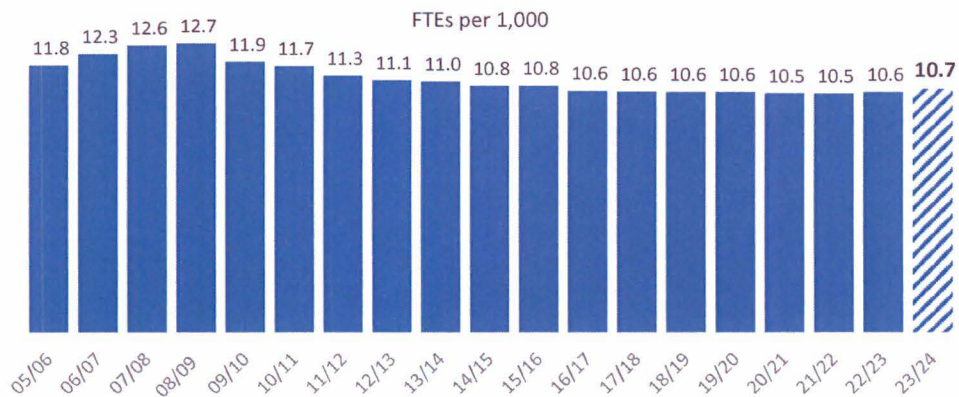
	Rate per \$100 Assessed Value	General Fund Levy	Risk Management Tort Levy	G.O. Bond Debt Service Levy
Primary	\$0.515	\$37.1M	\$2.2M	
Secondary	\$0.466			\$35.7M
Combined	\$0.968	\$37.1M	\$2.2M	\$35.7M

7

7

Tentative Personnel Budget

- Position Needs - 50 new Full Time Equivalent (FTEs) – Total 2,639 FTEs
- Salary Adjustments - Merit up to 5%, Market 2%



8

8

General Fund

FY2023/24
Total Tentative
Budget
\$582.1M

in millions	FY22/23 Adopted	FY23/24 Tentative	Change
Personnel	230.1	266.1	15.6%
PSPRS Extra Contribution	12.0	10.0	-16.7%
Other Operating Exp.	89.2	99.3	11.3%
Operating Budget	331.3	375.4	13.3%
Reserves / Contingencies	147.7	206.7	39.9%
Total Proposed Budget	\$479.0	\$582.1	21.5%

Transfers Out

For Debt Service	12.2	12.3	0.8%
For Capital Improvements	69.0	68.5	-0.7%
For Other	0.2	0.2	-
Total Transfers Out	\$81.4	\$81.0	-0.5%

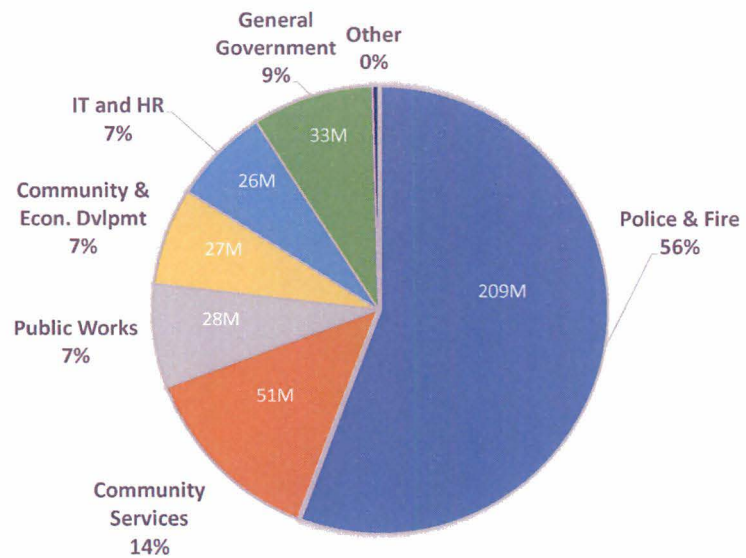
Rounding differences may occur

9

9

General Fund

FY2023/24
Tentative
Operating
Budget
\$375.4M



Note: excludes reserves & contingencies

10

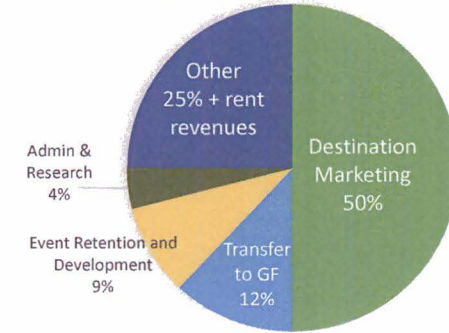
10

Tourism Development Fund

Exceptions to Policy for “Other” Category (Items over \$600K policy limit)

- \$1.0M – Art wall on Arizona State Route 101
- \$1.3M – WestWorld Polo Field Lighting
- \$1.5M – Scottsdale Stadium -First Base Event Plaza
- \$1.9M – Scottsdale Stadium -Amenities & access for Day Park in Left Field Berm
- \$3.5M – WestWorld Tent Refurbishment

Allocation of Bed Tax Collections
Financial Policy No.10



Rounding differences may occur

11

11

Capital Improvement Program (CIP)

Water/Sewer \$449.8M			Arterial Life Cycle Program (ALCP) \$221.3M
Bond 2019 \$217.8M			Other Transportation Projects \$195.4M
Drainage, Public Safety, Aviation & Other \$138.2M			Other Service and Community Facilities \$146.4M

Total Tentative CIP Budget \$1,368.9

Excludes contingencies and rounding differences may occur

12

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FY2023/24 CAPITAL IMPROVEMENT PLAN (CIP)

13

13

SUMMARY OF CHANGES IN CIP SINCE APRIL 4, 2023 PROPOSED BUDGET RELEASE

- Added two new capital projects approved by City Council on March 21, 2023: 1) Pima Road Sound Wall (\$6,000,000); and 2) Railroad Park Ramada (\$300,000).
- Transferred \$369,306 from the Dynamite Boulevard: Pima Road to 136th Street Turn Bays and Bike Lanes (SH05) to the Osborn Road Complete Street: Hayden Road to Scottsdale Road (SF02) project approved by City Council on March 21, 2023.
- Increased the 68th Street: Indian School Road to Thomas Road (SG02) project (\$92,159) approved by City Council on March 21, 2023.
- Moved up the timing of the 68th Street Storm Drain South of Camelback Road (TEMP3002) project so that the funding is in FY 2023/24 and FY 2024/25, not FY 2024/25 and FY 2025/26. This project goes together with the 68th Street Sidewalk (TEMP2956) project.

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SUMMARY OF CHANGES IN CIP SINCE APRIL 4, 2023 PROPOSED BUDGET RELEASE

- Removed the additional funding not necessary for the two Bond 2019 solar projects: 58 - Install Parasol Solar Shade Structure at City Hall Parking Lot (BJ01) (\$1,232,308) and 59 - Install Solar Systems at Civic Center Campus (TEMP2315-F) (\$931,084).
- Increased the 45 - Renovate WestWorld Horse Barns to Increase Rentable Space (DH05) project (\$1,000,000) as result of the use of the unrestricted funds from the Bell Road land sale as presented to Council on April 13, 2023.
- Removed the additional funding request for the 18 – Build Roadway and Pedestrian Improvements along 2nd Street from Drinkwater Blvd to Goldwater Blvd (\$14,000,000) per Council direction received on April 13, 2023.
- Transferred \$607,292 from the 47 - Replace WestWorld Arena Lights to Reduce Operating Costs (DH04) project to the 45 - Renovate WestWorld Horse Barns to Increase Rentable Space (DH05) project approved by City Council on April 18, 2023.

15

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QUESTIONS?

16

**FY 2023/24
TENTATIVE
BUDGET
ADOPTION**

**ADOPT ORDINANCE NO. 4593
AS PRESENTED
(OR AS MODIFIED BY COUNCIL)
ESTABLISHING THE
FY 2023/24 TENTATIVE BUDGET**

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WRITTEN COMMENTS

WS

This card is used to submit written comments to the Board or Commission.

Written comment cards may be submitted to the Staff at any time. Cards submitted after public testimony has begun will be provided to the Board or Commission at the conclusion of the testimony for that item.

NAME (print) Harley Weitenhagen MEETING DATE 5-16-23

NAME OF GROUP/ORGANIZATION (if applicable) _____

ADDRESS 10576 E Terra DR ZIP 85258

HOME PHONE 515-988-8761 WORK PHONE _____

E-MAIL ADDRESS(optional) _____

AGENDA ITEM # work study #1 SUPPORT OPPOSE

COMMENTS (additional space is provided on the back) _____

Let the public - who elected you - decide the fate of continued Road Diet.

This card constitutes a public record under Arizona law.



WRITTEN COMMENTS

WS

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NAME (print) PATSY TOBIS MEETING DATE 5-16-23

NAME OF GROUP/ORGANIZATION (if applicable) _____

ADDRESS 10576 E Terra DR ZIP 85258

HOME PHONE 515-240-3791 WORK PHONE _____

E-MAIL ADDRESS(optional) _____

AGENDA ITEM # work study #1 SUPPORT OPPOSE

COMMENTS (additional space is provided on the back) _____

Trust the people who elected you to decide this important issue. PUT it on the ballot.

This card constitutes a public record under Arizona law.



WRITTEN COMMENTS

WS

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NAME (print) Neal Nirenberg MEETING DATE 5/16/23

NAME OF GROUP/ORGANIZATION (if applicable) _____

ADDRESS 9920 N 117th Place ZIP 85259
Scottsdale, AZ

HOME PHONE 480 981 6111 WORK PHONE 602 370 7105

E-MAIL ADDRESS (optional) nirenbergfam@yahoo.com

AGENDA ITEM # work study item #1 SUPPORT OPPOSE

COMMENTS (additional space is provided on the back)

I am strictly opposed to road diets limiting roads, and narrowing roads while allowing builders to build THOUSANDS of new apartments and condos in INPANE. We should keep ALL existing roads and not narrow them.

This card constitutes a public record under Arizona law.



WRITTEN COMMENTS

WS

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NAME (print) Nancy Doty Brady MEETING DATE 5-16-23

NAME OF GROUP/ORGANIZATION (if applicable) _____

ADDRESS 5461 N. 28th St ZIP 85250

HOME PHONE 303-598-0632 WORK PHONE _____

E-MAIL ADDRESS (optional) _____

AGENDA ITEM # Work Study Session SUPPORT OPPOSE

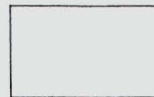
COMMENTS (additional space is provided on the back)

Please have this topic (Road Diets) be put to a vote by the citizens. I believe this is not the time to narrow roads with so many more drivers will be using our roads. Citizens want to have input on this topic - please put on the ballot!

This card constitutes a public record under Arizona law.



WRITTEN COMMENTS



This card is used to submit written comments to the City Council.

Written comment cards may be submitted to the Clerk at any time. Cards submitted after public testimony has begun will be provided to the Council at the conclusion of the testimony for that item.

NAME (print) RANDY SINKLER MEETING DATE 5/16/23

NAME OF GROUP/ORGANIZATION (if applicable) _____

ADDRESS 6548 E THIRD ST ZIP 85251

HOME PHONE _____ WORK PHONE _____

E-MAIL ADDRESS (optional) _____

AGENDA ITEM # WORK STUDY SESSION SUPPORT OPPOSE

COMMENTS (additional space is provided on the back) NO ON ROAD DIET ON THOMAS

This card constitutes a public record under Arizona law.