

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, JUNE 7, 2022**



**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 5:00 P.M. on Tuesday, June 7, 2022 in the City Hall Kiva Forum.

ROLL CALL

Present: Mayor David D. Ortega; Vice Mayor Tom Durham (who participated electronically); and Councilmembers Tammy Caputi, Betty Janik, Kathy 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 Ben Lane

PLEDGE OF ALLEGIANCE – Councilwoman Caputi

MAYOR'S REPORT

Mayor Ortega asked to keep the Ukrainian people and country in the forefront of our thoughts and for a moment of silence as they fight for their freedom and country.

Mayor Ortega read a proclamation declaring June as LGBTQ+ Pride Month.

PUBLIC COMMENT

- David Free submitted a citizen petition (attached) asking that the City Manager assist property owners on Craftsman Court to develop a concept and prepare a proposal for Council consideration to turn Craftsman Court into a flexible pedestrian-only street.
- James Rubatt commented on the city's budget and suggested ways to reduce the budget.
- Jason Alexander spoke in support of the citizen petition submitted by David Free and expressed concern about transforming the Rose Garden parking lot into a public park.

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 following Council meeting minutes from May 2022:

- a. Work Study Session Minutes of May 3, 2022
- b. Regular Meeting Minutes of May 3, 2022
- c. Special Meeting Minutes of May 17, 2022
- d. Executive Session Meeting Minutes of May 17, 2022
- e. Regular Meeting and Work Study Session Minutes of May 17, 2022

MOTION AND VOTE – MINUTES

Councilwoman Janik made a motion to approve Work Study Session Minutes of May 3, 2022; Regular Meeting Minutes of May 3, 2022; Special Meeting Minutes of May 17, 2022; Executive Session Meeting Minutes of May 17, 2022; and Regular Meeting and Work Study Session Minutes of May 17, 2022. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

CONSENT AGENDA

1. **Barrio Queen Liquor License (30-LL-2022)**
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: 7114 E. Stetson Drive, Suite 105
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
2. **Almost Famous Liquor License (31-LL-2022)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an owner transfer of a Series 6 (bar) State liquor license for an existing location with a new owner.
Location: 7419 E. Indian Plaza
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
3. **Hyatt House Scottsdale Liquor License (33-LL-2022 and 34-LL-2022)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 11 (hotel/motel) and a Series 7 (beer and wine bar) State liquor licenses for an existing location with a new owner.
Location: 4245 N. Drinkwater Boulevard
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
4. **Copper State Distributing Liquor License (35-LL-2022)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 4 (wholesaler) State liquor license for a new location and owner.
Location: 8122 E. Paradise Lane, Unit 1180
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 5. Chada Thai AZ Liquor License (42-LL-2022)**
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: 2765 N. Scottsdale Road, Suite 107
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. Crown Castle BU 821516/Verizon Wireless PHO Fields Conditional Use Permit (7-UP-2017#2)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 12462** approving the renewal of a Conditional Use Permit for an existing Type 4 Wireless Communication Facility located on a 62.5-foot-tall artificial palm tree with Multiple-Family Residential, Planned Community District (R-5 PCD) zoning.
Location: 7330 N. Pima Road
Staff Contact(s): Erin Perreault, Acting Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov
- 7. FLW Storage Rezoning and Conditional Use Permit (8-ZN-2021 and 16-UP-2021)**
(Moved to Regular Agenda, Item No. 15A)
- 8. Sereno Canyon Phase 4J Replat (16-PP-2017#26)**
Request: Approve the final plat to replat previously approved Phase 4J on ±4.78 acres of a 350-acre site, per Phase 4 of the Sereno Canyon Community Phasing Plan and Final Plat, to reconfigure 18 established resort units within the Resort/Townhouse Residential, Environmentally Sensitive Lands (R-4R ESL) zoning portion of the site.
Location: Between E. Alameda Road and the E. Pinnacle Peak Road alignment (along N. 128th Street) and E. Sereno Canyon Parkway
Staff Contact(s): Erin Perreault, Acting Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov
- 9. Civic Center Jail and Downtown Police Facility Pre-Construction Phase Services Contract**
Request: Adopt **Resolution No. 12489** authorizing Construction Manager at Risk Contract No. 2022-071-COS with CORE Construction, Inc., in an amount not to exceed \$95,110, to provide pre-construction phase services for Bond 2019 Project 40 – Renovate and Expand the Civic Center Jail and Downtown Police Facility to Meet Demand.
Location: 3700 N. 75th Street
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov
- 10. On-Call Civil Infrastructure Inspection Services Contracts**
Request: Adopt **Resolution No. 12496** authorizing the following one-year contract extensions, in an amount not to exceed \$500,000 per contract, for on-call inspection services at various project locations throughout the City of Scottsdale:
1. Contract No. 2020-090-COS-A1 with Consultant Engineering, Inc.
2. Contract No. 2020-102-COS-A1 with Tristar Engineering and Management, Inc.
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

11. Fire Prevention and Mitigation Temporary Right of Entry Agreements

Request: Adopt **Resolution No. 12484** to authorize:

1. The City Manager, or designee, to enter and execute temporary right of entry agreements with private property owners as may be necessary to carry out the fire prevention and mitigation efforts to reduce hazard fuels and mitigate wildfire dangers in the City.
2. The City Manager, or designee, is authorized to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1821, tshannon@scottsdaleaz.gov

12. Water, Sewers, and Sewage Disposal Code Amendment

Request: Adopt **Ordinance No. 4549** amending Scottsdale Revised Code, Chapter 49, Water, Sewers, and Sewage Disposal, amending Section 49-149 to authorize additional remedies for collection of delinquent wastewater bills through agreements with outside water providers.

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

13. Organizational Strategic Plan

Request: Approve the Organizational Strategic Plan reflecting Council priorities for 2022 as discussed at the March 22, 2022 City Council Retreat.

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov

14. Public Safety Personnel Retirement System Past Service Purchase

Request: Adopt **Resolution No. 12525** to authorize:

1. The City Manager, or designee, in consultation with the City Treasurer and City Attorney, to approve, execute, and enter, into all agreement(s) necessary to allow qualifying Scottsdale Firefighters to purchase up to three (3) years of past service time from the Public Safety Personnel Retirement System (PSPRS) at the PSPRS calculations of their individual 2011 cost to do so, plus interest, in order to remedy the lost past service purchase opportunity resulting from statutory changes made to the PSPRS, many of which were later found to be unconstitutional and resolve, waive, compromise and fully release any related legal claims the Firefighters may have arising out of these facts.
2. The City Manager, City Attorney, City Treasurer, and their respective staffs are authorized to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution and accept the additional pension liability the allowed qualifying Firefighter purchases will create.

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

15. Thompson and Chong v. City of Scottsdale Settlement Agreements

Request: Adopt **Resolution No. 12495** authorizing Agreement No. 2022-075-COS and Agreement No. 2022-088-COS with Plaintiffs KC Thompson and Tez Halee Chong in the amounts of \$45,000 and \$30,000, respectively, to settle all claims in *Thompson v. City of Scottsdale, et al.*, Case No. CV2021-052509, and consolidated case *Chong v. City of Scottsdale, et al.*, Case No. CV2021-010548, both currently pending in Maricopa County Superior Court.

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

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Janik made a motion to approve Consent Agenda Items 1 through 15, except for Item 7, which was removed from the Consent Agenda and placed on the Regular Agenda as Item 15A. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

REGULAR AGENDA

15A. FLW Storage Rezoning and Conditional Use Permit (8-ZN-2021 and 16-UP-2021)

Requests:

1. Adopt **Ordinance No. 4543** approving a zoning district map amendment from Single-Family Residential (R1-35) to Highway Commercial (C-3) on a ±3.38-acre site located at Parcel No. 215-51-026.
2. Find that the conditional use permit criteria have been met and adopt **Resolution No. 12461** approving a Conditional Use Permit for vehicle storage associated to the proposed Highway Commercial (C-3) zoning on a ±3.38-acre site located at Parcel No. 215-51-026.

Location: North of E. Frank Lloyd Wright Boulevard and West of the Loop 101, backing to the Central Arizona Project canal

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

MOTION AND VOTE – ITEM 15A

Councilwoman Whitehead made a motion to continue Item 15A to the June 21, 2022 Council Meeting as requested by the applicant. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

16. Service Line Warranty Protection Program

Request: Authorize the Water Resources Executive Director to negotiate a contract for future Council consideration and approval with HomeServe USA, wherein HomeServe USA will market and offer its service line warranty protection program to City of Scottsdale water and sewer utility customers.

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

Water Resources Executive Director Brian Biesemeyer gave a PowerPoint presentation (attached) on the service line warranty protection program.

MOTION AND VOTE – ITEM 16

Councilwoman Whitehead made a motion to authorize the Water Resources Executive Director to negotiate a contract for future Council consideration and approval with HomeServe USA, wherein HomeServe USA will market and offer its service line warranty protection program to City of Scottsdale water and sewer utility customers. Councilwoman Caputi seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

17. Truth in Taxation Hearing and Public Hearing on the Proposed Fiscal Year (FY) 2022/23 Property Tax Levy

Requests:

1. Solicit public testimony on the proposed FY 2022/23 property tax levy.
2. By a roll call vote, approve a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 21, 2022.

Presenter(s): Judy Doyle, Budget Director

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

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2022/23 Property Tax Levy.

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

MOTION AND VOTE – ITEM 17

Councilwoman Janik made a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 21, 2022. Councilwoman Whitehead seconded the motion, which carried 7/0, by roll call vote, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

18. Public Hearing on Proposed Fiscal Year (FY) 2022/23 Municipal Streetlight Improvement District Expenses and Property Tax Levy (by District)

Requests:

1. Solicit public testimony on the proposed FY 2022/23 Municipal Streetlight Improvement District proposed expenses and tax levy.
2. Approve a motion to adopt the annual statements and estimates of expenses and levy the proposed FY 2022/23 Municipal Streetlight Improvement District taxes, by district, taxes to be assessed by ordinance on June 21, 2022.

Presenter(s): Judy Doyle, Budget Director

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

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2022/23 Municipal Streetlight Improvement District Expenses and Property Tax Levy (by district).

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

MOTION AND VOTE – ITEM 18

Councilwoman Whitehead made a motion to adopt the annual statements and estimates of expenses and levy the proposed Fiscal Year 2022/23 Municipal Streetlight Improvement District taxes, by district, taxes to be assessed by ordinance on June 21, 2022. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

19. Final Public Hearing on the Fiscal Year (FY) 2022/23 Budget

Request: Solicit public testimony on the FY 2022/23 Operating Budget and Capital Improvement Plan, as tentatively approved on May 17, 2022.

Presenter(s): Judy Doyle, Budget Director

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

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the Fiscal Year 2022/23 Operating Budget and Capital Improvement Plan.

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

PUBLIC COMMENT – None

CITIZEN PETITIONS

20. 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

MOTION AND VOTE – ITEM 20

Councilwoman Whitehead made a motion to direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner, related to the citizen petition asking that the City Manager assist property owners on Craftsman Court to develop a concept and prepare a proposal for Council consideration to turn Craftsman Court into a flexible pedestrian-only street. Vice Mayor Durham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

MAYOR AND COUNCIL ITEMS

21. Review the City Council Rules Related to the Board and Commission Appointment Process and the Rules of Civil Dialogue

Request: At the request of Councilwoman Janik, direct staff to include in the July 7, 2022 Work Study Session presentation on the City Council Rules of Procedure, a presentation on the rules related to the Board and Commission Appointment Process and the Rules of Civil Dialogue to consider whether these rules should be updated.

MOTION AND VOTE – ITEM 21

Councilwoman Janik made a motion to direct staff to include in the July 7, 2022 Work Study Session presentation on the City Council Rules of Procedure, a presentation on the rules related to the Board and Commission Appointment Process and the Rules of Civil Dialogue to consider whether these rules should be updated. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Durham; and Councilmembers Caputi, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor Ortega adjourned the City Council Regular Meeting at 5:48 P.M.

SUBMITTED BY:

Ben Lane

Ben Lane, City Clerk

Officially approved by the City Council on

July 6, 2022

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 7th day of June 2022.

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

DATED this 6th day of July 2022.



Ben Lane, City Clerk

PETITION

The Craftsman Court Flexible Pedestrian Only Street

SCOTTSDALE CITY CLERK
2022 JUN 7 PM4:24



David Free, 6902 E. 1st Ave, Scottsdale, AZ 85251, dfree003@gmail.com, 602-799-7711

We, the property owners on Craftsman Court and the surrounding neighborhood, would like to request the City's assistance in exploring the idea of turning Craftsman Court into a flexible pedestrian-only street.

Craftsman Court sits at the center of Old Town Scottsdale and has been forgotten as the city grows. We believe this street could be a focal point for outdoor shopping and local events - a gathering point for people of all ages – locals and tourists alike. A flexible pedestrian-only street would ignite the foot traffic needed for this neighborhood to fit in and keep up with the surrounding neighborhoods. It would also be the perfect bridge between the Kimsey Development to the south and the Waterfront area to the north. The impact from a well-designed concept would have a positive ripple effect on the entire neighborhood and could be one of Old Town Scottsdale's crown jewels.

We seek the City's assistance to:

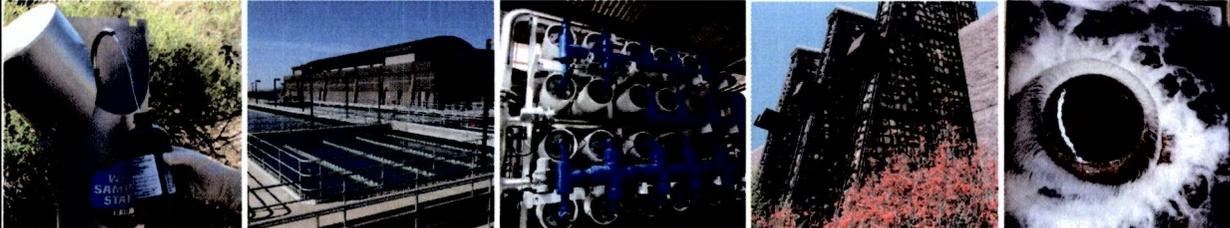
- Design the project with enough focus and intent on the "pedestrian only" aspect while keeping "flexibility" a priority.
- Estimate potential costs
- Identify sources of funding
- Develop a timeline for bringing this concept to life.
- Prepare a construction plan to have a minimal disruption to existing businesses.

We respectfully request that you refer this potential project to the City Manager to develop this concept and prepare a proposal for consideration. Thank you.

The Craftsman Court Flexible Pedestrian Only Street

Date	Name	Address	Signature
May 6, 2022	Thamarit Suchart	7070 East Third Avenue Scottsdale, AZ, 85251	
Apr 28, 2022	Ermal Sylva	4238 N Craftsman Ct Scottsdale, AZ, 85251	
Apr 28, 2022	Glen Rajapaj	4238 n craftsman ct Scottsdale, Az, 85251	
Apr 27, 2022	Megan Carroll	4200 N. Craftsman Court Scottsdale, AZ, 85251	
Apr 27, 2022	Margo Young	7150 E 5th Ave Scottsdale, AZ, 85251	
Apr 27, 2022	Kelsey Pasquel	7150 E 5th ave Scottsdale, Az, 85016	
Apr 26, 2022	Ben Shipp	3523 N 70th St Scottsdale, AZ, 85251	
Apr 26, 2022	Andrew Fritz	7111 E 5th Ave Ste C Scottsdale, AZ, 85251	
Apr 26, 2022	Tommy Plato	4166 n scottsdale rd scottsdale, az, 85251	
Apr 26, 2022	Joseph Garagliola	7235 E. Paradise Drive Scottsdale, AZ, 85260	
Apr 26, 2022	Vanessa Yono	4165 N Craftsman Ct Scottsdale, AZ, 85251	
Apr 26, 2022	Alvin Yono	4165 N Craftsman Ct Scottsdale, AZ, 85251	
Apr 26, 2022	Bob Ajali	7343 E. San Alfredo Drive Scottsdale, AZ, 85258	
Apr 26, 2022	Kory Leadon	4211 N Marshall Way Scottsdale, AZ, 85251	
Apr 26, 2022	Wendy Sacra	7181 east camelback road, Unit 102 Scottsdale, AZ, 85251	
Apr 26, 2022	Cameron Gunter	7117 E 3rd Ave scottsdale, az, 85251	
Apr 25, 2022	Eric Marvin	4235 N. Marshall Way Scottsdale, Az, 85251	
Apr 25, 2022	Marcia Rowley	16260 N 71st St, Suite 450 Scottsdale, AZ, AZ, 85251-3294	
Apr 25, 2022	John Eby	3004 N. Civic Ctr Plz Scottsdale, Arizona, 85251	
Apr 25, 2022	Stephen Sacra	7181 E. Camelback Rd. Unit 102 Scottsdale, AZ, 85251	
Apr 25, 2022	Bill Borders	3225 North Central Avenue, Suite 100 Phoenix, AZ, 85012	
Apr 25, 2022	Daniel Duffus	4211 N Marshall Way #200 Scottsdale, AZ, 85251	
Apr 22, 2022	Alex Murdy	4245 N Craftsman Ct. Scottsdale, AZ, 85251	
Apr 22, 2022	David Free	4237 N Craftsman Court Scottsdale, AZ, 85251	

Service Line Warranty Program



Brian K. Biesemeyer, PE
Executive Director



1

What is a Service Line?

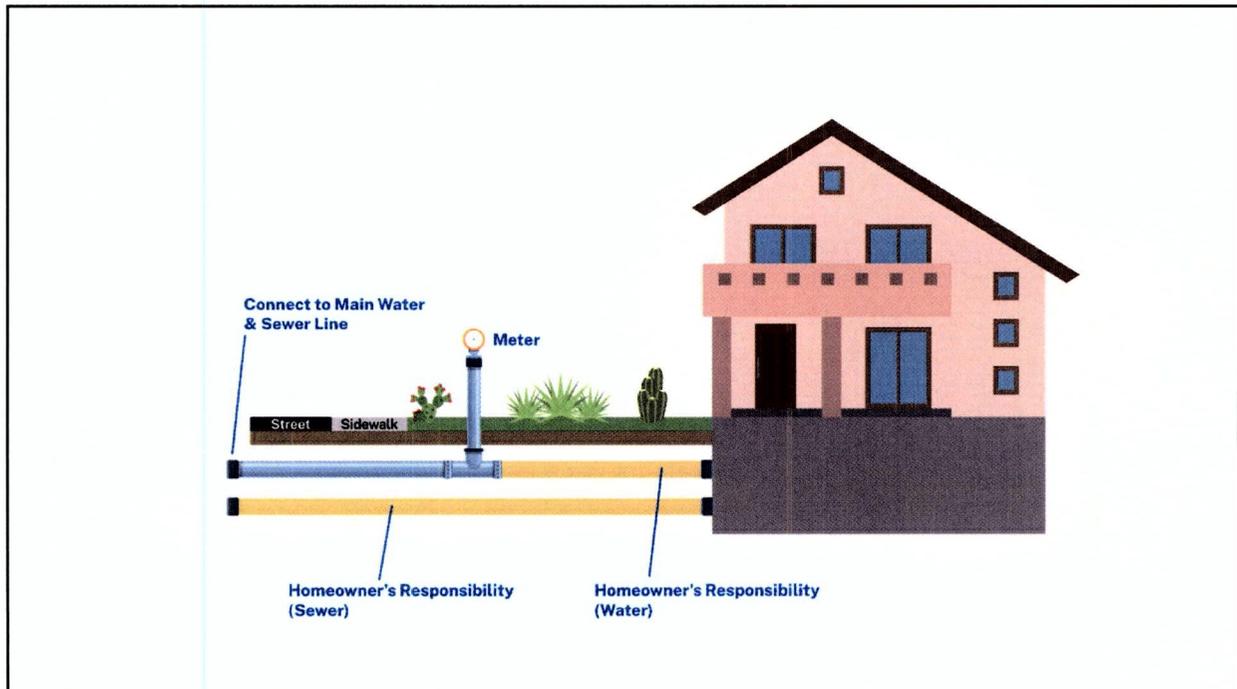
A service line is a water or sewer line that comes off the main line providing service to a home or building. Service lines may also be referred to as laterals.

2

Who is responsible for the service lines?

- The City/Scottsdale Water is responsible for:
 - Water - the water line to the meter (SRC 49-16)
 - Sewer – only the main line, typically in the street
 - The resident/customer is responsible for:
 - Water – the water line from the meter to the house/building
 - Sewer – the entire service line branching off from the main line (SRC 49-127)*
- * City will repair failures of sewer laterals in the right of way, if not caused by root intrusion, normal sags, or discharged waste.

3



4

Service Line Warranty Program

- A warranty program to cover residents' portion of service lines
- Provide affordable coverage to residents offsetting costly repairs
- **Voluntary** – customer participation
- In the event repair or replacement required, the warranty coverage handles these repairs up to a certain dollar threshold

5

Service Line Warranty Program

Request for Proposal #22RP019 was issued by Purchasing Department in December seeking a vendor with an existing service line warranty program in the state of Arizona.

HomeServe USA Corp¹. was selected as the preferred vendor.

¹*HomeServe is also known as Service Line Warranties of America (SLWA)*

6

HomeServe Information

- Endorsed by National League of Cities and League of Arizona Cities and Towns
- In business since 2003 and doing business in State of Arizona since 2009
- Parent company, HomeServe PLC, founded in United Kingdom in 1993
- 28 partners in Arizona, including the cities of Phoenix (since 2012), Mesa (since 2013), Tucson (since 2014), Avondale, and Tempe

7

Customer Benefit

- Educate property owners about their responsibility for service line maintenance and repair
- Provide homeowners affordable protection against significant and unexpected costs to remedy leaking water and sewer lines
- Ensure the delivery of timely repair services

8

Proposed Customer Cost

Exterior Water Service Line - \$4.49/month

Exterior Sewer/Septic Line - \$6.49/month

- Annual service calls and per-call coverage: unlimited, \$8,500 per call
- Customers can enroll or cancel warranty at any time
- No additional cost to enroll

Per RFP requirements, prices are locked for the first two years of program.

9

City and Customer Benefit

- **Residential Utility Assistance:** Provides an on-going funding source for a residential customer assistance program.

CARES Act funding set aside for this need will be depleted by July. These funds aid Scottsdale Water residential customers who are having difficulties paying their monthly water/sewer bills.

10

City and Customer Benefit

- **Sewer Line Extension Assistance:** Provides assistance in funding for Scottsdale Water residential customers who are required, by city code, to pay for the extension of a sewer line and are facing financial challenges.

11

Proposed Payments to the City

Upfront payment = \$200,000

Commission = 10% of premiums collected

12

Marketing Outreach

Primary outreach is direct mail with logo from municipal partner.

Also use brochures, postcards, web programs, and email.

City will not provide HomeServe with customer contact information.

City brand will never be used without permission and approval.

13

Service Line Warranty Program Summary

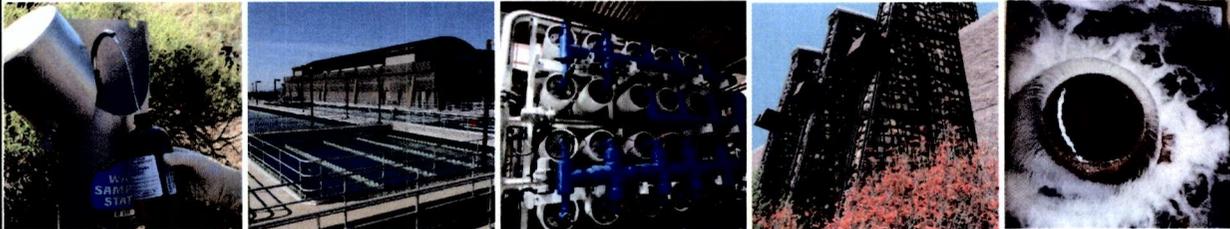
- A customer warranty program
- Private provider
- **Voluntary** – customer participation
- City is compensated for endorsement of warranty program
- Funds provided to city will go to support utility assistance programs

14

Staff Recommendation

Approve the Water Resources Division Executive Director to negotiate a contract for future City Council approval with HomeServe USA where in HomeServe USA will market and offer its service line warranty protection program to City of Scottsdale water and sewer utility customers.

Questions?



Item 17



**FY 2022/23
PROPERTY
TAX LEVY
AND RATE**

TRUTH IN TAXATION
HEARING & PUBLIC
HEARING
CITY COUNCIL
JUNE 7, 2022

1

1

Scottsdale Property Taxes

					
State Education - \$0.52	Community College \$0.19	Maricopa County \$0.13	Special Districts \$0.07*	City Primary Tax \$0.05	City Secondary Tax \$0.04

Primary property taxes are used by the City of Scottsdale to pay for city services and operational expenses and comprise about 11 percent of Scottsdale's General Fund operating budget.

Secondary property taxes are restricted to pay only for debt service on voter approved general obligation bonds for such things as parks, libraries, streets, and police/fire stations.

*Excludes street lighting districts, which vary by geographical location, types of lights, and city vs. HOA ownership.

2

2

PROPERTY TAX – NET ASSESSED VALUE (in millions)

	FY 2021/22	FY 2022/23	\$ Change	% Change
Net Assessed Value	\$6,957.0	\$7,328.8	\$371.8	5%
New Property	\$74.7	\$86.8	\$12.1	16%

3

3

PROPERTY TAX – TNT HEARING

FY 21/22 Primary Tax Rate	0.5039
Max Rate Allowed w/o TNT Hearing	0.4841
Proposed Rate – <i>Requiring TNT Hearing</i>	0.4970

4

4

PROPERTY TAX - COMPREHENSIVE

	FY 2021/22	FY 2022/23	\$ Chg	% Chg
SECONDARY				
Levy	\$35.1	\$30.1	-\$5.0	-14%
Rate	0.5042	0.4101	-0.0941	-19%
PRIMARY				
Levy	\$35.1	\$36.4	\$1.4	4%
Rate	0.5039	0.4970	-0.0069	-1%
TOTAL				
Levy	\$70.1	\$66.5	-\$3.7	-5%
Rate	1.0081	0.9071	-0.1010	-10%

Rounding differences may occur.

5

5

- Solicit public testimony on the proposed FY 2022/23 property tax levy.
- By a roll call vote, approve a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 21, 2022.

ACTION

6

6

Item 18



FY 2022/23
MUNICIPAL
STREETLIGHT
IMPROVEMENT
DISTRICT
PROPERTY TAX
LEVY

CITY COUNCIL
JUNE 7, 2022

1

BACKGROUND

- Established in 1971 to allow taxpayers residing in the benefiting area to pay for the operation of streetlights
- 355 Streetlight Improvement Districts (SLID) formed by petition of the property owners

2

BACKGROUND

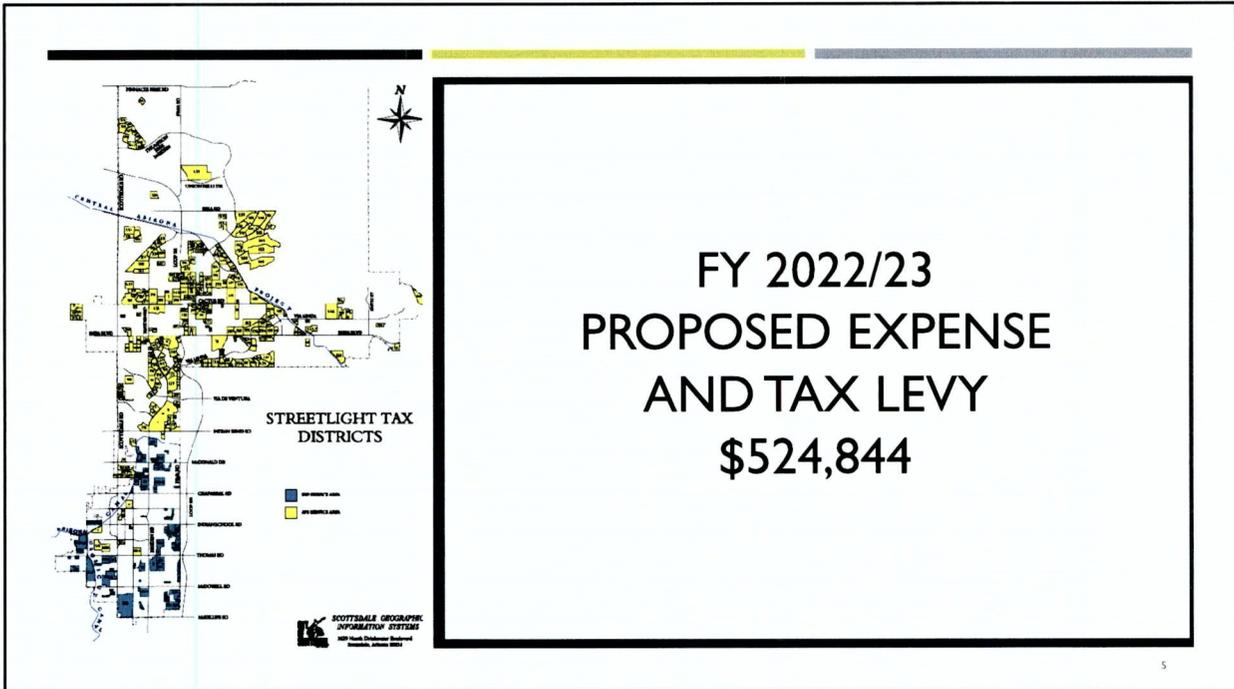
- Sole purpose to purchase electricity for lighting public streets
- Special Taxing District property tax
- Levy is calculated based on estimated energy costs

3

BACKGROUND

- Operating costs vary by district –
Usage / # streetlights
SRP vs APS rates
- 355 separate property tax calculations representing
33,750 properties

4



5

- ## ACTION
- Solicit public testimony on the FY 2022/23 SLID proposed expense and tax levy
 - Approve a motion to levy the proposed FY 2022/23 SLID taxes, by district, taxes to be assessed by ordinance on June 21, 2022
- 6

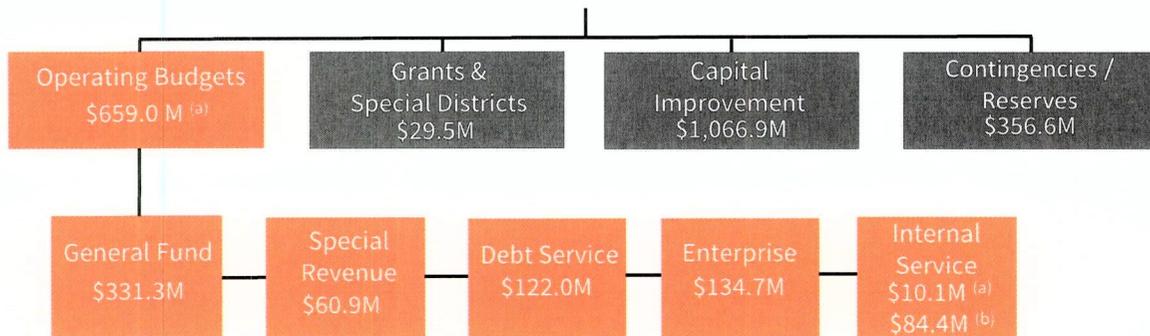
6



FY 2022/23
FINAL
PUBLIC
HEARING

CITY COUNCIL
JUNE 7, 2022

FY 2022/23 Final Budget
\$2,112.0 M^(a)



^(a) Excludes interfund transfers and includes Internal Service Funds offsets (reductions) of \$74.2 million

^(b) Budget amount before Internal Service Funds offsets of \$74.2 million

CITY COUNCIL FY 2022/23 BUDGET REVIEW



QUESTIONS?