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**CALL TO ORDER**

[Time: 00:00:00]

Mayor Ortega: Hello. I call the March 1<sup>st</sup>, 2022 city council regular meeting to order. City clerk Ben Lane, please conduct the roll call.

**ROLL CALL**

[Time: 00:00:11]

Clerk Lane: Thank you, Mayor. Mayor David Ortega.

Mayor Ortega: Present.

Clerk Ben Lane: Vice Mayor Tammy Caputi.

Vice Mayor Caputi: Here.

Clerk Ben Lane: Councilmembers Tom Durham.

Councilmember Durham: Here.

Clerk Ben Lane: Betty Janik.

Councilmember Janik: Present.

Clerk Ben Lane: Kathy Littlefield.

Councilmember Littlefield: Here.

Clerk Ben Lane: Linda Milhaven.

Councilmember Milhaven: Here.

Clerk Ben Lane: Solange Whitehead.

Councilmember Whitehead: Here.

Clerk Ben Lane: City Manager Jim Thompson.

Jim Thompson: Here.

Clerk Ben Lane: City Attorney Sherry Scott.

Sherry Scott: Here.

Clerk Ben Lane: City Treasurer Sonia Andrews.

Sonia Andrews: Here.

Clerk Ben Lane: City Auditor Sharron Walker.

Sharron Walker: Here.

Clerk Ben Lane: And the Clerk is Present. Thank you, Mayor.

[Time: 00:00:38]

Mayor Ortega: Excellent. We have Scottsdale police officers Anthony wells and Dustin Patrick as well as firefighter David Gonzalez, if anyone needs their assistance. We will start with the Pledge of Allegiance. Councilmember Milhaven.

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

Mayor Ortega: Well, you may have noticed that the plexiglass shields are down and we are at full capacity for seating. It's been a very somber week in the world, as we watch the tragic events unfold in the Ukraine. I'm constantly thinking about the Ukrainians, and I'm moved by their bravery and selflessness as they fight for their family and their country. Let's pause in silence for the people of Ukraine.

[ Moment of silence ]

Mayor Ortega: Thank you. We hope for peace, safety, and prosperity in the Ukraine for all of their citizens. We will lead off with a mention for the 2021 spirit of Scottsdale awards. Our presenter is Louise Lamb and Larry Hewitt. They are commissioners with the neighborhood advisory commission. Great to have you here.

Louise Lamb: Good evening, Mayor Ortega and members of the city council. As members of the neighborhood advisory commission, we are here to present the winners of the 2021 spirit of Scottsdale awards program. Next slide, please.

[Time: 00:03:07]

Larry Hewitt: The neighborhood advisory commission advises and makes recommendations to the city council on policies, plans, strategies and programs for the preservation, improvement and revitalization of Scottsdale's neighborhoods. One such program is the spirit of Scottsdale award, which annually recognizes residents and organizations and businesses that help to strengthen and build the Scottsdale community through their commitment and involvement in neighborhoods, thereby embodying the spirit of Scottsdale. We would now like to briefly highlight the 2021 winners from each category.

Louise Lamb: The winner of the 2021 individual award goes to Sherrie Pointsett. She was nominated for Jay Guersick. She is known for helping her neighbors. Congratulations, Sherrie, for what you do. Please stand and be recognized.

[ Applause ]

Larry Hewitt: The next award nominated by R.J. Waters recognizes a business or organization that has made a difference to Scottsdale neighborhoods. The 2021 award goes to Scottsdale Community Partners. For more than 40 years, Scottsdale Community Partners has provided countless hours assisting citizens in the need of food, supplies and emergency assistance.

In addition to helping Scottsdale residents in need, they also co-facilitate several programs in the city of Scottsdale human service division, such as covering the bases, the holiday adopt a family program and the holiday adopt a senior program which provides additional support to our fellow neighbors. This recognition is very well deserved. Congratulations. If you are here in attendance, please stand and be recognized.

[ Applause ]

Louise Lamb: Thank you to all who provided their nominations no this year's program and to you, mayor and city council, for your time this evening. We look forward to continued opportunities to recognize and engage organizations and businesses that help to strengthen and build Scottsdale's community through their commitment to and involvement in Scottsdale neighborhoods.

Mayor Ortega: Thank you. And I will ask Sherrie to come forward, with the appropriate slide and we'll do a picture and then the community partners.

Mayor Ortega: One observation I recently made is that there are approximately 2560 full-time employees in Scottsdale. And we have nearly 2400 volunteers. So think about that. That's almost a 1:1 ratio of our community involvement. Thank you so much.

**PUBLIC COMMENT**

[Time: 00:07:39]

Mayor Ortega: Well, next we will have public comment. Public comment is an opportunity for Scottsdale citizens to come forward, speak on a non-agendized item, that is within the council jurisdiction. However, no official action can be taken on a public comment. The speakers are limited to three minutes to address the council. It's my understanding that we have two public comment. So please come forward yes, I do have a name here. That is Bradley Wellington the second in person, and then we have James stress. Okay. Yes, sir. Please come forward. State your name address and then proceed.

James Stress: Mayor Ortega and city councilmembers, my name is James Stress, I live on north 74<sup>th</sup> street in Scottsdale, Arizona and I'm here in reference to the desert foothills Lutheran church located at 29350 north Scottsdale Road.

I'm one the north Scottsdale residents in the neighborhood whose quality of life will be negatively affected by this proposed expansion. From the information I have been given, sent by Steve Bartison, it seems to be 75% addition to this church. The church is wanting to expand into our community by building a commercial enterprise. It would also negatively impact the quality of life and the character of the desert foothills scenic drive. Along with devaluating our property values.

I'm here to make you aware of my and my neighbor's opposition and to prevent this incursion into the quiet lifestyle we have built and that Scottsdale stands for. If the council has any questions for me, I will answer them right now to the best of my ability.

Mayor Ortega: I see none. Thank you very much. Did you have one?

Councilmember Janik: Just a quick question. What is the nature of the commercial enterprise that you referred to?

James Stress: A school. A grammar school. A day care center, and then an auditorium for commercial rent.

Councilmember Janik: Okay. Thank you.

Jim Stress: Please.

Councilmember Durham: Where is located exactly.

James Stress: On Scottsdale Road between Dixileta and via Donna.

Councilmember Durham: Thank you.

James Stress: We were just made aware of this during this last week. So I'm sure as this progresses more and more actions can be taken.

[Time: 00:11:11]

Mayor Ortega: Well, thank you, Mr. Stress. Thank you very much, sir. I will give a second call to Bradley Wellington II he did request to speak. Going once. Going twice. And at this point, I will close public comment.

Next, we will move on to our agenda, and our agenda is posted and then if there are revisions to that agenda, council has to vote on keeping those items or amending our agenda. Item 21a was added to the agenda on February 24<sup>th</sup>, 2022 and requires a separate vote to remain on the agenda today. Do I have a motion to accept these the agenda as presented?

Councilmember Janik: I move to accept the agenda as presented.

Councilmember Durham: Second.

Mayor Ortega: Thank you. We have a motion and a second. Please register your vote. Okay. That's unanimous. Therefore item 21a is properly noted and will be heard today.

## **MINUTES**

[Time: 00:12:24]

Mayor Ortega: Next, we have the approval of the minutes. Are there any revisions? I request a motion to approve the regular meeting minutes of February 8<sup>th</sup>, 2022. Do I have a motion?

Councilmember Janik: I make a motion to accept the regular meeting minutes of February 8<sup>th</sup>,

2022.

Mayor Ortega: A motion and a second by Councilwoman Littlefield. Thank you. Please register your vote. Thank you. Unanimous.

**CONSENT AGENDA**

[Time: 00:12:58]

Mayor Ortega: Next, we have our consent agenda items, which are 1 through 21a, and at that point, these items are on the agenda, having little to no comment. However, we do open public -- the opportunity for public comment on any item.

I have not seen any requests to speak on any of the consent agenda items. So therefore, I would close the public comment on the consent agenda items. Do I have a motion or hear a motion to approve the consent agenda?

Councilmember Durham: I move to adopt the consent agenda items, 1 through 21a.

Councilmember Littlefield: Second.

Mayor Ortega: And I read that as move to approve, not adopt. So we have a motion and a second. Please register your vote. Thank you. That's unanimous. I do want to speak about one of the consent agenda items that was just passed. It is related to our employees and the situation that we have experienced through the pandemic. Over the last two years, there's been many disruptions, but we have done our best to provide services in our community.

We had a number of vacancies rise in our community and we had to remain competitive in all areas, especially police and fire and our council adopting this measure will allow -- well, I call it hazard pay or premium because of the hazards that we have experienced. And it is for the most part a retention measure. We want to maintain the high quality that we have in Scottsdale and make sure that all employees are compensated at a market rate.

**ITEM 22 – ASTRIA AND ASSOCIATES REZONING (9-ZN-1997#2)**

[Time: 00:15:07]

Mayor Ortega: So with that, we will then move on to our regular agenda items. Which are 22 and item 23. Item 22, is Astria and associates rezoning, presented by Greg Bloemberg. You are the project coordination liaison.

Greg Bloemberg: Thank you, mayor and Vice Mayor Caputi, and councilmembers, Greg Bloemberg here to present case 9-ZN-1997 number 2. It's between Goldwater boulevard and Scottsdale Road. Here's a close-up look at the site. The current building is right -- tucked up against the rear of the property with some parking and open space in front. The current zoning on the site is downtown office commercial type 1, do, and the.

Mayor Ortega: You mean downtown overlay.

Greg Bloemberg: I'm sorry, yes, downtown overlay. Yes, correct. Thank you. From a land use perspective, the property is designated as multiple use. Represented in green on this graphic. And from the development type perspective, the property is a type two development, but it does abut type one to the south. So just a few items for your consideration.

This is a re-investment and revitalization in Old Town and fill lot. The original case in 1997 did stipulate to a site plan which is the primary reason we are here. This proposal would change that site plan significantly. There are no bonus or amended development standards requested as part of this application and the proposal does move the building to the front of the lot which takes it away to the type one boundary in the south, which we feel is a positive effect of this proposal.

[Time: 00:17:29]

So the case did go to the planning commission on January 26<sup>th</sup>, and there was discussion and there were a couple of issues raised that I will go into here briefly one the inquiries not only from the public speaker and the commissioners themselves was does the refuse enclosure need to be so large on a project on such a small infill lot. This is a small infill lot and the answer is no.

The site plan has been adjusted and I will go through that metamorphosis. The search researched that, and the answer is, yes, there's actually two sources that require it, I zoning ordinance requires it, at least one, and also we looked up through the Americans with Disabilities Act and there's a section in that act that requires any site with greater than four spaces to have a designated accessible space. So it is a requirement.

And the planning commission ultimately recommended approval by a vote of 4-3. So the site plan, you may have a couple of other iterations in the site plan in your packets. They were too blurry to show on this presentation, but I will explain how we have gotten to this point. The original site plan had no refuse enclosure. And that was a comment from the first review, and the applicant was required to put in a refuse enclosure.

They met the requirements of the design standards and policy manual by having an angle enclosure but that came at the price of a parking space and would have left them without the sufficient parking for the project. Fast forward after the applicant met with solid waste and engineering, solid waste indicated that a rollout container would be sufficient.

So they resubmitted a second site plan with a rollout container and we were able to get a fourth space, which would have met the ordinance requirement, the base ordinance requirement. So then here's the ultimate site plan, we had another internal meeting after planning commission.

After that discussion at planning commission and we discussed with solid waste and engineering again, and solid waste said, yes, we can reduce the size of the enclosure we have to use the same size container, but we can reduce the size of enclosure and it can be moved closer to the property line. So what this site plan shows is the reduced size, rollout container and a fifth space was added here. We now have one additional space for this project.

So it's been in the works for a while and this is the final iteration hopefully. And this is just a rendering of the proposed building, and that concludes my presentation. The applicant is here, if you have any questions for them. Otherwise, I will be happy to answer any questions you may have.

Mayor Ortega: Yes, I would like to hear from the applicant, Ms. Wong, if you would like to come forward. Into thank you.

[Time: 00:21:07]

Greg Loper: Mayor and members of the council, my name is Greg Loper. I would be happy to answer any questions. I would first like to state that I appreciate all the work that Greg has done on this. We have gone through a lot of discussions and design changes over the life of this project, and I think we have arrived at something that seems to work well for everyone.

Astria Wong has been in that building for 32 years, it's a 42-year-old building and in definite need of a change. With, that I would be happy to answer any questions.

Mayor Ortega: Thank you. I don't see any questions, but I have one, and I also want to direct that to staff too. It looks like there's no covered walkway in the front. And that does trouble me a bit because we are downtown. You have a second floor projection that seems like there could be at least a shaded element, even if it came out 6 feet that would break up the vertical mass right there. Can you answer that?

Greg Loper: I will do my best. The code required that we move the building back 20 feet. So the face of the building is back there. If we could put up some type of a staid projection, I don't think we would -- a shade projection. I don't think we would have a problem with it. He's nodding yes. I think we can do something to try to accommodate that.

Mayor Ortega: Thank you. Because that's the main identity that we have in the Old Town Scottsdale area, and it's always good to, you know, bring shade into the pathway. Astria, it's good to see you. It's been decades, right? Very pleased as a business owner as well in our Old Town.

Astria Wong: Good evening, mayor and council and staff and everybody. And I'm Astria Wong. And I have been in Old Town for at least 34 years. And I have been trying and trying, trying to build the building but there's always financial problems. So finally, this is the time that I can but



everything together and build this building so I have a retirement home right in the place that I love for the past 30-some years.

And I think that the building itself good a wonderful job. It's very, very modern and yet it's very old-timish, compared to the others. So I would ask everyone if it's possible that consider it's not only for me to have a place to retire, in but also it's going to beautify Old Town.

Mayor Ortega: Thank you. And I saw some nods about providing a covered walkway in the front. I think it's possible to cantilever something out. So I would like you to consider that, even if it was just 8 feet, it would help.

Astria Wong: As a matter of fact, in the first drawing, we did that have. Then the zoning changes. We have to move the building 10 feet or 20 feet. So then all of a sudden, it's like we can't do something that's odd to stick out. And so I'm sure that zoning has some ideas in how we can do it. And definitely, I would love to have, it because it's not only good for there it's good for shading too.

[Time: 00:25:24]

Mayor Ortega: Thank you. If you could hold on. I see Councilwoman Whitehead and then Councilwoman Littlefield want to speak.

Councilmember Whitehead: Thank you, mayor. Thank you, Ms. Wong. I think it's a great looking project. I know you guys went through quite a bit of iterations to get the parking and everything, the trash container just right. So I just want to thank you for working with us and working with our staff and I think it's a great looking project.

Astria Wong: Thank you.

Mayor Ortega: Councilwoman Littlefield.

Councilmember Littlefield: Thank you, mayor. I too would like to thank Greg Bloemberg and the staff for working on this project for getting it to be as good as it is. It's wonderful, I think, and it fills a niche. I was very happy. I listened to the planning commission the other day from beginning to end, and I was very happy to see that the parking scenario has been fixed.

And that it now currently meets code and the trash is taken care of and all of these issues that were brought up have been fixed and resolved so I too am going to be very happy to vote for this. I think it's going to be a nice addition to our downtown. Thank you very much.

Astria Wong: Thank you.

Mayor Ortega: With that, I would move to adopt ordinance number 4532 --

Clerk Lane: Mayor, I apologize, we have --

Mayor Ortega: I'm sorry. Any other public comment.

Clerk Lane: We have one speaker, Ms. French Thompson.

Mayor Ortega: Proceed. We open up for public comment and then have more questions if necessary moving to a motion. Mr. Thompson.

French Thompson: My name is French Thompson. My business address is 7148 east main street. Mr. Mayor, councilmembers, this project happens to be right in the back of my store. I have been going in that back door for 25 years. I would love to see this building there. I know that kind of shocks you guys, but -- [ Laughter ] I just -- I just want to say, I think this is going to be a really nice project. A really nice addition to the neighborhood.

I have a little bit of question on Greg and something he said about the ADA space. I have been involved with the sparking stuff for quite a long period of time and it sounds like the ADA spot is like 20% of the usable spots have to now be an ADA spot too. And if you look at the site plan and everything else, there will be three brand new on the street parking places. Go figure, this is adding more street parking and you know they will love it.

It makes more sense to have ADA parking in front of the building and there would be an ADA spot that would be on the street. If the ADA spot goes into this building, if you think about, it anybody living there is going to have a reserved parking place. So they don't really need an ADA spot because they have their own personal spot so. You put an ADA spot where it's hidden to the public. It's hidden to anybody that might want to use it. And from my understanding, ADA is not on private property where you are restricting it from people using it.

If you have an ADA sticker, you can use it no matter where it is. I'm looking at that thing. Why don't you put it on one the brand new spots in the street own let them have that spot in the back for one more parking place. I'm only looking at logic. I'm not looking at rules or regulations. I'm not looking at that stuff. I'm looking at what makes sense to me and I would much rather have an ADA spots for guests than hidden in the back of building.

[Time: 00:29:33]

Anybody that's a tenant can say, oh, by the way we have a hidden ADA compliant parking spot. They are not required to have a guest parking. So no guests can use it, as long as they are an ADA guest. So because the parking ordinance doesn't require any guest sparking. It be would really good if they could use it. I'm looking forward to this project being finished. As I said before, I wish it was already built. I think it will be a real nice addition to the neighborhood. Thank you.

Mayor Ortega: Thank you. And I would close the public comment on this case. With, that I would move for approval to adopt ordinance number 4532 approving zoning district map amendment from downtown office commercial type one downtown overlay, D/OC-1 downtown overlay to downtown multiple use type two downtown overlay, D/DMU-2 DO zoning to allow for a new mixed use three-story building on a 6,311 square foot site located at 7121 east 1<sup>st</sup> avenue with a covered walkway of 10 feet for shading.

Councilmember Whitehead: I will second that.

Councilmember Littlefield: Second.

Mayor Ortega: Thank you. We have a motion and a second. Any discussion? Please register your vote. Thank you so much. It's unanimous, Astria. Move forward. Happy for you. Okay.

**ITEM 23 – CITY PROPOSED FY 2022/23 RATES AND FEES**

[Time: 00:31:30]

Mayor Ortega: Next, we will move on to agenda item 23. City's proposed fiscal year 2022/23 rates and fees. Our presenter is Gina Kirklin, our enterprise and finance person, she will introduce the item and the other presenters with water and other directors as she moved forward. Thank you. Hello.

Gina Kirklin: Hello. Good evening, mayor, members of council. Tonight, we are here to present and highlight the proposed rates and fee changes for fiscal '23. I would like to mention that tonight's presentation does not require any action from city council. City council is scheduled to adopt rates and fees on May 17<sup>th</sup>. The purpose of tonight's presentation is for possible direction. Each director will present in detail their proposed rates and fees changes. Those rates and fees changes will be posted online for citizen review, at least 60 days prior to holding a public hearing and adoption on May 17<sup>th</sup>.

Categorized rates and fees into two categories, non-enterprise and enterprise. Per financial policy, the fees will be set on both direct and indirect costs of service. Tonight, under this category, you will hear proposed rates and fees from community and economic development, community services, fire, and police. Overall for the non-enterprise category, the proposed general rate fee and fund changes total approximately \$900,000 in additional revenue and \$1.1 million in additional stormwater capital funds.

Like non-enterprise, per financial policy, enterprise rates and fees are to be reviewed periodically and should be set based on an acceptable rate of recovery for both direct and indirect costs of services. Tonight under this category, you will hear proposed rates and fee changes from water resources and public works.

Overall, the proposed rate and fee changes total approximately \$9.6 million in additional

revenue. At this time, I will turn it over to executive director of water resources Brian Biesemeyer for his rates and fees presentation.

Brian Biesemeyer: Good evening, mayor and council. It's a pleasure to be with you, and while Gina did say I have details, I will try to keep it short. The police chief kind of hinted that I need to speed it up since he was last on this list. I always listen to the chief. It's Ms. Kirkland states, the enterprise funds are all based on the recovery of our direct or indirect costs and we do that through our rates and fees.

We don't do that through any tax funding. We base our rates on multiyear financial plans, not any single year. Significant cost drivers on the operations side, the biggest of these is the increased cost of raw water and treatment chemicals and I have another slide to show that. We also have aging infrastructure repairs, as well as drought preparedness. We have increased some of our budget for -- on the drought preparedness side for education, as well as increased rebates. And then some increased operating costs on our well field.

So specifically with water and chemical costs, CAP costs is up 14%, which is you are largest raw water source. SRP is up 6%. And our treatment chemical costs are up 16% on average. There's some that are much more. So the total purchase water and chemical increases for both water and sewer are \$4.5 million. So a substantial amount of increases in our commodities that we need to deliver our services.

[Time: 00:36:18]

Within our capital improvement program, we have drought-driven improvements on the aquifer storage wells. It allows us to put treated water in the ground when they have extra water. They allow us to recover water that we stored for a number of years in the ground. And the increased costs of rehab and replacing infrastructure, as well as increased costs of technology and security. And the C.I.P., just to give you an idea.

So the E. & R. index is a cost index, noting the inflation of costs in the construction business, and you can see -- so construction cost index, they for 20 cities 8%, the building cost up close to 14% and on the far right material costs and that's 2.2%, but that's a single month. If you look down below that figure, the material costs in small print, 2.2% for the month. The average for the year is 33%.

So our construction costs have gone up dramatically this last year. That impacts us on our capital improvement program, and the capital improvement program total for water and sewer '22/23, \$63.4 million. You see the categories, these are principally, impact fee and the others are ratepayer funded. I shouldn't say just. They are ratepayer funded. So overall summary, revenue-wise, we are asking for a 3.4% increase in revenue for water, a 4.7% increase in wastewater as well as some miscellaneous rates and service charge which I will go into by time.

So overall again, it's \$5.9 million and I will reflect back on the \$4.5 million of that are really just for watt and chemicals alone. So how are we proposing our rates change? There are two components. There's a fixed charge and then there's a variable commodity charge of per thousand gallons of water delivered. The fixed charge represents our capacity to provide water to any resident or special entity based on the meter size. And they go up in proportion to the water that are is available, provided through those meters. On our volumetric charge.

We have a five tier system with our residential rates. And on the left is our current and on the right is our proposed. And we're only proposing to increase the top tier, the tier five, but we are proposing to shrink the tiers for three and four. So it does, in fact, create the situation of people in Tier 3 and Tier 4 could receive an increase. We are shrinking that really as a consequence of the drought and to encourage folks to conserve. On the commercial side, the commercial entities, we are shrinking Tier 3 by 5,000 gallons and we are increasing Tier 4. On the wastewater side, again, we have both a base and volumetric charge. The base charge is for exactly being able to provide service on a 24/7 basis.

[Time: 00:40:20]

The only difference here is they are set by the water meter size. The exception is that residential customers in the 1 inch to 5/8<sup>th</sup>-inch are the same in the fact that a residential, we plan for residents, no matter what the meter size for the same volumetric size back. As meters get larger, we have to plan for increased wastewater flows.

Our volumetric rates are going up slightly for single family and multifamily. They are going up a little more significantly with commercial with dining. There an audit of our rates several years ago that found that the rates charged for dining were not adequate. The rates are -- go back a little bit. The rates are charged based on the strength of the wastewater coming back to us by these individual categories of users.

So a commercial facility with dining has wastewater that's stronger because the food materials that come back to us in our wastewater system and they cost more to treat that water and. Audit we had several years ago found that we were not charging enough and we are meeting our audit requirements for this change that's proposed and that's you why see the commercial with dining, such as bakeries and restaurants increase more dramatically than residential.

Overall, looking at the past five years, you can see that our philosophy has been to do incremental rate increases and try to avoid any large jumps in our rate increases, and I think we have been successful, the five-year average is 5.4%. I went over these averages several times. I even had our folks in Gina's area go back over them. Yes, they do represent 2.4% on water and 2.4% on sewer. We didn't make a mistake. It's actually odd that it works out that way, but it is 2.4%. Meters and service lines.

So these charges are based to recover cost and costs only for the services provided, setting a

meter on a service line and the big driver in this is the material cost of copper, which has gone up tremendously. And so the copper lines that we buy and install are the driving force on these rates and, again, these are only to recover our costs.

In the miscellaneous rate category for water category, for the first three, they go up according to the top tier of our rates. You will note on the car right, though, you will see a revenue change in the negative, and that's because as of January 1<sup>st</sup>, we are limiting water hauling to only Scottsdale residents and Scottsdale businesses.

So this is the impact of the folks outside of the city of Scottsdale that have been hauling water and the drop in our revenue as a result. So we set our rates based on our own costs, but we do like to see where we stand within the valley and how other utilities can pair with us. You can see that for this typical customer -- so you can see that for this typical customer, 8,000 of sewer, that the average increase here would be \$1.79 a month.

[Time: 00:44:00]

We don't change in our position relative to anyone else, and as I normally state, pay no attention to the two utilities on the far left, Chandler and Gilbert. They are very flat cities. They don't have the beauty of Scottsdale and the topography of Scottsdale, which we have to deal with, which increases our cost to facilities and power to provide services. And this is a little larger consumption for a one-inch meter, another typical resident with 17,000 gallons water usage and 12,000 gallons of sewer.

And for this customer, you can see the average rate would go up \$2.56 per month, but, again, we stay relatively similar to the position with 5/8<sup>th</sup>-inch meter. On the bottom end of the utility rates. And I have to say that for the average customer, trying to be sensitive to consumption, but if folks can keep their consumption rates down below 25,000 gallons per month, these are the average increases because the tiers -- the volumetric rates don't increase for these customers. It's really just the base rates have gone up.

So for a customer that uses less than 25,000 gallons a month, they will experience a rate increase of less than \$1.50 per month. The proposed rate increases are, again, 3.4% revenue-wise and that's effective November 1<sup>st</sup> for water, and then sewer is effective July 1<sup>st</sup>. And the various meter charges are affected by either water or sewer rates. I have to say we had considerable discussion on the -- when to set the water rates. We are recommending setting them in November.

That actually gives folks a chance to react, and we're encouraging folks who can see this rate increase coming and they use a lot of water to come to us. We have an increased rebate budget. We would love to help folks remove turf, put in xeriscape and so the message out is please come to Scottsdale water, we would love to talk about how we can reduce your water consumption.

And by going into effect November 1<sup>st</sup>, it gives folks a chance to react. And then our sewer would be effective July 1<sup>st</sup>. And then I'm going to be followed by –

Mayor Ortega: And Brian, just to be time efficient. I would just open public comment on each topic, and I don't see any –

Brian Biesemeyer: Can I finish, mayor. I'm not quite there yet.

Mayor Ortega: Oh, excuse me. I'm sorry.

Brian Biesemeyer: Thank you, mayor. Normally, I'm followed by my esteemed colleague Dan Worth. And he always puts a fancy picture up and puts up a fancy car. As you recall last year, let's see if I can get this working. Can we get the overhead going? Okay. So last year I did this.

I kind of explained that, you know, this Mars perseverance rover cost \$2.2 billion. The city of Scottsdale has invested over the past 50 years, \$2.2 billion in your Scottsdale water and wastewater systems. I would argue the better investment was the 2.2 million Scottsdale invested in their water and sewer. Here's my flashy thing to show -- I just can't let Dan get away with that. But I would also have a couple of other things. You can't see that well.

[Time: 00:48:00]

I know in this present day, you can continue to see messages and pictures like this. We do have a severe drought. We do have shortages on the Colorado. So in this current environment, while I have been talking about costs and price and rates, I would argue in a desert city, in the current environment, water is priceless. That concludes my presentation, mayor. Thank you.

Mayor Ortega: Well, thank you. Again, just to be time efficient, if there as any public comment, it would occur at this time on this subject. I don't see any public comments. So I would close that public comment. And then move on to the -- and I don't see any comment from my colleagues. So we'll move on to the next section.

Brian Biesemeyer: And I see Dan right there.

Dan Worth: Good evening mayor and council. I'm going to talk to you about solid waste. You can see the bottom line here. The rate increase that we're requesting for residential customers our 80,000 plus single-family residential customers, 15% which is fairly steep. I will spend most of my presentation talking about that.

7% increase for all of our commercial customers, the rest of the slide, is a flat 7%. You are just looking at all the different various combinations of volume and numbers of pickups that make up our commercial program. This is forecasted over years. The big numbers, and the 15% and

the 7% part of inflation. We will have to obviously keep up to some extent with whatever does happen to the value of money.

These are a couple of miscellaneous charges. This is for new house. New house begin service and they have to buy containers and the cost for the containers is going up like most everything else. The plastics, the resins they use are more expensive. We have to keep up with those costs. The commercial fee is for third-party providers. For public waste management, mom and dad's garbage company, all the commercial providers that provide service in Scottsdale and we have costs associated with monitoring their behavior and addressing problems that are created.

So it's just keeping up with the administrative costs of that program. This chart is the \$3.38 per month, 15% residential rate increase, and what I have done is I have taken that \$3.38 and I have broken it out into the component pieces. These are how much each of several different things distributes to that \$3.38 increase. You can see the biggest piece of this by far almost half of it is the dark wedge on the right-hand side, the cost of maintaining, fueling and replacing the vehicles in our fleet, 50 collection vehicles plus some support vehicles.

[Time: 00:51:26]

Big part of the cost increase that we're looking for, for the rate increase that we are looking for. The next two biggest pieces of the pie, the orange one at the bottom, personnel costs, the light gray one on the left side, directors and trailers are both very much related to our brush and bulk program which I want to go into a little bit of detail on.

I'm sure that you are all very painfully aware that we had problems with brush and bulk this year and you heard a lot about it. We unfortunately saw piles like this way too often in September, October, November, we got as much as two months behind and struggled for a long period of time to get caught up. I will talk a little bit about how we got there.

Hopefully a little bit more about what we are doing to ensure that it doesn't happen again. Two major causes, how we got there. You can see it here. Volume and labor. As far as volume, we just had more brush to pick up than we ever had before. I think I shared one number with you earlier, 2800 tons that we picked up in the month of August. The highest month we ever had before that was about 2500.

So this was 11% higher than the previous highest month we ever had. In November, everybody thinks that's after the monsoon season, but you have all of that stuff to pick up in July and August and September, we get behind. The labor shortages compounded it. We were still trying to catch up. We picked up 1900 pounds in November, or 1900 tons. The biggest November we ever had before was 1200.

So 50% more in the month of November as we were continuing to try to catch up. It was a big problem and it continued to be a big problem, the volume we had to deal with. The picture is not actually my solid waste teams. The picture is the employees from our emergency response



team, transportation and streets and parks, staff a team when the storm happens and they get the debris out of the road.

And that's one of those groups from that team getting trees out of the road, the storm that we had at the end of July, a big wind storm. We lost about 400 trees on city property and city rights-of-way and city parks. That's just city property. Think about how many trees went down in McCormick Ranch and southern parts of Scottsdale that got hit by that storm. That was a huge part of the volume that we had to deal with. So that was part of it.

At the same time, we had problems keeping enough employees on the job to keep up. And several things went into that. You can see some numbers. I have 29 operators in the brush and bulk program, driving the trucks and riding the trucks to load 'em. 90% turnover out of those 29 operator positions over the course of a year. So almost everybody in brush and bulk either left, promoted was no longer in the position at the end of the year. Huge vacancy rates.

One of the things that contributed to that was -- this is not just a problem for us. You can see the bulletted competition, CDLs is commercial driver's license. All of my drivers have to have commercial driver's license, it's a safety thing. It's regulated by the federal government. A commercial driver's license is an extremely valuable commodity right now. You all have obviously been hearing about supply chain issues nationwide, the inability of companies to deliver stuff to their customers, to retailers, whatever. Part of that issue nationwide is drivers. Is people with commercial driver's licenses within the solid waste industry, it's a big problem keeping people with commercial driver's licenses on.

[Time: 00:55:29]

We talked to our fellow solid waste departments and all the other valley cities they are all experiencing problems. Several have fallen behind in their residential programs and their recycling collection programs. And what's happening is other communities and their solid waste programs, the long haul truckers, delivery truckers, everybody is competing with each other with a commercial driver's license. There's been escalation in the salaries. And we had to deal with that. Factors, pay, obviously is one of those. As we talk to people that are leaving, we are hearing other things that come into the decision to leave. And a couple of the ones that I think are important. It's difficult manual work.

A couple of things I want to point out about that picture. You can see on the left-hand side. Here's one of our tractors. I got on a good day, if I've got enough staffing, I have ten trucks out with four tractors to help load 'em. When those piles got this big in August and September, I needed a tractor with every truck. I had people manually loading items in the back of the truck. Not a good place to work. When they had an opportunity to go to a city with a tractor with every truck, and that's basically the rest of them. So that became a disincentive for people to stay here. Long commutes and you have heard this before. I like to think we pay our employees well, but they can't afford to live in Scottsdale a lot of them.

So I have got a lot of employees that live in the west valley. I have a lot of employees that live in Mesa and Gilbert and if their community that they live in can match their pay, they jump ship. What are we trying to do to address those problems? I will give you some highlights. These are things that we have done. We actually, with help from the city manager, we came up with some mid-year pay raises for solid waste employees to try to keep them competitive with what Mesa and Gilbert and other communities in the valley are doing. It's hard to keep them competitive with what the private sector is doing.

If we stayed competitive with the other municipalities we thought that was a good thing. We recognize experience that people had, paid them accordingly and it results in a bump in some cases pretty substantial. But many of our employees got bump in January that we felt it was competitive with other valley cities. In two months, I had five employees -- I learned yesterday, it's up to six that have either withdrawn two-week notice that they had given us or asked to come back. I had three that left and asked to come back. Pay matters.

There's a lot of other factors but that made a big impact. The second bullet, purchase of additional equipment, the tractor issue, we had originally intended to buy six more tractors, two a year for -- for next three years. We need to fix the problem now. So we are including a budget package this year to buy all six of them. It's pretty substantial and we have actually ordered them already in anticipation. We won't have to pay for them until they arrive but we want them to arrive in time for next year's or this year's monsoon season. So we are scheduled to show up in July.

[Time: 00:59:27]

We want to put them right into service to help productivity and to avoid people from having to do that level of manual work that they had been doing. And then the last bullet pipeline positions, we are asking four additional positions. What we intend to do is not keep all of the additional four positions 29 plus four. We don't intend to keep them filled all year. We intend to fill the four extra positions in the spring time, before the monsoon.

So that as people leave, in the summer, and it's always going to happen, when the going gets tough, there's some that will get going. When that happens, we will have over hired so I can still have a chance of getting those ten trucks out with full crews every day. Then when the peak of the season is over in the fall, as attrition happens, we won't refill them until the next spring. So we are calling it pipeline positions, but basically the ability to flex for the summer. This is the same slide I showed you before. I have addressed largely the light gray and the orange segments.

The next slide I want to talk about the 50 collection vehicles and what's happening to drive those costs up. I have showed you similar numbers in the past. Last year, I showed you that same chart that's on the left. I updated to add this year's 6% increase. It's 5, 6% every year on

the average. So the cost of the trucks is just going up and you can see on the right, the cost of the fuel is going way up!

And frankly, we are well served by the fact that we have transitioned a lot of our fleet and solid waste to compressed natural gas. It's cleaner and more reliable and it's cheaper, but it's still going up. So even though 60% of my vehicles are CNG, they are not paying the increase for the diesel. They are still having an increase in the fuel costs.

The cost to buy them and the cost of the fuel is going up and the cost of the parts is going up and then one last thing I want to bring attention to is we are also implementing a recommendation from an audit that we underwent last year. We use an inflation factor to estimate the future replacement costs of all of our vehicles. Previously we had used a one size fits all inflation factor for all the vehicles in the fleet, across the city, police cars, solid waste, everything.

And the audit pointed out that our specialty vehicles, the big expensive, heavy solid waste vehicles were going up in sedans and pickup trucks. We should be using the same inflation factor to forecast and plan for our future replacement costs. We should be using a factor specific to the class of vehicle. We have done that. We have implemented that.

The effect is that to some extent, our solid waste was being subsidized by other vehicles. That's not happened anymore. That's a good thing. The downside is that it drives up the cost of replacement. So that contributes to the increased vehicle costs. Before I finish, I want to give you a couple of good news stories.

This is recycling, one the good news stories much over the last three years, I talked to you about some body blows that we have taken in the recycling program. The market collapse tied to the refusal of China to take imported recyclable materials from the United States, about three years ago, played havoc with the markets. The value that we got for the material dropped like a rock. And then we had the fire that took out the material recycling facility at the Salt River Pima community. That's been out of play for two years now. Improvements on both counts. The chart on the right, you can see three lines, the blue line is the processing fee that we are paying. This is what we are paying to Phoenix.

[Time: 01:03:34]

We entered into a contract with Phoenix about a year and a half ago when we lost the Salt River Pima community facility. But the blue line is the fee we pay them, \$80 a ton. The red line is the revenue that we are getting from the recyclable materials, and then the gray line is the net. When the red line goes above the blue line, when we get more money from selling this stuff, than processing it, we share the difference with Phoenix. So this line going down is -- that's a good thing. The negative numbers is negative costs. We are now getting money for recyclable, rather than getting money. We are getting a net payment. The red line crossed the blue line

earlier this year.

The other good news the picture on the left is a rendering and doesn't look that spectacular. It's not meant to look spectacular, but it's a rendering of the new recycling. You approved a contract with the Salt River Pima community last month, and it will allow them to build a new facility and it gives us another opportunity. We made sure that the contractual arrangement would allow us to go to them or Phoenix or anybody else. So we have some flexibility going forward. That's good news on the recycling front.

The other good news piece I wanted to share with you is on the loss reduction front. Solid waste is a dangerous business. We are taking steps to reduce the costs associated with the liabilities of our program. I have a video that I want to share with you. Hopefully I can get this to work. The video is from this new system that we have installed in all of our trucks, camera system, with artificial intelligence. We installed it last fall, and it monitors driver behavior and it monitors the driver's environment. It's looking at the driver and what he's doing and what is going on around the vehicle. This is actual footage from the system. And I'm hoping it can work. Here we go.

So you can see up on the top, I just wanted to pause it for a second. You can see our operator. The camera is looking at the operator and the system actually it recognizes the face of the operator. If he's looking down at the cell phone, it tells us. If he's not looking ahead at the road. You can see in the upper right-hand corner, he's driving 26 miles per hour and the speed limit on the road he's on is 45. So he's well below the speed limit. You can see out in front of him. This is the view looking forward from his windshield. He has a long, clear area in front of him. And I was going to hold off, but you see what happens. He's driving -- doing the right thing.

He's paying attention to the road, driving down the road, well below the speed limit and a car cuts into that -- he cuts in front of a truck that can weigh 25 tons fully loaded. A car cuts right in front of him. And that's what happens. Boom. The guy did everything right. You can see him react as soon as he saw that car. He just couldn't stop. He hit the car what does the driver of the car do? He came to the city to file a claim. We showed him the video, and no claim.

[Time: 01:07:33]

It will pay dividends in claim avoidance that we think will be substantial and so far we've had examples of that and we had examples of better driver behavior. Since we implemented -- I think I got -- I don't have the actual numbers but we actually -- we get alerted, like I said when the driver is distracted, when he accelerates too fast or brakes hard. Those alerts have decreased by over 50% in the first three months of the program. So our drivers are driving better.

It allows us to reward good behavior, through objective assessment that is going to be tied to their performance pay. It's all a good news story. I wanted to share that with you. And somehow I'm going to play the video again instead of moving to the next slide. [ chuckles ] Okay. There we

go. Just a couple of summary slide, 15% increase on the residential. 7% on the commercial. The obligatory comparison slide. This is still in the middle of the pack, and we should be to the right of Glendale. Two things I will point out on this. We're in the middle of the pack but we provide a higher level of service than just about everybody. I think the only other one up that does monthly brush in bull Scottsdale Chandler. And at the low end of the scale, you can see Gilbert and Gilbert has undergone some major corrections.

They are looking at a 28% increase this year and there may be more to follow. So the inflation is hitting everybody. The increases are going up across the board in the valley. This is the same chart I started with, again 15% residential and 7% commercial. Normally I would end my presentation here, and ask for questions. I'm going to do something a little bit differently.

I have been asked to give an indication of what residents and businesses will see on their utility bills as a cumulative result of rate changes that we are proposing for all of our utilities, water, wastewater from Brian and solid waste and you haven't heard stormwater. They are asking for a \$1 increase from \$3.95 to \$4.95 per month on the stormwater fee that we attached to the utility bill. That funds capital improvements from the area. And when we establish that we established a \$1 per year increase to bring it up to the level that it needs to be. But this chart, it looks like a water chart.

[Time: 01:10:26]

It's arranged by the same kind of categories that Brian used to explain his rate increases. I have two residential examples. A low water use residential and higher water use and I have two commercial examples. But they include not just the water and wastewater rate proposal, but also the solid waste and the stormwater. So if you look at the right-hand column, the dollar change, for a low water use residential property, the majority of the properties in the southern part of the city, they are going to see a \$7 increase on the utility bill with all of these that get approved out of the \$7 increase, \$3.38 is a flat increase for solid waste that applies to all of these categories.

\$1 is a flat increase from stormwater, that applies to all of these categories and that leaves about \$2 for the water and wastewater for this example. For the higher water use one, again out of that \$136, \$3.31 is solid waste. About \$100 is water and wastewater. And then the same holds true for the commercial. We just use some representative commercial rates for the solid waste, and, again, higher water use, the irrigation -- the large irrigation customer gets a higher increase and that gives you a flavor of what people will see on their utility bill as a result of these proposed rate increases. With that, I will end my presentation and answer any questions you may have.

Mayor Ortega: Thank you. I see Councilmember Durham.

Councilmember Durham: Thank you, mayor. It looks like most of the increase in solid waste is

going to residences. At least in terms of a rate -- a percentage rate increase is going to residents rather than commercial. And it's a pretty big discrepancy, 7% versus 15%. What's the logic behind that.

Dan Worth: We manage the residential and the commercial program independently to recover the costs of each individual program. The commercial program doesn't have brush and bulk. So their increase is largely a result of inflation. The residential program has been hit by the same inflation factors but it includes the brush and bulk which -- the brush and bulk where we had to do the pay adjustments and the additional equipment purchases and the additional positions to prevent the recurrence to what happened this year. That all landed in the residential program.

Councilmember Durham: Thank you.

Mayor Ortega: Thank you. As we switch speakers, I will call for public comment. I see none. So I will close the public comment. Next division.

Dan Worth: Thank you.

Mayor Ortega: Thank you, Dan.

[Time: 01:13:26]

Gina Kirklin: Mayor, members of the council, the next presentation is Michael clack, chief development officer for community and economic development.

Michael Clack: As stated my name is Michael clack, chief development officer for the city of Scottsdale and the planning and development services. We are proposing 4% increase in aggregate. This moves us to an estimated 100% actuary. And it covers operating costs and very good customer service. Our next slide, you see that we do have a new fee, and this fee is for our one-stop shop records PDF conversion per case for microfiche image slides.

It's a \$5 fee that is being established to partially recoup the costs for providing the service. We estimate having about 100 requests for this service which is statement for the current fiscal year. Next, we have the wireless communication facility in the right-of-way, we are proposing a 3% increase there.

This is the industry standard that the industry has agreed to as an appropriate increase and comes from state legislation several years back, that leads to fees for wireless facilities. Next increase is what Dan Worth alluded to previously. We're proposing an increase of \$1 that goes to provide funding for capital projects for drainage-related improvements. Most of these projects qualify for 50% matching funds from the Maricopa County flood control district and this money provides us the ability to do these capital projects when opportunities arise.

Next, we will talk about tourism and events and those fees. The first slide under that category is a film permits for rights-of-way. The city requires a film permit for filming on rights-of-way of public thoroughfares and city facilities. Fees are established for specific facilities but not for rights-of-way. Tourism and events process requests for film permits in the right-of-way of public streets, roads, or alleys and requests establishing a permit fee to cover processing costs.

For tourism and special events, this is an increase in the application fee for those events. The review fee to bring costs for special event applications into line with market and similar city rates. And they increased simple and standard event fees into line with the market rates. The next slide, special event equipment removing and replacing fee. It's renaming the bollard removing and city equipment removal and replacement fee. And it adds the city -- the equipment requirement, removal and replacement for special events to the existing Bollard fee for cost recovery.

[Time: 01:17:55]

For example, benches, street parking, signage and we make sure that those are replaced after the event takes place. With that, that's the end of my presentation and I stand ready for any questions.

Mayor Ortega: Thank you. I see no questions from the public. No requests to speak. But I just have one quick one. In terms of development fees and services, does the department still have an expedited fee for expedited plan review. How often is that used?

Michael Clack: Yes, we still have that fee for expedited plan review fee, and that money is a percentage of the cost of reviewing the plan review. We haven't used that very much because we had such an influx of plans that we had to review, it's all we can do to review plans in the time frames we have currently but we do manage the process and especially where we do have somewhere we implement it, where we do do that. Based on workload and staff availability.

Mayor Ortega: Thank you. Again, I will close public comment on this someone and move on to the next one. Thank you, sir.

Gina Kirklin: Mayor, members of council, the next presenter is assistant city manager Bill Murphy.

Bill Murphy: Good evening mayor and council. I will go through some of these changes we have are just kind of some cleanups this year. And some are some newer things we are putting in here. We will go to the first slide here. So this year, we will increase our beer, alcohol wine permitting that we have. We haven't done this change since 2016, and we were at \$15 back then. We will suggest to change it this year to \$20.

The next one on here is the kitchen rental for a community service room. So this is at Horizon,

Eldorado, Mountain View, those facilities. What we have found is that as you reserve the building, or the room, that the -- if you use the kitchen, far exceeded the fee of the room. So we're going to come in with a flat fee of \$25 which will include both the kitchen and the room's availability for you.

So during the pandemic, the big thing we had was people were enjoying coming out to the parks. And with that, we had people that were bringing their businesses out to the park because they were closed. So we had folks that were doing different types of training. We had some that were doing skill set things and had their own trainers.

And so we over the years have kind of looked at this and set a fee at \$300 and after discussion this year, we will suggest that that will go to \$400 and that would be for the whole year. They can use the space that they are using throughout the parks and it has worked very well for us so far. Next is the youth field allocation. Our fee right now is \$5 an hour. We have been working with the youth groups for the last several years and in 2020, we instituted a fee for the lighting, which is half the field rental. So this 50% increase will reflect that. So the \$5 an hour fee will still remain the same. They will be paying \$12.50 for the lights.

[Time: 01:22:02]

Now we go aquatics. We saw a great deal of use in the pools during the pandemic, the last two years. So the special lane rental fees -- the commercial lane rental fees. A good example is ASU did not have any of their swimmers be able to swim on campus at ASU. So they came to our pools to -- to stay in shape and we also had a lot of folks that were doing -- triathletes that we had as well. So this fee is going from \$10 to \$12 in this coming year.

And the youth aquatic partner team usage, we tried to keep it similar to what we are doing with the field space and so we are going from \$4 to \$5 for them, all the youth groups, we told them, this would be going on with the pandemic the last year. We did not institute it, but we will this year. We have youth swim teams. We want to have the ability for the adults to join a swim team. The swim devil masters. They are working with adults who want to stay in shape for fitness, and prevent drowning. They work closely with the aquatics staff.

We are suggesting that their fee goes from \$6 for the short course and \$7 for the long course. That's just the length of the pool that they would be utilizing. The city manager when he asked me to take over WestWorld, he asked me to put recreation activities out there to fill one of the space and time. One the things we looked at was the Polo field. We spent a lot of time to get that field in good shape.

Over the last several summers now, we have been renting that out for \$30, which is the standard fee that we do for the other fields as well. We have been able to shift a lot of the teams that as we do maintenance and renovation in the summer over to the Polo field. This is very helpful and so that fee will now be set. This was a pilot fee that by our rules, in community.



But one year is all we have and then we need to come back to the council for your approval. McCormick stillman park, the arboretum train which is in the back, which is run by the steamers, we are suggesting that that stay at \$3, similar to what the train fee is right now. It's free on Sunday so that the steamers take care of it. The executive cars are what we would also know maybe some people use the birthday cars. We have used these as business etch events. We had different fees ranging from \$250 to \$700.

We come up with the fact that we will just charge a flat fee for either of the cars at \$3.50 and that would be as we start to continue to do our master planning at the park, that's where we'll set the fee. Commercial filming is very popular. People want to come to the park. They want to utilize some of the backdrop with the trains and the carousel. We had a fee of \$300. We're suggesting to take the fee up to \$1,000.

[Time: 01:25:45]

And the reason being for that is the amount of time that this takes. Someone could come to us that they would like to do some filming at the park. That could be one day, it could be three days. It could be eight hours it could be five hours. We need to have some of the staff to monitor them so the other people who are utilizing the park, they are not disturbed from utilizing it. We know that by the contract. We had five heavily use it. So we feel that that rate is not unreasonable.

And, again, it's a fee that's already built into things that they are already doing, but it will help us to regulate that a little bit. Finally, on the track was a camping pilot that we did this past year. It was very successful. We had 110 families that signed up. So this gives you a dinner. You get a tour of the railroad park. You get to ride on the train, the carousel, and then the next morning we provide you breakfast. So it's a real V.I.P. experience. It really worked well for us with COVID, because we were able to space people out in tents and their families.

We took reservations and kind of set that off, so that will be things that we will be future doing as well. We have done the camp outs before at Scottsdale stadium. This is very similar and it was well received. I had one other slide that I did want to show you on the Elmo. Did that come up? Okay. So -- thank you for the slide. So WestWorld, part of -- we have been reevaluating some things out there.

And so you can see out here, we've -- the TNEC facility, the Tony Nelssen facility, the one-day rental would go up \$1,500. The commercial use, the home show or our R.V.s that come in, there would be a 23,000 -- this would be more for special events, Barrett-Jackson would fall under that as well. The south hall, we have done some sports camps with various -- with the ice den that's affiliated with us over there, and so to use the south hall is going to go up as well to \$2,500. The Equidome would be at \$1,200.

This is -- the Polo fields, this is for anybody utilizing the Polo fields for their special event and parking. \$3,500. Our goal is when you come into WestWorld, we will have -- we will collect a parking fee at all the events that we have and that's going to be something that we will be discussing with you in the future on our master planning for WestWorld, but if you were to use the lot for the event that you have, it's broken out by lot c, h, and k, again proximity to where they would be renting some of those spaces.

The other RV, we want to increase that by a couple dollars. And the other is for rolling and packing, the -- this would be in the Equidome. So if we needed to get ready for the horse show, which we are just finishing up the Arabian show and now going into our next event, that is prepping that and it takes a little bit of time to do it. We do peel that material off with we have Barrett-Jackson in, the cars that go in this. This would be and increase for \$1,000 to cover those costs as we go. So those I just wanted to touch on.

I think the question might come, well, how do we come up with these and I would ask Brian, we benchmark with 14 facilities that are similar in size and similar to what they offer in the venue. With that, I will conclude what I have.

[Time: 01:30:05]

Mayor Ortega: Thank you. I see a request from Councilwoman Janik.

Councilmember Janik: Hi, real good report but I do have a quick question. When you quote the fee for the swim lanes, you said it's gone from 6 to 7 per lane, per lane per hour? Per lane per day? What -- the 6 to 7 per lane for the whole day or one hour?

Bill Murphy: Per hour.

Councilmember Janik: Okay. Thank you.

Mayor Ortega: Thank you. Councilwoman Whitehead.

Councilmember Whitehead: Great presentation. I'm so glad the Polo field is in use. That's great and I liked -- I also had a question about the pools. Do you see, is there going to be a change of our increase of private use of lanes? Will there be a decrease of public lanes available with the addition of the master swim?

Bill Murphy: Mayor Ortega, council woman Whitehead, no, part of what we tried very hard to do is make sure if we can fit that in, that's -- so the prioritization is not there. So we try to balance that out and fit them in when we can.

Councilwoman Whitehead: Okay. I love the campground story at the park. Thanks.

Mayor Ortega: Okay. Once again I call for public comment. See none. So I would close the public comment. As we change speakers, I do want to mention that I noticed that WestWorld held something like 541 events in one year. 365 days, we're -- that's a large complex, and it's very efficient. One use should not monopolize the whole place if possible. I think that's really good and the ability to stage and maximize the property.

Bill Murphy: We're trying very hard to do just that, mayor.

Mayor Ortega: Thank you so much.

Gina Kirklin: Mayor, members of council, the next speaker is assistant fire chief, Ryan Freeburg.

[Time: 01:32:05]

Ryan Freeburg: Good evening, mayor, and members of the council. We are here to speak tonight about our ongoing community risk reduction programs to support our public education. Specifically, in the area of our CPR classes and CPR first aid, our request is to raise the fees from \$45 to \$55 per participant.

In addition, we would like to increase the fee from \$45 to \$65 in our baby-sitting class and introduce a new class which is the outdoor first aid class, again, to support our community risk reduction and public education programs. These have been in place. This again is to match market. The labor increases and price of materials that go along with the teaching of these classes. Happy for any questions.

Mayor Ortega: Councilwoman Whitehead?

Councilmember Whitehead: Chief Shannon would have expected this. I just wondered why is the baby-sitting class more? I just thought that should be the lower fee because you want to get more kids in it. And adults maybe can handle the higher fee. I just wondered why the baby-sitting class went up \$20. I don't want to exclude any kid.

Ryan Freeburg: Mayor Ortega, it's time of labor to teach the class and cost recovery. Our interest is to get back the funds we spend. And it's a cost recovery model for us.

Councilmember Whitehead: I suppose if -- I don't know if there's a way if some kids can't afford it. The city probably has some programs. I just didn't -- I thought if every child that wants to get this class should get it if they are baby-sitting. We want to get them productive and making money. So that was my concern. But that's a financier.

Ryan Freeburg: Absolutely.

Mayor Ortega: Councilwoman Janik.

Councilmember Janik: Nice presentation. Real quick S. there grant money or scholarship money for those who cannot afford the CPR classes? Is there some way they can work off the fee if they don't have the funds?

Ryan Freeburg: Mayor Ortega, Councilwoman Janik, we are a value-added service, we will always find a solution for our community members.

Councilmember Janik: Thank you.

Mayor Ortega: Okay. Opening public comment. Closing public comment. And just to -- this is our first pass or review of the suggestions. So I appreciate it. We'll move on to the police.

Ryan Freeburg: Thank you.

Gina Kirklin: Mayor, members of council, our final presenter is Chief of Police Jeff Walther.

[Time: 01:34:47]

Jeff Walther: All right. Let's get rolling. I appreciate first off the opportunity to speak to you again two weeks in a row and I thank Brian Biesemeyer for yielding some of his ample time to me for this. Ours are pretty -- pretty simple, moving forward.

The first is our jail fee and the Scottsdale jail fee and our pay to stay program in particular. When the jail dormitory opened, that permitted offenders, nonviolent offenders from outside of our jurisdiction to stay in our pay-to-stay in the jail dormitories for up to 48 hours. Our -- really, it's us and Maricopa County sheriff's office that have this opportunity. I guess it's not really an opportunity. It's something that they have to serve.

And the nightly fee was established between MCSO's first night rate which is very high and then the second night rate which is a little bit lower. We wanted to bring in more cost stability for those who wanted to stay for us and that's booking and housing rates. MCSO increased their fiscal '22/23 rates by 4.5% and Scottsdale's fee is being increased on the average of those two per diems. It will go up to \$331 or an increase of \$81.

The next is our on body camera footage, the public information requests for on body camera footage, really this is essential. We have a full 339, full body and we are seeing an increase in public requests for on-body camera footage requests. We have 255 requests in '17/189 to 644 requests in 2021. That number is really only a \$5 increase.

It will go from \$20 per requested OBC footage to \$25 and that really, what we find that's an average of our other valley police departments. There's an average low of about \$22 and one that's much higher than ours but the average, kind of the model for that right now is about \$25

for public records request for on body camera footage.

Next, and final, I know Brian is timing me. The next and final is really the off-duty rate increase, and that is when you look at some of our valley competitors, this is for police aides, officers, sergeants and lieutenants, we were not only below but significantly below those that we compete with in the market which is ironic for us since we are really a special event city, and we have a lot of off-duty.

[Time: 01:37:52]

We have a lot of events in our city as you well know. And so our goal is really to be -- that increase will be more consistent with our valley competitors and that really allows our folks to fill those positions and when we raised that to the appropriate level, to be more competitive, with Gilbert, Chandler, Tempe is considerably higher than ours, that will allow us to fill those jobs, I think a little bit more rapidly when we come in line with the rest of the valley average. And that is it. I will take any questions.

Mayor Ortega: Thank you. I see none. No requests from council. No public comment. Thank you very much, chief.

Jeff Walther: Thank you.

Mayor Ortega: Okay. With that, do we have any other closing comments or a wrap? Okay. That's a wrap. At this point, we are concluded with item number 23. We will go to public comment. Public comment is reserved for Scottsdale citizens to comment on non-agendized items which are in our jurisdiction. No official council action is taken. So I would open public comment at the end of the meeting. It is -- seeing none, I will then close public comment.

The next, the charter provides for us to receive any citizen petition. We have received none. Accordingly, I will close that item. And then moving on to the receipt of -- well, once again we have no public comment, and we have no petition. Are there any mayor and council items tonight? I see no requests. Accordingly, I will request a motion to adjourn.

Councilmember Janik: So moved.

Mayor Ortega: Thank you. We have a motion and a second. Please record your vote. Unanimous. We are adjourned. Thank you so much, everyone.