

SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, OCTOBER 25, 2016



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

**CALL TO ORDER**

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:02 P.M. on Tuesday, October 25, 2016, in the City Hall Kiva.

**ROLL CALL**

Present: Mayor W.J. "Jim" Lane; Vice Mayor Kathleen S. Littlefield; and Councilmembers Suzanne Klapp, Virginia Korte, Guy Phillips, and David N. Smith

Absent: Councilwoman Linda Milhaven

Also Present: Acting City Manager Brian Biesemeyer, City Attorney Bruce Washburn, City Treasurer Jeff Nichols, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

**PLEDGE OF ALLEGIANCE** – Troop 454, Troop Leaders Jane Bils and Heather Phillips

**INVOCATION** – Mayor Lane asked for a moment of silence to reflect on the well-being of our Country and our City.

**MAYOR'S REPORT**

Mayor Lane recognized Rise of the Rest Startup Pitch Competition winner Neolight, LLC, a Scottsdale neonatal medical technology company.

Mayor Lane read a proclamation in honor of Red Ribbon Week.

**PRESENTATIONS/INFORMATION/UPDATES** – None

**PUBLIC COMMENT** – Helen Begay, Dorian Hernandez, and Monserrret Rosario spoke about the Alli Ortega Empty Bowls 2016 program sponsored by Scottsdale Arts.

**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.

## CONSENT AGENDA

1. **Twin Peaks Liquor License (89-LL-2016)**  
**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:** 8787 E. Frank Lloyd Wright Boulevard  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
2. **Permanent Extension of Premises for Bodega 13 (5-EX-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for a Series 12 (restaurant) State liquor license to expand the patio.  
**Location:** 8876 E. Pinnacle Peak Road, Suite 100  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
3. **Permanent Extension of Premises for Virtu Honest Craft (6-EX-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for a Series 12 (restaurant) State liquor license for an existing location to expand the patio.  
**Location:** 3701 N. Marshall Way  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
4. **Oasis Café Conditional Use Permit (7-UP-2016)**  
Item 4 was moved to the Regular Agenda (Page 4).
5. **Azcentral.com Food & Wine Experience Event**  
**Request:** Adopt **Resolution No. 10589** to authorize:
  1. FY 2016/17 funding not to exceed \$82,500 from the portion of the Tourism Development Fund that is allocated toward event retention and development for the Azcentral.com Food & Wine Experience event.
  2. New Event Funding Agreement No. 2016-156-COS with R Entertainment Company, LLC.**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)
6. **Grand Prix of Scottsdale Event**  
**Request:** Adopt **Resolution No. 10590** to authorize:
  1. FY 2016/17 funding not to exceed \$60,500 from the portion of the Tourism Development Fund that is allocated toward event retention and development for the Grand Prix of Scottsdale event.
  2. New Event Funding Agreement No. 2016-157-COS with Grand Prix Scottsdale, LLC.**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)
7. **Brown Avenue Studio Revocable License Agreement**  
**Request:** Adopt **Resolution No. 10563** authorizing Agreement No. 2016-163-COS with Scottsdale Cultural Council, Inc., d/b/a Scottsdale Arts, for the use of studio space.  
**Location:** 3806 N. Brown Avenue  
**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)

**8. National Criminal History Improvement Program Grant Agreement**

**Request:** Adopt **Resolution No. 10591** to authorize:

1. Agreement No. 2016-161-COS with the Arizona Criminal Justice Commission to accept a grant in the amount of \$234,000, with a \$26,000 in-kind match, for the National Criminal History Improvement Program.
2. A budget transfer in the amount of \$234,000 from the FY 2016/17 Future Grants Budget and/or Grant Contingency Budget and the creation of a new cost center to record the related grant activity.

**Staff Contact(s):** Alan Rodbell, Chief of Police, 480-312-1900,  
[arodbell@scottsdaleaz.gov](mailto:arodbell@scottsdaleaz.gov)

**9. WestWorld Special Land Use Permit**

**Request:** Adopt **Resolution No. 10609** authorizing Contract No. 2016-169-COS with the Arizona State Land Department to allow the City to permit the use of State Trust Land for special event production and event parking along the Loop 101 freeway corridor.

**Staff Contact(s):** Brian Dygert, WestWorld General Manager, 480-312-6825,  
[bdygert@scottsdaleaz.gov](mailto:bdygert@scottsdaleaz.gov)

**10. Naming of the Amphitheater at the Brown's Ranch Trailhead**

**Request:** Adopt **Resolution No. 10610** authorizing the amphitheater at the Brown's Ranch Trailhead in the McDowell Sonoran Preserve to be named: "The Honorable Carolyn Allen Amphitheater."

**Staff Contact(s):** Kroy Ekblaw, Preserve Director, 480-312-7064,  
[kekblaw@scottsdaleaz.gov](mailto:kekblaw@scottsdaleaz.gov)

**11. Audit Committee Recommendation for the Human Services Commission Sunset Review**

**Request:** Adopt **Resolution No. 10586** accepting the Audit Committee's recommendation and authorizing continuation of the Human Services Commission.

**Staff Contact(s):** Sharron Walker, City Auditor, 480-312-7867,  
[swalker@scottsdaleaz.gov](mailto:swalker@scottsdaleaz.gov)

**12. Audit Committee Recommendation for the Judicial Appointments Advisory Board Sunset Review**

**Request:** Adopt **Resolution No. 10587** accepting the Audit Committee's recommendation and authorizing continuation of the Judicial Appointments Advisory Board.

**Staff Contact(s):** Sharron Walker, City Auditor, 480-312-7867,  
[swalker@scottsdaleaz.gov](mailto:swalker@scottsdaleaz.gov)

**13. Privette v. City of Scottsdale, et al., Settlement Agreement**

**Request:** Adopt **Resolution No. 10605** authorizing Agreement No. 2016-165-COS with Nilsene A. Privette in the amount of \$55,000 to settle Nilsene A. Privette's negligence lawsuit against the City entitled *Privette v. City of Scottsdale, et al.*, Case No. CV2014-004032 currently pending in the Maricopa County Superior Court.

**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405,  
[bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)

**14. Monthly Financial Report**

**Request:** Accept the FY 2016/17 Monthly Financial Report as of August 2016.

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

**14A. Wayne E. Crenshaw v. Alexandria Wolfe, et al., Settlement**

**Request:** Adopt **Resolution No. 10624** authorizing the settlement of the property damage and injury claims of Alexandria and Matthew Wolfe entitled *Wayne E. Crenshaw v. Alexandria Wolfe, et al.*, filed in Maricopa County Superior Court, Case No. CV2016-000231; and authorizing waiver of the City's statutory lien against third party recovery by Officer Wayne Crenshaw pursuant to A.R.S. § 23-1023(C) and waiving any future credit therefrom.

**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405,  
[bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)

**MOTION AND VOTE – CONSENT AGENDA**

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 14A, absent Item 4. Councilwoman Klapp seconded the motion, which carried 6/0.

**REGULAR AGENDA**

**4. Oasis Café Conditional Use Permit (7-UP-2016)**

**Request:** Find that the conditional use permit criteria have been met and adopt **Resolution No. 10581** approving a Conditional Use Permit for a bar on a 4,241± square-foot site with Central Business/Parking District Downtown Overlay and Parking District Vehicle Parking Downtown Overlay (C-2/P-3 DO & P-2 DO) zoning.

**Location:** 4441 N. Buckboard Trail

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

Current Planning Director Tim Curtis gave a presentation on the conditional use permit application.

**MOTION AND VOTE – ITEM 4**

Councilman Phillips made a motion to find that the conditional use permit criteria have been met and approve the Oasis Café Conditional Use Permit (7-UP-2016). Councilmember Korte seconded the motion, which carried 5/1, with Councilman Smith dissenting.

**15. Monthly Financial Update**

**Request:** Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of September 2016.

**Presenter(s):** Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of September 2016.

Staff was asked to show the tax collected from the sale of food for home consumption as a separate line item.

**PUBLIC COMMENT – None**

## CITIZEN PETITIONS

### 16. 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 agendize 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):** Carolyn Jagger, City Clerk, 480-312-2411, [cjagger@scottsdaleaz.gov](mailto:cjagger@scottsdaleaz.gov)

No citizen petitions were received.

**MAYOR AND COUNCIL ITEMS** – None

## ADJOURNMENT

The Regular City Council Meeting adjourned at 6:01 P.M.

### SUBMITTED BY:



Carolyn Jagger  
City Clerk

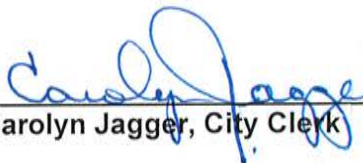
Officially approved by the City Council on December 2, 2016

## 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 25<sup>th</sup> day of October 2016.

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

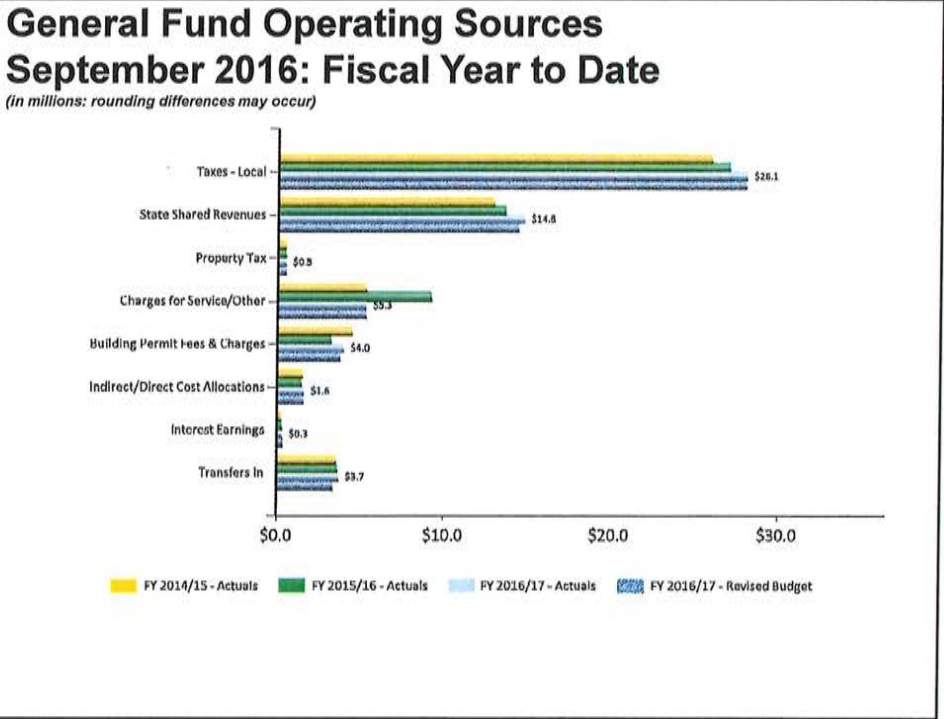
**DATED** this 2<sup>nd</sup> day of December 2016.

  
\_\_\_\_\_  
Carolyn Jagger, City Clerk

# Item 15

## Monthly Financial Update As of September 30, 2016

City Council  
October 25, 2016



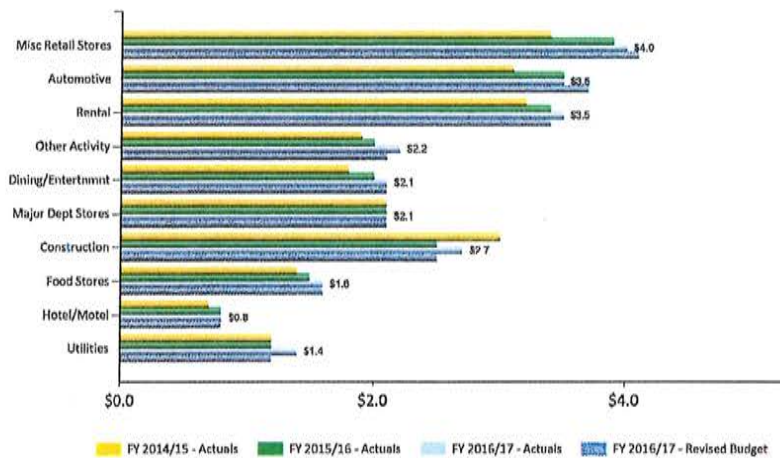
## General Fund Operating Sources September 2016: Year over Year Change

(In millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Taxes - Local	\$26.0	\$27.1	\$28.1	\$28.1	\$ -	-
State Shared Revenues	13.0	13.7	14.8	14.5	0.4	3%
Property Tax	0.5	0.5	0.5	0.5	-	-
Charges for Service/Other	5.4	9.2	5.3	5.3	-	-
Building Permit Fees & Charges	4.5	3.3	4.0	3.8	0.2	5%
Indirect/Direct Cost Allocations	1.6	1.5	1.6	1.6	-	-
Interest Earnings	0.3	0.3	0.3	0.3	-	-
Transfers In	3.6	3.7	3.7	3.4	0.4	10%
<b>Total Sources</b>	<b>\$54.8</b>	<b>\$59.3</b>	<b>\$58.4</b>	<b>\$57.5</b>	<b>\$1.0</b>	<b>2%</b>

## General Fund Operating Sources: Sales Tax (1.00%) September 2016: Fiscal Year to Date

(In millions: rounding differences may occur)



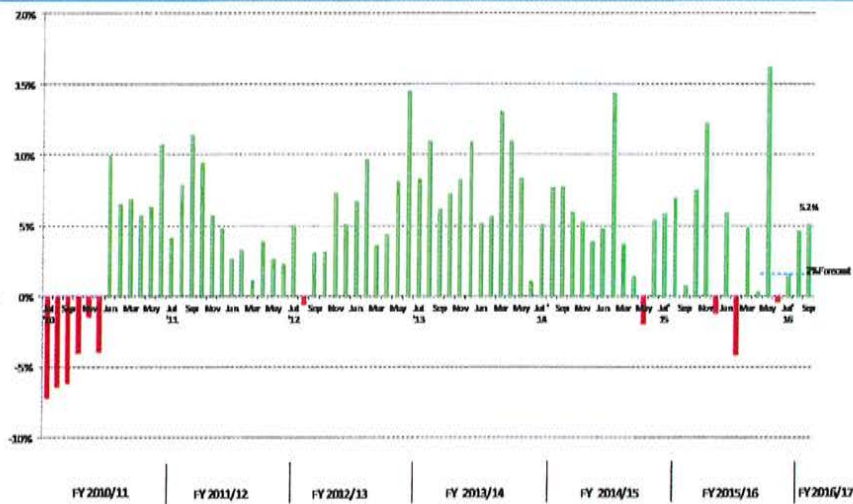


## General Fund Operating Sources: Sales Tax (1.00%) September 2016: Year over Year Change

*(In millions: rounding differences may occur)*

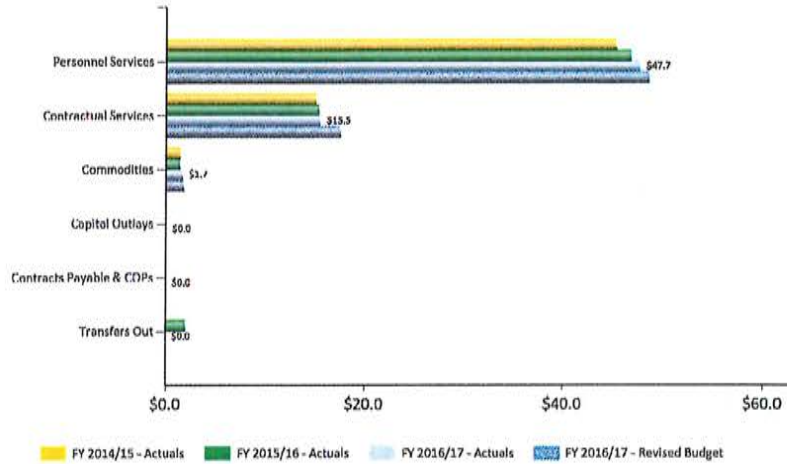
	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Misc Retail Stores	\$3.4	\$3.9	\$4.0	\$4.1	(\$0.1)	(2%)
Automotive	3.1	3.5	3.5	3.7	(0.2)	(5%)
Rental	3.2	3.4	3.5	3.4	0.1	2%
Other Activity	1.9	2.0	2.2	2.1	0.1	4%
Dining/Entertainmt	1.8	2.0	2.1	2.1	-	-
Major Dept Stores	2.1	2.1	2.1	2.1	-	-
Construction	3.0	2.5	2.7	2.5	0.2	8%
Food Stores	1.4	1.5	1.6	1.6	-	-
Hotel/Motel	0.7	0.8	0.8	0.8	-	-
Utilities	1.2	1.2	1.4	1.2	0.1	9%
<b>Sales Tax (1.00%) Total</b>	<b>\$21.9</b>	<b>\$22.9</b>	<b>\$23.7</b>	<b>\$23.5</b>	<b>\$0.2</b>	<b>1%</b>

## General Fund Sales Tax: 1.00% General Purpose Year over Year Change



## General Fund Operating Uses: by Category September 2016: Fiscal Year to Date

(In millions: rounding differences may occur)



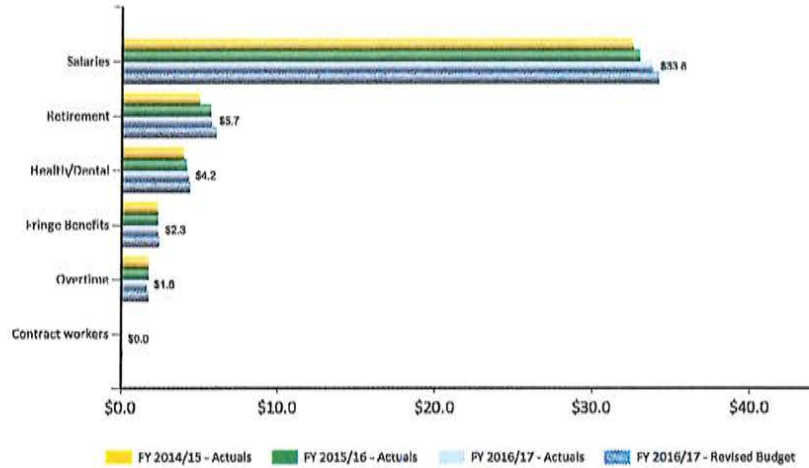
## General Fund Operating Uses: by Category September 2016: Year over Year Change

(In millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Personnel Services*	\$45.4	\$46.8	\$47.7	\$48.6	\$0.9	2%
Contractual Services	15.1	15.4	15.5	17.6	2.1	12%
Commodities	1.5	1.4	1.7	1.8	0.1	7%
Capital Outlays	-	-	-	-	-	-
Contracts Payable & COPs	-	-	-	-	-	-
Transfers Out	-	2.0	-	-	-	-
<b>Total Uses</b>	<b>\$62.0</b>	<b>\$65.7</b>	<b>\$64.9</b>	<b>\$68.1</b>	<b>\$3.2</b>	<b>5%</b>
*Pay Periods thru September:	7	7	7			

## General Fund Operating Uses: Personnel Services September 2016: Fiscal Year to Date

(In millions: rounding differences may occur)



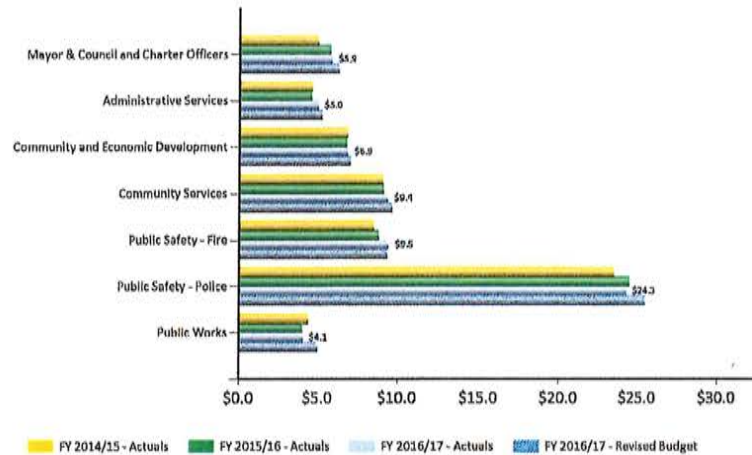
## General Fund Operating Uses: Personnel Services September 2016: Year over Year Change

(In millions: rounding differences may occur)

	FY 2014/15 Actuals	FY 2015/16 Actuals	FY 2016/17 Actuals	FY 2016/17 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Salaries*	\$32.6	\$33.0	\$33.8	\$34.2	\$0.4	1%
Retirement	4.9	5.6	5.7	6.0	0.3	6%
Health/Dental	3.9	4.1	4.2	4.3	0.1	2%
Fringe Benefits	2.3	2.3	2.3	2.4	-	-
Overtime	1.7	1.7	1.6	1.7	0.1	5%
Contract workers	-	-	-	0.1	-	-
<b>Personnel Services Total</b>	<b>\$45.4</b>	<b>\$46.8</b>	<b>\$47.7</b>	<b>\$48.6</b>	<b>\$0.9</b>	<b>2%</b>
*Pay Periods thru September:	7	7	7			

## General Fund Operating Division Expenditures September 2016: Fiscal Year to Date

(in millions: rounding differences may occur)



## General Fund Operating Division Expenditures September 2016: Year over Year Change

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$5.0	\$5.8	\$5.9	\$6.3	\$0.5	7%
Administrative Services	4.6	4.6	5.0	5.2	0.3	5%
Community and Economic Development	6.9	6.8	6.9	7.0	0.1	2%
Community Services	9.1	9.1	9.4	9.7	0.3	3%
Public Safety - Fire	8.5	8.8	9.5	9.4	(0.1)	(1%)
Public Safety - Police	23.5	24.5	24.3	25.5	1.2	5%
Public Works	4.4	4.0	4.1	5.0	0.9	18%
<b>Total</b>	<b>\$62.0</b>	<b>\$63.7</b>	<b>\$64.9</b>	<b>\$68.1</b>	<b>\$3.2</b>	<b>5%</b>

## General Fund Results: Summary September 2016: Fiscal Year to Date

*(in millions: rounding differences may occur)*

	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Actual	FY 16/17 Budget	Actual vs. Budget	
					Fav/(Unf)	%
<b>Sources</b>	\$54.8	\$59.3	\$58.4	\$57.5	\$1.0	2%
<b>Uses</b>	62.0	65.7	64.9	68.1	\$3.2	5%
<b>Change in Fund Balance</b>	(\$7.2)	(\$6.4)	(\$6.5)	(\$10.6)	\$4.2	