

SCOTTSDALE

CITY COUNCIL MEETING



***** AMENDED *** MEETING NOTICE AND AGENDA**

[ADDED MAYOR AND COUNCIL ITEM No. 12]

COUNCIL

David D. Ortega, Mayor
Tammy Caputi
Tom Durham
Barry Graham

Betty Janik
Kathleen S. Littlefield
Solange Whitehead

Tuesday, December 5, 2023

City Council meetings are also televised on Cox Cable Channel 11 and streamed online at ScottsdaleAZ.gov (search "live stream"). Unless an exception is made, or unless otherwise noted, the Council will not begin discussion on any new items after 10:00 p.m. Items that are not heard will be continued to the next scheduled Regular Council meeting (January 9, 2024).

In-person spoken public comment is being accepted on Items 1 through 10. To sign up to speak on these items, please click [here](#).

In-Person spoken public comment is also being accepted on non-agendized items that are within the Council's jurisdiction. Scottsdale citizens, business owners, and/or property owners may speak on items that are within the Council's jurisdiction but are not on the agenda, with a total of 15 minutes at the beginning and 15 minutes at the end of the meeting dedicated to comment on non-agendized items. To sign up to speak in-person on a non-agendized item that is within the Council's jurisdiction, please click [here](#).

Requests for in-person public comment may be submitted online or at the City Council meeting. Registration for in-person public comment is available online by completing a Request to Speak form. In-Person Public Comment Request to Speak forms for Consent, Regular, and Non-Agendized items must be submitted online no later than 90 minutes before the start of the meeting. Additionally, in-person meeting attendees may submit a Request to Speak form utilizing the kiosk located in the foyer area of City Hall for each agenda item they wish to address. Forms must be submitted and received before the Mayor announces the agenda item.

Written public comment may be submitted in-person by completing a yellow written public comment card or electronically by completing a Written Public Comment form. Written public comment received during the meeting will be shared with the Council. Written comments that are submitted electronically at least 90 minutes before the meeting will be emailed to the Council and posted online prior to the meeting. A written public comment may be submitted electronically by clicking [here](#).

5:00 P.M.

MARKED AGENDA

REGULAR CITY COUNCIL MEETING

City Hall Kiva Forum, 3939 N. Drinkwater Boulevard



PERSONS WITH A DISABILITY MAY REQUEST A REASONABLE ACCOMMODATION BY CONTACTING THE CITY CLERK'S OFFICE AT (480-312-2412). REQUESTS SHOULD BE MADE 24 HOURS IN ADVANCE, OR AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE ACCOMMODATION. FOR TTY USERS, THE ARIZONA RELAY SERVICE (1-800-367-8939) MAY CONTACT THE CITY CLERK'S OFFICE (480-312-2412).

FOR ADDITIONAL INFORMATION VISIT: WWW.SCOTTSDALEAZ.GOV/COUNCIL/MEETING-INFORMATION

Call to Order – 5:00 P.M.

Roll Call – All present

One or more members of the Council may be attending the Council Meeting by telephone, video, or Internet conferencing, pursuant to A.R.S. §38-431(4).

Pledge of Allegiance – Councilmember Durham

Mayor's Report

– Mayor Ortega called attention to the ongoing wars in foreign countries as they fight to protect their democracy and freedom and asked for a moment of silent reflection for these war-torn countries.

– Mayor Ortega discussed the Scottsdale Police Department awards ceremony that took place this morning and recognized heroic and life-saving events performed by the Police Department.

Possible Executive Session

Notice is hereby given that, at any time during tonight's meeting, the Council may make a motion to recess into Executive Session to discuss and consult with the attorneys and representatives of the public body to obtain legal advice on any applicable item on tonight's agenda. If authorized by a majority vote of the Council, the Executive Session will be held immediately after the vote and will not be open to the public. A.R.S. §38-431.03(A)(3). The public meeting will resume following the Executive Session.

Public Comment – None

Public Comment time is reserved for Scottsdale citizens, business owners, and/or property owners to comment on non-agendized items that are within the Council's jurisdiction. No official Council action can be taken on these items. Advocacy for or against a candidate or ballot measure during a Council meeting is not allowed pursuant to State law and is therefore not deemed to be within the Council's jurisdiction.

Public Comment time is also the designated time for presenting a citizen petition. There is no limit on the number of petitions a citizen may present; however, each citizen is limited to a total time of three minutes to present and speak to the petition(s). A Request to Speak [form](#) must be submitted together with the petition(s) before the Mayor announces the second Public Comment period.

Speakers may address the Council once under Public Comment at the beginning or the end of the meeting, but not both. Public Comment is limited to a total of 15 minutes at the beginning and 15 minutes at the end of the meeting. **Speakers are limited to three minutes to address the Council during "Public Comment."**

MINUTES

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

- a. [Special Meeting Minutes of November 13, 2023](#)
- b. Executive Session Minutes of November 13, 2023
- c. [Regular Meeting and Work Study Session Minutes of November 13, 2023](#)

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

CONSENT AGENDA ITEMS 1-9

How the Consent Agenda Works: The Council may take one vote to act on all of the items on the Consent Agenda or may remove items for further discussion. Items not removed from the Consent Agenda will be considered in one motion. Items removed for clarification or discussion by the Council will be acted on as appropriate.

– There was no public comment on the Consent Agenda items.

– Councilwoman Littlefield made a motion to approve Consent Agenda Items 1 through 9, except Item 1 [Fire Station 612 and Well 160 Municipal Use Master Site Plan (3-UP-2023)] and Item 3 [Parking Lease Agreement and Sublease Agreement] which were moved to the Regular Agenda. Vice Mayor Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

CONSENT AGENDA

1. [Fire Station 612 and Well 160 Municipal Use Master Site Plan \(3-UP-2023\)](#)

Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 12989** approving a Municipal Use Master Site Plan for a new fire station and well site on a ±4.6-acre site with Planned Community District, Industrial Park (P-C I-1) zoning.

Location: 18455 N. Hayden Road

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

– Principal Planner Greg Bloemberg and Fire Chief Tom Shannon gave a PowerPoint presentation on the proposed Fire Station 612 and Well 160 Municipal Use Master Site Plan.

– There was no public comment on this item.

– Mayor Ortega made a motion to adopt Resolution No. 12989 approving a Municipal Use Master Site Plan for a new fire station and well site on a ±4.6-acre site with Planned Community District, Industrial Park (P-C I-1) zoning. Councilwoman Caputi seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

2. [Apache Park Playground Replacement Project Construction Bid and Budget Transfer – Approved on Consent.](#)

Request: Adopt **Resolution No. 12975** to authorize:

1. Construction Bid Award No. IFB-062023-098 with Arizona Recreation Design, Inc., the lowest responsive bidder, in the amount of \$103,859.84, to provide complete construction services for the Apache Park Playground Replacement Project.
2. A Budget Transfer, of up to \$22,585, from the Parks and Recreation Division, Playground Rehabilitation (PG02) Capital Improvement Plan project budget to the Apache Park Playground Replacement (PI10) Capital Improvement Plan project budget to be funded by the capital General Fund.

Location: 1201 N. 85th Place

Staff Contact(s): Judy Doyle, Community Services Assistant Executive Director, 480-312-2691, jdoyle@scottsdaleaz.gov

3. **Parking Lease Agreement and Sublease Agreement**

Request: Adopt **Resolution No. 12992** to authorize:

1. Agreement No. 2023-195-COS with HonorHealth for the use of land for parking at Drinkwater Boulevard and Second Street.
2. Sublease Agreement No. 2023-196-COS with Scottsdale Arts for the use of land for parking at Drinkwater Boulevard and Second Street.
3. The Community Services Assistant Executive Director overseeing the Parks and Recreation Department, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Nick Molinari, Community Services Assistant Executive Director, 480-312-1011, nmolinar@scottsdaleaz.gov

– **Community Services Assistant Executive Director Nick Molinari gave a presentation on the proposed Parking Lease Agreement and Sublease Agreement.**

– **Mayor Ortega opened public comment on this item.**

– **French Thompson, Scottsdale resident, spoke in support of the agreements, but expressed concerns about the long-term shortage of permanent parking.**

– **Bob Pejman, Scottsdale resident, spoke in support of the agreements and discussed the need for additional permanent parking.**

– **Mayor Ortega closed public comment on this item.**

– **Mayor Ortega made a motion to adopt Resolution No. 12992 to authorize:**

1. **Agreement No. 2023-195-COS with HonorHealth for the use of land for parking at Drinkwater Boulevard and Second Street.**
2. **Sublease Agreement No. 2023-196-COS with Scottsdale Arts for the use of land for parking at Drinkwater Boulevard and Second Street.**
3. **The Community Services Assistant Executive Director overseeing the Parks and Recreation Department, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.**

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

4. **Proposition 202 Grant Funds Acceptance (Fort McDowell Yavapai Nation and City of Scottsdale) – Approved on Consent.**

Request: Adopt **Resolution No. 12994** to authorize:

1. Agreement No. 2023-198-COS with the Fort McDowell Yavapai Nation to accept Proposition 202 Tribal Gaming Funds in the amount of \$20,000.
2. A Budget Transfer, of up to \$10,000, from the adopted Fiscal Year 2023/24 Future Grants and/or Grant Contingency budget to newly created cost centers to record the related grant activity.
3. A Budget Transfer, of up to \$10,000, from the Fiscal Year 2023/24 City Manager Division Operating Budget to newly created cost centers to record the related grant activity.

Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov

5. **Proposition 202 Grant Funds Acceptance (Ak-Chin Indian Community and Maricopa County Community Colleges District Foundation) – Approved on Consent.**

Request: Adopt **Resolution No. 12995** to authorize:

1. Agreement No. 2023-199-COS with the Ak-Chin Indian Community and the Maricopa County Community Colleges District Foundation to accept Proposition 202 Tribal Gaming Funds in the amount of \$50,000.

2. A Budget Transfer, of up to \$30,000, from the adopted Fiscal Year 2023/24 Future Grants and/or Grant Contingency budget to newly created cost centers to record the related grant activity.
3. A Budget Transfer, of up to \$20,000, from the Fiscal Year 2023/24 City Manager Division Operating Budget to newly created cost centers to record the related grant activity.

Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov

6. **Proposition 202 Grant Funds Acceptance (Ak-Chin Indian Community and Sounds of Autism) – Approved on Consent.**

Request: Adopt **Resolution No. 12996** to authorize:

1. Agreement No. 2023-200-COS with the Ak-Chin Indian Community and Sounds of Autism to accept Proposition 202 Tribal Gaming Funds in the amount of \$9,950.
2. A Budget Transfer, of up to \$9,950, from the adopted Fiscal Year 2023/24 Future Grants and/or Grant Contingency budget to newly created cost centers to record the related grant activity.

Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov

7. **Crime Lab Forensic Services Grant – Approved on Consent.**

Request: Adopt **Resolution No. 13000** to authorize:

1. Agreement No. 2023-202-COS with the Arizona Criminal Justice Commission to accept a grant, in the amount of \$100,000, related to Crime Lab Forensic Services.
2. The City Manager, or designee, to execute Agreement No. 2023-202-COS.
3. A Budget Transfer, of up to \$100,000, from the adopted Fiscal Year 2023/24 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

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

8. **Audit Committee Recommendation for the McDowell Sonoran Preserve Commission Sunset Review – Approved on Consent.**

Request: Accept the Audit Committee's recommendation and authorize the continuation of the McDowell Sonoran Preserve Commission.

Staff Contact(s): Lai Cluff, Acting City Auditor, 480-312-7851, lcluff@scottsdaleaz.gov

9. **Monthly Financial Report – Approved on Consent.**

Request: Accept the Fiscal Year 2023/24 Monthly Financial Report as of October 2023.

Staff Contact(s): Ana Lia Johnson, Interim Budget Director, 480-312-7893, anjohanson@scottsdaleaz.gov

REGULAR AGENDA ITEM 10

How the Regular Agenda Works: The Council takes action on each item on the Regular Agenda.

10. **Fiscal Year (FY) 2022/23 Annual Financial Audit**

Request: Accept the FY 2022/23 annual financial audit reports submitted by the City's external auditors, Heinfeld, Meech & Co., P.C., and accept the staff report of compliance with Arizona Revised Statutes §41-1494.

Presenter(s): Lai Cluff, Acting City Auditor and Brittney Williams, Heinfeld, Meech & Co., P.C.

Staff Contact(s): Lai Cluff, Acting City Auditor, 480-312-7851, lcluff@scottsdaleaz.gov

– Acting City Auditor Lai Cluff and Brittney Williams, with Heinfeld, Meech & Co., P.C., gave a PowerPoint presentation on the proposed Fiscal Year (FY) 2022/23 Annual Financial Audit report.

– There was no public comment on this item.

– Councilwoman Littlefield made a motion to accept the FY 2022/23 Annual Financial Audit reports submitted by the City’s external auditors, Heinfeld, Meech & Co., P.C., and accept the staff report of compliance with Arizona Revised Statutes §41-1494. Vice Mayor Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

Public Comment – None

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Speakers may address the Council once under Public Comment at the beginning or the end of the meeting, but not both. Public Comment is limited to a total of 15 minutes at the beginning and 15 minutes at the end of the meeting. **Speakers are limited to three minutes to address the Council during “Public Comment.”**

CITIZEN PETITIONS

ITEM 11

Citizen Petitions: This portion of the agenda is reserved for the submission and/or consideration of citizen petitions. There is no limit on the number of petitions a citizen may submit; however, **each citizen is limited to a total time of three minutes to speak to his/her petition(s)**. A Request to Speak [form](#) must be submitted, together with the petition(s), **before** the second Public Comment period begins.

11. Receipt of Citizen Petitions – None

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

MAYOR AND COUNCIL

ITEM 12

Mayor and Council Items: Any member of the Council may add an item to a scheduled Council Meeting agenda to be listed under “Mayor and Council” items by submitting the item to the City Clerk at least two business days prior to the Council meeting. Item No. 12 was added to the agenda on November 30, 2023. Items added in this manner require a majority vote. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager or responsible Charter Officer to agendize the item for a future meeting; (2) direct the City Manager or responsible Charter Officer to investigate the matter and prepare a written response to the Council; or (3) take no action.

12. Periodic Review of the Permanent Base Adjustment Discussion and Possible Action at Future Council Meeting

Request: At the request of Mayor Ortega, direct the City Manager and City Treasurer to agendize an item for a future meeting to discuss and potentially take action on establishing a new financial policy requiring the Council to regularly and periodically review the Permanent Base Adjustment.

Note: The only possible Council action to be taken on Item No. 12 is: (1) Direct the City Manager or responsible Charter Officer to agendaize the item for a future meeting; (2) direct the City Manager or responsible Charter Officer to investigate the matter and prepare a written response to the Council; or (3) take no action. No public comment will be taken at this time.

– **NOTE: Item 12 was considered after Work Study Item 1 was heard per a request from Mayor Ortega.**

– **Mayor Ortega made a motion to direct the City Manager and City Treasurer to agendaize an item for the January 23, 2024 Council Meeting to discuss and potentially act on establishing a new financial policy requiring the Council to regularly and periodically review the Permanent Base Adjustment. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.**

WORK STUDY SESSION

Work Study Sessions: Work study sessions provide a less formal setting for the Mayor and Council to discuss specific topics, at length, with each other and City staff. Work study sessions provide an opportunity for staff to receive direction from the Council and for the public to observe these discussions.

Public Comment: To provide an opportunity for public input yet continue to maximize the amount of time available for the Council to have focused discussions, spoken comment (maximum of five speakers) is being accepted on the item(s) on tonight's work study session agenda. To sign up to speak, please click [here](#). **Request to speak forms must be submitted no later than 90 minutes before the start of the meeting. – None**

If you have thoughts or suggestions on the work study session item(s) you would like the Council to consider, you are encouraged to submit your written comment(s) electronically by clicking [here](#). Written comments that are submitted electronically at least 90 minutes before the meeting will be emailed to the Council and posted online prior to the meeting.

1. [Fiscal Year End 2023 Financial Report and Permanent Base Adjustment Update](#)
Request: Presentation, discussion, and possible direction to staff regarding the Fiscal Year End 2023 Financial Report and Permanent Base Adjustment.
Presenter(s): Sonia Andrews, City Treasurer
Staff Contact(s): Anna Henthorn, Accounting Director, 480-312-7805, ahenthorn@scottsdaleaz.gov

– **City Treasurer Sonia Andrews gave a PowerPoint presentation on the Fiscal Year End 2023 Financial Report and Permanent Base Adjustment Update.**

– **There was Council consensus on the following items:**

- **Establish a financial policy requiring the Council to review the Permanent Base Adjustment regularly and periodically.**
- **Develop a working guide on future resources needed for maintaining the level of service expected by Scottsdale residents and businesses while remaining in compliance with State-imposed expenditure limitations.**

– **Councilmembers made the following observations and suggestions:**

- **Concern that due to State imposed expenditure limitation, the City will not be able to continue paying down Public Safety Retirement System debt.**

- **Concern that due to State imposed expenditure limitation, the City only has six percent expenditure capacity remaining.**
- **The scope of services offered by the City has broadened over time.**
- **The Permanent Base Adjustment issue boils down to a matter of local control and whether the State or City determines how funding is spent.**
- **When discussing population estimates that are factored into the annual adjustment for the State expenditure limitation, in addition to visitors not being counted, neither are “snowbirds” or individuals who own a primary residence in another state but spend the winter and spring months in Scottsdale.**
- **Provide expenditures as a percentage of the expenditure limitation beyond the past five years.**
- **Provide expenditures as spending per capita over a set number of years.**
- **An email from former City Treasurer David Smith was read into the meeting record.**
- **Seeking voter approval to increase the Permanent Base Adjustment while also seeking voter approval on a separate tax measure may cause confusion.**
- **The current Permanent Base Adjustment is obsolete as it is over 15 years old and should have been reviewed more regularly as is done in other cities.**

Adjournment – 7:12 P.M.

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