

SCOTTSDALE

CITY COUNCIL MEETING

MEETING NOTICE AND AGENDA



COUNCIL

W.J. "Jim" Lane, Mayor
Suzanne Klapp
Virginia L. Korte
Kathleen S. Littlefield

Linda Milhaven
Guy Phillips
David N. Smith

Tuesday, January 26, 2016

Unless an exception is made, or unless otherwise noted:

Citizens will be given three minutes to address the Council during the times set aside for public comment on Consent, Regular, or Mayor and Council items and during the open call to the public (Public Comment).

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 Council meeting (February 9, 2016).

5:00 P.M.

MARKED AGENDA

CITY COUNCIL MEETING

City Hall Kiva Forum, 3939 N. Drinkwater Boulevard

Call to Order – 5:36 P.M.

Roll Call – All present (Councilwoman Littlefield participated telephonically).

One or more members of the Council may be unable to attend the Council meeting in person and may participate telephonically, pursuant to A.R.S. §38-431(4).

Pledge of Allegiance – Cub Scout Pack and Troop 344, Steve Pettigrew leader

Invocation – Rabbi Ariel Shoshan, Ahavas Torah, The Scottsdale Torah Center

Mayor's Report – None

Presentations/Information Updates – Mayor Lane presented a proclamation declaring February 2016 Parada Del Sol month to Parada del Sol Board President Wendy Springborn.

- **Parada del Sol Event and Proclamation**

Presenter(s): Wendy Springborn, Parada del Sol Board President

Public Comment – Joanne Handley thanked the Parada del Sol volunteers. Rustyn Sherer invited the Council and public to the Scottsdale Leadership Class 30 activity "Painting with the STARS."

Citizens may complete one Request to Speak "Public Comment" card per night and submit it to the City Clerk. Public Comment time is reserved for citizen comment regarding non-agendized items. No official Council action can be taken on these items. 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."**



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).

MINUTES

Request: Approve the [Special Meeting Minutes of January 5, 2016](#), and Executive Session Minutes of January 5, 2016.

– Councilwoman Klapp made a motion to approve the Special Meeting Minutes of January 5, 2016, and Executive Session Minutes of January 5, 2016. Councilwoman Milhaven seconded the motion, which carried 7/0.

CONSENT AGENDA ITEMS 1-12

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. If you wish to speak on an item on the Consent Agenda, please complete a Request to Speak card for each topic you wish to address. **You will be given one opportunity to speak on any or all Consent items listed on the agenda.** After all of the speakers have finished, the Council will decide which items to remove for additional discussion and/or presentation from staff. 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.

– Councilwoman Milhaven made a motion to approve Consent Agenda items 1 through 12. Councilwoman Klapp seconded the motion, which carried 7/0.

- 1. [Kyoto Liquor License \(122-LL-2015\)](#) – Approved on Consent.**
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: 7170 E. Stetson
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. [Bones Liquor License \(123-LL-2015\)](#) – Approved on Consent.**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a Series 6 (bar) State liquor license for an existing location with a new owner.
Location: 2011 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. [The Reserve at Pinnacle Peak Patios Final Plat \(2-PP-2015\)](#) – Approved on Consent.**
Request: Approve the final plat for a 50-lot residential subdivision with Townhouse Residential, Environmentally Sensitive Land (R-4 ESL) zoning.
Location: 10424 E. Jomax Road
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 4. [Handlebar Helpers Program](#) – Approved on Consent.**
Request: Adopt **Resolution No. 10338** amending Resolution No. 9057 to include “personnel services” in the purposes for which the committed resources of the Handlebar Helpers Program at the Paiute Neighborhood Center can be used.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov
- 5. [HOME Investment Partnership Program Intergovernmental Agreement](#) – Approved on Consent.**
Request: Adopt **Resolution No. 10300** authorizing Agreement No. 2016-015-COS with Maricopa County, on behalf of the Maricopa HOME Consortium, to receive Federal HOME Investment Partnership funds in the amount of \$206,420.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov

6. **DUI Enforcement and Education Grant – Approved on Consent.**

Request: Adopt **Resolution No. 10312** to authorize:

1. Agreement No. 2016-003-COS with the DUI Abatement Council, administered by the Arizona Governor's Office of Highway Safety, to accept a grant in the amount of \$100,000 for overtime and associated expenses to support DUI enforcement and education.
2. A budget transfer in the amount of \$100,000 from the adopted FY 2015/16 Future Grants and/or Grant Contingency Budget to the Oversight Council/DUI Enforcement and Education Grant budget.

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

7. **Jam On It Basketball Tournament WestWorld Event Agreement – Approved on Consent.**

Request: Adopt **Resolution No. 10314** authorizing Contract No. 2016-005-COS with Jam On It Basketball Academy, Inc., to produce a summer amateur basketball tournament at the WestWorld facility.

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

8. **Purchase of Cyber Liability Insurance – Approved on Consent.**

Request: Adopt **Resolution No. 10330** authorizing and directing the purchase of cyber liability insurance coverage, including security and privacy liability, network business interruption, event management, media content, and cyber extortion through AIG Insurance at a cost of \$64,392 for the period of February 1, 2016, through February 1, 2017.

Staff Contact(s): Katherine Callaway, Risk Management Director, 480-312-7841, kcallaway@scottsdaleaz.gov

9. **2016 Primary and General Elections – Approved on Consent.**

Request: Adopt **Resolution No. 10342** calling the City of Scottsdale's Primary Election for Tuesday, August 30, 2016, and the City's General Election, if necessary, for Tuesday, November 8, 2016, for the purpose of electing a Mayor and three Councilmembers.

Staff Contact(s): Carolyn Jagger, City Clerk, 480-312-2411, cjagger@scottsdaleaz.gov

10. **Spencer v. City of Scottsdale Offer of Judgment – Approved on Consent.**

Request: Adopt **Resolution No. 10343** authorizing the City to make an Offer of Judgment in the amount of \$75,000 to the Plaintiff in *Spencer v. City of Scottsdale*, Maricopa County Superior Court Cause No. CV2014-002668, or otherwise resolving the pending litigation.

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

11. **Municipal Property Corporation Reallocation of Bond Proceeds – Approved on Consent.**

Request: Adopt **Resolution No. 10335** approving the reallocation of certain excise tax revenue and refunding bond proceeds of the previously issued City of Scottsdale Municipal Property Corporation excise tax revenue and refunding bonds, Series 2013, and delegating authority to the City Treasurer to approve and finalize the same.

Staff Contact(s): Jeff Nichols, City Treasurer, 480-312-2364, jenichols@scottsdaleaz.gov

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

Request: Accept the FY 2015/16 Monthly Financial Report as of October 2015.

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

REGULAR AGENDA **ITEMS 13-17**

How the Regular Agenda Works: The Council takes a separate action on each item on the Regular Agenda. If you wish to address the Council regarding any or all of the items on the Regular Agenda, please complete a Request to Speak card for each topic you wish to address and submit it to the City Clerk. Speakers will be given at least three minutes to speak per item. Additional time may be granted to speakers representing two or more persons. Cards for designated speakers and the persons they represent must be submitted together. **Comment cards must be submitted before public testimony has begun on that item.**

13. **Fleming Home Historic Property (13-HP-2015)**

Request: Request by the applicant for an appeal of the Historic Preservation Commission's decision to deny the windows replacement and entry door relocation for a property with Single-Family Residential, Historic Property (R-7 HP) zoning.

Location: 6719 E. Monte Vista Road (Village Grove 1-6 Historic District)

Presenter(s): Jesus Murillo, Sr. Planner

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

– **Senior Planner Jesus Murillo presentation.**

– **Councilwoman Milhaven made a motion to uphold the decision of the Historic Preservation Commission, with the exception to allow the door to remain in its current position. Councilwoman Klapp seconded the motion, which carried 4/3, with Vice Mayor Smith and Councilmembers Korte and Phillips dissenting.**

14. **Define Operating Budget Parameters for Proposed Fiscal Year 2016/17**

Request: (1) Presentation by Acting City Manager Brian Biesemeyer defining operating budget parameters in the development of the City's Fiscal Year 2016/17 budget; and (2) Provide possible direction to staff regarding the City's proposed Fiscal Year 2016/17 Operating Budget.

Presenter(s): Brian Biesemeyer, Acting City Manager

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

– **Acting City Manager Brian Biesemeyer presentation.**

– **Councilmembers made the following motions to establish budget parameters for the development of the City's Fiscal Year 2016/17 budget:**

1. Local Sales Tax Change

Councilwoman Milhaven made a motion to provide no guidance regarding changes to local sales tax at this time. Councilmember Korte seconded the motion.

Mayor Lane made an alternate motion to provide guidance on changes to local sales tax, including how the City can remove the tax on food for home consumption. Councilwoman Klapp seconded the motion. The motion was later withdrawn.

Vice Mayor Smith made an alternate motion to provide no guidance regarding changes to local sales tax, and to direct staff, when preparing the City's Fiscal Year 2016/17 Budget, to reduce the general fund receipts in an amount equal to the forecast receipts of sales tax on food for home consumption and transfer that amount to the CIP, using a phased approach over three years. Councilman Phillips seconded the motion, which carried 5/2, with Councilmembers Korte and Milhaven dissenting.

2. Property Tax 2% Allowance for FY 2016/17 and/or the Previous (1-5) fiscal years

Vice Mayor Smith made a motion to direct staff to use the two percent (2%) property tax allowance and the allowance for the previous five fiscal years, and leave it to the City Manager's discretion on whether to do that by reducing the debt reserve fund by a like amount, and to dedicate these funds to the CIP when preparing the Fiscal Year 2016/17 Budget. Councilmember Korte seconded the motion.

Councilwoman Milhaven made an alternate motion to defer conversation on the property tax allowance until after the CIP discussion on March 1. Councilwoman Klapp seconded the motion, which carried 5/2, with Vice Mayor Smith and Councilman Phillips dissenting.

3. Property Tax Tort Recovery

Councilwoman Milhaven made a motion to direct staff to include the property tax allowance for tort recovery in the proposed Fiscal Year 2016/17 Budget. Mayor Lane seconded the motion, which carried 6/1, with Councilman Phillips dissenting.

4. Salary Adjustments (Programmed 3% Pay for Performance with Police 5% Step Program Included)

Councilwoman Milhaven made a motion to direct staff to include 3% Pay for Performance and the Police 5% Step Program in the proposed Fiscal Year 2016/17 Budget. Councilmember Korte seconded the motion, which carried 7/0.

5. CIP Contribution Change

Mayor Lane made a motion to continue the discussion regarding changes to the CIP contribution rate until after the CIP discussion on March 1. Councilwoman Milhaven seconded the motion, which carried 7/0.

15. Retiree Healthcare Cash Transfers

Request: Adopt **Resolution No. 10336** to authorize:

1. A FY 2015/16 subsidy cash transfer in the amount of \$323,166 from the general fund operating unreserved fund balance to the public safety disabled retiree healthcare fund.
2. A FY 2015/16 one-time cash transfer in the amount of up to \$950,000 from various funds' operating unreserved fund balances allocated proportionately by City-wide historical healthcare usage, as determined by the City Budget Director, to the non-disabled retiree healthcare fund to absorb the accumulated deficit and close out the fund.

Presenter(s): Jeff Nichols, City Treasurer

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

– **City Treasurer Jeff Nichols presentation.**

– **Councilmember Korte made a motion to adopt Resolution No. 10336 to authorize:**

1. A FY 2015/16 subsidy cash transfer in the amount of \$323,166 from the general fund operating unreserved fund balance to the public safety disabled retiree healthcare fund.
2. A FY 2015/16 one-time cash transfer in the amount of up to \$950,000 from various funds' operating unreserved fund balances, allocated proportionately by City-wide historical healthcare usage, to the non-disabled retiree healthcare fund to absorb the accumulated deficit and close out the fund. Councilwoman Milhaven seconded the motion, which carried 7/0.

16. **Monthly Financial Update**

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of November and December 2015.

Presenter(s): Jeff Nichols, City Treasurer

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

– City Treasurer Jeff Nichols presentation.

17. **Legislative Update**

Request: Provide an update to the Council and receive possible direction regarding current and pending State legislative issues and policies.

Presenter(s): Brad Lundahl, Government Relations Director

Staff Contact(s): Brad Lundahl, Government Relations Director, 480-312-2683,

blundahl@scottsdaleaz.gov

– Item 17 was removed from the agenda at the request of staff.

Public Comment – None

Citizens may complete one Request to Speak "Public Comment" card per night and submit it to the City Clerk. Public Comment time is reserved for citizen comment regarding non-agendized items. No official Council action can be taken on these items. 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 18

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 card must be submitted, together with the petition(s), **before** the second Public Comment period begins.

18. **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): Carolyn Jagger, City Clerk, 480-312-2411, cjagger@scottsdaleaz.gov

Mayor and Council Items – None

Adjournment – 8:49 P.M.