

SCOTTSDALE
CITY COUNCIL MEETING
RETREAT NOTICE AND AGENDA



COUNCIL

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

Betty Janik
Kathleen S. Littlefield
Solange Whitehead

Thursday, April 13, 2023

The Scottsdale Airport Aviation Business Center is open to the public during the City Council Retreat. The Retreat is a City Council Work Study Session. No formal action will be taken at this meeting. Breaks will be taken as needed throughout the day.

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 Retreat 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](#).

9:00 A.M.

Scottsdale Airport Aviation Business Center, Stearman/Thunderbird Meeting Room, 15000 N. Airport Drive, Second Floor, Scottsdale, AZ 85260

Call to Order – 9:06 A.M.

Roll Call – All present (City Attorney Sherry Scott joined the meeting at 9:08 a.m. and Councilmember Tom Durham joined the meeting at 9:45 a.m.)

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

1. Opening Remarks

– Mayor David D. Ortega provided opening remarks, noting the retreat was being held at Scottsdale’s airport and that the focus of today’s meeting was for the Council to provide feedback to City staff on the prioritization and current scope of the Bond 2019 Projects Program and the 2024 Organization Strategic Plan.

2. Presentation, discussion, and possible direction to staff regarding the City Council’s priorities and other areas of interest, primarily focusing on the next two years ending December 2024, including timelines and implementation strategies to achieve its priorities and other objectives.

Planned topics include the following:

- a. [Bond 2019 projects, including prioritization, current scope, and changes needed to align to the voter-approved allocation](#)



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).

– City Manager Thompson introduced the item, clarifying that debt is issued on the bonds as projects move forward. He noted that supply costs are slowing declining, but labor is still a concern. He added the scope of several bond projects have changed. He added the robust event season, including the 2023 Super Bowl, resulted in a significant increase in one-time revenue. He concluded his opening remarks by noting the secondary property tax would not be increased if new debt was issued.

– City Treasurer Sonia Andrews presented to the Council a spreadsheet listing various project changes with estimates as of April 4, 2023. She noted the document included information related to proposed new projects that were not part of the original Bond 2019 projects but, if approved by the Council, will be constructed with the Bond 2019 projects. She reviewed various changes and increases due to inflation and other factors since estimates were provided in November 2022.

– City Treasurer Andrews further highlighted the following:

- Project 45 – Renovate WestWorld Horse Barns to Increase Rentable Space - \$5,007,254 was not included in the Proposed Fiscal Year (FY) 2023/24 Capital Improvement Plan (CIP) but is still needed for the project. The current Proposed FY 2023/24 CIP shows total project cost of \$5,702,972. The total cost will be corrected and reflected in the Tentative Budget presented to Council for adoption in May.
- Reductions were not reflected in current Proposed FY 2023/24 CIP but would be reflected in the Tentative Budget presented to Council for adoption in May.
- Certain projects are currently pending closure and may incur additional expenses.

– Public Works Director Dan Worth gave a PowerPoint presentation on the Bond 2019 projects. He reviewed the process that led to the Bond Election and the list of 58 final projects that were listed. Of the 58 projects, 11 were completed, 20 projects needed either little or no additional funding, and 27 projects needed additional funding, had major scope changes, had significant unknown factors, or were not in the design phase. He noted these 27 projects would be the focus of today's discussion and broken into sections in the presentation. He also reviewed the various reasons for increases, including inflation, as well as the reallocation of savings from one project to another project within the same ballot question.

– Public Works Director Worth reviewed the nine projects that are underway in various stages with estimated cost increases identified to complete the project:

- Project 2 – Add Splash Pad and Improve Walkways at McCormick-Stillman
- Project 23 – Repair Lakes and Irrigation at Vista del Camino Park in the Indian Bend Wash
- Project 27 – Modernize and Expand the Police and Fire Training Facility
- Project 28 – Build a New Fire Station near Hayden Road and the Loop 101 to Improve the Response Times
- Project 29 – Replace Workstations at 911 Communications Dispatch Center to Accommodate New Technology
- Project 40 – Renovate and Expand the Civic Center Jail and Downtown Police Facility to Meet Demand
- Project 42 – Add a Dog Park to Thompson Peak Park
- Project 45 – Renovate WestWorld Horse Barns to Increase Rentable Space
- Project 55 – Build a 17-acre Neighborhood Park at Ashler Hills Drive and 74th Way (Whisper Rock)

– In response to inquiries from Councilmembers, Public Works Director Worth noted the following:

- The nine projects reviewed are either at a point where a contractor has been or will be hired within a year or two.
- Project estimates are derived from a contractor or are based on inflation.
- The developed schedule from 2020 is still being followed, with several factors taken into consideration, including not increasing property taxes. Changes to the schedule have not been discussed.
- Project 28 – Build a New Fire Station near Hayden Road and the Loop 101 to Improve the Response Times – well site and fire station are both needed; cannot reduce without limiting functionality of site/facility.
- Project 45 – Renovate WestWorld Horse Barns to Increase Rentable Space – the vendor could not commit to delivering more than one barn due to costs.
- Project 2 – Add Splash Pad and Improve Walkways at McCormick-Stillman –shade structure purchase and installation as well as site draining issues are responsible for cost increases.
- Project 55 – Build a 17-acre Neighborhood Park at Ashler Hills Drive and 74th Way (Whisper Rock) – Bond question did not commit to a specific court, such as pickleball, or commit to a certain number of courts.

– Councilmembers made the following comments/suggestions:

- Project 2 – Add Splash Pad and Improve Walkways at McCormick-Stillman –shade structure could be bumped out a year.
- Four of the nine projects are public safety related and are necessities.

– Public Works Director Worth reviewed the three projects with proposed major scope changes:

- Project 18 – Build Roadway and Pedestrian Improvements along 2nd Street from Drinkwater Blvd to Goldwater Blvd
- Project 25 – Replace Aging Buildings that Comprise Paiute Community Center
- Project 32 – Renovate and Modernize the Stage 2 Theater at the Scottsdale Center for the Performing Arts

– Councilmembers made the following comments/suggestions:

- Project 18 – Build Roadway and Pedestrian Improvements along 2nd Street from Drinkwater Blvd to Goldwater Blvd – connection of Old Town area with Greenbelt is important for visitors and tourism industry; application for federal funding for the project is under review and pending. There was Council consensus to delay project to see if federal funding is awarded.

– Human Services Director Greg Bestgen addressed the Council regarding Project 25 – Replace Aging Buildings that Comprise Paiute Community Center. He reviewed the Housing Choice Voucher Program, the program’s funding and uses. He noted the basis of the requested increase to the project, which was to add another floor to accommodate a new housing function. He clarified the new housing function was not being limited to seniors and that staff could look at individuals on the housing voucher waitlist. He stressed that many seniors were falling into eviction status because of rising rents and had nowhere to go.

– Gerd Wuestemann, President & Chief Executive Officer of Scottsdale Arts, addressed the Council regarding Project 32 – Renovate and Modernize the Stage 2 Theater at the Scottsdale Center for the Performing Arts. He noted various needed facility improvements and shared with the Council the hope to have the project completed by 2025 to align with

the 50th anniversary of the center. He informed the Council of private contributions to the project, including \$1 million that had just been committed to Scottsdale Arts.

– Public Works Director Worth reviewed the three projects in the current CIP with significant unknown factors:

- Project 26 – Replace Deteriorating Vehicle Training Track at the Police and Fire Training Facility
- Project 61 – Purchase land, expand Pinnacle Peak Park parking lot, staff office and restrooms, renovate hiking trail and construct an interpretive trail
- Project 63 – Build Parking Structures in Old Town Scottsdale

– Public Works Director Worth reviewed the 12 future projects that were not in the design phase:

- Project No. 13 – Expand Granite Reef Senior Center to Meet Demand for Adult Day Care Center
- Project No. 19 – Build Roadway and Pedestrian Improvements along Marshall Way North of Indian School Road
- Project 20 – Build Roadway and Pedestrian Improvements along Main Street from Scottsdale Road to Brown Avenue
- Project 21 – Expand Via Linda Senior Center to Meet Demand for Senior Services
- Project 22 – Build New Swimming Pools and Replace Building at Cactus Pool
- Project 33 – Renovate the Via Linda Police Station to Increase Efficiency
- Project 34 – Build New Fire Station at 90th Street and Via Linda to Replace Aging Facility
- Project 39 – Renovate the Foothills Police Station to Accommodate Current Staffing Levels
- Project 43 – Improve 5th Avenue from Scottsdale Road to Goldwater Boulevard
- Project 48 – Widen 94th Street at WestWorld to Improve Access
- Project 51 – Install Permanent Lighting at WestWorld Parking Lots to Reduce Operating Costs
- Project 62 – Build a Bridge on Thompson Peak Parkway Bridge over Reata Pass Wash to Improve Safety

– Per a request from Mayor Ortega, staff will provide the City Council with an update in 10 months on the 12 future projects not in design to better allow time for reevaluation, discussion, and recommendations.

– Councilmembers came to consensus about not depleting CIP funds and preserving CIP funding as a “cushion” for the use of funds in potential emergencies.

– Chris Irish, Director of Public Affairs with DC Ranch, addressed the Council regarding projects not being funded. She expressed concerns she and other citizens have over projects not being funded. She stated certain projects were promised to citizens and questioned how they would be funded.

– In response to questions from Councilmembers, Public Works Director Worth clarified that road projects would have to be funded with Transportation funds, if bond funds were not used.

– Councilwoman Caputi noted the contingency fund balance the City has for projects and the recurring amount that is set aside for the CIP.

– City Manager Thompson reiterated the City’s stance of not raising property taxes and reviewed with the Council Fiscal Year 2022/23 Property Tax Rates in Scottsdale compared to other valley cities.

b. Development of the 2024 Organization Strategic Plan

– Assistant City Manager Brent Stockwell provided a PowerPoint presentation on the development of the Draft 2024 Organization Strategic Plan. He explained the plan’s purpose and reviewed the steps taken by staff to develop the draft plan, which listed seven Community Values and Strategic Goals: Collaborate and Engage; Respect Character and Culture; Advance Innovation and Prosperity; Revitalize Responsibly; Conserve and Preserve the Environment; Connect the Community; and Foster Well-Being.

– Councilmembers made the following comments and suggestions:

- Mayor Ortega requested that accurate and successful communication with members of the public be conducted. He further spoke about the importance of continued internal communications with employees regarding health and wellness. He also commented on the need to ensure vendors were performing and the importance of providing better communication and progress reports.
- Councilwoman Whitehead echoed the importance of support to employees, particularly related to the health and wellness of employees.
- Councilwoman Janik stressed the importance of having goals be achievable and measurable.
- Councilmember Durham spoke about the subject of community notifications. He stated expressed support for updating the current notification process by expanding the radius but stated that the mailing of postcard notices should be replaced with a larger sized notification. He recognized a potential cost impact in doing so but stressed the importance of other provisions being explored.
- Councilwoman Caputi noted City staff recently provided a “white paper” informational document related to the Thomas Road lane changes project. She thanked staff for providing the document and explained it was helpful to have a fact sheet prior to Council review and discussion of a project. She encouraged City staff to complete such informational documents for projects ahead of time.
- Councilwoman Caputi further highlighted the low property tax rate in Scottsdale. She expressed that the level was low due to economic vitality and prosperity. She suggested incorporating that in the organizational plan.
- Councilmember Graham requested the objectives listed be clearer to avoid confusion.
- Councilmembers provided joint feedback on the phrasing of various objectives listed under the seven strategic goals.

– City Manager Thompson and Assistant City Manager Stockwell acknowledged the feedback related to the phrasing of various objectives. They stated that measurable goals would be identified by City staff and brought forward to Council in the future with an action plan. Assistant City Manager Stockwell further elaborated that the Strategic Plan would be presented to the Council as a future Regular Agenda item for formal review and discussion with Work Study Session update briefings to follow.

3. Closing Remarks

– Mayor Ortega provided closing remarks.

Adjournment – 11:52 A.M.

Thursday, April 13, 2023

Page 6 of 6

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