

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
MONDAY, NOVEMBER 28, 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 5:05 P.M. on Monday, November 28, 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, Linda Milhaven, Guy Phillips, and David N. Smith

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 – Councilwoman Klapp

INVOCATION – Pastor David Joynt, Valley Presbyterian Church

MAYOR'S REPORT – None

PRESENTATIONS

- **Informational Update Regarding the Desert Discovery Center**
Presenter(s): Dan Worth, Public Works Director

Public Works Director Dan Worth, Thinc Design Principal Tom Hennes, and Swaback Partners Architect John Sather gave PowerPoint presentation updates (attached) on the Desert Discovery Center.

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.

PUBLIC COMMENT

- John Huston commented on construction at the Scottsdale and Lincoln roads intersection and early voting processes.
- George Jackson spoke about the successful Scottsdale Unified School District bond and capital override election.
- Pat Shaler expressed concern on the proposed Desert Discovery Center.
- Randy Schilling thanked the Council for the purchase of Preserve land at Dynamite and Pima roads.
- Marty Rozelle thanked the Council for preserving the City's quality of life.

ADDED ITEMS

A1. Added Items

The council report and supporting materials for Item No. 23 will be added to the agenda less than ten days prior to the meeting and will require a separate vote to remain on the agenda.

Request: Vote to accept the agenda as presented or to continue the added item(s) to the January 17, 2017 Council meeting.

MOTION AND VOTE – ADDED ITEMS

Vice Mayor Littlefield made a motion to accept the agenda as presented. Councilman Phillips seconded the motion, which carried 7/0.

CONSENT AGENDA

- 1. La's Thai Cuisine Liquor License (93-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 a new location and owner.
Location: 15050 N. Northsight Boulevard, Suite 107
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. I-MAD Liquor License (95-LL-2016)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an agent and acquisition of control change for an existing Series 6 (bar) State liquor license.
Location: 4301 N. Civic Center Plaza
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. New China Gate Liquor License (96-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: 7730 E. McDowell Road, Suite 111
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 4. Phoenix Seminary Campus Addition and Remodel Conditional Use Permit (5-UP-2016)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 10639** approving a Conditional Use Permit for private colleges and universities having a regular curriculum, with their related services and activities, on a 4.7±-acre site with Single-Family Residential (R1-35) zoning.
Location: 7901 E. Shea Boulevard
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 5. Waterview at Scottsdale Abandonment Correction (Related to 8-AB-2007)**
Request: Adopt **Resolution No. 10617** amending prior Resolution No. 7671 to correct an error in the legal description for the East Alley Tract for property located near E. Camelback Road and N. 73rd Street.
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 6. Social Tap Outdoor Dining Patio Abandonment (1-AB-2016)**
Item 6 was moved to the Regular Agenda (Page 6).
- 7. Shatila Residence Abandonment (6-AB-2016)**
Request: Adopt **Resolution No. 10620** authorizing the abandonment of 33-foot General Land Office Patent Easement (except the easternmost 25 feet) located along the northern boundary, and the western 8 feet of the 33-foot General Land Office Patent Easement located along the eastern boundary, for a property with Single-Family Residential, Environmentally Sensitive Lands, Foothills Overlay (R1-70 ESL FO) zoning.
Location: 27990 N. 77th Street
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 8. Perlstein Abandonment (9-AB-2016)**
Item 8 was moved to the Regular Agenda (Page 6).
- 9. L'Esperance Rezoning (13-ZN-2016)**
Request: Adopt **Ordinance No. 4286** approving a zoning district map amendment from Highway Commercial (C-3) zoning to Downtown, Downtown Multiple Use – Type 2 Downtown Overlay (D/DMU-2, DO) zoning located on a combined 1.23±-acre site.
Location: 3126 N. Scottsdale Road and 7134 E. Earll Drive
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 10. Acquisition of Right-of-Way and Easements for the Raintree Drive Extension**
Request: Adopt **Resolution No. 10632** authorizing the acquisition of right-of-way, drainage easements, and temporary construction easements for the Raintree Drive Extension Project from Scottsdale Road to Hayden Road.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 11. SkySong Transit – McDowell Road Pedestrian Improvements Construction Bid Award**
Request: Adopt **Resolution No. 10633** authorizing Construction Bid Award No. 16PB038 to AJP Electric, Inc., the lowest responsive bidder, at the unit price bid of \$572,924.40 for the construction of SkySong Transit – McDowell Road Pedestrian Improvements from Scottsdale Road to Miller Road.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

12. November 8, 2016 General/Special Election Canvass

Request: Adopt **Resolution No. 10664** as the official canvass of the City of Scottsdale November 8, 2016 General/Special Election.

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

13. Adoption of Fire, Building, Residential, Plumbing, Mechanical, Electrical, Energy Conservation, Green Construction, Fuel Gas, and Other Codes

Requests:

1. Adopt **Resolution No. 10598** declaring the documents entitled "*The International Fire Code, 2015 Edition, Including Appendices B, C, D, E, F, G, H, I, J, K, and M*" and "*2016 City of Scottsdale Amendments to the 2015 International Fire Code*" to be public records.
2. Adopt **Ordinance No. 4283** to:
 - a. Adopt the 2015 Edition of the International Fire Code and City amendments as part of Scottsdale Revised Code, Chapter 36, Section 36-18.1.
 - b. Amend Chapter 36, Fire Prevention and Protection, Sections 36-19.1, 36-19.2, 36-19.3, 36-19.4, and 36-19.6, of Scottsdale Revised Code to update the violation and penalty provisions.
3. Adopt **Resolution No. 10597** declaring the documents entitled "*The International Building Code, 2015 Edition, Including Appendices G, I, and J*" and "*2016 City of Scottsdale Building Codes and Amendments*" to be public records.
4. Adopt **Resolution No. 10599** declaring the document entitled "*The International Residential Code for One-and Two-Family Dwellings, 2015 Edition, Including Appendices A, B, C, H, J, K, R, S, and U*" to be a public record.
5. Adopt **Resolution No. 10600** declaring the document entitled "*The International Plumbing Code, 2015 Edition, Including Appendices B and E*" to be a public record.
6. Adopt **Resolution No. 10601** declaring the document entitled "*The International Mechanical Code, 2015 Edition*" to be a public record.
7. Adopt **Resolution No. 10602** declaring the document entitled "*The National Electrical Code, 2014 Edition*" to be a public record.
8. Adopt **Resolution No. 10603** declaring the document entitled "*The International Energy Conservation Code, 2015 Edition*" to be a public record.
9. Adopt **Resolution No. 10604** declaring the document entitled "*The International Green Construction Code, 2015 Edition*" to be a public record.
10. Adopt **Resolution No. 10627** declaring the document entitled "*The International Fuel Gas Code, 2015 Edition*" to be a public record.
11. Adopt **Resolution No. 10628** declaring the document entitled "*The International Existing Building Code, 2015 Edition*" to be a public record.
12. Adopt **Resolution No. 10629** declaring the document entitled "*The 2012 ICC Standard for Bleachers, Folding and Telescopic Seating, and Grandstands*" to be a public record.
13. Adopt **Resolution No. 10630** declaring the document entitled "*ICC 117.1-2009, 'Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities*" to be a public record.
14. Adopt **Resolution No. 10631** declaring the document entitled "*The 2010 ADA Standards for Accessible Design*" to be a public record.
15. Adopt **Ordinance No. 4284** to:
 - a. Adopt the 2015 Edition of the International Building Code and City amendments; 2015 Edition of the International Residential Code for One-and Two-Family Dwellings; 2015 Edition of the International Plumbing Code; 2015 Edition of the International Mechanical Code; 2014 Edition of the National Electrical Code; 2015 Edition of the International Energy Conservation Code; 2015 Edition of the International Green Construction Code; 2015 Edition of the International Fuel Gas Code; 2015 Edition of the International Existing Building Code; The 2012 ICC Standard for Bleachers, Folding and Telescopic Seating, and Grandstands; ICC 117.1-2009, 'Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities; and The 2010 ADA Standards for Accessible Design.
 - b. Repeal and replace Chapter 31, Building and Building Regulations, Articles I through VIII, Sections 31-1 through 31-236 of Scottsdale Revised Code.

Staff Contact(s): Michael Clack, Chief Development Officer, 480-312-7629, mclack@scottsdaleaz.gov

14. Merci Train Boxcar and Artifacts Intergovernmental Agreement

Request: Adopt **Resolution No. 10634** to authorize:

1. Agreement No. 2016-180-COS with the Arizona State Library, Archives & Public Records Division for the loan of the Merci Train Boxcar to the McCormick-Stillman Railroad Park.
2. The Parks and Recreation Director to execute, on behalf of the City, artifact loan agreements for future short-term loans of artifacts to be displayed at McCormick-Stillman Railroad Park.

Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov

15. Engineering Services Contract to Update the Infrastructure Improvement Plan and the Land Use Assumptions Report

Request: Adopt **Resolution No. 10625** authorizing Contract No. 2016-179-COS with CH2M HILL Engineers, Inc., in an amount not to exceed \$101,734 to update the City's Infrastructure Improvement Plan and Land Use Assumptions Report, required to update Water and Wastewater fees

Staff Contact(s): David Petty, Acting Water Resources Director, 480-312-5683, dpetty@scottsdaleaz.gov

16. Scottsdale Convention and Visitors Bureau Additional Event Request

Request: Adopt **Resolution No. 10594** to authorize:

1. The addition of the 2017 Native Trails Event as an additional event under the Destination Marketing Service Agreement No. 2012-053-COS with the Scottsdale Convention and Visitors Bureau d/b/a Experience Scottsdale (SCVB).
2. The disbursement of \$100,000 of Fort McDowell Yavapai Nation Proposition 202 funds to SCVB, of which \$95,000 shall be used in connection with the Native Trails Event.

Staff Contact(s): Karen Churchard, Tourism and Events Director, 480-312-2890, kchurchard@scottsdaleaz.gov

Tourism Development Manager Steve Geiogamah gave a presentation on the Experience Scottsdale event request.

17. Audit Committee Recommendation for the Transportation Commission Sunset Review

Request: Adopt **Resolution No. 10641** accepting the Audit Committee's recommendation and authorizing the continuation of the Transportation Commission.

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

18. Audit Committee Recommendation for the Transportation Commission – Paths and Trails Subcommittee Sunset Review

Request: Adopt **Resolution No. 10642** accepting the Audit Committee's recommendation and authorizing the continuation of the Transportation Commission – Paths and Trails Subcommittee.

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

19. Monthly Financial Report

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

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

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent Agenda items 1 through 19, absent Items 6 and 8, which were moved to the Regular Agenda. Vice Mayor Littlefield seconded the motion, which carried 7/0.

REGULAR AGENDA

6. Social Tap Outdoor Dining Patio Abandonment (1-AB-2016)

Request: Adopt **Resolution No. 10635** authorizing the abandonment of 5,800± square-feet of Drinkwater Boulevard and Brown Avenue right-of-way, located along the boundary of Parcel No. 173-51-061, with Central Business, Downtown Overlay, Parking District (C-2/P-3 DO) and Parking District, Vehicle Parking, Downtown Overlay (P-2/DO) zoning.

Location: 4310 N. Brown Avenue

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

Senior Planner Greg Bloemberg gave a PowerPoint presentation (attached) on the Social Tap outdoor patio abandonment request.

MOTION NO. 1 AND VOTE – ITEM 6

Councilman Smith made a motion to deny Resolution No. 10635. Vice Mayor Littlefield seconded the motion, which failed 3/4, with Mayor Lane and Councilmembers Klapp, Korte, and Milhaven dissenting.

MOTION NO. 2 AND VOTE – ITEM 6

Mayor Lane made a motion to adopt Resolution No. 10635. Councilwoman Klapp seconded the motion, which carried 4/3, with Vice Mayor Littlefield and Councilmembers Phillips and Smith dissenting.

8. Perlstein Abandonment (9-AB-2016)

Request: Adopt **Resolution No. 10621** authorizing the abandonment of 25-foot Roadway Easement along the northern boundary of Parcel No. 217-12-019 with Single-Family Residential, Environmentally Sensitive Lands (R1-35 ESL) zoning.

Location: 8845 E. Sierra Pinta Drive

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

MOTION AND VOTE – ITEM 8

Councilwoman Milhaven made a motion to continue Item 8 until after the Council can have a review and discussion of the City's policy around abandonments and non-conforming properties. Mayor Lane seconded the motion, which carried 7/0.

20. Fiscal Year 2015/16 Annual Financial Audit

Request: Accept the FY 2015/16 annual financial audit reports submitted by the City's external auditors, Heinfeld, Meech & Co., P.C.

Presenter(s): Sharron Walker, City Auditor

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

City Auditor Sharron Walker gave a PowerPoint presentation (attached) on the FY 2015/16 annual financial reports.

MOTION AND VOTE – ITEM 20

Councilwoman Klapp made a motion to accept the FY 2015/16 annual financial audit reports as submitted. Councilmember Korte seconded the motion, which carried 7/0.

21. Fiscal Year 2015/16 Financial Update

Request: City Treasurer's financial summary presentation for Fiscal Year 2015/16.

Presenter(s): Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the FY2015/16 financial update.

22. Monthly Financial Update

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

Presenter(s): Jeff Nichols, City Treasurer

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

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

23. WestWorld Municipal Use Master Site Plan

Requests:

1. Adopt **Resolution No. 10619** authorizing a FY 2016/17 Tourism Development Fund operating contingency budget transfer in the amount of \$300,000 to be funded from the City portion of the bed tax carry-over to a newly created capital improvement project to be titled WestWorld Municipal Use Master Site Plan and Text Amendment.
2. Initiate a Municipal Use Master Site Plan (MUMSP) application for the purpose of updating the existing MUMSP on 380± acres of City-owned properties located in the general vicinity east of Arizona State Route 101 and south of E. Bell Road, with Western Theme Park (W-P) and Western Theme Park, Environmentally Sensitive Lands (W-P/ESL) zoning.
3. Initiate a Text Amendment to the City of Scottsdale Zoning Ordinance 455 to amend Section 5.2802 to the Western Theme Park (W-P) zoning district located City-wide.
4. Initiate a Conditional Use Permit (CUP) application for the purpose of consolidating the existing approved CUP on 380± acres of City-owned properties located in the general vicinity east of Arizona State Route 101 and south of E. Bell Road, with Western Theme Park (W-P) and Western Theme Park, Environmentally Sensitive Lands (W-P/ESL) zoning.

Presenter(s): Dan Worth, Public Works Director

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555,
dworth@scottsdaleaz.gov

Public Works Director Dan Worth gave a PowerPoint presentation (attached) on the proposed WestWorld Municipal Use Master Site Plan.

Mayor Lane opened public testimony.

Jason Rose spoke in support of the proposed WestWorld Municipal Use Master Site Plan.

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 23

Councilwoman Milhaven made a motion to continue Item 23 and to request that staff bring forward an overview of the operations at WestWorld and the business case for additional investment. Mayor Lane seconded the motion, which carried 7/0.

PUBLIC COMMENT – None

CITIZEN PETITIONS

24. 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

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS

Mayor Lane made a motion to have staff bring forward the WestWorld events and marketing contract after the new year for review of items, conditions, and performance issues as a component part to be used in the overall assessment of WestWorld. Councilwoman Klapp seconded the motion, which carried 7/0.

ADJOURNMENT

The Regular City Council Meeting adjourned at 7:53 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on December 2, 2016

CERTIFICATE

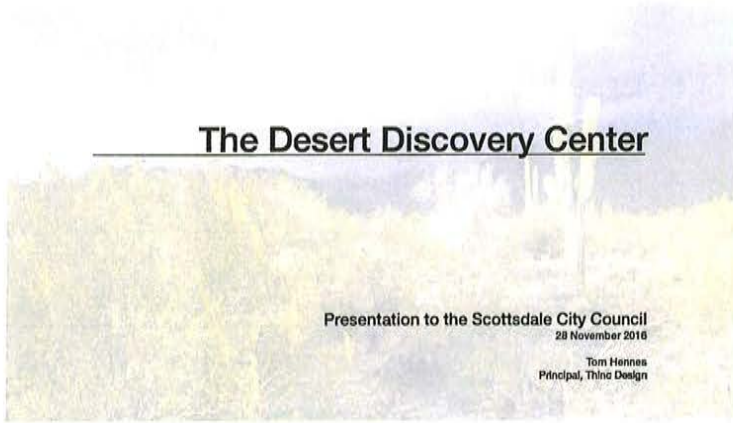
I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 28th day of December 2016.

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

DATED this 2nd day of December 2016.



Carolyn Jagger, City Clerk



Living in the desert



Living in the desert

Small footprint



Big vision

What is this **place**?



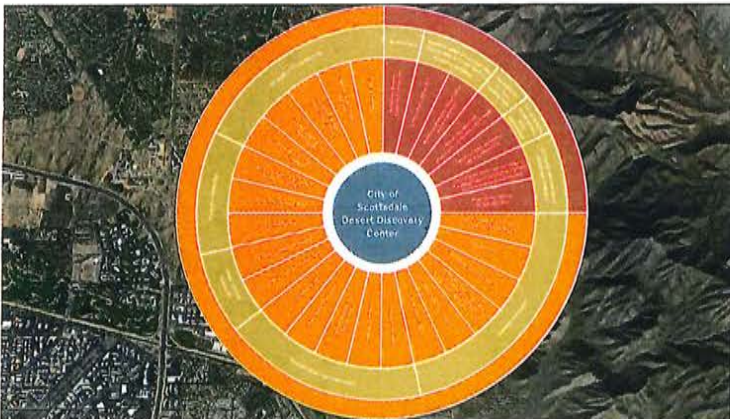
What don't we **see**?



What can we **learn** from living in the desert?

What future can we **create**?



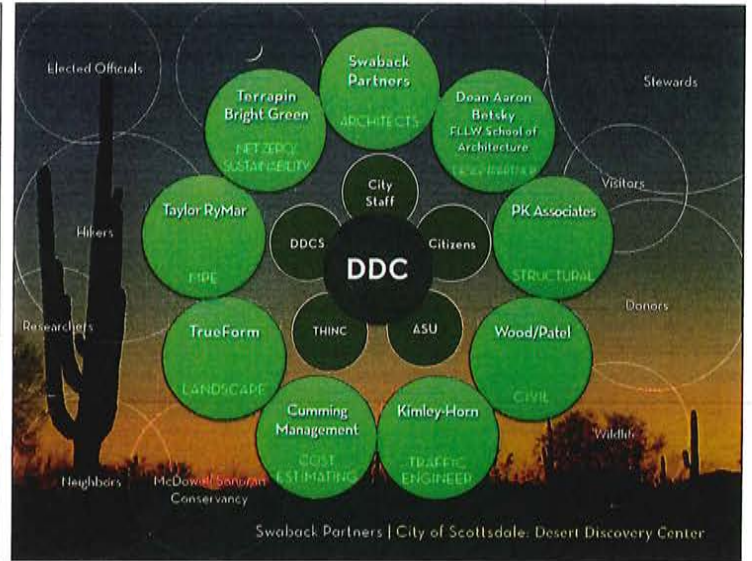


Desert Discovery Center

ARCHITECTURAL PROGRAMMING UPDATE

PRESENTATION TO CITY COUNCIL
November 28th, 2016

SWABACK PARTNERS PLLC
Architecture • Planning • Interior Design



TEAM WORK SESSIONS

Swaback Partners | City of Scottsdale: Desert Discovery Center

SENSITIVE Design

Recognizing what we need to be Sensitive to:

- The Land
- The Wildlife
- The Preserve at Large
- To all the **CITIZENS** of Scottsdale
- The **Hikers** who have always used the **Gateway**
- The **Visitors** and all their needs
- The **McDowell Sonoran Conservancy**
- The **Stewards**
- The **Citizen Scientists**

Swaback Partners | City of Scottsdale: Desert Discovery Center

SENSITIVE Design

Recognizing what we need to be Sensitive to:

- Those who do not want the DDC
- The **Research Scientists** from **ASU** and elsewhere
- **Elected Officials** who will **review the project**
- The **potential Donors**
- The **surrounding Neighbors**
- **Doing more with less**
- An **Efficient Operations Strategy**
- **Operating costs**
- The **Ability to raise Construction Funds**

Swaback Partners | City of Scottsdale: Desert Discovery Center

SENSITIVE Design

Recognizing what we need to be Sensitive to:

- **Moving beyond Phase II Conclusions**
- **"Right Sizing"** the project. Bigger may not be better.
- The needs of the **Tourism Industry**
- **Flexibility** for an unknown **Future**
- **Not creating a museum**
- **Not creating just another refrigerated box**
- Creating an **Environment** that is both **Educational** and **Enjoyable**
- **Creating a significantly Beautiful place**
- Truly creating a **World Class Institution**

Swaback Partners | City of Scottsdale: Desert Discovery Center

APPROACH The Design Process

Rather than being focused solely on "doing less harm" or Net Zero focus on...

Net Positive Design

Swaback Partners | City of Scottsdale: Desert Discovery Center

DESERT DISCOVERY CENTER

Summary of Major Places

- **Hikers Access to Trails**
 - Just like always
- **Arrival Zone** / first impression experience
 - Wayfinding
 - Strong first impression that you are somewhere special
- **Group Arrival Zone**/orientation/kids/bus drop off/group check in
 - Adjacent, but separated from main arrival zone
- **An Amazing View**/first look/meeting terrace/Kodak moment
 - A celebration of beauty. A spiritual encounter
- **Main Entry**
 - Greeting / Welcome
 - ♦ A sense of openness
- **Cafe/Shop** - subsidence and provisions
 - Open to all
 - Unique foods, refreshments, and products

Swaback Partners | City of Scottsdale: Desert Discovery Center

DESERT DISCOVERY CENTER

Summary of Major Places Cont.

- **Necessities**
 - Restrooms
 - Admissions
 - Hospitality
 - **Mobility aids**
 - Accessibly / impairment tools
- **First Immersion**
 - Cooling experience / refreshing
 - Overall Orientation
 - Decompression
- **Linked Desert Pavilions to Discovery**
 - **WONDER** - What is before us?
 - **HIDDEN** - What can't we see?
 - **INNOVATION** - What do we need to still understand?
 - **OPPORTUNITY** - What exciting future can we live?

Swaback Partners | City of Scottsdale: Desert Discovery Center

DESERT DISCOVERY CENTER

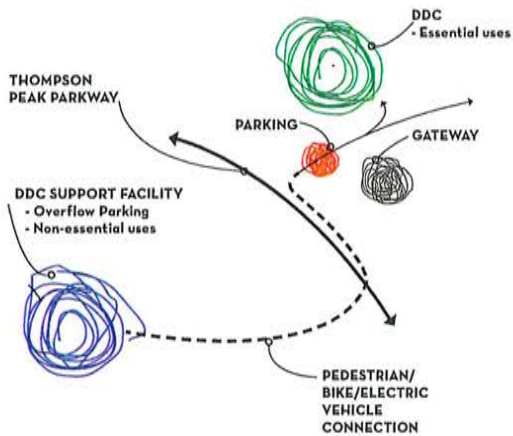
Summary of Major Places Cont.

- **Intriguing spaces between**
- **ASU investigative / exhibition labs**
- **Volunteer Base**
- **Desert Great Room**
- **Sonoran Steps**
 - Shaded Seating
- **Team Headquarters**
 - Team Workspaces
 - Team gathering spaces
 - Team Restrooms
 - IT space
 - Storage
 - Work shop / Reuse shop
 - Workshop
- **Mobility storage and transit zone**

Swaback Partners | City of Scottsdale: Desert Discovery Center

OFF-SITE FACILITY

Additional Support



Swaback Partners | City of Scottsdale: Desert Discovery Center

Item 6

Social Tap Outdoor Abandonment

1-AB-2016

City Council

November 28, 2016

Coordinator: Greg Bloemberg

Social Tap Abandonment



CONTEXT AERIAL

1-AB-2016

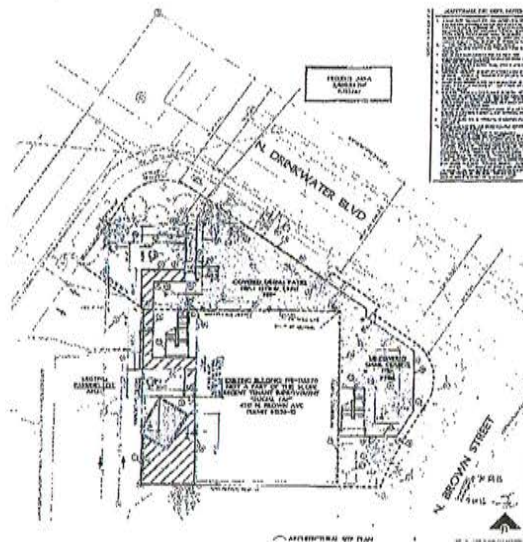
Social Tap Abandonment



DETAIL AERIAL

1-AB-2016

Social Tap Abandonment



SITE PLAN

1-AB-2016

Request Summary

- Area is currently being used by the applicant for an outdoor patio area
- Existing License Agreement w/ the City allows patio to operate on City property (will be terminated if abandonment request is approved)
- Terms of existing License Agreement require monthly payments of \$2,832.99 per month (\$10.89 per sq. ft.), or \$33,595.89 annually
- Compensation of \$123,362 (\$21.25 per sq. ft.) proposed, based on third-party appraisal report

Item 20

**FY 2015/16 Annual
Financial Audit**

Sharron E. Walker, CPA, CFE, CLEA
City Auditor

Contracted CPA Firm: Heinfeld, Meech & Co., PC

Background

- City Charter requires Council to designate CPAs to perform an independent audit of City's annual financial statements
- Council assigned financial audit contract coordination and monitoring to the City Auditor
- Audit Committee received FY 2015/16 audit reports at its November meeting

Summary of Financial Audit Reports

Annual financial audit includes:

- City's Comprehensive Annual Financial Report (CAFR):
Unmodified (clean) opinion
- Component Units' Annual Financial Reports:
Unmodified (clean) opinions
 - Community Facilities Districts (5)
 - Municipal Property Corporation (MPC)
 - Scottsdale Preserve Authority (SPA)

Related Communications

- **Communication with Governance** — for City's CAFR and each Component Unit, matters such as:
 - Accounting practices, significant estimates
 - Any audit adjustments or disagreements with management - no issues
 - Other similar matters - no issues
- **Management Letter** — observations regarding opportunities for improvement, not required to be in formal reports

Federal & State Funding Reports

Federal funding/compliance reports

- Federal funding almost \$16M from:
 - Transportation \$7.5M
 - Housing & Urban Develop. \$6.4M
 - Justice \$1.7M
 - Others \$0.2M

Federal & State Funding Reports

Federal funding/compliance reports cont'd

- **Single Audit**, includes:
 - Report on Internal Control and Compliance based on Financial Statement audit - no issues
 - Report on Compliance, Internal Control and Expenditures of Federal Awards - no issues
 - Schedule of Expend. of Federal Awards - clean opinion
 - Findings - none / Prior Audit Findings - none

Federal & State Funding Reports

State funding/compliance report

- Highway User Revenue Fund (HURF) uses:
City complied with state requirements

Reports that are completed later:

- HUD-required financial schedule - federal
- Annual Expenditure Limitation Report - state

Requested Action

As recommended by the Council's Audit Committee:

Accept the FY 2015/16 annual financial audit reports as submitted.

**FY 2015/16
Financial Highlights
(Preliminary Results)**

City Council
November 28, 2016
Prepared by: City Treasurer

**General Fund Operating Sources
FY 2015/16**

(in millions: rounding differences may occur)

	May Monthly Financial Forecast	FYE Actual	Variance	
			Fav/(Unf)	%
1.1% Sales Taxes	\$115.8	\$115.3	(\$0.5)	0%
State-Shared Revenues	55.6	55.8	0.2	0%
Property Taxes	26.0	25.9	(0.1)	0%
Franchise Fees/In-Lieu Taxes	12.3	12.6	0.3	2%
Building Permits	14.3	13.2	(1.1)	-8%
Charges for Services/Other	36.0	38.6	2.6	7%
Transfers In	11.5	11.8	0.3	3%
Total Operating Sources	\$271.5	\$273.1	\$1.7	1%

General Fund Operating Sources FY 2015/16 - 1.00% Sales Tax

(in millions: rounding differences may occur)

1.00% Sales Tax by Category	May Monthly Financial Forecast	FYE Actual	Variance	
			Fav/(Unf)	%
Small retail stores	\$18.3	\$18.3	\$ -	0%
Large retail stores	9.3	9.3	-	0%
Misc. goods & services	9.2	9.1	(0.1)	-1%
Grocery & convenience	7.2	7.2	-	0%
Auto sales & maintenance	14.5	14.4	(0.1)	-1%
Hotel lodging & misc sales	5.6	5.6	-	0%
Restaurants & bars	9.8	9.8	-	0%
Construction	10.3	10.3	-	0%
Rental	14.6	14.5	(0.1)	-1%
Utilities	4.5	4.5	-	0%
Licenses, penalties/interest	2.0	2.0	-	0%
Total 1.00% Sales Tax	\$105.5	\$105.0	(\$0.5)	0%

3

General Fund Operating Uses FY 2015/16

(in millions: rounding differences may occur)

Category	May Monthly Financial Forecast	FYE Actual	Variance	
			Fav/(Unf)	%
Personnel Services:				
Salaries & Wages	\$122.1	\$121.0	\$1.1	1%
Overtime	6.9	6.9	-	-
FICA	8.2	8.2	-	-
Retirement	21.9	20.9	1.0	5%
Health/Dental & Misc	16.8	16.7	0.1	1%
<i>Total Personnel Services</i>	<i>\$175.9</i>	<i>\$173.7</i>	<i>\$2.2</i>	<i>1%</i>
Contractual, Commodities, Capital Outlay	64.5	63.5	1.0	2%
<i>Total Operating Expenses</i>	<i>\$240.4</i>	<i>\$237.2</i>	<i>\$3.2</i>	<i>1%</i>
Debt Serv. & Contracts	17.2	17.2	-	-
Transfers Out	7.5	8.7	(1.2)	(16%)
Total Operating Uses	\$265.1	\$263.1	\$2.0	1%

4

General Fund Results FY 2015/16

(in millions: rounding differences may occur)

	May Monthly Financial Forecast	FYE Actual	Variance	
			Fav/(Unf)	%
Sources	\$271.5	\$273.1	\$1.7	1%
Uses	265.1	263.1	2.0	1%
Total Sources Over/(Under) Uses	\$6.4	\$10.0	\$3.7	
Unassigned (Unreserved Fund Balance)	\$30.6	\$34.4		

5

FY 2015/16 Financial Highlights Statement of Net Position

6

FY 2015/16 Financial Highlights Statement of Net Position

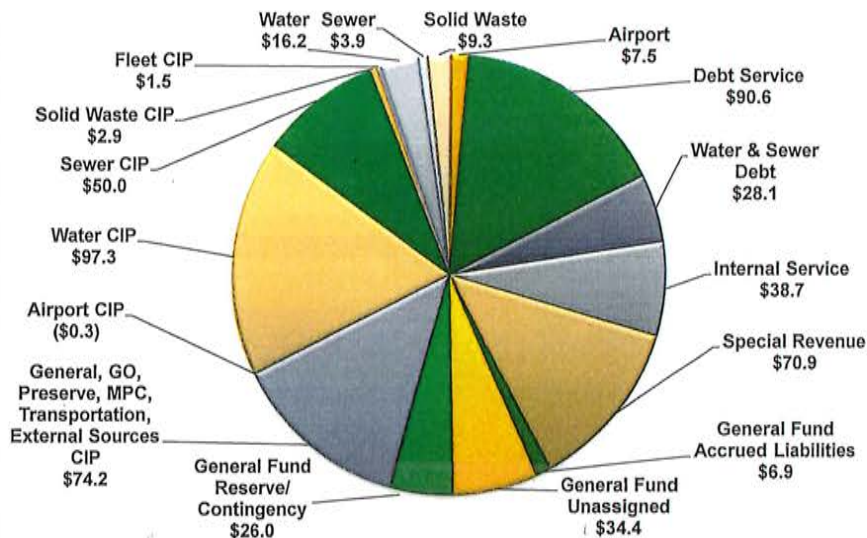
(in millions: rounding differences may occur)

	FY 2015/16	FY 2014/15	Change
Assets			
Cash and Cash Equivalents	\$558.1	\$525.6	\$32.5
Receivables	92.9	86.8	6.1
Other	183.8	195.1	(11.3)
Capital Assets (Net of Depreciation)			
Governmental Activities	4,263.9	3,574.5	689.4
Equity in Joint Venture	102.8	104.6	(1.8)
Other Enterprise Activities	1,468.9	1,448.7	20.2
Total Assets	6,670.4	5,935.3	735.1
Liabilities			
Accruals: Payables, Payroll and Benefits	(136.8)	(123.0)	(13.8)
Accrued Compensated Absences	(29.1)	(29.1)	0.0
Other Liabilities	(91.0)	(104.9)	13.9
Net Pension Liabilities	(291.1)	(272.1)	(19.0)
Bonds, Loans and Other Payables	(1,234.1)	(1,308.2)	74.1
Total Liabilities	(1,782.1)	(1,837.3)	55.2
NET POSITION	\$4,888.3	\$4,098.0	\$790.3

7

FY 2015/16 Financial Highlights Cash and Equivalent Balances

\$558.1 million (in millions: rounding differences may occur)



FY 2015/16 Financial Highlights Receivables and Other Assets

(in millions: rounding differences may occur)

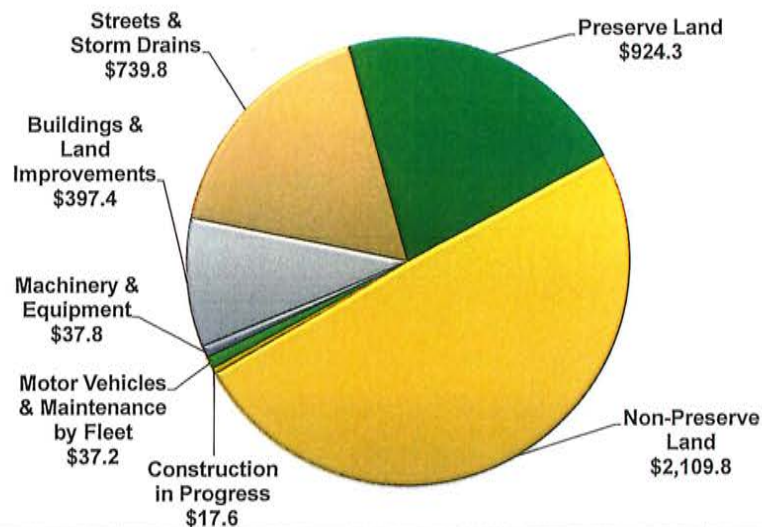
\$92.9 Receivables

- \$26.8 Other Local Taxes
- \$23.7 Intergovernmental
- \$16.8 Charges for Services
- \$13.3 Interest and Other
- \$12.3 Property Taxes and Penalties

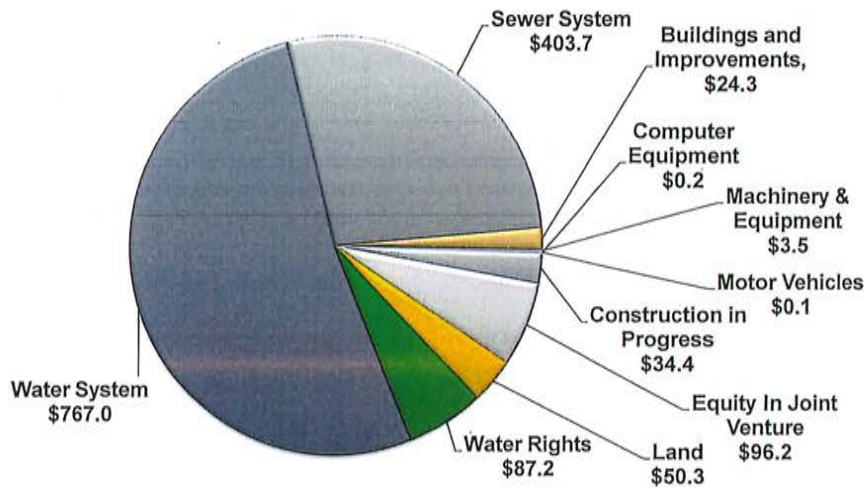
\$183.8 Other

- \$71.0 Service Concession Arrangement
- \$47.4 Pensions
- \$33.7 Deferred Amounts on Refundings
- \$30.7 Supplies and Prepaid Items
- \$1.0 Customer Deposits

FY 2015/16 Financial Highlights Net Capital Assets by Type – Government \$4,263.9 million (in millions: rounding differences may occur)

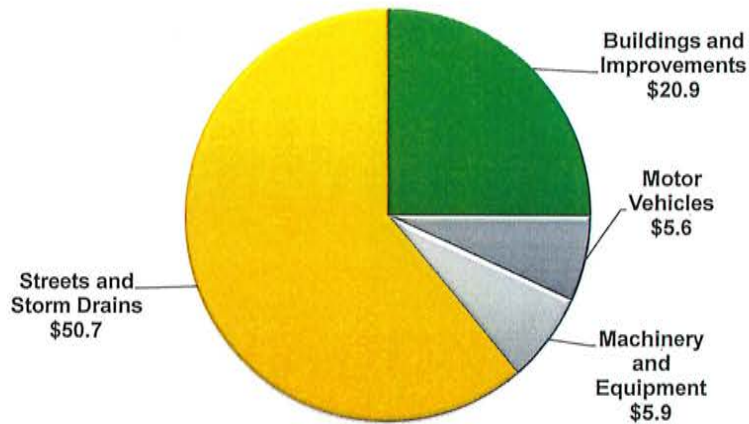


FY 2015/16 Financial Highlights
Net Capital Assets by Type – Enterprise
\$1,466.9 million (in millions: rounding differences may occur)

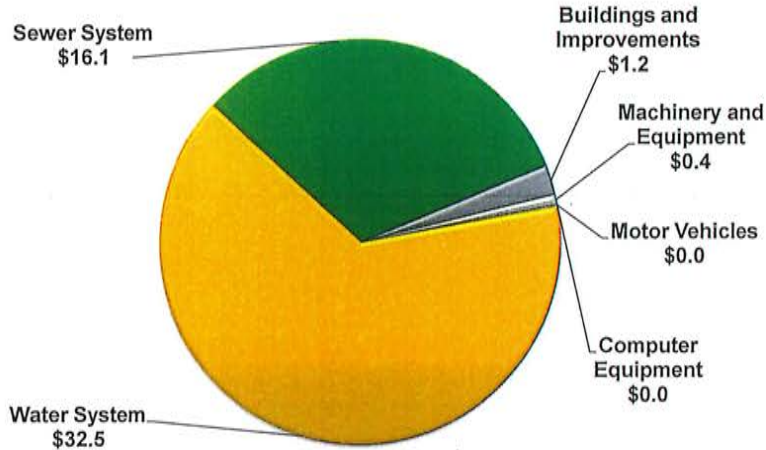


FY 2015/16 Financial Highlights
Annual Depreciation by Type – Government
\$83.1 million

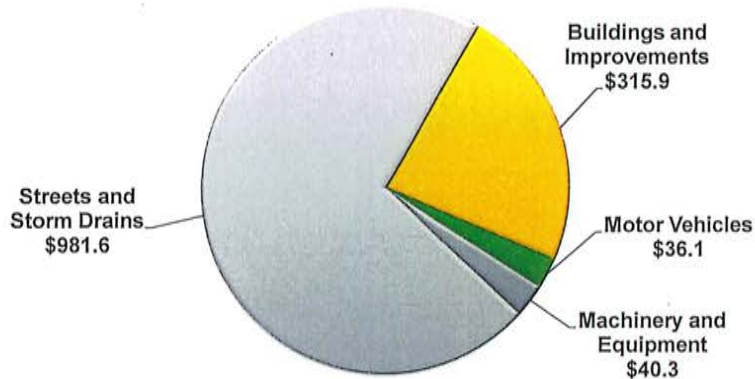
(in millions: rounding differences may occur)



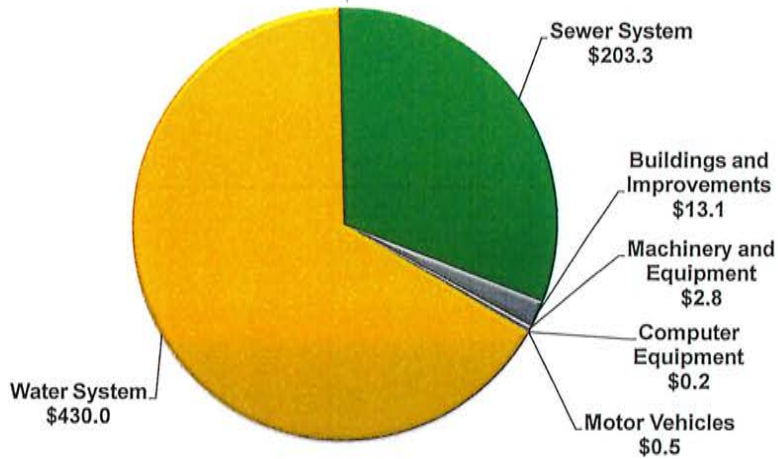
FY 2015/16 Financial Highlights
Annual Depreciation by Type – Enterprise
\$50.4 million (in millions: rounding differences may occur)



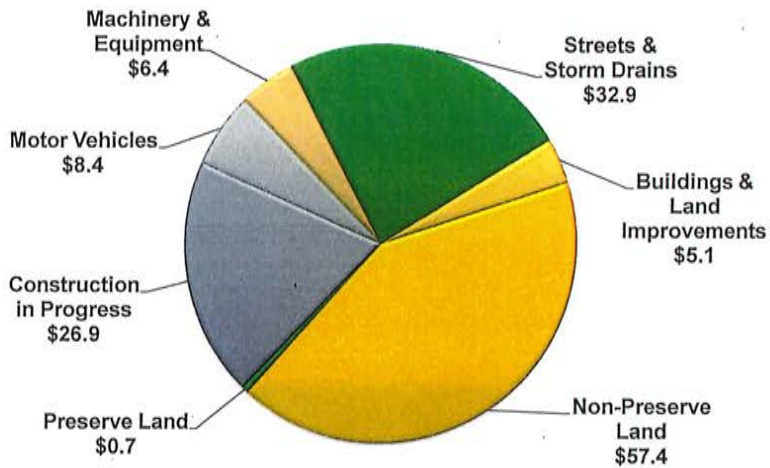
FY 2015/16 Financial Highlights
Accumulated Depreciation by Type – Government
\$1,373.9 million
 (in millions: rounding differences may occur)



FY 2015/16 Financial Highlights
Accumulated Depreciation by Type –
Enterprise \$649.9 million
 (in millions: rounding differences may occur)

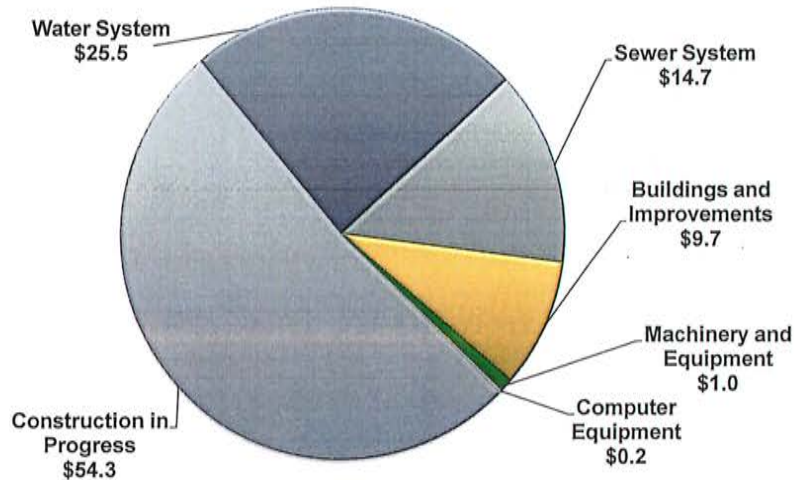


FY 2015/16 Financial Highlights
Acquisitions by Type –
Government \$137.8 million
 (in millions: rounding differences may occur)



FY 2015/16 Financial Highlights
Acquisitions by Type – Enterprise

\$105.5 million (in millions: rounding differences may occur)



FY 2015/16 Financial Highlights
Accruals and Other Liabilities

(in millions: rounding differences may occur)

\$136.8 Accruals: Payables, Payroll and Benefits

- \$125.0 Accounts and Interest Payable
- \$ 11.8 Payroll and Benefits

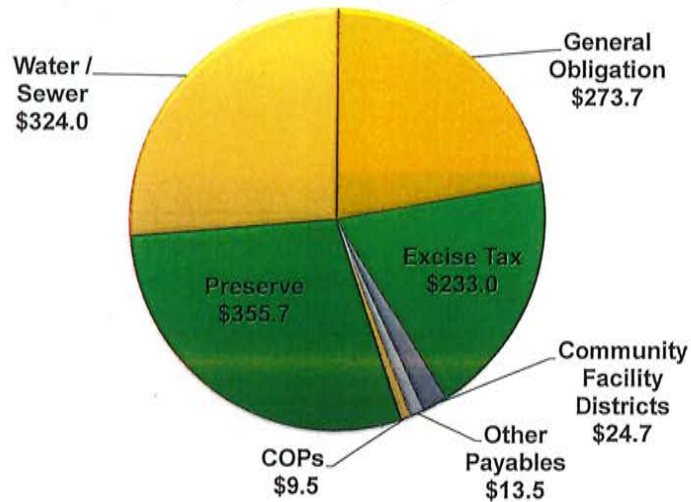
\$29.1 Accrued Compensated Absences

\$91.0 Other Liabilities

\$291.1 Net Pension Liabilities

**FY 2015/16 Financial Highlights
Bonds, Loans and Other Payables
\$1,234.1 million**

(in millions: rounding differences may occur)



**FY 2015/16 Financial Highlights
“Off-Balance Sheet” Liabilities**

Compensated Absences

Liability to be earned by employees during future service

Implicit Subsidies

Liability for health insurance at subsidized rates for Public Safety “medically-retired” employees

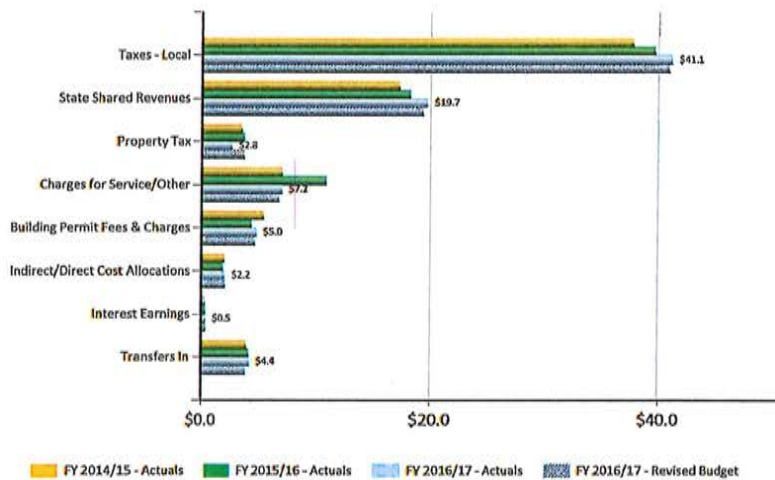
Monthly Financial Update As of October 31, 2016

City Council
November 28, 2016



General Fund Operating Sources October 2016: Fiscal Year to Date

(in millions: rounding differences may occur)



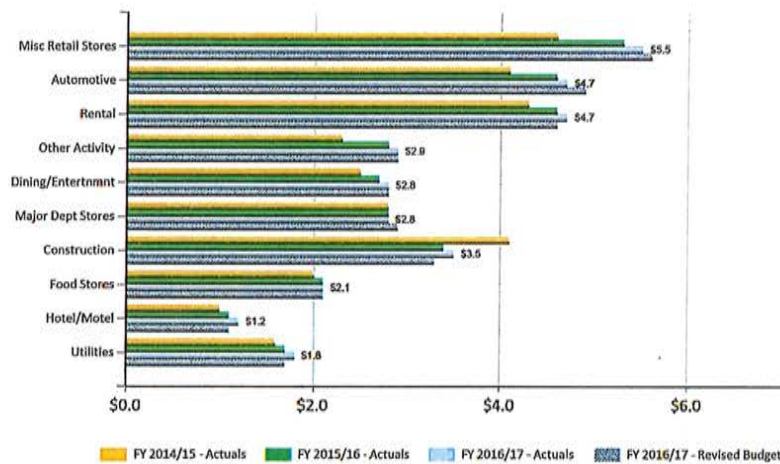
General Fund Operating Sources October 2016: Fiscal Year to Date

(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	\$37.9	\$39.7	\$41.1	\$40.9	\$0.2	1%
State Shared Revenues	17.4	18.3	19.7	19.4	0.4	2%
Property Tax	3.7	3.9	2.8	3.8	(1.1)	(28%)
Charges for Service/Other	7.3	11.1	7.2	7.0	0.3	4%
Building Permit Fees & Charges	5.6	4.6	5.0	4.8	0.2	3%
Indirect/Direct Cost Allocations	2.1	2.0	2.2	2.1	-	-
Interest Earnings	0.4	0.4	0.5	0.5	-	-
Transfers In	4.2	4.3	4.4	4.0	0.4	10%
Total Sources	\$78.6	\$84.3	\$82.9	\$82.5	\$0.4	0%

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

(in millions: rounding differences may occur)



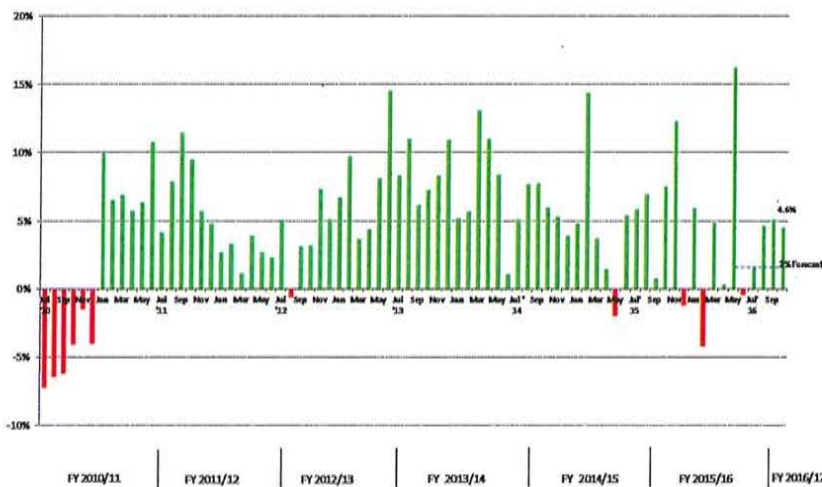
General Fund Operating Sources: Sales Tax (1.00%) October 2016: Fiscal Year to Date

(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	\$4.6	\$5.3	\$5.5	\$5.6	(\$0.1)	(1%)
Automotive	4.1	4.6	4.7	4.9	(0.1)	(2%)
Rental	4.3	4.6	4.7	4.6	0.1	2%
Other Activity	2.3	2.8	2.9	2.9	0.1	2%
Dining/Entertainment	2.5	2.7	2.8	2.8	-	-
Major Dept Stores	2.8	2.8	2.8	2.9	-	-
Construction	4.1	3.4	3.5	3.3	0.2	6%
Food Stores*	2.0	2.1	2.1	2.1	-	-
Hotel/Motel	1.0	1.1	1.2	1.1	0.1	6%
Utilities	1.6	1.7	1.8	1.7	0.1	7%
Sales Tax (1.00%) Total	\$29.4	\$31.0	\$32.2	\$31.9	\$0.3	1%

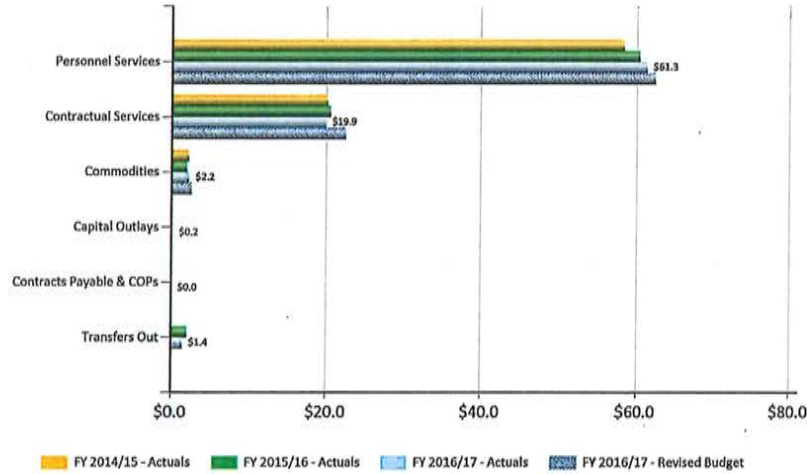
* YTD CIP transfer = \$0.7 million

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



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

(in millions: rounding differences may occur)



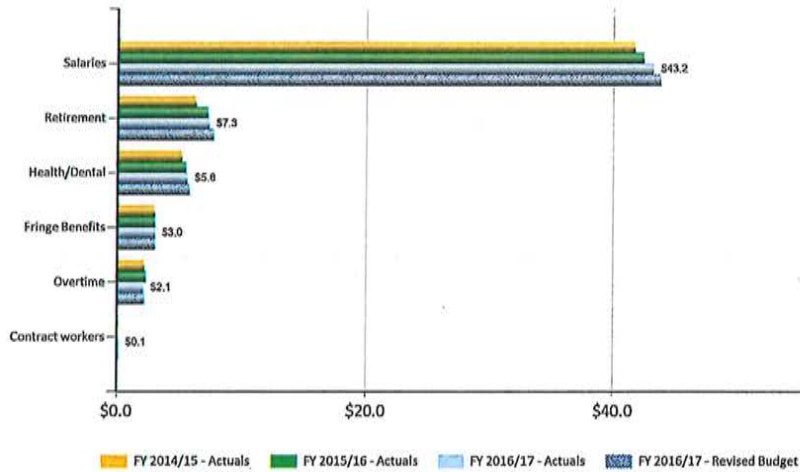
General Fund Operating Uses: by Category October 2016: Fiscal Year to Date

(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
Personnel Services*	\$58.3	\$60.4	\$61.3	\$62.5	\$1.2	2%
Contractual Services	20.1	20.5	19.9	22.4	2.6	11%
Commodities	2.2	1.9	2.2	2.6	0.3	14%
Capital Outlays	-	-	0.2	-	(0.1)	nm
Contracts Payable & COPs	-	-	-	-	-	-
Transfers Out	-	2.0	1.4	-	(1.4)	n/a
Total Uses	\$80.7	\$84.8	\$85.0	\$87.5	\$2.5	3%
*Pay Periods thru October:	9	9	9			

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

(In millions: rounding differences may occur)



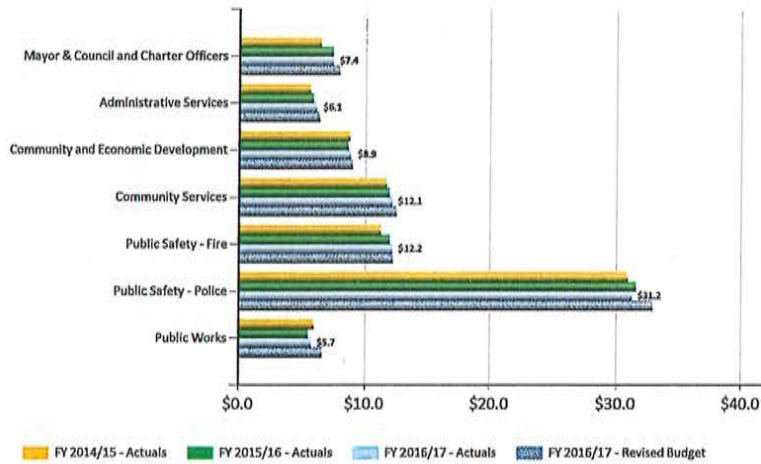
General Fund Operating Uses: Personnel Services October 2016: Fiscal Year to Date

(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*	\$41.7	\$42.4	\$43.2	\$43.8	\$0.5	1%
Retirement	6.3	7.2	7.3	7.7	0.4	5%
Health/Dental	5.2	5.5	5.6	5.8	0.1	3%
Fringe Benefits	3.0	3.0	3.0	3.0	-	-
Overtime	2.2	2.3	2.1	2.2	0.1	4%
Contract workers	0.1	-	0.1	0.1	-	-
Personnel Services Total	\$58.3	\$60.4	\$61.3	\$62.5	\$1.2	2%
*Pay Periods thru October:	9	9	9			

General Fund Operating Division Expenditures October 2016: Fiscal Year to Date

(in millions: rounding differences may occur)



General Fund Operating Division Expenditures October 2016: Fiscal Year to Date

(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
Mayor & Council and Charter Officers	\$6.4	\$7.4	\$7.4	\$7.9	\$0.5	7%
Administrative Services	5.6	5.8	6.1	6.3	0.2	4%
Community and Economic Development	8.8	8.6	8.9	9.0	0.1	2%
Community Services	11.7	11.9	12.1	12.5	0.4	3%
Public Safety - Fire	11.3	12.0	12.2	12.2	0.1	1%
Public Safety - Police	30.9	31.6	31.2	32.9	1.7	5%
Public Works	5.9	5.5	5.7	6.6	0.9	14%
Total	\$80.7	\$82.8	\$83.6	\$87.5	\$4.0	5%

General Fund Results: Summary October 2016: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 14/15	FY 15/16	FY 16/17	FY 16/17 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Sources	\$78.6	\$84.3	\$82.9	\$82.5	\$0.4	0%
Uses	80.7	84.8	85.0	87.5	\$2.5	3%
Change in Fund Balance	(\$2.1)	(\$0.5)	(\$2.1)	(\$5.0)	\$2.9	

Item 23

**WestWorld Municipal
Use Master Plan
Update**

*City Council
November 28, 2016*

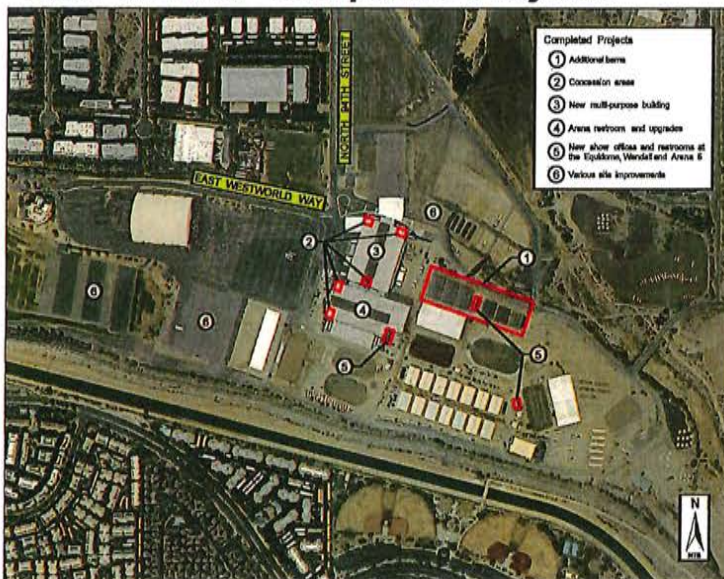
Proposed Action

**Recommend \$300,000 in tourism funding for
a Municipal Use Master Site Plan (MUMSP)
Update for WestWorld**

2007 MUMSP Boundary



2007 MUMSP Completed Projects



Proposed 2017 MUMSP Boundary



Proposed Projects

1. Internet for TNEC
2. Arena 4 and 5 lights
3. * Parking Lot K & M lighting
4. 94th Street improvements
5. * RV lot G paving
6. * South Hall paving
7. Retention basin drywells
8. * Relocation of Arena 8
9. * Acquire a 10-acre and 7.29-acre parcel of AZ State Land at 96th & Bell
10. * Adopt policy allowing Barrett-Jackson tents to stay up in the Spring
11. * Cover Arena 6 or Arena 7
12. * RV site expansion from 400 to 600+ pedestals
13. * Possible city share to help underground APS Power Lines

Recommendations

- Staff recommendation: Approve \$300,000 in tourism funding
- TDC recommendation: Approve no more than \$150,000 in tourism funding

Options

- Approve \$300,000 in tourism funding to allow immediate start
- Approve \$150,000 in tourism funding, approve contingency CIP transfer of \$150,000 from general fund to allow immediate start
- Do not approve; allow staff to consider as a general fund CIP request during development of FY 2017/18 CIP

**Questions and
Discussion**