

**SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, FEBRUARY 28, 2023**



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

**CALL TO ORDER**

Mayor David D. Ortega called to order a Regular Meeting of the Scottsdale City Council at 5:03 P.M. on Tuesday, February 28, 2023 in the City Hall Kiva Forum.

**ROLL CALL**

Present: Mayor David D. Ortega; Vice Mayor Kathy Littlefield; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

**PLEDGE OF ALLEGIANCE** – Councilwoman Solange Whitehead

**MAYOR'S REPORT**

Mayor Ortega asked for a moment of silent reflection for the people of Ukraine as they fight for their freedom and democracy.

Mayor Ortega announced that Spring Training has begun at Scottsdale Stadium. The City is looking forward to a fantastic season with visitors and residents enjoying all the baseball games.

Mayor Ortega noted that Scottsdale Senior Services has a program called "All Things Senior Expo and Tradeshow" which is scheduled for March 1, 2023 from 9:00 a.m. to 1:00 p.m. at the Scottsdale Center for Performing Arts. He invited everyone to learn about city services and other resources located in the City.

**PRESENTATIONS/INFORMATION UPDATES**

- **Experience Scottsdale Update**  
**Presenter(s):** Rachel Sacco, President and Chief Executive Officer

Experience Scottsdale President and Chief Executive Officer (CEO) Rachel Sacco gave a PowerPoint presentation (attached) on recent and current Experience Scottsdale activities.

**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

- Sonnie Kirtley, with the Coalition for Greater Scottsdale, asked for a status update on the recruitment for a new City Manager.
- Mike Leary presented a citizen petition (PowerPoint presentation and petition attached) asking that the City Council appeal to the Board of Adjustment the Zoning Administrator's determination that a proposed storage facility at Alma School and Jomax Roads conforms with the 2004 City Council approval in Case No. 105-ZN-1984#2.
- James Thomson spoke in support of the citizen petition presented by Mike Leary.
- Brody Bolen, with Boy Scout Troop No. 869, noted that Troop No. 869 was in attendance to observe local government operations as part of their "Citizenship in the Community" merit badge. He thanked the Council for supporting youth activities and for the opportunity to attend the meeting.
- Edward Kearns asked the Council for assistance in securing adequate storage for his airplane at the Scottsdale Airport. He noted that he operates Christian International Air Evac and is a veteran.

## CONSENT AGENDA

### 1. Valero Gas Redevelopment Rezoning (12-ZN-2021)

**Request:** Adopt **Ordinance No. 4583** approving a zoning district map amendment from Planned Community District with comparable General Commercial (PCD C-4) zoning to Planned Community District with comparable Central Business (PCD C-2) zoning with an amendment to the development plan to allow additional commercial uses on a ±.47-acre site.

**Location:** 9550 N. 90<sup>th</sup> Street

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

### 2. Transportation Engineering Services Contracts

**Request:** Adopt **Resolution No. 12742** authorizing the following one-year contract extensions, in an amount not to exceed \$750,000 per contract, for on-call transportation engineering services:

1. Contract No. 2020-048-COS-A2 with Gavan & Barker, Inc.
2. Contract No. 2020-049-COS-A2 with Olsson, Inc. (formerly Premier Engineering Corporation)
3. Contract No. 2020-050-COS-A2 with Ritoch-Powell and Associates Consulting Engineers, Inc.

**Staff Contact(s):** Dan Worth, Public Works Director, 480-312-5555, [daworth@scottsdaleaz.gov](mailto:daworth@scottsdaleaz.gov)

### 3. Administration – Regular Council Meetings Code Amendment

**Request:** Adopt **Ordinance No. 4584** amending Scottsdale Revised Code, Chapter 2, Administration, Article II, City Council, Division 1, Generally, Section 2-17 relating to the date and time of regular Council meetings.

**Staff Contact(s):** Sherry Scott, City Attorney, 480-312-2405, [sscott@scottsdaleaz.gov](mailto:sscott@scottsdaleaz.gov)

### 4. Monthly Financial Report

**Request:** Accept the Fiscal Year 2022/23 Monthly Financial Report as of December 2022.

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

## **MOTION AND VOTE – CONSENT AGENDA**

Councilwoman Janik made a motion to approve Consent Agenda Items 1 through 4. Vice Mayor Littlefield 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.

## **REGULAR AGENDA**

### **5. Desert Cove Internalized Self Storage Rezoning (108-ZN-1984#2)**

**Request:** Adopt **Ordinance No. 4581** approving a zoning district map amendment to modify the stipulations of previously adopted Ordinance No. 1812, via Case No. 108-ZN-1984, including changes to land uses and property development standards for a ±1.8-acre site with Industrial Park (I-1) zoning.

**Location:** 8888 E. Desert Cove Avenue

**Presenter(s):** Jeff Barnes, Senior Planner

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

Senior Planner Jeff Barnes gave a PowerPoint presentation (attached) on the Desert Cove Internalized Self Storage rezoning application.

There was no public comment on this item.

## **MOTION AND VOTE – ITEM 5**

Councilwoman Whitehead made a motion to adopt Ordinance No. 4581 approving a zoning district map amendment to modify the stipulations of previously adopted Ordinance No. 1812, via Case No. 108-ZN-1984, including changes to land uses and property development standards for a ±1.8-acre site with Industrial Park (I-1) zoning. 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.

### **6. Comprehensive Financial Policies Annual Review and Adoption**

**Requests:** Adopt **Resolution No. 12755** to authorize:

1. Adoption of Comprehensive Financial Policies as the formal guidelines for the City of Scottsdale's Fiscal Year 2023/24 financial planning and management.
2. Repealing in their entirety, the financial policies passed and adopted through Resolution No. 12384 on February 22, 2022.
3. The provisions of this Resolution shall be effective July 1, 2023.

**Presenter(s):** Sonia Andrews, City Treasurer

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

City Treasurer Sonia Andrews gave a PowerPoint presentation (attached) on the proposed Comprehensive Financial Policies.

There was no public comment on this item.

## **MOTION AND VOTE – ITEM 6**

Mayor Ortega made a motion to adopt Resolution No. 12755 to authorize adoption of the Comprehensive Financial Policies as the formal guidelines for the City of Scottsdale's Fiscal Year

2023/24 financial planning and management. Councilwoman Whitehead 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.

**7. Procurement Code Amendment**

**Request:** Adopt **Ordinance No. 4582** amending Scottsdale Revised Code, Chapter 2, Administration, Article IV, Financial Affairs, Division 4, Procurement Code, Sections 2-185 and 2-201, amending the purchasing thresholds and establishing the dollar limit associated with the award of contracts.

**Presenter(s):** Robert Schoepe, Purchasing Director

**Staff Contact(s):** Sonia Andrews, City Treasurer, 480-312-2364, [sandrews@scottsdaleaz.gov](mailto:sandrews@scottsdaleaz.gov)

City Treasurer Sonia Andrews provided introductory information and background on the proposed procurement code amendments.

Purchasing Director Robert Schoepe gave a PowerPoint presentation (attached) on the proposed amendments to the Procurement Code.

There was no public comment on this item.

**MOTION AND VOTE – ITEM 7**

Councilwoman Janik made a motion to adopt Ordinance No. 4582 amending Scottsdale Revised Code, Chapter 2, Administration, Article IV, Financial Affairs, Division 4, Procurement Code, Sections 2-185 and 2-201, amending the purchasing thresholds and establishing the dollar limit associated with the award of contracts. Councilmember Graham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Littlefield, and Whitehead voting in the affirmative.

**PUBLIC COMMENT**

Louise Lamb asked the City extend trolley hours after Spring Training games at Scottsdale Stadium to allow visitors additional time to spend in the Downtown area.

**CITIZEN PETITIONS**

**8. 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 agendaize 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](mailto:blane@scottsdaleaz.gov)

**MOTION AND VOTE – ITEM 8**

Mayor Ortega made a motion to take no action on the citizen petition presented by Mike Leary asking that the City Council appeal to the Board of Adjustment the Zoning Administrator's determination that a proposed storage facility at Alma School and Jomax Roads conforms with the 2004 City Council approval in Case No. 105-ZN-1984#2. Councilwoman Whitehead 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.

## **MAYOR AND COUNCIL ITEMS**

### **9. Boards, Commissions, and Task Force Nominations (Note: Appointments scheduled for March 7, 2023)**

- Airport Advisory Commission (one vacancy) – Councilmember Graham nominated Sabrina Haverty, Councilmember Durham nominated Charles McDermott, and Councilwoman Caputi nominated Kevin Maxwell.
- Development Review Board (one vacancy) – Councilwoman Caputi nominated Michal Joyner.
- Human Relations Commission (one vacancy) – Councilmember Graham nominated Priscilla Moore, Councilmember Durham nominated Marietta Strano, Councilwoman Whitehead nominated Marcie LePine, Mayor Ortega nominated Joshua Stearns, and Councilwoman Caputi nominated Cynthia Romagnolo.
- Library Board (one vacancy) – Mayor Ortega nominated Paige Harvey, Vice Mayor Littlefield nominated Eric Goeld, Councilwoman Janik nominated Christine Wilson, Councilwoman Caputi nominated Enid Seiden, and Councilmember Durham nominated George Hartz.
- Neighborhood Advisory Commission (one vacancy) – Councilwoman Whitehead nominated Nancy Brady, Councilmember Durham nominated Rachel Behrendt, Councilmember Graham nominated Sheri Lopez, Councilwoman Caputi nominated Lee Cooley, and Vice Mayor Littlefield nominated Laurie Coe.
- Parks and Recreation Commission (one vacancy) – Councilmember Graham nominated Kim Ollerhead, Councilmember Durham nominated Eric Maschhaupt, and Mayor Ortega nominated Pam Roberts.
- Tourism Development Commission (one industry representative vacancy) – Councilwoman Caputi nominated Anna Mineer and Councilmember Graham nominated Ray Michaels.
- Veterans Advisory Commission (one vacancy) – Councilmember Graham nominated Roger Day, Councilmember Durham nominated Bethany Schilling, Councilwoman Whitehead nominated Justin Layman, and Vice Mayor Littlefield nominated Joe DuBois.

## **MOTION AND VOTE – ADJOURNMENT**

Vice Mayor Littlefield made a motion to adjourn the Regular Meeting. Councilwoman Whitehead 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.

**ADJOURNMENT**

Mayor Ortega adjourned the Regular Meeting at 6:52 P.M.

**SUBMITTED BY:**



**Ben Lane, City Clerk**

Officially approved by the City Council on April 4, 2023

**C E R T I F I C A T E**

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 28<sup>th</sup> day of February 2023.

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

**DATED** this 4<sup>th</sup> day of April 2023.



---

**Ben Lane, City Clerk**

# Presentation

## EXPERIENCE SCOTTSDALE

1

## YEAR-TO-DATE PERFORMANCE

- **489 media placements** – 63% of goal
- **1,080 convention sales leads** – 76% of goal
- **127 convention bookings** – 60% of goal
- **1,302 travel professionals trained** – 163% of goal
- **1.7 million website user sessions** – 61% of goal
- **28,353 Old Town maps and guides requested** – 66% of goal

Metrics are for entities within Scottsdale city limits and for ExperienceScottsdale.com and all affiliate sites.

2



## SCOTTSDALE SHOWCASE



3

## MEETINGS RETURNING



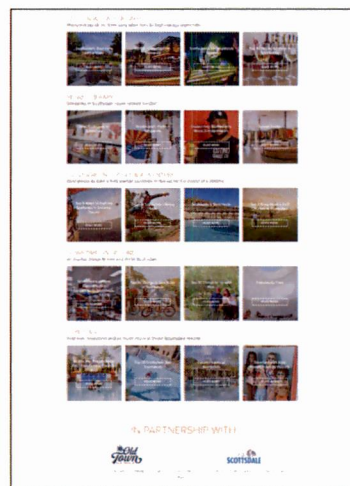
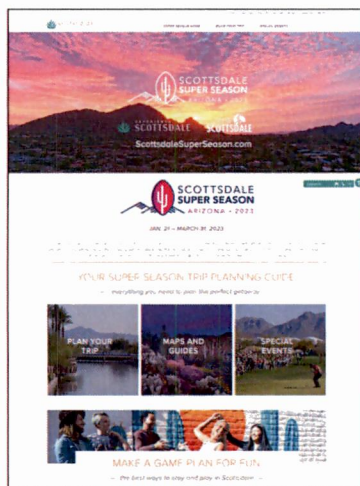
4

# SCOTTSDALE SUPER SEASON



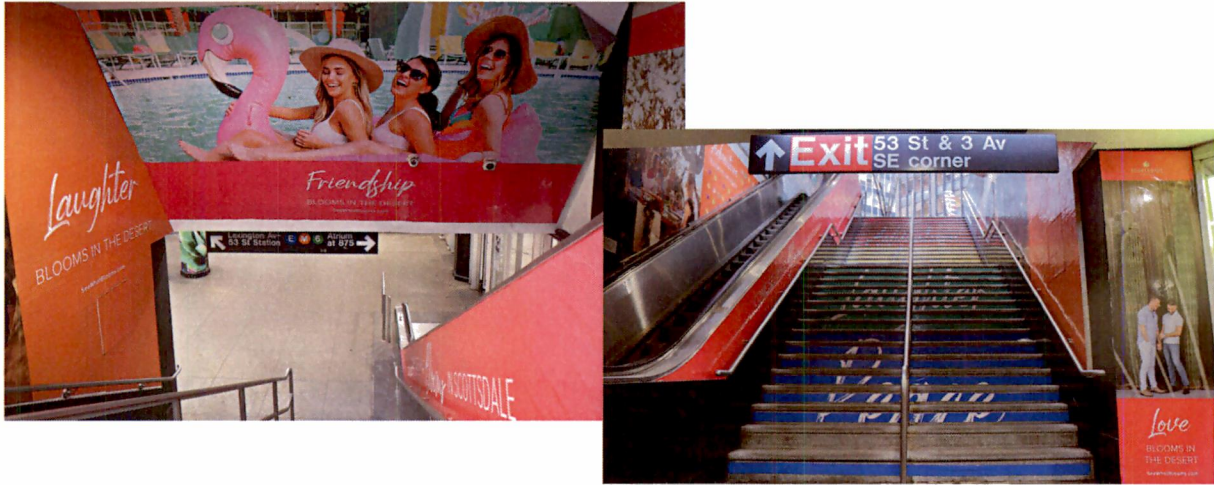
5

# SCOTTSDALE SUPER SEASON



6

# NEW YORK HIGH-IMPACT CAMPAIGN



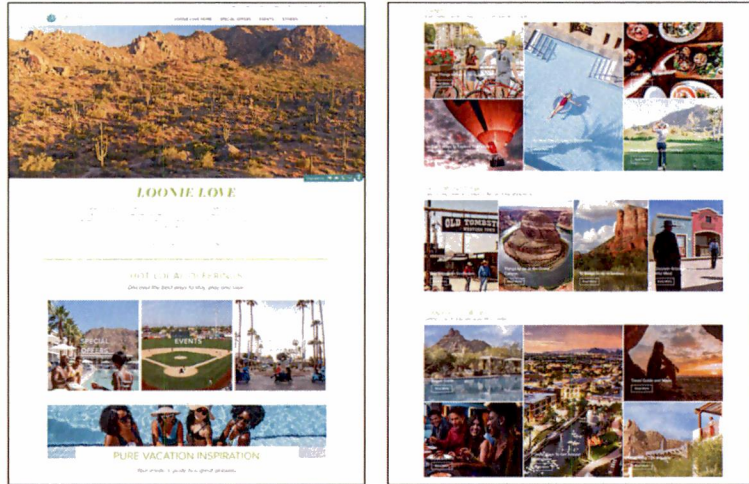
7

# NEW YORK HIGH-IMPACT CAMPAIGN



8

# LOONIE LOVE CAMPAIGN



9

# EXCEPTIONALLY SCOTTSDALE



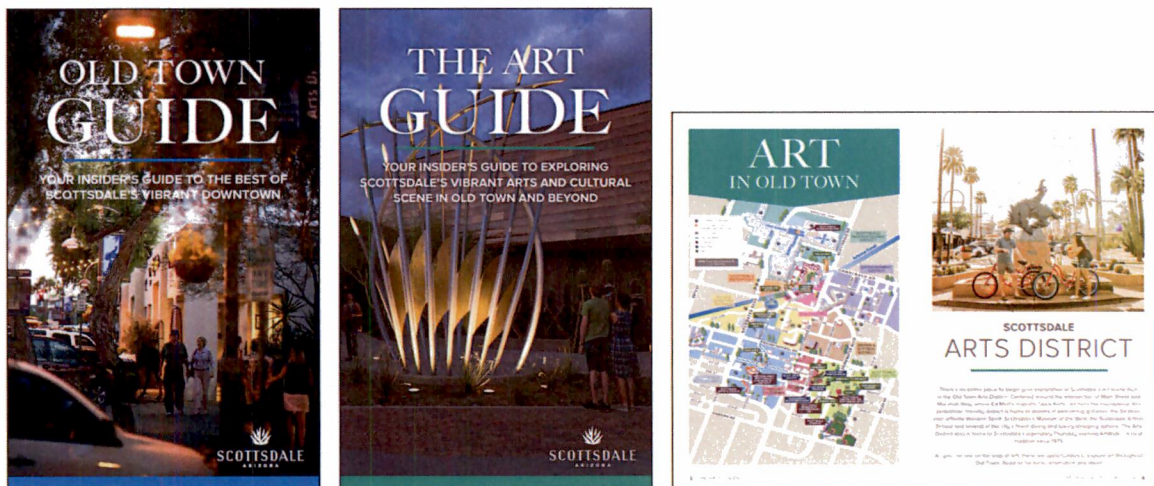
10

# 2023 VISITOR & PLANNER GUIDES



11

# PUBLICATIONS & RESOURCES



12

THANK YOU!

## PETITION

Request that the City Council authorize the City Manager to place the Petition on the soonest available agenda so that, if supported by the Council, an appeal of the Zoning Administrator determination can be filed by the City Council or nominee to the Board of Adjustment prior to the 30-day appeal deadline mid-March.

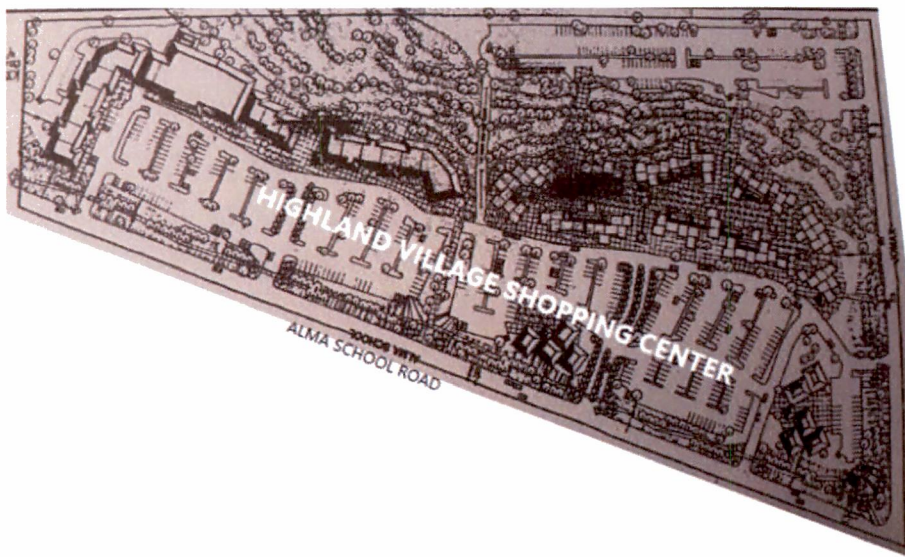
1



2

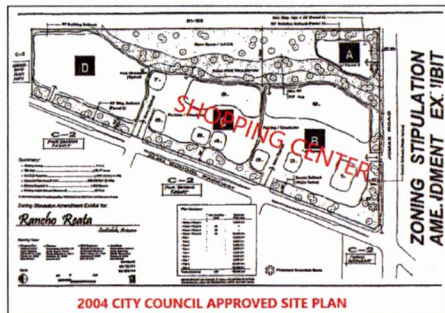


3



4





ZONING STIPULATION  
AMENDMENT EXHIBIT

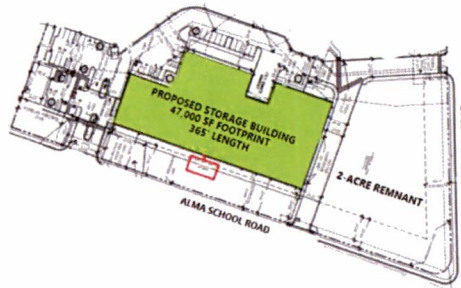
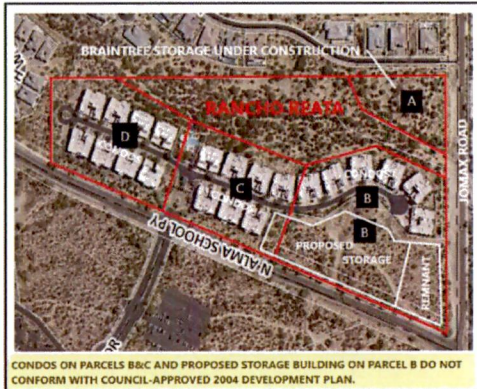


CONDOS ON PARCELS B&C AND PROPOSED STORAGE BUILDING ON PARCEL B DO NOT CONFORM WITH COUNCIL-APPROVED 2004 DEVELOPMENT PLAN.

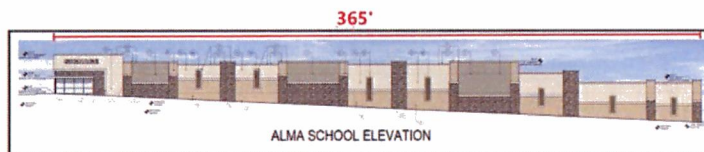
5

**CONFORMANCE TO SITE PLAN. DEVELOPMENT SHALL CONFORM TO THE ZONING STIPULATION AMENDMENT EXHIBIT SUBMITTED BY THE APPLICANT'S PLANNING TEAM AND DATED APRIL 30, 2004. THESE STIPULATIONS, THE ZONING ORDINANCE REQUIREMENTS, CORRECTIONS OF MINOR ERRORS, AND MORE DETAILED DEVELOPMENT REVIEW BOARD STIPULATIONS TAKE PRECEDENCE OVER THE ABOVE-REFERENCED SITE PLAN. ANY PROPOSED SIGNIFICANT CHANGE, AS DETERMINED BY THE ZONING ADMINISTRATOR, SHALL BE SUBJECT TO SUBSEQUENT PUBLIC HEARINGS BEFORE THE PLANNING COMMISSION AND CITY COUNCIL.**

6



CONDOS ON PARCELS B&C AND PROPOSED STORAGE BUILDING ON PARCEL B DO NOT CONFORM WITH COUNCIL-APPROVED 2004 DEVELOPMENT PLAN.



**Sec. 1.202. Interpretations and decisions.**

- A. The provisions of this Zoning Ordinance shall be interpreted and applied by the Zoning Administrator. Any request for a Zoning Ordinance interpretation or decision must be made in writing to the Zoning Administrator. The Zoning Administrator shall respond in writing to such requests for Zoning Ordinance interpretations or other decisions within forty-five (45) days from the date of the written request, provided no building permits have been issued on the subject development. A record of the Zoning Administrator's responses shall be available for public review.
- B. The appeal of Zoning Ordinance interpretations or other decisions by the Zoning Administrator may be initiated by any aggrieved person or by any officer, department, board or commission of the city affected by the interpretation or decision of the Zoning Administrator. For purposes of this subsection an aggrieved person is one who receives a particular and direct adverse impact from the interpretation or decision which is distinguishable from the effects or impacts upon the general public. Appeals must be filed with the City Clerk no later than thirty (30) days after the Zoning Administrator issues any written interpretation or

# PETITION

Request that the City Council authorize the City Manager to place the Petition on the soonest available agenda so that, if supported by the Council, an appeal of the Zoning Administrator determination can be filed by the City Council or nominee to the Board of Adjustment prior to the 30-day appeal deadline mid-March.

# Michael P. Leary, LTD

10278 E. Hillery Drive  
Scottsdale, Arizona 85255

cell (480) 991-1111  
michaelpleary@cox.net

**PETITION: Request City Council appeal to the Board of Adjustment a Zoning Administrator determination that a proposed storage facility at Alma School/Jomax conforms with the 2004 City Council approval in Case 105-ZN-1984#2**

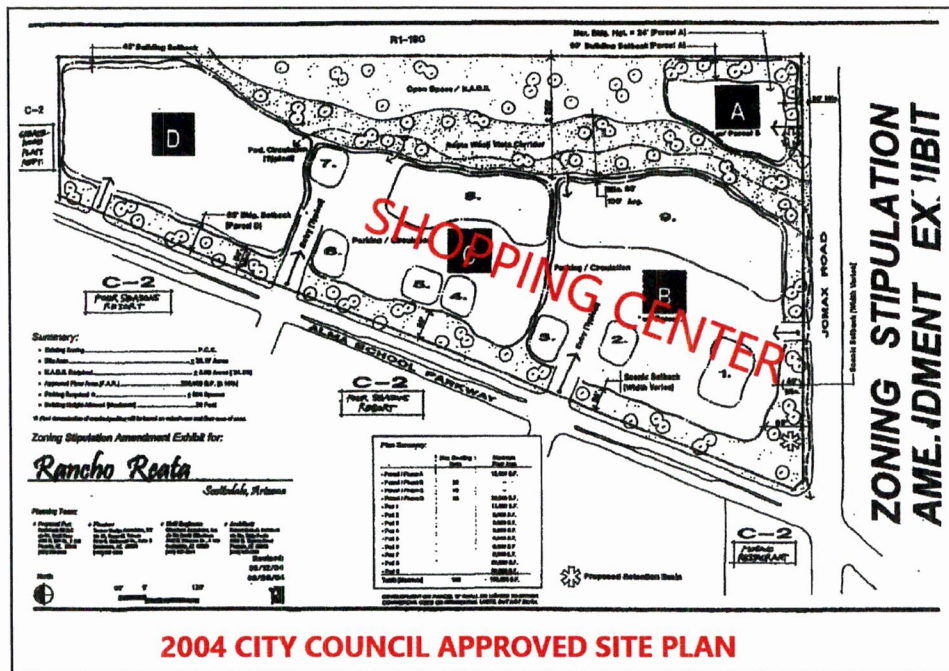
My client James Thomson is the owner and developer of the self-storage facility below that is under construction just 600' feet from a proposed self-storage facility both located in the same PCC-zoned Rancho Reata development at Alma School and Jomax.



The City Council approved in 1984 a rezoning to PCC (Planned Community Center) for development of a shopping center subject to the specific Site Plan below.



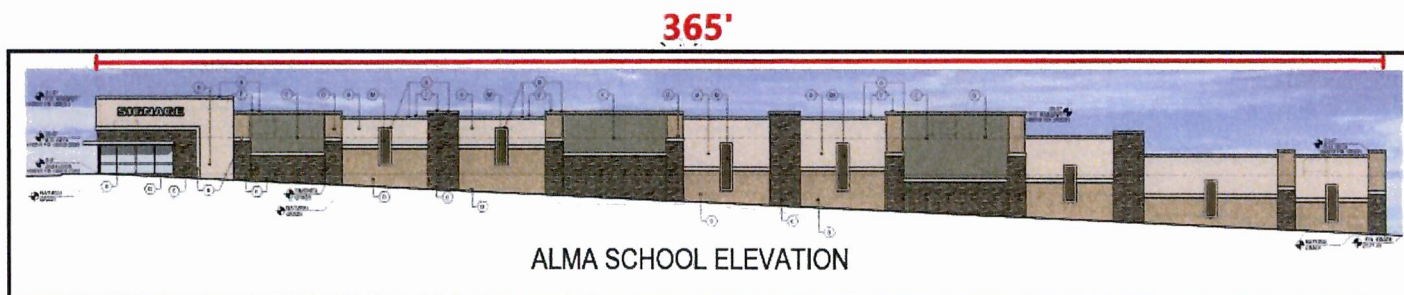
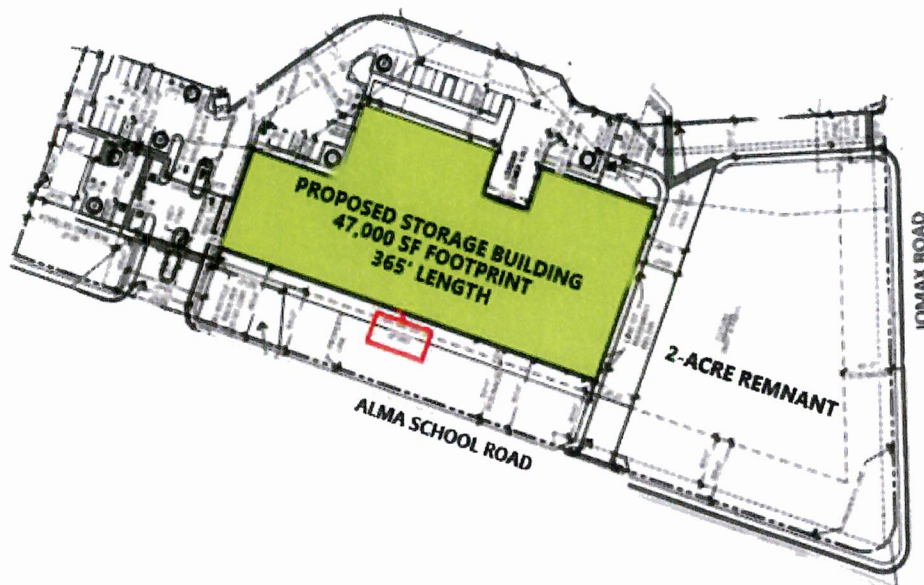
In 2004 the Council approved an amendment to the Site Plan to allow development flexibility by showing general areas where the shopping center buildings and freestanding pads on Parcels B and C would be located - just like a typical shopping center. Parcels B and C shown below were intended and approved for the development of a community-level shopping center. Parcel A is the property owned by Mr. Thomson and under construction with three levels below grade and a single floor above grade.



Subsequent to the 2004 amendment, Parcel C and a large portion of Parcel B below were allowed to develop not as a shopping center but as condominiums contrary to the 2004 zoning stipulation that significant changes to the Site Plan go back through the public hearing process before Planning Commission and City Council.



The current Zoning Administrator has determined that the proposed storage facility in Parcel B complies with the 2004 City Council zoning approval. **To the contrary, the storage facility is clearly does NOT conform to the 2004 Council-approved Site Plan.** Per the DRB-submitted site plan below, the proposed 47,000 sf building footprint and 365' building length placed right on the Alma School frontage - where pads were intended - swallows up the remaining shopping center property leaving only a 2+/- acre remnant for possible retail development. **The bottom line is that proposed facility should be required to file a zoning amendment to the 2004 Site Plan thru the public hearing process.**



My client respectfully requests that the City Council authorize the City Manager to place the Petition on the soonest available agenda so that, if supported by the Council, an appeal of the Zoning Administrator determination can be filed to the Board of Adjustment prior to the 30-day appeal deadline mid-March.

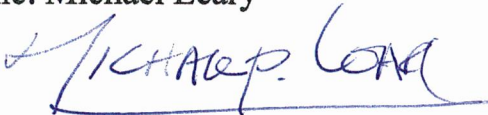
Your consideration and support is greatly appreciated. ml

**CITIZEN PETITION – FEBRUARY 28, 2023**

Request that the City Council authorize the City Manager to place the PETITION on the soonest available agenda, and have the City Council or designee appeal the ZA determination regarding a proposed storage facility at Jomax and Alma School to the Board of Adjustment prior to the 30-day appeal deadline mid-March.

**Contact Information:**

Printed Name: Michael Leary

Signature: 

Mailing Address: 10278 E. Hillery Drive, Scottsdale AZ 85255

Email Address: michaelpleary@cox.net

Phone Number: 480 991 1111

**Additional Signer:**

Printed Name: James Thomson

Signature: 

Mailing Address: 901 West Wall Street #106, Grapevine, TX 76501

Email Address: jthomson@braintree-group.com

Phone Number: 801 558 1521

# Desert Cove Internalized Self Storage

## 108-ZN-1984#2

City Council  
February 28, 2023

Coordinator: Jeff Barnes

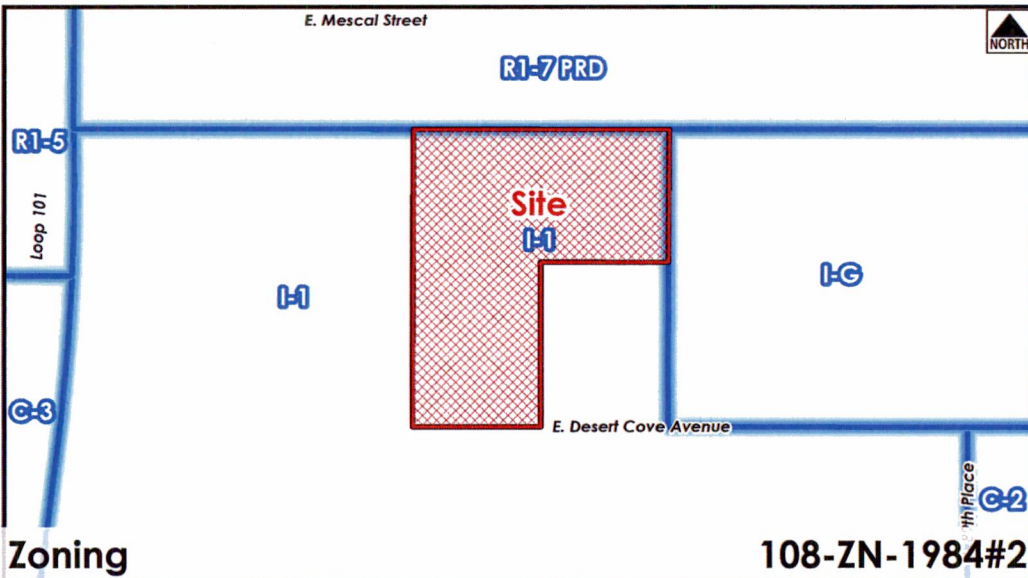
1



2

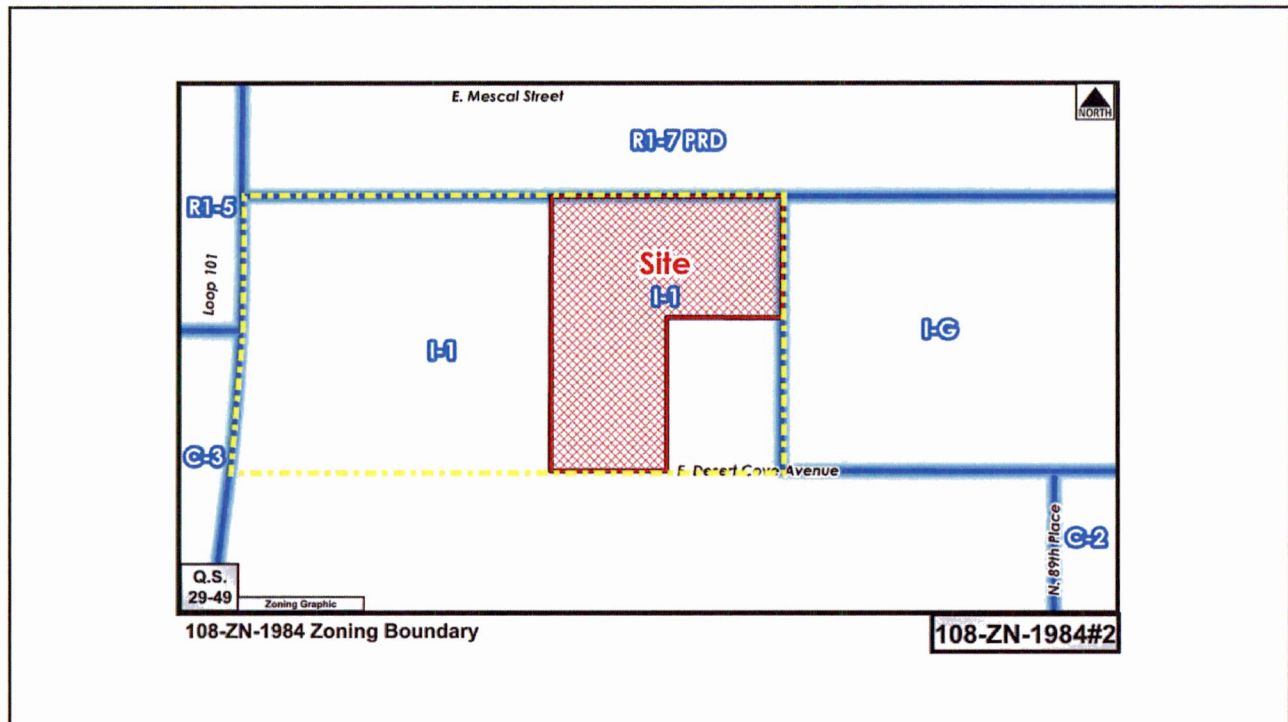


3



4

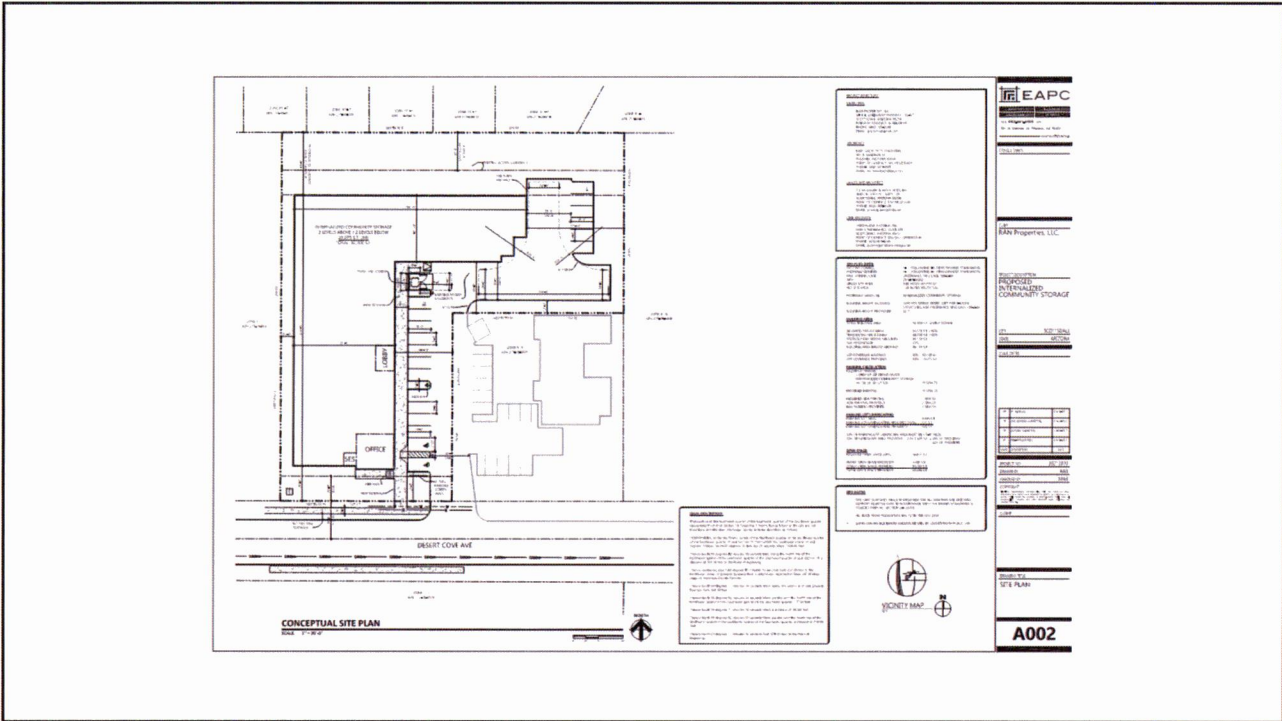




5

1. GOVERNANCE. The original stipulations of case 108-ZN-1984 (Ordinance No. 1812) shall be modified for this site as reflected below (in **BOLD** and ~~Strikethrough~~):
  - a. Development shall be in substantial conformance with the site plan submitted as part of the application, **INCLUDED AS EXHIBIT A TO EXHIBIT 2.**
  - b. Building height shall be limited to 14-feet for one-story buildings and 22-feet for two-story buildings. **BUILDING HEIGHT SHALL BE EXCLUSIVE OF SCREENING FOR ROOFTOP APPURTENANCES, AS PROVIDED FOR IN ARTICLE VII OF THE ZONING ORDINANCE.**
  - c. Dedication of 30 feet (half-street) terminating into a 45 foot radius cul-de-sac for Desert Cove Drive shall be made within 6 months of the date of City Council approval.
  - d. A 1 foot V.N.E. (vehicular non-access easement) shall be provided along Pima Road. Access to Pima Road shall be prohibited.
  - e. The use of the property shall be limited to uses allowed in the I-G **AND I-1** zone.
  - f. In addition to complying with I-1 development standards, the project shall conform to I-G development standards with the exception of building height, **FAR**, and massing standards.
  - g. The Development Review Board shall pay particular attention to the landscape treatment of the drainage channel along the north property line.

6



7

## Board and Commission Actions

- Heard by Planning Commission on 12/14/2022, Continued after discussion, with a vote of 4-1.
- Heard by Planning Commission on 1/11/2023, Continued at Applicant’s request, with a vote of 7-0.
- Heard by Planning Commission on 1/25/2023, Recommended Approval, with a vote of 7-0.

8

## **Request:**

Adopt Ordinance No. 4581 approving a zoning district map amendment to modify the stipulations of previously adopted Ordinance No. 1812, via case 108-ZN-1984; including changes to land uses and property development standards, for a +/- 1.8-acre site with Industrial Park (1-1) zoning located at 8888 East Desert Cove Avenue.

9

## **Desert Cove Internalized Self Storage**

**108-ZN-1984#2**

**City Council  
February 28, 2023**

**Coordinator: Jeff Barnes**

10

## Item 6 – Comprehensive Financial Policies

*City Council Meeting  
February 28, 2023*

1

1

### Purpose of Comprehensive Financial Policies

- ✓ Institutionalize good financial management practices
- ✓ Formalize best practices (promoted by ICMA, GFOA, bond rating agencies)
- ✓ Demonstrate commitment to fiscal integrity and responsibility
- ✓ Provides guidance to city staff
  - ensure budget and expenditure controls
  - identify and manage financial risks
  - ensure long term financial sustainability and stability
  - maintain city's high bond ratings

2

2

## Proposed Changes to Comprehensive Financial Policies

### 1. Enhance Expenditure Controls

- Capital project cost increases
- Financial obligations and commitments
- Use of unanticipated one-time, non-operating revenues

### 2. Minor Changes to Risk Management Policies

- Align self insurance reserves with new confidence level
- Include tort settlements and judgements in primary property tax levy

### 3. Minor Edits to Clarify Language

3

3

## Enhance Expenditure Controls Capital Project Cost Increases > 10% and \$1M

### Expenditure Management – Policy 3

- **New (3.02 (f))** – The city will require council presentation or a written update to council, and council approval for significant increases to capital projects as a result of scope increases or other cost increases greater than ten percent and \$1.0 million.

4

4

## Enhance Expenditure Controls – Financial Obligations and Commitments > \$1M

### Expenditure Management – Policy 3

- **New (3.03)** – The city will require city manager approval and council presentation and approval before entering into a financial obligation or commitment for new programs, projects or services and requiring future budget appropriations over \$1.0 million that is currently not in the five-year CIP or operating forecast.

5

5

## Enhance Expenditure Controls – Use of One-Time, Unanticipated Non-Operating Revenues

### Revenue Management – Policy 4

- **New (4.08)** – The city will require council presentation and approval for use of significant unanticipated one-time, non-operating revenues such as the sale of land.

6

6

## Risk Management - Align Self Insurance Reserve with New Confidence Level

### Reserve and Fund Balance – Policy 2

- **Change (2.07)** – The city will maintain “Self-Insurance Reserves” at a level that will adequately fund the city’s financial obligations for the payment of property, workers’ compensation, liability... The Loss Trust Fund Board’s target is to maintain a Risk Management reserve fund balance equivalent to the actuary’s 85-75 percent confidence interval or projected total outstanding claims.

7

7

## Risk Management – Include Settlements and Judgements in Property Tax Levy

### Risk Management – Policy 12

- **New (12.07)** – The city will include liability tort settlements and judgments authorized by the State of Arizona’s Property Tax Oversight Commission into the primary property tax creating a reimbursement revenue to the Risk Management Fund.

8

8

Questions/Comments



## **Item 7 - Procurement Code Threshold**

*City Council Meeting February 28, 2023*

1

### Proposed Changes to Procurement Thresholds

#### What the Proposal Is:

- Request to increase thresholds that determine the processing method of vendor bids and proposals for city contracts

#### What the Proposal Is Not:

- Changing any purchasing controls – all requirements and approvals needed for purchasing items, budget requirement and Council approval requirements will **NOT** change

2

## Proposed Changes to Contract Award Limit

### Section 2-185:

(a) *Informal procurement limit.* Procurements of ~~twenty-five thousand dollars (\$25,000)~~ **fifty thousand dollars (\$50,000.00)** or less shall be made by informal procedures...

(b) *Formal procurement limit.* Procurements of over ~~twenty-five thousand dollars (\$25,000.00)~~ **fifty thousand dollars (\$50,000.00)** shall be made by formal procedures...

3

## Proposed Changes to Procurement Thresholds

### Benefits and Purpose for Proposal:

- Eliminate delays for smaller dollar items that don't warrant the formal solicitation process – provide better service to customers
- Increase vendor participation and receive more bids and proposals

4

## Proposed Changes to Procurement Thresholds

COMPARATIVE PURCHASING THRESHOLDS		
Sec. 2-187, Informal Procurement Methods		
Purchasing Methods	Current Thresholds	Proposed Thresholds (effective March 29, 2023)
Direct select or 3 quotes (minimum)	Under \$10,000	Under \$25,000
Required 3 quote minimum (one-time purchase)	\$10,000 to \$25,000	\$25,000 to \$50,000
3 informal bids/proposals for annual contracts	\$10,000 to \$25,000	\$25,000 to \$50,000
Sec 2-188, Formal Procurement Methods		
Invitation for Bid (commodities and construction) OR Request for Proposal (general and professional services)	Over \$25,000	Over \$50,000

5

## Proposed Changes to Contract Award Limit

### Section 2-201 :

*“The city council shall award all contracts for construction and professional services exceeding ~~the formal procurement limit set forth in section 2-185~~ **twenty-five thousand dollars (\$25,000)**. All other contracts exceeding ~~the formal procurement limit~~ **twenty-five thousand dollars (\$25,000)** shall be awarded ~~by the director as set forth in the administrative rules.~~”*

6

# Proposed Changes to Procurement Thresholds

In addition to the Council Agenda,  
all contract award information is available for public review:

[www.scottsdaleaz.gov/purchasing](http://www.scottsdaleaz.gov/purchasing)



**Procurement Portal**  
City of Scottsdale, AZ

Log In   Open Public Opportunities   Past Public Opportunities   Public Contracts

Search

Status	Title	Vendor	Start Date	End Date	Extendable	Action
PENDING	22PB009A - TRAFFIC SIGNING MATERIALS	Zumar	Feb 18th 2023, 12:00 AM MST	Feb 17th 2024, 12:00 AM MST	✓	View
PENDING	22PB009C - TRAFFIC SIGNING MATERIALS	Xcessories Squared Southwest Inc	Feb 18th 2023, 12:00 AM MST	Feb 17th 2024, 12:00 AM MST	✓	View
CLOSED	22GV074 - VEHICLE LUBRICANTS	Senergy Petroleum LLC	Jun 14th 2022, 12:00 AM MST	Feb 10th 2023, 12:00 AM MST	✓	View
ACTIVE	114IFB22 - SWEEPER BROOMS	United Rolary Brush Corp	May 21st 2022, 12:00 AM MST	May 21st 2023, 12:00 AM MST	✓	View

7

## Item 7 - Procurement Code Threshold

City Council Meeting February 28, 2023

Questions?

8

Contract examples moving to the new Informal Threshold Range:

<b>Contract</b>	<b>Contract Value</b>	<b>Award</b>
Shop Floor Cleaning Supplies	\$25,100	Administrative
Actuarial Service	\$26,000	Council
WestWorld Grain and Hay	\$26,000	Administrative
Crime Lab Equipment	\$27,000	Administrative
Park Bench Refinishing	\$30,000	Administrative
Real Estate Brokerage Consulting	\$30,000	Council
Archaeological Services	\$30,000	Council
Medical Examination Services	\$30,000	Council
Vehicle Seat Upholstery	\$30,000	Administrative
Bee Removal	\$30,000	Administrative
Sweeper Brooms	\$35,000	Administrative
Firefighter Boots	\$37,000	Administrative
Chlorine Tablets	\$36,000	Administrative
Raspatory Testing	\$45,000	Council
Tent Rentals	\$50,000	Administrative
Diving Services	\$50,000	Administrative