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CALL TO ORDER

[Time: 00:00:01]

Mayor Ortega: I call the February 27, 2024 City Council Work Study Session to order. City Clerk Ben Lane please conduct the roll call.

ROLL CALL

[Time: 00:00:08]

City Clerk Ben Lane: Thank you, Mayor. Mayor David Ortega.

Mayor Ortega: Present.

City Clerk Ben Lane: Vice Mayor Solange Whitehead.

Vice Mayor Whitehead: Here.

City Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilwoman Caputi: Here.

City Clerk Ben Lane: Tom Durham.

Councilmember Durham: Here.

City Clerk Ben Lane: Barry Graham.

Councilmember Graham: Here.

City Clerk Ben Lane: Betty Janik.

Councilwoman Janik: Here.

City Clerk Ben Lane: And Kathy Littlefield.

Councilwoman Littlefield: Here.

City Clerk Ben Lane: City Manager Jim Thompson.

Jim Thompson: Here.

City Clerk Ben Lane: City Attorney Sherry Scott.

Sherry Scott: Here.

City Clerk Ben Lane: City Treasurer Sonia Andrews.

Sonia Andrews: Here.

City Clerk Ben Lane: Acting City Auditor Lai Cluff.

Lai Cluff: Here.

City Clerk Ben Lane: And the Clerk is present. Thank you, Mayor.

Mayor Ortega: Excellent. Well, we have Scottsdale Police Sergeant Sean Ryan as well as Detective Dustin Patrick and Fire Fighter Derek Owen should anyone need assistance.

PLEDGE OF ALLEGIANCE

[Time: 00:00:46]

Mayor Ortega: Let's stand for the pledge, lead us, Kathy.

Councilwoman Littlefield: I Pledge Allegiance to the flag of the United States of America, and to the

Republic for which it stands: One nation under God, indivisible, with liberty and justice for all.

Mayor Ortega: Well, our Work Study Sessions provide a less formal setting for the Mayor and Council to discuss specific topics with each other, and with city staff and certainly a Task Force. And it gives us an opportunity to provide direction. To provide an opportunity for public input, we also have an opportunity for five speakers to come forward and that's to allow us maximum time of discussion among ourselves. So, we do have five speakers who have requested to speak on the agenda item. I also want to point out that anyone else, and certainly we have received other emails or correspondence statements, can be given through the Clerk's Office or presented today, and they will become part of the record. So, thank you, one and all, for being here.

PUBLIC COMMENT

[Time: 00:02:18]

Mayor Ortega: At this point, I would open public comment. And at this point, I would ask for Pruitt Layton to come forward and then Michael Vreeland. So first, Pruitt Layton. Yes sir. Yes, and you will see a timer with three minutes. So, appreciate you being here.

Pruitt Layton: Okay. Can I start talking?

Mayor Ortega: Yes.

Pruitt Layton: All right. Good afternoon, Mayor Ortega, City Councilmembers, and staff. My name is Pruitt Layton, I live in Scottsdale and my address is on record. I'm here today to support the efforts of the Protect and Preserve Scottsdale Task Force and to encourage the Council to accept their recommendations, including requesting voter approval to extend the transaction privilege and use tax at a reduced rate of 0.15% for an additional 30 years. The proposed repurposing of the sales tax will provide much needed resources to assist with maintaining, improving, and protecting the city's 45 parks, aquatic facilities, greenbelts, playgrounds from Apache and Eldorado Parks in the south all the way up to the Sonoran Preserve in the north.

Some of the city parks are in dire need of maintenance and repair and our residents have been voicing their concerns for many years asking that the facilities in their neighborhoods be safe, modernized, and secure. I believe that the needs analysis and the revenue projection efforts put forth by the Task Force that have yielded a proposed 25% reduction from 0.2% to .15% sales tax, sends a good message to the citizens of Scottsdale that their money is being well-managed. I'm a volunteer steward with the McDowell Sonoran Conservancy and I spend a lot of time in the Sonoran Preserve. My activities include patrolling, trailhead ambassador, trail construction maintenance, fire wise assessments working with the fire department, wildlife camera deployment, and invasive species eradication. In fact, I spent a long hard day last spring helping to remove a large patch of stink net near the Lost Dog Wash so I've seen up close and personal how invasive species can take over an area and just how hard they are to get rid of. By the way, if you are ever asked to volunteer for one of those projects runaway fast, it's not much fun.

Those of us who spend time in the largest urban preserve in the United States understand and appreciate what a truly spectacular place it is. Scottsdale taxpayers voted twice to pay for the procurement of the land. Now we need to vote again to repurpose that money collected by the extension of the sales tax to maintain the trails and the trailheads, contain the invasive species, support wildfire wildland fire mitigation, provide enhanced security, and protect this critical refuge for the more than 730 types of plants and animals that call this amazing place home.

And just a thought, we need to figure out how to get more people in all parts of Scottsdale to become more aware of this beautiful place so all city residents can have an opportunity to enjoy it. I lived here for many, many years and didn't even know it existed. Maybe we should consider, you know, running the trolley from the south up to the north a few times just so more people can get up there. Anyway, in closing, I encourage you to support the recommendations put forward by the Task Force tonight so the tax reduction and extension question can be put on the ballot for the November election. Thank you for your time.

Mayor Ortega: Thank you, sir. Next, we have Michael Vreeland and then Kristen Parish.

[Time: 00:05:47]

Michael Vreeland: You touched on the logistics I want to talk a little bit about the identity of what these spaces mean. So good afternoon, my name is Mike Vreeland and I'm a 10 plus year Scottsdale resident of 85257 and I'm a member of the Parks and Recreational Commission. I'm thankful to be before you express my support for the work and proposal from the Protect and Preserve Scottsdale Task Force to address the ongoing needs of these exceptional assets, especially the McDowell Sonoran Preserve and the Indian Bend Wash. So, I was thinking, if you ask 100 Scottsdale residents, what makes Scottsdale, Scottsdale? You will probably get about 120 answers but they all might be different, but I think there's a good chance you'd hear about the people, the shopping, the arts, the weather, but I would imagine that you would hear a lot about the sense of space of Scottsdale and the intangible quality of what it feels like to be a part of our community. I think that some of that intangible feel is the open spaces, specifically the Preserve and the Greenbelt area.

Other cities in the metro area, we know that they long for what we have been able to accomplish with the Preserve and the Greenbelt. We know that other municipalities have tried to emulate the Indian Bend Wash's system of parks and trails and open spaces. If you were to drive by these spaces any day, you'd see the benefit that they have. They represent the identity of our city as much as Old Town or Fashion Square or the Scottsdale Airport, which as key centers of commerce, they bring people and revenue to the city, but they can have a higher barrier of entry. The parks, by the design, are open to all.

I'm thankful for those who put in the work that resulted in the Preserve and the Greenbelt. Some of them are in the building today. I have learned a great deal about what it took to bring those spaces into being, and I've learned it took a level of foresight, vision, and perseverance that I aspire to. And now, we have an opportunity to aspire to pick up where they left off and to write the definition of what a world-class city and what world-class parks look like over the next 30 years.

Fortunately for us, the systems in the foundation are already in place to give us the opportunity to protect, preserve, and produce the kind of city that creates and values world-class spaces that are open to all. Part of that opportunity is for us to do our part through the extension and the repurposing of this tax. Ultimately, our citizenry cannot exist in a vacuum. We have to see ourselves as stewards of our cities and communities and Scottsdale, that means being stewards of the amazing spaces, the amazing spaces which are unlike anything else in the valley, in the southwest, we know that. It's a part of that stewardship, if a part of that stewardship is literally less than 0.2 of 1%, that's asking very little with an incredible and unique return on our investment. Thank you.

Mayor Ortega: Thank you. Kristen Parrish and Maryann McAllen then Teresa Quale.

[Time: 00:08:31]

Kristen Parrish: Okay, greetings Mayor Ortega and members of the Council, my name is Kristen Parish. I have lived in Scottsdale since 2012, took a little break, and then moved back in 2018. I am the Chair of the Parks and Recreation Commission, so, of course, go parks, very excited about that, but I'm actually here today to talk to you as a resident with a different hat on which is my hat as a member of the faculty of the School of Construction at Arizona State University. So, I think one of the really critical reasons that we should support the recommendation of the Task Force is because construction pricing is very volatile. I actually sent you guys a little white paper, so if you are bored tonight, you can read it. But I did want you to have all data to make a very informed decision. So, on the whole, construction prices have gone up about 50% from 2019 to present. And if you look at our bond projects, you probably will see evidence of that.

Some specific statistics that I wanted to make you aware of, concrete has increased 37% since Q4 2019, wire has increased 29% from Q4 2019, and steel products have increased 51% since Q4 of 2019. All together what that means is that construction is really expensive and when you budget things and then you go out for bond, what happens? You wait. And when you wait, things get more expensive. In the Phoenix market, prices increased 1% a month for 38 consecutive months. That means that the prices went up 38% in three years. We can't afford to bond projects and have citizens be frustrated. So, it's really important that we instead have a dedicated revenue source like the tax. And I think that the taxes really makes great use of the magic of the Scottsdale economy, which is we benefit so much from the tourists and the visitors that come spend money here, even though they are not necessarily residents. So, all the residents are benefiting from this economic activity generated from visitors to our city.

And then the last thing, this is just a little fun bit of civil engineering knowledge for you. Up until about 2004, civil engineering assets were designed for 50-year lifespans. That was just the basic design principles that all civil engineers were trained in. I have three degrees in civil engineering, I trained a lot in 50-year lifespans. So those assets that we created, the Indian Bend Wash, some of our parks, those are hitting the end of the life they were designed for and other parks in central Scottsdale are going to be hitting that end of life. So, I just wanted to close by saying, please do support the recommendation of the Protect and Preserve Scottsdale Task Force to continue with the tax at 0.15%. Thanks so much.

Mayor Ortega: Thank you, Maryann McAllen then Teresa Quale.

[Time: 00:11:44]

Maryann McAllen: I'm obviously the shortest speaker today. That's okay. Good afternoon, Mayor, City Council, I'm Mary Ann McAllen, I live at 6302 North 86th Street. I have been a resident of Scottsdale for 59 years. If my mom could have held out six months, I would be a native, but she did not. I was born in Minnesota, but I have lived in two places in Scottsdale; where I was raised in south Scottsdale, 6932 East Moreland and then when I got married, I moved to where I am now on 86th Street. I'm a proud citizen of Scottsdale. And beyond that, I'm a former recreation leader and that's what I'm here to talk to you today about. I support this report and I approve what the Protect and Preserve Task Force has put forward. I read it thoroughly, and there are three points I'm taking away from it. The first one being that the Task Force is talking about the safety of our citizens.

That's the number one. With, that's what we want for all of our citizens, for them to feel safe, not just in our parks where it's all beautiful. Up in the Preserve, we saw last year that the fires came close to it, but the park ranger unit, when I was the former chair of the Parks and Recreation Commission, we urged the City to approve the ranger unit and they did for a couple. I think it was three. Well, now we are looking at an increased amount. I want you to know when I was a recreational leader, you know little kid on a bike, you would ride and lock the restrooms from McKellips all the way north to Mountain View, at that point, that was the furthest park, and then to Cactus pool. So, we had to lock those and then eventually they let us drive the city truck, 3346, I think was the key. Anyways, so we did that as recreation leaders and that is not as safe as it could be and now with ranger units, I think people will feel safe. They'll see someone. They will recognize them as a safety person and that will help. That's number one, our safety.

Second, is preserving the beautiful open spaces and making sure that they've been maintained similar to what Chair Parrish said. You know 50-year life is up on the three parks, the south parks and moving north, so we need to preserve the greenbelt, the open space in those parks for decades to come and that's what this suggestion will do for the next 30 years. So that's very important. Next, the third point is the Indian Bend Wash, and this is super important. I know Raoul has lived here a little longer, because he's a little older. Sorry Raoul. But when I was a child, my dad worked for Motorola. That's why we moved out here. And volunteers from Motorola and St. Daniels, they would sandbag the homes so they would be preserved. So, we need to go with the suggestion. I implore you to keep our citizens safe, continue the beauty and open spaces in a safe manner, and I think the tax will help with this. Thank you so much.

Mayor Ortega: Thank you, Teresa Quale next.

[Time: 00:15:17]

Teresa Qualley: Thank you. Mayor, Council, staff, my name is Teresa Qualley, I live at 7730 East Aster Drive. I am a 61-year resident of Scottsdale. In fact, I was here before the Indian Bend Wash was here. People, my younger friends get really bug-eyed when you say that, because they see how big those trees are. But I'm very proud to be a Scottsdale resident, I'm particularly proud of the legacy that our

forefathers here, many whom are still with us, who had the vision to do what they did to preserve the open space in Scottsdale and I'm here to add my voice. I'm also Vice Chair of the Parks and Rec Commission, currently, which I have learned an amazing amount about our wonderful parks and recreation. And kudos to the staff because they do a fabulous job. But they need the tools to do the fabulous job. And sort of like my 40-year-old house and my 60 or something year old person, we need maintenance, and we need capital improvement and that's the reality. You cannot have what we have without maintaining it and continuing to build upon it.

And I think it has the added advantage, as we go to do maintenance, is we can do something about making us a little more green, making us use a little bit less water. I really think this is a win-win for everyone. It is a reduction, it's something that we the Scottsdale residents have said over and over again that they want for their city. And the thing that I think is even better is all those lovely visitors get to pay a portion of what we are doing to take care of our city, because they pay sales tax just like you and I do. So, I really just want to add that in order to keep our world-class city world class, we have to take care of our parks, our trails, and our Preserve. And I would encourage you to move this forward to the voters, so we get a chance to say, "Yes, this is what we want." Thank you.

Mayor Ortega: Thank you very much. With that, I will close public comment. Adding to that, we are moving into the report of the Protect and Preserve Scottsdale Task Force recommendations. This has been a very comprehensive and transparent body of work over many, many months. And there's certainly a lot of supporting information that went into the executive report, as well as the presentation we'll see today. Today, we have Cynthia Wenstrom, who is the Chair, and Raoul Zubia, Vice Chair of the Protect and Preserve Scottsdale Task Force. In addition, we have the major department heads, who assisted, provided data, and they will come forward as their pieces of the presentation are made. So that's the supporting cast that provided the data and so forth, again is all of record. With that, I will turn it over to the Chair and Vice Chair. Thank you.

WORK STUDY SESSION

[Time: 00:18:32]

Cynthia Wenstrom: Thank you, Mayor. Good evening, Mayor Ortega, Vice Mayor Whitehead, and Council.

Mayor Ortega: We'll check the mic, just closer perhaps.

Cynthia Wenstrom: Is that better?

Mayor Ortega: Yes.

Cynthia Wenstrom: Okay, good evening, Mayor Ortega, Vice Mayor Whitehead, and our City Councilmembers. It's a pleasure to be here with you this evening. As the Mayor so kindly introduced, my name is Cynthia Wenstrom and Vice Chair Raoul Zubia. We are the Task Force that has overseen some

opportunities with the city of Scottsdale. It is my pleasure now to introduce our Task Force, comprised of long-term residents of Scottsdale that represent the south, the central, and the northern parts of our city. And if you will all please stand as I say your name, and then stay standing. Member Carla, Nicholas Hartmann, Jace McKeighan, Daniel Schweiker, Mark Winkelman, and John Zikias, our Task Force members. Thank you.

The Task Force mission was established September of 2022 and at the end of that year City Council appointed we members to assist the City Council in the, yes, I beg your pardon. That's my job. I beg your pardon. Normally I have to say advance the slide and I didn't say that either. So, I beg your pardon. The Task Force Commission mission was established in September 2022 and at the end of that year City Council appointed we members to assist City Council in identifying sustainable funding to protect and preserve Scottsdale's open spaces and quality of life. The very qualities that set Scottsdale apart from other cities in the valley and far beyond, providing the unique identity that allows Scottsdale to stand on its own stage. We're going to get this right.

Our accomplishments over the last 14 months, we began meeting in January 2023, the commitment of the Task Force members who you just met has been unwavering, with over 20 meetings held and higher than 90% attendance throughout. What this number doesn't show is the obligation task members felt to uphold their duty to the Task Force, including logging in when traveling internationally, whether it was for business or for pleasure. We came to consensus, not an easy thing when you have members who come from a variety of backgrounds all with strong convictions and willing to speak their mind. But we came to consensus on every item that we brought forward this evening. And finally, we collaborated with the Parks and Recreation Commission and McDowell Sonoran Preserve Commission and our city departments.

The Task Force citizens, the Task Force sought citizen input, which was input from over 1,700 Scottsdale residents. We used EMC Research, an independent survey and research firm. There were 400 live and online interviews open only to invited voters through random sample, and this was a statistically valid survey. There were another, more than 1,300 individuals who participated in online feedback. Next slide, thank you. 92% of our voters overwhelmingly agreed that Scottsdale's parks and Preserve improved the quality of life and the local economy. The city has a responsibility to care for and maintain the Preserve with one-third of our land Preserved as the McDowell Sonoran Preserve or 30,500 acres.

[Time: 00:22:48]

Leaders had the foresight, including Task Force member Carla, a McDowell Sonoran Preserve pioneer, one of very few. Our recommendation, I would ask that you remember, that 92% of the surveyed voters overwhelmingly agree Scottsdale's parks and McDowell Sonoran Preserve improve our quality of life. More importantly from the start, now we know that 94% of our voters agree it is a good idea to fund parks, recreation, the McDowell Sonoran Preserve, and all without increasing the tax rate. Our Task Force number one recommendation is to request voter approval to extend the 0.20 expiring tax rate at a reduced rate of 0.15% for 30 years, effective July 1, 2025. Recommendation number two has multiple facets including improvement to aged Indian Bend Wash parks and other citywide parks, and additional

funding for citywide park maintenance.

Raoul Zubia: Facet number two is to increase the police park rangers for enhanced citywide education response and enforcement activities just like you heard on some of the comments earlier. Much needed for the parks and Preserve.

Cynthia Wenstrom: Number three aspect is increase and dedicate funding for care and protection of McDowell Sonoran Preserve.

Raoul Zubia: Number 4, increased funding for citywide fuel mitigation and technical rescue.

Cynthia Wenstrom: Number five is addressing WestWorld drainage, shade, and other critical infrastructure improvements for WestWorld, a major venue in our city. These are capital improvements specifically for drainage as I mentioned and other critical needs. Recommendation number three is distributing the 0.15% tax revenue by ordinance. Additionally, the Task Force was cognizant about defining projects equitably throughout the city's southern, central, and northern areas. 51% is projected for Indian Bend Wash and other citywide park improvements, 14% for park and recreation maintenance, 18% McDowell Sonoran Preserve care and protection, 7% for the police ranger program and 10% for fuel, fire fuel mitigation, and technical rescue. Less than 25% will be used for debt requirements for WestWorld infrastructure improvements.

[Time: 00:25:47]

Raoul Zubia: So currently, the 0.20 tax is \$4.95 per household. That's what the average household pays. When we reduce it to 0.15, that will go down to \$3.71. Also, if you will notice that we are one of the lowest city tax rates. We have one of the lowest city tax rates in the valley. So, by reducing that even more, down to 0.15, it will reduce it to .170. Next one. As was mentioned before, visitors pay a huge part in our sales tax revenues. Between spring training now, the Phoenix Open recently, and then last year the Super Bowl, a lot of these tax revenues come in from out of state, out of town. However, this 12% it only covers people would stay here for overnight visits and people who travel more than 50 miles into Scottsdale. What it does not mention is those citizens that come from P.V., from Gilbert, from Chandler who come here to eat, to shop, to be entertained by our nightlife. So, this is a little misleading in the sense that it's a little lower than it should be. It's probably a little bit higher than that. Next section.

Cynthia Wenstrom: Thank you. The next section is going to be our department presentations or as we refer to them, our subject matter experts who guided us and helped us walk through so much of this information. I'm going to introduce them as a group and our first speaker will be Assistant Chief of Police, Rich Slavin. So, we have speaking to us this evening Richard Slavin Assistant Chief of Police, Nick Molinari, Community Services Assistant Executive Director, Bill Murphy, Assistant City Manager, Kroy Ekblaw, Preserve Director, Tom Shannon, Fire Chief, Sonia Andrews, City Treasurer, and Ben Lane, City Clerk throughout these next slides. Again, with our first speaker, Chief Slavin.

[Time: 00:28:09]

Assistant Chief of Police Richard Slavin: Good evening, Mayor Ortega, Vice Mayor Whitehead, members of Council, I'm honored to be here with you tonight to talk about how we would best utilize this extension, but the reduction of this tax. Chief Walther wanted to be here tonight, but he has a couple things going on tonight. But you are stuck with me, sorry. So, from the Police Department and how we would best utilize this move if you choose to take it, would be to enhance and increase staffing to our park ranger unit. We currently have three park rangers in the department, they are there, Adam Sailer, Amber Fleming, and Hayden Scott; looking very good over there. They report to the supervisor of the mounted unit. So, they are a unit without even their own supervisor at this point.

The, as you can see when you talk about 43 parks, five lakes, 30,500 plus acres of the Preserve from the south end of the McKellips to the north tip, the McDowell Mountain Preserve, that's an awful lot of space and 200 plus miles of trails. They have a rather large task that we are assigning to them and allowing us to increase their staffing would only improve our services to our community and our visiting guests. When you consider that, I heard so many of the citizens just talking about, with their passion, their care for our parks and Preserve, and what they mean to our community and our visiting tourists. Having a unit solely dedicated in the same spirit of conservancy and of care, you know, for our parks, policing alongside all of those many volunteers is super important to the department and to the city. So, we would be looking to extend and increase the size of the unit. Before we get to the next slide, the current funding for positions only, that we utilize for these three park rangers is Prop 207 money. It only pays for salaries. It doesn't pay for equipment or other training or needs.

So, what we are proposing is moving to six rangers. So, doubling the size of the unit itself, making them self-sufficient with their own supervisor and then that final position there, the real time crime center, I think many of you had the opportunity to visit our real time crime center. The more we do in policing, the more we're utilizing, maximizing technology, and so as we build this unit larger, we would want additional support in the real time crime center to support their activities as well. They, this group utilizes so many different levels of transportation and training from horseback to bicycles to side-by-side ATV's to hiking and trucks. They pretty much have to do it all. We would have to have some dedicated horses which would increase our veterinary services bills, we need more equipment to supply the unit, and you can see the costs associated there.

Just a quick overview of what they do for us every day and what we would enhance our services to our community with, with search and rescue, crime prevention throughout all of our parks, homeless outreach, protection of natural resources, a general understanding of what all of our stewards are responsible for now and trying to align them with all of their passion and knowledge and care for our parks. It also aligns with the safety and open space element of the General Plan for 2035. If we are able to move, oh, I'm sorry. On the slide that had the figures if you could go back to that really quick. One more back. So, the total cost of those rangers, sergeant, and real time crime center tech, shows at \$1,013,000. The money that's coming out of Prop 207 would be replaced with this so we would be able to redirect the Prop 207 money to other needs within the Police Department as well. Sorry. Thanks, Raoul.

So funding, one more, funding this, as we said, would be three positions. We are limited to three positions with no unit supervisor. If we don't identify, extend, and reduce this tax for this purpose, we would just be continuing with those three park rangers. I don't have the staffing to increase that in any other way currently. And so, we can only get out of them what we can get out of them with that much space. We would rely on patrol to support. That would increase response times especially as you get deep into the north end of the city and the Preserve itself to issues that might present there, so simply increasing the size of the unit, allows us to access more parts of the parks and Preserve and provide services more completely. Okay. I think I have covered that one as well. Questions for me?

Mayor Ortega: I see none. Let's move on.

Richard Slavin: Thank you sir.

Cynthia Wenstrom: Thank you Chief Slavin. Next up is Mr. Nick Molinari Community Services Assistant Executive Director.

[Time: 00:34:09]

Nick Molinari: Good evening, Mayor Ortega, Vice Mayor Whitehead, members of City Council, Nick Molinari with Scottsdale Parks and Recreation. I'm going to provide an overview of what the Protect and Preserve Scottsdale Task Force considered when making their recommendation about Scottsdale parks. Before I do that, we're going to play a quick video. The City of Scottsdale is very well-designed. We are a city that has an opportunity for you to have a free experience of recreation while you are here visiting. The experience of flooding in Southern California, the Army Corps of Engineers developed flood control, but they were concrete. And so, they came to Arizona, and they thought, well, we should do the same thing we did in California. The citizens in Scottsdale are well-informed and educated and they put pressure back on the federal government to say, this isn't something we would like here in Scottsdale. They put in our General Plan in 1967 more of a green recreational space, which you see today. So, this 11 miles covers multiple things that we can utilize for recreational purposes.

We've had Major League Baseball here every single year, year-round. So not just spring training for people to come and enjoy. You can come and watch a baseball game and the future stars of the Major League Baseball are here. We've hosted tournaments both national and international in tennis. We have hosted numerous tournaments as well for recreational sports for adults and youth. So it's an active Greenbelt. We want it to be that way and that's the investment that the city continues to put towards us is to make sure that you can recreate here and enjoy it from a simple walking your dog to playing some physical sport.

Nick Molinari: So, I know that City Council understands the significance of the Indian Bend Wash, but I really do appreciate the opportunity to show that video, because as time goes on fewer and fewer people in Scottsdale understand the significance of the Indian Bend Wash as a flood control system and what it means to Scottsdale. We'll take a quick photo journey down Scottsdale's park history, but Eldorado Park here on the left side, sorry, was originally named Coronado Park and opened in 1967.

Chestnutt Park in the upper right-hand corner opened in 1967 as well. Chaparral Park down in your lower right-hand corner was originally named Jackrabbit Park and that park opened in 1972. Next slide. Indian School Park opened in 1979, 1980. In the upper right-hand corner, this was 1967. I will try this one. How is that? Is that better? Okay. Great. Thank you.

So, I am going to run through a lot of information about our park system and provide a lot of detail about what the Task Force considered when they made this recommendation. But really, I have two points. They are points that I'll make throughout the presentation, some of our speakers made these points earlier. Number one is we have phenomenal parks. Our citizens love our parks. They are critical to our quality of life. I grew up in our parks and I can say that they have been, growing up in Scottsdale, we are been blessed to have phenomenal parks, phenomenal opportunities for recreation.

And number two, our parks are old, they are very old. The parks that we are considering, the park that we are making a recommendation to prioritize through the potential sales tax are between 45 and 56 years old. As we have had some people comment already, we have systems in our parks that are past their useful life cycle and it's time to invest in those parks. Next slide. So, our approach to our recommendations, the Parks and Recreation Department's recommendation to the Protect and Preserve Scottsdale really, we're focused on the City Council approved work plan which asked us to take a look at our Indian Bend Wash parks, our aging infrastructure and our unfunded needs. We also looked at the General Plan. And the General Plan is pretty clear about what we should be doing relative to our parks and open space.

[Time: 00:38:59]

The recreation element to the General Plan calls for us to develop plans for the maintenance, renovation, and enhancement of community recreation facilities and invest the necessary resources to keep the assets sustainable. That's what we are really asking for. The open space element asks us to renovate, renew, and upgrade city parks and recreational facilities in response to changing community demographics, priorities, and needs and that was really the focus of what our recommendations were to the Task Force and what they came out as their recommendation to Council. And then the third piece was age and condition of the parks, and our recommendation is that we prioritize the five Indian Bend Wash parks. They are our oldest parks for the most part. We have Camelback Park sitting in there which is a little bit newer, but we are not recommending a lot of improvement to Camelback Park. Next slide.

So, to provide the Council with an overview of how we developed our cost estimates and what we went through with the Task Force to develop the recommendation about the capital funding, our first point was to address the most critical needs staying under 0.15%. So that was a big piece of it. We have a lot of parks, we have 47 parks, we have sports facilities, and we maintain a lot from the southern part of the city to the northern part of the city. What we're recommending here is not to provide a funding source for everything. It is to provide a funding source, staying under the 0.15 to address most critical needs. The next piece is for us to create targeted and phased improvements based on approved master plan projects and tax collection. So, we will have an ability to forecast and experience tax collection as we go through master planning to identify and achieve the improvements that ultimately City Council will

approve and I'm going to provide a couple of examples here which I think are important.

Our internal cost estimators for the City of Scottsdale through CPM have, they have provided us with estimates for full park renovation at about between \$3.2 to \$3.8 million per acre is what their estimates were. And if you look at that, that's validated through some of the projects that we have done in Scottsdale, but it's also validated through other projects that have been done throughout the valley. There's projects actually in the other cities in Gilbert that are closer to \$4, \$4.5 million per acre. Full park renovations are not what we are recommending through the tax. We are recommending targeted improvements that have been identified and approved by the Council that replace infrastructure, that replace restrooms, that replace skateparks. And if you look at how the \$248 million for capital extends over 313 acres it comes out to \$792,000 per acre which is significantly less than we are spending in building new parks. Next slide.

[Time: 00:42:41]

So, the Council has been involved with all of our master planning and the community engagement that we have done over the last several years and I just want to highlight some of those. The Indian Bend Wash Master Plan from Thomas to McKellips is one we will come back on in the next slide. We are currently going through a master plan for Indian School Park, which ultimately will come to the Council for approval. And then, we have spoken to each of our Councilmembers about the Parks and Recreation System-Wide Master Plan, which is currently underway and is estimated for completion sometime in 2024. An important piece of that, as we had significant community input in all of our master planning, the Parks and Recreation Department has been committed to utilizing every resource we can to engage our citizens and determine what is important to them. And the information that we're getting now is really validated some of the previous information that we've got through our master plans. Next slide.

So, the Indian Bend Wash Master Plan Thomas to McKellips is one I think is important to spend some time on. Somebody mentioned to me, it was a couple of months ago that it would be great if the parks and recreation system, the systemwide master plan was complete so that there would be some increased specificity in what the parks projects would be. And that's really not what the Task Force took a look at when they made their recommendation because in 2020, City Council approved the Indian Bend Wash Master Plan from Thomas to McKellips which makes up half of the Indian Bend Wash. So, we have a Council approved master plan with specific improvements that have been identified by our citizens through a public engagement process that have been recommended by all of our boards and commissions and then have been approved by City Council unanimously. So, we have a plan, a footprint, for approximately 45% of the improvements over the course of a 30-year tax. Next slide.

So, the Vista Del Camino Eldorado Park improvements that we are recommending, which basically make up the Indian Bend Wash Master Plan from Thomas to McKellips, this is what was funded by the bond in 2019. So, this is what we ultimately included and funded was repair of the lakes and irrigation. Next slide. And these are all of the unfunded needs. So, these are the unfunded needs that Council approved, that D.R. approved, that the Planning Commission approved. These are the improvements that I get phone calls about, I get emails about, members of this Council get phone calls and emails about, asking

when are we going to do these things? When are we going to renovate the soccer fields with new lighting and build new restrooms throughout Vista and Eldorado. And currently, there's no funding for that. Next slide.

[Time: 00:45:51]

Indian School Park, which is 43 years old, is a park that we're currently doing, we're working through a master plan now that we will complete in 2024. These are the improvements. They are very consistent with the improvements that we saw in, that our citizens communicated to us that were important in 2018, 2019, restroom replacements, A.D.A. improvements, improvements to the multi-use path, shade and mature trees. Shade is a big one. We're hearing that and that's being validated through our master plan, our systemwide master plan. And ultimately the point is that any of these master plan improvements will ultimately go through our Parks and Recreation Commission, D.R., the Planning Commission, and then ultimately come to Council before they are approved. Next slide. Chaparral Park, I won't go through all of these improvements. But similar in scope, there have been elements of Chaparral Park that have been improved. So, with Chaparral, we are not talking about the level of improvements that we have made, and that we are looking to make in Vista, Eldorado, and Indian School.

And then this is a picture of Mountainview Park when it opened in 1981. And this is really speaks to the needs that we have throughout the city of Scottsdale in terms of our parks outside the Indian Bend Wash. And it's easy to focus on those parks and that is our focus. That's our recommendation to Council. But the McCormick-Stillman Railroad Park opened in 1975. I think they started site work on the park in 1967, and that's when the irrigation system went in. We have more main line breaks, irrigation breaks at the McCormick-Stillman Railroad park than we have at any of our other parks. It's old. And during the life of this tax, some of our central Scottsdale parks will be 70 plus years old. Any questions I can answer from Council at the moment?

Mayor Ortega: I see none.

Councilwoman Janik: I do have questions.

Mayor Ortega: Oh, you do. Please.

Councilwoman Janik: Thanks, Mayor. Hi, Nick. Very good information. Just to verify, slides 35, 36, and 37, are improvements that we want but they are all unfunded, is that accurate?

Nick Molinari: So, in this slide, the Vista Del Camino and Eldorado improvements unfunded, with the exception of the lakes and irrigation project that was included in the 2019 Bond. All of the other items were approved in the master plan. So that, they were approved, they are unfunded. None of them are funded. As we go through the next slides, these improvements are initial improvements that have been identified through our master planning process. These master plans have not been approved but these are not funded.

Councilwoman Janik: Okay. When you looked at all of these improvements did you project if this were to pass how quickly you could move on this, would there be sufficient funding to go through this entire list? Did you even look to prioritize or is that too much detail at this point?

Nick Molinari: It is not too much detail, Councilwoman Janik. That's a phenomenal question. And we would prioritize the Indian Bend Wash Thomas to McKellips improvements first. That would be our priority. Those are the improvements that have already been approved by Council. Those are the improvements that have an approved master plan. They would be our first improvements. We would approach those improvements in a very phased way that takes into account tax collection. So as the tax started to accumulate, we would understand what that tax was. And we would budget for improvements based on the tax selection, but those would be the improvements. They are set.

Councilwoman Janik: Okay, thank you. I appreciate that clarification.

Nick Molinari: You are welcome.

[Time: 00:50:13]

Mayor Ortega: Yes, I will point out a couple of things and then we have Vice Mayor Whitehead. So, in looking at the older parks I sort of have two categories, one is wear and tear. And wear and tear, even the original premise that, you know, we could have had just a concrete gutter running through Scottsdale versus a manageable recreation solution and it's been tested for 50 years. We know how a certain foundation held up or not. And it took wear and tear. And so, we also have some, the benefit of 50 years of experience. And so, when the next sidewalk goes in or, you know, retaining wall or whatever, we would be able to make it more solid, so to speak.

The other thing is that the, I think as you examined the big picture, those are where they are really more visible and usable, perhaps, because they are so accessible. And I know you are going to get into other pocket parks and other ones that are more personal and neighborhoods. So, I really appreciate that you are able to. It's not just age, it's all of that wear and tear and the lessons learned to reconstruct it in a good way. So, it's not really a question, but I just wanted to point that out.

Nick Molinari: And Mayor, Ortega, it is a good point and the fact that those parks function as a flood control tool.

Mayor Ortega: Yeah.

Nick Molinari: There's additional maintenance. There's additional requirements that we have to make above and beyond what our normal parks see in the Indian Bend Wash. There's massive deterioration throughout the parks, the lakes and irrigation project is a great example of that.

Mayor Ortega: Great. Vice Mayor Whitehead.

[Time: 00:52:08]

Vice Mayor Whitehead: Thanks Nick. Do you know approximately how many people you have engaged in the like; I've heard a lot of people told me that they have been, that they have given you input on the master, the Citywide Master Plan?

Nick Molinari: So, we have had our statistically valid survey went out to approximately 550 people, which is an increase from when we did our master plan in 2015, I believe it was 300 people there. We've done other significant outreach as it relates to the master plan. We've had 1520 people respond through our website. So, both the Systemwide Master Plan and the Indian School Park Master Plan both have their own dedicated websites that provide feedback opportunities, park budgeting tools, opportunities for residents to share their big idea about Scottsdale parks. We've probably seen 10,000 people through special event participation. So, our master planning team has been out at essentially every special event that we've had over the last 18 months. So, we have done more for the current Systemwide Master Plan than we have done for any plan that we have ever done.

Vice Mayor Whitehead: Yeah, I mean, it's been very impressive. And the, so the McKellips to Thomas, that was an open house that I attended. I think, was it January of 2019? So, to the question, of the chicken or the egg first, I mean the citizens that came, that was a packed open house. And people came, they gave their input. And they were asking me all the time, "When, we are we going to see those changes or the upgrades?" And so, it's always the chicken or egg, but yeah, so anyway, good job on the Citywide Master Plan. I've heard really good comments from the public on that.

Nick Molinari: Thank you.

Mayor Ortega: We would move on to the next section.

Cynthia Wenstrom: Mr. Molinari, we would like all of our subject matter experts to stay throughout the completion of the presentation, if you would. Thank you. Assistant City Manager Bill Murphy.

Bill Murphy: Good afternoon, Mayor Ortega, Vice Mayor Whitehead, Councilmembers. I'm here to talk to you about WestWorld. And so, if we go to the first slide, please. So, this is our premier nationally acclaimed facility at WestWorld, and it was recognized nationally by the National League of Agriculture and Equine Centers in 2020. We have hosted quite a few things as you can see. We have had 90 events this past year and we are open throughout the year. If you go to the next slide, please. We wanted to center our conversation with the Task Force, really on drainage, shade, recreational use, as well as access for those that could use the facility. Next slide, please.

So, we've received a few weather inclement impacts to the facility over the last six years, but WestWorld serves as an existing for onsite and offsite drainage and so I'll go through a few of these here for you. If you go to the next slide, please. So, this is WestWorld Drive and this is what happened in August of 2022. Next slide. This is the Bahia Road that runs diagonally into the Rawhide Wash and this is also from August of 2022. Next slide. This is 94th Street so this is coming off of Bell Road and coming

south into the complex itself. Next slide.

So, this gives you an idea that what we are dealing with the drainage issue that we do have, if you go back one, please. With the arenas also the core center of WestWorld so we have some of the arenas are covered and some which are not. So, we have standing water that comes through there we also have it around where the barns are where there's a lot of activity that we'd like to address. Next slide. And as you can see, we have the RV trailers that are also in areas where we have hookups for them, and they are impacted as well and also where we might set up some with our equestrian events that are getting larger that these temporary barns that would be set up as well that are impacted. Next slide, please.

So, as we have been looking at with our design team and I would strongly say that our design team that we have is really some of the best experts in the state that deal with drainage. And so, we've got a great crew working with it. But our first solution would be to address the 94th Street and the Bahia Drive to resolve some of those on-site, offsite issues. Next slide. The second is to establish the core center of WestWorld, and we have had great conversation with a lot of the producers as we have been going through our master planning out at WestWorld, specifically to that, so that we can resolve some of those areas that are impacted. Next slide. And the last one, obviously, coming off the access road into WestWorld, WestWorld Drive also needs some attention as well. And so, each of these three are, we feel really confident that if we can address these, it really helps to alleviate a lot of impact that we have. Next slide.

[Time: 00:57:59]

The next thing we really focused on and, again, a lot of feedback that we have received from a lot of the producers that utilize WestWorld, is shade. Year round, shade. So not only when we have inclement weather but also when we have some heat, are there some opportunities there for us there. Next slide, please. We centered on the center core area of WestWorld, and so this would include the North Hall, The Equestrian, the South Hall, the arenas, and those areas that need to be covered. And, again this gives us some flexibility with flexible space, and I would say that part of what we have explained to the Task Force is that this could be funded with the tax, but we also are looking at some user fees as well for parking and that is really what's paying for our master planning process right now. Next slide.

The other is to address flexible space that we need to address and so this year, we thank the Council for the fact that you have funded some renovation work on the tent, which we just did, but also this will give us an opportunity to have a new center point for the entry into WestWorld. We really want to bring that in about 95th Street and Bell Road, but the parking areas would be upgraded, RV areas could be upgraded, and this would kind of give us a lot more space to deal with a lot of the events that we have. Again, we would be looking for the tax to pay for some of that, but also, we would be using some of the user fees that we're going to generate as well. Next slide.

And the recreation uses, again, I would thank the Council and I would also thank the citizens of Scottsdale who helped to pass Bond 2019, because we were able to build the 94th Street and Bell and Reata Sports Complex so that gives us 11 fields that are lit. It also gives us parking for our special events,

that we just concluded with, but it also gives us some activity. And again, the Council, you all approved funding for us which you have now lit up the polo field and that's giving us more time as well to give more recreational use as well. So, if you can take away anything from what we have contacted, or described with the Task Forces, the more flexibility that we can have more year-round activities out there at WestWorld, and really expand it a little bit more than it is today. Next slide.

As you can see from this slide, we have around 180 days in the last two years that have been our average of having multiple events on site at the facility at the same time. And so that's been our goal, that's been the mission that the City Manager had given to me. And so, we have been working hard to do that. Next slide. And finally, we want to take a look at the circulation pattern and what is the most efficient way to get in there. Again, we have had some backups on the freeway. We've had backups in the neighborhoods. We want to address that to make sure that we can alleviate some of those concerns that we have with the community. So, with that, I will leave it there.

Mayor Ortega: Thank you. We'll continue. Oh, Councilwoman Janik, go ahead.

[Time: 01:01:10]

Councilwoman Janik: Thank you, Mayor. I would like a little clarification on one point, and it was slide 16 and it said less than 25% for debt requirements for WestWorld infrastructure improvements. That is, you will have an allocate if this passes.

Bill Murphy: Yes.

Councilwoman Janik: You would you have an allocation of funds for WestWorld?

Bill Murphy: Correct.

Councilwoman Janik: And less than 25% of the WestWorld funds would be used and allocated for infrastructure improvements, not 25% overall of all the funds?

Bill Murphy: No, these are just, the tax is specific to us for improvements of construction improvements or improvements on the facility. That's what the tax would be paying for. There's no long-term maintenance that's related to that.

Councilwoman Caputi: Strictly capital.

Bill Murphy: Strictly capital. Is that your question?

Councilwoman Janik: Okay. Not quite. Maybe I didn't ask it right. So, slide 16 says less than 25% for debt requirements for WestWorld, so we have a big bunch of money. WestWorld will get a certain percent of that.

Bill Murphy: Correct.

Councilwoman Janik: Less than 25% of their percent, WestWorld's percent, will go for the debt requirements. It is not 25% of all the monies collected if this passes. It's just that fund that's specific for WestWorld. Do you understand my question?

Bill Murphy: Yes. So, I would say Sonia may be the better person to answer that because I don't know what the number would actually be, but whatever we would get, we would use towards that.

Councilwoman Janik: Okay, Thank you.

Sonia Andrews: Yes, Councilwoman Janik, that 25% relates to no more than the 25% of the 0.15% tax that's being collected and proposed. So, if Council, if our voters approve the 0.15 tax for all of these items, we would issue debt for the WestWorld infrastructure needs and the debt service will require an allocation from the 0.15 tax, and the Task Force specifically said that no more than 25% should be allocated for debt service, thus restricting the amount of debt that we will issue for WestWorld. And WestWorld will not get any allocation for operations or maintenance, only for the annual debt service out of this tax.

Councilwoman Janik: Okay. Thank you.

Mayor Ortega: Councilmember Durham.

[Time: 01:03:45]

Councilmember Durham: Thank you, Mayor. Looking at the slide for the ingress and egress to WestWorld.

Councilmember Graham: Which slide number?

Councilmember Durham: I'm trying to find it here.

Bill Murphy: Last slide?

Councilmember Durham: I think it's, yeah, I think it's last one. Yeah. Yeah. How is this going to improve the transportation around there? It looks like you are shifting the main entrance from, away from, as it's currently on 94th Street, right?

Bill Murphy: That's correct.

Councilmember Durham: And then you are moving it over to the east. Why do you expect that to make a big difference?

Bill Murphy: So, Councilman Durham, when we have the big events out right now, the Open, Barrett-Jackson, 94th Street is very busy. We have a school that's on that street as well. And so, we have to deal with traffic in the morning and the afternoon. McDowell Mountain Ranch Road, as well, we also have that same concern with Notre Dame High School, with those kids coming to school either on Bell Road or McDowell Mountain Ranch Road. So, part of this would be the circulation here would to actually utilize efficiency for us to bring in trailers, how some of the special events could be set up. And so, having the roads specific right now, they work themselves around Bahia Drive and 94th Street, so this will help to be more efficient. We also had events out there at WestWorld which you all may have heard or seen an email I may have to write to someone where we've had backups on the freeway. We have had backups on Bell Road. We have had backups at 94th Street into D.C. Ranch. And so, when some of those events occur, this is to alleviate that.

Councilmember Durham: Okay. All right, okay. Thank you.

Mayor Ortega: Thank you. We will continue.

Cynthia Wenstrom: Yes. Yes, Mr. Molinari. So, we were talking about capital improvements and now we're talking about maintenance.

[Time: 01:06:02]

Nick Molinari: I'm happy to be back. So, I'm going to run through the parks maintenance piece of the recommendation from the Protect and Preserve Scottsdale Task Force. So, this is an overview of the maintenance responsibilities and the maintenance staff for Scottsdale Parks and Recreation. We have 97 maintenance employees. We oversee over 1,000 total acres of park maintenance, 22 neighborhood parks, 15 community parks, now four sports complexes, eight specialty parks, the McCormick-Stillman Railroad Park, everybody's favorite park.

Some of the things that we do are a little different, we maintain Old Town in the entertainment district. So, part of our parks maintenance team is in Old Town and downtown in the entertainment district and they are picking up trash in Old Town after the bars close and our maintenance team is responsible for that. We also maintain 696 acres of medians and rights-of-way in Scottsdale and then have some form of maintenance for 97 sports fields. So, we maintain the City of Scottsdale sports fields but through an intergovernmental agreement with primarily the Scottsdale Unified School District we have some maintenance responsibilities for sports fields at the Scottsdale Unified School District schools.

So, this is what we propose for the annual maintenance needs for the entire parks and recreation department. So, these end up being citywide needs or citywide benefits. And the staffing needs would create 18 new FTEs for citywide parks with a concentration in southern parks, although the staffing model that we have developed for this tax would have a significant benefit throughout the city of Scottsdale. And then, approximately \$1.1 million in contractual services. Next slide. So really the question, and I know it's been a question is, what will all of these people do? Where are they going to go and what will they do? So, these are the benefits that we would see throughout the city of Scottsdale

from the staffing model that we proposed through the tax. We would create a neighborhood parks team which would be significant.

So, the maintenance team at Vista and Eldorado, that's a good example because we talked a lot about that, pre-recession that team was two separate maintenance teams, so we had a team for Vista Del Camino Park which is 71 acres and then a team for Eldorado Park, which is 60 plus acres. And now we have one team for both of those parks. But in addition to Vista and Eldorado and the 131 acres that the team has to maintain, they also maintain the Granite Reef Senior Center, they maintain Pima Park, Papago Rotary Park, Wilshire Park, Apache Park, and the Thomas Road bike stop. So that seven-member team is responsible for all of those areas, in addition to the spaces at Vista Del Camino and Eldorado. We see that with our other community parks. So, Chaparral Park has the same situation where their FTEs are responsible for Chestnutt Park, Agua Linda Park, for a number of satellite parks.

So, one of the benefits that the staffing model would create is it would create an independent neighborhood parks maintenance team that would be responsible for neighborhood park maintenance throughout the city of Scottsdale. So that has a compound benefit. So not only do the neighborhood parks throughout the city see an increased level of maintenance, but then those employees at the individual neighborhood parks are able to stay there at the neighborhood parks and to do the work that they need to do. Parks and Recreation, we do safety inspections on our playgrounds every day. So that means seven days a week, we have staff out in all of those parks that I listed doing a safety evaluation of the playgrounds. It's a lot. So that would be one of the benefits that we would see from the staffing model that we have recommended to the Task Force and that they have recommended to Council.

We'll go back. Yeah, I have a couple of things here. So, the next benefit is to develop an urban forestry team. So, Scottsdale has 21,000 trees. Parks and recreation has 21,000 trees in our inventory. We don't have any dedicated, we have about \$300,000 a year that is dedicated, \$365,000 a year that's dedicated to tree pruning and removal. So that's just over \$17 a tree. Most cities who are focused on developing their urban forestry, their tree canopy, are investing in an urban forestry team, our staffing model would create three. So, three employees for an entire city for the entirety of the 21,000 trees that we have. As we get into another slide, I won't spend too much time, but we would have some contractual support that would supplement the urban forestry team.

We would provide three additional maintenance employees, FTEs, for the Indian Bend Wash parks. So that's three for the five Indian Bend Wash parks, over 313 acres of space. We would have three dedicated employees for dog parks and sports fields and that's important. I think a lot of members of our Council here get the emails. They hear the citizens who have issues with the condition of sports field and turf and those amenities are very heavily used. And then we would, the staffing model would provide increased part-time hours for park roving and additional park security. Next slide.

[Time: 01:11:50]

And this is just an example of what the contractual money would be allocated to. Tree care, tree pruning on top that would be managed by the urban forestry team. We have a picture on the left of a tree that

went down at Chaparral. Every city, even cities like Tempe, who have an eight-member urban forestry team, have contractual support that augments the urban forestry team. When we have monsoons like this, there really is no way for us to address all of the needs that we would have throughout Scottsdale. We would use contractual money for landscape contracts, for cleanups, for painting, turf improvements. There would be a piece of that that would be dedicated to ongoing planning and project management, which if this tax is passed, that would be a constant for the next 30 years. And then things like vactoring and sucking water out of some of the spaces in the Indian Bend Wash when they're flooded. Next slide. Is that it?

Mayor Ortega: Thank you. We will call on Vice Mayor Whitehead.

[Time: 01:13:16]

Vice Mayor Whitehead: You may not have this on hand, but it would be good for the Council to have, the number of parks staff members you had pre-2010 as I know there were significant cuts. So, do you have that?

Nick Molinari: I certainly do.

Vice Mayor Whitehead: Okay.

Nick Molinari: So, we had, and I don't have that number. So, in 2006, we peaked, Scottsdale Parks and Recreation, our department peaked with 306 FTEs. Let me provide that information because I do have that detail. So, in 07/08, we had 308 FTEs in the parks and recreation department, so this is not divided by maintenance and recreation, but we had 308 in the parks and recreation department. In fiscal year 2022/23, we had 268 employees. But I do want to make one additional point to that. So, if you look at 2006, which is, we hadn't peaked yet in terms of we had 302 employees. Even in 22/23, when we are at 268 FTEs in parks and recreation, in 2006, we brought on the Scottsdale Sports Complex. So, we brought on 8.6 FTEs with that. In 2008, the Villa Monterey Golf Course transitioned to city ownership, and we assumed that, the 32.7 acres without any FTE addition.

The McDowell Mountain Ranch Aquatic Center opened in 2008 and we hired almost 21 employees for the McDowell Mountain Ranch Aquatics Center. And then, when Thompson Peak Park, Doc Cavalier Park, the Bell 94 Sports Complex, D.C. Ranch neighborhood park, we opened all of those parks and we're still, we're still at 268. So, we've added significant maintenance responsibility and we're still significantly lower than where we were prerecession.

Vice Mayor Whitehead: And we have quite a few parks coming online too. So, what about the Old Town? Was this something that your staff has been doing for a long time?

Nick Molinari: Councilwoman Whitehead, yes, we have been doing the cleanup, the landscape maintenance for Old Town for years. I would have to bring back my partner Bill Murphy to indicate exactly when that happened, but it's been a long time. But there are lots of things like the maintenance

of the medians and the rights-of-ways that are landscaped based. I would say when you look at irrigation maintenance and irrigation repair and when you look at plant and horticulture management, there's some alignment with what we do in Old Town and what we do in our parks.

Vice Mayor Whitehead: And Bill sat down next to a mic.

[Time: 01:15:45]

Bill Murphy: Vice Mayor Whitehead, so when the Transportation Department Director retired, the parks absorbed the medians and the rights-of-way that included the downtown, and that was back in 2008 that we started to take care of that downtown as well.

Vice Mayor Whitehead: So, again so that was an additional, okay. Another question. Well, I will leave it at that.

Bill Murphy: We had staff when the Transportation Department Director retired, the staff did not retire. We had them come into Community Services.

Vice Mayor Whitehead: Okay. So, they just were transferred. Okay. Thanks for that clarification. All right, well, you know, this is an ounce of prevention is worth a pound of cure. This year we have gotten so many complaints about the loss of trees and saguaros in the medians, but we just you know, take staff to replace them, so thanks.

Mayor Ortega: And I do want to point out through these deliberations, and we are also considering tree canopy sustainability. A lot of these trees that were planted in the '70s were mulberries or olives or even some pyracantha. They were just the common plants that either people transported here or thought they were desirable, and they were not. And many cases, they got diseased and moved on anyways. So we had wiser replacement of canopy and median trees. So, there's this section pretty much covers the needs of the older areas and the possible upsize to everything, upside I mean, that reviving these parks because land is so expensive, it's really a wonderful opportunity to revive them and then the use will also increase because of the shading and other amenities that we need. Thank you very much and we'll move on.

Cynthia Wenstrom: Thank you, Mr. Molinari. Mr. Kroy Ekblaw, Scottsdale's McDowell Sonoran Preserve Director.

Kroy Ekblaw: Good evening. Glad to be here. Walking through these, I'm going to provide just a very brief little bit of history as to how we've gotten to the point we're at today, and the recommendation that the Task Force has brought forward to you with regards to the Preserve. The early focus going back to 1990 and through 2004, was about why do we need the Preserve and support for developing that the educational awareness to those goals. That led to two taxes being approved by the citizens of Scottsdale, a highly collaborative effort that many said would be impossible. And yet, we've seen great success with those approvals, from the citizens of Scottsdale.

The period of 1995 through just recently, to 2016, led to really very successful acreage protection within the Preserve for over 30,000 acres are part of the McDowell Sonoran Preserve today. And that's substantially achieved by acquisition, but there have been also some protections through zoning or easements as well. Additionally, from really 2000 to 2022, we saw the development of trailheads and trails which is now a system that is used by over 1 million visitors a year. Many of those are Scottsdale residents, coming throughout the city to enjoy the desert and the mountain spaces, but it also includes many tourists who visit the city and enjoy eco-tourism to whatever extent that may be, and enjoying that. So, the point being that there was a lot of focus on support and acquisition and protection and then developing the Preserve.

[Time: 01:20:56]

And in the mid-2015 range, the Preserve Commission started to asking some questions, great questions and you have a past chair sitting next to me here and behind me and former Chair McKeegan, and we have sitting Chair Steve Coluccio here this evening along with one or two other members of the current Commission who started putting together some really interesting questions as to how do we take care of the Preserve in the long term and recognizing that those two taxes were for land improvement or land acquisition only and then land and improvement only, not maintenance.

The question was, when the citizens, by the time is all said and put in excess of \$1.6 billion into this effort, how do we assure that 10, 20, 100 years from now this great effort of protection has been maintained in what we have today? And so, they started looking at long-term methods of care. They started asking questions about consistent repetitive habitat protection as opposed to doing it when we happen to have some dollars available here and there, which is not a very good way to take care of certain things within the wildlife habitat.

So, the Preserve Commission, when the Council asked a couple of years ago, was prepared, they had done their homework, and they were prepared to answer these questions and provided that to the Task Force and that has led to the Task Force recommendation of a portion of this tax that's being proposed. There's a letter and support in your packet from the Preserve Commission in support of this effort and it's really looking, and we'll walk through a little bit of detail. We won't spend too much time. We could spend hours on this, as the past chairs can all attest to, but we're looking at protecting the archaeological resources. We are looking at the wildlife habitat, and habitat protection from some key things, past disturbance to the land, the wildland fire threat, and invasive plants, which add to those other threats, and then just the daily care and protection of the Preserve.

And that may seem mundane in many ways, but somebody has to clean the toilets and pick up the trash and handle all of those things to maybe the more exciting when we get a snowstorm and have to close the Preserve, or so much rain that we are managing the trails. We have a wonderful volunteer base that helps us substantially, but there's still things that need to be done by contractors or others that are part of this daily protection and care of the Preserve. The next area is the archaeological resources and it's not the largest number in this package but it's one of great significance because we many things within the Preserve and we don't always advertise them for the sake of protecting them. But there are things,

there's some additional study that needs to be done and then there's the actual effort. And in some areas, we will celebrate them, we are doing work in the Browns Ranch area right now to develop an interpretive trail and provide the public with an awareness of what went on there, not just in the ranching era but in the pre-era. And so, this is a very important section that will lead to having these resources 100 years from now.

The preservation of wildlife habitat, and this first effort is talking about monitoring. What are the impacts that we as citizens when we are out recreating or the urban interface of the development that's adjacent to the Preserve, what are those impacts, how do they impact things. The Commission is currently working on an update to our ecological resource plan, which will really be the baseline of maintaining monitoring presence year in and year out that will look at a whole array of things. We have over 700 species of plants and animals in the Preserve, we're not going to study each and every one of them, but we're going to highlight areas of water, areas of plant, areas of wildlife, and the soil and geology to look for changes that may tell us, good or bad, that we need to make some adjustments to how we manage the Preserve. And then as we become aware of those things, we need to make sure that the public, or the users are aware of those as well. So, it's important and whether that's by way of changing any rules or regulations or just making people aware of how important it is to stay on the trail, or not to be in the Preserve at night, those are the types of things that we would be emphasizing in the awareness plan.

Then the habitat protection and, again, this is where it's important. We have very well-documented that we have invasive plants in the Preserve, it's occurring throughout the Sonoran southwest, and we have identified programs to do this. We have been doing it, but with inconsistent dollars. And if we were not to do this on a regular basis, or inconsistently by not having yearly dollars that we can put to this effort, and consistently do that, then we risk further degradation of the wildlife habitat, native plants, et cetera, and invasives are one of the biggest risks to wildland fire. And the wildland fire fuel load is something that we have been working very closely with Scottsdale Fire, and Chief Shannon is going to elaborate on this in his next presentation. Everything that's listed in green on there is what we will be taking care of within the Preserve, in cooperation and through a very highly collaborative effort with Scottsdale Fire. And, again, the challenge if we do not do these things, as we just saw this past summer, is very much increased wildland fire risks. And so, these are things that we are looking to address by having consistent dollars year in year out through a dedicated funding source.

Last item here in habitat protection was the historic scars and disturbance. When we acquired these lands there's roughly 200 acres plus or minus that may have been heavily used by four-wheel drive or other activities or old ranching activities. And so, the goal would be to remove those. Again, this will help to protect from further degradation and foothold for invasive plants. These are some of the problem areas that we would face if we don't address that. The last thing within that is to continually monitor and assess that these programs we're doing are achieving the intended targets. And by doing that, we will ensure that we are protecting the Preserve in a consistent and long run basis.

[Time: 01:28:00]

A summary of what we are looking at, we have up to four additional staff, they could be both either permanent or even part time. We have seasonal changes that occur within use of the Preserve. A large majority of this is through contractual commodities or facility costs. These efforts to remove invasive plants or to address wildland fuel fire load are cost intensive, and we do many of those through commodity or contractual services issues, but we also have maintenance and reduction of facility impacts and things like that, that are included in these dollars. With that, the Preserve Commission, as well as the Preserve and Protect Scottsdale Task Force strongly recommends a dedicated source for the McDowell Sonoran Preserve. I'm happy to answer any questions that you might have.

Mayor Ortega: Thank you, I see no one wishing to speak, so move on.

Cynthia Wenstrom: Thank you, Mr. Ekblaw. Next is Fire Chief Tom Shannon.

[Time: 01:29:12]

Chief Tom Shannon: Good afternoon, Mayor, and Council. First, I would like to start by thanking the Task Force for their work. Many, many months of meeting and I know you were very thoughtful in all the things you considered. So, thank you for the work you have completed. So, the Fire Department is very much like the Police Department, in that our goal is to prevent things from happening and then respond to them if they do. And so, our considerations for this effort are really related to things that we're doing now but aren't necessarily funded or don't have a committed funding source. They are listed there. Community risk reduction captains are those folks who engage with our homeowners' associations, our open space stakeholders, as well as our prevention bureau to ensure that all of our efforts have an annual strategy that we adhere to and can react to those things that pop up on, season to season.

We currently have one technical rescue team. You may recall that prior to 2008, the city had a second technical rescue team in the north of the city, and as a result of the downturn in the economy, we had to get a little bit lean. So, the challenge with that is we are in an automatic aid system that relies upon each other for those technical specialties. So, we've been relying inequitably, I would say, on the rest of the system to help us with particularly the north of our city and that is why that's listed. Brush patrols occur every year. In fact, I was just emailing with our Prevention Bureau about our upcoming tabletop for the season and our brush patrols would start probably this year in the late April, May time period. A warmer drier spring would have caused them to start a little sooner. And those brush patrols literally do the work that keeps us from losing large areas of acreage. Kroy mentioned the diamond fire. What is interesting about that fire is not only did we have great luck in that the Tonto had available resources literally up at Tom's Thumb watching south Scottsdale, but our brush patrol members were the second units on that call. And so, they do make an impact.

As I mentioned we don't have a dedicated funding source for this now. We are essentially robbing Peter to pay Paul and prioritizing within our existing budget to find ways to make this work. And then another nuanced area of our grant program, which has yielded an outstanding amount of benefit to the city is that we can only use that on one piece of geography and then we're done. We can't continue to go back to the same piece of land and use grant funds. We have to use it in an area that has not been treated

hence the need for an ongoing source.

[Time: 01:32:23]

And then I'd like to just bring your attention to the calls we were on. So, this is a five-year regression that kind of looks at what's going on in and around the Preserve, in terms of calls for service. The vast majority of which are in the technical rescue realm if you will. Most of those call types are walkouts. We engage the injured or needy hiker or Preserve goer and we assist them out. And as you can see, they can become quite complex, though. You can see that the most dangerous extraction that we do is by helicopter, and we are doing more and more of those and particularly at different times in the season. Folks can find themselves in difficult positions and walking them out or carting them out is not feasible. So, we are pretty busy in the Preserve, and those call types vary from everywhere from these technical rescue calls to the brush fires, as well as regular day-to-day E.M.S. calls. Non-fire, or excuse me, non-brush fires, car fires in the parking lot, fires by the roadside, and then service calls to assist citizens. And so, we are very much present in the Preserve.

As Kroy mentioned, there's two important things that the fire department does in collaboration with community services. What we try to do is address the open spaces that aren't already addressed by Kroy and the community services effort. So, we leverage the Healthy Forest Initiative Grants and any other emergency management funding sources that we can get to deal with the roadways. Shouldn't surprise you to know that it's the roadways that tend to be the greatest source of our starts, aside from construction in and around those wildland urban areas. And so, what we do is we force multiply, if you will, our funding sources against community services funding sources, to try to get as much geography as we can. And in a previous Council meeting, I think Councilmember Graham, you asked a question about cost per acre, it's still about \$2,500 cost per acre to mechanically clean those areas. And as a result, we anticipate in the funding request that you will see here shortly, that we would be able to impact about 100 acres just on the fire side of this initiative as well.

I failed to talk to you a little bit about our Fire Wise Program, thank you to the stewards and those folks would participate in Fire Wise, because that's really how we do the most good, is educate folks and then assist them in the actual re-design and sculpture of their communities so that we don't have these feeder fuels that would lead to larger open space fires. And Scottsdale is, really should be proud of the communities that we have listed here in green, I know that's a horrible slide for you to see, but it is representative of a community that gets it. They understand that they've got to, they've got to be proactive in this. And so, our request within this initiative would be to continue with the community risk reduction captains but, of course, move them appropriately into an ongoing funding source that isn't now already identified. We would include a fuels mitigation manager. Right now, we have a part-time emergency fuels manager who is just worth his weight in gold, but the reality is we need a dedicated fuels manager to coordinate all of these efforts in all of Scottsdale's open spaces.

Continue the brush patrol overtime which we currently do, but as I state, we do what we have to do and then hope that we can work this out inside our budget, and we need something that's a little more consistent. The second technical team is represented there and then ongoing training on the staffing

and personnel side. Contractual services represents that 100 acres of fuel abatement each year, as well as the physicals that are required of the firefighters who would be on that technical rescue team. And then finally equipment and supplies which would include the transition of an ideally a former airport fire piece of equipment into a type three wildland piece of equipment for Scottsdale. And then the necessary trail access vehicles that are, we utilize on a daily basis.

And so, if you are wondering what before and after looks like when we talk about fuel abatement. You can see this quite clearly here this is a great bit of mechanical fuel abatement, our friend who was up just a minute ago talked about how significant that work can be. And we do contract with folks to do that. And it is representative in these blue lines that was also in Kroy's slide, and as I said before, we focus on those open spaces or roadways that are otherwise not funded by community services or the transportation department. It should be mentioned that there's pockets of money in a number of divisions that go to their areas of responsibility that address this, and we do coordinate quite well that effort.

It would, Kroy mentioned, and I mentioned the diamond fire. So many things happened to our great fortune last June. And that was the winds were almost directly north wind. It wasn't a northeast wind. We had enormous southwest fire resources in the area, quite literally in Mesa. As I mentioned the Tonto National Forest folks were sitting at Tom's Thumb, and our firefighters had really just aggressive activities to help maintain essentially no structural loss and minimal impact to the land and the environment. Had that same fire occurred either at Lost Dog or Gateway or Sunrise, this is representative of what we might have seen in the exact same fire conditions, and you can overlay and see communities that are impacted. And I fear for that type of activity that, and the only antidote to that and there's a bit of God work here that we can't stop everything, but we can do a lot to abate the fuels that feed into the particularly vulnerable areas of our Preserve and of course that's something that Kroy and his folks do currently now with some trail work, but these suggested funds are really essential to making sure that the investment that the citizens made in the purchase of these lands will be maintained and there for generations to come. So, with that, I'm happy to answer any questions for you.

Mayor Ortega: Councilwoman Janik.

[Time: 01:39:47]

Councilwoman Janik: Thank you, Mayor. Very nice presentation, Tom. Thank you.

Tom Shannon: Thank you.

Councilwoman Janik: I have a question on slide 84. We've got the total number of calls. Have you seen a progression in the number of calls as we have more and more people in our Preserve?

Tom Shannon: Of course. Yes. That's very intuitive. Obviously more people, more access, and more likely to have those calls for service. We also see a greater technical acuity to the call type based on time and temperature. So, this time of year, we tend to find people who get deep into the Preserve and then they

may have a relatively minor injury and it's well manageable to get them out. When it's a hotter day, and they over commit like that, then it's a much more technical event. There are some trends that we can predict fairly accurately, what kind of trouble folks are going to get in. I will say that our, we do need to work with our resorts, because they encourage the experience of hiking in the Preserve and then they give them probably a third of this water for the trip. And so, we work with them on the education campaign a lot.

Councilwoman Janik: Okay. Thank you. Very nice. Thank you.

Tom Shannon: Yes, ma'am.

Mayor Ortega: Excellent. We'll proceed with the next portion.

Cynthia Wenstrom: Chief Shannon. And next is City Treasurer Sonia Andrews and Gina Kirklin.

[Time: 01:41:30]

Sonia Andrews: Thank you, Cynthia. Thank you, Raoul and thank you, Mayor and Council. Before I start my section, I just really, really want to thank the Task Force. It has been a pleasure to working with the Task Force members. Such a delight with this group of very well-educated and well-informed and inquisitive and detail-oriented group. They poured through piles of data, and they went, and they asked us for a lot of detail and studied a lot of numbers to arrive at their recommendation tonight. So, I just want to really thank them and let you know how hard they worked on this. So, you heard from all the departments on the unfunded needs, and you heard initially that the Task Force recommendation was replacing the expiring 0.2 tax at a reduced rate of 0.15. And most of the, most of our citizens don't know what exactly we're talking about. So, I wanted to really share this.

In the city of Scottsdale, our sales tax rate is 8.05%. So, if you go and buy something at the mall, buy whatever products you buy, you pay an 8.05% sales tax. Sales tax is generally charged on products and not services. So, if you get a haircut, you don't pay the sales tax but if you buy shampoo, you pay the sales tax. So, of the 8.05%, most of it goes to the state and the county and the city only gets 1.75%. And the 1.75% is further allocated to all those different areas, as you see it there. And basically, they are voter approved. So, what we're talking about is the Preserve tax of 0.2, that voters approved in 1995, is expiring in June of 2025. And that is the tax that the Task Force is recommending replacing at a reduced rate of 0.15% for 30 years, effective July 1, 2025, so there will be no overlap. So, when one expires, the 0.15 will start, and so what the citizens will see is a smooth transition and a reduction in the overall 1.75 tax. Next slide.

So, as you well know, the citizens of Scottsdale enjoy a very, very low tax rate. It's incredibly low, 8.05%. We should be very proud that we have run our city and provided the high level of service at a very, very low rate. And as you can see, even within the valley, compared to other surrounding cities that we have, we're one of the lowest. And with this recommendation, we will lower it even more from 1.75 to 1.7%. Next slide.

As we talked about earlier, sales tax is shared by, not only paid by our residents but also our visitors. And as Raoul spoke earlier, this 12% represents a study that was done back in 2023, that was the last study that we have, and it shows the 2021/2022 contribution to our sales tax revenues from our visitors. So, in 21/22, that may still be a little low because of the pandemic slowly opening. We don't know. But that 12% represents just overnight visitors and visitors that travel more than 50 miles to Scottsdale. It does not include our neighboring cities like Paradise Valley or Mesa or Chandler and all the residents that come and shop and spend money here. It doesn't include those visitors. So, when we add those visitors, the sales tax that we collect is really not paid mainly by our citizens but a lot of it is paid for by our neighbors and our visitors. Next slide.

[Time: 01:45:48]

And this just again shows the proposed 0.15 tax, costs an average household \$3.71 a month. That's based on the Bureau of Labor Statistics consumer spending survey for the Phoenix, Mesa, Scottsdale area, and that equates to \$44.52 a year. Currently at the 0.2 tax, households are paying \$4.95 a month or \$59 something a year. So, with this proposal, households will see a reduction of \$1.24 a month or \$14.84 a year. And this summarizes the proposed funding needs that you heard from each of the departments starting with the Indian Bend Wash parks that Nick Molinari presented, a proposal of \$248 million primarily to restore and improve the Indian Bend Wash parks and aged parks, and then \$2.8 million a year for annual, additional annual park maintenance needs, \$3.5 million a year for Preserve care and protection needs, \$1.7 million for the police park ranger unit expansion and park security, and \$2.3 million for the fire fuel mitigation and technical rescue. And with WestWorld, the drainage improvements, shade, and other improvements that Bill spoke about totals \$44.2 million and that's from a, I believe, consultant study that he has, that's provided to us.

And so, those are the total amounts that the Task Force looked at to come up with the 0.15% that is needed to fund all of these expenditures. Next slide. And based on the 0.15, we looked at the revenues that would be generated. The 0.15, at a 0.15 we currently would generate about \$25 million in sales tax a year. And so, in order to fund those needs, the Task Force allocated those revenues according to the needs that were presented. The WestWorld needs the \$44 million because they are critical drainage improvements can't wait 30 years and slowly collect that to make those improvements. So, we will have to probably sell debt or issue debt and use the sales tax revenues to repay that debt in order for them to fix the drainage improvements. So, we would issue \$44 million of debt and then when we collect the 0.15 sales tax, we would then allocate no more than 25% to pay for the annual debt service.

And then we would allocate 51% for the Indian Bend Wash Park improvements and other aged and citywide park improvements, 14% for annual park maintenance needs, 18% for the Preserve care and protection needs, 7% for police rangers, and 10% for fire. And these will all be allocated through Council ordinance. So, it's by ordinance that the city will be required to allocate that, so the money is committed to these needs and allocated strictly by Council ordinance. And this slide show gives you an example of some cities that we looked at that also had dedicated park and open space sales tax rates. Phoenix has a 0.1% park and open space sales tax rate, given that they are much larger than Scottsdale, at a 0.1%, they collect over \$40 million from sales tax. At 0.15%, we would collect about 20 something million. And

these other cities also have dedicated park and open space or Preserve sales tax.

So, the question has often come up, what if the proposed 0.15% tax is not obtained, how would we fund these unfunded needs? We've got significant park improvements that our master planning efforts have showed that we would like to do, our community wants. We have the Preserve that we would want to protect and dedicate funds for and fire fuel mitigation and park security and WestWorld. How would we fund them if we did not have this 0.15 sales tax? Well, we would wait for the next voter approved bond program, which will delay the park and WestWorld improvements. We would look for grant opportunities which as you know are very, very limited or nonexistent especially for operating and maintenance needs, or we would look to the general fund for any excess money. And funding would be inconsistent in the General Fund, and as you are well aware in the General Fund, we are facing a revenue reduction in the residential sales tax and also the flat tax.

So, as we navigate the General Fund with those reductions, our priorities will be public safety and other core services and these other critical needs, you know, would have to also be basically put in those priorities which would be very hard for us to provide consistent dedicated funding for in light of our General Fund revenues. So there's also been a lot of questions about the existing Preserve tax. We know the 0.2% tax is expiring, but there's also the remaining 0.15% tax and we also know that we do have an existing fund balance on that 0.15 tax. So, I'm going to turn it over to our Finance Director that's over the debt area and she can explain some of the fund balance that's remaining and any more specifics about that.

[Time: 01:52:12]

Gina Kirklin: Good evening, Mayor, members of the Council. So, there have been questions about the existing fund balance remaining from both Preserve sales taxes and just to clarify, there will be no remaining balance from the 0.2% Preserve sales tax, however, there will be a remaining fund balance from the second preserve sales tax of 0.15. And at the end of this fiscal year, that forecasted ending fund balance is \$131 million. Of that \$131 million, 39 by financial policy is set aside in a reserve for debt service. The remaining \$92 million is dedicated and restricted for land and land improvements within the Preserve. So, in this slide, you can see how that \$131 million excess collections have grown, and you can see that they started growing in 2021. Due to pandemic interest rates, a large majority of the Preserve debt was refinanced lowering that interest expense on annual basis through 2034. Additionally, you can see that due to pandemic spending spree, the increased sales tax collections were beyond normal in 2020 and in 2021.

So, if you consider that we have excess collections of \$131 million, but also consider that we have 185 of outstanding principal balance on the McDowell Preserve debt, we cannot pay off all of that debt at this time, we are over \$50 million short of paying off that debt. So, if Council makes it a priority to pay off that debt and term the second tax early, this is a plan for you. We would be required to make the principal and interest payments of \$38.8 million in 2025 as normal. We would also collect sales tax collections through the fiscal year 25. If we had excess collections of \$140 to \$150 million, we could set those funds aside and deposit those into escrow. The escrow would be invested into specific securities

and together the deposit and the interest earnings would be used to pay the debt service through 2027, when the maturities reach a call date, and in 2027, the bonds can be paid off.

Now, this, the cost of the escrow, the \$140 to \$150, fully depends on the amount of interest that would be earned in the escrow, it could grow or be lower. This, after this, after these actions we could request by the voters to term the 0.15 Preserve sales tax. It is important to note that this plan does not relieve any remaining fund balance for land bridge or other Preserve improvements requested by the Preserve Commission. And finally, can we repurpose the \$131 excess collections? And the answer is no, we can't retroactively repurpose collections that we have on hand. They have to be used for land and land improvements within the Preserve. However, Council could ask to use future collections with an expanded purpose. There is, however, a limitation on the 2024 ballot and there's no room on that ballot to put that question to the voters. And finally, the Preserve Commission would like to recommend using excess collections for future trailhead improvements and for the land bridge and other improvements pending your consideration.

Mayor Ortega: I see no hands to speak. Councilmember Durham? And then, we'll continue.

[Time: 01:56:24]

Councilmember Durham: Thank you, Mayor. Sonia, you said the allocations would be set by an ordinance, so, so much for parks, so much for Indian Bend, et cetera, et cetera. Would we be able to change those with another ordinance? So, let's say that five years from now we think that the Preserve needs more, and the Indian Bend Wash needs less. Would we be able to change those allocations?

Sherry Scott: Mayor, if I may. Sherry Scott, City Attorney and Councilmember Durham, yes, you could potentially pass another ordinance amending the ordinance that the Task Force is recommending you, you pass. So that would be an option that the Council has.

Councilmember Durham: Okay, so we can do that by an ordinance without a citizen vote?

Sherry Scott: Correct.

Councilmember Durham: Okay. The second question I had was the park numbers are very, very big. And \$248 million for the Indian Bend Wash and we're talking about issuing debt for WestWorld. The \$248 million for the Indian Bend Wash is very big numbers. So, have we considered issuing debt for some of that, so that we would be able to make those improvements more quickly or we would just wait while the money dribbles in?

Sonia Andrews: Councilmember Graham, I mean, I'm sorry, Durham.

Councilmember Graham: We get confused a lot.

Sonia Andrews: As you can see based on our protections, the allocation for the Indian Bend Wash or

aged parks is 51%.

Councilmember Durham: Right.

Sonia Andrews: And so, they will be receiving \$10 plus million a year for improvements. And to issue debt, debt is expensive. Right now, with interest rates, debt is even more expensive.

Councilmember Durham: Right.

Sonia Andrews: So, the current estimate is \$284 million. And if we issued debt, those costs would be more like \$300, \$400 million, so in order to save our taxpayer dollars, we feel that with the \$10 million allocated a year, we can do quite a lot. So, 10 plus million allocated a year. They can do a lot of smaller improvements that can be pay as you go and we can also accumulate quickly over two, three years, \$20 to \$30 million to do a bigger improvement. So, we felt that that was a better plan to only issue debt for WestWorld, and to allow the parks and improvement to be pay as you go funded, so that it saves the taxpayer dollars. If we were to issue a debt for a portion of that, we would need higher than 0.15 tax.

Councilmember Durham: I understand. Thank you. Thank you, good answer.

Mayor Ortega: Councilwoman Caputi, then Councilwoman Janik.

[Time: 01:59:53]

Councilwoman Caputi: First of all, of course, thank you to everyone for all of your hard work, as with everything we do, it feels like I just can't get over how many months of time and effort have gone in from everyone, and thank you so much. And of course, I think it goes without saying that no one is going to debate the fact that we need to invest in all of our assets, our parks, you know, our Preserves. Scottsdale is an aspirational city. People pay a premium to be here and we all don't need slides to tell us or even surveys that most of our residents love our parks and that's what makes Scottsdale special. So, I don't think there's anyone that would ever doubt that. And, of course, we have apparently been investing in our parks all along, on some sort of a rotation, I have to imagine. So, we do have some of the best parks in the state.

I just, we have been through this so many times Sonia, and we have all of us have asked all sorts of questions, but I still have a couple of questions that I can't seem to get clear on. And if you don't have the answers today, totally fine with you getting back to me, but these are things that I just, I'm having trouble reconciling in my head and so it would be good for me to have this information. First of all, I don't feel like I have a good sense of what the current operating budgets are for these buckets. So, like parks, Preserve, WestWorld, I don't actually, I don't have a sense of what the current operating budgets are and then sort of how much those would increase if we were to authorize the new tax. That's one. If you don't want to answer it now, I can ask you my couple other questions. I know these are chunky questions.

Sonia Andrews: Yes. Councilwoman Caputi, I think I would prefer to bring back some information so I can explain it better.

Councilwoman Caputi: just for me, it's hard for me to figure out, we are asking to do a whole lot more, and I don't have a sense of what it requires now. So, you know, it just would make the thought processes clear. And then the other piece of that is sort of the CIP investments as well. You know, how much of the CIP? What is its rate of the CIP investments sort of historically? How much are we putting into that every year? Again, I just don't have a sense if we are going to increase that, are we doubling budgets if we have this new tax? I can't seem to put it into an historical context. Does that make sense?

Sonia Andrews: Yes, yes.

[Time: 02:02:27]

Councilwoman Caputi: And again, I don't necessarily need it today, but as I was looking through our budgets. I mean for instance in the current CIP, we had \$50 million in improvements for the different things, parks, and currently we're funding that through the General Fund. So, again, if we have been doing that, why wouldn't we be able to continue doing that? I guess that's the piece that I keep missing. Okay. And then, piggybacking on that from our own budget, if you look at our community services expenses and our projections, it looks like it's between \$50 and \$60 million a year. So, if we do get new tax monies appropriated to that, what happens to the existing money? Like, does it get added to it or do we use that for other things? How does that work?

Sonia Andrews: So, yeah, let me give you some perspective on this. All of these needs are currently, we're not able to fit it into our budget. So, for the park maintenance, for example, yes, we already have a budget for park maintenance, but these are needs that the parks department feels are unfunded that if we had the available revenues, we would definitely want to fit it in the budget. So basically, what we are saying is that we would like to have \$2.8 million more to be able to take care of our parks better. Because right now, with the amount of money we are getting from the General Fund, we are not keeping up. We have to defer maintenance, and we don't even have the staffing that we need for all of our parks. So, we need \$2.8 million more to add on top of the budget that we currently get in order to be able to provide the high level of service that our citizens expect.

And likewise with the police park rangers there is no budget for the police park rangers outside of what's budgeted from the Prop 207 money. And by the way, the Prop 207 money is the marijuana money. We only receive, I think we receive less than \$1 million a year from the Prop 207 money, of which \$400,000 is allocated for police, park rangers. The police budget is sufficient for the core police operation, and we don't have any room in the existing police budget to add another three park rangers and crime tech lab, I mean crime lab tech and all the other equipment that's needed. So this \$1.4 million will be dedicated and above and beyond the existing police budget because there's no room in the police budget for these additional park ranger needs. So, what we're saying is we need this funding to be able to provide the police park ranger services that our police department is saying that our citizens need to address the park issues, the homeless outreach or education, or whatever it is for the 43 parks that we have and the

Preserve. We currently only have three park rangers. So that's what we are talking about, to put it in perspective.

The fire fuel mitigation, as Chief Shannon talked about, right now, robbing Peter to pay Paul. He is basically having to carve out money in his current budget to fund overtime for brush patrol and technical rescue for the Preserve, when he has a whole operation that he has to fund. New fire stations coming online, and all the fire service that he has to provide. And so, by providing him \$2 million more, it's a small piece of the budget, but it helps to provide dedicated funding for fire fuel mitigation and technical rescue.

So, each of these areas, let's talk about the capital improvement and WestWorld separately. But if you look at all operating requests, they are a very small portion of the city's operating budget. The city's operating budget in total is like \$800 million. Between the General Fund, water, and all that. This is asking, because we have a 0.2 tax that is expiring, and to ask the citizens to allow us to have a 0.15, just to raise some extra dollars to relieve the stress in the department budgets of providing these critical needs is what we are really asking for. The city's operating budget is \$800 million, the operating costs here that we are asking for is minuscule. The capital improvements like you said is significant, but our capital budget for one, for the five-year period is \$2.3 or \$2.5 billion, \$248 million is a small portion of it.

Councilwoman Caputi: Okay, I definitely want to have more conversations with you and of course the whole point of this is just to ask questions. We're going to eventually be allowing the citizens decide whether they are amenable to taxing themselves. And I have a couple of other questions but let's see where else the presentation goes and then I will circle back. Thank you.

Mayor Ortega: Okay, we have the Vice Mayor and then Councilwoman Janik.

[Time: 02:08:15]

Vice Mayor Whitehead: Thanks Mayor. I just want to thank my colleagues on Council, because we put together, yeah, we put together this Task Force. It's been a pretty incredible Task Force. I am so impressed and yeah. And then I want to thank the Task Force members. It has, and Sonia and all the staff, this has been really just another glowing example of why the city of Scottsdale has become a world-class community. We've really done what our predecessors have done to create the Greenbelt, to create the stadium, to create the park right outside the front door, all the things where we worked together. I'm just so impressed. I do want to make some comments.

First of all, I want to thank Councilmember Durham, because that was a question I had. That's a very good answer, thank you, we're constantly looking how we can do the most with our tax dollars for the least amount of money. That's why we have some of the lowest taxes in the valley and because of that kind of thinking. So, thank you for that. On the ordinance, I wanted to touch on that. There were some questions about, and I think this is for our city attorney, questions about again, chicken and the egg. We want to pass the, we need our voters to agree to pass the tax in order to adopt the ordinance, but can we draft an ordinance? Can we do this at the same time in parallel? Have an ordinance that voters could

see that would be adopted should the, you know, do we have flexibility there?

[Time: 02:10:08]

Sherry Scott: Mayor and Councilwoman Whitehead, yes you could have some flexibility related to the timing of passing the ordinance. The ordinance, of course, couldn't be enacted unless the voters approved the ballot measure after the election is canvassed, but we could craft an ordinance provision that it is only effective if and when the voters pass the ballot measure. We could handle it in that way.

Vice Mayor Whitehead: Okay, okay, that's good. And I do want to talk about there's always the threat of a City Council of voters approving a tax for very specific purposes as identified in the ballot, and with an ordinance that is adopted and then a City Council majority changing it. But what we have seen in the past, the very recent past, is if a City Council goes far away from that intent of the voters, the voters will bring it to the ballot. So, I think the reason that we have ordinances that match what the voters approved, is because the City Council is aware that the voters are, will not tolerate a big departure from what the purpose was when they voted for the tax.

And I do want to address some of issues from Councilwoman Caputi's questions. I think that we've seen in the 2010s, we've seen what happens when we don't have the sufficient funding, we need to maintain a world-class city. Scottsdale, just for just one example, Scottsdale was always second in police pay, just as one department and that fell, I don't know, we were fifth, sixth, seventh in police pay and we were losing police officers. So, we've, now we're back up to second but that was true across the board. We had to not keep up with other cities with how we pay and compensate our staff and so that was a loss that we had because of the insufficient funding. The pictures of the drainage at WestWorld are a great example of why you want to maintain rather than repair. It's extremely expensive to not maintain, because the repair costs and we saw that with, again, during the 2010s with the two bridges. They weren't maintained so instead we had to take money away from other sources in order so that they wouldn't fall down.

So, I think the questions about the \$3 a month, to have the best qualified staff and compensate them accordingly, to maintain rather than deal with the expense of having to redo something and to keep our public safe. I think one of the speakers, what was it, safety, preserving open space, and keeping our city world class. And I love the part about the residents, I mean the visitors paying so much of our tax. I always think about that when I go out into the Preserve. The venues like WestWorld, the stadium, this brings our visitors here. But what I'm hearing directly from the hoteliers and from the tourism industry, they need their visitors to then go out into the city and see beautiful parks. They can't have, you know, rundown bathrooms that haven't been touched since the 1950s. So, I think, I'm just very impressed with this whole process and the fact that once again, we're keeping our taxes low and getting so much for it, because of our community engagement and our staff. So, thank you.

Mayor Ortega: Okay, Councilwoman Janik and myself, and then Councilmember Durham, Kathy, did you want to? Okay.

[Time: 02:14:14]

Councilwoman Janik: Okay. Thank you, Mayor. Right now, I would like to see more information on the actual allocation of funds when the sales tax revenue is much higher than we expect with this 0.15% or much lower. And I have to tell you, I am bothered by a sliding scale of less than 25% for WestWorld. I'm very curious to see how that will work. I'm curious that the unfunded needs of the park and the maintenance might take a hit because we have to make payments for any debt that we incur on WestWorld. That really bothers me because I have my own priorities. I have a feeling that several people on Council have the same priorities and so I would like to see functionally how it works. So, not tonight, but eventually over time. Okay.

And then the other comment that I would like to make is whenever the budget is tight and the absence of this proposal, the first thing that gets cut is maintenance, which is true of all of us, when the incomes go down or food costs more, what do we cut back on? Maintenance on our house. The city is no different and for that reason, I think it's extremely important that we support this effort, because we definitely need to maintain what we have. And like Councilwoman Whitehead said, it is way more work to fix it once it's broken than to maintain it in the fashion it should be. So, thank you.

Mayor Ortega: Okay, well, to make this Work Study a success and useful, we have received the information that was imparted by the group, studied by the group, and we have received that. And, you know, when it, when a proposal goes forward to the voters and when I see it today, it says 51% is going to go for basically Indian Bend Wash and so forth, 14% is going to go for another, that will be written in the vote. It's not negotiable. A draft that I have seen of the ordinance says that, and no other Council can tinker with that and say, "Well, gee, I feel like putting 45%" and changing the ordinance. So, the ordinance must align with the vote of the people. It's just like with the tourists, well, it, that's the intent just like with the bed tax. So, if the bed tax says so much goes for infrastructure, so much goes for such and such, it's a way that the direction of the voters is given to us. Now, I want to be pretty firm about that. It's not wishy-washy about whether or not the next Council decides to change it. It would take another vote, just as the previous bed tax was 3%, and then it was changed to 5%. In other words, to meet the needs.

So, what we're looking at and what we need some consensus, and I'm going to say this pretty directly, I'm very, I would like to, we are not making a motion now, but we are looking for a response from our Council based on months and months of study and input that need to be understood pretty basically, I think by the public. First of all, it's about real time funding. Okay? With real time results. That's usually what you have in a General Fund. Okay? If there was a huge undergrowth problem and we had to go in there, we would be taking General Fund monies, and I say that, what if a ramada burned down over at Paiute or something happened at the Indian School Park? We would immediately have to use funds when we knew all along or maybe it collapsed that it might be, you know, a danger and needs to be replaced or the roof needed to be replaced because it's 50 years old.

Okay so all of these things have been quantified in, I believe, a very professional manner and we want to have reliable fund source for dedicated needs. Sometimes there may be a confusion about the previous

sales taxes but they were confined within the Preserve boundaries. That was it. Now we're looking at the whole, the task for that we gave this, that the Council asked was to study it and look at it holistically and, yes, I know there's some security problems at Paiute Park, for instance. I was just there Sunday. There's a lot of deficiencies there, and there's a lot of lamps never on and not on timers and it's really been almost forgotten, and it is part of this 51% that is going for older parks in the older areas. This is important.

So, by studying this today, we're going to look at the next steps. The next step is not ambiguity about whether or not this is \$1 million more than let's say, \$120 million budget for the police. It's not about that. It's about whether or not we want those services in augmented or improved in these areas and we can quantify that. And we can get four more officers, or three more officers, and a supervisor involved. So, it's dedicated funding with a dedicated, well, a dedicated revenue stream, and we're looking at essentially reducing the tax rate and providing value, and the values are entirely different than just being confined in the Preserve. They are wider than that. Well, that's tremendous.

You know, we could say that first two taxes 0.2 and 0.15 were only for the Preserve area. Well, now what are we doing? We are widening that, and we are also trying to protect our investment of the \$1.5 billion in the Preserve and say we don't want it to burn down. We want trails and enjoyment of people and that's a good thing. So, it's a smaller piece of this holistic, better security, you know, better well, it's really ownership of our assets. And that's what we're going to be asking voters to recognize and be clear about. And when you shift gears from acquiring the house or property and now you've got to maintain it and get a new roof and replace the plumbing, and whatever, that's an entirely different expense and certainly, this is a wider response that I feel, you know, we've said thank you, but I want us to really look at consensus, if there's any questions it could be jumbled up in a lot of other ways.

The question of escrowing money to pay off a debt. I remember when our Council gave me authority to and the bonding agents went out to refi \$310 million and I saw those notes in February 2022, I think. We bought the debt. Well, we saved \$31 million just by chance. Now that interest rate, and we got it at the lowest was 1.38. Can you imagine that? Well, now the lowest you are getting is 4.38. So, it doesn't make sense, the pay as you go formula, real-time funding with real-time results, I think that's what people will understand and also, we have a buying advantage. Well of course you don't bond for services. You don't say, I am going to throw a bond to pay for more such-and-such labor, right? Let's just get it so that it's justified. I'm hoping that we can, I mean, our intent today was to get some consensus and clarity so that we could move forward with this. And I would like to hear that from some people who haven't yet spoken such as Councilwoman Littlefield, go ahead and then will go to sorry Councilmember Graham. Councilmember Littlefield then Graham. Thank you.

[Time: 02:23:36]

Councilwoman Littlefield: Thank you, Mayor. First of all, I would like to thank the Task Force very, very much for all of their hard work and their dedication. As I read through this book and saw what you had done, I have to say, I was extremely impressed by your diligence and the depth of your understanding and your study. So, thank you very, very much, for all of your time and effort, all of you. I appreciate it

and I think we all do up here. I believe that now we're starting into a new situation of not purchasing land for parks and preserves but maintaining the land that we have already purchased. And it's a different attitude. It's a different set of needs and I believe that you have addressed those very well. So, thank you. I think it's our responsibility up here as a Council to look at this very seriously and consider it because this is citizen land. This is not ours, mine, yours. It belongs to our citizens, and they are the ones that have paid for this land and they are the ones that have paid for all improvements on the land. Not only in the Preserve, but in all of our parks throughout our city.

And I believe that that is one of the most important things that we have in our city to maintain our high quality of life and our outdoors attitude toward life. And I believe that it's one of the main things that is a responsibility of this Council to uphold and to maintain it. So, I think our focus needs to shift from purchasing now to keeping what we have in good order. And that's a very, very important thing. I agree and I like the fact that we're looking at increased security in our parks and in our Preserve. I think that's unfortunately, something that needs to be looked at in depth and I'd like to look at it more, when we come back with more of an analysis from our police and fire departments. That is something that is important for those people who use our parks, for those people who use our Preserve, and we need to make sure that we have adequate safety precautions in place.

I like some of your solutions. I think you have done an extremely good job and I think we need to par that out a little bit more and take a look at it in more detail. And I think what we have done here is on the right track. I really, really believe it's for the best, for the future of the city and for the future of our citizens to enjoy Scottsdale and for tourists. They count too. They help to pay for all of this good stuff. And I think that we are doing the right thing. We need to continue doing this, looking at it, and coming back with some actual steps to take and actions to follow through on. So, thank you very, very much. I appreciate all of your hard work and your time.

Mayor Ortega: Thank you. Next, Councilmember Graham and then Councilmember Durham.

[Time: 02:27:10]

Councilmember Graham: Thank you, Mayor. I wanted to ask, the ballot language the Mayor brought this up, the ballot language is, does or I mean, we haven't written the ballot language, I know that but there's a draft in there and that just says we're going to extend it. It doesn't say what it's for. I know it says categorically what it's for but there's not like percentage 50% goes towards this; is that correct?

Sonia Andrews: So, Mayor, Council, there's actually a few more slides and a few more recommendations that the Task Force needs to go through which will address the ballot language and the ordinance.

Councilmember Graham: I was trying to be like the cool kids and ask questions too, so.

Mayor Ortega: Yes, there's a draft ordinance that aligns with all those percentages.

Councilmember Graham: Okay, you know what, so I guess you have a little more presentation to go

through. And then I can ask my questions and I get a chance to thank all the Task Force Members. I want that chance too and then so I will withdraw my request to speak, and I will wait until the end. Thank you. But don't go anywhere.

Cynthia Wenstrom: All of our subject matter experts are required to stay through the end of the meeting.

Councilmember Graham: Request or required?

Cynthia Wenstrom: Required. So, we do have a little bit more to share with you, a few more recommendations and then we will also have our City Clerk Ben Lane come up and discuss, or read through our recommended ballot language, et cetera. So, recommendation number four from the Task Force is to reiterate the Task Force recommends no current action on the 2004 0.15% Preserve tax because this is still needed for debt service. Study the 2004 0.15 Preserve tax annually to determine if it is still needed for preserve improvements and land acquisition. If the debt can be paid off early, decide if this tax should be placed on a future ballot to sunset early and also the City Treasurer should provide an annual update to the City Council related to the 2004 0.15 Preserve tax and include information on the fund balance and current and projected funding needs. With that, I'm going to move forward and ask our City Clerk Ben Lane to come forward to read through the language for the next, it would be for the ballot language and ordinance distributing proposed 0.15 tax revenues. Thank you, Mr. Lane.

[Time: 02:30:08]

Ben Lane: Thank you, Chair Wenstrom. Mayor Ortega, Vice Mayor Whitehead, and Councilmembers, I'm here today to discuss the ballot language, the draft ballot language. I'm initially going to provide just a little bit of background information and then we'll discuss the two ballot options. In terms of some background, some considerations that were made when drafting the ballot language included ensuring statutory requirements were met, which I will get into a little bit later, incorporating the great feedback provided by the Task Force, making sure the ballot language wording was clear and understandable and ensuring the ballot language noted the specific areas of needs. I'm going to discuss the full text option and the tag line text. The full text option is longer and includes an official title, a descriptive title, and yes/no options and I will explain each of those in a minute. The tag line text is much shorter. It basically includes a question and the same yes/no statement options found in the full text. It's very likely that the tag line text will be printed on the ballot due to space issues.

By state law, transaction privilege tax measures must be presented to voters in November of even numbered years. And as you all know, the November 2024 ballot, it's going to be really long, and there's going to be a lot on there. There's obviously the U.S. presidential race. There's a U.S. Senate race. There are many state, county, and a lot of judicial elections on there as well. And then in addition to that, there is going to be ballot measures statewide and there will also be actually a ballot measure from Maricopa County related to the Prop 400 tax extension. Just to clarify, both the full text which I am going to go over in just a minute and the tag line text, would be printed in our publicity pamphlet. Additionally, the full text would be printed in the pamphlet provided by Maricopa County to voters.

So, moving on to the full text option that you see on the screen. I will be discussing each section individually, and then seeking any Council feedback on those options. The official title, which is the first section is basically a brief explanation of what the measure is doing. We use this section to break the ballot measure down into its components and just to read it for the record, the official title is a city code amendment to extend and reduce Scottsdale expiring transaction privilege and use tax rate to fund one improvements and maintenance for citywide parks and recreational facilities; two, maintenance and protection for the McDowell Sonoran Preserve, and three, increase police and fire resources related to citywide parks and Preserve. So, with that, I would be happy to answer any questions or take any Council feedback on that section.

Mayor Ortega: Okay. Let's go to Councilmember Graham and then Councilmember Durham, you've had your, well, let's go to Councilmember Graham.

[Time: 02:33:15]

Councilmember Graham: Just two quick questions and sorry if you said this, Ben. Do all of our ballot languages start with a city code amendment?

Ben Lane: In this case, Councilmember, you have to explain what's changed or if it's a new, yes you would normally start with that.

Councilmember Graham: I guess I'm just wondering like at the state level, they do, like, a proposition versus, like, constitutional amendment. Is there any distinction at the city level? Do you know what does that make sense? Do you have a ballot proposition versus?

Ben Lane: Yes, Councilmember Graham sometimes the wording varies based on whether it's the state legislature referring it, whether it's a citizen initiative because with the citizen initiative, you actually can't change that language. And so there.

Councilmember Graham: So yeah, like again at the state level, if we have a ballot, I'm not using the right terminology but it's like a ballot initiative to change the constitution requires more signatures than a code amendment which is the lower threshold. Do you follow that?

Ben Lane: So, Councilmember, this would be an item referred by the Council.

Councilmember Graham: Yes.

Ben Lane: Rather than referred by.

Councilmember Graham: I'm just asking, is there any distinction at the city level for changing the charter or something like that?

Ben Lane: I can do that research and get back to you, Councilmember.

Councilmember Graham: Okay. And then my second question is. They said during the presentation there wouldn't be any more space for another question. Did you bring that up just now?

Ben Lane: I did not, Councilmember. So just to clarify that, there will be limited space on this ballot just because of the length of the ballot.

Councilmember Graham: But that statement was made that there will be no more space for like another question, if we wanted to change the use of \$90 million in the, you know, 0.15. You heard that too, right?

Ben Lane: Yes.

Councilmember Graham: Let me ask you, sorry to interrupt you, do you agree with that?

Ben Lane: So just to clarify, I think likely we could fit two ballot measures on there, so this and another ballot measure that Council refer. A third ballot measure, we'd have to ask the Council to prioritize which ones they want on the ballot and then we'd have to wait for the County to provide us feedback on how many we can fit. And basically, if we can't fit the other one, it would have to be delayed until the next applicable election.

[Time: 02:35:51]

Councilmember Graham: Okay, so you have a doubt that there's a possibility. Because at the state level, people sue and things get thrown off the ballot between when signatures are filed, there's a whole calendar and so more space could open up too.

Ben Lane: That's correct, Councilmember, I will say, and this is before I started with Scottsdale, but I do.

Councilmember Graham: That is my last question.

Ben Lane: There was a time when there were a number of ballot measures proposed by the Council and others that actually had to slid over two elections just because of the number. Whenever we're on a basically a federal vote, we have less room for our measures than if we did a standalone election.

Councilmember Graham: So, we get elbowed off the edge, don't we?

Ben Lane: That's one way to put it.

Councilmember Graham: If you can let us know if there's any distinctions at the city level and then when you learn more about the spacing for the city, so thank you Ben, thank you Mayor.

Ben Lane: And Councilmember, sorry, just to clarify.

Councilmember Graham: No, questions are over. I'm just kidding.

Ben Lane: We won't know about the spacing till basically the County starts laying out the ballots.

Councilmember Graham: Until it's too late.

Ben Lane: It's very late in the process and that's why we would ask Council to prioritize.

Councilmember Graham: So how do we know we have space for two?

Ben Lane: I'm sorry?

Councilmember Graham: If we don't know we have space for three, how do we know we have space for two?

Ben Lane: I've talked to the County, and they said two most likely would fit. Two items most likely would fit. That wouldn't be an issue.

Councilmember Graham: Is probably fit or?

Ben Lane: Most likely.

Councilmember Graham: Okay so not a guarantee. Thank you.

Ben Lane: I try not to guarantee.

Mayor Ortega: You're welcome and you know the referrals from the legislature, last I heard, there were 60 possible ones and whether two make it out rather than, and that's not the subject of today's discussion, anyway, but it is a concern as to form which has to be correct. I see Councilmember Durham and then Councilwoman Janik.

[Time: 02:37:43]

Councilmember Durham: Thank you, Mayor. Tremendous job that the Task Force has done. We've, over the years, we've created bold actions to take, create the Greenbelt and the Preserve and both of those are landmark jewels of Scottsdale and so it's vital that we maintain them. I just want to address a question that Councilwoman Janik had, you were concerned about spending too much of the money. But as I understand it, there's a cap on the WestWorld debt, so that we wouldn't be able to spend more than 25%. And also, the Mayor, if I understood you, you seemed to suggest that these percentages were going to be part of the ballot, but I don't think they are. The percentages would be by ordinance, but I had one idea that.

Mayor Ortega: Well to clarify, again, we have a pamphlet.

Councilmember Durham: Yeah.

Mayor Ortega: That the city prints and there it would be the full next so all the.

Councilmember Durham: But the percentage allocations are not in the text that the public votes on.

Mayor Ortega: So, there's no full numeration of everything other that the study backing it up?

Ben Lane: So, Raoul, can you go to the next slide just for a second?

Councilmember Durham: But in the respect, I had a suggestion that possibly changing the allocations. I don't know if we could make it subject to a higher majority of the Council, a super majority or something like that. So, we could try to have a 5 of 7 vote in order to change these allocations just to make it.

Mayor Ortega: Okay, so just to clarify, the first question is whether the allocations are shown? And then, so let's answer that one first of all to what extent.

Ben Lane: So, thank you Mayor, thank you Councilmember Durham, so we have limited space on the ballot. So just to clarify, if the County says we can print the full text, what you see here is all that would appear on the ballot and as you notice, and I was going to get to it in a minute, but in the descriptive title there's a reference to the ordinance. So, we don't have room to print the entire ordinance on the ballot. The ordinance would be in the publicity pamphlet. It would be online as well on our website, but we don't have room to print that. More likely than not, the County is going to tell us that all they have room for is to print what is known as a tag line text. And so, as you all can see, it's much shorter and there's a word limit to it. There's a word limit of 50 words for the summary. And that would be more likely than not, this is going to be the language that appears on the ballot.

Mayor Ortega: So nevertheless, we have a portfolio of information and a backbone to the entire effort that is public knowledge and would be, again, subject to space or column lengths within the ballot measure. Okay. That's clarifying the, you know, more of an administrative end. But it's important that we know that we would still need to justify the amounts based on all the study that's been done.

Councilwoman Janik and then Councilwoman Whitehead.

[Time: 02:41:33]

Councilwoman Janik: Thank you, Mayor, just to answer Councilmember Durham's question, as a scientist, when I look at a chart, and it's percentages, I want it to add up to 100%, I don't want less than or more than, and that bothers me because it gives wiggle room. And as soon as the public sees that, that's what they are going to hit on. That's why I would like to see examples. When would it be less than? When would it be more than? And if it's more than, is it taking money from something else? So that really bothers me. It's not precise, and to me, I don't want to see a sliding scale. But perhaps you can explain it to me so I'm like, "Okay, I get it."

My second comment is the verbiage on the full text. On slide 10, you used the term "extend" when referring to this. On slide 92, you used the term replace. My preference is for the word "replace" because it has a better-defined meaning than the word extend, because in reality, we are replacing it for a different purpose, and in a different rate. I think extend is a little bit fuzzy. But I would think that maybe we should all kind of nod on this one. And if whatever the majority wants, obviously I'm fine with, but it is a concern to me, and I did look these words up. Thank you.

Councilmember Graham: I don't nod because I just have questions with the city attorney and I want to think it through, Councilwoman Janik, not because I disagree, but just, but I sympathize with the sentiment of what you are saying completely.

Mayor Ortega: So, we have Vice Mayor Whitehead.

[Time: 02:43:29]

Vice Mayor Whitehead: Yeah, so Councilwoman Janik, twice now, thank you for bringing up that percentage problem because that was on my list, and I forgot. So, there are a couple of, so that, if you take the 25%, if you max out at that, it doesn't all of a sudden, the other numbers don't add up to 100. So, I think that's something that I'm, I would also like to see if we have to reduce it. And I also would like to know what the implications are, because if, for instance, there were, there was drainage and there was shade, there were a few projects that needed to be done at WestWorld. The drainage seems pretty much, I mean, that's one of those penny-wise pound foolish if we don't do it because we have all the damage. But can we do it separate bonds or can we do a schedule because we want to make sure that that full, I think it's 65% if you add parks and then you add the Greenbelt. The request is 65% of the funding has to go to parks, but then we also have fire needs. So, to minimize the WestWorld projects bumping any of those other projects. How can we do that?

[Time: 02:44:40]

Mayor Ortega: I think and perhaps I will add this, because I was looking for something in the presentation and it does show on the draft ordinance. So, explaining the oversight committee, and the, just as we have a bond oversight appointed committee, we have two methods of oversight where there's reporting and accountability. And so, it's not just a, you know, a robot doing the numbers. It's going to be individuals checking revenues and so forth. So, we are open to discussion, I guess, of the tentative ordinance, but it does show that oversight. There's two methods of oversight.

Vice Mayor Whitehead: Can I just, maybe let me add something to that, Mayor, if I may. I guess what I'm looking for and maybe I'm looking for consensus on the Council, is to look closely at that up to 25% and see if it needs to come down.

Mayor Ortega: Good. And we may empower again the oversight committee to do that. So that it's listed as part of the draft ordinances and there's two actually oversight groups, I believe, in the, it's written in the.

Vice Mayor Whitehead: I think we need to have this before it goes to the voters not a future oversight committee.

Mayor Ortega: So, would you say not more than 20%? Or 5?

Vice Mayor Whitehead: Well, I would like the Treasurer.

Mayor Ortega: Like we could look at that it's been studied, I'm sorry, just help me out with that one.

Ben Lane: Just to clarify really quick, the draft ordinance, I believe, is right after the ballot language.

Mayor Ortega: Sure.

Vice Mayor Whitehead: Okay.

Cynthia Wenstrom: We can get to that and go through those questions.

Mayor Ortega: Okay. So that was another guardrail in the whole process. But, okay, now I am off, and we go on to Councilmember Durham and Vice Mayor Whitehead. And then she is going to. Okay Councilmember Durham, Councilmember Graham, and then let's hear from the City Treasurer.

Councilmember Durham: Thank you.

Mayor Ortega: She jumped in. I am going to go to Sonia just in case there's clarification for us.

[Time: 02:46:49]

Councilmember Durham: Yes, the percentages on slide 97, I think add up to 125%. So, if I'm doing the math right, so that means there's 0% for the WestWorld requirements. I think if you take the allocations for the other areas it adds up to 125%, so that leaves nothing for WestWorld.

Mayor Ortega: One is a debt service, so it's a different, so go ahead.

Sonia Andrews: Mayor, Councilmembers, can I please clarify this slide?

Councilmember Durham: Okay.

Sonia Andrews: Let's start with the allocation and let's talk about the 25, the less than 25 allocation to debt later. 51% plus 14% plus 18% plus 7% and plus 10% equals 100%.

Councilmember Durham: Right.

Sonia Andrews: So, the way we looked at this is if we issued debt, then we have to pay debt service first, before we allocate anything, because debt has to be repaid first since we have debt obligations. So,

when we collect \$25 million, we have to first pay debt service. If we issue \$44 million, it would be 20-year debt at a fixed annual debt service payment. So, when we ran the \$44 million assuming two debt issuances over a short period of time, and assuming a 5% interest rate, I don't know what interest rate we will get, but that's a good assumption that we are issuing debt at 5%, our debt service is about \$3 point something million a year for 20 years. So, the way this would work would be if we collect \$25 million, or whether we collect \$30 million, or whether we collect \$20 million, from the 0.15 tax, the first three, let's just use \$3.5 million.

The first \$3.5 million will be then allocated to pay the debt service. It's a fixed debt service. When we issue the debt, the debt service will not change. So, what the Task Force is saying is whatever the debt service is, it cannot exceed 25% of the money that you collect. We don't want to give more than 25%. So at \$25 million, 25% would be \$6 point something million. We will not need \$6 point something million in the scenario I just described. So, we would collect \$25 million, \$3.5 million will go to debt service, and the remainder would then be allocated, 100% of the remainder would be allocated according to these percentages, 51%, so hopefully that clarifies it.

Councilmember Durham: Okay. I understand now. This just is the, you take the, you scrape the debt service off the top and then allocate the remaining money with these percentages.

Sonia Andrews: Correct. And the debt service is only for 20 years. We usually issue 20-year debt.

Councilmember Durham: So, after 20 years, the remaining ten years would be, there would be no debt and you would split it this way.

Sonia Andrews: Yes.

Councilmember Durham: Okay. That makes sense. Thank you.

Mayor Ortega: Okay. Councilmember Graham.

[Time: 02:50:34]

Councilmember Graham: I was going to ask a similar question related to that. It looks like there's no percentage scandal, there's no percentage-gate. We can move on. Okay, thank you.

Mayor Ortega: Okay we have not, I think we have settled into a comfort zone on this. Obviously, our Clerk is monitoring very closely the kind of space, inches, or whatever we will have. We have a very competent City Attorney and looking at the results of the recommendations, so that an ordinance could match the ballot measure. So that is consistent as best possible. Is there any question we have not asked to any of you? No. Just kidding. Is there any other conclusion you would like to say from the Chair or the Committee? And then I have well, go ahead, Ben did you have some more? I had some eye contact here.

Ben Lane: Mr. Mayor, I apologize. I just have a couple more things on the ballot language.

Mayor Ortega: We're not finished yet. We are still going.

Ben Lane: I'm not going to be at the end next time. Just F.Y.I.

Councilmember Graham: Mayor, I have questions too. So, before they give their closing arguments.

Ben Lane: So, Mayor, just very briefly, on the descriptive title, so this is a summary of the principal provisions of the measure. It does include a reference to the ordinance, which will be discussed later tonight possibly. The ordinance explains the funding components in greater detail and the draft ordinance or a possible approved ordinance that would have a later implementation date. As I mentioned earlier, would be included in our publicity pamphlet, and also found online. By state law the descriptive title here is limited to 50 words. Right now, we are at 49 words. And yeah, so one extra word. So just in the interest of time, I won't read it, but I would be happy to take any feedback or questions on the descriptive title.

Mayor Ortega: Okay now are there any other slide? Let's go to the next slide.

Ben Lane: And just really briefly, sorry, the yes/no statements. So, the yes/no statements the, basically explain what happens if the ballot measure is approved or denied. In this case what we did, we actually combined wording from the descriptive title and the official title. The descriptive title is found in kind of the first part of the yes/no statements and then the official title is found towards the end. So that's how we did it and if there's not any questions on that, I will just go to the tag line text. So, just very briefly, the tag line text, basically it turns the previous ballot language, it turns it into a question. And again, this is most likely what is going to get printed on the ballot. By state law, this is also a 50-word limit in the question. Right now, we are at 46 words. So, there's definitely room to add if the Council so desires. And then the yes/no statements are repeated from the full text. And that's it.

Mayor Ortega: Okay. And then I did see some recommendations but Councilwoman Janik, go ahead.

[Time: 02:54:21]

Councilwoman Janik: Okay, I don't think we actually got everybody to agree to replace or extend and I would like to go back and see if more people like the word "replace" or more people like the word "extend." I don't think that most of us got a chance to do that.

Mayor Ortega: I think that's a very good question, and I want to direct that to City Manager. What is your opinion on this? I mean, because see if we can.

Jim Thompson: Thank you, Mr. Mayor, members of Council. I would concur that replace would be fine. I think when we look at the discussion points there and I think we're you know, that obviously, they can go any direction, but replace would be fine from our perspective. And then I think there's some other

questions that were asked this evening of Council that we'll come back and address those here in short order to make sure that we have all issues, but I think as far as the questions raised this evening, all great questions. I think at the end, it's not really going to change the dynamics of the ballot and as the City Clerk has noted, we will be subject to what the county allows us to put on the ballot. So, I know you want to have additional thoughts on the ordinance as well. I think that is going to challenge us a little bit.

We will come back and try to explain that 25% further because I have seen a lot of confusion, which it could be confusing because you are using definitive numbers and then you're using percentages but the percentages are a percentage of the definitive numbers, but yet a percentage of what you might issue debt for and then you have the rules associated whenever you do get approval, the debt has to be paid first, with the intent. And so, it gets confusing but we'll add some more depth to that, so it's fully understandable, and so appreciate the questions and at least from my perspective that would be the answer.

Mayor Ortega: That's right. So, we are going into the next step and that's why we called on our City Manager. Okay. Councilman Graham.

[Time: 02:56:24]

Councilmember Graham: Thank you, Mayor. If you go back, as I think about it more and I would like to, you know, process, I like "replace." I actually, as I read this more, I actually think that "reduced" is confusing, because if it were to fail, it would go to zero. So, it's like it's reduced to 15, but that implies it's staying flat, and we are reducing it to what it is below. So, I think that replaced for 30 years with a 0.15 could be more clear. This is this is attorney world at this point. So, I'm not going to, that's my thoughts on that, but I think I like Councilwoman Janik's thoughts.

Mayor Ortega: It's also kind of interesting because one tax is going to expire in one year. So, replacing something that's expiring in a year doesn't make too much sense.

Councilmember Graham: It makes perfect sense.

Mayor Ortega: Well, no, because if something is, but we'll get more nomenclature.

Councilmember Graham: It's leaving. You are replacing.

Mayor Ortega: I know one is different than the other, but if one is expiring in a year, and then one is going to last another 30 years, they are different kind of animals. But this is, we're down to final compound words and we are getting close. So, I think it's been very productive for us and I do not see anyone else wishing to speak. Staff will continue to move forward and, you know, I think we have all expressed our appreciation to the members who have made this possible. Councilmember Graham.

Councilmember Graham: Mr. Mayor are you about to conclude or adjourn the meeting?

Mayor Ortega: Well, I think the question is, if there more questions?

Councilmember Graham: I have a few more questions, if I may ask those?

Mayor Ortega: Okay, good, your light went off but now it's back, so go ahead.

Councilmember Graham: Sorry, I meant to light it up earlier, so I apologize.

Mayor Ortega: They'll still work on any comments that we've discussed.

[Time: 02:58:27]

Councilmember Graham: I will probably send these more in, and there's not that many. I wanted to take the opportunity to thank the Commissioners Cynthia, Raoul, Carla, Nicholas, Jace, Dan, Mark, John, and James. I don't know what the circumstances for his resignation. I hope it wasn't in protest. I'm sure he had a good reason. The, this first question is for Sonia. And my question is this, if and you kind of already answered this, Sonia, so, I think it might be a little bit repetitive, but if the 0.2 Preserve sales tax goes until 2025 like it's supposed to and the 0.15 goes until it's expiring I think in '35 around there, 34, at what point, and forget interest growth and present value, and discounting; at what point do you estimate the principal balance or the cash balance in the fund to match the principal balance owed on the debt? When do you expect that to happen?

Sonia Andrews: Councilmember Graham, Mayor, and Councilmembers, it depends. I love answering questions that way. It depends.

Councilmember Graham: Okay. How about this? Assuming current collection rates, so now we know everything.

Sonia Andrews: If we collect, remember, we have \$131 million that we project at the end of this fiscal year. We have \$185 million in debt principal outstanding. If we were to pay it off, if we want to pay it off, at the end of this fiscal year, we need 185 plus another, \$3 or \$4 million for accrued interest. So, we need \$188 million. So, if next year if we collect that extra \$50 something million, we could put it in the escrow as Gina laid out the steps, create the pay the debt service for next year, create the escrow fund and pay the escrow fees and, but in either case, we can't pay off the debt until 2027. That's the first call date, but we could put it in an escrow to do so.

Councilmember Graham: We know limitations about the call date. It just really is when do the principal and the cash fund balances match?

Sonia Andrews: Right. But now keep in mind, I do want to say that the Task Force specifically did not include any considerations for land bridge or future improvement needs of trailheads like bathrooms or anything else in this 0.15 request, with the assumption that some of that fund balance can be set aside for those needs. And the Preserve Commission is interested in presenting Council with considerations for how to use that fund balance. They just haven't had a chance to bring it in front of Council yet. So, I

just want the Council to keep that in mind.

[Time: 03:01:58]

Councilmember Graham: Understood. And they didn't do that, because that would have been outside mission, so very good. Mr. Mayor, when did you plan to schedule our next Work Study on this?

Mayor Ortega: I would just defer to the Clerk and see how the study group would, the City Manager would give us more information on that.

Councilmember Graham: Okay, would there be?

Mayor Ortega: Let's look at the, projecting ahead when we talk about ballot measures and so forth, there are deadlines in April for filing as candidates and all of these other things, and propositions. So that's why those deadlines, we work backwards from that, as far as when we would have our own deadlines, and we can provide a calendar for you to look at. Yes, we would have to have a referral action from this Council at some point with the text that's suitable, so that that would go forward as a ballot measure.

Councilmember Graham: Do you anticipate holding another Work Study before voting?

Mayor Ortega: I think we would probably just go right into the, we would have a Work Study, because I think we're ready to vote. I mean we would be ready to massage it or whatever at some point, and we have a deadline in April, I thought it was the first. Go ahead. Tell me.

Ben Lane: Mayor, just so clarify, sorry, the April 1st deadline is the candidate filing deadline.

Mayor Ortega: Okay.

Ben Lane: Ballot language is due to Maricopa County in early June. So, we do have a bit of time. But we would need the Council to finalize that language prior to that date because we need to provide it in a finalized form to the County in early June.

Mayor Ortega: So, I apologize for that. I recall that now. And again, so many of the ballot length and so forth rests with the legislature.

Councilmember Graham: Yeah, so.

Mayor Ortega: We're further down, but we would have a good grasp on the schedule and I think the Clerk could provide us with that, or the City Manager in more detail.

Councilmember Graham: I suppose my request would just, maybe we could hold one more Work Study as a Council. There's a lot more to discuss. I have things I want to, I've heard the Task Force, now I want

to process and ask questions of city staff. It's a very, I mean we're talking about \$25 million plus, for 30 years and this is a massive amount of money. And so, I think studying it amongst ourselves, once more before voting, I think could be prudent. I think taxpayers might want to see that too, so that would be my respectful request.

Mayor Ortega: Well, I kind of agree with what you are saying but we already know the effects of a tax that will people have been paying over a period of years and this is a reduction of a significant tax burden, so to speak with different results, different outcome.

Councilmember Graham: Can I?

Mayor Ortega: We do know that we can perform at a certain level with tax revenues, and we are now looking at a menu or ala cart of what we can get for it to protect and preserve what we have, not necessarily again an untested number, but we'll see whether it will be on the agenda and how it could be agendized.

[Time: 03:05:37]

Councilmember Graham: City Attorney, could I just move to have another Work Study between when we vote, and could I ask for a second? Could we do that in a Work Study?

Sherry Scott: You are not on an agenda to take a motion.

Councilmember Graham: Okay, I will send it out by email.

Sherry Scott: So, what you are able to do is direct staff. If you are directing staff that you would like another Work Study, you would need another three other members of the Council to direct staff to that regard as well.

Councilmember Graham: Okay, I would kindly direct staff to do that, and I would see if I can get three colleagues to join me.

Councilwoman Littlefield: I can do that, yes.

Mayor Ortega: We have a motion and a second for some Work Study.

Councilmember Graham: It's not a motion. It's not a motion, it's just sort of an up or down.

Mayor Ortega: Yeah, I'm interested in, we already have very thorough information. So, I'm not really interested in doing another Work Study. I think what we will do is we will find once it's agendized, we are going to have a healthy. They have work to do to prepare more information, to get it on the agenda in response to a Work Study. That's what the purpose of the Work Study is. It doesn't mean that we start all over in the Work Study process.

Councilmember Graham: We just continue where we left off.

Mayor Ortega: Well, at some point, I guess the question is, should we adjourn this Work Study or should we recess the Work Study? That might be the easier one.

Councilmember Graham: I'd prefer just a quick up or down from people if they want to do that and then we can adjourn. So.

Mayor Ortega: So, what is the your motion was.

Councilmember Graham: I'm asking, Tammy, Councilwoman Caputi, would you like to do another Work Study?

Councilwoman Caputi: I could have more conversation. I wouldn't be totally opposed to that.

Councilmember Graham: I got three.

Councilwoman Caputi: But I thought what the City Attorney was saying that Councilman Graham is perfectly able to poll the Council after and ask, right? Isn't that how it usually works? We would poll, Ben would poll the Council and ask who is willing. I mean we're not really doing that tonight at the Work Study.

Sherry Scott: Well, you are certainly able to poll the Council, but you are on the agenda tonight to potentially direct staff regarding the recommendations that you have received tonight. So, if a total of four members of Council direct staff to put another Work Study on the agenda, before it's placed on the agenda for action, then that's what the staff will do.

Mayor Ortega: You know, clarifying again, and I will go to City Manager, it's my understanding that there were some gaps of information that will be coming forward with staff attention. Now, whether that warrants staff providing those gaps or not, I think that was the direction we thought we would get, that we would get clarity from that, not necessarily another Work Study. However, if people want to well, the main question is whether or not the report is still open ended and that the Task Force would continue to respond to our questions, or whether it would just be a staff response based on data we already have. So that's part of the dialogue here. Let me go to Vice Mayor and we will see how this falls.

[Time: 03:09:18]

Vice Mayor Whitehead: Thank you so one thing I just want to ask my colleagues is whether or not, so we haven't had that many questions. We had to try to absorb the complicated 25% in a single evening, versus, I guess, it took time with the Task Force. So, what I would like to suggest because City Council has this incredibly busy, packed calendar and I was actually pleased with how much, how few questions, how few explanations were needed. I think a lot of us were on board with the need for this. I think most of us can agree, that \$3 bucks a month, we used to say just give up one cup of coffee a week, well, we

know \$3 bucks is not going to buy you a good cup of coffee anymore and it's just once a month anyway. But so, I would rather have staff respond to us with the questions we asked and then poll us about whether or not we want another Work Study. Would that work for you, Councilman Graham?

Mayor Ortega: And I think that's the understanding I kind of had. If there was a gap or more detail, they will get back to you because they can't do it now and that's not, and the same thing, you know. So, it's my opinion that at this point, that was the direction we were going, rather than, you know, extending a Work Study with this group. So.

Councilmember Graham: But Mayor, Mr. Mayor, I understand Work Study hesitancy so I'll just I will get the, we will receive the additional information and then maybe we'll poll each other. So, thank you.

[Time: 03:11:07]

Councilwoman Caputi: Really quick. And I want more feedback from you as well, Sonia, because I definitely didn't have a warm fuzzy on the questions I asked. Forgive me because I did not attend all of, any of the Task Force meetings. Sorry, I did listen to a couple of them online, but oh my gosh, more time, please. So, the only question I really have for Sonia still is one of the things I was looking at is after we, after the debt is paid and then the remaining 0.15 is all collected 334, you know, we have talked a little bit about this addition. At the end of the day, there's going to be a fund balance that's fairly significant and I think somewhere in the packet, there was conversation about that we would check in with you regularly to see where it was and what we were going to do with it.

I want to make sure that we have that conversation as well, because from the start, when I looked at this, and you figure that you are going to probably be looking at maybe a quarter of a million dollars at the end of this, I mean if you do the quick math on the back of the napkin, that's actually enough at the end to fund all of these things we just laid out tonight, right? The interest on that money that we would have collected by the end is pretty significant. And we've, and that would have already been the tax that we have been collecting. So, I just wondered if the Task Force ever addressed that question. Was that brought up at all in the conversations?

Sonia Andrews: Yes, Councilmember Caputi, there's quite got a lot of decision points to that question, and you are talking about the remaining 0.15 Preserve tax.

Councilwoman Caputi: Correct. Too many 0.15s.

Sonia Andrews: That's set to sunset in 2034, yeah, I know, too many 0.15's, that is set to expire in 2024. Well, first of all, the Task Force did consider, can we use the fund balance that's remaining and to be collected for these needs? The first consideration, if we want to do that, we would have to get voter approval and we can only ask voter approval to allow us to use future collections. So, we've already collected \$130 million of which it can only be used for land and improvements. It cannot be applied to any of the needs that we talked about and so that pot of money is shrinking a lot.

The \$200 plus million is a projection for the next ten years if we didn't spend any of that \$130 million, assuming we get continued revenue growth and not using any of that money for land bridge or any other land acquisition or improvements. So, a lot of assumptions there to land at that \$200 and something million and, you know, not factoring in if there was a recession or if we didn't collect as much as we thought we were going to collect, and the revenues didn't grow. So, a lot of assumptions there that today whether we truly will have that money. The third consideration is we can only have two questions on the ballot, right, this year, according to our City Clerk. We don't have room for a third question to ask the voters, and our survey, also, our citizen survey also revealed that that is a confusing question for the voters.

So, it might be better for Council to consider looking at this \$130 million fund balance and whatever that it's going to grow to and direct staff to, number one, bring forward a plan of how this money is going to be used. And if there's no plan on how this money is going to be used, then take the money to retire the remaining debt and sunset the 0.15 tax before and earlier than 2034. That is still an option for Council to direct staff to do. So even if, if we go to the voters and ask for this Task Force recommendation of 0.15, Council still has full authority to address the \$131 million and not allow that to grow unnecessarily for no use. Council can still direct staff to take a look at the \$131 million that's sitting in the fund balance and whatever that's projected to grow to, to either use it for improvements and what is the plan for that, and/or, take the rest of it to pay off the remaining debt and sunset that 0.15 early. That is still Council's ability to do.

Councilwoman Caputi: Well, I agree with Councilman Graham, this is a lot of money and so I'm glad that we are letting the voters decide. It's probably just as well. And I also want to point out we keep talking about things, you know, we are not sure everything, nothing is sure, right? I mean all of this is based on sales tax revenue, so yes, it's dedicated but it certainly could be, it could be anything. We just don't know. Yeah, so, okay. Thank you.

[Time: 03:16:33]

Mayor Ortega: So, okay, my conclusion is that we're looking at a proposal to reduce taxes and have defined results so we're going to be collecting less with the, what the, and providing different or more citywide services that have been identified. That's part one. Part two is that within nine years or whatever it is, the 0.15 is going to go away. So here we are reducing, we have a chance to be even more competitive with other cities from a sales tax revenue side. Now, there are 12 trails that have been defined. If in five years, the Task Force says, "Gee, that 0.15 is doing this and we can get a land bridge." And maybe we didn't dream it was even possible, there could be 13 trails. A new trail. That would be a decision that is worth more than saying, "Gee, we are going to go through a vote to reduce the money," or whatever and five years we can make that decision, and we're still on the same track.

We are increasing value, we are increasing safety, and services citywide. And whether that other remaining residual from the Preserve, only in the Preserve area, that's what we are talking about. That has already been dedicated. So, it can't just say now we will shuffle that possible residual somewhere else and worry about it then. So, it's, we have to keep pretty clear. I heard many of the

meetings I could not appear there, but, because, but, yes, they were all audio and that's a good thing. So that's the takeaway that I have. And I believe we're going to get some good sensible answers. Muddying the water saying what if we have an extra \$50 million, well I can tell you, probably the stewards and others would give us some good ideas on how some improvements could happen. And we may only have \$20 million at the end of the day because of you know. But we'll be able to have more accessibility for the public, getting more people involved from different parts of town, and that's the good thing. So that's the reward, I feel this is a very rewarding position that we are in right now. To clarify to the public that we're delivering value, but they're the ones asking for it and they're the ones willing to protect the value that we have already spent good money on in our parks from north to south, right? Coast to coast, sometimes they say it that way. Councilmember Graham and then let's see if we're.

[Time: 03:19:31]

Councilmember Graham: Mr. Mayor are you searching for a motion to adjourn?

Mayor Ortega: Yes, I was looking for your motion to adjourn and I will second it.

Councilmember Graham: I will move it and that's my motion.

Councilwoman Janik: Second.

Mayor Ortega: Please record your vote, thank you. Unanimous. Thank you.

ADJOURNMENT

[Time: 03:19:45]