



**CITY OF SCOTTSDALE
McDOWELL SONORAN PRESERVE COMMISSION
REGULAR MEETING**

DECEMBER 9, 2015

**Scottsdale Stadium Pressbox
7408 E. Osborn Road
Scottsdale, AZ 85251**

APPROVED MINUTES

PRESENT: James Heitel, Chairman
Robert Frost, Vice Chair
Con Englehorn, Commissioner
Steve Dodd, Commissioner
Mike Milillo, Commissioner (arrived at 4:06 p.m.)
Jace McKeighan, Commissioner
Cynthia Wenstrom, Commissioner

STAFF: Bill Murphy
Kroy Ekblaw
Liz Hildenbrand
Dan Worth
Jeff Nichols

GUESTS: Christine Kovach
Sam Campana

1. CALL TO ORDER

Chairman Heitel called the meeting to order at 4:00 p.m.

2. ROLL CALL

Members present as noted above.

3. PUBLIC COMMENT

There were no members of the public who wished to speak on non-agendized items.

4. **APPROVAL OF MINUTES**

Approval of the Meeting minutes of November 12, 2015

VICE-CHAIR FROST MOVED TO APPROVE THE MEETING MINUTES OF NOVEMBER 12, 2015. COMMISSIONER ENGLEHORN SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF SIX (6) TO ZERO (0). COMMISSIONER MILILLO NOT PRESENT.

5. **DESERT DISCOVERY CENTER** (Discussion begins at 4:02; approximately 2 minutes into the meeting)

Mr. Ekblaw reminded the Commission of the direction by City Council to put together an RFQ for an operator/manager of the Desert Discovery Center (DDC). Council was given an update in September and staff is anticipating that the contract between the City of Scottsdale and Desert Discovery Center Scottsdale, Inc. (DDCS), will be agendized for the January 11, 2016 Council meeting.

Dan Worth, Public Works Director, discussed key elements of the RFQ; recent DDC activities; areas of the scope of service that will be included in a contract with DDCS; costs associated with entering into the contract and moving to the next steps of development of the project; and next steps. The tentative project budget includes a \$726,000 management services contract; an estimated 700,000 architectural services budget, which is not included in the DDCS contract; and an associated business plan. Mr. Worth noted that DDCS has proven their ability to acquire cash and in-kind contributions by raising \$250,000 cash and \$100,000 in in-kind contributions that have been expended on the project development thus far.

ASU has agreed to provide professional services for development of the educational component of the project. Possible City funding sources include the General Fund, Preserve Sales Tax, and Tourism/Bed Tax, which could be carryover Bed Tax funds and/or the portion of the Bed Tax normally committed to Capital Projects.

Discussion ensued regarding funding options and whether or not the use of Preserve sales tax funds might be appropriate. Mr. Nichols clarified that staff was instructed by City Council to consider all possible funding sources. Use of Preserve funds would not be recommended until the DDC use has been defined and the City Attorney has had the opportunity to review that use and give an opinion. Mr. Ekblaw explained that when City Council authorized the use of \$500,000 for a Phase II feasibility study in 2009, approximately \$490,000 was spent out of the second Preserve tax under the Improvements allowance.

City Treasurer Jeff Nichols noted that the Tourism Development Commission supports the DDC project and will be offered a presentation on Tuesday, December 15th to discuss possible use of Bed Tax funds.

Mr. Worth explained that the estimated \$700,000 architectural budget would include site plans, floor plans, and elevations just short of construction drawings. The 2010 feasibility study will be developed further to meet the needs of the facility based on the programming. He said that the details of the contract will be available to the public once the negotiations with DDCS are concluded two weeks prior to the January 11th City

Council meeting. On January 11th, in addition to considering the contract with DDCS, Inc., City Council will consider initiation of an amendment to the municipal use which was initially approved in 2007.

Chair Heitel expressed concern that ASU's involvement could be in conflict with the City's partnership with the McDowell Sonoran Conservancy. Mr. Ekblaw explained that the City has a separate agreement with MSC and there are relationships between MSC and ASU. It is premature to determine what the partnership will be between the MSC and the DDC.

Christine Kovach said that the MSC passed a resolution that at the time the DDC comes to fruition, they are interested in engaging. DDCS is in contact with MSC and looks forward to forming a partnership. Ms. Kovach noted that DDCS has put together a legal team who is working with the City Attorney's Office to ensure that the DDC is compatible with the Preserve Ordinance.

Mr. Nichols explained that per Financial Policy 21(a), the City's 50% portion of the Bed Tax Funds can be used to fund certain activities. When those funds are not expended in a given year those carryover funds can be used for one-time capital expenses. There are currently approximately \$7 million in carryover funds available.

Sam Campana noted that the RFQ response is available for anyone who is interested in reviewing the document.

COMMISSIONER MILILLO MOVED TO RECOMMEND TO CITY COUNCIL THAT THE DDC IS AN APPROPRIATE USE WITHIN THE PRESERVE AND RECOMMEND THAT COUNCIL ENTER INTO A CONTRACT WITH DDCS, INC. THE MOTION DIED FOR LACK OF A SECOND.

COMMISSIONER FROST MOVED TO RECOMMEND TO CITY COUNCIL THAT THE USE OF PRESERVE FUNDS AT THIS POINT IN THE DDC DEVELOPMENT IS PREMATURE SINCE THE SCOPE OF THE PROJECT HAS NOT BEEN DETERMINED. COMMISSIONER ENGLEHORN SECONDED THE MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF SEVEN (7) TO ZERO (0).

Mr. Ekblaw assured the Commission that DDC development will come back to the MSPC as part of the Visioning process. Vice-Chair Frost suggested that DDCS, Inc. be invited to give a presentation to the Commission.

Chair Heitel requested that public notice of a pending project be posted on the property prior to the January Council meeting. He clarified that the Planning Commission only gave approval for the Phase I Gateway Trailhead Plan. Phase II with the DDL Concept Plan was not approved by the Planning Commission. Mr. Ekblaw said he will review the public record and bring back information regarding the Phase I and Phase II Planning Commission recommendations.

6. STAFF REPORT (Discussion begins at 5:14; approximately 74 minutes into the meeting)

Ms. Hildenbrand said that the City was awarded a \$12,300 grant from Gila River Indian Community which has been used to haul rocks at Pinnacle Peak. She shared

photographs and a video clip of the helicopter rock haul carried out by the contractors with whom the City has a five-year contract. Signs are being posted letting users know that the rocks are being staged for future trail stabilization that will begin in February.

7. **COMMISSIONER COMMENTS** (Discussion begins at 5:20; approximately 80 minutes into the meeting)

Commissioner Milillo commented that it was nice to receive the Gila River grant.

8. **AGENDA ITEMS FOR FUTURE MEETINGS** (Discussion begins at 5:20; approximately 80 minutes into the meeting)

Possible January Work Study (Date TBD):

- Ordinance and Policy Review
- Bylaws
- Trails - Corridor 8 Update
- Sunrise Trailhead Ideas
- ASLD Zoning/Land Acquisition Update
- Priorities for Promotion Plan

Possible February 4th agenda items include:

- Elect Chair and Vice Chair for 2016
- Bylaw Review
- 2015 Activity Report to City Council
- Endowment Concept and Conditions Follow-up
- Cultural Resource Master Plan Recommendation
- DDC Process Update
- ASLD Zoning/Land Acquisition Update

Other Future Items:

- Earmarking Funds from Commercial Outfitters
- Drones
- Dogs in Preserve
- Land Acquisition Update
- Fraesfield/Granite Update of Concept Planning

Mr. Ekblaw suggested that the work study session in January/February be combined with a site tour of Pima and Dynamite.

Vice-Chair Frost requested that a DDCS, Inc. report be agendized for a future meeting.

Chair Heitel congratulated Mary Beth Hunt on her retirement and expressed thanks for her years of service to the Commission.

9. **ADJOURNMENT**

The meeting adjourned at 5:23 p.m.

Respectfully submitted,
A/V Tronics, Inc. DBA AVTranz.