

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
WEDNESDAY, JULY 2, 2014**



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

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:04 P.M. on Wednesday, July 2, 2014 in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane
Vice Mayor Guy Phillips
Councilmembers Suzanne Klapp, Virginia L. Korte, Robert W. Littlefield,
Linda Milhaven, and Dennis E. Robbins

Also Present: City Manager Fritz Behring
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

Mayor Lane welcomed members of the Daughters of the American Revolution, Grand Canyon Chapter. Katie Paulson, Chapter Regent, shared the American Creed in spirit of Independence Day.

PLEDGE OF ALLEGIANCE – Scottsdale Youth Corps Volunteers

INVOCATION – Pastor Troy Peterson, Scottsdale Bible Church

MAYOR'S REPORT

Mayor Lane reported that Mr. Henry Glaudel, who represents 97 members of the Military Order of the Purple Heart, Chapter 790, had contacted the Council and asked to have Scottsdale proclaimed a Purple Heart City. Mayor Lane read a proclamation declaring Scottsdale a Purple Heart City and said Mr. Glaudel plans to take the proclamation to his next VFW Hall meeting.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

PRESENTATION/INFORMATION UPDATES – None

PUBLIC COMMENT – None

ADDED ITEMS

A1. Added Items

The supporting materials for Item No. 12 will be added to the agenda less than ten days prior to the meeting and will require a separate vote to remain on the agenda.

Request: Vote to accept the agenda as presented or to continue the added item(s) to the August 18, 2014 Council meeting.

MOTION AND VOTE – ADDED ITEMS

Councilwoman Klapp made a motion to accept the agenda as presented. Councilman Robbins seconded the motion, which carried 7/0.

CONSENT AGENDA

1. 2014 Edward Byrne Memorial Justice Assistance Grant

Request: Adopt **Resolution No. 9787** to authorize:

1. Contract No. 2014-078-COS with Maricopa County to accept the City's portion of the 2014 Edward Byrne Memorial Justice Assistance Grant in the amount of \$30,448 to hire a part-time property and evidence technician to more expeditiously dispose of property eligible for destruction/disposal.
2. Budget transfer in the amount of \$30,448 from the FY 2014/15 Future Grants Budget to the grant center established to record the related grant activity.

Staff Contact(s): Alan Rodbell, Chief of Police, 480-312-1900, arodbell@scottsdale.gov

2. Firefighter Portable Radios Grant

Request: Adopt **Resolution No. 9808** to authorize:

1. Acceptance of an Assistance to Firefighter Grant in the amount of \$216,500, that includes a 10 percent cost share, to purchase 25 portable radios.
2. Budget transfer in the amount of \$216,500 from the adopted FY 2014/15 Future Grants Budget and/or the Grant Contingency Budget; and the creation of a new cost center to record the related grant activity. The 10 percent cost share of \$21,650 will be met through the Fire Radio Replacement CIP Project approved by Council on May 13, 2014, Resolution No. 9754.

Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1892, tshannon@scottsdaleaz.gov

3. 2014 Halloween Haunted House WestWorld Event Agreement

Request: Adopt **Resolution No. 9813** authorizing Contract No. 2014-086-COS with Haunt Holdings, LLC, to produce the Rob Zombie Great American Nightmare Haunted House event at the WestWorld Facility.

Staff Contact(s): Paul Katsenes, Community and Economic Development Executive Director, 480-312-2890, pkatsenes@scottsdaleaz.gov

- 4. In-Building Radio Distribution Agreement**
Request: Adopt **Resolution No. 9719** authorizing In-Building Radio Distribution Agreement No. 2014-046-COS with Verizon Wireless for improving wireless coverage at the North Water Campus.
Staff Contact(s): Brad Hartig, Information Technology Chief Information Officer, 480-312-7615, bhartig@scottsdaleaz.gov
- 5. General Plan Task Force Bylaws Amendment**
Request: Adopt **Resolution No. 9820** amending the Scottsdale General Plan Task Force bylaws.
Staff Contact(s): Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, rgrant@scottsdaleaz.gov
- 6. Clark, et al., v. Spano, et al., Legal Services Contract**
Request: Adopt **Resolution No. 9814** authorizing Legal Services Contract No. 2014-012-COS-A1 with the law firm of Struck Wieneke and Love, in an amount not to exceed \$275,000, for the City's legal defense of *Clark, et al., v. Spano, et al.*, Case No. CV2013-001476, currently pending in Maricopa County Superior Court.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 7. Grooms v. City of Scottsdale Settlement**
Request: Adopt **Resolution No. 9819** authorizing settlement in the amount of \$62,000 of Angela Grooms' and Wendlyn W. Grooms' negligence lawsuit against the City entitled *Grooms v. City of Scottsdale, et al.*, Case No. CV2012-092868, currently pending in the Maricopa County Superior Court.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 8. Service Enhancement Fee**
Request: Adopt **Resolution No. 9815** affirming the adoption of Ordinance No. 4152 relating to a Service Enhancement Fee.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 9. Document Review and Analysis Software General Fund Capital Contingency Budget Transfer**
Request: Adopt **Resolution No. 9822** authorizing a transfer in the amount of \$88,858 from the adopted FY 2014/15 General Fund Capital Contingency Budget to Capital Project JAO1A to be used to purchase document review and analysis software.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 10. City Manager Line of Succession**
Request: Adopt **Resolution No. 9774** appointing a line of succession of persons to serve as acting city manager in the event the city manager is unable to perform the duties of the office, and repealing Resolution No. 8755.
Staff Contact(s): Brent Stockwell, Strategic Initiatives Director, 480-312-7288, bstockwell@scottsdaleaz.gov

11. Stadium Facilities Capital Improvement Fund

Request: Authorize use of \$250,000 from the Stadium Facilities Capital Improvement Fund for upgrades to the Scottsdale Stadium. The improvements include expanding the concourse area along the 3rd baseline and reconfiguring Gate F to improve the pedestrian circulation within the concourse area.

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

12. Fiscal Year 2013/14 Budget Adjustments

Request: Adopt **Resolution No. 9821** authorizing FY 2013/14 budget adjustments.

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

13. Monthly Financial Report

Request: Accept the FY 2013/14 Monthly Financial Report as of May 2014.

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

MOTION AND VOTE – CONSENT AGENDA

Councilman Robbins made a motion to approve Items 1 through 13. Councilmember Korte seconded the motion, which carried 7/0.

REGULAR AGENDA

14. Livewire/Bottled Blonde (aka Axis/Radius) Conditional Use Permit (17-UP-2012#2)

Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 9765** approving an amendment to an existing conditional use permit for a bar to add 669± square feet of indoor floor area and a 542± square-foot second floor balcony, and to expand the hours of operation for weekends, for a 19,397± square-foot space with Central Business District, Parking District, Downtown Overlay (C-2/P-3 DO and P-2 DO) zoning for Case No. 17-UP-2012#2.

Location: 7320 and 7340 E. Indian Plaza

Presenter(s): Greg Bloemberg, Planner

Staff Contact(s): Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, rgrant@scottsdaleaz.gov

Planner Greg Bloemberg gave a PowerPoint presentation (attached) outlining the proposed conditional use permit amendments. He noted that the City will collect a fee for the balcony occupying airspace in the City right-of-way.

Mayor Lane opened public testimony.

- David Smith, Scottsdale citizen, expressed concern about expanding the real estate footprint.

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEMS 14 AND 15

Councilwoman Klapp made a motion to: (1) find that the conditional use permit criteria have been met and adopt Resolution No. 9765 approving an amendment to an existing conditional use permit for a bar to add 669± square feet of indoor floor area and a 542± square-foot second floor balcony, and to expand the hours of operation for weekends, for a 19,397± square-foot space with Central Business District, Parking District, Downtown Overlay zoning; and (2) find that the conditional use permit criteria have been met and adopt Resolution No. 9733 approving an amendment to an existing conditional use permit for live entertainment to add 669± square feet of indoor floor area and a 542± square-foot second floor balcony to a 19,397± square-foot space, and to add live entertainment to the east tenant (Bottled Blonde), with Central Business District, Parking District, Downtown Overlay zoning. Councilmember Korte seconded the motion, which carried 5/2, with Vice Mayor Phillips and Councilman Littlefield dissenting.

- 15. Livewire/Bottled Blonde (aka Axis/Radius) Conditional Use Permit (61-UP-1997#3)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 9733** approving an amendment to an existing conditional use permit for live entertainment to add 669± square feet of indoor floor area and a 542± square-foot second floor balcony to a 19,397± square-foot space, and to add live entertainment to the east tenant (Bottled Blonde), with Central Business District, Parking District, Downtown Overlay (C-2/P-3 DO and P-2 DO) zoning for Case No. 61-UP-1997#3.
Location: 7320 and 7340 E. Indian Plaza
Presenter(s): Greg Bloemberg, Planner
Staff Contact(s): Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, rgrant@scottsdaleaz.gov

The motion and vote for Item 15 were included in the motion and vote on Item 14.

- 16. Preserve Jeep Tour Permits and Bed Tax Funding**
Requests:
1. Approve **Resolution No. 9824** authorizing a transfer, not to exceed \$30,000, from the adopted FY 2014/15 Tourism Development Fund Contingency Budget to be funded from bed tax allocated for Capital Projects, Events/Event Development or Administration/Research, to be used to expedite solicitation and processing of applications for Outfitter-Guide permits in the Mesa/Cave Creek area of the Tonto National Forest.
 2. Extend the special use permit process for one additional year (2014/15 season) for Commercial Guided Tours – Motorized (Jeep tours) in the McDowell Sonoran Preserve for the four outfitters selected for the 2013/14 season.
- Presenter(s):** Kroy S. Ekblaw, Preserve Director
Staff Contact(s): Kroy S. Ekblaw, Preserve Director, (480)312-7064, kekblaw@scottsdaleaz.gov

Preserve Director Kroy Ekblaw gave a PowerPoint presentation (attached) on commercial jeep tours in the Preserve and the request to extend the permit process for an additional year.

Rachael Sacco, CVB President and CEO, expressed support for using \$30,000 in Bed Tax funds to expedite the processing of applications for outfitter-guide permits in the Tonto National Forest.

MOTION – ITEM 16

Councilman Robbins made a motion to approve Resolution No. 9824 authorizing a transfer, not to exceed \$30,000, from the adopted FY 2014/15 Tourism Development Fund Contingency Budget to be funded from bed tax allocated for Capital Projects, Events/Event Development or Administration/Research, to be used to expedite solicitation and processing of applications for Outfitter-Guide permits in the Mesa/Cave Creek area of the Tonto National Forest, and extend the special use permit process for one additional year (2014/15 season) for Commercial Guided Tours – Motorized (Jeep tours) in the McDowell Sonoran Preserve for the four outfitters selected for the 2013/14 season. Councilwoman Milhaven seconded the motion.

ALTERNATE MOTION AND VOTE – ITEM 16

Vice Mayor Phillips made an alternate motion to extend the special use permit for one additional year for commercial guided tours in the McDowell Sonoran Preserve for the four outfitters selected for the 2013/14 season and to include any additional applicants. Councilman Littlefield seconded the motion, which failed 2/5, with Mayor Lane and Councilmembers Klapp, Korte, Milhaven, and Robbins dissenting.

VOTE ON ORIGINAL MOTION – ITEM 16

The Council vote on the motion to approve Resolution No. 9824 authorizing a transfer, not to exceed \$30,000, from the adopted FY 2014/15 Tourism Development Fund Contingency Budget to be funded from bed tax allocated for Capital Projects, Events/Event Development or Administration/Research, to be used to expedite solicitation and processing of applications for Outfitter-Guide permits in the Mesa/Cave Creek area of the Tonto National Forest, and extend the special use permit process for one additional year (2014/15 season) for Commercial Guided Tours – Motorized (Jeep tours) in the McDowell Sonoran Preserve for the four outfitters selected for the 2013/14 season carried 4/3, with Vice Mayor Phillips and Councilmembers Korte and Littlefield dissenting.

PUBLIC COMMENT – None

CITIZEN PETITIONS

17. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

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

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

With no further business to discuss, the Regular Meeting adjourned at 6:10 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

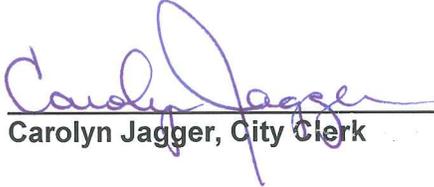
Officially approved by the City Council on August 18, 2014

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 2nd day of July 2014.

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

DATED this 18th day of August 2014.



Carolyn Jagger, City Clerk

Items 14 & 15

Livewire/Bottle Blonde

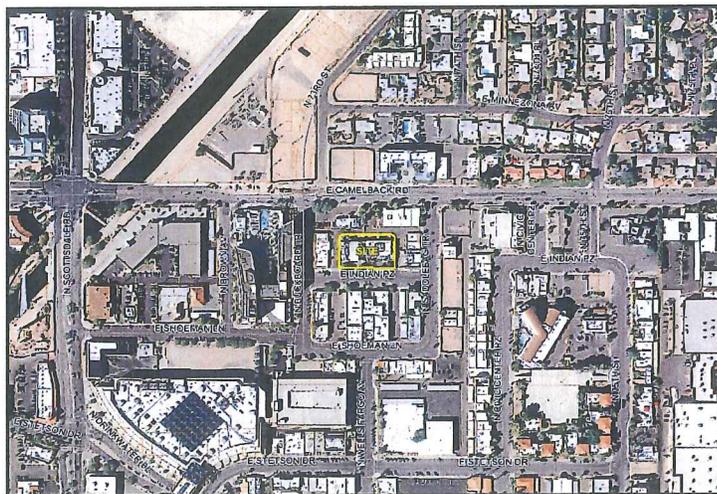
17-UP-2012#2 (bar) &
61-UP-1997#3 (live entertainment)

City Council

July 2, 2014

Coordinator: Greg Bloemberg

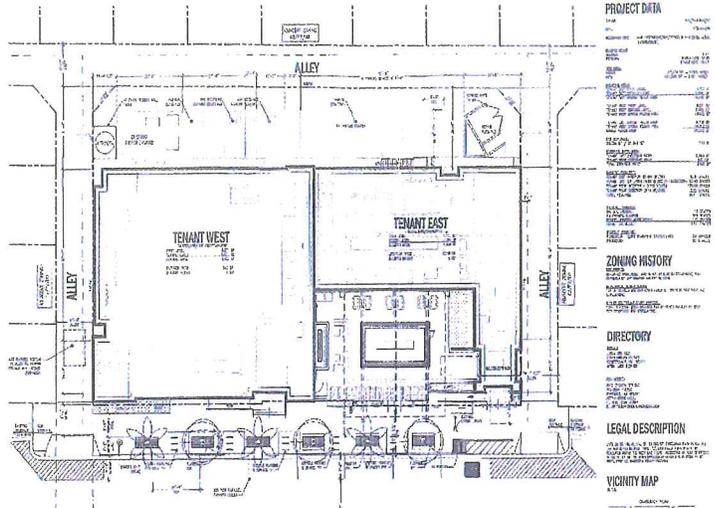
Livewire/Bottle Blonde



CONTEXT AERIAL

61-UP-1997#3 & 17-UP-2012#2

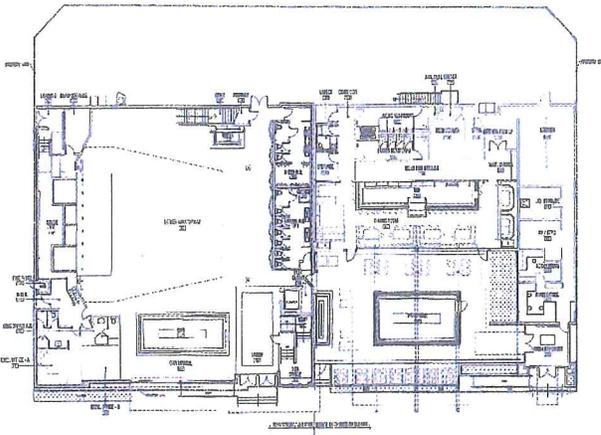
Livewire/Bottle Blonde



SITE PLAN

61-UP-1997#3 & 17-UP-2012#2

Livewire/Bottle Blonde

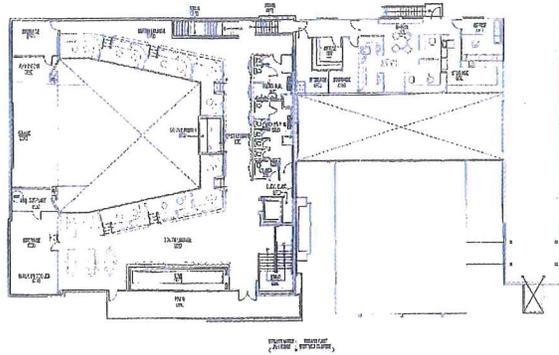


FIRST LEVEL FLOOR PLAN

1ST LEVEL FLOOR PLAN

61-UP-1997#3 & 17-UP-2012#2

Livewire/Bottle Blonde



2ND LEVEL FLOOR PLAN

61-UP-1997#3 & 17-UP-2012#2

Livewire/Bottle Blonde

Amendment Summary

- Add live entertainment to Bottle Blonde (already approved for Livewire)
- Add a combined total of 669 square feet of indoor floor area to both establishments, as well as a 2nd floor balcony to Livewire
- Change hours of operation on Saturdays and Sundays for Bottle Blonde only. Bottle Blonde would open at 9:00 AM both days, as opposed to 11:00 AM. Hours of operation for Livewire remain unchanged.
- No exception for holidays requested.

61-UP-1997#3 & 17-UP-2012#2

**Commercial Motorized Guided
Tours**

July 2, 2014 - City Council

Overview

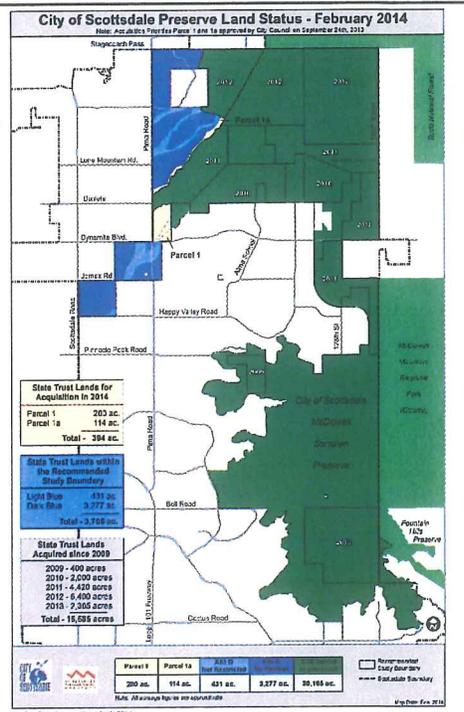
- ✓ Motorized Tours Background and History
- ✓ Review of 2013-2014 Season and Recent Activity
- ✓ McDowell Sonoran Preserve Commission
 - Recommendation to City Council:
 - Extend Temporary Permit Process for 2014-2015 for Four Existing Operators
- ✓ Tourism and Development Commission
 - Recommendation to City Council
 - Authorize Bed Tax Funding - Expedite Tonto National Forest Priority to Increase Outfitter/Guide permits near Scottsdale

Background and History (prior to 11/2012)

- 3 Jeep Tour Operators were on State Trust Land
 - On lands north of Dynamite and east of 118th Street
- COS was pursuing a Permit (SLUP) to control these lands:
 - COS would have managed the Operators for ASLD
- COS acquired these lands for Preserve prior to Permit process, thus SLUP did not apply
 - Preserve Ordinance controls
 - Ordinance prohibits Motorized vehicles

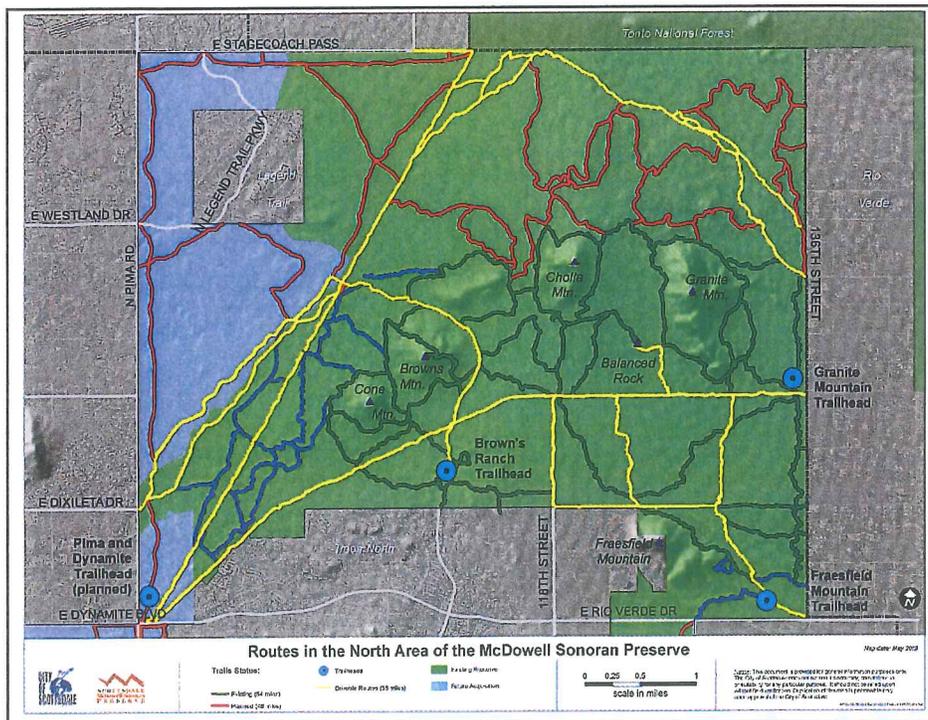
Land Acquisition Status 2014

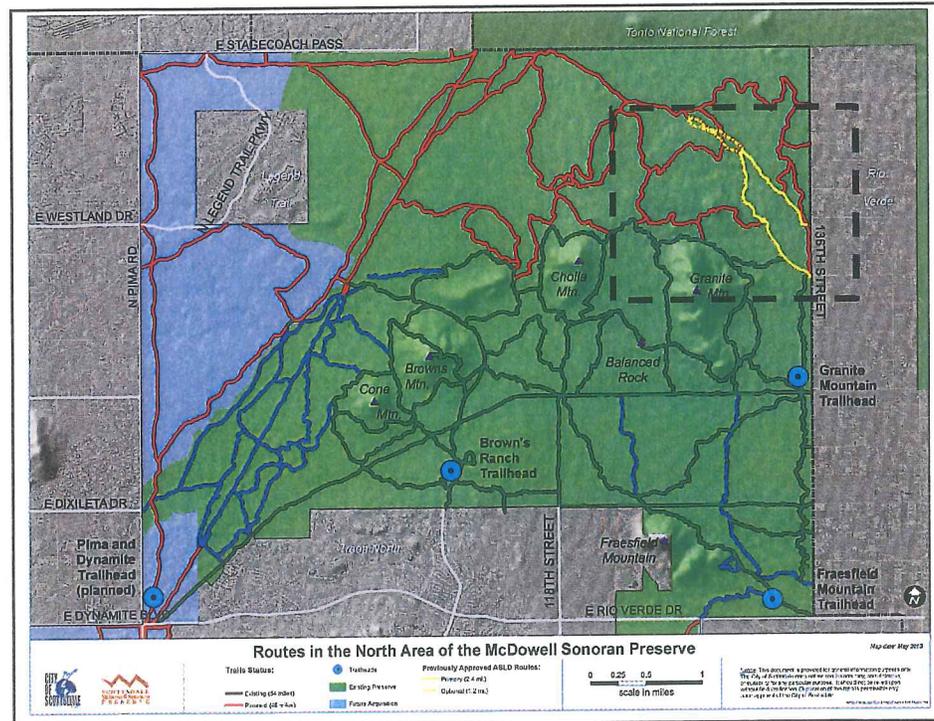
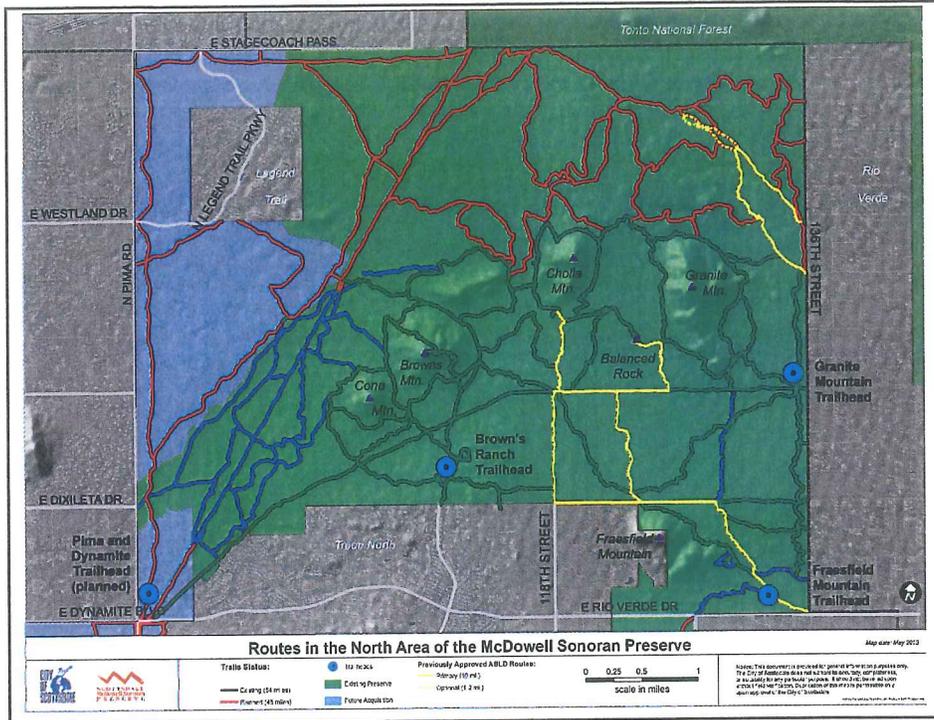
- Dark Green (~30,165 ac.)
 - Protected through:
 - City Ownership
 - Zoning or Easements
- Recent Acquisitions
 - 2009 – 400 ac.
 - 2010 – 2,000 ac.
 - 2011 – 4,400 ac.
 - 2012 – 6,400 ac.
 - 2013 – 2,365
 - \$250M total with \$86M in grants
- Future Acquisitions
 - 2014/5 – +/-400 ac.

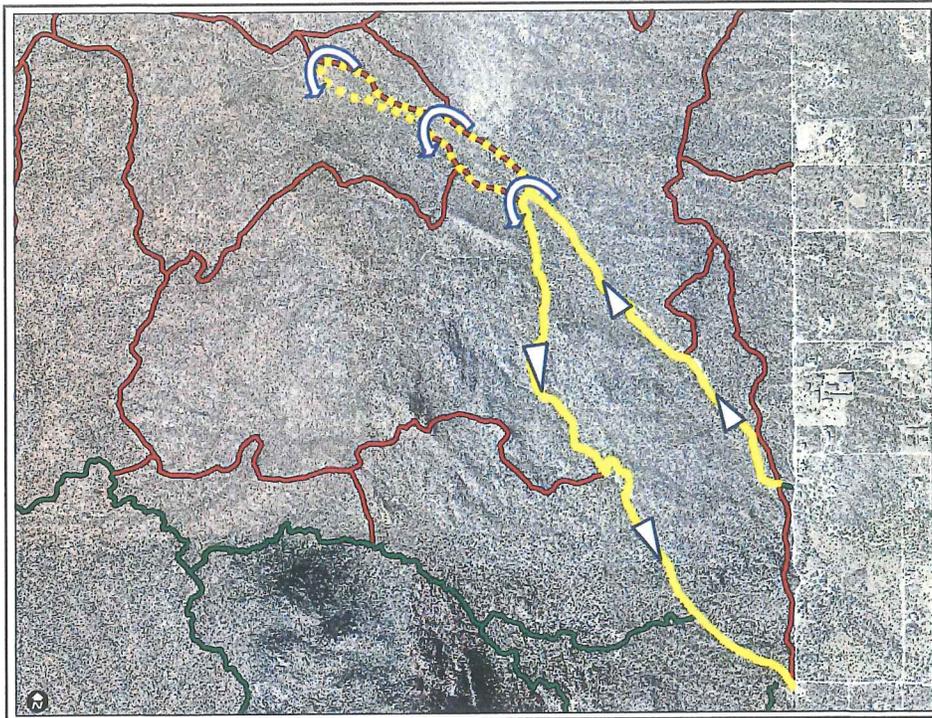


Commercial Motorized Guided Tours Direction from Summer of 2013

- McDowell Sonoran Preserve Commission and City Council considered options for addressing Jeep tours subject to Preserve Ordinance:
 1. No commercial motorized guided tours
 2. Allow commercial motorized guided tours
 - A. Permanent – requires Ordinance amendment
 - B. Utilize a Temporary Permit Process
- City Council - June 18, 2013
 - Approved Temporary one-year process for tours
 - Staff implemented – 4 operators selected







Commercial Motorized Guided Tours

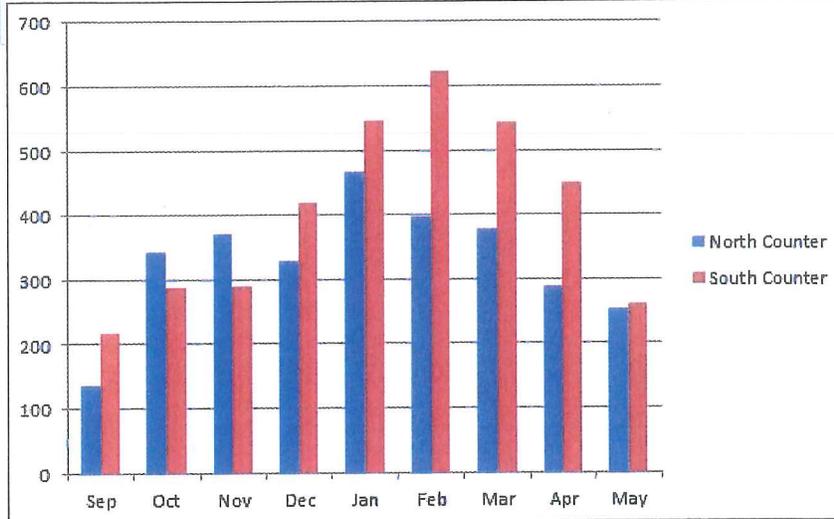
Summary of Activity Sept. 2013-May 2014

Category	Total Number
Total Tour Clients	1071*
Tour Vehicles on Route	374
Trip Forms Submitted	260
Concerns or Complaints logged	NONE
Public Safety Issues	NONE
Revenue Generated from Tours for COS	\$3749*

*March, April and May activity was reconciled after June 6th, so these numbers have been revised since the June 5th MSPC presentation.

Commercial Motorized Guided Tours

Summary of Activity Sept. 2013-May 2014

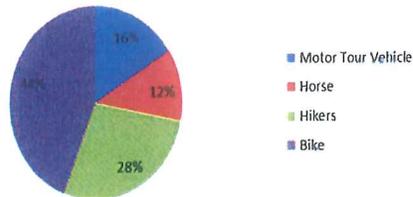


- All Users - Total Number of Trail Counts per month

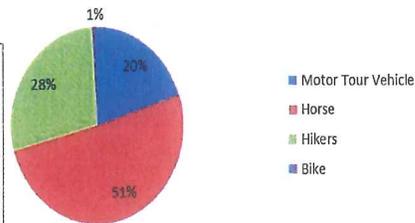
Commercial Motorized Guided Tours

Summary of Activity Sept. 2013-May 2014

Southern Leg of Motorized Tour Route



Northern Leg of Motorized Tour Route

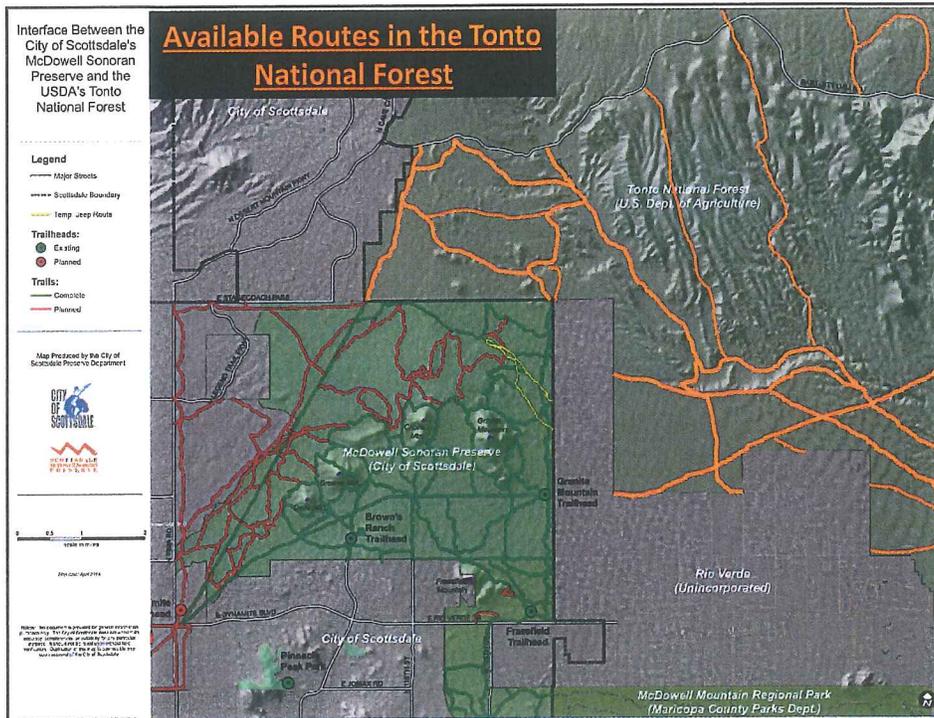


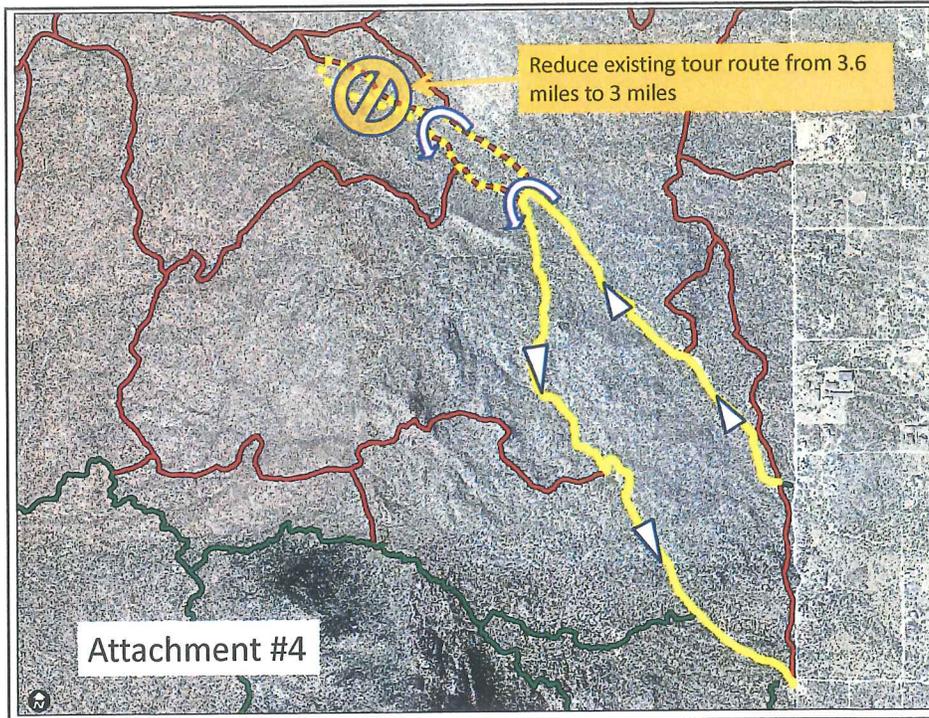
Percent of Users on the Motorized Tour Route

Recent Activity:

- Meetings - City staff, Scottsdale CVB, MSC and Tonto National Forest (TNF) top staff.
 - ✓ Exploring jeep tours within the Tonto National Forest
 - ✓ Other opportunities for joint partnerships or collaborative efforts
 - Benefit all the parties and user groups
- Tonto National Forest has available capacity for Jeep tours
 - ✓ Open routes are in close proximity to the Preserve
 - ✓ In order to access that capacity,
 - Comprehensive solicitation process - up to 24 months.
 - If additional resources were made available :
 - ❖ 24 month period could be reduced to less than 12 months.
- City tourism staff and the SCVB
 - ✓ Reviewed options for funding sources to address the TNF resource needs

Potential Options – Utilize Bed Tax Funds and;
 - Extend temporary permits for one more year





June 5, 2014 – McDowell Sonoran Preserve Commission Hearing

MSPC Recommendation on Options:

1. No commercial motorized guided tours
2. Allow commercial motorized guided tours
 - A. Permanent – requires Ordinance amendment
 - B. Extend Temporary Permit Process (Supported 5-1 vote)
 1. One Additional Year Only
 - A. Reduce route length to 3.0 mile route
 2. Allow investigation of :
 - A. Restricted use in preserve only
 - B. Option to move use into Tonto NF
 - User days available (hike, bike, climb, jeeps, etc.)
 - Over 20,000 user days available (jeeps alone)
 - Different routes in the immediate “Scottsdale” area
 - C. Combination of both COS and Tonto options

Tourism Considerations

- ✓ MSPC's support of a one year extension
 - ✓ Conditioned approval subject to funding source
 - ✓ To Expedite a Tonto National Forest(TNF) process
 - Allow more outfitters guided experiences
 - Benefit tourists and residents in Scottsdale.
- ✓ Use up to \$30,000 of Bed Tax Funds
 - Support TNF priority to increase Outfitter/Guide program by completing a prospectus to solicit user applications.

Scottsdale Convention and Visitors Bureau (SCVB)-
review of the proposal has identified the following
benefits to tourism :

- ✓ Supports the City's "Love of Place" in the strategic plan
- ✓ Increased Capacity of the Outfitter/Guide program
 - Additional outdoor adventure options for tourists
- ✓ Maintains jeep tours as an important tourism opportunity.
- ✓ Jeep tours allow visitors direct experience to Sonoran Desert.
 - Surveys support importance of the Sonoran Desert to visitors.
- ✓ Young families, elderly, disabilities or limited time, can experience the Sonoran Desert directly thru jeep tours
- ✓ Jeep tours offer framed experiences - strategic plan identifies as key to maintaining Scottsdale's character and cachet.

June 17, 2014 – Tourism and Development Commission

- ✓ Funds in the amount of up to \$30,000 are available in the FY2014/15 bed tax budget.
- ✓ City and TNF working on IGA for City Council approval in August

TDC Approved (6-0) recommendation to the City Council to:

1. Authorize the funding of up to \$30,000
 - from bed tax allocated toward one-time use for capital projects, event development and administration
 - for the TNF priority to increase their Outfitter/Guide program by completing a prospectus to solicit user applications

Requests for Council Action:

✓ Per Recommendations from the Tourism and Development Commission and the McDowell Sonoran Preserve Commission (and supported by Scottsdale Convention and Visitors Bureau and McDowell Sonoran Conservancy):

1. Approve resolution #9824, authorizing a transfer, not to exceed \$30,000 from the adopted FY 2014/15 Tourism Development Fund contingency budget to be funded from bed tax allocated for Capital Projects, Events/Event Development or Administration/Research, to be used to expedite solicitation and processing of applications for Outfitter-Guide permits in the Mesa/Cave Creek Area of the Tonto National Forest, and;
2. Extend the special permit process for one additional year (2014/15 season) for Commercial Guided Tours – Motorized (Jeep tours) in the McDowell Sonoran Preserve for the four outfitters selected for the 2013/14 season.