SUMMARIZED MINUTES
SCOTTSDALE CITY COUNCIL
SPECIAL MEETING
TUESDAY, AUGUST 29, 2006

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

CALL TO ORDER

Mayor Manross called to order a Special Meeting of the Scottsdale City Council at 3:34 P.M. on Tuesday, August 29, 2006 in the City Hall Kiva.

ROLL CALL

Present: Mayor Manross
Vice Mayor W.J. "Jim" Lane
Council Members Betty Drake, Wayne Ecton, Robert Littlefield, Ron McCullagh and Tony Nelssen

Also Present: City Manager Jan Dolan
City Attorney Deborah Robberson
City Clerk Carolyn Jagger

1. REQUEST FOR EXECUTIVE SESSION TO:

A. Discuss and consult with its attorneys for legal advice; discuss and consult with its attorneys in order to consider the City's position and instruct its attorneys regarding contemplated litigation and possible settlement discussions to avoid litigation; and discuss and consult with the City Attorney, the City Manager, and their designated representatives to consider the City's position and instruct its representatives with respect to negotiations for the acquisition of real estate; all of these purposes with respect to real property located adjacent to the City's north Scottsdale water treatment plant. Contact Deborah Robberson, City Attorney, (480) 312-2405, drobberson@scottsdaleaz.gov ; Bruce Washburn, Assistant City Attorney, (480) 312-2405, bwashburn@scottsdaleaz.gov.

NOTE IN ACCORDANCE WITH PROVISIONS OF THE ARIZONA REVISED STATUTES THE SUMMARIZED MINUTES OF CITY COUNCIL MEETINGS ARE NOT VERBATIM TRANSCRIPTS. ONLY THE ACTIONS TAKEN AND DISCUSSION APPEARING WITH QUOTATION MARKS ARE VERBATIM. DIGITAL RECORDINGS OF CITY COUNCIL MEETINGS ARE ON FILE IN THE CITY CLERK'S OFFICE.

2. MOTION TO RECESS INTO EXECUTIVE SESSION TO:

A. Discuss and consult with its attorneys for legal advice; discuss and consult with its attorneys to consider the City's position and instruct its attorneys regarding contemplated litigation and possible settlement discussions to avoid litigation; and discuss and consult with the City Attorney, the City Manager, and their designated representatives to consider the City's position and instruct its representatives with respect to negotiations for the acquisition of real estate; all of these purposes with respect to real property located adjacent to the City's north Scottsdale water treatment plant. A.R.S. §§ 38-431.03(A)(3), (4) & (7).

Staff provided a summary of the purpose and processes followed for acquisition of real property located adjacent to City's north Scottsdale water treatment plant.

Council Discussion:

- The City and State Land Department entered into a lease agreement subject to purchase of the land at auction and the City proceeded with capital improvements on the parcel. The risks to the City for not implementing these improvements include a financial negative impact of at least $5M towards the construction project, a two-year delay in completing the improvements, and potential fines for being in violation of the Federal Drinking Water Standards Act.

- It was acknowledged that the lease agreement did not include the signature of a member of the legal staff as having reviewed the document.

- Council granted authority for staff to bid a certain amount for the purchase of land at state auction. The City was unsuccessful at auction because the highest bid was above the pre-approved amount, leaving staff with no further legal authority to bid.

- Discussions held during executive sessions are confidential and protected by attorney/client privilege. Executive session discussions must remain confidential; however, Council may ask the same questions at a public meeting that were asked during an executive session.

MOTION AND VOTE

COUNCILMAN ECTON ECTON MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS AND CONSULT WITH ATTORNEYS FOR LEGAL ADVICE AND GIVE DIRECTION TO STAFF WITH RESPECT TO NEGOTIATIONS FOR THE ACQUISITION REAL PROPERTY LOCATED ADJACENT TO THE CITY'S NORTH SCOTTSDALE WATER TREATMENT PLANT. COUNCILMEMBER DRAKE SECONDED THE MOTION, WHICH PASSED 7-0.

ADJOURN SPECIAL MEETING

With no further business to discuss, the Special Meeting adjourned at 4:08 P.M.

SUBMITTED BY:

Cathleen Butteweg

Cathleen Butteweg
Recording Secretary

REVIEWED BY:

Carolyn Jagger

Carolyn Jagger
City Clerk

Officially approved by the City Council on September 19, 2006

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Special Meeting of the City Council of Scottsdale, Arizona held on the 29th day of August 2006.

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

DATED this 19th day of September 2006.

CAROLYN JAGGER
City Clerk