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#### **CALL TO ORDER**

[Time: 00:00:02]

Mayor Lane: Good evening, everyone. I would like to call to order our Regular Meeting, and it is approximately 5:00, maybe just a tad after. It's March 5<sup>th</sup>, 2019.

#### **ROLL CALL**

[Time: 00:00:17]

Mayor Lane: And with that, I will start with a roll call, please.

City Clerk Carolyn Jagger: Mayor Jim Lane.

Mayor Lane: Present.

Carolyn Jagger: Vice Mayor Linda Milhaven.

Vice Mayor Milhaven: Here.

Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

Carolyn Jagger: Kathy Littlefield.

Councilwoman Littlefield: Here.

Carolyn Jagger: Guy Phillips.

Councilman Phillips: Here.

Carolyn Jagger: Solange Whitehead.

Councilwoman Whitehead: Here.

Carolyn Jagger: City Manager Jim Thompson.

Jim Thompson: Here.

Carolyn Jagger: Acting City Attorney Sherry Scott.

Sherry Scott: Here.

Carolyn Jagger: City Treasurer Jeff Nichols.

Jeff Nichols: Here.

Carolyn Jagger: City Auditor Sharron Walker.

Sharron Walker: Here.

Carolyn Jagger: And the Clerk is present.

[Time: 00:00:43]

Mayor Lane: Thank you. A couple of items of business. We do have cards if you would like to speak on any item on the agenda or for Public Comment. That's the white card the city clerk is holding up over her head. And we have yellow cards if you would like to give us written comments that we will read during the course of the proceedings and that's the yellow card she's holding up over her head, again to my right here. We have Scottsdale police officers Nate Mullins and Tony Wells and

firefighter Mark Hill here to assist. They are directly here in front of me. We have a firefighter back here on the mezzanine, and just lightly to my back and right. Thank you for your service to the city.

The area behind the dais is for Council only. And we have restroom facilities over to my left, under that exit sign there for your convenience. And if you have any difficulty hearing the proceedings of our meeting, there are hearing assist headsets that are available over here at the clerk's desk over here to my right again and you can check with the clerk or the staff there to receive one.

**PLEDGE OF ALLEGIANCE**

[Time: 00:01:59]

Mayor Lane: Well, I tell you what, for the Pledge of Allegiance today, we will have Councilwoman Whitehead led us in the pledge, please. If you can, please stand.

Councilwoman Whitehead: 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 Lane: Thank you.

**INVOCATION**

[Time: 00:02:40]

Mayor Lane: For invocation this evening, we have Pastor Bruce Johnson, of Scottsdale Presbyterian church. Pastor, please. Welcome.

[Time: 00:02:51]

Pastor Johnson: Thank you, Mr. Mayor. Let's pray. We are so grateful for the month of March and all the exciting things that that brings to our community, including baseball. We especially thank you for baseball. And we pray your blessing on our City Council as they meet. Give them wisdom and discernment, help them to work together for the good of our city. And we lift up our city to you, especially those who work with the young people in our community, many of whom are struggling with difficult things so give them an extra measure of your wisdom as well. Lord, all of these things we pray in your great name. Amen.

Mayor Lane: Amen. Thank you, Pastor.

**MAYOR'S REPORT**

[Time: 00:03:38]

Mayor Lane: A couple of items to report on and congratulations to the Scottsdale Chaparral girls

soccer team who won its third straight 6a state title after defeating the unbeaten team from Gilbert. Gilbert Perry, 2-1 on Thursday night. Way to go Firebirds! And just as a reminder, another, well, a popular event here, or it's becoming a popular event here in Scottsdale, on Thursday, March 7<sup>th</sup> from 4:30 to 6:30 there's a Capital Improvements Project Open House to review the city's construction projects. We understand that they have become very popular and very helpful in our process in that review. It's a great opportunity to ask questions and learn more about the proposal, so you, if you are interested, head over to Granite Reef Senior Center. More information can be found on [Scottsdale.gov](http://Scottsdale.gov).

#### **PRESENTATIONS/INFORMATION UPDATES**

[Time: 00:04:40]

Mayor Lane: Well, for presentation this evening, we do have the Scottsdale Arts update and the presenter is Gerd Wuestemann. Mr. Wuestemann, please come forward, and welcome.

[Time: 00:04:55]

Scottsdale Arts President and CEO Gerd Wuestemann: Thank you for allowing me to speak to you for a few minutes about Scottsdale Arts. I was reflecting the other day. I'm coming up on my one-year mark, March 19<sup>th</sup>. It's been an absolute privilege to be not only at the helm of this organization, working with extraordinary people, but really being part of this community, which I have come to love and respect, tremendously.

This is my six-month update. I wanted to let you know a little bit about what's going on at Scottsdale Arts and with that said, let me see if I can advance my slides. Quick reminder, we are Scottsdale's cultural hub. We are made up of the Center of Performing Arts, SMOCA, of course, the Public Arts Program, and the Arts Festival coming up in just a few days and being of course, Canal Convergence, our hallmark fall event. It's been a bit of a season of renewal for us. We looked at our program. We thought we would like to be more a part of our community. So we revamped our program and added a lot to our traditional hallmark mainstays with jazz and R&B.

We brought some young Crescent Ballroom shows to downtown is Scottsdale engaging a new communication and a new generation of audiences. And we tapped into the Latin community to see about presenting things that we haven't seen before at Scottsdale Arts. We had mainly full houses and have received between 60 and 70% new ticket buyers. But we also are still taking inventory and very much focused on the things that made us great over the years and can you believe that we are celebrating 40 years of Jeffrey Siegel at the Center this season. I'm not talking about Jeffrey being 40 years old. As you can see from the images. He's been performing with us for 40 years and we are now celebrating his next 40 years at the Center.

It's been wonderful to see young and old in our community coming together to enjoy these great really discussion programs on classical music. Our good friends at the Scottsdale Philharmonic are poised to become the resident symphony. And we brought the Phoenix Symphony in the fold. They are

coming back and returning with a number of performances in 2020. It's something that we will add to our community. I remember distinctly, the first time I saw Detour Theater in our venue. It was one of the more moving experiences of my life. What this company does under the direction of Sam, on an annual basis is really extraordinary and really brought me to tears that night and, again, when I saw the recent performance of Shrek, the musical, in our hall, it was an incredible event. We are so thrilled to be partners and call them our friends in art and culture. We also, excuse me, going back here. Oops there we go. We also started new collaborations across the city, one notable one was our first ever performance with Taliesin West. There's a unique group of showings there. They have become a great collaborator with us and it's been great to work with the organization.

A year ago, we made a very bold statement. We said that we feel that the Center is a great stage for us to do dance performances. We want to become a center of dance presenting in the southwest. We started this initiative, not only around world-class dance companies but also around engagement and this year for the first time, we had sold out houses throughout, recently presented the company called Body Traffic from L.A., and we started the days with classes for our very young community members, movement classes, and then engaged young ambitious dancers in dance classes throughout the afternoon. We had school performances in the mornings as well and you can see we had full houses for those. And then in the evening, of course, a great evening combination, concert with this incredible company. It's been a wonderful, wonderful new direction for us, very, very successful for the Center.

[Time: 00:09:17]

This is a good segment to talk about engagement in general. As we have moved towards more engaging the entire organization together, we have been able to really bring education and the Center together more often than not. Here's an example of our Wolf Trap program for young kids where we have great movement classes for these young kids throughout. We serve 35,000 students in the Scottsdale and P.D. school districts. Mostly looking at low-income families to ensure that every kid has a great arts experience and receives a great education in our community.

Here's an example of our teaching artists that engaged students through our SMOCA programs. More than just presenting them with a field trip, they actually have a real arts experience, and real engagement, learning what goes into making a great work of art. And we also reach our high school and older kids, sometimes combining the forces with the Center where we have world-class events, like second city, and working with kids in our community and improv classes and other comedy classes.

Another moving moment for me in the first year of my job was to participate in the Empty Bowls program, honoring Allie Ortega's memory, something that was treasured here at the city. It was an extraordinary event that helped to raise significant funds for our local food banks so that even the less fortunate in Scottsdale are assured of not only creative experiences but of having some security in their lives.

But education and engagement for us doesn't just center around kids and students. We are firm believers in lifelong learning programs. On the left you can see this example. We published a

calendar a couple of months ago, leading into the new year of art work created by our senior citizens from across the city. On the right, you see our Memory Lounge Program, a program that focused on movement workshops for the elderly, with early onset dementia or other memory problems. SMOCA had a momentous occasion just a few weeks ago and I want to thank Mayor Lane here for producing a wonderful proclamation on our behalf. February 14, 2019 will now be known as SMOCA Day going forth. We had some V.I.P. events throughout the day and a huge party in the evening with record-breaking attendance and what we did to harken back to SMOCA's, I think it was a \$1 cinema before we renovated. We thought, what about creating a video art exhibit, something that's foe on film and video in the art, focused on film and video in the arts. I want you encourage you, you can spend time in front of these wonderful displays.

And as you can see from the mix of our audiences at SMOCA, the audiences are really representing all generations from across cultures. It's wonderful to see younger and diverse folks really engaged with SMOCA as we are moving forward. We are building a unique audience base for us at the museum. We are still in the midst of balance of hope, a major collaboration across the city. We are at the opening concert here. It's an incredible exhibit, an incredible set of collaborations concerts and lectures, and surviving the holocaust. I think it's an extraordinary experience for all of us how these instruments helped us to come through the darkest hour and an extraordinary set of experiences for all of us.

[Time: 00:13:00]

In Public Art news at long last, this past October, One-Eyed Jack finally hopped into town. He's proudly taken up his place on the corner of Marshall and Indian School Road. Every night I drive by and see him illuminated and think it's very whimsical. And I see people taking selfies in front of it all the time. And it's springtime here. That means we have just started up our Cycle Arts tours again where you can, led by some of our docents, enjoy the great Public Arts works about 120 pieces across Scottsdale while riding your bike and learning about the origins of many of these works. It's a way to experience art that we see every day as we are driving by or walking by.

I would not want to be remiss in not talking about Canal Convergence. This past year, we held two Convergences shifting from February to November, and this in particular instance, it proved a very good move because We drew a record-breaking crowd of 270,000 people to the waterfront this last event. It was an extraordinary influx of folks and you see one particular piece, a floater, this was a big hit, choreographed fire sphere Lotus blossoms. I heard everything from Journey to White Snake. You know, hair bands are always awesome. Harry Connick, Jr., he stopped by and graced us with his presence and wrote on his Instagram feed, Scottsdale's cool.

I hope Scottsdale is, Experience Scottsdale forgives me, or forgives us for messing with the logo or motto of It's That Hot Here. When he says it's cool, I think that's a good thing for us. We had an extraordinary amount of visitors. It was a total Scottsdale Arts celebration, and we created these incredible education and outreach opportunities, great collaborations with A.S.U., great family events and constant engagement. I mentioned the Arts Festival is almost upon us, Friday, Saturday, and Sunday this week. We expect 50,000 visitors. This is our 49<sup>th</sup> year. This year, we will celebrate 50

years. It's truly an iconic event for Scottsdale Arts.

A couple of impact numbers I mentioned, our visitors to Canal Convergence, but I wanted to also mention the 288,000 people that visit this campus through all the events we host here on the green spaces every year. The 80,000 SMOCA visitors, the 84,000 ticket buyers to the Center and most importantly the 1200 or so artists that are employed through the work we do in this community. We are truly working towards creating an infrastructure for creatives in our community to work.

And now I'm about to run out of time but I wanted to spend at least a moment to look at the road head, starting with looking back. This was our Civic Center Mall 1974, when Drinkwater was still a surface road and here's a refresh, that was produced in conjunction with city staff over the last couple of years. When we stepped into this program, excuse me here, we quickly identified the idea of an iconic outdoor venue that we could build on the Civic Center Mall that allows it to function like a plaza or mall. And we can do events outside. We are looking to re-invent the smallest stages inside the Center. And to expand SMOCA. We have some unique opportunities to do that in the near foreseeable future.

[Time: 00:16:29]

And last but not least, I'm particularly happy that we had the opportunity to talk with city staff about some ideas around garages, parking, and how to dress us up so that our arts experience as you leave your car begins to resonate. We could do some outside lighting, and make the garage more appealing and use some of the inside surfaces as a billboard to announce shows and get people really involved. Then we had this crazy idea and we found some great partners in time with the city staff to look at the Drinkwater tunnel and say could this not become the gateway to all of this campus. Could it not become the place where we engage people? Without creating crashes but could there not be something done that makes that tunnel a truly remarkable addition to our infrastructure here?

And then we looked at the idea of a second street gateway and perhaps looking back to Will Bruder drawings with the 400-foot spire from 20 years ago to a more modest gateway designs from today we have an opportunity to give us a proper entry way into this campus in the future. Last but certainly not least, if we can get some of those pieces done over the next decade or so, we could connect the corridor from the civic center plaza to the extraordinary Museum of the West and Scottsdale artist school, corner, up all the way to the water front and the wonderful gallery district and create the Scottsdale culture mile. I think that's a phenomenal opportunity that we have as a city and with that said, I thank you very much for your time and we would be happy to take any questions.

Mayor Lane: It's just for presentation purposes. It's not agendized for questions, but thank you very much, Mr. Wuestemann. Very nice presentation.

Gerd Wuestemann: Thank you. Appreciate it.

**PUBLIC COMMENT**

[Time: 00:18:23]

Mayor Lane: The next item is Public Comment. It's reserved for citizen comments regarding non-agendized items with no official Council action being taken on these items at this time. The comments are limited to issues within the jurisdiction of the City Council. Speakers are limited to three minutes. The maximum of five speakers and there's no sharing of time or combining of time. It's just simply five speakers, three minutes each, if there's a need for that total number. And there will be an opportunity at the end of the, of our meeting to, if there's a need for additional Public Comment. And with that, I will start with Sandra Schenkat.

[Time: 00:19:17]

Sandra Schenkat: Good evening, Mayor Lane, Vice Mayor Milhaven and Councilmembers. For the record, I'm Sandra Schenkat and I, you have my address. I have served as an appointed member of Scottsdale's Judicial Appointment Advisory Board for five years. The Scottsdale Human Resources report about City Prosecutor created a black eye for the city of Scottsdale. Caron Close has violated many people's civil rights not just her employees but also many citizens. This potentially may cause further liability for the city. The Caron Close investigation is the bigger issue than one bad employee abusing her power and bullying her employees as reported in the two newspapers, the Republic and the Progress this weekend.

Caron Close was mean-spirited and abusive to her employees as the investigation. And she treated defense attorneys the same way as I learned in my JAAB position. And I learned that the city judges are beholden to the prosecutor. I hold Bruce Washburn and you the City Council to allow the bad justice to continue. On February 21, the independent reported Caron Close, city prosecutor, retired after 21 years. Bruce Washburn was quoted saying during her 21 years with the city, Caron provided tremendous value to the citizens of Scottsdale. I believe that is the most disingenuous statement to ever come out city hall. I'm requesting an investigation of the city attorney and the meaning of the cover-up of Close.

The city court also needs to be investigated because of all the obvious pro-prosecution decisions handed down by city judges because of undue influence by the city prosecutor. Scottsdale is one of the few cities in the nation that profits from a highly manipulative system. They had \$19 million. This income open bad justice must stop. The City Council cannot continue to ignore Scottsdale's bad justice reputation. Your Councilmembers, you Councilmembers are ultimately responsible for this Caron Close debacle, and now your opportunity to make this right by ordering an investigation into city attorney and city court. Thank you.

Mayor Lane: Thank you, Ms. Schenkat. Next is French Thompson.

[Time: 00:22:36]

French Thompson: Good afternoon Mayor, Vice Mayor Milhaven, and City Council. This photograph up here is real interesting visual. I'm in the jewelry industry. I'm in retail. We've got



some serious problems in downtown Scottsdale in the arts district with lack of parking. On the right-hand side, in the black marking is a project that is slated to be built in the downtown arts district. Those little pie shape and little squares, it's a little over 300 units, all of those yellow dots over there, that neighborhood right there, that whole entire neighborhood is the equivalent of those 300 plus units. This little bit closer photograph, every one of those little tiny dots is a Google's map car that's parked on the street. All of those homes have either a single carport or a two-car garage or a carport. Those are just the overflow cars. Those aren't the ones in the garages. Those aren't the ones in the carports. But 315 units have that many cars on the street, park there during the day.

If this project that's going to be built in the downtown, which I would really like to see built, if they can't provide enough parking for the overflow and the tenants that are living there, I don't make million dollars piece of jewelry because I can't sell it. So if you have a developer that can't build the product that's needed to be there to take care of the overflow, they really probably shouldn't be doing it. Seriously, if you look at this visual, I went and spent two and a half or three hours and putting a little pin on every single one of those cars.

Those are 290 cars parked on the street in that neighborhood and that neighborhood is just about three blocks away from where this is getting built. This is not comparing some place that is not in the neighborhood. This is the neighborhood. This is how many cars are in the neighborhood. This is how many cars are parked on the street in that neighborhood. If you think they can build 315 units and not have this spill over and have that go into the downtown parking, you're not looking at reality.

This is the reality. That as literally 290 cars in the middle of the day parked on the street and not in the garages. Not in the spaces that those homes own. All of those cars have carports. They all have garages. These are just the ones parked on the street. So I want you to remember that if you build these projects and they don't have enough parking, this is what's going to happen to our downtown. This is the spillover of the visitors and the workers in those buildings. Thank you.

Mayor Lane: Thank you, Mr. Thompson. Next is Bob Pejman.

[Time: 00:25:51]

Bob Pejman: Good evening, Mayor Lane, and Councilmembers, I'm Bob Pejman, I own Pejman gallery on Main Street. French took the example of the parking overflow. What I want to do is, does this show? I want to go over to what's coming to the arts district and basically here's a breakdown. These are the new developments that are coming very soon. The Canopy Hilton being built right now 176 schools and this hotel, with 6,000 square foot restaurant and 190 rooms and they will be holding special events on their premises by the way. Museum Square also has four residential complexes which constitute 469 bedrooms.

And then on the other side of Goldwater, on Main Street, there's a development called Scottsdale Residences. I went to the open house the other day, 121 units proposed. Approximately 180 bedrooms. You add all of this up, and it's about 1,000 or more living, not living room, but bedroom, where people will be living. So you are basically injecting 1,000 plus people into the neighborhood.

And it's a small neighborhood. Now, in the future, there's more stuff coming. There's a funky mixed-use development on Marshall, which is proposed for 23 residential units and retail spots, and by the way, that lot right now is used as the parking lot for the Coach House where they park over 100 vehicles on there and another restaurant valets on them. They will subtract from the parking spaces. Plus every single building in that area now is up zoned to go from one-story to three-story. So that's future.

Now the existing parking inventory there. Is the underground museum lot, 130 spaces. You have the Sagebrush lot, and the Artist School, I put the big zero there because it's an absolute insult to them. So that lot is going to be used for public parking. They have classes and they are always used, or at least mostly used. Then on the north side, we have the first avenue, 52 spaces. All this looks good until you realize that most of these spaces are used already. I ran into people, last weekend, for example, on a Saturday, the museum lot was overflowed. There was no parking space on the street. So if you are counting on these parking spaces, to accommodate the, the thousand extra people as an overflow, it's dreamland! This is absolute dreamland. So more parking has to be created downtown and I'm confident that the city will come up with a plan to do that. Thank you.

Mayor Lane: Thank you, Mr. Pejman. Next is former Councilman David Smith.

[Time: 00:29:20]

David Smith: Thank you, Mayor, members of Council, my name is David Smith and the address is somewhere here on file. Recently I have attended the public outreach meetings on the capital projects where you are presenting \$437 million of projects to the public for their consideration. And I know that all of you agree that the needs of the city are, indeed, several hundred million in size. Sometimes, though, the question of how much to take to the voters is a struggling and tough question, because sometimes discussions get tangled up with the question of how much are the voters going to approve, which is arguably irrelevant to your job.

In fact, voters, as you know, take a bond election and it does not impose a tax upon them, unless they choose to have that tax imposed upon them. But it tells them what the needs of the city are, and they make a determination based on what works for their quality of life. Anyway, curiously, I noticed during the outreach meetings that one major project is not included and that's the up funded, unfunded project involving the renovations and improvements to the city's baseball system. Two years ago this was \$60 million and I doubt it has gone down. We cannot ignore the need to renovate and improve the stadium.

On the other hand, we shouldn't try to finance this in a way that jeopardizes other critical needs in the city. And certainly the San Francisco Giants and the stadium vendors should be asked to pitch in to the extent that they have a benefit from the stadium improvements. And likewise on behalf of the visitors, we can take some money from the tourism development fund, although we should be fiscally prudent not to use all the borrowing of this fund on a single project. The city's General Fund carry forward could be used but that's really not what that's for. I submit the stadium's biggest group of beneficiaries would be the ordinary citizens and not those attending the ballgame.

So here's a fiscally responsible approach to take. Ask the voters what they think. Put a separate standalone question on the ballot, asking voters if they are willing to finance a portion of the stadium improvements, say 50%, up to a maximum of \$30 million. The voters could be honestly told that a yes vote on this would equate to a secondary property tax on a \$300,000 home of less than \$1 a month. They could also honestly be told that a bond package even up to \$500 million would not increase the city's secondary property tax. Because as you know, new bonds are phased in as old bonds mature.

We should not refuse as community leaders to ask the question, simply because we fear that the voters might say no. As leaders we have a responsibility to convince them that the yes vote on the stadium and on all of these other critically important assets are in their best interest. Thank you very much. I think that's the shortest speech I have ever given.

Mayor Lane: I just made a note of that. But thank you, Mr. Smith.

## **MINUTES**

[Time: 00:33:03]

Mayor Lane: That completes the Public Comment for this evening, in the meeting. The next order of business, I would like to request to approve the Regular Meeting minutes of February 5<sup>th</sup>, 2019 and the Work Study Session minutes of February 12<sup>th</sup>, 2019. Unless there are any questions or adds or deletes, I would accept that request for a motion.

Councilman Phillips: So moved.

Councilwoman Klapp: Second.

Mayor Lane: The motion has been made by Councilman Phillips and seconded by Councilwoman Klapp. I think we are ready to vote for those minutes. Please register your vote. It is unanimous, 7-0. So that completes our vote on the minutes.

## **CONSENT AGENDA**

[Time: 00:33:53]

Mayor Lane: We'll move on to the Consent Items 1 through 13, but I have a note that a Consent Item 4, 118<sup>th</sup> and Ranch Gate Rezoning has been rescheduled to April 2, 2019. There's no reason to vote on it. It's just a reschedule by staff. I do have Consent Items 1 through 13. I have no request to speak by the public on that and there was the one item that was deleted from that count and that's Consent Item 4. Do I have a motion to approve those Consent items?

Councilmember Korte: Mayor, I move to approve Consent items, with the exception of number 4.

Councilwoman Littlefield: Second.

Mayor Lane: I think we are ready to vote. All of those in favor, please indicate by aye. It's unanimous in the acceptance of Consent Items 1 through 13, less Item 4. If you are here for those Consent items, you are certainly welcome to stay with us, otherwise, if you could, just please leave quietly.

**REGULAR AGENDA**

[Time: 00:35:05]

**ITEM 14 - PHOENIX HERPETOLOGICAL SOCIETY CONDITIONAL USE PERMIT, HARDSHIP EXEMPTION, AND SPECIAL EXEMPTIONS (10-UP-2018, 3-HE-2018, AND 1-SX-2018)**

Mayor Lane: Moving right along to the Regular Agenda Items, 14 through 17. We start with the Phoenix Herpetological Society Conditional Use Permit, hardship exemption, and special exemptions 10-UP-2018, 3-HE-2018, and 1-SX-2018 and we have Jesus Murillo here to give us a presentation.

[Time: 00:35:29]

Senior Planner Jesus Murillo: Thank you. Jesus, a planner with the city here. Today, I will present to you three cases all associated with the Phoenix Herpetological site. There will eventually be three to four additional cases that accompany this site, but your decision on these three cases tonight kind of dictate the future for the other three to four cases. Having said that, if it's okay, I consolidated these three presentations in one and what staff will do, as you notice from the report, there's a lot of information on these cases and so staff will try to highlight the key points during this presentation and then we'll be available for any more detailed questions, that you may have on these cases. Having said that, I will probably still do a good job of boring you tonight.

Mayor Lane: Jesus, I wonder if we could reverse the order. We have a number of folks who would like to speak to this. I think it's a pretty well-versed subject matter for most of them. So I will go ahead and hear public testimony, if that's okay.

Jesus Murillo: Definitely. Yes.

Mayor Lane: All right. So if you understood that, we do have a request to speak on Item 14. And so we have a number of cards with one with some donated time but not so much that we'll just leave it at the three minutes but we ask you to be judicious, and we start with Mr. David Richert.

[Time: 00:37:16]

David Richert: Mayor and members of Council, it's a pleasure to be here and you know that this facility, I regulated, administered and dealt with back when I was your city manager, your Planning and

Development manager, and your zoning administrator. Not to take this too deep and I want all the planning commission comments that I made, Councilwoman Littlefield heard some of them when I was there, but I would like those on the record too, because I think there's a preservation of property values here, not property values but property rights that have to be reflected upon in case somewhere along the line someone challenges the CUPD or someone somewhere down road tries to take away all together. In is a semi-farming-type activity. It's a recreational and education at times. But it's used primarily as a residential property.

And what the activities are on it have become so iconic in this valley, and it's lucky it's in the city of Scottsdale because it's something brand new. With that in mind, I want you to think about the fact that this has been here since the early '80s, it went through several morphs through the year 2,000 and, again, when I was in the city manager's position and the Randy Johnson, basically fund-raiser, to improve the property. But nothing required ever any permits to do those types of things.

So many of regulations that you have in front of you tonight, oh, did I say this is a nonprofit? Just for that effect, be judicious with what you add to the property, to be put in place, if, in fact, do you approve it. With, that I hope you do. And to Mr. Johnson and all of his team that worked daily to take care of abused species, and that's the way I refer to them because they change and they are different all the time. So with that, for all the people that are here that support it, and I have financially and in any way I can since I left the city of Scottsdale, I think it's one of the things you ought to put on the list of places you ought to see, but regulated how often people can come, and how much you can do there, so it doesn't get too different than the other residential areas. With that, thank you for letting me spend the time tonight and glad to see you all follow what you do. I'm at 7760 East Gainey Ranch Road Number 6. So thank you very much.

Mayor Lane: Thank you, Mr. Richert. This is Michele Ruha. Please correct me.

[Time: 00:40:21]

Michelle Ruha: Hi, good evening, my name is Michele Ruha, I'm a physician, a medical technologist. I live in Scottsdale, 19589 North 96<sup>th</sup> place, 85255. I feel like I have benefited and gotten to know the Phoenix Herp through my role as a parent and Scottsdale community member but I mainly want to focus on my profession. So I specialize in the treatment of rattlesnake envenomations. And at some medical conference, I must have run into someone at Phoenix Herp and became intrigued by the information that they had. They confiscated illegal reptiles and brought them to their facility and they also rescued animals in the desert.

I brought a bunch of trainees. We have a training program for medical toxicologists and we went to the facility and we were blown away by the level of expertise and the animals they had there. It was so educational. They know so much about the animals. For me, this organization is about education and service. Like, that's my whole experience with them. It was so valuable, we spent three hours learning from them and I have gone back every year with my new set of trainees.

In addition, we have had medical conferences in Phoenix and I have asked Phoenix Herp if they would

bring some of the exotic snakes, some of the rattlesnakes that are endemic or native to Arizona and they brought them to the conference. And one year, not too long ago, I had a group of medical toxicologists from around the countries and some international come into town and I brought them to the facility and they got a tour. Phoenix Herp has never asked us for anything. And they will spend three hours educating us about all of these animals and it is really a valuable experience for my trainees and for myself. And we have developed quite a relationship with a lot of collaboration in different areas.

The most recent thing that we have done for the last three, four years or so is worked together to obtain antivenoms from all over the world for these species. We have antivenoms from Australia. It's really their antivenoms but they allow us to hold them in Phoenix, just in case somebody else needed them. If someone in the community was envenomated, they have given us the right to use their antivenom. It's incredible what they have done. I can't say enough about the education. My daughter has also benefited from a program at her school and their service to the community. I wish I had more time. I would say a lot more.

Mayor Lane: Next is Eileen McDougall.

[Time: 00:43:54]

Eileen McDougall: Hi, good evening. My name is Eileen McDougall and I'm here actually as a neighbor. I first bought the property in August of 2017. I hadn't even moved in before I started hearing whispers in the community from other neighbors. I vowed to be Switzerland. I said I haven't even moved in yet, I don't know what's going on. Give me time to move here. I moved and I have to say that within the first week, I had two rattlesnakes on my property. We have lots of them there and that's just how it is. We are out in the middle of nowhere.

Immediately, I called the herpetological and they came over and took care of them and I thought, I need to find out more about them. When he was looking for the house, I drove around the neighborhood to see what the neighborhood was like and saw their sign on the front. I drove all the way around. I am a retired teacher. I have a master's in education. I concentrate open curriculum and instruction and published with NASA and the University of Maryland.

When I saw that potential, I was giddy. I immediately bought the house. The house had only been on the market an hour, if that tells you anything. For me, it was absolutely the reason why I bought the property. I want to address a couple of things, as a neighbor. I have heard that there's horrible traffic. I have not even any traffic. There's more traffic with UPS and FedEx than there is there. We are all land locked, I don't know how you would call it, dead end streets. So the only people that are going there are people who either work at PHS, which usually come through the front of the building. I'm towards the back. Or if it's a special event. So when they have had a special event, which was Halloween, I was, they came over. They walked over. They told me what they were going to do, asked me if I had a problem because their back gate is my front easement. I told them no, they could even park on my property. Never had problem with that.

[Time: 00:46:02]

The second thing is the fact that they have too many animals. As a science person and as somebody who also has service dogs, I would agree with that if every time I have been over there unannounced those animals are in clean facilities. They are in clean environments. They are healthy animals with no signs of infection or disease or any other kind of ailment for the animals. They are kept in wonderfully, impeccable, impeccably clean environments. So if that was the case, that they had too many, that definitely would not wash.

So the people that they hire there, the educated college students that they hired there or the college graduates that they hired there take excellent care of all the species that are there. And the last thing, the concern about the venomous species that they have. I'm deathly afraid of snakes. If there was an issue, I would not have bought my property which is catty corner, but these deadly snakes are kept in a locked habitat, inside a locked room, in a locked building, inside the middle of a lock compound. Barring natural disaster, I have feel getting envenomated than anything from their facility. That's what I have to say.

Mayor Lane: Thank you, Ms. McDougall. Next is Brian McDougall. All right. Next would be Bert Feingold.

[Time: 00:48:08]

Bert Feingold: Yes, good evening, Mayor Lane. The Phoenix Herpetological society is a facility that has one of the world's largest selections of reptiles, is renowned around the world for what it does and we're very, very fortunate to have this facility here in our presence. It was started about the year 2000 and is now in its 19<sup>th</sup> year and it's not a zoo. It's a sanctuary. It rescues animals locally, and tried to return them to the environment, if they can. If they are not returnable, then they become members of the facility and stay right there.

My first introduction to PHS was some snakes in my own aviary and they came and rescued them and that's how I met Russ Johnson. The facility is renowned in our own community as already mentioned. Most people who are outdoor people, who like to engage with animals know about PHS. It not only rescues reptiles but it also has some other animals there as well. It's a facility for education, education of children, my own grandchildren have been there in the summer. And I have had the fear of snakes and a week later, they walked away, snakes wrapped around their neck. It's amazing and they have gone several times. It's an education facility not only for children but an education for adults.

They have special programs there and also out in the community to educate the community, and they have educated the rescue services, fire, police, and have taught them how to handle the reptiles. One other thing about PHS, the facilities world-renowned as I mentioned. They are known all around the world and they have one of the largest collections in the world. They go across countries to rescue collections and redistribute them. They pick up themselves and drive across country to salvage and rescue animals. So PHS is a very, very important sanctuary, educational facility, and

international facility renowned around the world for its collections. Thank you.

Mayor Lane: Thank you, Mr. Feingold. Next is Kathryn Lee, who has donated time from Mr. Kos, and Mr. McDermott.

Kathryn Lee: I will speak fast.

Mayor Lane: I will give you up to five minutes.

[Time: 00:51:14]

Kathryn Lee: That would be perfectly sufficient. Thank you. My name is Kathryn Lee, I reside on North 82<sup>nd</sup> Way, Scottsdale, Arizona. I was born in Arizona and I have lived here my entire life. I became a volunteer in April of 2016 and I was immediately blown away by the passion they have for their mission to educate people about the importance of the animals that call our desert home. I immediately took their class and became certified in snake removal.

My two favorite things to do as a volunteer is snake removal and education. When I go on a call to remove a snake, in addition to safely containing the snake, it's an opportunity to educate and provide information on conservation and coexisting with these animals. Please look away if you are squeamish. According to Maricopa County, as of today, so far this year, there have been three people bit by rattlesnake. This is after, I'm happy to report. Last March, four people had been bit, and last April 11 people were bit. Their combined center statistics estimate 250 to 300 people are bit annually. Those are only the bites that are reported to them. The actual number is higher.

A rattlesnake bite is not only painful but very costly with an average hospital bill starting at around \$200,000. I so enjoy being able to assist residents and businesses in rattlesnake removal. If I could just show you, sorry. I won't try to do that. The largest snake I relocated so far was on August 15<sup>th</sup> of last year. It was a western diamondback at Tempe Marketplace on the north side of Dave and Buster's hiding in the shade of a palm tree on the sidewalk. It was safely relocated.

Snakes are extremely important to our ecosystem. PHS supports not only Scottsdale but the entire metropolitan area in stake removal and relocation and pet ownership and the rescue of illegal animals. They are on call 24/7 and we should be grateful to have this organization in the city of Scottsdale that provides such help to everyone in the valley, especially our first responders.

Last year, on the evening of October 30<sup>th</sup>, I went on a snake call at a Mayo facility where there was a very angry rattlesnake stuck trying to get out from under a supply shed. I had to call for backup. So Debbie and Dan rushed to help me. Dan had to take over, and with barely a few feet of space and a flashlight to see, he had one hand holding the snake's head and in the other hand with the screwdriver, he was able to free the snake and it was safely relocated back into the desert. This is just one example of the passion and the dedication they have for keeping people and reptiles safe. I have seen Dan get a call from a neighbor who had a rattlesnake on their property, and he rushed to help them too.



I help PHS in facilitating many educational programs on site, as well as off and doing desert safety presentations at many area hiking trail heads, educating locals and visitors to our state, education is paramount to conservation and coexisting with our native animals. I have seen fellow volunteers turn their passion into a career and I'm proud to be working together with them, sharing this passion. I facilitated an educational program in the south Scottsdale neighborhood in the Sherwood Heights area where I had been called to remove rattlesnakes before. It was a block watch event called getting Arizona Involved in Neighborhoods. I would like to read the email. It was from Lauren Trapp. Our neighborhood was delighted with your participation in our G.A.I.N. program this year. You certainly helped me face my fears and I know that was voiced by many other neighbors during the afternoon. Thank you for making this year's program one of the most interesting educational and fun we have ever had in the 19 years they have been participating in G.A.I.N.

PHS is a tremendous asset to our community, our state, our country and the world. They are experts in reptiles and are a vital contributor to conserving endangered reptile species worldwide. They work with law enforcement agencies locally and nationally and assisting in extremely dangerous situations with illegal reptiles. You never know what pet an irresponsible neighbor may have in their home. We are more at risk from the native animals than those housed at PHS. We have more rattlesnakes than any other state and with a valid hunting license, Arizona Game and Fish allows for the capture and the possession of up to 36 live rattlesnakes.

PHS is committed to keeping people, including their neighbors and animals safe in every regard and they need to be able to continue educating people about reptiles. Snake venom is used to treat polio. My mother is a polio survivor, Gila monster venom is used to treat type two diabetes, and PHS worked with Eli Lilly, educating them about this venomous lizard. They are reviewing research to see if snake venom could be used to treat some stroke victims. Referencing the City Charter, Section 3, powers of the city part K, it says to provide for the preservation and the enhancement of the environment of the city of Scottsdale. This includes the animals. Please do everything possible to allow for PHS to keep their mission alive and operating. Thank you.

Mayor Lane: Thank you, Ms. Lee. Next is Brian Anthony.

[Time: 00:57:26]

Brian Anthony: Thank you. My name is Brian Anthony. I'm an investigator with the Arizona Game and Fish department. I have been so in that position for about 28 years. I have worked with Phoenix Herpetological society for about 25 of those years. I have known Russ Johnson personally since then. I am speaking today on behalf of the Arizona Game and Fish department. We, PHS is a licensed facility, and does have a current zoo license with us, just like Phoenix Zoo, and some of the other larger zoos across the state. We do regulate captivity standards, animals and with types they can have and can't have. And also do a, mainly with the captivity, let me go back to the captivity standards real quick. You know, we do yearly inspections if need be. Safety inspections and humane captivity standards inspections. PHS has been at the top of the heap of all of those. We have never had any issues whatsoever with that facility. They have done a fantastic job over the

years.

As you may or may not know, snakes and reptiles are hard to keep and can be temperamental at times. On a personal note, I have been an investigator for quite a long time. I do large-scale commercial reptile investigations and other wildlife investigations. Recently over the last year and a half to two years, I have seized as evidence and taken over 300 to 350 snakes and reptiles from individuals within Arizona, held illegally. I do quite a few search warrants across the state in Arizona, and out of state from animals that have been captured illegally here and taken to other areas of the country. I get contacted regularly from other state agencies that have had snakes that have shown up in their jurisdictions and they call me and ask me and I say, you might want to talk to Russ Johnson at PHS, because he's the expert on this.

We do very good job with the Arizona Game and Fish department on warm and fuzzy, but we aren't that great with reptiles, I can tell you that right now. We just don't have the facilities to keep the reptiles. We have the expertise, but we are 8 to 5, Monday through Friday. Russ Johnson and PHS is 24/7. On a personal note, some of the things we have had with Russ, I would go on a search warrant at 2 a.m. in the morning and I could find something in the house and I could text him a picture if he's not already there with me and I can ask him, will this kill me? And he will answer the question. Because I have seen a lot of things out there that I don't know what they are. And, again, on behalf of the Arizona Game and Fish department, this facility is fantastic facility and helps us immensely. Thank you.

Mayor Lane: Thank you, Mr. Anthony. Next will be Alyssa Schaefer.

[Time: 01:00:56]

Alyssa Schaefer: Hello Mayor and members of Council. My name is Alyssa Schafer and I reside at on San Miguel Avenue. I appreciate the time to talk to you today. First off, a student completing my doctor of veterinarian medicine degree. PHS is one of the reasons why I chose the school I did here in the Arizona area. The PHS is home to one of the most diverse reptile collections in the country, if not the world which is a major resource to professionals like me seeking with experience with species that others only dream off. Not only is PHS willing to educate future doctors of tomorrow like myself and they also hold classes for members of the public, and have collaborated even with my university to offer some of these hands-on experiences.

I have seen older community members scared of native rattlesnakes leave workshops feeling empowered and safe to move a snake off their property. I have seen children of all backgrounds and capabilities smile ear to ear getting to learn about the wonders of this world that they might otherwise never get a chance that can light the fire to become the scientists, the environmental engineers and the conservationists of tomorrow that will protect the planet for us all. It offers sanctuary to all animals many of whom would be destroyed or dumped in the wild.

The individuals will always exist that are irresponsible and will release these animals if there's nowhere else to turn them in, such as the PHS. Animals will end up already at the overwhelmed animal

shelters. Animals will end up being destroyed by the state agencies that don't have the resources to take care of them. We have a moral obligation to preserve nature and treat animals humanely. We preserve many species and employ, excuse me, employ breeding practices such as the Siamese crocodile. They expertly trained staff to the native vipers that scientists form complex family groups and very well stabilized such as the advancements in the fight against breast cancer thanks to the copperhead.

They have also partnered with researchers like myself. They study locomotion. I have been working on them for last eight or nine months to study a bacterial infection that is transferred from mother to offspring in rattlesnakes. It incredibly mirrors to what happens to the most vulnerable humans. I hope it can help to preserve some of these species and their inherent value in our ecosystem but potentially help a loyal boy someday who may be struggling with the same infection. The PHS is a resource. City of Scottsdale is lucky to have. That's why I'm asking the city of Scottsdale to support this organization. Thank you.

Mayor Lane: Thank you, Ms. Schaefer. Next, Jason Alexander.

[Time: 01:04:19]

Jason Alexander: Hello, Jason Alexander, 9976 East Jasmine Drive. I have a very personal experience to Phoenix Herp. My middle school aged daughter has been a member of the herpetological group, and she has been there 20 or 30 times. Whenever I get to drive the car pool, I'm welcome to hang out with the kids and enjoy what they are do, learning about animals and cleaning cages and loading trucks and getting hands on experience with the animals and with what PHS has to offer. You have probably heard from some of the others or read in some of the materials you have been given that PHS contacts probably 250,000 people a year is the figures that their vice president Debbie Gibson has shared with me through their educational outreach. You have also heard and what really blew me away when I was talking with Debbie is their public safety role. And you have heard from the gentleman from fish and game and you heard from some others.

Again, I was shared the number 30,000 calls a year from fish and game, from police, from fire, from Realtors, from neighbors, and every one of these is an opportunity for them to protect their neighborhoods, for them to protect our city and the valley, and the people of the valley and to protect the animals as well. They are the sole provider for hundreds of miles of around of some of these antivenoms as you heard earlier. If we don't have the antivenoms and someone is bit, the consequences of the time it would take to ship those materials here are potentially devastating for the person who was bit. So I think the public safety role, even beyond the education role they play needs to be taken into account.

I was at the Planning Commission meeting when their case came up a couple of weeks ago and I'm sure as you will hear from Mr. Murillo and his staff, PHS is one of a kind. They don't fit in any particular bucket and staff is reasonably struggling how do they bring them into zoning compliance and how do they know that they have done their job, that they have taken the issue to completion? And I don't think there is an answer with this.

Staff will give it your best shot because that's what came out at the Planning Commission meeting but really this is the opportunity and the necessity for you as the Council to provide some leadership to work with staff, to build a consensus and to help these folks find a finish line and get over the finish line because this is not, you know, an easy solution. It really is up with of a kind. They have been in their facility for going on 40 years now. The city has grown up around them. They have spent, according to Debbie Gibson, close to \$50,000 on legal advice and legal guidance. They are preparing to spend nearly \$100,000 on a fire suppression system. They are committed to coming into compliance and I ask you to help them get there and fill their education and public safety role for the city. Thank you.

Mayor Lane: Thank you, next is Kate Bachus.

[Time: 01:07:31]

Kate Bachus: My name is Kate Bachus I live at 2810 East Virginia Drive, Phoenix, Arizona. So hello, my name is Kate Bachus, I'm 11 years old. I'm here today to tell you why PHS is so important to me and many other youth like me. I began going to their campus and learning about reptile three years ago. Since then, my life has changed in a way that is even better than I could have imagined in those three years, PHS is my favorite place and my second home.

Scottsdale needs a positive place to learn about animals and nature living around them. I visited many zoos and sanctuaries but none of them are like PHS. It offers such incredible opportunities for kids. Arizona, the United States and the world need this top-notch education and interactive experience because you can't get this anywhere else.

I was and I still am scared of the thought of them not being able to educate to the best of their ability because if PHS doesn't get this permit, kids like me can't learn and interact with the animals that are demonized on a daily basis. Kids like me cannot spread the word and educate other people. Kids like me won't be able to experience the thrill and the love of PHS. All I ask is that you don't take away the place that Scottsdale needs so much. Thank you very much and happy Tuesday.

Mayor Lane: Thank you, Ms. Bachus. That completes our public testimony on the topic. And if I could, Mr. Murillo, please come back forward. I do want to thank all of those who testified here for us and to share their opinions with us.

[Time: 01:09:22]

Jesus Murillo: Good evening, once again, Mayor Lane, members of the Council. I will shorten it up. I know you still have a lot of discussion to have. So first and foremost, there's three thoughts that I'm hoping you will keep in mind as I go through my presentation or the expedited version of it. The first one is that as soon as staff analyzed and reviewed the application and we saw the permits that were issued by the state, and the request that they were asking in comparison with the ordinance, it became pretty evident to staff that only the City Council had the authority to, one, approve the

conditional use permit; and two, provide the relief from the ESL and FO requirements and we state that because, again, there have been questions about why we are here tonight.

And so to kind of complete that thought, the main reason we are here tonight is because there was, this was a violation that was called in. Staff went on site and reviewed and that led to the discovery of other violations and we work with the applicant to put in a request for these applicants. There will be probably a total of six to seven cases that will be required in order to have this site kind of meet the level that you see of development on the site today. One of those is the conditional use permit, which as I mentioned before, the conditional use permit is for a community building and recreational facilities not publicly owned. That was the closest matching conditional use permit that staff could find with the decision that the applicant was providing in their application.

Second important thought that I'm hoping that you will keep in the back of your minds is that the stipulations that are being provided are not your traditional stipulations. Traditional stipulation is a requirement that goes beyond the ordinance or beyond the code. In this instance, that information was not provided at the beginning of staff's review and so it was important to put those into the review today so that you and the public in understood what was required of the applicant. They are not stipulations but they are code and ordinance requirements. The difference is that staff has amended those code requirements to add time frames, and help to give the applicant enough time to be able to meet the conformance of those codes and ordinances.

[Time: 01:11:48]

And third thought that I'm hoping that you will keep is that chances are when the six to seven cases are approved and all of those stipulations are met, that the site plan will probably change a little, namely being reduced in size. And so kind of keeping in with making sure the presentation cover everything, yet doesn't take more time than it should. As you can see from the site plan, the main residential structure is located in the Center. And then there are several additional pens and ponds and large and small accessory structures. Some of them requiring permits and some not. Because we didn't have a record for any of those permits and staff did do a complete review on site which is what became the second application, the other two applications so important, the first one is the hardship exemption which is the, which is the mechanism that the Council can use to provide relief from the environmentally sensitive lands and we're actually making historic event today.

This is the first time we have ever had a special exception which is being provided to the Foothills Overlay. So the 1-SX-2018 is the first of its kind to come before you. And the applicant is requesting for relief from the various Foothills Overlay requirements. Having said that, the staff does have one, one stipulation in its packet which transportation had provided stating the clearing of vegetation along Antioch depending on its future. Currently staff will no longer be pursuing the removal of that vegetation until one of the future required applications, which will be an abandonment application, because at that point in time the staff will review whether that's needed or not and that will come before the Council. Having said that, the application, the stipulation would still hold that any debris that is currently located within dedicated right-of-way be removed.

Staff has found that as per the stipulations in the packet, that the applicant does meet the criteria for the conditional use permit for the hardship exemption and for the special exception and again, staff is here to provide any, any answers to any questions that you might have.

Mayor Lane: Thank you, Jesus. Would the applicant like to come forward?

[Time: 01:14:27]

Applicant Representative Kurt Jones: Mayor and City Council, Kurt Jones with Tiffany and Bosco, 25, 25 East Camelback Road, 85016. Here tonight representing PHS with Russ, Debbie and Dan, and I thank all the speakers that are here tonight and all the folks wearing green shirts. This is one of the more unique cases I have ever processed, probably and you guys continue, we are trying to basically allow this use to stay as is.

You all have been to the site. We're not trying to expand. We're trying to allow the facility to remain as it is. As Jesus mentioned, the NAOS was the violation that was called in. We'll need to figure that out in the future, NAOS dedication. We will have to figure out the abandonment of right-of-way and some other issues with drainage and that's all spelled out in the stipulations. We appreciate staff changing the stipulation on Antioch. I don't think anyone in the neighborhood wants to change, anyone wants to change the character of the neighborhood to allow people to drive through Antioch. This does not change the character. It establishes basically what can happen with regards to education on the site. It looks down the site plan, the security plan and anything that anyone needs to understand about the use it's within tonight's conditional use permit.

The hardship exemption cases, I think they are warranted. I have explained to most of you, the hardship exemption for the majority of the hardships deals with the corral fence. They put field fencing which is a good-looking fencing. It's not the chicken wire and it's not chain link, it secures the property and I think that's what everybody wants here is a secure property. What that does then is triggers a whole bunch of issues with regard to the foothills overlay and the environmentally sensitive land ordinance from 20 to 30 feet, you don't know that there's field fencing there and I don't believe it impacts anyone in the neighborhood. With that, we agree with the stipulation change that Jesus mentioned. We would appreciate a positive vote on both the use permit and the hardship exemptions and I would be happy to answer any questions.

Mayor Lane: Thank you, Mr. Jones. Any questions from the Council with Mr. Jones and/or staff? Hearing none, then Councilman Phillips?

[Time: 01:17:04]

Councilman Phillips: Okay, well this isn't really a question, well, I guess it is to legal, but we have three Resolutions before us. Do those have to be votes on separately or can we include all three in a motion?

Assistant City Attorney Sherry Scott: You could try all three in a motion. I don't know if all the

Councilmembers want to vote on all three the same way. But if so, you could certainly approve it all in one motion.

Councilman Phillips: Okay. Well, then I will try. So I would move to adopt Resolution number 11388, number 11389 and 11390.

Councilwoman Littlefield: Second.

Mayor Lane: Motion has been made by Councilman Phillips to adopt Resolution 11388, and 11389 and 11390 collectively together as are exhibited here in our Council report. It was seconded by Councilwoman Littlefield. Would you like to speak toward it, Councilwoman?

Councilwoman Littlefield: No thank you.

[Time: 01:18:16]

Mayor Lane: All right. Is there any other comments from the Councilmembers? I would only say that number one the presentations were done exceedingly well. I do think the staff has been worked very hard in this is case. It's not something that we take lightly. It's an interesting and maybe intriguing kind of thing for us to deal with, with all considerations for all sides of this. I think that there's been a very good argument and frankly a good resolve and I would want to commend staff for what, the work you have done in this regard, and trying to seek that balance between all elements. Thank you very much for that. And with that said, thank you, everyone, for their testimony as well. And we are then ready to vote on the motion that's before us. All those in favor, please indicate by aye. Those opposed with a nay. Aye. It's unanimous then. It passes and so thank you all very much. I don't want anyone to think that I'm getting easy on the applause. All right.

If you want to stay with us, as we move through the rest of the agenda, we are happy to have you here with us. Otherwise, if you would, please make sure you are able to leave quietly. I would ask if you could, it's a pretty nice evening out. If you could speak outside. It's very much appreciated.

#### **ITEM 15 - EMPLOYEE MEDICAL PLANS AND PREMIUMS**

[Time: 01:20:40]

Mayor Lane: The next order of business is Employee Medical Plans and Premiums. Our presenter is Lauran Beebe. Nice to see you and welcome.

[Time: 01:20:51]

Human Resources Manager Lauran Beebe: Good evening Mayor Lane and members of the Council. Well, I'm Lauran Beebe, H.R. manager and tonight I will review the fiscal year 29/20 medical and dental plan recommendations. Currently we have 2100 employees and approximately 1,530 members. Every year we attempt to increase employee education so that employees can receive their benefits

and take their valuable feedback to the executive directors and city manager. The total benefits advisory committee consists of 30 to 40 employee representatives from various departments. They review claims and health risk assessment data and discusses ways to target specific disease states that affect our population. Our biweekly benefits bulletin is circulated citywide and highlight various benefit topics and tips that employees can use to navigate healthcare. The benefits coordinating committee consists of executive directors, who discuss the recommendation we are presenting tonight. As a result, I'm happy to say the TBAC, BCC and city managers support this option.

Currently we are experiencing aging population, and while our hypertension numbers should be increasing, I'm happy to report that ours are not. We attribute that to the blood pressure incentive and the employees understanding their risk through the health risk assessment. Therefore we recommend continuing the \$20 per month incentive for employees, an additional \$20 per month for spouses and partners, who need meet the blood pressure requirement or under a doctor's care. And the \$240, one-time incentive for those who complete the health risk assessment. And continue the \$20 per month tobacco surcharge.

[Time: 01:23:12]

Tonight's option applies a small adjustment to those employees enrolled in single coverage in the O.A.P. In-Network and Local Plus plans. This will restore those employees enrolled in those plans to paying 20% of the plan premium and the city paying 80% of the plan premium. Currently employees enrolled in those plans are paying 22%. In our commitment to continued education and service, we also plan to roll out a more personalized concierge program service called One Guide. Members will continue to call the Cigna customer service number but they will speak to an elevated customer service representative that can help them find medical care, obtain prior authorizations or even refill prescriptions. We plan to roll this out April 1 in order to assist employees in selecting their plans for Open Enrollment.

An additional plan we want to roll out the Omada Diabetes Prevention Program. Currently 50% of our employee population is at risk for prediabetes, heart disease and cardiovascular disease. Prediabetes actually cost our plan an additional \$1,200 every year. Omada is an online delivery platform that they can access at their convenience and provides an effective solution in addressing obesity and diabetes.

Our current fiscal year medical and dental costs are \$31.7 million. For fiscal year '19/20, the total expected medical and dental costs are \$33.8 million. We would have employees contributing \$8 million and the city contributing \$25.8 million. Tonight we have you to approve Resolution 11385, which adopts the items shown on Exhibit A. Thank you.

Mayor Lane: Thank you, Luran. We don't have any requests to speak on this particular item. Do I have any questions of Luran and on the plan? And if not, do I have a recommendation to accept?

[Time: 01:25:45]



Councilmember Korte: Mayor? I move to adopt Resolution number 11385.

Mayor Lane: The motion has been made by Councilwoman Korte.

Councilman Phillips: Second.

Mayor Lane: And seconded by Councilman Philips. Any further comment from the second?

Councilman Phillips: Thank you, Mayor.

Mayor Lane: Hearing none, then I think we are ready to vote on that motion. All of those in favor, please indicate by aye. Opposed with a nay. It's unanimous. Thank you very much.

Lauran Beebe: Thank you.

**ITEM 16 - CITY'S PROPOSED FISCAL YEAR 2019/20 RATES AND FEES**

[Time: 01:26:28]

Mayor Lane: The next item is 16, city's proposed fiscal year 2019/20 rates and fees. And the presenter is Brian Biesemeyer, water resource director, Dan Worth, public works director, Randy Grant, Planning and Development director, Karen Churchard, Brian Dygert, WestWorld general manager, Bill Murphy, community services director. Each will identify themselves when they reach the podium. Mr. Biesemeyer, it's nice to see you.

[Time: 01:26:58]

Water Resources Director Brian Biesemeyer: Thank you, Mayor. Just a point of order is that Council should refer to the printed copies. I have been informed those are the correct copy of the presentation. Also, just to make sure that the order had changed from an earlier version. I will be going first, followed by Dan Worth, Randy Grant, Chief Shannon, Karen Churchard, Brian Dygert and then Bill Murphy will bat cleanup.

And with that, the Enterprise funds that I have to present to you are water, sewer and our contractual funds. And when I talk contractual funds there's nine total funds that we run as Enterprise funds. The contractual ones are set up by contract, but they are designed similar to the other Enterprise funds which means they are supported by the rates and fees that they generate and they are self-supporting. And they are designed that way to ensure that they don't impact the rates to our customers in the water and sewer Enterprise funds.

Again, the Enterprise funds are based on the five-year financial plans. For our water and sewer funds. And so the rest of my conversation will be on the water and sewer funds. The water and the sewer fund for our cost drivers on the operational side, what we have is increased cost for drought preparedness. We have in our budget, what you will see at a later date, we have increased funds for

our rebate program, both in the amount of individual rebates and the desire there is to increase folks' investment in their properties to conserve water. And then we also encountered rising costs in our raw water provided by the Central Arizona Project. We have increasing costs of groundwater treatment and that's due to the Thomas Road groundwater treatment facility which is under design now and will be constructed here shortly and should be finished by the end of the next fiscal year. And so we have operational costs to start up that facility. And that facility will treat wells in the southern part of the city.

Increasing costs are distribution and collection systems and that's through the age of our collection system, as well as increasing the maintenance costs for odor controls in our wastewater system. On the capital side we see three major increases, the drought driven system expansion. It's not an expansion per se. It's drought driven system improvements. So my apology for the typo there. It should be improvements. Rehabilitation, replacement and then technology and security.

[Time: 01:30:34]

For the drought-driven system improvements, with the drought, what we anticipate is dry years and wet years and while we're in a drought, we may have wet years like we have today, and we have a lot of water coming through the water shed and we anticipate we'll have ample supplies of surface water. But we will continue to put water into our aquifer and we will continue to recharge. There will be years when we will need to pull it out and use the groundwater resources should our surface water sources be constrained in any way.

So for the first, we have cluster three arsenic treatment. We have three wells in north Scottsdale that are operational wells that we do not use because of the arsenic, their arsenic levels are above those allowed to be delivered to customers. So they are proposing for an arsenic treatment level there to reduce the arsenic and then deliver that water to our customers should we need to from the groundwater that we have been recharging for a number of years. Well sites, we need to continue to invest in the existing well sites to ensure that they remain operational at a moment's notice and then the deep well recharge and recovery, those are what are termed as aquifer storage and recovery wells. So, again, under the premise that we will continue to recharge water into our aquifer, these wells work both ways. In years when we have plenty of surface water, we will treat it and put it in our aquifer and then in years when we might need it we will use the same wells to withdraw water.

Moving on to rehab and replacement. This is as our system ages, we need to continue to rehabilitate and replace assets in the system. For FY '19/20, you can see it's a slight increase of \$4 million but the significance is over the five-year period where it's almost \$32 million. Moving on to technology and security. Our water meter replacement program, we currently have an active water meter replacement program. Where we are replacing our existing meters with automated meters, those that can be read either via a fixed network or through radio signals to an antenna or by a drive-by vehicle, that picks up the meter reads.

We believe by accelerating this system, we will have all the meters on the AMR system and we are accelerating some of our spending but it does reduce the operational cost because we don't need a

meter reader to annually read each and every meter. It increases our accuracy, because it doesn't put that manual read. It's not there and there's occasionally errors with manual reads. It takes that away and it enables us to provide our customers with more data from these meters because each of these meters has basically a little computer chip in them. They compile a lot of data that we can eventually provide to our customers. For those reasons, we are asking for additional funding in our meter replacement program.

Our other technology improvements are putting fiber optic to our major facilities. We have radio data. We have, as most things improve in the electronic and technology world, we need better bandwidth. We have more information to transmit and also radios occasionally get interfered with. This gives us much quicker and much more reliable data. We continue to make security improvements to our systems to ensure our systems are safe and secure.

[Time: 01:35:00]

So with that, with these investments, we are projecting the need for capital financing in the year '20/21 and then '23/24 on the water side and these are through our MPC bonds. The proposed rate increase is 3% on the water side, 2% on the wastewater side, and we have got a number of proposed miscellaneous service charges and those are based on the cost of the services that we provide and I will go through each of those. Overall, the combined is 2.8% for a revenue increase of \$3.8 million for both funds. As you recall on our rates, we have two components to the water rates. One is the base fee. The base fee is based on the water meter size, and is premised on you are ability to provide water 24/7, 365 days of the year and our system is designed to do that.

So on the base fee, you can see it, the residential size of the meters are 5/8<sup>th</sup> to one inch. That means a 60 cents a month increase and the one-inch meter that would be \$1.20 a month increase to the base fee. On the volumetric side, these are the tiered rates with the conservation with the, with the conservation incentive. So we try to ensure that the lower tiered rates are not increased significantly and you can see that tier one was no increase and tier two is 5 cents on 1,000. The upper rates were more significantly increased.

On the commercial side, the same logic applies. On the sewer rates we have a base three and a volumetric charge. The base fee has the ability to take that wastewater, 24/7, 365. We designed the collection system for residential home basically the same regardless of those three different meter sizes we have and so we have equalized the sewer-based fee for those three residential meters. As you get to a larger meter size, that's going into the commercial size, and the amount of wastewater return is significantly larger when you have larger businesses into commercial entities. So the rates jump accordingly on the base fee side. On the volumetric charges, unlike water, they are based on the strength of the wastewater return to us.

So a residential home or multifamily or basically similar strength wastewater, whereas restaurants have wastewater that's harder to treat. You can see each one of these the increase is only a few pennies on each of the volumetric rates. Our rate history for the last five years plus the current ask. You can see for the six-year average, we are around 2% for water, 1.7% for sewer with a weighted

average of 1.9% increase should Council approve the '19/20, this proposal. Every year we kind of look how did we do compared to consumer price index and it's actually a water, sewer and trash. So it's not exact but it still gives us an idea of how our increases have compared to the industry as a whole and you can see our increases have been much smaller than the increases to the industry as a whole.

Going to the miscellaneous service charges. As I mentioned, these are done for the specific cost of the service that we provide. And we did not ask for increase. This is really a two-year change that you see. And the perfect increases are 4 to 5%. The cost drivers are the cost of copper, as well as labor charges. on this slide, the one-inch hydrant meter. Again, that's a deposit fee and that's only to cover for the cost of the hydrant meter.

The other, the other significant change is on the commercial water hauler capital recovery fee and that's to, again, recover capital investments we made on our commercial water hauling station up at Jomax and Pima Road. We set our, we set our rates based on our costs, and not on any other city's costs but we do like to compare ourselves to where we look at the comparable valuable cities. Every year, I show two different typical customers. One with a 5/8-inch meter and one with a one-inch meter. This particular example here, you can see we are right in the middle.

Valley cities. I do have to say, as I always do, that I don't think it's quite right to compare to Chandler and Gilbert, they are very flat cities. We have thousands of feet of elevations to service our customers with and they have several hundred. So it's a cost of living here but I think if you look at the, if you look outdoors, you understand why the great beauty that we have. Nevertheless, we are in the middle of the valley city comparison. Phoenix's rates have already gone up by 6%. So they would be much higher if we look at those costs today.

Moving on to the one-inch meter, typical customer with 17,000 gallons of usage on the water and 12,000 gallons on the wastewater, significantly more usage. That, again, we are right in the middle of the valley cities. And that increase would be \$2.91 per month on an average bill. And that concludes my briefing, pending your questions.

Mayor Lane: Well, apparently none.

Brian Biesemeyer: Thank you very much for your time, I will be followed by Dan Worth.

[Time: 01:42:43]

Public Works Director Dan Worth: Good evening, Mayor and Council. I'm going to present to you the proposed rates for Solid Waste. Here are rates, three things I want to point out, residential at the top of the chart. We are proposing an 8.7% increase, \$1.5 per month with the basic service. I have some slides to go into the details of the drivers causing that. So I will be explaining that.

This middle group of lines is the commercial program. If you recall, three years ago, I stood in front of you and told you we were way out of balance on the commercial program. We were actually being subsidized by the residential program, which was 180 degrees out from where we wanted to be

and I told you we needed to do two years of 15% increases. We've done that, this past year, the current year was the second of those two years of heavy increases. And we are now covering all of our costs with our commercial revenues. It's no longer being subsidized. We are in a position where we can stabilize the rates and that's what you are seeing here, a 2.5% increase, to keep up with the increase in costs.

You also during the last couple of years if you look at the bottom of the chart, gave me some pretty explicit direction on recycling. We proposed recycling increases because the costs were way out of balance on that. One of the pieces of direction that you gave us was to do some strategic planning. We have done that. I will go back and hit a couple of key points from that. But part of that strategic plan was the desire to keep our recycling rates to where they incentivize. It should be cheaper to recycle waste than it is to throw it away, and that's what we have done. Part of that is to keep the rates low. We are not proposing any increases this year.

[Time: 01:44:49]

The residential, commercial, and recycling and, again, I will talk about some of the things driving the increases on the residential program. This is the same information, but it shows fiscal year/29/20 and it's the context of a five-year rate plan. You can see in the second year we project the need to do another what will be about \$1.50 increase on a residential program and then they'll be stabilized. We are projecting steady state on commercial refuse and we will start or propose to start. But it is a recognition that the costs are going to continue to go up for that program as they are for the other programs.

This is the slide I showed you about a year ago, about the strategic plan. Eight policies. We are working on all of them. We are focusing on the first four, which really focused on diversion. Getting stuff somewhere else besides putting it into the landfill. I'm going to talk to you about some progress that we have made on two of those in particular. This is something else I talked to you about last year.

Our program. We proposed a change in our process a year ago to dramatically increase the amount of brush that was actually going to the green waste side of the landfill as opposed to being put in the landfill proper. And I told you, we achieved some pretty impressive improvements and diversion. That program continues. We are still diverting far more than we were two years ago but I also told you about the balance between diversion and efficiencies sometimes. We are achieving a greater diversion rate by doing more miles with our trucks and coming back and doing two different pickups in a lot of cases. That's the new policy we put in place, hard to keep up.

But we have done a fairly good job of doing that and I think that's reflected in the bullet that you see on the left about the Scottsdale citizen survey. 84% of our customers rated us as good or excellent for yard waste pick up for this program. So I think that shows that we can achieve diversion, even keep the service level up to a very high level. I also want to talk a little bit about, a little more of a contemporary example of this balancing diversion, with customer service. As you may be aware, we had a little bit of snow in our community last week. And there's some areas where we had 6 or

7 inches of very heavy, very wet snow sticking trees. It was impressive, but a lot of the trees broke under the weight. Before the snow was belted, we were getting calls from H.O.A.s asking them to come up and do some extra pick ups to help them out. If you can show the Elmo now. This is Sunday in my transfer station. We collected 189 tons in one day of green waste. It's all going to the green waste side of the landfill. It's all being diverted. It's not being buried. It will be composted.

[Time: 01:48:05]

We're still working those areas, and picking up more this week, but we project that by the end of the week, we'll have picked up between 350 and 400 tons of pure compostable green waste. That equals the -- in one week, the largest amount of green waste that we picked up and diverted in our heaviest month during the monsoons. This is an example of how we were reacting to support those requests we were getting from the H.O.A.s up north, and still doing it in a way that's allowing us to boost up. This will boost up our diversion for the whole year, this week or two that we spent dealing with the storm aftermath.

Now if we can go back to the slides. This is our lead by example policy. If we are going to go out and tell the community to do a better job of diversion. We should show that we can do a better job of diversion in our city facilities and our city-sponsored events. The first place that we tackled was the North Corporation Yard, the facility where most of my workforce works out of, as well as our Purchasing, our H.R., Water Resources is next door, Police and Fire have a facilities next door. This is an area that generates probably more waste than any other city facility, and you can see that I have a before and after. We were diverting 63% by weight before we implemented some changes. Our goal in the strategic plan is 90%. We bumped that up to 80%. We made a lot of progress and now we are moving on to One Civic Centers and others that should be diverting.

[Time: 01:50:02]

One Civic Center generates a lot of paper. They ought to be diverting 80-90 percent. We are seeing early returns in that facility. So that's what we are doing. I want to highlight one event in particular. I think Gerd Wuestemann showed you the same picture on the left. We partnered for the last two Canal Convergence events, both in 2018, we had one in February and then the one in November. But we partnered with Kim Curry Evans she was excited about trying to make that a zero waste event, trying to make it a sustainability showcase instead of an art showcase. We felt we achieved very good results first go around in February of 2018, 55% diversion. This last effort, in November, we did, again, our goal is 90% in the strategic plan, we are almost there with the effort in this past Canal Convergence. In addition to achieving that type of diversion, we put the spotlight on recycling on some of the art. You can see some artistic inspired recycling receptacles. They were designed by the Scottsdale Unified students. They were part of Canal Convergence and so putting a lot of effort in the community and education in the community and recycling. So those are some of the successes.

Now I will go back and explain some of the things driving the proposed rate increases, particularly in a residential program. I will talk about four cost drivers. This is first one. It costs a lot of money to

keep the trucks on the road. And you can see that we were holding fairly steady until about 2015. We have seen some pretty significant increases in costs. This is all maintenance and repair costs, parts, neighbor, and sublet repairs. 68% increase in the last three years.

That's a big part of what is driving our need to increase the residential rates is the cost to keep these things running. Most of that cost increase is contributed to the automated side loaders, the main piece of equipment we use in the residential program. The hydraulics and the automated rails. They are prone to failure and getting more complex as newer models come out and driving up costs.

[Time: 01:52:35]

This has nothing to do with Solid Waste. This is my favorite car at the Barrett-Jackson auction this year. It's a 1960 Corvette restoration modification that went for \$330,000. When you add in the buyer's commission, the gentleman spent about \$360,000 on it. Almost exactly what I paid for one of those. That's the second driver. It's been a steady increase, but you can see the eight years on this chart, we have seen a 61% increase over eight years. It works out to about a 6% annual increase, and that's something that we got to contend with.

This is the third and the fourth cost driver direct and indirect services. Solid waste has to pay for all the services that it receives from General Fund activities. We pay for the legal support, the financial service support, the I.T. support, all of those things. We pay to be covered by the city's Risk program. And \$400,000 increase, year over year for these services, a big part of that, about \$250,000 was in that Risk program. You may be aware we had a fairly significant lost time injury and the rates for the program reflect that.

The fourth driver is landfill costs. There's two sides to the landfill costs. We pay to have the refuse taken away and we get some revenue from the recycling. Both of them have been effective. There's an annual cost estimator, and we know, we anticipate, it's pegged to the C.P.I. That continues to go up.

The other thing that was less predictable was the drop in the revenue and you may have heard about the Chinese ban on recycling. The vast majority of our recycling gets processed by Republic Services, and they loaded it up on trucks and ship it out to the West Coast ports and it historically gone to China and China has driven the market for recycling. China, in the summer of 2017, you probably can't read it, but that says ban announced. China put the world on notice that they were going to stop taking loads of recyclables that were full of contamination because we were actually, we collectively, American Solid Waste industry was sending a lot of garbage to the Chinese and calling it cardboard and paper and they got tired of that. They announced that they would crack down on it. That announcement sent shock waves to the industry and the prices for that material dropped. It started to climb back up. And then they did what they said they were going to do. The ban begins in early 2018.

And if you can't see the numbers, this is monthly revenue. We had a month here that approached \$100,000 in our revenue for the recycling. We're down now at a steady state somewhere around

\$11,000 or \$12,000. It's been a pretty significant dropoff and that's monthly. So even if you were averaging \$50,000, that's several hundred thousand dollars in annual revenue that we are missing out on. This is a recap slide. That aggregates everything. So you can see on the residential side, our estimated revenue now, 8.7% increase, and mirrors the increase on the rate chart. It will increase our revenue by that amount, same with the commercial program, 2.5% mirrors what I showed you on the other chart.

This is the other chart, just as a reminder. Again, 8.7 on the residential. \$1.50 a month, 2.5% steady state, and keep up with costs and this is similar to the chart that Brian showed you a moment ago. It positions us still in the middle of the range. Substantially less than our partners in Tempe, Phoenix and Mesa and with that, I completed my presentation. And I would be happy to answer any questions. He was stuck and had to dig out with his little shovel.

Mayor Lane: It's heartening to know that we are ready for snowfall, maybe better than Washington D.C.

Dan Worth: We had graders out plowing streets. I never thought, coming from New York, but we had graders out clearing streets.

Mayor Lane: It is a beautiful sight. Well, there aren't any questions. So thank you very much for the presentation.

Dan Worth: If there are no questions, I will be followed by Randy Grant who is discussing something not nearly as exciting as garbage.

Mayor Lane: Thank you, Mr. Worth. We will be the judge of that.

[Time: 01:57:54]

Planning and Development Director Randy Grant: Mayor and Council, spoiler alert, there's no classic cars or beautiful snowfall in my presentation. I will walk you through the rates and fees for Planning and Development Services. I will go back and go the right direction. I will go back and go the right direction. Kelly, you may have to, I think this is our first. There we go. We are looking in Planning and Development Services at an overall rate increase of around 6% and I say around 6% because it varies somewhat by the type of fee that we are talking about but this helps us to cover inflationary costs and also helps us to provide technology improvements through the use of the General Fund that allow us to provide better service, more cheaply and more efficiently.

The three departmental objective overall objectives that I have in the department are customer service, process improvement and workplace environment. And customer service, I'm very proud of the work that's done in our department to provide our customers with the best service possible. We think it's competitive priced and we think it's faster than the valley norm. We have placed a great deal of emphasis on process improvement, and some of those process improvements are reflected in the customer service that we're able to achieve. And it provides for a timely and efficient customer



needs provision.

I'm afraid to do this now for fear that it's going to, Planning and Development, \$2 million increase, there were about \$900,000, Kelly, I'm sorry this is not, am I going the wrong direction? There we go. \$900,000 overall in increase and base rates and fees. There will be some variation in the percentage for those, but we're providing additional updates, cost improvements and cost of, cost increases that are reflective of the cost increases that we have, and in lieu parking spaces, for example.

The cost of inflation. We have some services that we have instituted because we did not have a service charge reflected for the service that was being provided and I will talk a little bit about that. But overall, it's \$900,000 increase in charges.

[Time: 02:01:05]

The two things that I would like to point out very quickly are we have a marshaling and storage fee now. You probably have seen construction sites where part of the right-of-way or part of the street has been blocked off or fenced off for the storage of construction materials, while a project was under construction. Sometimes that would go on for months at a time. And there has not been a fee associated with that. So in order to make that competitive with the value of the land on which that storage is occurring, we have instituted, we're asking to institute an application fee and a per square foot fee that would be implemented at the time the permit was pulled and would be adjusted if the construction site went longer than the fee that was charged would provide for. So they would come back in pay an additional fee and pay a per square foot per month fee for the use of the public right-of-way or use of the public street.

The second thing that we're instituting this year is the establishment of a fee for development agreements, the development agreements have simply been a part of the rezoning application. And what we found is the development agreements are very personnel intensive. Through the negotiation with the applicants, both planning and legal department incurs pretty substantial fees and we're just looking to pass some of that on to the customers in terms of the development application or the development agreement fee. We're also looking to establish a fee.

Part of our budget package this year is to install three electric charging stations. This would allow us to charge against the costs that are incurred for providing that service. And we're simply changing the wording on after hours inspection fee to off hours inspection fee. This is showing the new fees that are being proposed. The revenue change is probably not accurate. And I say probably not accurate because it depends on the development activity. It's pretty low compared to the amount of activity that we normally have. This provides the representation of \$2,000 in an application for a project that has the development agreement associated with it. So that's our way of covering the costs of personnel and so forth.

Some of the state laws regarding wireless communication facilities have preempted the city in terms of how much we can charge. It has allowed the wireless community to apply for batch permits as opposed to each individual permits. I think it was last year. I game to you and told you that, I came

to you and told you we would have a reduction was the state limited the amount we could charge. That is showing up today. But we are looking at a 3% increase which is the industry standard for wireless communication facilities. And that continues to evolve as we get smaller and smaller numbers of those.

The C.I.P. Subcommittee and the staff recommended increasing the stormwater fee on the utility bills by \$1 a month. That would go, and I will show you on the next slide how that money would be distributed but it would go to drainage and C.I.P. flood control projects. Most of those projects qualify for a 50% match for the flood control district or other flood control agencies. And this shows the amount of \$4.10, up \$1 from \$3.10. 95% of that would go to, to the capital projects themselves and 5% would go to maintenance of sewer facilities that are associated with stormwater drainage. And with that, unless you have questions, I will turn it over to Chief Tom Shannon.

Mayor Lane: Thank you, Mr. Grant. I do see that we have some questions. So I will go ahead and start with those. Councilman Phillips.

[Time: 02:05:45]

Councilman Phillips: Thank you, Mr. Grant, that's riveting. So much so that I had questions. It was too much. The first one was the in-lieu parking fee, are we with the rest of the cities and what they charge for that?

Randy Grant: Well, the cities approach it very, very differently. For example, in Tempe, they don't want you to purchase parking because they want to sell it to you. If you go to Tempe, pretty much in you go downtown, you are required to pay for. The in lieu fee is representative of the construction costs for a specific type of parking space, and that's typically a surface parking space, because surface parking spaces, as you increase the parking structure. As you go underground, it goes way up.

So this is an average representation and the fee increase is simply the additional amount based on the cost increase, the increased costs associated from year to year. Yes, I think the answer to your question is although the cities vary greatly, I think this fee is representative of what it costs us to construct a parking space and I suspect that that would be the same in other cities as well.

Councilman Phillips: Oh, I see. So when you build some type of parking structure, you get all the spaces and that's kind of what you are charging for a space?

Randy Grant: Correct.

Councilman Phillips: Okay. I would really like to see that higher. And then the electric vehicle charging stations, how would you charge a fee for that? How do they get implemented.

Randy Grant: They get implemented through a third-party vendor that provides the software and also provides the maintenance for them. So the way it would work is that the electric charge that a person would pay for at the service facility would go to the vendor and then we would get a portion of

that money back. And so it's a way to meet the increasing demand for electric vehicles and we think it's, it's competitive. It's probably more than you would pay at your house.

Councilman Phillips: So the charging station will have a thing right there like put in your credit card to get it to run?

Randy Grant: Exactly, yes.

Councilman Phillips: Okay. Thank you.

Mayor Lane: Thank you, Councilman. Councilwoman Whitehead.

[Time: 02:08:21]

Councilwoman Whitehead: I like some of these changes. I'm glad you are cleaning up the fees you don't use or are not clear. I think that's really great. Open the development agreement fee, I think that's great but I would think it varies a lot. Is there a way to do the fee that a development agreement that takes a lot more staff time that gets charged more? Is there some way to vary that fee to fit the type of project that you are reviewing?

Randy Grant: Councilwoman Whitehead, there probably is but we kind of balance out the cost of implementation and ease of implementation. This fee would be charged when a project comes in. So with the rezoning application fee, we would charge at that time, not knowing how long it would take in staff time. We can, I think, in future years, modify that to be more reflective, but it's always going to be kind of an average.

Councilwoman Whitehead: Thank you.

[Time: 02:09:34]

Mayor Lane: Mr. Grant, I'm looking at that same fee and I actually had the same question. I'm not sure exactly how that might be worked out, but I would want to make sure that we had some good rationale in having a standard set fee in every case. It seems like it could be lopsided. So just a suggestion. I'm not sure whether it's worth a relook or not, but I would suggest that you do. And the other is on that line, unless I'm misreading something, I think it crossfeet improperly, because it, there was no fee to begin with and now the revenue changes \$4,000. I think somehow that's reflected wrong unless I'm missing something.

Randy Grant: Right this is a new fee this year.

Mayor Lane: So it's not \$2,000 plus \$2,000 to make a \$4,000 revenue change.

Randy Grant: Really what we are saying, we are anticipating that we will have two of them at \$2,000 apiece. That's the revenue change.

Mayor Lane: I see. My misunderstanding. Okay. Very good. It doesn't look like we have any other questions. And, you know, as much as I regret to say this given your background, I think Dan won this in the entertainment side.

Randy Grant: Dan always beats me. I hate following him. I will turn it over to Chief Shannon.

[Time: 02:11:01]

Fire Chief Tom Shannon: Good evening Mayor, members of the Council. The Fire department has 23 fees that we engage in annually. We are expecting the majority to remain flat, but we have five that will see modest increases. They are on your fee and charge schedule, fees, 13, 14, 15, 16, and 18. These are nominal increases and they are directly related to building permits changes as well. We match very closely Planning and Development's fee schedule. So we expect a very modest increase in these fees for a sum total change in terms of annual difference of about \$3,400 for the year. So no real changes in the Fire department. I'm happy to answer any questions if you might have them.

Mayor Lane: You made that pretty simple Chief.

Chief Shannon: I'm bringing up the rear for you.

Mayor Lane: I'm not seeing any questions on that. Thank you for the presentation and the information.

[Time: 02:12:19]

Tourism and Events Director Karen Churchard: Good evening, Mayor and Council. I'm going to review some of the, the two changes we would like to make in our rates and fees. One is an existing fee change and the other is new. The first are the special event fees and permits. We would like to increase it from \$75 to \$90 and we would like to increase our simple and standard special event permit fees to be more in line with the market rates. And I will show you the amounts there in a few minutes.

Our directional street event banner is a new program. It's not a new program in the event that we actually have banners put up horizontally, but we have not ever charged an application fee, nor a fee per pole banner. We have in the past required the events that want the banners up to reimburse us for the cost that it costs Streets to put them up. But we would like to establish an actual application fee review and a per pole banner.

So the changes we are proposing in the application review and I want to point out, I didn't catch it. It's actually for both private and public properties. So when you apply for special event, the current fee is \$75. We are proposing \$90, again to be more in line with the pre-op cost. The simple applications are private properties and that was \$25. We are proposing \$50. We will get this

corrected for the next presentation. My apologies.

The standard for public events would go from \$175 to \$200 and then the new application banner review, it would be \$90, which again would match the special event applications. Horizontal banners, we have two in the downtown old town area. And we are proposing \$150 per banner. And that is in line with what other cities have charged for typical type banners. And then the street light banners, we have 167 street light banner poles throughout the city. Primarily in Old Town and up north. And we would charge, we are proposing \$15 per charge. So this came about by looking at what Barrett-Jackson and the Arabians have paid in the past and also looking at other cities in the local area and what they charge. And this is definitely in line with those charges. And with that, I will answer any questions you might have.

Mayor Lane: Thank you. I see no questions or comments. So I think it was thorough and understood.

Karen Churchard: Next is Brian Dygert.

Mayor Lane: Thank you.

[Time: 02:15:21]

WestWorld General Manager Brian Dygert: Good evening, Mayor and members of Council. WestWorld's proposals for rates and fees this year as we go through our annual review are pretty straightforward. Three of them, two of them driven off the business plan consultant's report summary and one of them through natural market costs.

We're going to be proposing horse stall rental fee. It will be going up by \$1. RV parking by \$2 and we'll increase labor by \$3 which is support labor that the users pay. Sorry, horse stalls \$17 to \$18 for \$38,300 of additional revenue that is assuming everything stays as this year. RV parking going from \$27 to \$29 for an additional \$22,800 of revenue and labor rates. These are the rates that users pay for support services going from \$25 an hour to \$28 an hour. If those billable labor hours stay the same, it would generate an additional \$19,400. For a total of \$80,503. And that concludes our rates and fees.

Mayor Lane: Very good, Mr. Dygert. I see no questions or comments. So thank you very much for the presentation.

[Time: 02:17:01]

Community Services Director Bill Murphy: Good evening Mayor and Council, I'm finishing up tonight. So talking about Community Services. So with the move of the San Francisco Giants from Indian School Park over to the Papago sports facility, we have started to look at the operation over at Indian School Park and rental fees. And so we have not addressed the field increases over there in the last ten years and so we're proposing that there would be an increase in the ball field rental, as well as the

cost for field preparation and I will show you those on the slide here.

We also are taking a look at the sports complex as well, for an hourly fee at the Scottsdale sports complex, as well as standardize our reservations for individual field use as well as the, to address the maintenance and the operational fees. And commercial film permits, we had put into effect a permit in the preserve that we had had for commercial shoots for commercials or movies or people just needing some grass areas, and so we made some changes to those. And these are reflective on what those changes are.

So the ball field increase would go from \$45 an hour to \$60 an hour. This is in comparison to the other cities that we have benchmarked in the Maricopa area. The Indian School, the field prep is for us to actually prepare the field, put bases out, line the field and such would go from \$50 to \$75. The sports complex reservation for a full per day will go up from \$1,500 to \$1,700, and our hourly rate at the sports complex would go from \$24 to \$30 and the commercial film permit is \$120 and to make it similar to what we charge in the preserve, for those who request permits, we're going to take that fee up to \$300.

[Time: 02:19:00]

We also have a change in the partnership aquatics area. So when the dive teams are using any of the pools, we have a \$3 fee right now currently for the fee for the lanes. They take up about four lanes. So we have now, we're going to institute a fee for the dive well and this would be over at Cactus as well as at McDowell Mountain and it will go to \$12. We are increasing the hourly fee from the sponsor teams from \$3 beginning in July to \$4.

You might recall a few years ago, we had had the fee that we had done for the youth allocation for the sports fields and we kind of kept those fees fairly consistent and what we intend to do is to, you know, give the teams enough notice but this eventually right now, the youth sports field are at \$5 an hour and we hope to get the aquatics fee in the following year, we would come back to you again, to look for an increase. And we had that conversation with the sponsored teams. So this is the rate increase to go from \$3 to \$4 for the lane use and also to change the sponsored dive team for \$12 for the dive well.

The library a year ago, we had come up with what was called a brain box. The brain box was \$180 for us to purchase it. It had early learning things that were in the box for parents to take home and work with their children on. So as we began to look at some of those things, we really have wanted to just come up with a simple, what are the things in there and what do they cost. So the fee that we are requesting are whatever out-of-pocket costs we have. So if someone lost earphones that they might be using or something that would be within that kit, they'll pay specifically for what that, what it actually cost.

And in Human Services, table tennis is a big thing that we are finding with folks coming from other places to come and play table tennis. We do not charge a fee for it. We're looking for consent from you tonight to charge a \$2 fee for table tennis. Which would be an increase from what we had

before, which was nothing.

Finally, the McCormick-Stillman Park our carousel ride. We were looking to increase the carousel and train ride from \$1. Currently it's at \$2 and we would take it to \$3. That's throughout the season. We have the holiday lights fee that we charge of \$5, but, again, that's only during the holiday lights period. We have not adjusted the fees on the train or the carousel in the last nine years. We had taken this to both the Parks and Recreation Commission, and had approval from them and we also had taken this to the mechanical society and brought it forward and had support from them as well. So this reflects the dollar increase for both the carousel and the train. That finishes up what I have.

Mayor Lane: Okay. Thank you, Mr. Murphy. We do have a question or a comment from Councilwoman Korte.

[Time: 02:22:28]

Councilmember Korte: Thank you, Mayor. Mr. Murphy, on the commercial film permit.

Bill Murphy: Yes.

Councilmember Korte: It's increasing from \$120 to \$300, I think I saw that?

Bill Murphy: Yep.

Councilmember Korte: Is that only in the Preserve or is that also in the Civic Plaza in which I see commercial photographers, portraits, et cetera?

Bill Murphy: These are, excuse me Mayor Lane, Councilwoman Korte, these are primarily in the parks requests that we get and reserve, and areas within the parks primarily. So we don't, we don't have any jurisdiction over the mall per se, the plaza here, as far as any fees go. And this is just really, we looked at what fees we had in the Preserve. And we had really good feedback from people who had asked us about this, and so just to be uniform in Community Services where they request in the library in, or in the parks, that would be the fee.

Councilmember Korte: So you basically enforced this through their inquiry into permit use?

Bill Murphy: Yes, they contact our facility reservation team and we would have those areas that they are entered in doing that. Part of it is also when you get someone who wants to come and do a commercial or do some things, you have to make sure that the permit is very specific to what they do and don't get to do. And it does take a little bit of time to oversee that as well. So on-site supervision by some of the park staff or where they might be is also required.

Councilmember Korte: Thanks. Thank you.

[Time: 02:24:10]

Mayor Lane: Thank you, Councilwoman. Bill, it's really a very small issue, but in terms of dollars and that, on the table tennis, what exactly drove this? And it says \$2 per day. Does that mean someone can monopolize the table for the full day for \$2? What were we trying to solve for this with.....

Bill Murphy: Mayor Lane, really what's occurred at the senior centers, we had just some drop-in people who want to play table tennis. It's almost like how the bridge example was a couple of years ago.

Mayor Lane: Yeah.

Bill Murphy: So they are more competitive than you and I may be playing pingpong. So there's people who are actually just playing pingpong and then there are some that are very competitive. And so the table time they take ties up a lot of time and we wanted to institute this and the fee really will not probably generate a whole lot of money. Our estimate is \$5,000 but probably also we would have some tournaments as well at the senior centers as well and this would cover some of those expenses.

Mayor Lane: In that case, the tournaments, I could see where the tables would be totally monopolized for a day or more, but I just, I'm wondering how this gets enforced and if it does, actually address the issue of drop-ins coming in and taking over a tennis table for a day for \$2.

Bill Murphy: We have good supervision at the senior centers. So if someone was to come in and need a paddle or pingpongs, we would be able to issue those to them. So the staff keeps a pretty close eye on it as well as the areas for shooting pool as well. So those are pretty well supervised throughout the day.

Mayor Lane: I'm not opposed to what you are proposing here, on though it's not really the matter of the cost, I don't suppose. That's why I was wondering what we were trying to solve and whether we could enforce it to make some sense. So with that in mind. All right. That, that completes it. Thank you, Mr. Murphy. I appreciate that. No further questions. All right. This is a presentation for discussion and possible, oh, I'm sorry, Councilwoman Littlefield.

[Time: 02:26:39]

Councilwoman Littlefield: Yeah, thank you. Karen, if you could come back, I have a question for you on one of your fees. Sorry, I didn't get you early enough before.

Karen Churchard: It's okay.

Councilwoman Littlefield: On your tourism and events fees, you have \$25 increase from, from \$25 to \$50 on your simple private property event permit.



Karen Churchard: Correct.

Councilwoman Littlefield: What would that involve? Would that be.... what?

Karen Churchard: It's grand openings, sidewalk sales, but there's also some events that take place on private properties, Discount Tires has done some events within their parking lot and we have traditionally as a city processed applications and fees for us to look at the safety and the ingress, egress of events that take place on private property.

Councilwoman Littlefield: So that would not include things like G.A.I.N. night parties, the garage sales and things like that?

Karen Churchard: No, it would not.

Councilwoman Littlefield: Thank you.

Mayor Lane: Thank you, Councilwoman, thank you, Ms. Churchard. That was for discussion and comment as we went along. So that does complete that item. Thank you all for your participation in those presentations.

**ITEM 17 – SCOTTSDALE CITY FLAG**

[Time: 02:28:08]

Mayor Lane: Our next item is Item 17, which is, this is a request to consider rescinding Resolution number 11386, which was adopted February 19<sup>th</sup>, 2019 and provide possible direction to staff regarding a new city flag. This was added to the agenda at the request of myself and Councilmembers Klapp, Littlefield, Phillips and Whitehead and there will not be, oh, I understood this was not going to be a presentation.

Communications and Public Affairs Director Kelly Corsette: Mr. Mayor, members of the Council, there will be no presentation.

Mayor Lane: Okay. Yes. So you came to the podium to tell us that?

Kelly Corsette: I just, I have a couple of things I would just like to say and then I will turn it back to you for your discussion.

Mayor Lane: All right. That's fine. Okay.

[Time: 02:28:54]

Kelly Corsette: Thank you. Again, Mr. Mayor, members of the City Council, members of the public here tonight, my name is Kelly Corsette. I'm the city's communication and public affairs director.

I'm here as we continue the public process that the City Council committed to back in September of 2017, when we began the flag redesign effort.

That process generated 260 different design concepts from the community and about 2,800 different pieces of public feedback. That process also included two neighborhood advisory commission discussions prior to the February 19<sup>th</sup> City Council action. Now, as your staff representative here, staff remains confident that the new flag given time to become known and understood in the community would take a meaningful place alongside our iconic horse and rider symbol that is and would remain the Center of Scottsdale's civic identity. That said, should the City Council this evening wish to rescind its prior action, approving the new city flag, you will need to pass a specific motion to rescind the prior adoption of Resolution number 11386. If a motion to rescind is approved, the city will revert to using the previous city flag. Should the Council wish to provide any other direction to staff, that should happen independently of any procedural motion to rescind the prior City Council action. And with that, Mayor and members of the Council, I turn it back over to you.

Mayor Lane: Thank you, Mr. Corsette and that was exactly the direction I was going in. Since I had gotten the word that there would be no presentation but thank you very much for explaining it. Since that is what we are here for, to consider rescinding that Resolution, number 11386, that was adopted just as it was indicated and as I indicated earlier, I would make a motion to do exactly that. I think that there has been a good bit of conversation about the change. I know there's been some misinformation as well.

But nevertheless, I think in, given the commentary that we have received from both sides on this issue, I think that personally, I think it's best we stay where we are and if it's to be reconsidered again, we'll take that up at another time. So that's my motion and that is to go ahead and to rescind Resolution number 11386 as it was adopted on the 19<sup>th</sup> of February of this year.

Councilwoman Littlefield: Second.

Mayor Lane: The motion has been made then by myself and seconded by Councilwoman Littlefield, if you would like to speak towards the second?

[Time: 02:31:38]

Councilwoman Littlefield: Thank you, Mayor. That was exactly what I wanted to say. I think that we need to reinstate our original flag. This has been a very, very divisive issue that's come before us, and I don't think at this particular time, it's good for our city and good for our citizens. So let's go back to what we had. There's always time in the future if we want to revisit this, take a look at it again, but I don't think it's in the best interest of our city to do that at this time. Thank you.

Mayor Lane: Thank you, Councilwoman. And my bad. I do have three requests to speak on this subject, even though there's a motion on the table, I will go held and listen and hear if they would still like to be heard. And starting with Brian Fabiano.

[Time: 02:32:41]

Brian Fabiano: So hello. Thank you for your time, I'm Brian Fabiano, I'm here with Fabcon. I realized where you are at today, but the, it's really important to take in the whole of what we have. Like you all, I trust the people's vote, and open, inclusive process. Although once I watched the City Council meeting and the highly selected picking of what was presented and exactly how it was presented to the Council, I have to ask for equal time that I know I won't get here in three minutes to reflect some honest transparency and advocate for the vote of the people.

I'm here to provide the voice of fairness and transparency. Required for the city to make a decision that reflects what people's perspective was as far as the best design. If we were not going with the cowboy, and yielding the results that should harvest as citizens driven from a year-long very open process, it was a lot. 3,000, almost 3,000 people that came back and gave us feedback. And I'm here to address that how the flag should reflect Scottsdale as a modern Mecca, inclusive destination, I with enter to Chaparral, A.S.U., and I built a business that's headquartered here, offices in L.A., San Francisco, Oahu, and we bring the business here.

I could easily like my competitors moved to Phoenix but we haven't. We are a Scottsdale company. We are proud to be Scottsdale. I never wanted to be the biggest agency in Arizona but I always wanted to be the best. And part of that is being a part of Scottsdale. And so what we, in Scottsdale, we are inclusive. We are not, we are the city, if we are a modern Mecca, if we are inclusive and inclusive place to live, and we are the city we want to be, then we should have learned our lesson already.

[Time: 02:34:53]

We are not the state of Arizona who voted down MLK three times. We are Scottsdale. We are inclusive. Our core, of course, most people don't like or want change but as leaders, it's up to us to steward the changes needed. With some of the retired populations in Scottsdale, it makes sense that out of the almost 3,000 votes, 28%, a little over the quarter of the people wanted to keep the cowboy. Of course people don't want change. Although we all know the cowboy image does not promote diversity nor reflect women's presence and impact in Scottsdale.

It's wrong. And we know it is. It brings to mind the stereo typical white heterosexual male. Yes, it is our city's seal, and it reflects our history, but so are train tracks and the cotton fields that populated this place in my youth. It's not what attracts people to Scottsdale today. It's time to evolve and develop a flag that reflects who we have become, and it looks to the future, not only the past. Does anyone remember the same team recommending the Saguaro bro campaign. When we have world-class agencies right here that pay local taxes, we employed somebody from out-of-state to come in and put that kind of campaign together.

Mayor Lane: If you could wrap it up, please. You are out of time.

Brian Fabiano: We said we must remember those and what Danielle Casey said in the lessons we

learned. If we can advance, there's so much more. The only problem with this flag that got twice the vote of the other flag that wasn't, that wasn't shared, so if almost 900 voted for the old flag, and people don't want change, over 600 people clearly voted for that, twice the amount of what was recommended. And then the reason why it was articulated to you that it wasn't, is because it was too much like, and they showed the seals, the interior seals.

Mayor Lane: If you could wrap it up, I appreciate it.

Brian Fabiano: Can I advance to the last slide. Can you help me advance. If we look at it, see how differentiating it is. If you look at how, let's, if we get back into that presentation and you look, this you go. And this is it presented in the way it fairly should be against all the other city flags. This thing stands so far tall. It was done by almost 30 people, male, women, men, women, all sexes and persuasions and religions. The reflection of our community that grew up here not one person put their idea into this. An entire team worked on this some of the best creators in Scottsdale worked on this to do the best for our city.

Mayor Lane: Thank you, Mr. Fabiano. Thank you.

Brian Fabiano: Thank you.

Mayor Lane: Next would be Connor Heron.

[Time: 02:38:02]

Connor Heron: Mayor Lane, Vice Mayor Milhaven and City Councilmembers, my name is Connor Heron, Scottsdale resident on East Cornerstone Drive. I'm a high school student at Desert Mountain High School and I'm the one who contacted you about this flag issue about two years ago. So this extensive process that took place and the immense amount of effort that went into it has astounded me. And a few weeks ago, when I sat here, I was overjoyed to see it culminate in beautiful change for our city.

However, I'm back here today to defend the flag that this process has produced, and provide a bit of an alternative defense to the cowboy symbol on our flag. Most of the opposition to the beautiful new Saguaro blossom flag has been due to worry about the absence of the horse and rider symbol from that flag. I would like to take the short amount of time I have here today to demonstrate how the horse and rider while a wonder visual up close on the police officer badges and how it's fantastic for that but fails when it's unites an element on a flag.

So I have here for you some of the designs that were finalists in the contest that featured the horse and rider symbol. We have one here that's similar to the Arizona flag and one here that's similar to the Arizona flag and recolored a bit. Now, when it's seen from far away, as I have showed you here, I have run the numbers. On this little screen, it took up the same amount of your visual field from sitting that far away as it would if you see a flag on a flag pole about one football field away.

So as you see it there, it's hard to distinguish the shape of the horse and rider, and much harder than it would be to see the seal as it's presented up there or on a piece of official city document or something like that. It's much harder to represent Scottsdale when it appears as an amorphous blob and it may be hard to distinguish and I would like to show you on the camera here that it wasn't even actually the horse and rider, because this symbol doesn't work not in the slightest. And I will go back here.

Now this is the not the dig on the horse and rider, its perfect for a city seal and it's representative of Scottsdale. It's just can't say Scottsdale when it's on a flag from far away. The Saguaro blossom flag on the other hand can do that. The Saguaro blossom flag, and the Saguaro blossom in the center perfectly symbolizes our natural beauty and the rope around it honors our western heritage, just like the horse and rider.

The Saguaro blossom flag can really represent Scottsdale even when it's flapping on the flag pole. I will give you some quantitative data when it comes to the sentiment following this vote. If you look here, at this chart, look at this little circle here. You can see that 47% has been positive feedback while only 15% has been negative. We have a vocal minority here as actually three times the amount of people that have a negative, have a positive opinion of this flag. And the rest there shown in gray are neutral. Three times more people agree with the change that has been made than disagree. You can't ignore those numbers.

It's hard to argue that the Saguaro blossom doesn't say Scottsdale when Scottsdale thinks it does. How can we in good faith reverse this positive change that has been made when so many citizens support this symbolic new flag. After all, a great city deserves a great flag and I think the Saguaro blossom flag is a great flag for our great city. Thank you for your time.

Mayor Lane: Thank you, Mr. Heron, and thank you for your work on that. I do appreciate it. We do have that motion on the table, but we also have one further request to speak, and that's Jim Haxby.

[Time: 02:42:33]

Jim Haxby: Thank you, Mayor, City Council, Jim Haxby, 7336 East Sunnyside Drive. I urge you to rescind this and protect our heritage. As an airline pilot for 30 years traveling all over this country and people ask you where you are from and you say Scottsdale, it's got an image. If you say Sun Valley, Idaho, it's got an image. If you say Santa Fe, it's got an image. We spent a lot of time and effort building a brand and image to promote tourism and why wreck it? Why wreck all of that effort?

I applaud your effort, you know, but there's, there's a couple of things out of this that as a citizen and a taxpayer, that irritating. Besides trying to ruin the image that Scottsdale has, is we sit here and raise rates all night and listen to raising the rates. And we're spending money down here evaluating flags and the city staff came up with that. It was not the residents of the city that didn't come out en masse and say we don't like our flag. If we can send somebody out and evaluate flags, and the amount that we spent on it and fill a few potholes. Thank you.

Mayor Lane: Thank you, Mr. Haxby. Please, I would appreciate, we don't applaud or boo except for the Boy Scouts and the Girl Scouts. Yes. Okay. We do have the motion and the second on the table. But Councilwoman Whitehead.

[Time: 02:44:26]

Councilwoman Whitehead: Okay. I just want to thank staff and I just think it's pretty cool to live in a city where a high school student can come to the city with an idea, and that idea is taken seriously. I really applaud a high school student coming forward with that idea and I applaud staff for listening. That's really very, very important to me. So I was one of the yes votes. I voted on what I thought was two options but within nanoseconds, I heard loud and clear that there was a third option and that was to vote down both, to keep the flag that we had. So as I said, I heard loud and immediately from the constituents but that is not what influenced me. I want to be really clear about that.

What I heard was some pretty good reasoning for not wanting to adopt the new flag and that's what changed my opinion. I do not have a marketing degree, but I heard a lot of fairly good arguments about the need, if we are going to change the flag, we need to have the branding. We need to look at the whole picture. We should not have a flag that's different from our logo and different from our emblem. As well, I heard about, and I really, actually felt pretty strongly about this part of it is the need to protect to our historic emblem. We must stay true to our roots, protect our roots but move forward. I do think actually, and I never thought of this until after the vote that the horse and rider, that says Scottsdale without words. Whereas we don't get that, at least today in the present with the new flag. So I am changing my vote, but I just, I guess I'm still just thrilled that I live in a city that listens to its constituents, especially a student that comes forward. So thank you.

Mayor Lane: Thank you, Councilwoman. No further comment by the Council here is indicated. I think we are then ready for the vote. All those in favor, please indicate by aye. And those opposed with a nay. Okay. The motion to rescind passes 5-2. Thank you very much. That completes our agenda items. No further Public Comment items and no petition items or Mayor and Council items.

## **ADJOURNMENT**

[Time: 02:47:01]

Mayor Lane: Hearing none, I would request a motion to adjourn.

Councilwoman Klapp: Move to adjourn.

Mayor Lane: And second. A motion and a second. All of those in favor of adjournment, please indicate by aye. We are adjourned. Thank you very much.