



SUMMARIZED MINUTES

**CITY OF SCOTTSDALE
PROTECT AND PRESERVE SCOTTSDALE TASK FORCE
REGULAR MEETING**

**Wednesday, June 26, 2023
McDowell Mountain Ranch Aquatic Center
Eldorado Community Center
2311 N. Miller Road
Scottsdale, Arizona 85257**

CALL TO ORDER

The regular meeting of the Scottsdale Protect and Preserve Task Force was called to order at 4:01 p.m.

ROLL CALL

PRESENT: Cynthia Wenstrom, Chair
Raoul Zubia, Vice Chair
Carla
James Eaneman
Nicholas Hartmann
Jace McKeighan (MS Teams)
Daniel Schweiker
Mark Winkleman
John Zikias

STAFF: Nick Molinari, Parks and Recreation Director
Sonia Andrews, City Treasurer/Chief Financial Officer
Sherry Scott, City Attorney
Kroy Ekblaw, Executive Assistant Strategic Projects
Brent Stockwell, Assistant City Manager
Carol Banegas-Stankus, Administrative Staff

PUBLIC COMMENT

There were no public comments.

1. APPROVAL OF MINUTES

Chair Wenstrom called for corrections to the minutes. Minor corrections were made.

MEMBER EANEMAN MOVED TO APPROVE THE MINUTES OF THE JUNE 14, 2023 MEETING AS AMENDED. MEMBER ZIKIAS SECONDED THE MOTION, WHICH CARRIED 9-0 WITH CHAIR WENSTROM, VICE CHAIR ZUBIA AND MEMBERS CARLA, EANEMAN, HARTMANN, MCKEIGHAN, SCHWEIKER, WINKLEMAN AND ZIKIAS VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

2. PARKS AND RECREATION DEPARTMENT UNFUNDED NEEDS

Nick Molinari, Parks and Recreation Director, reviewed the two categories of unfunded needs as follows:

1. Operations and Maintenance (ongoing)
 - Staffing
 - Contractual
 - Commodities
 - Project management
2. Park Improvements (one-time costs)
 - Park improvements
 - Amenity replacements
 - Master plan projects
 - Lifecycle replacements

Top unfunded needs include:

- Indian Bend Wash lakes and irrigation completion
- Park security, roving and enforcement
- Operations and maintenance
- Indian Bend Wash Master Plan improvements
- Pickleball courts/sports courts
- Off leash areas/dog parks
- Indian Park Master Plan improvements
- Lifecycle replacements
- Amenity improvements
- Irrigation and landscape improvements

Member Zikias asked whether the park security need would be in addition to the Police Department's requests for the ranger program and Mr. Molinari confirmed that it would. Chair Wenstrom asked how their responsibilities will be different than the police department. Mr. Molinari said the differences would be significant. Park security would be non-deputized, essentially park staff with a presence in the park reminding residents about leash laws, checking restrooms, and checking ramadas. Having eyes and ears in the park has not been a consistent activity since approximately 2008 and 2009 when nearly all parks had staff dedicated to roving. In response to a question from Vice Chair Zubia, Mr. Molinari stated that the ongoing staff budget would fund either FTEs or fund hours added to existing FTEs.

Member Eaneman noted the likelihood of some project delays and inquired about the impact of inflation on the budget. Mr. Molinari stated that the budget has not necessarily accounted for inflation. They have worked with the capital projects team to provide a blended cost estimate for parks improvement based on acre cost. This blend includes hardscape, landscape, lighting and irrigation. Those estimates were compared against projects recently completed or currently in the pipeline.

Chair Wenstrom asked why southern Scottsdale does not have pickleball courts while northern Scottsdale does have them. Mr. Molinari noted that the parks in southern Scottsdale are quite aged. The spending plan prioritizes the parks in the south, including the four to five Indian Bend Wash parks. If the Task Force elects to include all Scottsdale parks, it would include the oldest neighborhood parks in the southern part of the City specifically related to pickleball courts. Requirements for installation include adequate parking and restroom facilities and some distance from the closest residential property. Likely southern area locations for pickleball courts include Eldorado, Vista Del Camino, Indian School Park, Chapparal parks and parks along major roadways.

In response to a question from Chair Wenstrom, Mr. Molinari stated that project managers could be City staff or contracted, however most project management is via City employees. In answer to a question from Member Eaneman, Mr. Molinari confirmed that this would be considered a shared service for which the department would be charged.

In response to a question from Member Carla, Mr. Molinari stated that there are challenges both with hiring maintenance staff and contracting maintenance services. The numbers provided are estimates that can be adjusted depending on circumstances.

Mr. Molinari reviewed FTE stats for the department, noting that in Fiscal Year 07/08, there was a peak of 308 FTEs and at the current fiscal year, the total is 268 FTEs.

Facilities/maintenance responsibilities added since the peak FTE count include:

- Scottsdale Sports Complex
- Camelback Park
- McDowell Mountain Ranch Aquatic Center
- Thompson Peak Park
- Bell94 Sports Complex
- DC Ranch Neighborhood Park

Mr. Molinari provided a review of annual contractual costs, which total \$1,330,000. A review of the schedule for potential projects was provided. Total estimate for park improvements is \$376 million. Indian Bend Wash Parks are a priority at \$295 million. Funding estimates are not included for Scottsdale Stadium or TPC. In response to a question from Vice Chair Zubia, Mr. Molinari stated that the southern area parks are the highest priority.

Member Carla referenced the cautionary tale of a ballot election in Phoenix, which resulted in approval of a number of funding for projects, however, staffing costs were not included. She asked for clarification on staffing as a phased-in approach. Mr. Molinari confirmed the intent for a phased approach that would start with the master plan. No staff would be hired without configuration of the master plan, which will identify deficiencies in maintenance standards in the City's parks. For example, for Indian Bend Wash parks, there has never been identification of

specific maintenance practices that deal with flood control and erosion. Some staffing needs can be accomplished through contractual services. Currently, the bulk of urban forestry is contractual. The City has prioritized a tree and shade plan, which is in the upcoming fiscal year's budget. The City has approximately 20,000 trees in its inventory, with approximately 550 planted in the last fiscal year.

In response to a question from Member Carla, Mr. Molinari reaffirmed that acquisition of maintenance staff would be accomplished via a phased-in approach and he clarified that the proposed staffing budget is for the entire park system.

Chair Wenstrom calculated requested funding for all needs at approximately \$380 million. The next question would be how any of this would be accomplished without an opportunity for potential funding via the proposed tax. Mr. Molinari stated that the department would handle the needs the same way they have been. This includes CIP annual requests and funding via bonds. Currently, the Indian Bend Wash Master Plan is unfunded. The initial piece of the plan was the lakes and irrigation project, funded through the 2019 bond. The remaining portions of the Master Plan are not approved, due to lack of a funding mechanism.

Chair Wenstrom suggested the possibility of creating a white paper for the Task Force, which would detail prioritization and approaches for projects. Member Eaneman requested that the white paper address unfunded tasks and how they are addressed. Mr. Molinari agreed to provide the requested white paper to the Task Force. He reaffirmed that the department's priority is the parks in Indian Bend Wash. These include the improvements identified in the City Council-approved Indian Bend Wash Master Plan. If including all 45 parks, they would begin by addressing the most dilapidated parks in the southern part of the City. In an effort to provide clarity, Chair Wenstrom asked that the white paper include prioritization and funding details for the Indian Bend Wash parks.

Member Carla asked whether the yearly cost for maintenance of assets will remain at approximately \$3 million no matter what is done as far as prioritizing projects. Mr. Molinari stated that the amount can be scaled back and/or adjusted.

Member Hartmann referenced the resolution that established the Task Force. In part, their charge is to recommend a financial strategy to identify and quantify unfunded needs. Task Force members are not qualified to identify and quantify unfunded needs, but are acquiring expert testimony via qualified staff, such as Mr. Molinari. The Task Force may be getting into potentially unnecessary detail.

3. SALES TAX REVENUE FORECAST

Sonia Andrews, City Treasurer/Chief Financial Officer, referenced a prepared memo and spreadsheet for this presentation. She stated that the City considers long-term financial forecasts at a high level for five years. This is used as the official long-term forecast for strategic planning and budgeting. The only reason a forecast is being produced in this case beyond five years is for discussion purposes. Page 3 illustrates the historical Preserve tax collection since 1996. The first 0.2 percent tax was effective in July of 1995. The next tax of 0.15 percent became effective in 2005. The report took the average annual growth of collections over the past 30 years. A five-year moving average was used to smooth ups and downs. The average is calculated to reflect a 3.5 percent annual average growth. A review of report tables and spreadsheets was provided.

Member Hartmann requested that the information be provided in chart or graphic form. Member Carla requested that the chart reflect results for both a 0.1 and a 0.15 percent, in order to better visualize impacts for planning purposes.

Member Zikias asked at which point reserves and contingency are available for spending. Ms. Andrews stated that they never are. As long as the tax is being collected and used, the City must always have reserves and contingencies. Specific criteria must be met before the reserves can be utilized. Such criteria typically involves catastrophic events. The reserve is not cumulative, but a maintained target reserve.

4. RECOMMENDATION FOR NEW SALES TAX

Chair Wenstrom stated that at the Task Force's work study meeting, conversation ensued regarding the need for a continued or replacement sales tax. Currently, there is a 0.2 percent tax supporting the McDowell Sonoran Preserve. This agenda item is an opportunity to formally vote on a motion, if desired.

VICE CHAIR ZUBIA MOVED TO RECOMMEND A NEW SALES TAX WITH AN AMOUNT TO BE DETERMINED.

Discussion:

In response to a question from Vice Chair Zubia, Ms. Andrews stated that it would be considered a new tax as opposed to a continued tax.

Member Hartmann suggested that the first motion be as to whether the Task Force has identified unfunded needs. Vice Chair Zubia stated that that would be part of the discussion subsequent to the determination for a decision on the need for a new tax. Member Hartmann reiterated that the motion should reference that the Task Force has affirmed identification of unfunded needs.

Member Carla requested that Vice Chair Zubia accept a friendly amendment to say, "Since the Task Force has identified unfunded needs, the Task Force wishes to pursue a new dedicated sales tax to address these needs."

The motion amendment was accepted:

MEMBER CARLA MOVED THAT SINCE THE TASK FORCE HAS DETERMINED THAT THERE ARE UNFUNDED NEEDS, THE TASK FORCE WISHES TO PURSUE A DEDICATED SALES TAX TO ADDRESS THOSE UNFUNDED NEEDS. MEMBER WINKLEMAN SECONDED THE MOTION, WHICH CARRIED 9-0 WITH CHAIR WENSTROM, VICE CHAIR ZUBIA AND MEMBERS CARLA, EANEMAN, HARTMANN, MCKEIGHAN, SCHWEIKER, WINKLEMAN AND ZIKIAS VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

5. RECOMMENDATION OF ELIGIBLE PROGRAMS TO BE FUNDED BY A NEW SALES TAX

Chair Wenstrom suggested the possibility of postponing this item. Member Carla commented that the Task Force is ready and made a motion.

MEMBER CARLA MOVED THAT THE TASK FORCE IDENTIFY A DEDICATED FUNDING OPTION FOR THE FOLLOWING: (1) ONGOING CARE OF THE PRESERVE THROUGH DAILY OPERATIONS, DESERT PRESERVATION, EDUCATION, WILDLIFE HABITAT AND CULTURAL HISTORY PROTECTIONS; (2) EXPANSION OF THE POLICE RANGERS PROGRAM FOR INCREASED PUBLIC SAFETY IN THE PARKS AND PRESERVE; (3) ADDITIONAL FIRE DEPARTMENT PREVENTION AND PROTECTION CAPABILITIES FOR THE PARKS AND PRESERVE; (4) PARKS MAINTENANCE, IMPROVEMENTS AND MASTER PLAN PROJECTS, STARTING WITH THE INDIAN BEND WASH.

Discussion:

Ms. Scott stated that the motion indicated direction to identify funding sources for programs and she asked for clarification that the funding source would be from the new sales tax. Member Carla stated that if she needs to specify this, she will do so. Ms. Scott clarified that there is no agenda item for a funding source outside of the new sales tax, so any such motion would be out of order.

Member Carla revised her motion as follows:

MEMBER CARLA MOVED THAT THE TASK FORCE IDENTIFY IN THE NEW SALES TAX THE DEDICATED FUNDING OPTIONS FOR THE FOLLOWING: (1) ONGOING CARE OF THE PRESERVE THROUGH DAILY OPERATIONS, DESERT PRESERVATION, EDUCATION, WILDLIFE HABITAT AND CULTURAL HISTORY PROTECTIONS; (2) EXPANSION OF THE POLICE RANGERS PROGRAM FOR INCREASED PUBLIC SAFETY IN THE PARKS AND PRESERVE; (3) ADDITIONAL FIRE DEPARTMENT PREVENTION AND PROTECTION CAPABILITIES FOR THE PARKS AND PRESERVE; (4) PARKS MAINTENANCE, IMPROVEMENTS AND MASTER PLAN PROJECTS, STARTING WITH THE INDIAN BEND WASH.

Discussion:

Member Zikias advised that the motion reflect all of the items that the various departments presented, such as scientific research, guest services, patrolling trailheads, restoration and others. Chair Wenstrom asked whether it is necessary that the motion capture that level of minutia. Member Carla stated that the presentations showed the items consolidated into four categories and that everything identified by Member Zikias fits within one of the four.

Kroy Ekblaw, Executive Assistant Strategic Projects, confirmed that the items identified would be covered under one of the stated categories and that staff would be covering the items in more detail.

Member McKeighan asked whether the motion is intended to be exclusive as to the items indicated. It was previously discussed that there may be other departments, such as Arts, or items identified through surveys for potential funding consideration. Member Carla stated her intent that that there is consensus on the four categories identified and would not exclude others to be identified.

MEMBER MCKEIGHAN SECONDED THE MOTION.

Discussion:

Member Hartmann suggested the phrase, “including but not limited to...” as a friendly amendment.

Member Winkleman asked for the reasoning behind such a specific motion and whether Member Carla was in agreement with Member Hartmann’s friendly amendment. Member Carla said she was amenable to the friendly amendment.

Vice Chair Zubia asked for a reading of the new motion.

MEMBER CARLA MOVED THAT THE TASK FORCE EXPLORE USING THE NEW SALES TAX DEDICATED FUNDING OPTIONS, INCLUDING BUT NOT LIMITED TO THE FOLLOWING.

Ms. Scott recommended the wording to be, “I move that the recommended dedicated sales tax be use for the following, but not limited to the following...”

Ms. Scott restated the motion on Member Carla’s behalf:

MEMBER CARLA MOVED THAT THE RECOMMENDED NEW TAX BE DEDICATED TO, BUT NOT LIMITED TO THE FOLLOWING: (1) ONGOING CARE OF THE PRESERVE THROUGH DAILY OPERATIONS, DESERT PRESERVATION, EDUCATION, WILDLIFE HABITAT AND CULTURAL HISTORY PROTECTIONS; (2) EXPANSION OF THE POLICE RANGERS PROGRAM FOR INCREASED PUBLIC SAFETY IN THE PARKS AND PRESERVE; (3) ADDITIONAL FIRE DEPARTMENT PREVENTION AND PROTECTION CAPABILITIES FOR THE PARKS AND PRESERVE; (4) PARKS MAINTENANCE IMPROVEMENTS AND MASTER PLAN PROJECTS, STARTING WITH THE INDIAN BEND WASH. MEMBER ZIKIAS SECONDED THE MOTION, WHICH CARRIED 8-0 WITH CHAIR WENSTROM, VICE CHAIR ZUBIA AND MEMBERS CARLA, HARTMANN, MCKEIGHAN, SCHWEIKER, WINKLEMAN AND ZIKIAS VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES. MEMBER HARTMAN ABSTAINED.

6. POTENTIAL PROGRAMS TO BE FUNDED BY A NEW SALES TAX

This item was tabled.

7. IDENTIFICATION OF POSSIBLE FUTURE AGENDA ITEMS

The upcoming Task Force meeting calendar was reviewed and discussed. The Task Force is scheduled to be included on the City Council’s work study session for September 19th. The Chair and Vice Chair of the Task Force will present to City Council. There was consensus to cancel the Task Force meeting scheduled for July 17th. The Task Force will hold its work study session on August 14th.

8. ADJOURNMENT

With no further business to discuss, being duly moved by Vice Chair Zubia and seconded by Member Hartmann, the meeting adjourned at 6:09 p.m.

AYES: Chair Wenstrom, Vice Chair Zubia, Members Carla, Eaneman, Hartmann, McKeighan Schweiker, Winkleman and Zikias.

NAYS: None

SUBMITTED BY:

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