

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, FEBRUARY 5, 2019**



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

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:01 P.M. on Tuesday, February 5, 2019, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane; Vice Mayor Linda Milhaven; and Councilmembers Suzanne Klapp, Virginia L. Korte, Kathleen S. Littlefield, Guy Phillips, and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Bruce Washburn, City Treasurer Jeff Nichols, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Webelos 2, Cub Scout Pack 441, Leader Joe Searle

INVOCATION – Pastor David Joynt, Valley Presbyterian Church

MAYOR'S REPORT

Mayor Lane thanked Councilman Phillips for his service as Vice Mayor and welcomed Councilwoman Milhaven to her first meeting as Vice Mayor.

Mayor Lane read a proclamation in honor of Western Week.

PRESENTATIONS/INFORMATION UPDATES

- **Neighborhood Advisory Commission Update**
Presenter(s): Adam Yaron, Project Coordination Liaison

Neighborhood Advisory Commission Liaison Adam Yaron gave a PowerPoint presentation (attached) on the Neighborhood Advisory Commission's activities.

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

PUBLIC COMMENT – Pat Shaler commented on the City’s swimming fees.

MINUTES

Request: Approve the Special Meeting Minutes of January 8, 2019, and January 15, 2019; Regular Meeting Minutes of January 8, 2019, and January 15, 2019; and Executive Session Minutes of January 15, 2019.

MOTION AND VOTE – MINUTES

Councilmember Korte made a motion to approve the Special Meeting Minutes of January 8, 2019, and January 15, 2019; Regular Meeting Minutes of January 8, 2019, and January 15, 2019; and Executive Session Minutes of January 15, 2019. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

CONSENT AGENDA

- 1. Root & Soul Liquor License (88-LL-2018)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 14144 N. 100th Street, Suite B-130
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. 7-Eleven No. 25845G Liquor License (94-LL-2018)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine store) State liquor license for an existing location with a new owner.
Location: 8402 E. McDowell Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. Chula Seafood Liquor License (95-LL-2018)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 8015 E. Roosevelt Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 4. Kazimierz Liquor License (1-LL-2019)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 6 (bar) State liquor license for an existing location with a new owner.
Location: 7137 E. Stetson Drive, Suites 5, 6, 11, and 12
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 5. Modern Oysterbar Chophouse Liquor License (2-LL-2019)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 10050 N. Scottsdale Road, Suite 127
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. El Chameleon Liquor License (3-LL-2019)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7318 E. Stetson Drive
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 7. On-Call Engineering Services Contracts for Water and Water Reclamation Treatment**
Request: Adopt **Resolution No. 11351** authorizing the following contracts to provide process control related professional services for water and water reclamation facilities in an amount not to exceed \$150,000, per contract, annually:
1. Contract No. 2019-007-COS with Valentine Environmental Engineers, LLC
2. Contract No. 2019-008-COS with Waterworks Engineers
Staff Contact(s): Brian Biesemeyer, Water Resources Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov
- 8. IT Services for the Scottsdale Arabian Horse Show**
Request: Adopt **Resolution No. 11357** accepting the offer from the Arabian Horse Association of Arizona (AHAA) to pay \$7,500 to WestWorld for IT services for AHAA's Scottsdale Arabian Horse Show in February 2019.
Staff Contact(s): Brian Dygert, WestWorld General Manager, 480-312-6825, bdygert@scottsdaleaz.gov
- 9. 2019 Title VI Program for Transit Services**
Request: Adopt **Resolution No. 11366** authorizing the adoption of the City's 2019 Title VI Program for Transit Services.
Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651, pbasha@scottsdaleaz.gov
- 10. Arbitrage Rebate Services Contract**
Request: Adopt **Resolution No. 11342** authorizing Contract No. 2019-012-COS with Hawkins Delafield & Wood, LLP, in an amount not to exceed \$30,000 for arbitrage rebate services.
Staff Contact(s): Jeff Nichols, City Treasurer, 480-312-2364, jenichols@scottsdaleaz.gov
- 11. Legal Services Contract**
Request: Adopt **Resolution No. 11359** authorizing Contract No. 2019-020-COS with Venjuris, P.C., in an amount not to exceed \$35,000 to provide legal services relating to intellectual property matters, including registration and renewal of the City's trademarks.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov

12. Independent Ethics Reviewers Professional Services Contracts

Request: Adopt **Resolution No. 11361** authorizing the following professional services contracts to allow retired judges to serve as independent ethics reviewers, as required by Scottsdale Revised Code Section 2-57:

1. Contract No. 2019-021-COS with Kenneth L. Fields
2. Contract No. 2019-022-COS with Cecil B. Patterson, Jr.
3. Contract No. 2019-023-COS with Noel Fidel
4. Contract No. 2019-024-COS with J. Kenneth Mangum

Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405,
bwashburn@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilman Phillips made a motion to approve Consent Agenda Items 1 through 12. Councilwoman Klapp seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

REGULAR AGENDA

13. Comprehensive Financial Policies and Governing Guidance

Request: Adopt **Resolution No. 11350** relating to Comprehensive Financial Policies and Governing Guidance as the formal guidelines for the City of Scottsdale's FY 2019/20 financial planning and management.

Presenter(s): Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the comprehensive financial policies.

Mayor Lane opened public testimony.

Pat Shaler commented on Financial Policy No. 10.

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 13

Councilmember Korte made a motion to adopt Resolution No. 11350. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

14. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of November and December 2018.

Presenter(s): Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols and City Engineer Dave Lipinski gave PowerPoint presentations on the City's financial status and capital improvement program as of December 2018.

PUBLIC COMMENT – None

CITIZEN PETITIONS

15. Receipt of Citizen Petitions

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

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

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS

16. Boards, Commissions, and Task Force Nominations (Note: Interviews and appointments scheduled for February 19, 2019)

Citizens' Bond Oversight Committee (*four vacancies*) – Councilwoman Littlefield nominated Seth Blattman, Alex McLaren, Kadambari Prasad, and Douglas Reed.

Environmental Quality Advisory Board (*one vacancy*) – Councilman Phillips nominated Walter Cuculic, Councilmember Korte nominated Adam Wasserman, Mayor Lane nominated George Spatola, and Councilwoman Klapp nominated Arnold Siegel.

Human Services Commission (*one vacancy*) – Councilmember Korte nominated Denny Brown, Mayor Lane nominated Patricia Nightingale, Councilwoman Whitehead nominated Victoria Kauzlarich, and Councilman Phillips nominated Kana Chinasamy.

Loss Trust Fund Board (*two vacancies*) – Mayor Lane nominated Suzanne Welch and Councilwoman Klapp nominated Dominic Bilotti and Alan Smith.

ADJOURNMENT

The Regular City Council Meeting adjourned at 5:51 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

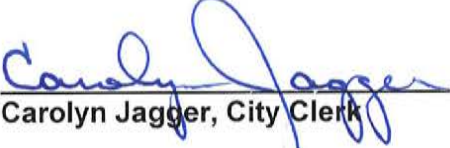
Officially approved by the City Council on March 5, 2019

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 5th day of February 2019.

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

DATED this 5th day of March 2019.



Carolyn Jagger, City Clerk

Neighborhood Advisory Commission Update

Adam Yaron, Commission Liaison
February 5, 2019

1

CITY OF SCOTTSDALE
NEIGHBORHOOD
ADVISORY COMMISSION

Promoting Policies, Plans, Strategies, and Programs for Neighborhoods

Preservation

Improvement

Revitalization

2

2018 Work Items

Neighborhood Revitalization

- Vacation/Short-Term-Rentals Communications Plan
- Neighborhood Enhancement Grant Program & Communications Plan
- Old Town Character Area Plan Update & Outreach Efforts
- Scottsdale Operation-Fix-It Program
- NAC & Operation Fix It Partnership in Scottsdale's Rotary Park Improvements (Neighborhood Enhancement Grant Funding in the amount of \$10,000)
- Every House Changes Design Idea Book for Residents

Neighborhood Improvement

- Scottsdale Bicycle and Related Devices Parking Ordinance Text Amendment
- Downtown, Downtown Overlay & PBD Districts Text Amendments
- Schools/ Educational Services Text Amendment
- Electrified Fence Text Amendment
- Open Meeting Law Update/Overview
- Spirit of Scottsdale Awards

Neighborhood Preservation

- 2018 Major General Plan Amendment Process Overview
- Scottsdale Historic Preservation Program
- Scottsdale Green Building Program
- Scottsdale Water Conservation Program
- GAIN 2018 Program
- Adopt-A-Road Program

3

Vacation/Short-Term-Rentals Communication Plan

- Advise owners of rental properties about their legal requirements
- Encourage owners of rental properties to follow the rules and ensure their renters are good neighbors
- Educate residents about what the city can and cannot do related to rental properties

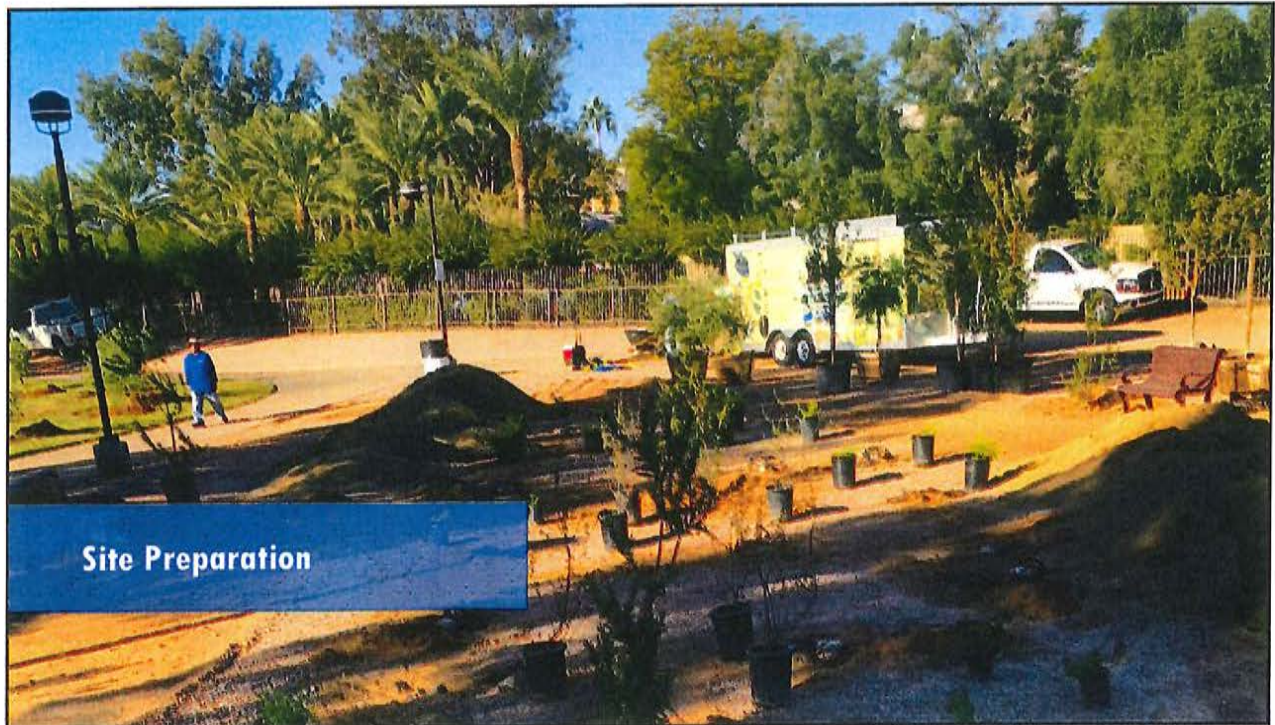


4

Rotary Park Improvements



5



6



7



8



Mayor Dedication

9

Every House Changes

- Home improvement trends
- Projects to improve the efficiency of a home
- Projects that increase livable space
- Neighborhood character – how to recognize and contribute towards it
- Typical architectural styles and detailing



10

Single-Family Homes Built, Average Livable Sq. Ft.

1960 1970 1980 1990 2000

Homes Built
Avg. Livable Sq. Ft.

Roof Types

The MRC is dominated by two roof types – the Gable and the Hip. The Gable is a roof that slopes downward in two planes so as to form a gable at each end. The Hip is a roof with four end sides meeting at an inclined projecting angle. Roof types within the MRC vary. Consequently, a Gable and Hip – or possibly other roof types – may be found. The surrounding graphics depict some of the most common roof types.

Character-Identifying Questions

As you create an inventory of your neighborhood, consider the design elements that could be incorporated into your neighborhood plan.

Overall Style & Character

- What features, or style, define the homes in your neighborhood?
- Is the neighborhood predominantly single-story, ranch-style homes? Are there two-story homes, and how do they fit the area contextually?
- Do the majority of homes have distinctive characteristics? (Appendix, pg. 12)

Design Alterations

Consider what previous iterations of the neighborhood have done well, and what previous iterations have done poorly.

11

CITY OF SCOTTSDALE

NEIGHBORHOOD

ADVISORY COMMISSION

Promoting Policies, Plans, Strategies, and Programs for Neighborhoods

Preservation

Improvement

Revitalization

12

FY 2019/20

Comprehensive Financial Policies

City Council

February 5, 2019

1

Financial Policies

Background

- First adopted in FY 1994/95
- Promote sound financial planning and management of public funds
- Assist in making fiscal strategy and policy decisions
- Contribute to AAA bond rating

2

Financial Policies

Operating
Management

Capital
Management

Debt
Management

Reserve
Management

Financial
Reporting

3

FY 2019/20 Administrative Changes

4

Financial Policies

Operating Management #17:

Any year-end General Fund operating surpluses not needed to restore contingency reserves or cover unforeseen shortfalls in the budget, but in no case less than: (1) 25 percent of construction privilege tax revenues; (2) 100 percent of net interest income in excess of \$1.0 million; and (3) ~~one and one-tenths two-thirds of the 1.1~~ percent sales tax collected on food for home consumption ~~(phased in over three years beginning in FY 2016/17)~~ will be transferred to the General Fund Capital Improvement Program in the following fiscal year unless otherwise directed by City Council.

5

Financial Policies

Rationale:

Modified policy to include City Council's direction to transfer two-thirds of the 1.1 percent sales tax collected on food for home consumption to the General Fund Capital Improvement Program.

6

Financial Policies

Operating Management #23:

~~For the purpose of preparing the annual operating budget, the City Manager will include funds sufficient to provide increases of up to five percent based on performance for each qualified sworn police officer, firefighter, fire engineer and fire captain up to the maximum salary of the pay range unless otherwise directed by City Council.~~

7

Financial Policies

Rationale:

Removed policy as all city staff participate in the same pay for performance program.

8

Financial Policies

Capital Management #26A:

Dedicated 0.1 percent privilege and use tax revenue for transportation improvement projects will be restricted to funding the planning, design, construction and acquisition costs associated with building, renovating, or enhancing capital projects for streets, highways, and transportation improvements.

9

Financial Policies

Rationale:

Added policy to reflect the restrictions on the new dedicated 0.1 percent transportation privilege and use tax revenue.

10

Financial Policies

Adopt Resolution No. 11350

relating to Comprehensive Financial Policies and Governing Guidance as the formal guidelines for the City of Scottsdale's FY 2019/20 financial planning and management.

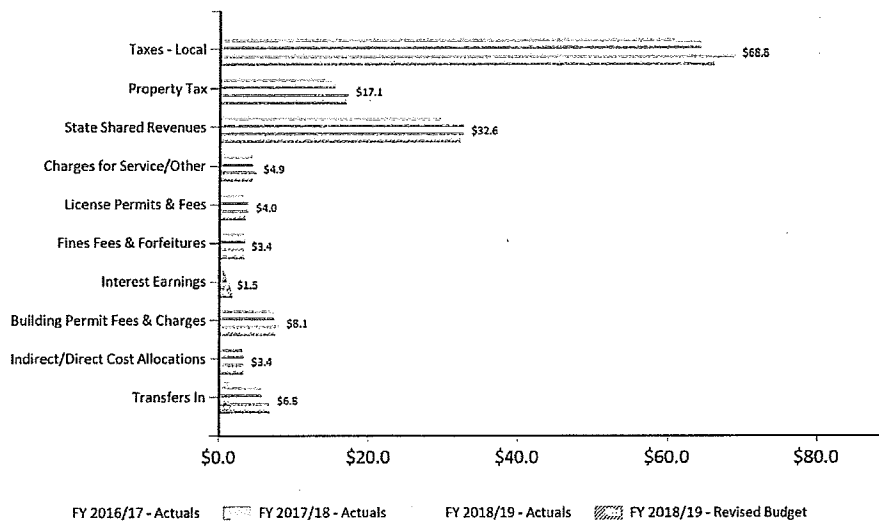
Monthly Financial Update December 31, 2018

February 5, 2019

1

General Fund Operating Sources December 2018: Fiscal Year to Date

(in millions; rounding differences may occur)



2

General Fund Operating Sources December 2018: Fiscal Year to Date

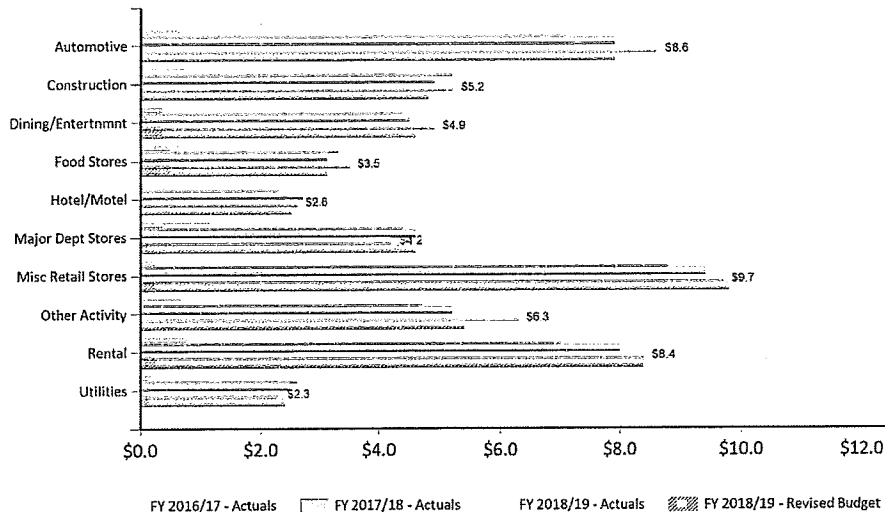
(in millions; rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Taxes - Local	\$60.7	\$64.2	\$68.8	\$66.0	\$2.8	4%
Property Tax	14.0	15.4	17.1	16.8	0.3	2%
State Shared Revenues	29.4	32.6	32.6	32.2	0.5	1%
Charges for Service/Other	4.4	4.6	4.9	4.5	0.5	10%
License Permits & Fees	3.2	4.0	4.0	3.6	0.4	10%
Fines Fees & Forfeitures	3.3	3.5	3.4	3.5	(0.1)	(4%)
Interest Earnings	0.7	1.0	1.5	1.8	(0.3)	(16%)
Building Permit Fees & Charges	6.9	7.6	8.1	7.6	0.5	7%
Indirect/Direct Cost Allocations	3.2	3.4	3.4	3.4	-	-
Transfers In	5.6	5.9	6.8	6.9	(0.1)	(1%)
Total Sources	\$131.6	\$142.2	\$150.8	\$146.3	\$4.4	3%

3

General Fund Operating Sources: Sales Tax December 2018: Fiscal Year to Date

(in millions; rounding differences may occur)



4

General Fund Operating Sources: Sales Tax December 2018: Fiscal Year to Date

(in millions: rounding differences may occur)

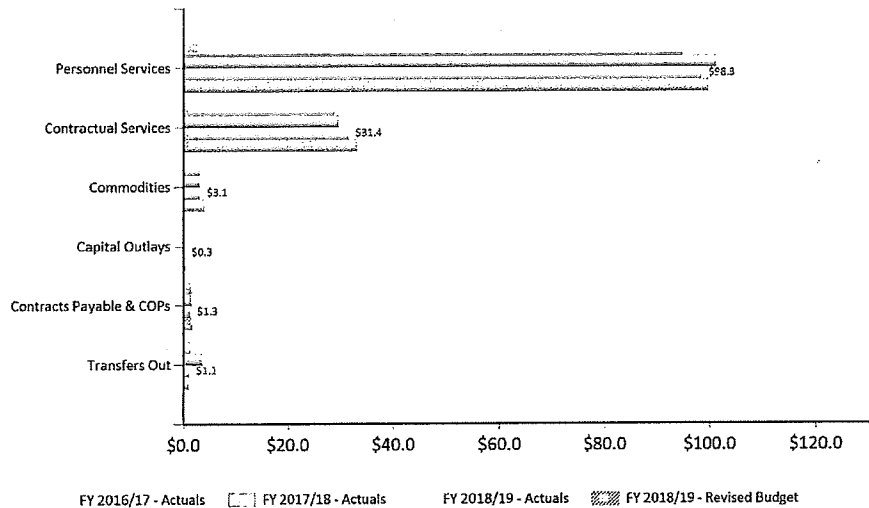
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Automotive	\$7.1	\$7.9	\$8.6	\$7.9	\$0.7	10%
Construction	5.2	4.9	5.2	4.8	0.4	9%
Dining/Entertainment	4.4	4.5	4.9	4.6	0.3	7%
Food Stores	3.3	3.1	3.5	3.1	0.4	12%
Hotel/Motel	2.3	2.7	2.6	2.5	-	-
Major Dept Stores	4.4	4.6	4.2	4.6	(0.4)	(9%)
Misc Retail Stores	8.8	9.4	9.7	9.8	(0.1)	(1%)
Other Activity	4.7	5.2	6.3	5.4	0.9	16%
Rental	7.0	8.0	8.4	8.4	-	-
Utilities	2.6	2.5	2.3	2.4	(0.1)	(5%)
Sales Tax Total	\$49.8	\$52.8	\$55.8	\$53.6	\$2.2	4%

*YTD CIP Transfer = \$2.3 Million

5

General Fund Operating Uses by Category December 2018: Fiscal Year to Date

(in millions: rounding differences may occur)



6

General Fund Operating Uses by Category December 2018: Fiscal Year to Date

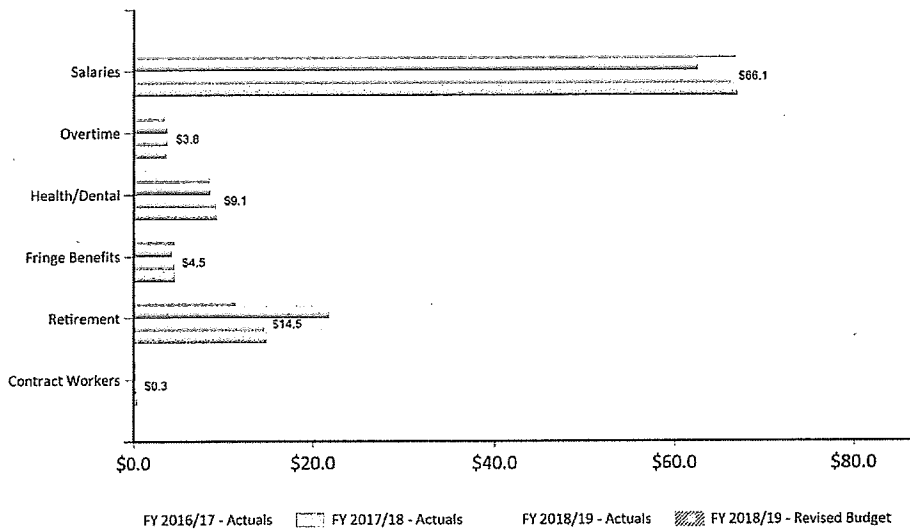
(in millions; rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Personnel Services*	\$94.7	\$101.1	\$98.3	\$99.6	\$1.3	1%
Contractual Services	28.8	29.6	31.4	33.1	1.7	5%
Commodities	3.1	3.1	3.1	4.0	0.9	22%
Capital Outlays	0.3	0.2	0.3	0.4	0.1	28%
Contracts Payable & COPs	1.6	1.6	1.3	1.6	0.3	21%
Transfers Out	1.4	3.8	1.1	1.1	-	-
Total Uses	\$129.9	\$139.4	\$135.4	\$139.7	\$4.3	3%
*Pay Periods thru December:	14	13	13			

7

General Fund Operating Uses: Personnel Services December 2018: Fiscal Year to Date

(in millions; rounding differences may occur)



8

General Fund Operating Uses: Personnel Services December 2018: Fiscal Year to Date

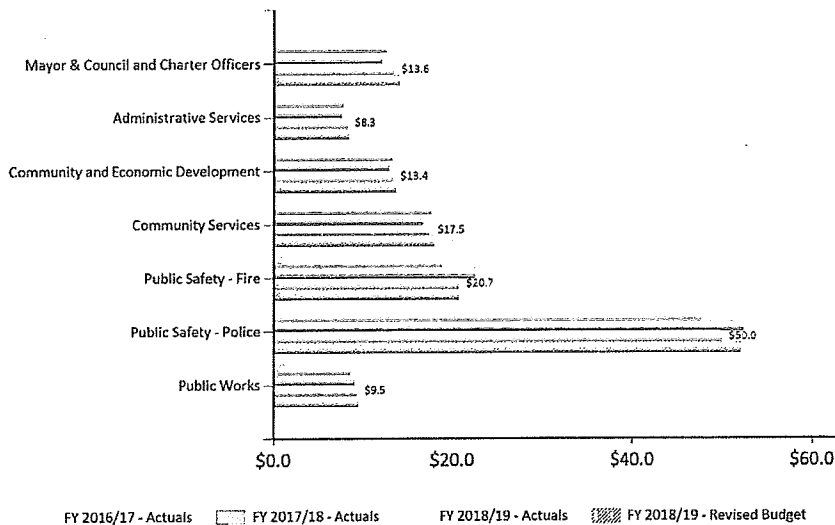
(in millions: rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Salaries*	\$66.7	\$62.5	\$66.1	\$66.9	\$0.7	1%
Overtime	\$3.5	\$3.8	\$3.8	\$3.7	(\$0.1)	(2%)
Health/Dental	\$8.4	\$8.5	\$9.1	\$9.2	\$0.1	1%
Fringe Benefits	\$4.6	\$4.3	\$4.5	\$4.6	\$0.1	1%
Retirement	\$11.3	\$21.8	\$14.5	\$14.8	\$0.3	2%
Contract Workers	\$0.2	\$0.2	\$0.3	\$0.4	\$0.1	33%
Personnel Services Total	\$94.7	\$101.1	\$98.3	\$99.6	\$1.3	1%
*Pay Periods thru December:	14	13	13			

9

General Fund Operating Division Expenditures December 2018: Fiscal Year to Date

(in millions: rounding differences may occur)



10

General Fund Operating Division Expenditures December 2018: Fiscal Year to Date

(in millions; rounding differences may occur)

	FY 2016/17 Actuals	FY 2017/18 Actuals	FY 2018/19 Actuals	FY 2018/19 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Mayor & Council and Charter Officers	\$12.7	\$12.2	\$13.6	\$14.3	\$0.7	5%
Administrative Services	7.9	7.7	8.3	8.5	0.1	1%
Community and Economic Development	13.4	13.1	13.4	13.8	0.3	2%
Community Services	17.7	16.8	17.5	18.1	0.6	3%
Public Safety - Fire	18.8	22.6	20.7	20.7	-	-
Public Safety - Police	47.7	52.5	50.0	52.1	2.1	4%
Public Works	8.7	9.2	9.5	9.6	0.1	1%
Total	\$126.9	\$134.0	\$133.0	\$137.0	\$3.9	3%

11

General Fund Results: Summary December 2018: Fiscal Year to Date

(in millions; rounding differences may occur)

	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Actual	FY 18/19 Budget	Actual vs. Budget	
					Fav/(Unf)	%
Sources	\$131.6	\$142.2	\$150.8	\$146.3	\$4.4	3%
Uses	\$129.9	\$139.4	\$135.4	\$139.7	\$4.3	3%
Change in Fund Balance	\$1.7	\$2.8	\$15.4	\$6.6	\$8.7	

12

Monthly Financial Update

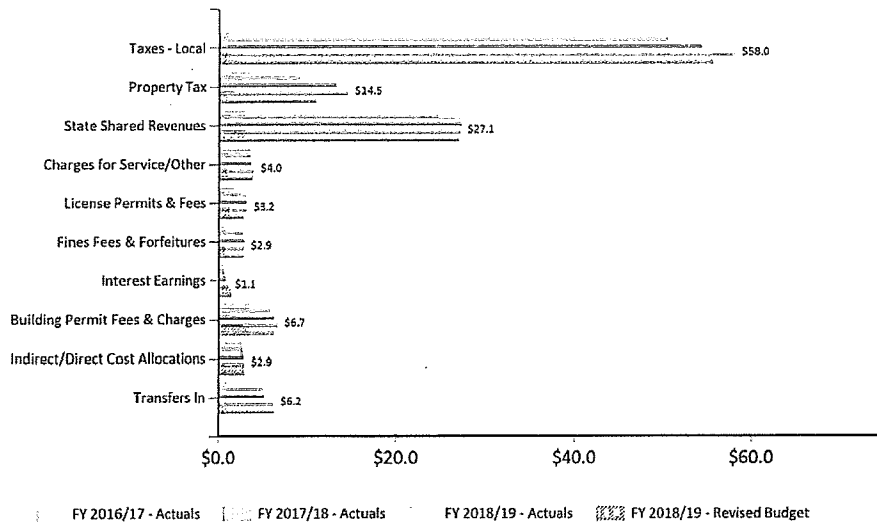
November 30, 2018

February 5, 2019

13

General Fund Operating Sources November 2018: Fiscal Year to Date

(in millions; rounding differences may occur)



14

General Fund Operating Sources November 2018: Fiscal Year to Date

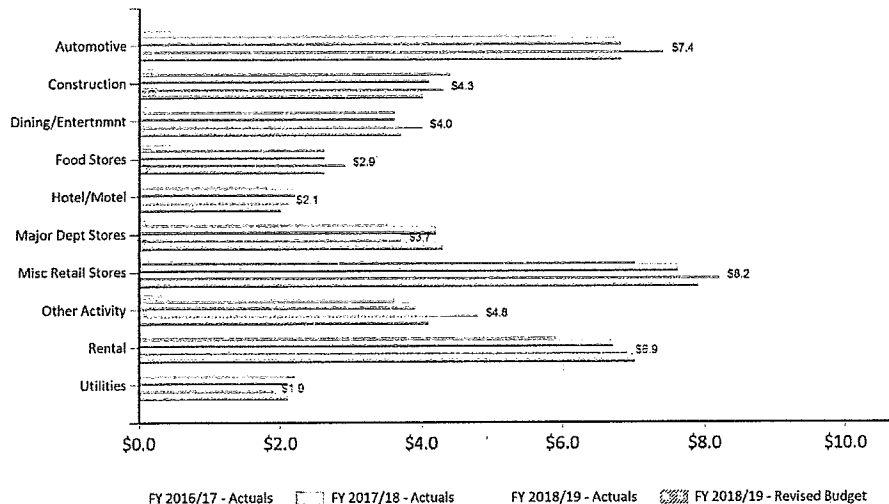
(in millions; rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favored / (Unfavorable) Amount	Percent
Taxes - Local	\$30.5	\$54.3	\$58.0	\$53.6	\$2.4	4%
Property Tax	\$1	13.2	14.5	11.0	3.5	32%
State Shared Revenues	24.6	27.2	27.1	26.9	0.2	1%
Charges for Service/Other	3.6	3.7	4.0	3.9	-	-
License Permits & Fees	2.5	3.2	3.2	2.9	0.3	11%
Fines Fees & Forfeitures	2.8	3.0	2.9	2.9	(0.1)	(2%)
Interest Earnings	0.6	0.8	1.1	1.5	(0.4)	(26%)
Building Perm't Fees & Charges	5.8	6.3	6.7	6.3	0.4	6%
Indirect/Direct Cost Allocations	2.7	2.9	2.9	2.9	-	-
Transfers In	5.1	5.3	6.2	6.4	(0.1)	(2%)
Total Sources	\$107.3	\$119.9	\$126.6	\$120.3	\$5.3	5%

15

General Fund Operating Sources: Sales Tax November 2018: Fiscal Year to Date

(in millions; rounding differences may occur)



16

General Fund Operating Sources: Sales Tax November 2018: Fiscal Year to Date

(in millions: rounding differences may occur)

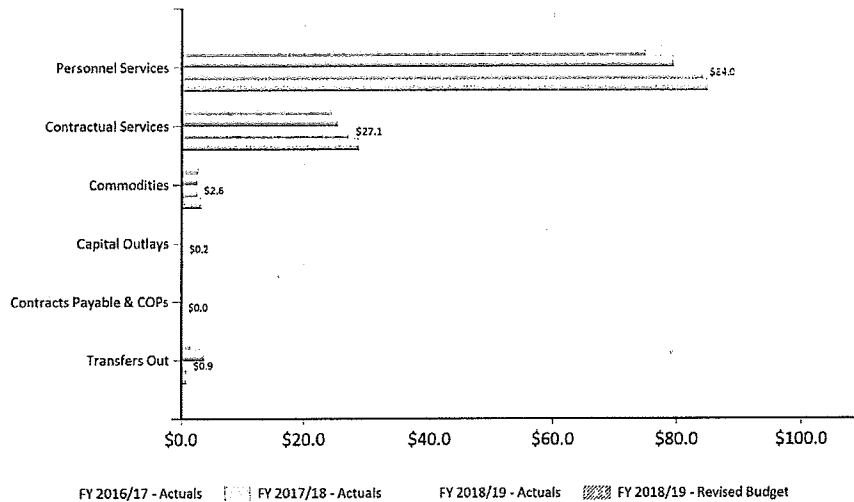
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Automotive	\$5.9	\$6.8	\$7.4	\$6.8	\$0.6	8%
Construction	4.4	4.1	4.3	4.0	0.3	8%
Dining/Entertnmnt	3.6	3.6	4.0	3.7	0.3	9%
Food Stores	2.6	2.6	2.9	2.6	0.3	12%
Hotel/Motel	1.8	2.2	2.1	2.0	0.1	6%
Major Dept Stores	3.5	4.2	3.7	4.3	(0.6)	(14%)
Misc Retail Stores	7.0	7.6	8.2	7.9	0.3	3%
Other Activity	3.6	3.9	4.8	4.1	0.7	17%
Rental	5.9	6.7	6.9	7.0	(0.1)	(2%)
Utilities	2.2	2.1	1.9	2.1	(0.1)	(6%)
Sales Tax Total	\$40.6	\$43.8	\$46.2	\$44.4	\$1.8	4%

*YTD CIP Transfer = \$ 2.0 Million

17

General Fund Operating Uses by Category November 2018: Fiscal Year to Date

(in millions: rounding differences may occur)



18

General Fund Operating Uses by Category November 2018: Fiscal Year to Date

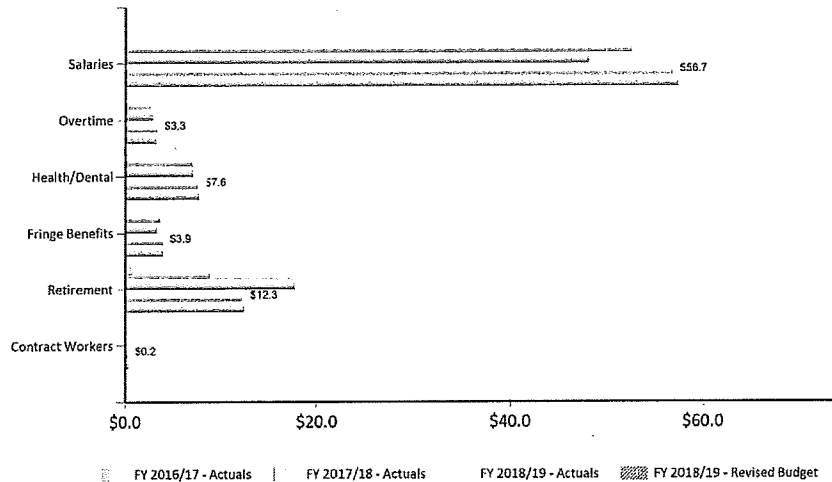
(in millions: rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Personnel Services*	\$74.8	\$79.3	\$84.0	\$84.9	\$0.9	1%
Contractual Services	24.4	25.4	27.1	28.7	1.6	6%
Commodities	2.8	2.6	2.6	3.3	0.7	20%
Capital Outlays	0.2	0.2	0.2	0.3	0.1	43%
Contracts Payable & COPs	-	-	-	-	-	-
Transfers Out	1.4	3.8	0.9	0.9	-	-
Total Uses	\$103.6	\$111.2	\$114.8	\$118.0	\$3.3	3%
*Pay Periods thru November:	11	10	11			

19

General Fund Operating Uses: Personnel Services November 2018: Fiscal Year to Date

(in millions: rounding differences may occur)



20

General Fund Operating Uses: Personnel Services November 2018: Fiscal Year to Date

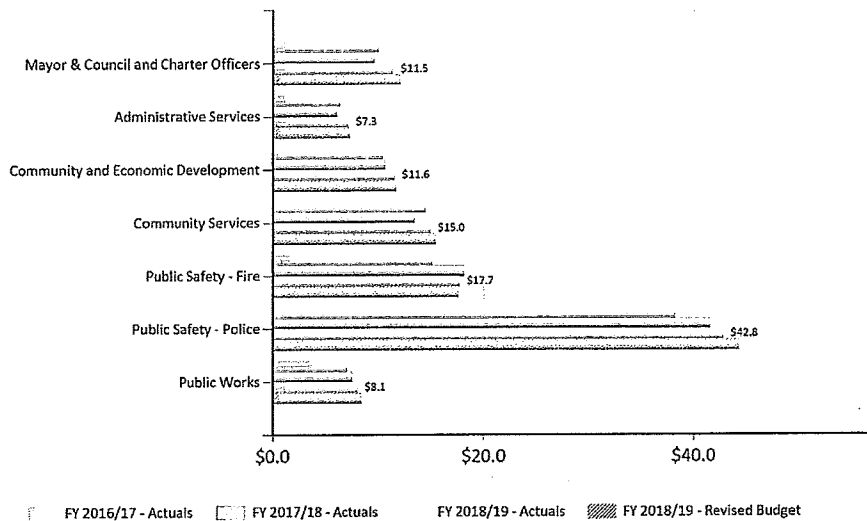
(in millions: rounding differences may occur)

	FY 2016/17 Actuals	FY 2017/18 Actuals	FY 2018/19 Actuals	FY 2018/19 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Salaries*	\$52.5	\$48.1	\$56.7	\$57.3	\$0.6	1%
Overtime	\$2.6	\$2.9	\$3.3	\$3.2	(\$0.1)	(4%)
Health/Dental	\$7.0	\$7.1	\$7.6	\$7.7	\$0.1	1%
Fringe Benefits	\$3.6	\$3.3	\$3.9	\$3.9	\$ -	-
Retirement	\$8.9	\$17.7	\$12.3	\$12.5	\$0.2	2%
Contract Workers	\$0.1	\$0.1	\$0.2	\$0.3	\$0.1	29%
Personnel Services Total	\$74.8	\$79.3	\$84.0	\$84.9	\$0.9	1%
*Pay Periods thru November:	11	10	11			

21

General Fund Operating Division Expenditures November 2018: Fiscal Year to Date

(in millions: rounding differences may occur)



22

General Fund Operating Division Expenditures November 2018: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$10.1	\$9.7	\$11.5	\$12.1	\$0.7	6%
Administrative Services	6.4	6.2	7.3	7.4	0.1	2%
Community and Economic Development	10.6	10.7	11.6	11.8	0.2	2%
Community Services	14.5	13.5	15.0	15.5	0.5	3%
Public Safety - Fire	15.1	18.1	17.7	17.6	(0.1)	(1%)
Public Safety - Police	38.2	41.6	42.8	44.3	1.5	3%
Public Works	7.2	7.7	8.1	8.5	0.4	4%
Total	\$102.2	\$107.5	\$113.9	\$117.1	\$3.2	3%

23

General Fund Results: Summary November 2018: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 16/17	FY 17/18	FY 18/19	Actual vs. Budget		
	Actual	Actual	Actual	FY 18/19 Budget	Fav/(Unf)	%
Sources	\$107.3	\$119.9	\$126.6	\$120.3	\$6.3	5%
Uses	\$103.6	\$111.2	\$114.8	\$118.0	\$3.3	3%
Change in Fund Balance	\$3.7	\$8.7	\$11.8	\$2.3	\$9.6	

24

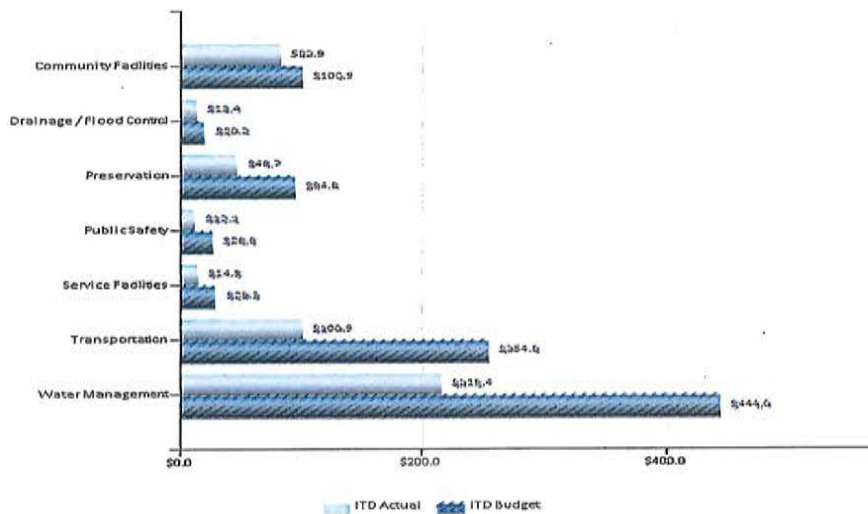
FY 2018/19 CIP Quarterly Update

February 5, 2019

25

CIP Expenditures by Program – Quarter 2

(in millions: rounding differences may occur)



26

CIP Expenditures by Program – Quarter 2

(in millions; rounding differences may occur)

Program	FY 2018/19			Remaining Budget Balance
	Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual	
Community Facilities	\$1.4	\$100.9	\$82.9	\$18.0
Drainage / Flood Control	0.3	20.2	13.4	6.7
Preservation	2.3	94.8	46.7	48.1
Public Safety	1.4	26.6	12.1	14.5
Service Facilities	1.4	29.3	14.5	14.8
Transportation	10.7	254.8	100.9	153.9
Water Management	11.0	444.0	215.4	228.6
Total	\$28.4	\$970.6	\$485.9	\$484.7

27

CIP Expenditures by Funding Source – Quarter 2

(in millions; rounding differences may occur)

Funding Source	FY 2018/19			Remaining Budget Balance
	Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual	
Arterial Life Cycle Program (ALCP)	\$0.2	\$71.2	\$6.6	\$64.6
Aviation	1.2	21.5	7.8	13.8
Fleet	0.1	4.5	0.4	4.1
G.O. Bonds	0.4	67.6	47.8	19.8
General Fund	2.3	60.7	24.8	35.9
Intergovernmental Agreements (IGA)	0.2	3.3	7.1	(3.9)
MPC Bonds	3.4	75.2	73.4	1.9
Other	-	10.0	6.4	3.6
Preservation	2.3	94.7	46.6	48.1
Solid Waste	-	3.2	0.7	2.6
Tourism Development	1.6	12.4	8.1	4.3
Transit Life Cycle Program (TLCP)	-	0.7	0.4	0.3
Transportation Grants	-	27.9	12.3	15.6
Transportation Sales Tax	5.6	78.2	33.2	45.0
Water & Water Reclamation	11.1	439.4	210.4	229.0
Total	\$28.4	\$970.6	\$485.9	\$484.7

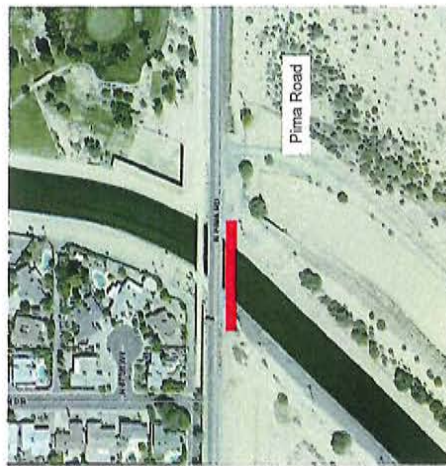
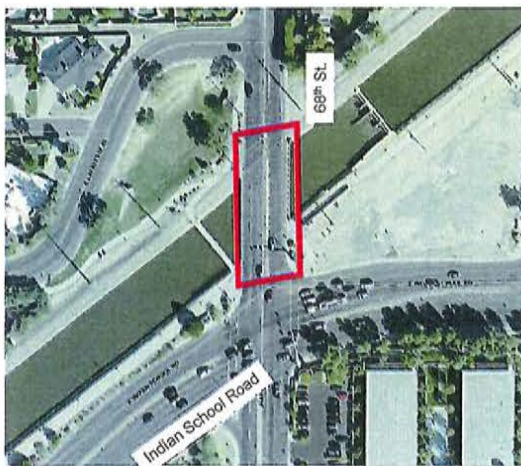
28

CIP Significant Projects – Quarter 2

- 68th Street & Pima Road bridges over the Arizona Canal
- Drinkwater Underpass / Civic Center Mall
- Raintree Drive: Scottsdale to Hayden
- Thomas Groundwater Treatment Facility
- Bond 2015 Projects
 - Pavement Replacement
 - Fire Station 603
 - Fire Station 616

29

68th St. & Pima Rd. Bridges over the Arizona Canal



30

68th St. & Pima Rd. Bridges over the Arizona Canal

- SRP canal shut down was on Friday, January 11th.
- Both bridges will be completed and canal lining will be in place for water to begin flowing on Friday, February 8th.
- Crews have worked 24/7 to complete the work.
- 68th Street will reopen in mid-March.
- Pima Road bridge will be complete at the end of April.

31

<https://youtu.be/Z4yt5lVxaMk>

32

68th St. & Pima Rd. Bridges over the Arizona Canal

(in millions; rounding differences may occur)

	Funding Source	5 - Year Budget	FY 2018/19			Remaining Budget Balance	Completion Date
			Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual		
Transportation:							
68th Street Bridge Reconstruction over the Arizona Canal	Transportation Sales Tax	\$5.1	\$0.4	\$5.1	\$0.9	\$4.2	04/30/19
Transportation:							
Pima Road: Krail Street to Chaparral Road	Arterial Life Cycle Program (ALCP)	\$9.5	\$ -	\$9.5	\$ -	\$9.5	12/31/20
	Intergovernmental Agreements (IGA)	2.3	-	2.3	-	2.3	
	Transportation Sales Tax	1.8	0.2	1.8	0.2	1.6	
	Total	\$13.5	\$0.2	\$13.5	\$0.2	\$13.3	

33

Drinkwater Underpass / Civic Center Mall



December 12, 2018

34



December 19, 2018

35



January 16, 2019

36

Drinkwater Underpass / Civic Center Mall

• Next Steps

- Removals above and below deck finishing in February.
- Construction of west side abutment wall – January - March
- Construction of median supporting walls – February – May
- Place new hollow core slabs to close bridge deck – May – June
- Electrical, waterproofing, grading, storm drain, sidewalks, roadway repairs – June – October
- Open – October – November 2019.

37

Drinkwater Underpass / Civic Center Mall

(in millions; rounding differences may occur)

Funding Source	5 - Year Budget	FY 2018/19			Remaining Budget Balance	Completion Date
		Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual		
Transportation:						
Drinkwater Bridge Interim Structural Repairs	Transportation Sales Tax	\$5.0	\$0.3	\$5.0	\$0.7	Fall 2019
	Bond 2000	0.6	-	0.6	\$ -	
	General Fund	3.7	-	3.7	\$ -	
	Total	\$9.3	\$0.3	\$9.3	\$0.7	

Contract Summary for Construction:

GMP#1 – 7.3.18 Contract 2018-052-COS - \$491,665

GMP#2 – 10.2.18 - Contract 2018-175-COS - \$5,476,452

One additional contract to complete waterproofing and site finish expected in May/June 2019.

38

Raintree Drive: Scottsdale to Hayden



39

Raintree Drive: Scottsdale Road to Hayden Road

(in millions: rounding differences may occur)

Funding Source	5 - Year Budget	FY 2018/19 Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual	Remaining Budget Balance	Completion Date	
Transportation:							
Raintree Drive: Scottsdale Road to Hayden Road	Arterial Life Cycle Program (ALCP)	\$16.1	\$0.1	\$16.1	\$5.0	\$11.0	End of 2020
	Bond 2000	1.0	-	1.0	1.0	-	
	Transportation Sales Tax	5.9	(0.1)	5.9	0.9	5.0	
	Total	\$22.9	\$ -	\$22.9	\$7.0	\$16.0	

Preconstruction Phase Services GMP Scheduled for 2/19/19
 Anticipate start of construction late spring/summer 2019
 18 month construction duration

40

Thomas Groundwater Treatment Facility



41

Thomas Groundwater Treatment Facility

(in millions; rounding differences may occur)

Funding Source	5 - Year Budget	FY 2018/19			Remaining Budget Balance	Completion Date
		Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual		
Water Management:						
Thomas Groundwater Treatment Facility						
Water Rates	\$10.1	\$ -	\$10.1	\$1.8	\$8.3	Spring 2021
MPC Bonds	15.0	-	15.0	-	15.1	
Total	\$25.1	\$ -	\$25.1	\$1.8	\$23.4	

90% Improvement Plans Completed
 Selection of Construction Manager at Risk – Currently in progress
 Anticipate start of construction – March 2019
 2 year construction duration

42

Bond 2015 Updates (in millions: rounding differences may occur)

	Funding Source	5 - Year Budget	FY 2018/19			Remaining Budget Balance	Completion Date
			Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual		
Transportation:							
Pavement Replacement	G.O. Bonds	\$12.5	\$ -	\$12.5	\$8.2	\$4.3	06/30/19
	Transportation Sales Tax	1.6	-	1.6	1.4	0.2	
	Total	\$14.1	\$0.0	\$14.1	\$9.5	\$4.5	

The final roadway segments will be completed this Spring. Remaining segments include:

Scottsdale Road – Gold Dust to Shea
 Scottsdale Road – Cactus to Sweetwater
 Scottsdale Road Sweetwater to Thunderbird
 Hayden Road – Shea to Cactus
 Hayden Road – McCormick Parkway to Via de Ventura
 Shea Boulevard – 96th Street to 136th Street

43

Bond 2015 Updates (in millions: rounding differences may occur)

	Funding Source	5 - Year Budget	FY 2018/19			Remaining Budget Balance	Completion Date
			Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual		
Public Safety:							
Fire Station 603	G.O. Bonds	\$6.7	\$0.1	\$6.7	\$3.0	\$3.7	Spring 2020
	General Fund	0.1	-	0.1	-	0.1	
	Total	\$6.8	\$0.1	\$6.8	\$3.0	\$3.8	

Final plans being prepared for submittal to One Stop Shop, Bid being assembled for advertisement.

	Funding Source	5 - Year Budget	FY 2018/19			Remaining Budget Balance	Completion Date
			Quarter 2 Actuals	FY 2018/19 ITD Budget	FY 2018/19 ITD Actual		
Public Safety:							
Fire Station 616 Design & Construction	G.O. Bonds	\$3.7	\$ -	\$3.7	\$0.3	\$3.3	Spring 2020
	General Fund	0.1	-	0.1	-	0.1	
	Total	\$3.8	\$ -	\$3.8	\$0.3	\$3.4	

DRB scheduled for February, Bid being assembled for advertisement.

44

Completed Projects Quarter 2

Community Facilities

Tony Nelssen Equestrian Center Expansion
 Scottsdale Stadium Masterplan

Transportation

Frank Lloyd Wright - Scottsdale Road to Shea
 Skysong Center Transit Passenger Facility and Sidewalk Improvements
 Transit Bus Purchases
 Advanced Traffic Signal Control Cabinets - Phase I

Water Management

Cross Roads East Sewer
 SROG Water Reclamation Capacity Management
 SROG Operations & Solids Improvements
 SROG SRO /SAI Interceptor Odor Control
 WasteWater Collection System Improvements
 SROG WasteWater Treatment Plant Improvements
 Cross Roads East Water
 Deep Well Recharge/Recovery Facilities
 Zone 14/16 Water Improvements Phase 2
 SROG WasteWater Treatment Plant

45

Completed Projects Quarter 2

Appropriation that reverted back to Fund Balance

General Fund	\$10,900
Transportation Sales Tax (0.20%)	9,200
Enterprise Funds	1,253,400
Total	\$1,273,500

46