

SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, MARCH 19, 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 5:05 P.M. on Tuesday, March 19, 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** – Councilwoman Whitehead

**INVOCATION** – Pastor Xavier Salazar, Scottsdale Bible Church

**MAYOR'S REPORT**

Mayor Lane requested a moment of silence to reflect on the New Zealand shooting victims.

Mayor Lane read a proclamation for Brain Injury Awareness Month.

**PRESENTATIONS/INFORMATION UPDATES**

- **AMWUA 50<sup>th</sup> Anniversary Celebration Presentation**  
**Presenter(s):** Brian Biesemeyer, Water Resources Director; Warren Tenney, AMWUA Executive Director

Water Resources Director Brian Biesemeyer and AMWUA Executive Director Warren Tenney gave a PowerPoint presentation (attached) on AMWUA's 50<sup>th</sup> anniversary celebration.

**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**

- James Rice commented on vagrancy.
- Francien Randall expressed concern about the number of robberies occurring at her home.
- French Thompson asked the Council to protect Downtown by making sure developers supply enough parking for their developments.
- Bob Pejman commented on the lack of parking in Downtown and the City's in-lieu parking program.
- Kris Strauss spoke in support of Experience Scottsdale's tourism efforts.

## **ADDED ITEMS**

### **A1. Added Items**

Regular Item No. 22 was added to the agenda on March 18, 2019.

**Request:** Vote to accept the agenda as presented or continue the added item(s) to the next scheduled Council meeting, which is March 26, 2019.

## **MOTION AND VOTE – ADDED ITEMS**

Councilman Phillips made a motion to accept the agenda as presented. 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.

## **MINUTES**

**Request:** Approve the Special Meeting Minutes of February 19, 2019, and Regular Meeting Minutes of February 19, 2019.

## **MOTION AND VOTE – MINUTES**

Councilwoman Klapp made a motion to approve the Special Meeting Minutes of February 19, 2019, and Regular Meeting Minutes of February 19, 2019. Councilman Phillips 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. **92<sup>nd</sup> Street Café Liquor License (12-LL-2019)**  
(Removed at the request of staff.)
2. **One Viktor Foxtrot Liquor License (13-LL-2019)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 1 (In-state producer) State liquor license for new location and owner.  
**Location:** 16044 N. 82<sup>nd</sup> Street, Suite B  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)

- 3. Buzz In Buzz Out Liquor License (14-LL-2019)**  
**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:** 8001 E. Roosevelt Street  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 4. Spinato's Pizza Liquor License (16-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:** 11108 N. Frank Lloyd Wright Boulevard, Suite E14  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 5. Obon Sushi Bar Ramen Liquor License (17-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 a new location and owner.  
**Location:** 7300 N. Via Paseo Del Sur  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 6. Dog Haus Liquor License (18-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 a new location and owner.  
**Location:** 15257 N. Scottsdale Road, Suite F1-155  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 7. Paseo at Pinnacle Peak Final Plat (4-PP-2018)**  
**Request:** Approve the final plat for a new 55-lot residential subdivision on a 20-acre site, located at the northeast corner of N. Miller Road and E. Pinnacle Peak Road, with Single-Family Residential District, Planned Residential District, Environmentally Sensitive Lands (R1-10/PRD/ESL) zoning.  
**Location:** 7676 E. Pinnacle Peak Road  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
- 8. Sprint Mummy PH25XC142 Conditional Use Permit (32-UP-2003#3)**  
**Request:** Find that the conditional use permit criteria have been met and adopt **Resolution No. 11397** approving the renewal of a Conditional Use Permit for an existing Type 4 Wireless Communication Facility co-located inside two flagpoles with Multiple-Family Residential (R-5) zoning.  
**Location:** 7609 E. Indian Bend Road  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**9. Triple C Hangar Conditional Use Permit (18-UP-2018)**

**Request:** Find that the conditional use permit criteria have been met and adopt **Resolution No. 11398** approving a Conditional Use Permit for an off-airport heliport near Scottsdale Airport located on a 0.77±-acre site with Industrial Park (I-1) zoning.

**Location:** 14818 N. 74<sup>th</sup> Street

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**10. Joy Ranch & Tonto National Forest Rezoning (16-ZN-2018)**

**Request:** Adopt **Ordinance No. 4388** approving a zoning district map amendment from Single-Family Residential, Environmentally Sensitive Lands (R1-190 ESL) to Single-Family Residential, Environmentally Sensitive Lands (R1-43 ESL) zoning on a 77.6±-acre site.

**Location:** East of the northeast corner of Joy Ranch Road and Boulder View Drive

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

Mayor Lane opened public testimony.

Ted Jenal, Scottsdale resident, spoke in opposition to the rezoning.

Mayor Lane closed public testimony.

**11. McDowell Mountain Community Storage Rezoning (23-ZN-2018)**

**Request:** Adopt **Ordinance No. 4387** approving a zoning district map amendment from Planned Convenience Center, Environmentally Sensitive Lands (PCoC ESL) to Neighborhood Commercial, Environmentally Sensitive Lands (C-1 ESL) zoning on a 4.7±-acre portion of Parcel K of the McDowell Mountain Ranch Development Plan (Case No. 74-ZN-92) and a parking reduction of 64% for an internalized community storage use.

**Location:** 10101 E. McDowell Mountain Ranch Road

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**12. State Liquor License Notices of Acquisition of Control Code Amendment**

**Request:** Adopt **Ordinance No. 4384** amending Scottsdale Revised Code Chapter 16, Licenses, Taxation and Miscellaneous Business Regulations, to add Section 16-190 to allow the City Manager, or designee, to provide a recommendation to the Arizona Department of Liquor License and Control either in favor of or against the acquisition of control notices within sixty days after the notice was received by the City from the State.

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**13. Air Quality Monitoring Equipment Revocable License Agreement**

**Request:** Adopt **Resolution No. 11395** authorizing Agreement No. 2019-033-COS with Maricopa County for the use of real property to install and maintain air quality monitoring equipment on City property.

**Location:** 2857 N. Miller Road

**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

**14. Crossroads East Drainage and Public Works Infrastructure Preconstruction Phase Services**

**Requests:**

1. Adopt **Resolution No. 11404** authorizing CM@Risk Contract No. 2019-036-COS with Haydon Building Corporation in the amount of \$68,280 to provide preconstruction phase services for the Crossroads East Drainage and Public Works Infrastructure Project.
2. Adopt **Resolution No. 11414** authorizing a FY 2018/19 CIP Contingency for Future Grants Budget Appropriation transfer in the amount of \$937,400 to the Crossroads East Flood Control Phase I Project (FB53) that will be funded by Arizona State Land Department Reimbursements made to date.

**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555,  
[dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

**15. Emergency Sheltering Facility Use Agreement**

**Request:** Adopt **Resolution No. 11379** to authorize:

1. Agreement No. 2019-029-COS with The American National Red Cross (Red Cross) to provide emergency and disaster-related services at Horizon Community Center.
2. The Community Services Director, as the City's agent, to enter into future facility use agreements with Red Cross for other City facilities to be used for emergency, disaster-related activities.

**Staff Contact(s):** Brent Olson, Emergency Manager, 480-312-1886,  
[bolson@scottsdaleaz.gov](mailto:bolson@scottsdaleaz.gov)

**16. WestWorld Event Agreement**

**Request:** Adopt **Resolution No. 11394** authorizing Agreement No. 2014-028-COS-A1, the first amendment to the agreement with Region Seven International Arabian Horse Association to amend the stall rate for the April 2019 event.

**Staff Contact(s):** Brian Dygert, WestWorld General Manager, 480-312-6825,  
[bdygert@scottsdaleaz.gov](mailto:bdygert@scottsdaleaz.gov)

**17. Bicycle and Pedestrian Safety Enforcement and Education Grant**

**Request:** Adopt **Resolution No. 11405** to authorize:

1. Agreement No. 2019-037-COS with the Arizona Governor's Office of Highway Safety to accept a grant in the amount of \$50,000 to support bicycle and pedestrian safety enforcement and education.
2. A budget transfer in the amount of \$50,000 from the FY 2018/19 Future Grants Budget and/or Grant Contingency Budget and the creation of a new cost center to record the related grant activity.

**Staff Contact(s):** Alan Rodbell, Chief of Police, 480-312-1900,  
[arodbell@scottsdaleaz.gov](mailto:arodbell@scottsdaleaz.gov)

**18. Public Safety Personnel Retirement System Pension Funding Policy**

**Request:** Adopt **Resolution No. 11410** adopting the Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy and accepting the City's share of assets and liabilities under the PSPRS actuarial valuation report.

**Staff Contact(s):** Jeff Nichols, City Treasurer, 480-312-2364,  
[jenichols@scottsdaleaz.gov](mailto:jenichols@scottsdaleaz.gov)

**19. Monthly Financial Report**

**Request:** Accept the FY 2018/19 Monthly Financial Report as of January 2019.

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

## **MOTION AND VOTE – CONSENT AGENDA**

Councilmember Korte made a motion to approve Consent Agenda Items 2 through 19. Councilman Phillips 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**

### **20. Monthly Financial Update**

**Request:** Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of February 2019.

**Presenter(s):** Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of February 2019.

### **21. Council Capital Improvement Plan Subcommittee Recommendations on the FY 2019/20 Capital Budget**

**Request:** Presentation, discussion, and possible direction to staff regarding the Capital Improvement Plan Subcommittee recommendations to Council on the FY 2019/20 Capital Budget. (This item will not include a presentation, discussion and possible direction to staff regarding a potential Bond 2019 program as a potential Bond 2019 program will be discussed during the March 26, 2019, City Council Work Study Session.)

**Presenter(s):** Dave Lipinski, City Engineer

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

City Engineer Dave Lipinski gave a PowerPoint presentation (attached) on the Council Capital Improvement Plan Subcommittee's recommendations on the FY 2019/20 Capital Budget.

### **22. Scottsdale Stadium Renovations Capital Project**

#### **Requests:**

1. Adopt **Resolution No. 11421** authorizing Memorandum of Understanding (MOU) No. 2019-050-COS with San Francisco Giants Baseball Club, LLC, and Scottsdale Charros, Inc., committing each of the parties to specific funding commitments for Phase 1 of the Scottsdale Stadium Renovations Capital Project (PE05). This MOU will bind the parties to the capital commitments and the outline of the basic terms for a final agreement of the facility uses and overall cost details with a new 25-year term and options for extensions.
2. Adopt **Resolution No. 11349** authorizing Design-Build Agreement No. 2019-006-COS with Hunt Construction Group in the amount of \$22,853,327 for Guaranteed Maximum Price 1 of Phase 1 of the Scottsdale Stadium Renovations Capital Project (PE05). This is the first of two construction services contracts for Phase 1 improvements for this project.

3. Adopt **Resolution No. 11368** authorizing a FY 2018/19 budget appropriation transfer totaling \$23,400,000 from the additional available budget appropriation in the adopted FY 2018/19 Capital Improvement Plan to the Scottsdale Stadium Renovations Capital Project (PE05) to be funded by the FY 2018/19 Tourism Development Fund carry-over undesignated, unreserved fund balance (\$5.0 million); from a contribution from the San Francisco Giants (\$2.5 million); and from Municipal Property Corporation Bonds that will be issued with the debt service payments supported by an annual allocation from the Tourism Development Fund and capital contributions from the San Francisco Giants and Scottsdale Charros (\$15.9 million).
4. Approve a one-time waiver of Financial Policy 21A, which limits the use of Tourism Development Funds to fund debt service for capital projects to \$600,000 per commitment.

**Presenter(s):** Bill Murphy, Community Services Director

**Staff Contact(s):** Bill Murphy, Community Services Director, 480-312-7954, [bmurphy@scottsdaleaz.gov](mailto:bmurphy@scottsdaleaz.gov); Dan Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

Community Services Director Bill Murphy gave a PowerPoint presentation (attached) on the Scottsdale Stadium renovations capital project.

San Francisco Giants representatives Jon Knorpp and Sara Grauf expressed support for the proposal and thanked the City and staff for their efforts.

Mayor Lane opened public testimony.

The following spoke in support of the Scottsdale Stadium renovations:

- Mark Stanton, Scottsdale Area Chamber of Commerce
- Dennis Robbins, Scottsdale Charros
- Alex McLaren, Scottsdale resident

Mayor Lane closed public testimony.

### **MOTION AND VOTE – ITEM 22**

Councilman Phillips made a motion to adopt Resolution No. 11421, Resolution No. 11349, and Resolution No. 11368, and approve a one-time waiver of Financial Policy 21A. 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.

**PUBLIC COMMENT – None**

### **CITIZEN PETITIONS**

#### **23. 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](mailto:cjagger@scottsdaleaz.gov)

No citizen petitions were received.

**MAYOR AND COUNCIL ITEMS** – None

**ADJOURNMENT**

The Regular City Council Meeting adjourned at 6:42 P.M.

**SUBMITTED BY:**



**Carolyn Jagger**  
City Clerk

Officially approved by the City Council on April 15, 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 19<sup>th</sup> day of March 2019.

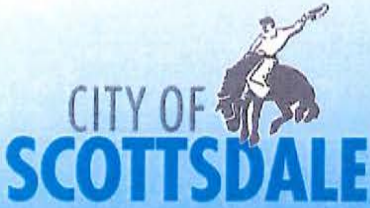

I further certify that the meeting was duly called and held, and that a quorum was present.

**DATED** this 15<sup>th</sup> day of April 2019.

  
\_\_\_\_\_  
Carolyn Jagger, City Clerk

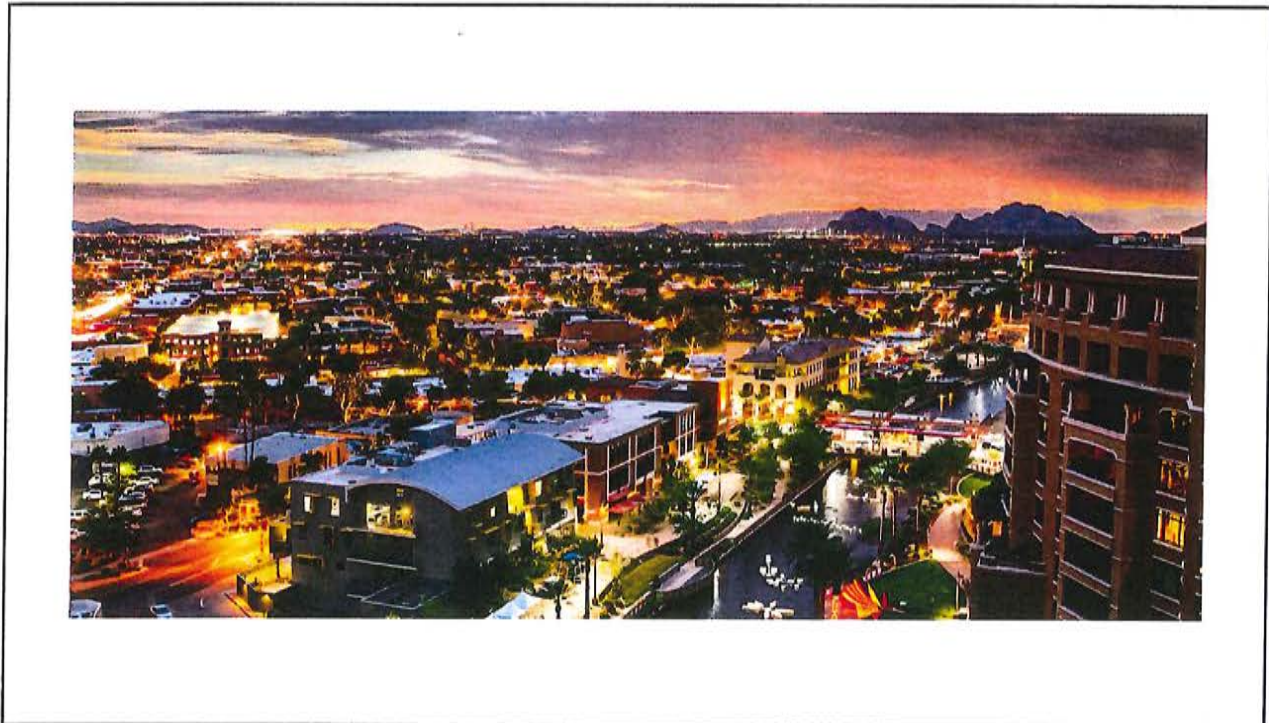
# Collaboration Keeping the Glass Full

Scottsdale City Council  
March 19, 2019



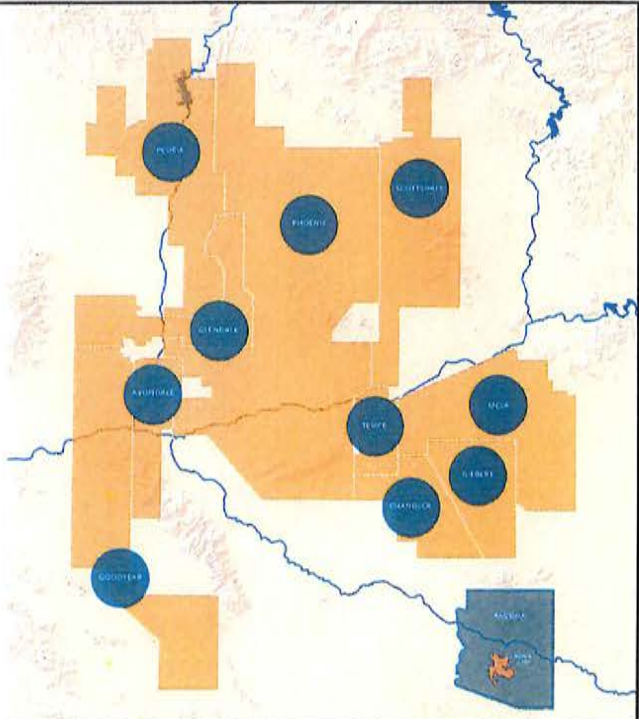
The slide features a blue background with a water splash at the top. The title "Collaboration Keeping the Glass Full" is centered in a large, bold, blue font. Below the title, the text "Scottsdale City Council" and "March 19, 2019" is centered in a smaller, black font. At the bottom left is the "amwua 50 years" logo, which includes the text "ONE FOR WATER 1969-2019" above "amwua" and "50 years" in a script font below. At the bottom right is the "CITY OF SCOTTSDALE" logo, featuring a silhouette of a cowboy on a bucking horse above the text "CITY OF SCOTTSDALE".

1



2

# Arizona Municipal Water Users Association



3



4

Facilitate Regional Water Conservation Efforts

5



Collaborate among Members


6




Advocate with One Voice

7


ONE FOR WATER




Avondale




Chandler - Arizona




GILBERT  
ARIZONA




GLENDALE




Goodyear




mesa·az




PEORIA  
ARIZONA




City of Phoenix



CITY OF  
SCOTTSDALE



Tempe  
ARIZONA



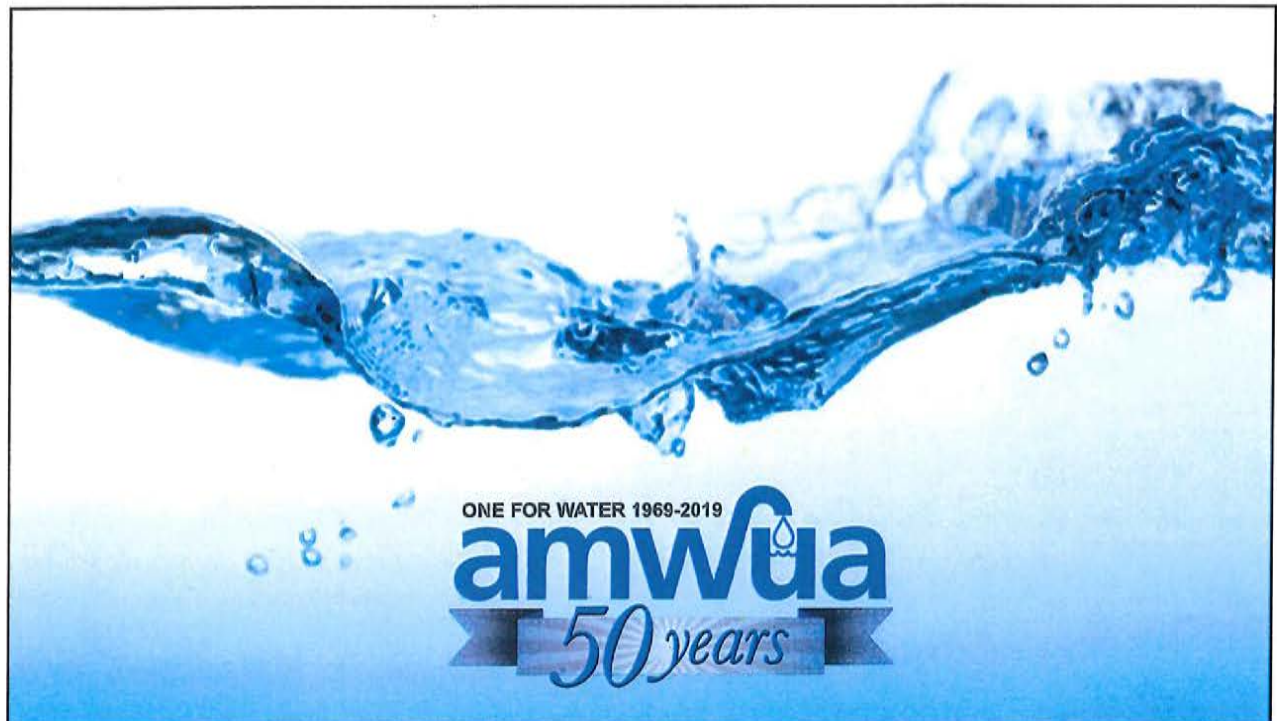
ONE FOR WATER 1919-2019  
amwua  
50 years

8



Looking forward to the next 50 years

9



10

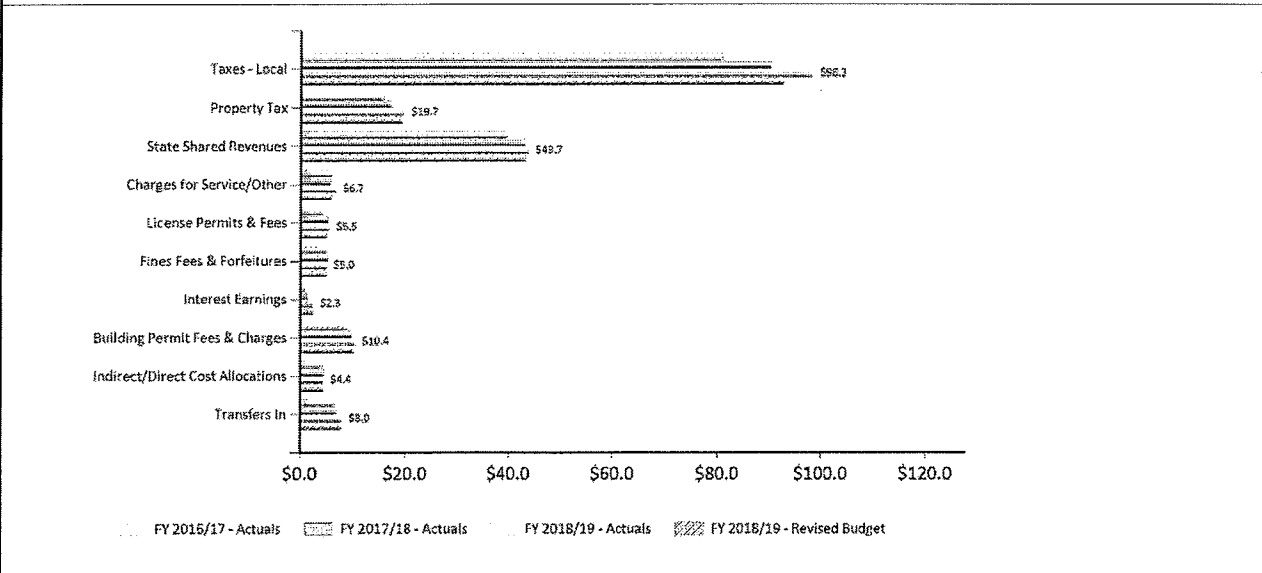
# Monthly Financial Update February 28, 2019

March 19, 2019

1

## General Fund Operating Sources February 2019: Fiscal Year to Date

(in millions; rounding differences may occur)



2

## General Fund Operating Sources February 2019: Fiscal Year to Date

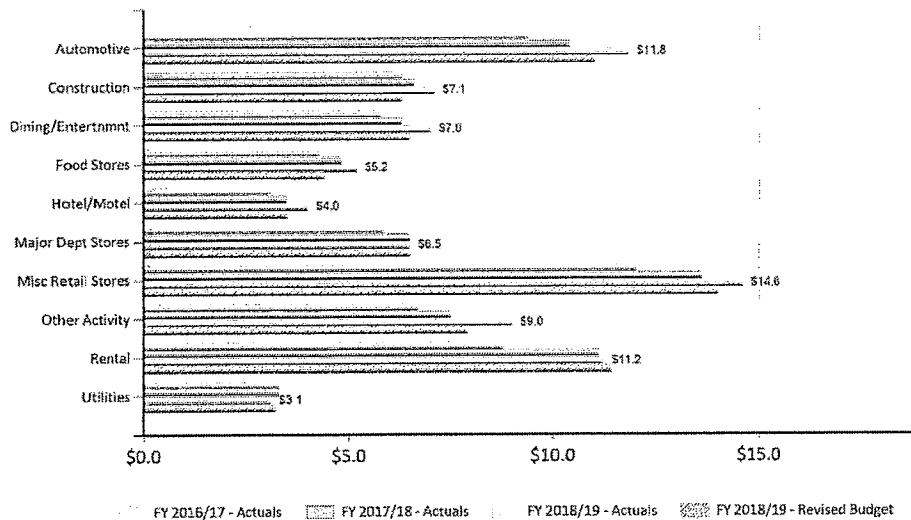
(in millions: rounding differences may occur)

	FY 2016/17 Actuals	FY 2017/18 Actuals	FY 2018/19 Actuals	FY 2018/19 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Taxes - Local	\$81.0	\$90.3	\$98.3	\$92.7	\$5.6	6%
Property Tax	16.0	17.2	19.7	19.3	0.4	2%
State Shared Revenues	39.7	43.1	43.7	43.3	0.5	1%
Charges for Service/Other	6.0	5.8	6.7	6.0	0.7	11%
License Permits & Fees	4.3	5.3	5.5	5.1	0.4	8%
Fines Fees & Forfeitures	5.0	5.3	5.0	5.2	(0.2)	(4%)
Interest Earnings	0.9	1.4	2.3	2.4	-	-
Building Permit Fees & Charges	9.1	9.8	10.4	10.2	0.2	2%
Indirect/Direct Cost Allocations	4.3	4.6	4.4	4.4	-	-
Transfers In	6.6	7.0	8.0	7.9	0.1	2%
<b>Total Sources</b>	<b>\$173.1</b>	<b>\$189.9</b>	<b>\$204.0</b>	<b>\$196.4</b>	<b>\$7.7</b>	<b>4%</b>

3

## General Fund Operating Sources: Sales Tax February 2019: Fiscal Year to Date

(in millions: rounding differences may occur)



4



## General Fund Operating Sources: Sales Tax February 2019: Fiscal Year to Date

(in millions: rounding differences may occur)

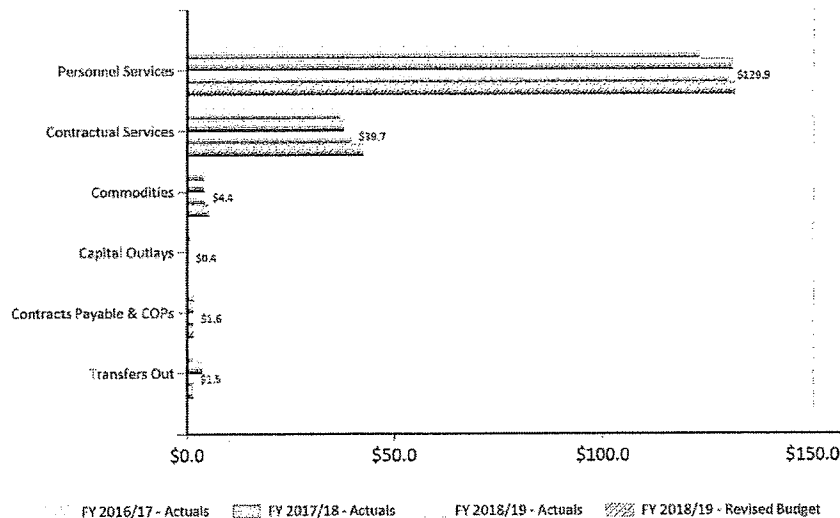
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Automotive	\$9.4	\$10.4	\$11.8	\$11.0	\$0.8	7%
Construction	6.3	6.6	7.1	6.3	0.8	12%
Dining/Entertainment	5.8	6.3	7.0	6.5	0.5	8%
Food Stores*	4.3	4.8	5.2	4.4	0.8	18%
Hotel/Motel	3.1	3.5	4.0	3.5	0.5	13%
Major Dept Stores	5.9	6.5	6.5	6.5	-	-
Misc Retail Stores	12.0	13.6	14.6	14.0	0.6	4%
Other Activity	6.7	7.5	9.0	7.9	1.1	14%
Rental	8.8	11.1	11.2	11.4	(0.2)	(2%)
Utilities	3.3	3.3	3.1	3.2	(0.1)	(2%)
<b>Sales Tax Total</b>	<b>\$65.5</b>	<b>\$73.6</b>	<b>\$79.4</b>	<b>\$74.7</b>	<b>\$4.7</b>	<b>6%</b>

\*YTD CIP Transfer = \$3.4 Million

5

## General Fund Operating Uses by Category February 2019: Fiscal Year to Date

(in millions: rounding differences may occur)



6

## General Fund Operating Uses by Category February 2019: Fiscal Year to Date

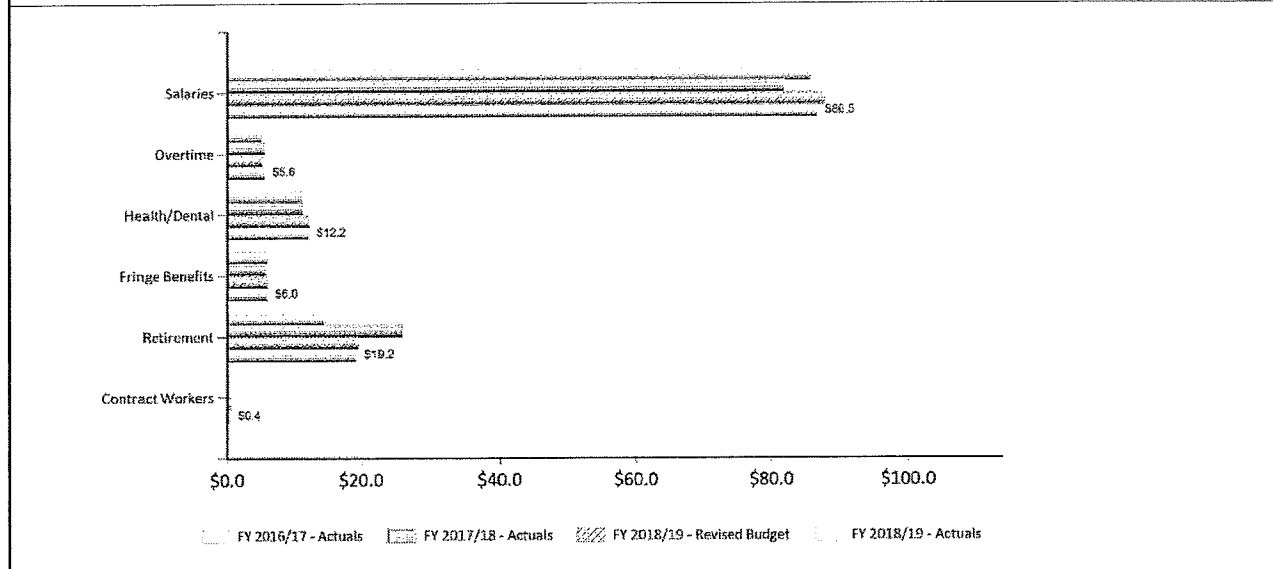
(in millions; rounding differences may occur)

	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*	\$122.8	\$130.7	\$129.9	\$131.4	\$1.6	1%
Contractual Services	36.9	37.8	39.7	42.5	2.8	7%
Commodities	4.2	4.2	4.4	5.2	0.9	17%
Capital Outlays	0.8	0.4	0.4	0.4	-	-
Contracts Payable & COPs	1.6	1.6	1.6	1.6	-	-
Transfers Out	1.4	3.8	1.5	1.5	-	-
<b>Total Uses</b>	<b>\$167.7</b>	<b>\$178.5</b>	<b>\$177.4</b>	<b>\$182.7</b>	<b>\$5.2</b>	<b>3%</b>
*Pay Periods thru February:	18	17	17			

7

## General Fund Operating Uses: Personnel Services February 2019: Fiscal Year to Date

(in millions; rounding differences may occur)



8

## General Fund Operating Uses: Personnel Services February 2019: Fiscal Year to Date

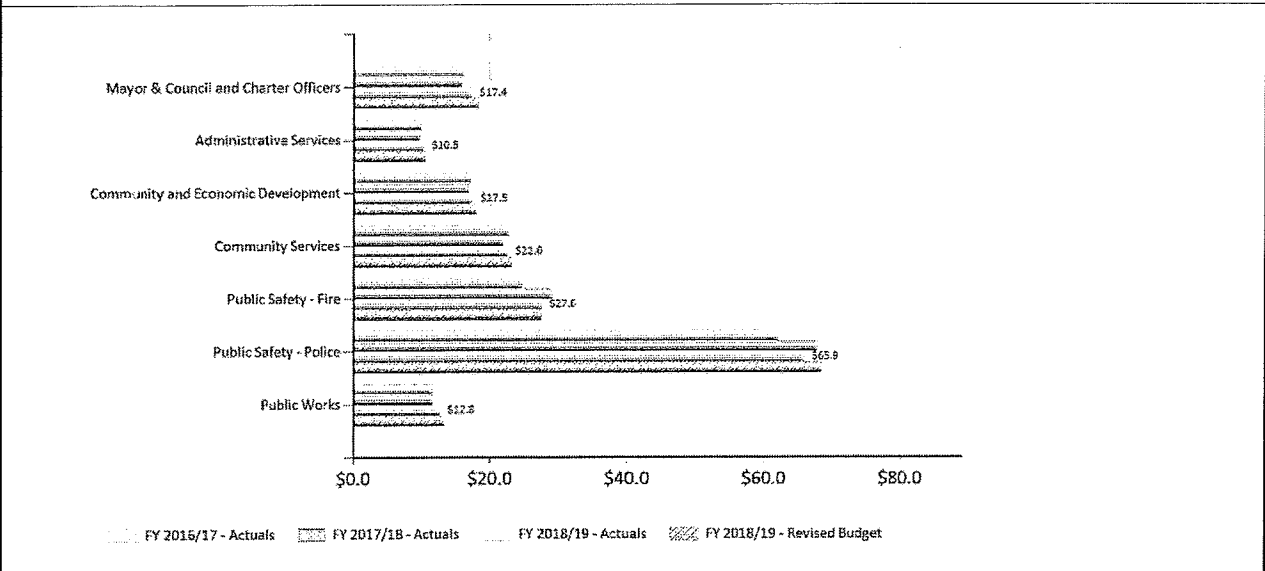
(in millions; rounding differences may occur)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2018/19	Actual vs. Budget	
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Salaries*	\$85.6	\$81.7	\$86.5	\$87.6	\$1.1	1%
Overtime	\$5.0	\$5.6	\$5.6	\$5.3	(\$0.3)	(6%)
Health/Dental	\$11.2	\$11.3	\$12.2	\$12.3	\$0.2	1%
Fringe Benefits	\$6.0	\$5.8	\$6.0	\$6.1	\$0.1	1%
Retirement	\$14.7	\$26.0	\$19.2	\$19.6	\$0.4	2%
Contract Workers	\$0.3	\$0.3	\$0.4	\$0.5	\$0.1	27%
<b>Personnel Services Total</b>	<b>\$122.8</b>	<b>\$130.7</b>	<b>\$129.9</b>	<b>\$131.4</b>	<b>\$1.6</b>	<b>1%</b>
*Pay Periods thru February:	18	17	17			

9

## General Fund Operating Division Expenditures February 2019: Fiscal Year to Date

(in millions; rounding differences may occur)



10

## General Fund Operating Division Expenditures February 2019: 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	
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Mayor & Council and Charter Officers	\$16.2	\$15.9	\$17.4	\$18.4	\$1.0	5%
Administrative Services	10.0	9.7	10.5	10.7	0.2	2%
Community and Economic Development	17.3	16.9	17.5	18.0	0.5	3%
Community Services	22.7	21.8	22.6	23.2	0.6	2%
Public Safety - Fire	24.7	29.0	27.6	27.5	-	-
Public Safety - Police	62.2	67.8	65.9	68.4	2.5	4%
Public Works	11.6	11.8	12.8	13.4	0.6	4%
<b>Total</b>	<b>\$164.7</b>	<b>\$173.1</b>	<b>\$174.3</b>	<b>\$179.6</b>	<b>\$5.3</b>	<b>3%</b>

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## General Fund Results: Summary February 2019: Fiscal Year to Date

(in millions: rounding differences may occur)

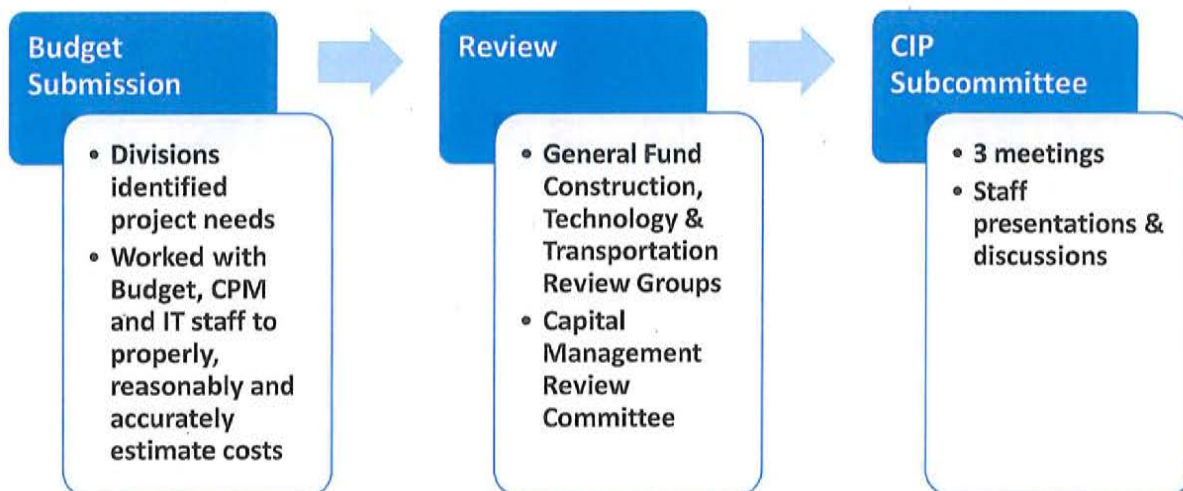
	FY 16/17	FY 17/18	FY 18/19	FY 18/19	Actual vs. Budget	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Fav/(Unf)</b>	<b>%</b>
<b>Sources</b>	\$173.1	\$189.9	\$204.0	\$196.4	\$7.7	4%
<b>Uses</b>	\$167.7	\$178.5	\$177.4	\$182.7	\$5.2	3%
<b>Change in Fund Balance</b>	\$5.4	\$11.4	\$26.6	\$13.7	\$12.9	

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## FY 2019/20 Proposed Capital Improvement Plan CIP Subcommittee Recommendations

1

### FY 2019/20 CIP BUDGET DEVELOPMENT PROCESS



2

## **FY 2019/20 Proposed CIP Budget**

- **General Fund**
- **Transportation Sales Tax (0.20%)**
- **Transportation Sales Tax 2019 (0.10%)**
- **Stormwater Fee**
- **Other Funding Sources**

3

## **FY 2019/20 Proposed CIP Budget**



4

## CIP General Fund Budget (\$ millions)

Adopted CIP Budget FY 2018/19 - 2022/23 cash available	13.9
Adjustments - Higher revenue collections and savings from closed projects	2.6
Adjustments - Partial cost of Enterprise Planning System project to be covered by other funding sources	0.8
Adjustments - Removal of Public Safety Radio Network Lifecycle Project no longer needed	0.5
Adjustments - Funding for Drinkwater Bridge emergency repairs	(3.7)
Adjustments - Restore funding for Drinkwater Bridge emergency repairs <b>IF</b> ALCP Program funds the project	3.7
Adjustments - Updated sales tax forecasts	5.1
CIP Budget FY 2018/19 - 2022/23 adjusted cash available	22.9
Addition of FY 2023/24 sources	11.9
CIP Proposed CIP Budget FY 2019/20 - 2023/24 starting cash balance	34.8

5

## Forecasted General Fund Sources (\$ millions)

	<u>FY 2023/24</u>
Food Tax <small>(financial policy #17)</small>	5.6
Interest Income > \$1.0 million <small>(financial policy #17)</small>	3.6
25% Construction Sales Tax <small>(financial policy #17)</small>	2.6
Interest Earnings	0.1
	<u>11.9</u>

6

## CIP General Fund Recommendations(\$ millions)

	GF Project Cost	Cash Balance
Replace & Repair Failing Buildings at City Facilities	5.4	29.4
Upgrade & Replace Computer Servers	3.5	25.9
Upgrade & Replace Computer Network Infrastructure	0.6	25.3
Replace Portable Radios for Fire Department	0.1	25.2
Replace Portable Radios for Police Department	1.1	24.1
Replace Aging and Obsolete Crime Laboratory Equipment	0.2	23.9
Upgrade & Replace Video Recording & Production Equipment	0.1	23.8
Replace Aging Equipment & Infrastructure at Pools Citywide	4.1	19.7
Replace Aging Equipment & Infrastructure at Parks Citywide	3.5	16.2
Replace Aging Playground Equipment and Install Shades at Parks Citywide	1.2	15.0
Replace Existing Chemical Treatment System in City Pools	0.5	14.5
Replace 19 Aging Restroom Facilities at Parks Citywide	5.0	9.5
Expand Parking, Renovate Building and Add Restrooms at McCormick Stillman RR Park	3.2	6.3
Aircraft Rescue and Firefighting Vehicle	1.3	5.0
<b>Total</b>	<b>29.8</b>	

7

## FY 2019/20 Proposed CIP Budget

**Transportation  
Sales Tax (0.20%)**

- **53 Projects**
- **\$211.2M**

8



### CIP Transportation Sales Tax (0.20%) Budget (\$ millions)

Adopted CIP Budget FY 2018/19 - 2022/23 cash available	1.0
Adjustments - Higher revenue collections and savings from closed projects	1.5
Adjustments - Matching funds for 2 ALCP projects transferred to Transportation Sales Tax 2019 (0.10%)	3.4
Adjustments - Transfer in of undesignated, unreserved fund balance for Drinkwater Bridge emergency repairs	1.2
Adjustments - Funding for Drinkwater Bridge emergency repairs	(1.2)
Adjustment - Restore funding used for Drinkwater Bridge emergency repairs <b>IF</b> ALCP Program funds the project	2.3
Adjustments - Transfer out undesignated, unreserved fund balance for Drinkwater Bridge emergency repairs <b>IF</b> ALCP Program funds the project	(1.2)
Adjustments - Updated sales tax forecasts	0.3
CIP Budget FY 2018/19 - 2022/23 adjusted cash available	7.3
Addition of FY 2023/24 sources	11.8
CIP Proposed CIP Budget FY 2019/20 - 2023/24 starting cash balance	19.1

9

### Forecasted Transportation Sales Tax (0.20%) Sources (\$ millions)

	<u>FY 2023/24</u>
50% Transportation Sales Tax (0.20%) (financial policy #27)	11.8
Interest Earnings	0.0
	<u>11.8</u>

10

### Funding Recommendations for Transportation Sales Tax (0.20%) (\$ millions)

	Project Cost	Cash Balance
<b>Small Projects/Adjustments</b>		<b>19.1</b>
Pima Road: Krail Street to Chaparral Road	0.9	18.2
Happy Valley Road: Pima Road to Alma School Road	2.4	15.8
Pavement Overlay Program	6.6	9.2
Enterprise Resource Planning System	0.2	9.0
Replace Deteriorated Pavement on City Streets	0.4	8.6
ADA Transition Plan Implementation	0.3	8.3
ITS/Signal System Upgrades	2.6	5.7
Sidewalk Improvements	0.2	5.5
Transit Stop Improvements	0.3	5.2
Trail Improvements Program	0.2	5.0
Traffic Signal Construction	0.3	4.7
Roadway Capacity & Safety Improvements	0.9	3.8
Neighborhood Traffic Management Program	0.5	3.3
Pave Segments of Unpaved Roads to Reduce Air Pollution	0.5	2.8
Improve Access & Safety on 68 <sup>th</sup> Street from Indian School Road to Thomas Road	0.3	2.5
Rebuild Thomas Road from 56 <sup>th</sup> Street to 73 <sup>rd</sup> Street to Improve Safety	1.2	1.3
<b>Total</b>	<b>17.8</b>	

11

### FY 2019/20 Proposed CIP Budget

**Transportation  
Sales Tax 2019  
(0.10%)**

**Matching  
funds for the  
ALCP Program**

12

## Forecasted Transportation Sales Tax 2019 (0.10%) Revenue (\$ millions)

### Transportation Sales Tax 2019 (0.10%)

(Question 1 approved by the voters on the November 6, 2018 election – for a period of 10 years)

FY 2018/19 estimate	\$ 4.0
FY 2019/20 – 2023/24 estimate	\$60.1
<b>Total available (5-years)</b>	<b>\$64.1</b>

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## Transportation Sales Tax 2019 (0.10%) Funded Projects (\$ millions)

Project Title	COS Funded Amount	Total Project Cost
Legacy – Hualapai Connector	0.7	2.3
Mayo Boulevard Underpass & Union Hills Drive: AZ State Route 101 to 88 <sup>th</sup> Street	5.8	19.4
Pima Road: Jomax Road to Dynamite Boulevard	2.4	8.1
Pima Road: Las Piedras to Stagecoach Pass	10.5	34.9
Frank Lloyd Wright Boulevard at AZ State Route 101 Traffic Interchange	0.5	1.8
Raintree Drive to AZ State Route 101 Traffic Interchange	2.7	9.0
Scottsdale Road: Dixileta Drive to Carefree Highway	5.1	16.9
Carefree Highway: Cave Creek Road to Scottsdale Road	4.4	14.6
Scottsdale Road: Jomax Road to Dixileta Drive	2.3	13.9
Hayden Road to AZ State Route 101 Interchange Improvements	1.6	5.3
Shea Boulevard Intersections: AZ State Route 101 to 136 <sup>th</sup> Street	6.1	20.2
Pima Road: Chaparral Road to Thomas Road	1.2	10.0
Pima Road: Dynamite Boulevard to Las Piedras	3.9	13.0
Pima Road: Happy Valley Road to Jomax Road	2.8	9.4
Scottsdale Road: Thompson Peak Parkway to Pinnacle Peak Road Phase II	4.8	7.2
Scottsdale Road: Pinnacle Peak Parkway to Jomax Road	4.5	12.3
<b>Total</b>	<b>59.3</b>	<b>198.4</b>

Pima Corridor from Thomas Road to McDowell Road project - \$19.1 million is not currently in the ALCP program. Staff will continue to pursue funding options.

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## **FY 2019/20 Proposed CIP Budget**

**Stormwater Fee**

- **27 Projects**
- **\$58.6M**

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## **Stormwater Fee Funding Available**

**FY 2018/19 Stormwater \$2 Fee funding available for CIP requests**

**\$ 2.2**

**Forecasted FY 2019/20 – 2023/24 Stormwater \$2.95 Fee Revenue**

**\$16.0**

**Total \$18.2 million**

16

### Stormwater Fee Funded Project (\$ millions)

Project Title	Funded Amount	Total Project Cost
Crossroads East Flood Control Phase I	14.1	14.5
<b>Total</b>	<b>14.1</b>	<b>14.5</b>

17

### Other Funding Sources (\$ millions)

Fund	Amount	No. of New & Adjusted Projects
<b>Enterprise Funds</b>		
Aviation Funds and related grants	8.3	18
Water & Wastewater	57.0	42
Solid Waste	0.5	2
<b>Preserve Sales Tax</b>	3.8	1
<b>Special Revenue</b>		
TPC Basin	1.9	1
<b>Fleet Management Fund</b>	2.0	1

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## Other Funding Sources – Enterprise Funds Aviation Funds and Related Grants (\$ millions)

Div	Budget	
Rank Project Name	New/Adjustments	
1	Rehabilitate Runway 03/21*	(5.7)
2	Kilo Ramp Rehabilitation	1.1
3	Delta Apron Improvements Phase II	0.5
4	Rehabilitate Taxiway "C"	0.1
5	Runway 03/21 Rehabilitation/Reconstruction - Design	0.3
6	Perimeter Service Road Rehabilitation	0.4
7	Airport Security Fencing Improvements	0.3
8	Airport Monument Sign	0.1
9	Ceiling Improvements at Airport OPS Building	0.0
10	Aviation Match Contingency	0.3
11	Airport Future Grants Contingency	-
12	Runway 03/21 Rehabilitation/Reconstruction - Construction	10.6
13	Environmental Assessment for Land Acquisition	-
14	Construct New Exit Taxiways B2, B9 and B15	-
15	Runway Guard Lights*	-
16	Land Acquisition 4.0 Acres	-
17	Airport Master Plan Update	0.4
18	Wildlife Hazard Management Plan	-
Total		8.3

\*Existing projects

19

## Other Funding Sources – Enterprise Funds Water and Wastewater (\$ millions)

Div	Budget	
Rank Project Name	New/Adjustments	
1	Water Treatment Facility Improvements*	6.4
2	Wastewater Treatment Facility Improvements*	3.4
3	Water Distribution System Improvements*	2.2
4	Booster Station Upgrades*	6.3
5	Advance Water Treatment Plant Membranes – Wastewater*	-
6	Water Treatment Plant Membranes*	0.4
7	Master Plan Water Reclamation*	-
8	Master Plan – Water*	(0.2)
9	Site 42 Reservoir Storage Expansion*	0.1
10	Advance Water Treatment Plant Membranes Replacement*	0.2
11	Booster Station 57 Replacement*	1.0
12	Well Sites*	1.8
13	Cluster 3 Arsenic Treatment	7.5
14	Well Sites Rehabilitation*	(0.7)
15	Radio Telemetry Monitoring Automation Citywide – Wastewater*	(0.4)
16	Radio Telemetry Monitoring Automation Citywide – Water*	(0.2)

\*Existing projects

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## Other Funding Sources – Enterprise Funds Water and Wastewater (\$ millions)

Div Rank	Project Name	Budget New/Adjustments
17	RWDS Improvements*	2.5
18	Irrigation Water Distribution System Improvements*	(0.8)
19	BPS 42D/E Transmission Capacity Expansion*	-
20	Water System Security Enhancement Projects*	0.3
21	Water Reclamation Security Enhancements*	0.4
22	WestWorld Improvements*	0.2
23	Well Site - In Cross Roads East - North of Loop 101*	0.1
24	Water Meter Replacement Program*	4.7
25	Water Reclamation Participation Program*	3.9
26	Water Participation Program*	0.2
27	Zone 8-D Jomax Road Transmission Line	-
28	Zone 8 Jomax Road Transmission Line	-
29	Technology Master Plan Identified Wastewater Projects*	0.7
30	Jomax Road Sewer Interceptor and Lift Station*	0.1
31	Wastewater System Improvements*	6.2
32	State Land Near Legend Trails I*	0.1

\*Existing projects

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## Other Funding Sources – Enterprise Funds Water and Wastewater (\$ millions)

Div Rank	Project Name	Budget New/Adjustments
33	State Land Near Legend Trails II*	1.3
34	Rio Verde/128th Street Transmission Mains	0.1
35	Dynamite Road Sewer Interceptor*	-
36	Water Quality Lab Replacements	1.0
37	Technology Master Plan Identified Water Projects*	1.1
38	Water System Oversizing*	0.4
39	Water Campus Vadose Well Rehabilitation*	(0.2)
40	Water Campus Vadose Well Construction	0.1
41	Deep Well Recharge/Recovery Projects*	6.7
42	Zone 14/16 Water System Improvements Phase 2*	0.1
Total		57.0

\*Existing projects

22

## Other Funding Sources – Enterprise Funds Solid Waste (\$ millions)

Div		Budget
Rank	Project Name	New/Adjustments
7	Solid Waste Vehicle Monitoring System*	0.3
8	Solid Waste Upgrades and Improvements Program	0.2
Total		0.5

\*Existing projects

23

## Other Funding Sources Preserve Sales Tax (\$ millions)

Div		Budget
Rank	Project Name	New/Adjustments
1	Pima/Dynamite Trailhead*	3.8

\*Existing projects

24



## Other Funding Sources – Special Revenue TPC Basin Funds (\$ millions)

Div		Budget
Rank	Project Name	New/Adjustments
17	TPC Stadium Course – Midway Grill Improvements	1.9

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## Other Funding Sources Fleet Management Fund (\$ millions)

Div		Budget
Rank	Project Name	New/Adjustments
4	North Corp Yard CNG Compliance*	0.8
5	Fleet South Corp Yard CNG Compliance	1.2
Total		2.0

\*Existing projects

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**Questions?**

## Scottsdale/SF Giants Agreement



1

## Giants / Charros / COS Stadium History/Status

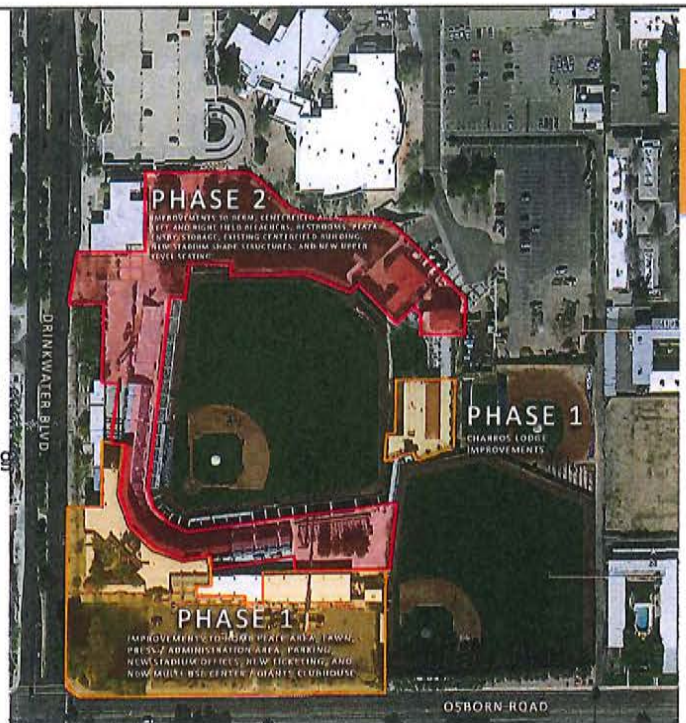
- Master Planning Discussions Began - 2015
- Design Process Authorized by CC - March 2018
  - For Multi-Use Facility, Baseball and Fan Amenities
- Award Design Build Contract - July 2018
- Scottsdale, Phoenix and SF Giants agreements on Papago for year round Player Development - December 2018
  - Opens up Indian School Park for Community Use
  - West entry anchor to McDowell Rd. Corridor

2

## DRAFT - Phasing

Phase 1 -  
April 2019 -  
Feb. 2020

- Clubhouse
- Indoor Multi-Use Spaces
- Entry and Parking
- Press box
- Ticketing and Administration
- Charro Lodge
- Right Field Concourse



3

## Binding Memorandum of Understanding

- Binding Capital Commitments for Phase 1
  - SF Giants - \$15.125M (\$11.7M net present value)
  - Charros - \$2.7M (\$1.8M net present value)
  - COS - up to \$30M (+\$5M previously committed to design)
- All Three Parties Intend to Complete the Final Baseball Facilities Agreement - (30-45 days)
  - ❖ Separate Concessionaire agreements (SFG and COS)
    - Expect \$2.5M Phase 1 and \$2.5M + for Phase 2
- Phase 1 Construction Begins Immediately
  - Completion in time for Spring Training 2020

4

## Upcoming Timeline and Actions for Stadium Project:

- March- mid April - COS, SFG and Charros completion of Baseball Facilities Agreement
- March- mid May COS and SFG complete Concessionaire Agreements and Multi Use Business Plan w/ L William Seidman Research Institute (ASU)
- Mid June - GMP 2 presented to CC for authorization
- July - Phase 2 plans, costs, funding finalized
- August-September - projected date for Bond Sale
- February 11, 2020 - Spring Training Operations begin

5

## Main Multi-Use Event Space and Clubhouse



6

## City Staff Action Plan:

- Immediately begin marketing Stadium Multi-Use Facilities
  - ✓ Assistance from Experience Scottsdale and SF Giants
- Immediately begin scheduling and securing events for Indian School Park Athletic Facilities
- March- mid April complete Multi Use Business Plan w/ L. William Seidman Research Institute (ASU)
- Community Services Divisional Budget Planning for 2020/2021
- Develop Transition plan for relocation of SF Giants from ISP to Papago
- Plan/Prepare for 2020 Spring Training Operations

7

## Public Input and Recommendations

- ✓ Open House and stakeholder meetings past 24 months
- ✓ 200+ Letters of Support in Packet
- ✓ DRB approval February 21, 2019
- ✓ Tourism Development Commission - March 19, 2019
  - Approved 6-1 Use of Tourism Funds for Stadium Project

8

## City Council Action Requested:

- 1) Adopt Reso. #11421 Authorizing Memorandum of Understanding 2019-050-COS with SF Giants and Charros committing each of the parties to specific funding commitments for Phase 1 of the Stadium Project
- 2) Adopt Reso. # 11349 Authorizing Design Build Construction Contract 2019-006-COS with Hunt Construction Group Inc. in the amount of \$22,853,327 for GMP 1 of Phase 1 of the Stadium Project
- 3) Adopt Reso.# 11368 authorizing a FY 2018/19 Budget Appropriation transfer totaling \$23,400,000
- 4) Approve a one-time waiver of Financial Policy 21A

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## Questions?



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