

SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
MONDAY, NOVEMBER 30, 2020



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

CALL TO ORDER

Vice Mayor Solange Whitehead called to order a Regular Meeting of the Scottsdale City Council at 5:18 P.M. on Monday, November 30, 2020.

ROLL CALL

Present: Vice Mayor Solange Whitehead and Councilmembers Suzanne Klapp, Virginia L. Korte, Kathleen S. Littlefield, Linda Milhaven, and Guy Phillips

Absent: Mayor W.J. "Jim" Lane

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, Acting City Treasurer Judy Doyle, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Councilmember Korte

MAYOR'S REPORT – None

CONSENT AGENDA

- Fountain Plaza Shopping Center Revocable Occupancy Agreement**
Request: Adopt **Resolution No. 12016** authorizing Occupancy Agreement No. 2020-203-COS with Weingarten Nostat, Inc., for the occupation of a vacant tenant suite within Fountain Plaza Shopping Center.
Location: 7750 E. McDowell Road, Suite #104
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

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.

2. **Wireless License Agreement with Verizon Wireless (VAW) LLC**
Request: Adopt **Resolution No. 11917** authorizing Agreement No. 2020-152-COS with Verizon Wireless (VAW) LLC, permitting the continued operation of a wireless site on the northeast corner of Hayden and Indian School roads.
Location: 4201 N. Hayden Road
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

3. **Recreational Marijuana Code Amendment**
Request: Adopt **Ordinance No. 4484** amending the Scottsdale Revised Code by adding Chapter 25, Recreational Marijuana, relating to the regulation of recreational marijuana and prohibition of marijuana on public property; and declaring an emergency for the preservation of public peace, health, and safety.
Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

Vice Mayor Whitehead opened public testimony.

- Lauren Neihaus, Harvest Health & Recreation, spoke in support of independent laboratory testing.
- Ian Lev, Scottsdale, spoke in support of independent laboratory testing.

Vice Mayor Whitehead closed public testimony.

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 3. Councilwoman Littlefield seconded the motion, which carried 6/0, with Vice Mayor Whitehead and Councilmembers Klapp, Korte, Littlefield, Milhaven, and Phillips voting in the affirmative.

REGULAR AGENDA

4. **Fiscal Year 2019/20 Annual Financial Audit**
Request: Accept the FY 2019/20 annual financial audit reports submitted by the City's external auditors, Heinfeld, Meech & Co., P.C.
Presenter(s): Sharron Walker, City Auditor
Staff Contact(s): Sharron Walker, City Auditor, 480-312-7867, swalker@scottsdaleaz.gov

City Auditor Sharron Walker gave a PowerPoint presentation (attached) on the FY 2019/20 annual financial reports.

MOTION AND VOTE – ITEM 4

Councilwoman Klapp made a motion to accept the FY 2019/20 annual financial audit reports. Councilwoman Littlefield seconded the motion, which carried 6/0, with Vice Mayor Whitehead and Councilmembers Klapp, Korte, Littlefield, Milhaven, and Phillips voting in the affirmative.

(Note: Items 4A and 5 were considered and approved together.)

4A. Stagecoach & Windmill Rezoning (12-ZN-2019)

Request: Adopt **Ordinance No. 4478** approving a zoning district map amendment from Single-Family Residential, Environmentally Sensitive Lands (R1-190 ESL) zoning to Single-Family Residential, Environmentally Sensitive Lands (R1-70 ESL) zoning on a 30±-acre parcel.

Location: Southwest corner of E. Stagecoach Pass Road and N. Windmill Road

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

5. Palmeraie Phase II (7-ZN-2016#2 and 3-DA-2020)

Requests:

1. Adopt **Ordinance No. 4476** approving a zoning district map amendment from Planned Regional Center (PRC) zoning to Planned Regional Center, Planned Shared Development overlay (PRC PSD) zoning, with approval of an amended Development Plan for the site that includes amended development standards for building height up to 90-feet and an increase of the floor area ratio to a maximum of 1.0 on a 20±-acre site.
2. Adopt **Resolution No. 11963** declaring the document titled "*Palmeraie Phase II Development Plan*" to be a public record.
3. Adopt **Resolution No. 11964** authorizing Development Agreement No. 2020-182-COS.

Location: 6990 N. Scottsdale Road.

Presenter(s): Brad Carr, Principal Planner

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

MOTION AND VOTE – ITEMS 4A and 5

Councilman Phillips made a motion to continue Item 4A, Stagecoach & Windmill Rezoning, and Item 5, Palmeraie Phase II, to December 7, 2020. Councilmember Korte seconded the motion, which carried 6/0, with Vice Mayor Whitehead and Councilmembers Klapp, Korte, Littlefield, Milhaven, and Phillips voting in the affirmative.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

The Regular City Council Meeting adjourned at 5:33 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on

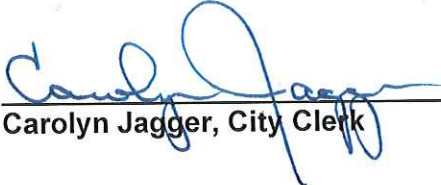
January 12, 2021

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 30th day of November 2020.

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

DATED this 12th day of January 2021.



Carolyn Jagger, City Clerk

Item 4

FY 2019/20 Annual Financial Audit

Sharron E. Walker, CPA, CFE
City Auditor

Contracted CPA Firm: Heinfeld, Meech & Co., PC

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Background

- Charter requires City Council to designate CPAs to perform an independent audit of City's annual financial statements
- Council assigned financial audit contract coordination and monitoring to the City Auditor
- Audit Committee received FY 2019/20 audit reports at its November 9, 2020, meeting

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Summary of Financial Audit Reports

Annual financial audit includes:

- City's Comprehensive Annual Financial Report (CAFR)
Unmodified opinion – financial statements are fairly presented in all material respects
- Component Units' Annual Financial Reports
 - Community Facilities Districts (5 CFDs)
 - Municipal Property Corporation (MPC)
 - Scottsdale Preserve Authority (SPA)Unmodified opinions on each
- Report on Internal Control and Compliance based on a Financial Statement audit – City and each Component Unit – no issues reported

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Related Communications

Communication to Governance – for City and each Component Unit, communicates key points such as:

- Accounting practices, significant estimates - no issues
- Audit adjustments or disagreements with management - no issues
- Other similar matters - no issues

Attachments:

- **Engagement Letters** – CPA firm communicated scope of audit
- **Management Representation Letters** – City management affirmed its responsibility for financial reports and information provided

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Federal funding/compliance reports — pending federal guidance

Single Audit Report:

- Report on Internal Control and Compliance based on the Financial Statement audit - completed
- Report on Compliance, Internal Control and Expenditures of Federal Awards
- Schedule of Expenditures of Federal Awards
- Findings / Prior Audit Findings

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Other funding/compliance reports

State funding/compliance report

- Highway User Revenue Fund (HURF) uses
City complied with state requirements

Other Reports to be completed later (January/February)

- HUD-required financial schedule - federal
- Annual Expenditure Limitation Report - state

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Requested Action

As recommended by the City Council's Audit Committee:

Accept the FY 2019/20 financial audit reports submitted by the City's external auditors, Heinfeld, Meech & Co. P.C.