

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING AND WORK STUDY SESSION MINUTES
TUESDAY, MAY 6, 2025**



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

CALL TO ORDER

Mayor Lisa Borowsky called to order a Regular Meeting and Work Study Session of the Scottsdale City Council at 5:01 p.m. on Tuesday, May 6, 2025 in the City Hall Kiva Forum.

ROLL CALL

Mayor Borowsky asked City Clerk Ben Lane to conduct the roll call.

Present: Mayor Lisa Borowsky; Vice Mayor Jan Dubauskas; and Councilmembers Barry Graham, Adam Kwasman, Kathy Littlefield, Maryann McAllen, and Solange Whitehead

Also Present: City Manager Greg Caton, City Attorney Sherry Scott, City Treasurer Sonia Andrews, and City Clerk Ben Lane

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilman Graham.

INVOCATION

In lieu of an invocation, Mayor Borowsky requested the presentation of a video tribute commemorating the life of former Scottsdale Councilmember and State Legislator Paul Messinger.

MAYOR'S REPORT

Mayor Borowsky noted the passing of community icon Paul Messinger on April 22, 2025 at the age of 95. She discussed his many accomplishments and noted his grace and humility. She stated that he would be deeply missed and expressed her condolences.

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.

PRESENTATIONS/INFORMATION UPDATES

- **Recognition of the 2025 Scottsdale 101 Citizen Academy Graduates**
Presenter(s): Joy Racine, Community Involvement Manager
Note: The Council may make comments or ask questions to the presenter(s); however, no Council action will be taken.

Community Involvement Manager Joy Racine gave a PowerPoint presentation (attached) and presented the 2025 Scottsdale 101 Citizen Academy graduates. 2025 Scottsdale 101 Citizen Academy graduates Martha West and Skylin Flores spoke about their experience and the many facts they learned about Scottsdale.

PUBLIC COMMENT

Carla, Dr. Sonnie Kirtley and John Ainlay, Scottsdale residents, presented a citizen petition (attached) urging the City Council to maintain funding for the Rio Verde wildlife overpass crossing (land bridge).

Dan Ishac, Scottsdale resident, discussed the Rules of Council Procedure and Council decorum.

John Deal, Scottsdale resident, discussed concerns regarding rezoning, Papago Village, developers, and traffic on Oak Street.

MINUTES

Request: Approve the following Council meeting minutes from March and April 2025:

- a. **Regular Meeting Minutes of March 18, 2025**
- b. **Special Meeting Minutes of April 8, 2025**
- c. **Executive Session Minutes of April 8, 2025**

MOTION AND VOTE - MINUTES

Councilwoman McAllen made a motion to approve the Regular Meeting Minutes of March 18, 2025; Special Meeting Minutes of April 8, 2025; and Executive Session Minutes of April 8, 2025. Vice Mayor Dubauskas seconded the motion, which carried 7/0, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

CONSENT AGENDA

1. Liquor Pig Liquor License (18-LL-2025)

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: 7217 E. 4th Avenue

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210,
tcurtis@scottsdaleaz.gov

2. Good Fortune Chinese Restaurant Liquor License (19-LL-2025)

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: 23623 N. Scottsdale Road, Unit D107

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210,
tcurtis@scottsdaleaz.gov

3. **Malee's Thai Bistro Liquor License (20-LL-2025)**
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: 7131 E. Main Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
 4. **Vision Distilling Liquor Licenses (22-LL-2025)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 18 (in-state craft distiller) State liquor license for a new location and owner.
Location: 14425 N. 79th Street, Suite D
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
 5. **Pour Decisions Patio & Kitchen Conditional Use Permit (9-UP-2024)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 13349** approving the conditional use permit for bar use on a ±2,700 square foot establishment with Downtown Retail Specialty-type 1 Downtown Overlay (D/RS-1 DO) zoning.
Location: 4209 and 4213 N. Craftsman Court
Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov
- (Moved to Regular Agenda, see page 6)
6. **Orangedale AZ Conditional Use Permit (10-UP-2024)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 13382** approving the conditional use permit for bar use on an existing ±1,552 square foot establishment with Planned Community Center Environmentally Sensitive Lands (PCC ESL) zoning.
Location: 10121 E. Bell Road, Suite 110 (AKA Suite 100)
Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov
 7. **Aria at Silverstone Final Plat (2-PP-2024)**
Request: Approve the final plat for a residential subdivision, consisting of 100 lots, private internal street tracts, and various easements on a ±13-acre site with Planned Community District, Multi-Family Residential (P-C R-5) zoning.
Location: 22602 N. 74th Street
Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov
 8. **Wildcat Hill Phase 2 Final Plat (1-PP-2019#4)**
Request: Approve the final plat replat of Wildcat Hill Phase 2 to create 35 lots on ±95 acres of a ±353-acre site, as per Phase 2 of the Sereno Canyon Community Phasing Plan and Final Plat with Single-Family Residential, Environmentally Sensitive Lands (R1-70 ESL) zoning.
Location: South of Cave Creek Road and Bartlett Dam Road
Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov

9. Wildcat Hill Phase 3 Final Plat (1-PP-2019#5)

Request: Approve the final plat replat of Wildcat Hill Phase 3 to create 13 lots on ±27.53 acres of a ±353-acre site, as per Phase 3 of the Sereno Canyon Community Phasing Plan and Final Plat with Single-Family Residential, Environmentally Sensitive Lands (R1-70 ESL) zoning.

Location: South of Cave Creek Road and Bartlett Dam Road

Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov

10. De Rito Final Plat (5-MD-2024)

Request: Approve the final plat to create a four-lot subdivision on a ±85-acre site, including dedication of the North Miller Road full right-of-way and various easements with Planned Community District, Industrial Park (P-C I-1) and Planned Community District, Central Business (P-C C-2) zoning.

Location: Southwest Corner of N. Hayden Road and the Loop 101

Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov

11. Wired Telecommunications License Agreement

Request: Adopt **Resolution No. 13398** authorizing Agreement No. 2025-069-COS with Cablevision Lightpath, LLC, to construct, operate, maintain, and repair a wired telecommunications network within the City's rights-of-ways.

Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov

12. Water Campus Administration Building Design-Build Manager Construction Phase Contract

Request: Adopt **Resolution No. 13384** authorizing Design-Build Manager Preconstruction Phase Contract No. 2023-004-COS-A3, the third amendment to the contract with Willmeng Construction, Inc., in an amount not to exceed \$21,754,736.62, to provide construction services for Phase 1 of the Scottsdale Water Campus Laboratory Expansion and Administration Building Renovation Project.

Location: 8787 E. Hualapai Drive

Staff Contact(s): Alison Tymkiw, Senior Director – City Engineer, 480-312-7760, atymkiw@scottsdaleaz.gov

13. First Things First Grant Agreement Amendment for the Scottsdale Family Resource Center

Request: Adopt **Resolution No. 13397** to authorize:

1. Agreement No. 2023-082-COS-A2 with the Arizona Early Childhood Development and Health Board (First Things First), to renew the grant agreement for an additional 12-month period and to accept a grant, in the amount of up to \$250,000, for the Scottsdale Family Resource Center.
2. A Budget Transfer, of \$250,000, from the adopted Fiscal Year 2025/26 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.
3. The Senior Director – Libraries & Human Services to act as necessary to accept and administer the grant and to execute all documents necessary for the acceptance and administration of the grant and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Kira Peters, Senior Director – Libraries & Human Services, 480-312-0104, kipeters@scottsdaleaz.gov

14. Fiscal Year (FY) 2025/26 Human Services Program Funding

Request: Adopt **Resolution No. 13405** approving the recommendations of the Human Services Advisory Commission and authorizing:

1. The allocation of FY 2025/26 Scottsdale Cares Program funding, in the amount of \$180,000, to agencies supporting a variety of human services programs.
2. The allocation of FY 2025/26 General Fund, in the amount up to \$80,000, to agencies supporting a variety of human services programs.
3. The allocation of FY 2025/26 Salt River Pima-Maricopa Indian Community funds, in the amount of \$130,000, supporting home-delivered and congregate meals.
4. The Senior Director – Libraries & Human Services, or designee, to execute contracts with non-profit agencies for programs and services that do not exceed the formal bid limit of \$50,000.
5. The Mayor to execute contracts with agencies for services and programs that exceed the current formal bid limit of \$50,000.
6. The Housing and Community Assistance Manager to adjust each organization's recommended funding award by the appropriate percentage should any final funding amounts differ from the amounts estimated in this Resolution and corresponding exhibit.
7. The Senior Director – Libraries & Human Services, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Kira Peters, Senior Director – Libraries & Human Services, 480-312-0104, kipeters@scottsdaleaz.gov

15. Salt River Project Water Transportation Agreement

Request: Adopt **Resolution No. 13375** to authorize:

1. Water Transportation Agreement No. 2025-060-COS and Land Use License Agreement No. 2025-060-COS-E1 with the Salt River Project Agricultural Improvement and Power District for water transportation services.
2. The Water Resources Executive Director to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution and Contract.

Staff Contact(s): Kevin Rose, Interim Water Resources Executive Director, 480-312-5621, kröse@scottsdaleaz.gov

16. Investment Management Services Professional Services Contract

Request: Adopt **Resolution No. 13399** to authorize:

1. Contract No. 2025-070-COS with U.S. Bancorp Asset Management, Inc., to provide investment management services.
2. The City Treasurer, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution and Contract.

Staff Contact(s): Anna Henthorn, Assistant City Treasurer, 480-312-7805, ahenthorn@scottsdaleaz.gov

17. Learning Management System Software as a Service Contract

Request: Adopt **Resolution No. 13410** to authorize:

1. Contract No. 2025-075-COS with Meridian Knowledge Solutions, LLC, in the amount of \$84,510, for an additional one-year extension period beyond the five years administratively authorized through Administrative Contract No. 20RP023.
2. The City Manager, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Monica Boyd, Human Resources Director, 480-312-2615, mboyd@scottsdaleaz.gov

18. Audit Committee Recommendation for the Historic Preservation Commission Sunset Review

Request: Accept the Audit Committee's recommendation and authorize the continuation of the Historic Preservation Commission.

Staff Contact(s): Lai Cluff, Acting City Auditor, 480-312-7851, lcluff@scottsdaleaz.gov

19. Outside Legal Services Contract Related to Axon Legislation

Request: Adopt **Resolution No. 13415** to authorize:

1. Contract No. 2025-077-COS with Greenberg Traurig, LLP (Dominic Draye) to represent the City of Scottsdale in matters arising out of recently passed State legislation, specifically Senate Bill (SB) 1543 (and any other related legal issues surrounding Axon's planned future development and zoning).
2. The City Attorney, or designee, to take and direct any such actions as necessary to defend the City's legal position, including but not limited to filing legal challenges or litigation deemed if determined to be warranted and in the City's best interest.
3. A Contingency Budget Transfer, of up to \$200,000, to the City Attorney's Operating (Outside Counsel) Fiscal Year 2024/25 Budget.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

(Moved to Regular Agenda, see page 7)

PUBLIC COMMENT – CONSENT AGENDA

Mayor Borowsky opened public comment on the Consent Agenda items.

Roger Lurie, with the Human Services Advisory Commission, spoke in support of Item 14 [Fiscal Year (FY) 2025/26 Human Services Program Funding].

Mayor Borowsky closed public comment on the Consent Agenda items.

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Whitehead requested that Item 5 [Pour Decisions Patio & Kitchen Conditional Use Permit (9-UP-2024)] and Item 19 [Outside Legal Services Contract Related to Axon Legislation] be considered as part of the Regular Agenda.

Vice Mayor Dubauskas made a motion to approve Consent Agenda Items 1 through 18, noting that Item 5 [Pour Decisions Patio & Kitchen Conditional Use Permit (9-UP-2024)] and Item 19 [Outside Legal Services Contract Related to Axon Legislation] would be considered as part of the Regular Agenda. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

REGULAR AGENDA

5. Pour Decisions Patio & Kitchen Conditional Use Permit (9-UP-2024)

Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 13349** approving the conditional use permit for bar use on a ±2,700 square foot establishment with Downtown Retail Specialty-type 1 Downtown Overlay (D/RS-1 DO) zoning.

Location: 4209 and 4213 N. Craftsman Court

Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov

Senior Planner Casey Steinke gave a PowerPoint presentation (attached) on the proposed Pour Decisions Patio & Kitchen Conditional Use Permit (CUP).

Applicant Representative Lauren Proper Potter, with Huellmantel & Affiliates, and Applicant Jackson Armstrong gave a PowerPoint presentation (attached) on the proposed Pour Decisions Patio & Kitchen CUP.

PUBLIC COMMENT – ITEM 5

Mayor Borowsky opened public comment on this item.

Joe Garagiola, Jr., Scottsdale resident, spoke in support of the Pour Decisions CUP.

Blen Shipp, Scottsdale resident, spoke in support of the Pour Decisions CUP.

Megan Carollo, Scottsdale resident, spoke in opposition to the Pour Decisions CUP.

Sandra Singh, Scottsdale resident, spoke in support of the Pour Decisions CUP.

Steve Johnson, Scottsdale resident, spoke in opposition to the Pour Decisions CUP.

Mayor Borowsky closed public comment on this item.

MOTION AND VOTE – ITEM 5

Councilwoman Whitehead made a motion to adopt Resolution No. 13349 approving the conditional use permit for bar use on a ±2,700 square foot establishment with Downtown Retail Specialty-type 1 Downtown Overlay (D/RS-1 DO) zoning with added stipulations to strike the 4200 Craftsman Court address for parking agreement purposes; that noise levels from this establishment as observed from the west side of Craftsman Court shall not to exceed 75 decibels; and the term of the conditional use permit shall be reviewed by the City Council in one year unless amended or renewed. Councilwoman McAllen seconded the motion, which carried 7/0, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

19. Outside Legal Services Contract Related to Axon Legislation

Request: Adopt Resolution No. 13415 to authorize:

4. Contract No. 2025-077-COS with Greenberg Traurig, LLP (Dominic Draye) to represent the City of Scottsdale in matters arising out of recently passed State legislation, specifically Senate Bill (SB) 1543 (and any other related legal issues surrounding Axon's planned future development and zoning).
5. The City Attorney, or designee, to take and direct any such actions as necessary to defend the City's legal position, including but not limited to filing legal challenges or litigation deemed if determined to be warranted and in the City's best interest.
6. A Contingency Budget Transfer, of up to \$200,000, to the City Attorney's Operating (Outside Counsel) Fiscal Year 2024/25 Budget.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

Mayor Borowsky introduced the Outside Legal Services Contract Related to Axon Legislation item.

PUBLIC COMMENT – ITEM 19

Mayor Borowsky opened public comment on this item.

Dan Ishac, Scottsdale resident, discussed concerns regarding a referendum election not being held this year and noted his opposition to outside counsel being utilized.

Andrew Greybar, Scottsdale resident, noted his opposition to hiring outside counsel and discussed concerns with the funding mechanisms used by the political action committee supporting the referendum effort.

Dr. Sandra Olic, Scottsdale resident, noted that she lived adjacent to Axon headquarters and discussed her opposition to hiring outside counsel.

Nick VanHyfte, Scottsdale resident, noted that he lived adjacent to Axon headquarters and discussed his opposition to hiring outside counsel.

Mayor Borowsky closed public comment on this item.

MOTION NO. 1 AND VOTE – ITEM 19

Councilwoman Whitehead made a motion to continue Item 19 [Outside Legal Services Contract Related to Axon Legislation] to a date to be determined. Councilwoman McAllen seconded the motion, which failed 2/5, with Councilmembers McAllen and Whitehead voting in the affirmative and Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, and Littlefield dissenting.

MOTION NO. 2 – ITEM 19

Councilman Graham made a motion to adopt Resolution No. 13415. Councilwoman Littlefield seconded the motion.

AMENDMENT TO MOTION NO. 2 – ITEM 19

Mayor Borowsky offered a friendly amendment to Councilman Graham's motion to cap the authorization at \$100,000. Councilman Graham and Councilwoman Littlefield agreed to the friendly amendment.

VOTE ON AMENDED MOTION NO. 2 – ITEM 19

The Council then voted on Councilman Graham's motion to adopt Resolution No. 13415, as amended, which carried 5/2, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, and Littlefield voting in the affirmative and Councilmembers McAllen and Whitehead dissenting.

- 20. Proposed Fiscal Year (FY) 2025/26 Operating Budget and Capital Improvement Plan**
Request: Presentation, discussion, and possible direction to staff regarding the Proposed FY 2025/26 Operating Budget and Capital Improvement Plan.
Presenter(s): Sonia Andrews, City Treasurer; Alison Tymkiw, Senior Director – City Engineer
Staff Contact(s): Scott Selin, Budget Department Director, 480-312-2603, sselin@scottsdaleaz.gov

City Treasurer Sonia Andrews and Budget Department Director Scott Selin gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2025/26 Operating Budget and Capital Improvement Plan (CIP).

PUBLIC COMMENT – ITEM 20

Mayor Borowsky opened public comment on this item.

Dr. Sonnie Kirtley, with the Coalition of Greater Scottsdale, discussed keeping the funding for the Rio Verde wildlife overpass crossing (land bridge) in the CIP budget.

Betty Janik, former Scottsdale Councilmember, read a letter on behalf of Howard Myers discussing the funding history and possible uses for funding improvements to the McDowell Sonoran Preserve. Councilwoman Janik noted the importance of protecting the Preserve.

Dr. Freda Hartman, with the Scottsdale Library Board, discussed the need for CIP funding for an additional restroom on the second floor of the Civic Center Library.

Harold Back, with the 68th Street Sidewalk Association, spoke in support of funding the 68th Street Sidewalk CIP project.

Cynthia Wenstrom, Scottsdale resident, spoke in support of funding for the land bridge.

Steve Coluccio, with the McDowell Sonoran Preserve Commission, spoke in support of the feasibility study for the land bridge.

Mayor Borowsky closed public comment on this item.

MOTION NO. 1 AND VOTE – ITEM 20

Vice Mayor Dubauskas made a motion to direct staff to move \$392,938 in funding for Scottsdale Arts from General Enterprise Fund Operations to General Fund Contingency and defer the increase until it can be discussed further by the City Council. Councilman Graham seconded the motion, which carried 5/1, with Vice Mayor Dubauskas and Councilmembers Graham, Kwasman, Littlefield, and Whitehead voting in the affirmative and Mayor Borowsky dissenting. [Councilwoman McAllen was absent for the vote.]

MOTION NO. 2 AND VOTE – ITEM 20

Councilman Kwasman made a motion to direct staff to reclassify the Management Analyst PCN 3279 position to a Management Associate and to reclassify the Executive Assistant PCN 0179 position to a Management Associate and to relocate both these positions from the Mayor and Council Cost Center to the City Clerk Cost Center. Councilman Graham seconded the motion, which carried 4/3, with Vice Mayor Dubauskas and Councilmembers Graham, Kwasman, and Littlefield voting in the affirmative and Mayor Borowsky and Councilmembers McAllen and Whitehead dissenting.

PUBLIC COMMENT

No public comments were received.

MAYOR AND COUNCIL

22. Agendize an Item for Discussion and Possible Action related to the Human Relations Commission and Diversity-Related Programming

Request: At the request of Councilwoman Whitehead, direct the Interim City Manager to agendize an item for discussion and possible action at a future City Council Meeting related to having the Human Relations Commission: develop criteria that can be used to evaluate current and future diversity-related programming; seek public feedback on diversity-related programming by working with the City Manager, or designee, and appropriate City staff to hold three community meetings in the North, Central, and South regions of the City; and make recommendations to the Council and the City Manager that clarify the continuation or discontinuation of existing diversity-related programs for employees and the public.

MOTION AND VOTE – ITEM 22

Vice Mayor Dubauskas moved to initiate a formal City Council review of the April 17, 2025 Development Review Board decision regarding BB Living at Cavasson. Councilwoman Littlefield seconded the motion, which carried 4/3 with Vice Mayor Dubauskas and Councilmembers Graham, Kwasman, and Littlefield voting in the affirmative and Mayor Borowsky and Councilmembers McAllen and Whitehead dissenting.

CITIZEN PETITIONS

21. 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): Ben Lane, City Clerk, 480-312-2411, blane@scottsdaleaz.gov

NOTE: Mayor Borowsky requested Item 21 be considered after Item 22 [Initiate City Council Review of the Development Review Board's April 17, 2025 Decision Regarding BB Living at Cavasson].

A citizen petition presented by Carla, Dr. Sonnie Kirtley, and John Ainlay urging the City Council to maintain budget funding for the Rio Verde wildlife overpass crossing (land bridge) was accepted and acknowledged.

MOTION AND VOTE – ITEM 21

Vice Mayor Dubauskas made a motion direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Borowsky; Vice Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

WORK STUDY SESSION

PUBLIC COMMENT – WORK STUDY SESSION

There was no public comment on the Work Study Session.

1. Quarterly Financial and Capital Improvement Plan (CIP) Updates

Requests:

- a. Receive, discuss, and provide possible direction on the City Treasurer's quarterly financial presentation as of March 2025.
- b. Receive, discuss, and provide possible direction on the City Engineer's quarterly CIP presentation as of March 2025.

Presenter(s): Sonia Andrews, City Treasurer; Alison Tymkiw, Senior Director – City Engineer

Staff Contact(s): Scott Selin, Budget Department Director, 480-312-2603,
sselin@scottsdaleaz.gov

City Treasurer Sonia Andrews gave a PowerPoint presentation (attached) on the Quarterly Financial Plan updates.

Senior Director – City Engineer Alison Tymkiw gave a video and slide presentation (attached) on the Quarterly Capital Improvement Plan updates.

MOTION AND VOTE – ADJOURNMENT

Mayor Borowsky made a motion to adjourn the Regular Meeting and Work Study Session. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor Borowsky adjourned the Regular Meeting and Work Study Session at 8:57 p.m.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on

June 10, 2025

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting and Work Study Session of the City Council of Scottsdale, Arizona, held on the 6th day of May 2025.

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

DATED this 10th day of June 2025.



Ben Lane, City Clerk

PRESENTATION/
INFORMATION UPDATE

Government 101 Citizen's Academy

May 6, 2025

Joy Racine

Community Involvement Manager

Office of Communications and Citizen Service



An immersive experience that awakens you to the
pride & joy of being a citizen of Scottsdale



“Discover
what makes
Scottsdale
great and
learn how
you can be a
part of it.”



“Look behind the curtain”



“Everything you need to know about Scottsdale”



City Manager
Charter Officers

Fleet
Solid Waste
Transportation
Facilities

Scottsdale Water

Economic
Development
Tourism & Events

Planning &
Development

Volunteer
Opportunities
Networking

City bus tour
Scottsdale History

Scottsdale Police &
Fire

Scottsdale City Court

Libraries
The Preserve
Parks & Recreation
Human Services

Safety

Community and Caring Citizens

Opportunities & Organized

Tourism

Technology

Systems

Desert Landscape

Active & Accessible Community

Lifestyle

Entertainment, Engagement and Easy Access

7



Scottsdale 101

8

Learn

Love

Live

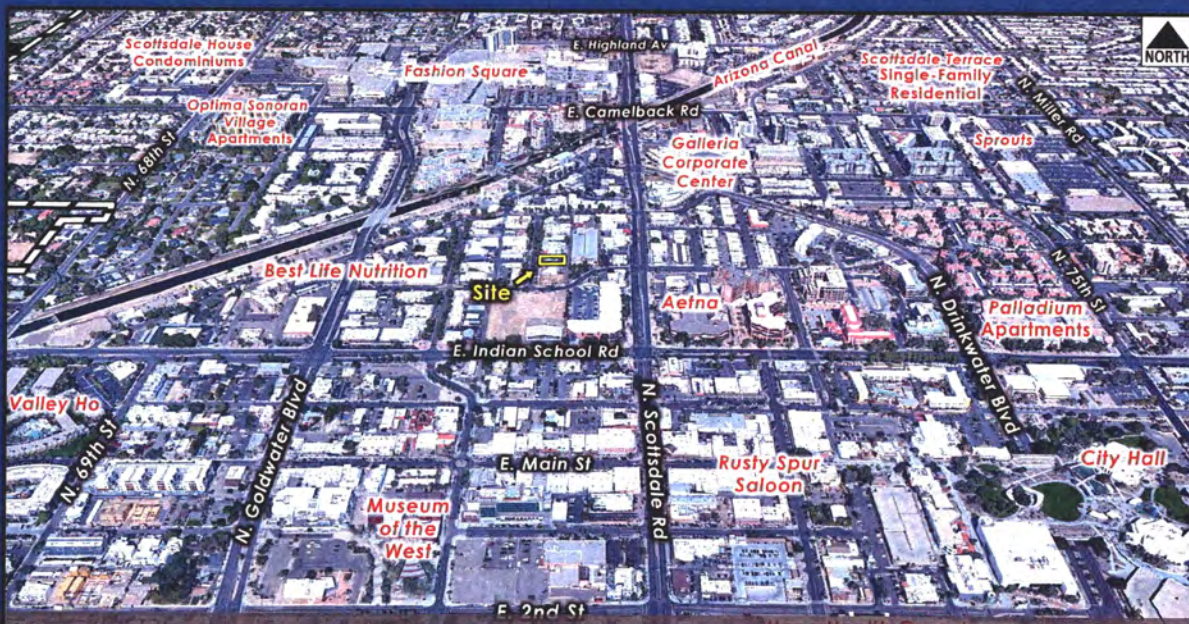


Pour Decisions Patio & Kitchen CUP

9-UP-2024

City Council | May 6, 2025

Coordinator: Casey Steinke



Context Aerial

Virtu Honest Craft

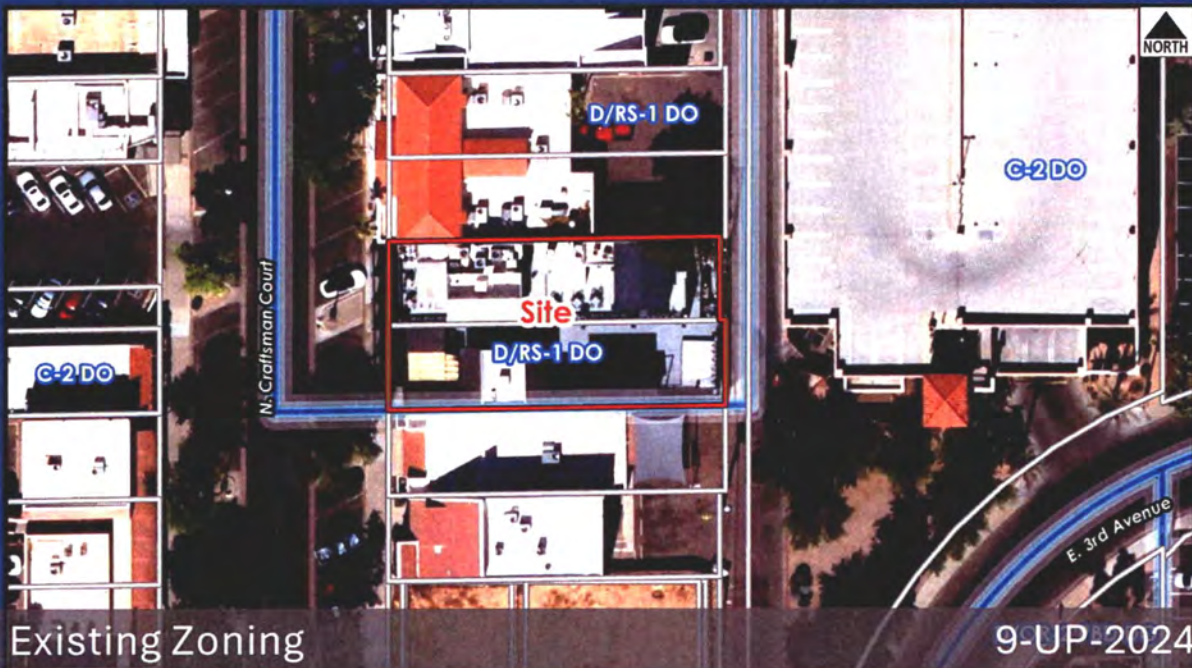
HonorHealth Greenbaum
Surgical Specialty Hospital

9-UP-2024



Detail Aerial

9-UP-2024



Existing Zoning

9-UP-2024

Action Requested

Adopt Resolution No. 13349 approving a Conditional Use Permit for a bar use on +/- 2,700 square-foot establishment located at 4209 and 4213 N. Craftsman Court with Downtown Retail Specialty-type 1 Downtown Overlay (D/RS-1 DO) zoning.



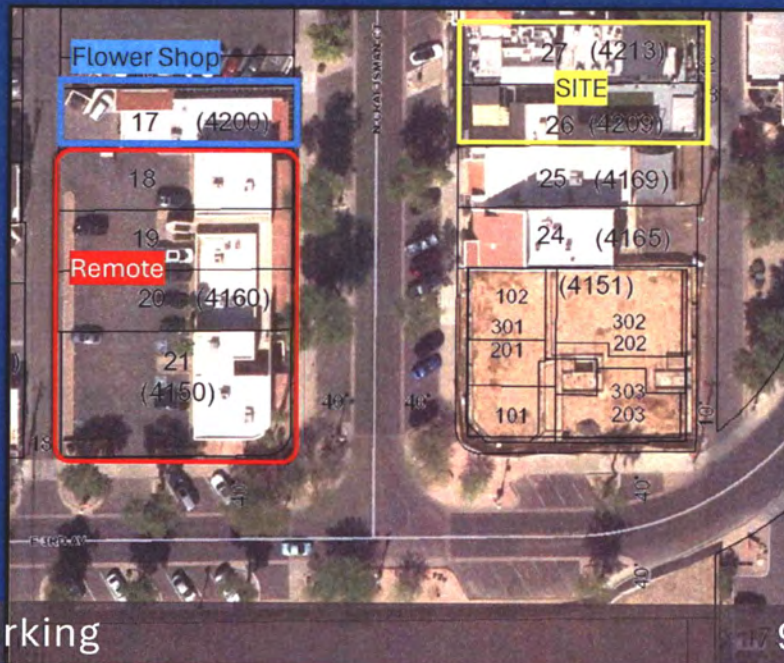
History

- 1960s: Zoned Commercial (C-2)
- 2001: Rezoned to Downtown (D)
 - 2003: Downtown Overlay (DO) applied
- 1991: Live Entertainment CUP
- 2000: Dos Gringos operates with Series 6 LL (No CUP needed)
- 2002: Patios expanded (2nd floor and added southern lot)
- 2004: CUPs now required for Bar Use
- 2020: Restaurant operation; bar use abandoned



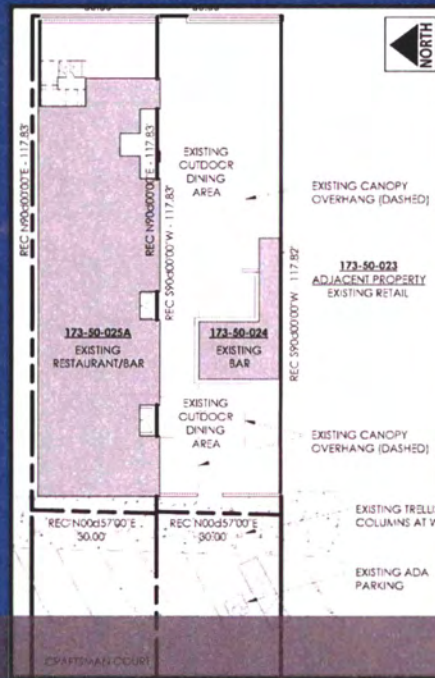
Project Details

- Existing Use: Restaurant
- Proposed Use: Bar
- Buildings/Description: Two-story building with patio
- Gross floor area: 2,357 Square feet
- Patio area: 5,330 Square feet
- Parking Required: 24 Spaces
- Parking Provided: 26 Spaces (remote)



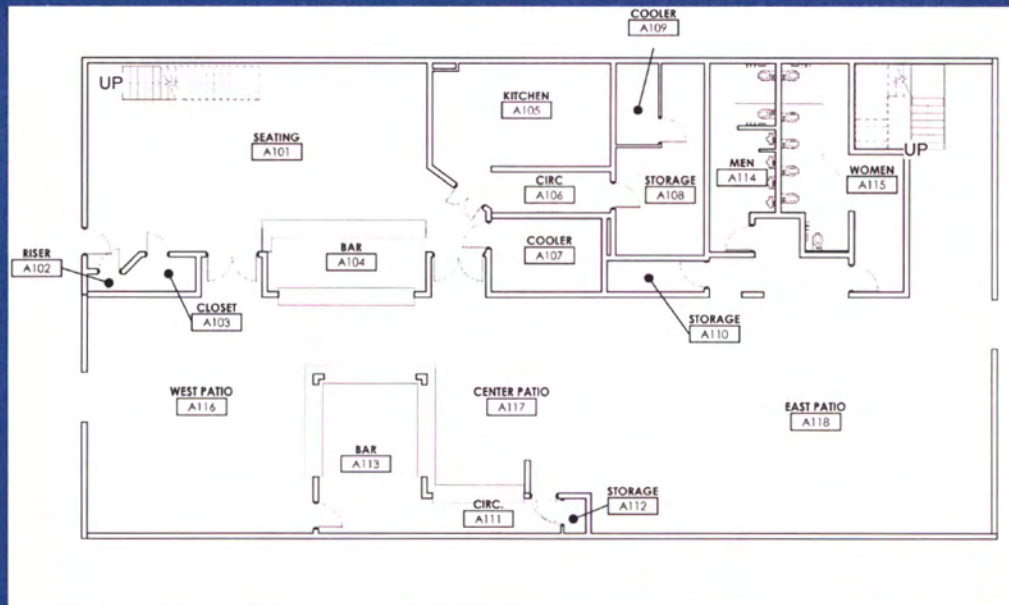
Remote Parking

117 9-UP-2024



Site Plan

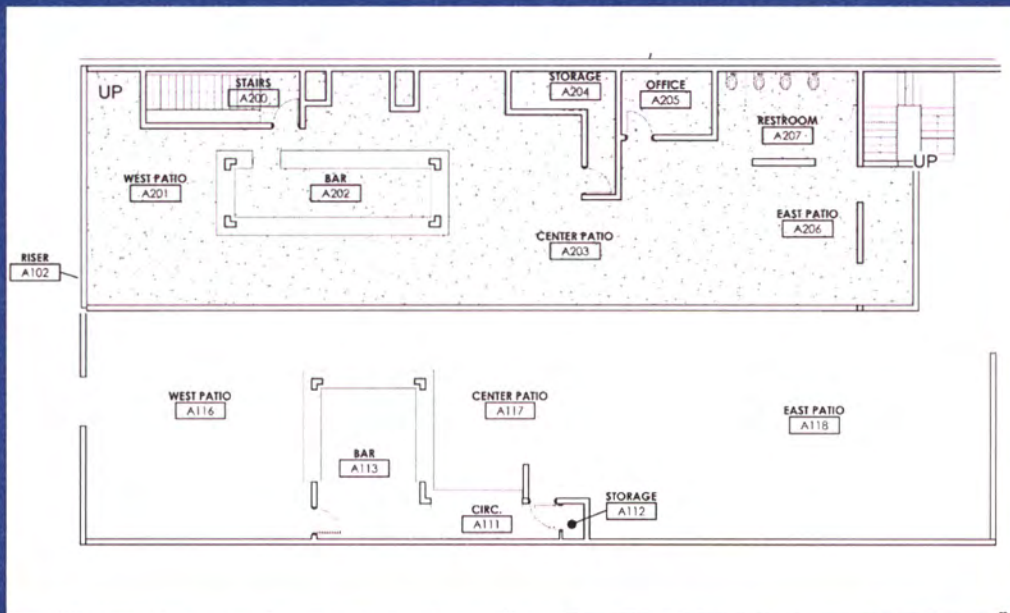
9-UP-2024



Floor Plan

1 FLOOR PLAN - 1ST FLOOR

9-UP-2024



Floor Plan

FLOOR PLAN - 2ND FLOOR

9-UP-2024



Notification

9-UP-2024 9-UP-2024

Other Boards and Commissions

- Planning Commission: April 9, 2025
 - Approved 7-0



Pour Decisions Patio & Kitchen CUP

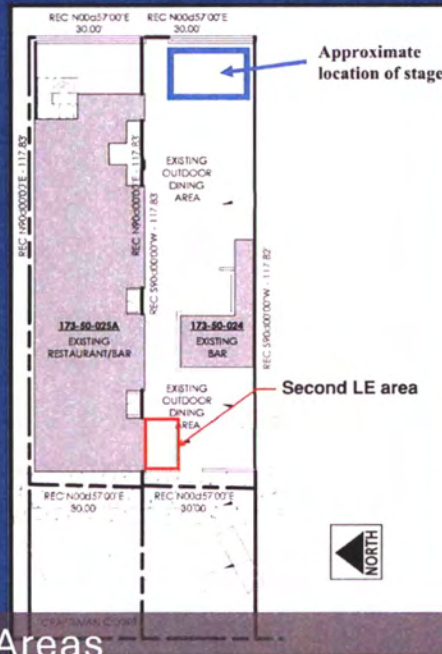
9-UP-2024

City Council | May 6, 2025

Coordinator: Casey Steinke



17-UP-1991



Live Entertainment Areas

9-UP-2024

Parking Requirements

Parking Ratios

- bar with LE: 1/80 sf
- bar patio: 1/200 sf
- restaurant with LE: 1/120 sf
- restaurant patio: 1/350 sf

Req. rest. parking
19.6 + 4.5 + 7.8
= 31.9 spaces

Req. bar parking
29.5 + 10.4 + 15.2
= 55.1 spaces

New - Old
56 - 32
= 24 required spaces

PARKING REQUIREMENTS

DAY USE (RESTAURANT WITH LIVE ENTERTAINMENT)

1ST FLOOR
INTERIOR: 2,357 SQ. FT./120 SQ. FT. 19.6
2ND FLOOR
PATIO AREA: 1,586 SQ. FT./350 SQ. FT. 4.5
(2,086 SQ. FT. LESS FIRST 500 SQ. FT.)

EVENING USE (BAR WITH LIVE ENTERTAINMENT)

1ST FLOOR
INTERIOR: 2,357 SQ. FT./80 SQ. FT. 29.5
2ND FLOOR
PATIO AREA: 1,886 SQ. FT./200 SQ. FT. 10.4
(2,086 SQ. FT. LESS FIRST 200 SQ. FT.)

PARKING REQUIREMENTS

DAY USE (RESTAURANT WITH LIVE ENTERTAINMENT)

1ST FLOOR
PATIO AREA: 2,744 SQ. FT./350 SQ. FT. 7.8
(3,244 SQ. FT. LESS FIRST 500 SQ. FT.)

EVENING USE (BAR WITH LIVE ENTERTAINMENT)

1ST FLOOR
PATIO AREA: 3,044 SQ. FT./200 SQ. FT. 15.2
(3,244 SQ. FT. LESS FIRST 200 SQ. FT.)

TOTAL PARKING REQUIREMENTS (BOTH PARCELS):
DAY USE (RESTAURANT WITH LIVE ENTERTAINMENT) 32
EVENING USE (BAR WITH LIVE ENTERTAINMENT) 56

Public Parking



Live Entertainment Conditions

CONDITIONS FOR CASE 17-UP-91

1. The development shall be in substantial conformance to the submitted site plan and program. If any changes are proposed, determined by the Planning and Zoning Manager to be significant, the revisions shall be approved by City Council through a subsequent public hearing process.
2. Commencement of amplified live entertainment shall begin no earlier than 6:00 pm Monday through Friday and 12:00 noon on Saturday and Sunday.
3. The speakers on the west stage shall be faced towards the building and away from the street.
4. All performances shall be limited to the approved stage areas. Entertainment shall not occur within the patio areas.

CUP Criteria:

A. That the granting of such conditional use permit will not be materially detrimental to the public health, safety or welfare. In reaching this conclusion, the Planning Commission and the City Council's consideration shall include, but not be limited to, the following factors:

1. Damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination.
2. Impact on surrounding areas resulting from an unusual volume or character of traffic.

B. The characteristics of the proposed conditional use are reasonably compatible with the types of uses permitted in the surrounding areas.

C. The additional conditions specified in Section 1.403, as applicable, have been satisfied.

Bar Use Criteria:

1. The use shall not disrupt existing balance of daytime and nighttime uses.

2. The use shall not disrupt pedestrian-oriented daytime activities.

3. If the site is located within the Downtown Overlay District D-O then:

a. The use shall not encourage displacement of daytime retail uses unless it can be demonstrated that the proposed use shall promote diversity of first floor uses along the street.

b. The required parking for the use shall be within six hundred (600) feet of the property and shall not be separated from the property by a major or minor arterial street.

4. If the use is located within five hundred (500) feet of a residential use or district then:

a. The use shall not adversely impact residential uses.

b. The use shall provide methods of buffering residential uses.

Bar Use Criteria (Cont'd):

5. An active management and security plan shall be created, approved, implemented, maintained, and enforced for the business.
6. The property owner shall create a written exterior refuse control plan for approval by the City.
7. The property owner shall demonstrate how noise and light generated by the use shall be mitigated.
8. The use shall conform to the parking requirements of Article IX and shall not exceed capacity for traffic in the area.
9. After hours establishments must maintain a valid after hours establishment license.

ITEM 5
APPLICANT

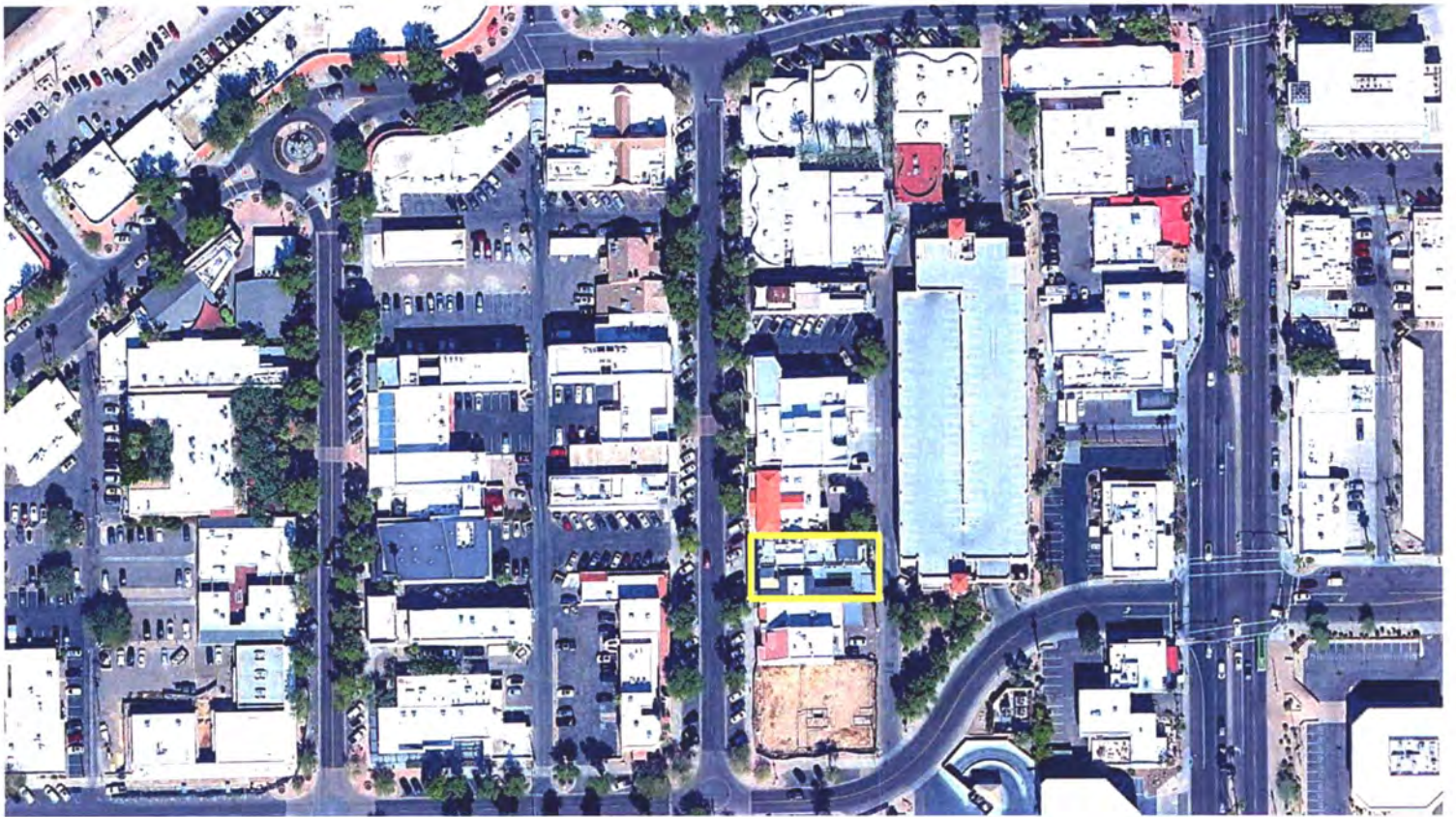
9-UP-2024

Scottsdale City Council
May 6, 2025

REQUEST

A Conditional Use Permit to allow a bar liquor license for an existing restaurant.

Pour Decisions has been open for 2 years, but needs a bar liquor license to continue operating due to requirements with the State.



SUPPORT



USE HISTORY ON SITE

1996 – 2015 – Dos Gringos opens and operates as a Bar for 19 years

2003 – 2004 – Scottsdale City Council passes ordinance requiring bars to obtain a Conditional Use Permit

2016 – 2019 – Dos Gringos becomes Old Town Gringos and obtains its own Series 6 Bar License (no CUP required because the use was grandfathered)

2021 – 2022 – Loyalty Lounge operated with a Series 12 Restaurant License

2023 – Current – Pour Decisions opens

PLANNING COMMISSION RECOMMENDATION

April 9, 2025

 Unanimous approval (7 – 0)

ADDITIONAL STIPULATIONS

FOOD SERVICE. Business operations shall include a food menu with entrees until 9:00 p.m. on business days the establishment is open. Business shall be open for lunch at least 5 days per week starting no later than 12:00 p.m., except during the summer and winter off-peak season.

HOURS OF BAR OPERATIONS. Hours of operation shall be limited to closing no later than 12:00 a.m. Sunday through Wednesday.

COVER CHARGE. No cover may be charged at the door for entry.

ADDITIONAL STIPULATIONS

PARKING ASSURANCE AGREEMENT(S). A minimum of 26 physical parking spaces shall be provided remotely at the following locations:

~~4200 N. Craftsman Ct.~~

4160 N. Craftsman Ct. Ste 101

4150 N. Craftsman Ct.

Thirty (30) days before either the expiration of any assurance agreement or a proposed change in remote parking location(s), the owner or operator shall submit a new assurance agreement to the Zoning Administrator, or designee, subject to city review and approval. Inability of the owner or operator to obtain the required parking under an assurance agreement, to the satisfaction of the Zoning Administrator, or designee, may be grounds for revocation of the Conditional Use Permit.

COUNCIL STIPULATIONS

Noise levels as observed from the west side of Craftsman Court shall not exceed 75 decibels.

Business shall return for a City Council annual review of the Conditional Use Permit by May 6, 2026.

CONDITIONAL USE PERMIT REQUIREMENTS

A

The granting of such Conditional Use Permit will not be materially detrimental to the public health, safety or welfare.

B

The characteristics of the proposed conditional use are reasonably compatible with the types of uses permitted in the surrounding areas.

C

The additional conditions specified in Section 1.403.C (bar), as applicable, have been satisfied.

CONDITIONAL USE PERMIT REQUIREMENTS

A

The granting of such Conditional Use Permit will not be materially detrimental to the public health, safety or welfare.

- 1. Damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination.*
- 2. Impact on surrounding areas resulting from an unusual volume or character of traffic.*

Pour Decisions has never had a noise complaint or other issue in the two years it has been open and will not be changing its operations as a result of this request. It will continue to operate respectfully and will not produce excessive noise, smoke, odor, dust, vibration, illumination or traffic that will have a negative impact on the surrounding area.

CONDITIONAL USE PERMIT REQUIREMENTS

B

The characteristics of the proposed conditional use are reasonably compatible with the types of uses permitted in the surrounding areas.

This exact location was previously home to other bars with Series 6 Liquor Licenses going back more than 20 years including Dos Gringos and Old Town Gringos.

Most of the property owners along the street and tenants are supportive of the request and many are frequent visitors at Pour Decisions. The nearby businesses consist of a variety of uses including other restaurants, bars, offices, multi-family housing, and soon the Kimsey hotel.

CONDITIONAL USE PERMIT REQUIREMENTS

C

The additional conditions specified in Section 1.403.C (bar), as applicable, have been satisfied.

1. *The use shall not disrupt the existing balance of daytime and nighttime uses.*
2. *The use shall not disrupt pedestrian-oriented daytime activities.*
3. *If the site is located within the downtown overlay district then:*
 - a. *The use shall not encourage displacement of daytime retail uses unless it can be demonstrated that the proposed use shall promote diversity of first floor uses along the street.*
 - b. *The required parking for the use shall be within 600' of the property and shall not be separated from the property by a major or minor arterial street.*
4. *If the use is located with 500' of a residential use or district then:*
 - a. *The use shall not adversely impact residential uses.*
 - b. *The use shall provide methods of buffering residential uses.*
5. *An active management and security plan shall be created, approved, implemented, maintained, and enforced for the business.*
6. *The applicant shall create a written exterior refuse control plan for approval by the City.*
7. *The applicant shall demonstrate how noise and light generated by the use shall be mitigated.*
8. *The applicant shall demonstrate that the use shall meet required parking and shall not exceed capacity for traffic in the area.*
9. *After hours establishments must maintain a valid after hours establishment license.*

BAR CONDITIONAL USE PERMIT REQUIREMENTS

1

The use shall not disrupt existing balance of daytime and nighttime uses.

- **Pour Decisions has recently expanded its hours to include lunch and we worked with staff to craft a stipulation that requires the restaurant to be open for lunch 5 days a week. It will remain open during lunch and dinner hours as a restaurant and transitioning into more of a bar atmosphere later in the evening (after 9:00 p.m.).**
- **Its hours are a balance of daytime and nighttime use, so it has a neutral impact to the existing balance of hours in the area.**

BAR CONDITIONAL USE PERMIT REQUIREMENTS

2

The use shall not disrupt pedestrian-oriented daytime activities.

Pour Decisions has not and will not disrupt pedestrian-oriented activities at any time. Walkability is a key feature of Craftsman Court as a small and unique street in Old Town and Pour Decisions has not been disruptive of this environment during the 2 years it has been open.

BAR CONDITIONAL USE PERMIT REQUIREMENTS

3

If the site is located within the downtown overlay district then:

a

The use shall not encourage displacement of daytime retail uses unless it can be demonstrated that the proposed use shall promote diversity of first floor uses along the street.

b

The required parking for the use shall be within 600' of the property and shall not be separated from the property by a major or minor arterial street.

- **Pour Decisions is not displacing any retail uses**
- **All remote parking is located directly west of the site at a single location**

BAR CONDITIONAL USE PERMIT REQUIREMENTS

4

If the use is located within 500' of a residential use or district then:

a

The use shall not adversely impact residential uses.

b

The use shall provide methods of buffering residential uses.

- **Pour Decisions is separated from residential by Craftsman Court**
- **The building is between two other buildings that buffer the sound on the north and south sides and the City-owned parking garage on the east**
- **Seating is limited on the western portion of the upper patio to low-top tables and chairs (no barstools)**

BAR CONDITIONAL USE PERMIT REQUIREMENTS

5

An active management and security plan shall be created, approved, implemented, maintained, and enforced for the business.

- **A Security Plan has been submitted to the City**
- **We have had early and ongoing conversations with the Police Department**

BAR CONDITIONAL USE PERMIT REQUIREMENTS

6

The applicant shall create a written exterior refuse control plan for approval by the City.

- **A refuse control plan has been submitted to the City with the operation plan, and the business is currently operational with the same refuse collection**
- **Refuse container is currently located in alley east of the building adjacent to the City-owned parking garage and will remain**

BAR CONDITIONAL USE PERMIT REQUIREMENTS

7

The applicant shall demonstrate how noise and light generated by the use shall be mitigated.

- **Pour Decisions will agree to limit noise to 75 decibels via stipulation**
- **The use is existing as a restaurant and no modifications to the building are proposed with this request**
 - **Noise is mitigated through the building's construction**
 - **Exterior speakers are oriented inward and down**
- **All lighting is existing**
 - **Building mounted, some dim hanging lights above the sidewalk, and festoon lighting on the patio**

BAR CONDITIONAL USE PERMIT REQUIREMENTS

8

The applicant shall demonstrate that the use shall meet required parking and shall not exceed capacity for traffic in the area.

- **Pour Decisions is not required to provide any additional parking for its daytime restaurant use and provides an excess of required parking through a remote parking agreement for evening hours**
 - **The remote parking is located directly across the street, all at the same location**
- **The business has been open for 2 years and has not generated traffic that would exceed capacity in the area**

USE PERMIT REQUIREMENTS

9

After hours establishments must maintain a valid after hours establishment license.

This provision does not apply to Pour Decisions, which is open from 11:00 a.m. – 12:00 p.m. Sunday – Wednesday and until 2:00 a.m. Thursday – Saturday.

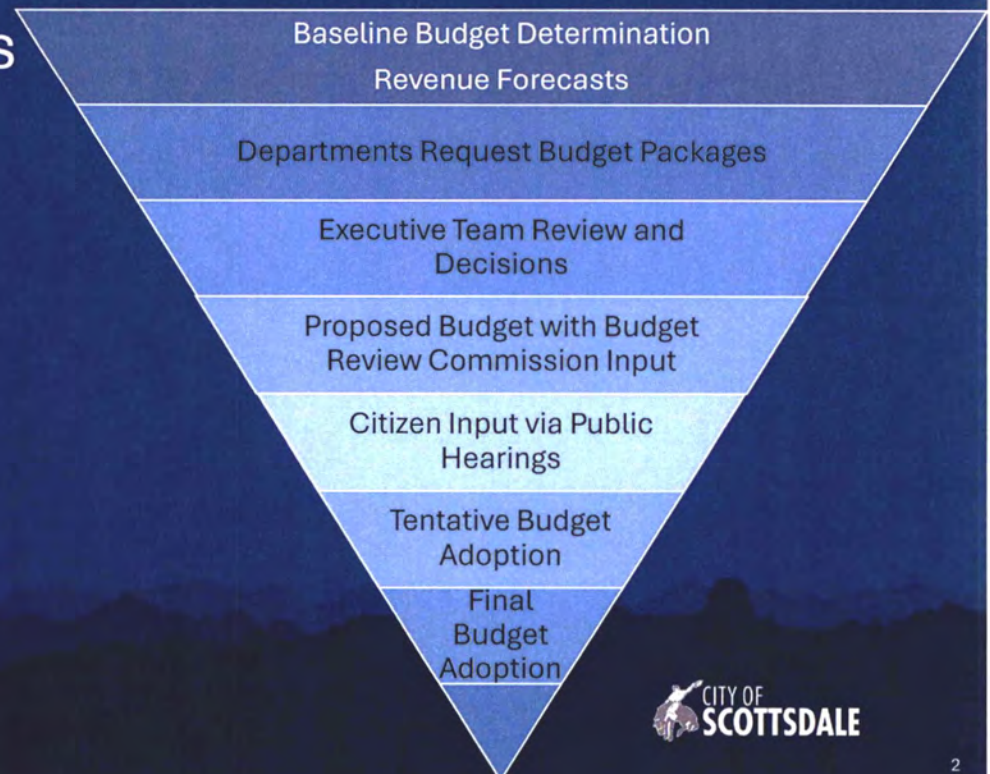
FY 2025/26 Proposed Budget and 5-Year Capital Improvement Plan

City Council Meeting
May 6, 2025



Budget Process October

June



Thank You



- Budget Team
- Department Staff
- Budget Review Commission
- City Council

FY25/26 Budget and 5-Yr CIP Adoption Timeline

April 3

Proposed
Budget
Release

April 22

Work Study
with BRC*

May 6

Proposed
Budget
Presentation

May 20

Tentative
Budget
Adoption

June 10

Final Budget
Adoption

* Budget Review Commission (BRC) reviewed proposed budget in March and April, providing input to Council at the April 22 Council Work Study.

FY 2025/26 Proposed Budget

\$2,207.9 M



Note: Amounts do not include internal transfers



5

Highlights of FY25/26 Proposed Budget

Proposed Operating Budget Increases

- 98 New FTEs (66 Police/Fire, 32 Other)
- Salary adjustments (merit/step, market/comp)
- Health care insurance costs increase (8.9%)
- Phase 2 Ambulance
- Fire truck restaffing
- New 0.15% Park and Preserve Tax expenses
- Technology and other inflationary cost increases (e.g. ERP, Water CAP and electricity)

6

Highlights of FY25/26 Proposed Budget

Operating Budget Increases are Supported by New or Dedicated Revenues and On-Going Revenues

- New 0.15% Park and Preserve Tax
- Ambulance revenues
- Water/Sewer/Solid Waste rate increases (4-6%)

Other Operating Budget Increases

- Additional PSPRS payment (\$50M) (use of reserves set aside for PSPRS)
- Fleet acquisition budget carryforward (\$12M)
- Reclassed certain capital to operating (\$13M)

7

Highlights of FY25/26 Proposed Budget

Capital Budget Net Decrease

- Increased street overlay budget
- Reclassed certain capital improvements to operating budget
- Realigned capital projects with cash flow

8

-3.8% Overall Net Decrease from Prior Year Budget

(in millions)	FY23/24 Adopted	FY 24/25 Adopted	FY 25/26 Proposed	\$ Chng from P/Y	% Chng from P/Y
Operating Budget	729	762	811	49	6.5%
PSPRS additional payment	10		50	50	
Moved from Capital Improvements			13	13	
Fleet acquisition carryforward			12	12	
Total Operating Budget	739	762	886	124	16.3%
Capital Improvements	1,369	1,068	952	(116)	-10.9%
Reserves and Contingencies	425	465	370	(95)	-20.3%
Total Budget	\$2,533	\$2,295	\$2,208	(\$87)	-3.8%

9

Operating Budget is Structurally Balanced

(in millions)	Use of Reserves and Carryforward	Proposed Expenditures	FY25/26 Projected Revenues
General Fund	\$ 50	\$ 410	\$ 423
Water and Sewer		159	230
Other Enterprise Funds		40	49
Transportation Fund		37	57
Tourism Fund		24	37
0.15% Park and Preserve Tax		11	25 New
Other Funds	12	132	132
Total	\$ 62	\$ 824	\$ 961

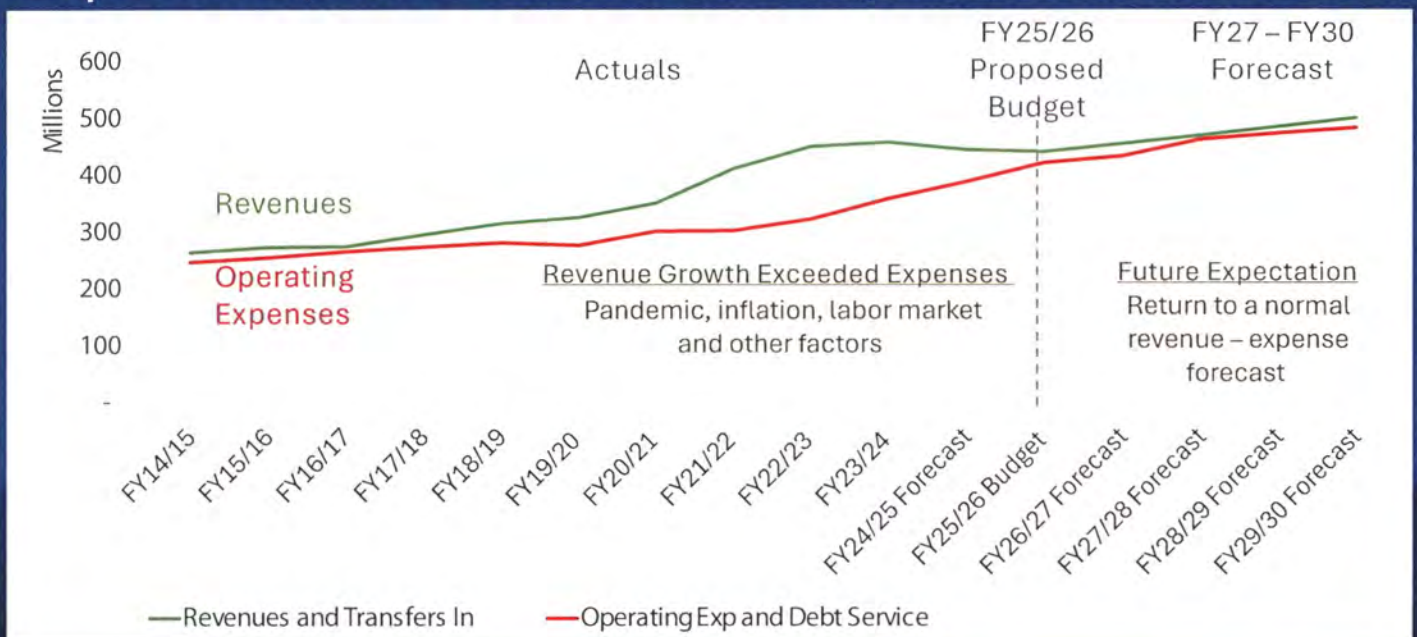
Operating Budget \$886M



Note: Excess operating revenues are used for Capital Improvements or reserved for future use

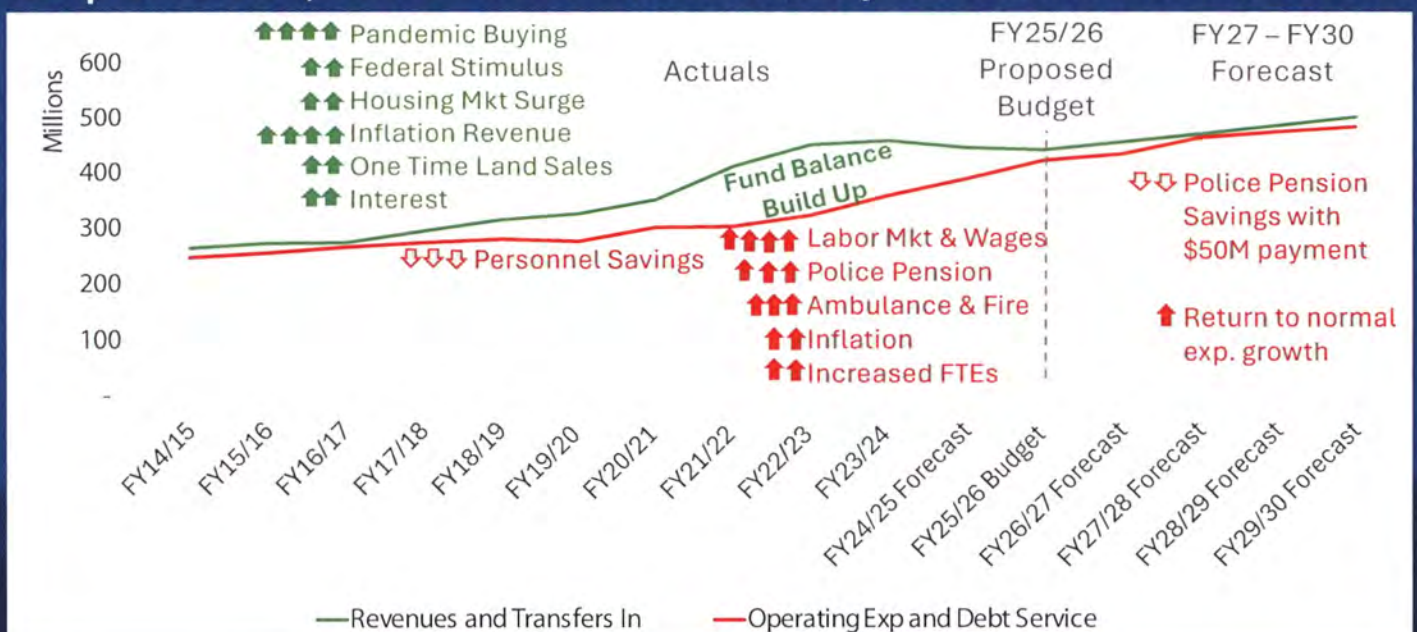
10

General Fund Revenues Increased More than Expenses (before PSPRS Additional Payments and Transfers to CIP)



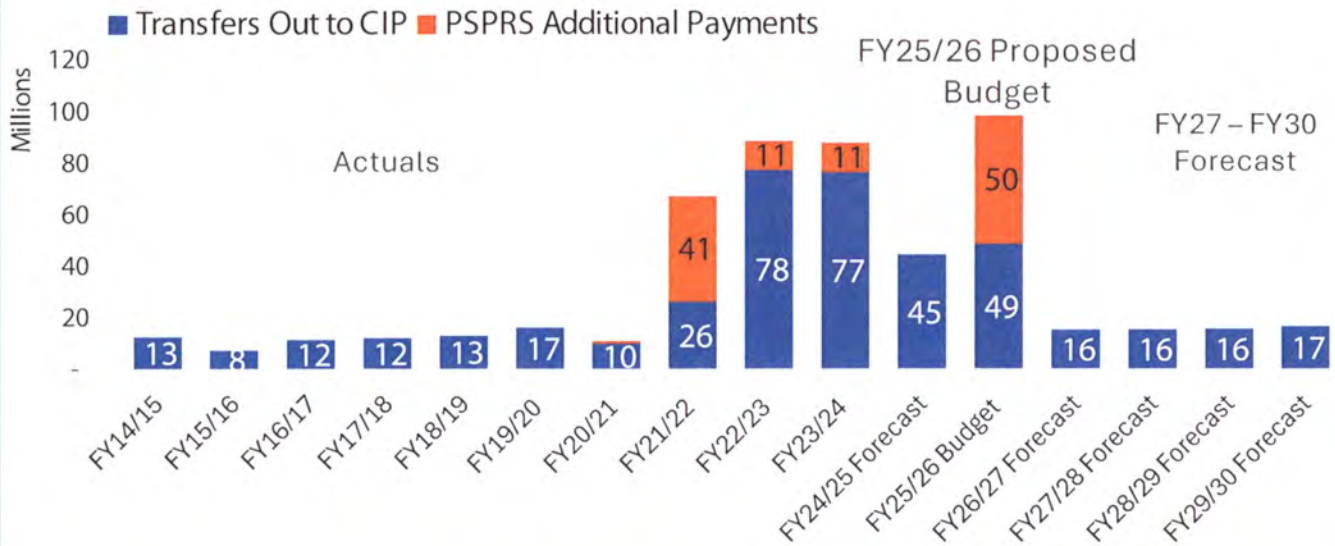
11

General Fund Revenues Increased More than Expenses (before PSPRS Additional Payments and Transfers to CIP)



12

Use of General Fund Excess Revenues and Fund Balance Build Up (in millions)



13

Police PSPRS Additional Payment & Savings

Impact of Additional Contributions

Source: 2024 Actuarial Report

Impact On	Additional Contribution (000s)										
	\$0	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000	\$90,000	\$100,000
Funded Status - June 30, 2024	70.9%	72.9%	75.0%	77.0%	79.0%	81.0%	83.0%	85.1%	87.1%	89.1%	91.1%
FYE 2026 Contribution Rate	52.55%	50.09%	47.63%	45.17%	42.71%	40.25%	37.79%	35.33%	32.88%	30.42%	27.96%

Table shows the hypothetical change in the funded status and contribution rate from the June 30, 2024 actuarial valuation results for Tiers 1 & 2 if an additional contribution of the amount shown had been made to the Fund on June 30, 2024. This illustration can help estimate the impact of contributing additional monies to the fund in the future.

Police Pension		2025/26				
Cost Savings with ER Contribution \$50M paydown	Rate	Proposed Budget	2026/27 Year 2	2027/28 Year 3	2028/29 Year 4	2029/30 Year 5
T1/T2 Savings	52.55% to 40.25%	-	(4.1M)	(4.3M)	(4.3M)	(4.4M)
Est. T3 Savings	47% to 36% est.	-	(1.7M)	(1.9M)	(1.9M)	(2.0M)

Current Police PSPRS Contribution Rates

City	Police Tier 1/2 Contribution Rate (FY 2025/26)	Police Tier 3 DB Contribution Rate (FY 2025/26)
Scottsdale	52.6%	47.0%
Glendale	32.3%	26.6%
Peoria	31.3%	25.9%
Tempe	30.1%	24.0%
Gilbert	23.6%	17.5%
Chandler	20.5%	15.1%

Source: 2024 PSPRS Actuarial Reports



15

Scottsdale Pays More to Remain Competitive at the Current Contribution Rate

Pension Cost per Officer for every \$1,000 of Salary Increase
(Tier 1 and 2)



16

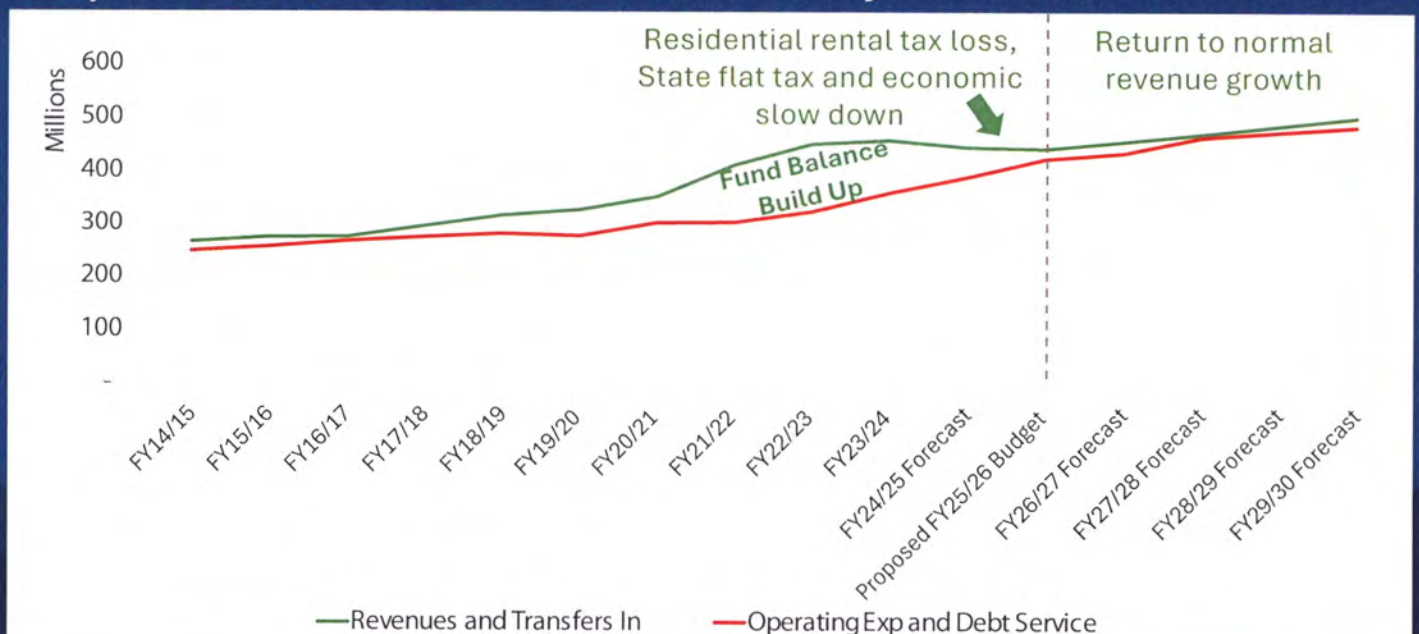
Scottsdale Pays More to Remain Competitive at the Current Contribution Rate

Pension Cost per Officer for every \$1,000 of Salary Increase
(Tier 3)



17

General Fund Revenues Expected to Cover Expenses (before PSPRS Additional Payments and Transfers to CIP)



18

Conservative Revenue Projections for FY25/26



Scottsdale's Strong Economy

- Population Growth
- Diverse Economy
- Strong Employment
- Strong Household Income
- New Developments



Economic Uncertainties

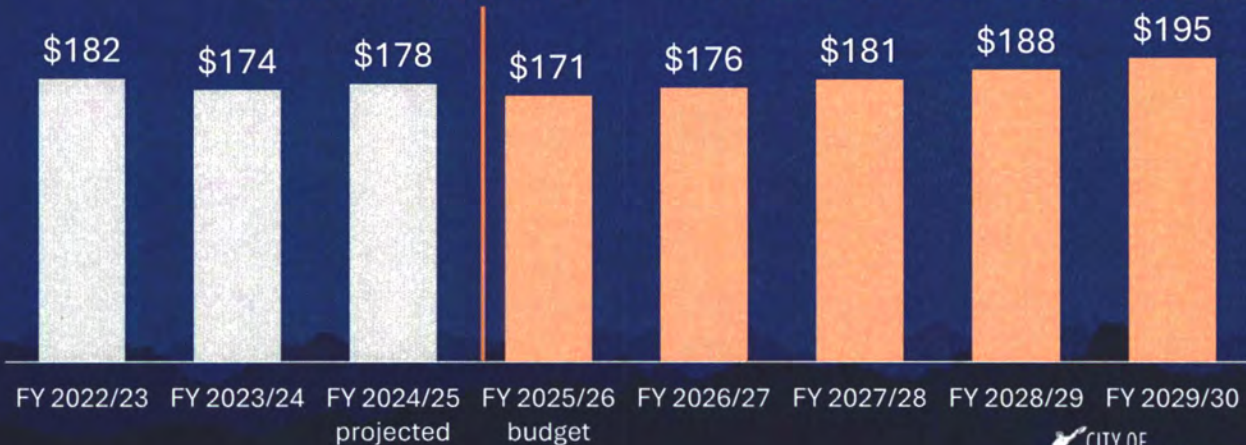
- Tariffs and Inflation
- Consumer Confidence
- Macroeconomic Policies
- State Legislative Actions

Sales Tax Decrease with Gradual Recovery

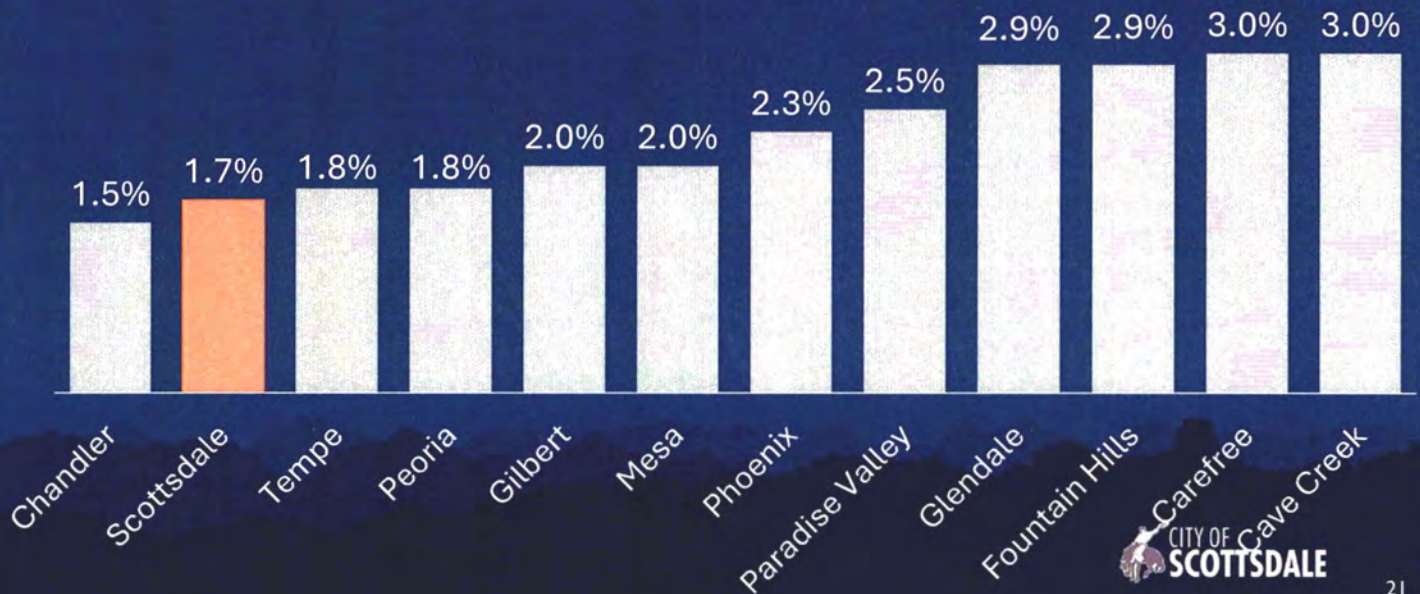
General Fund 1.0% Sales Tax Revenues (in millions)

Residential rental tax
loss and slow down

5- Year Forecast
Gradual return to normal growth



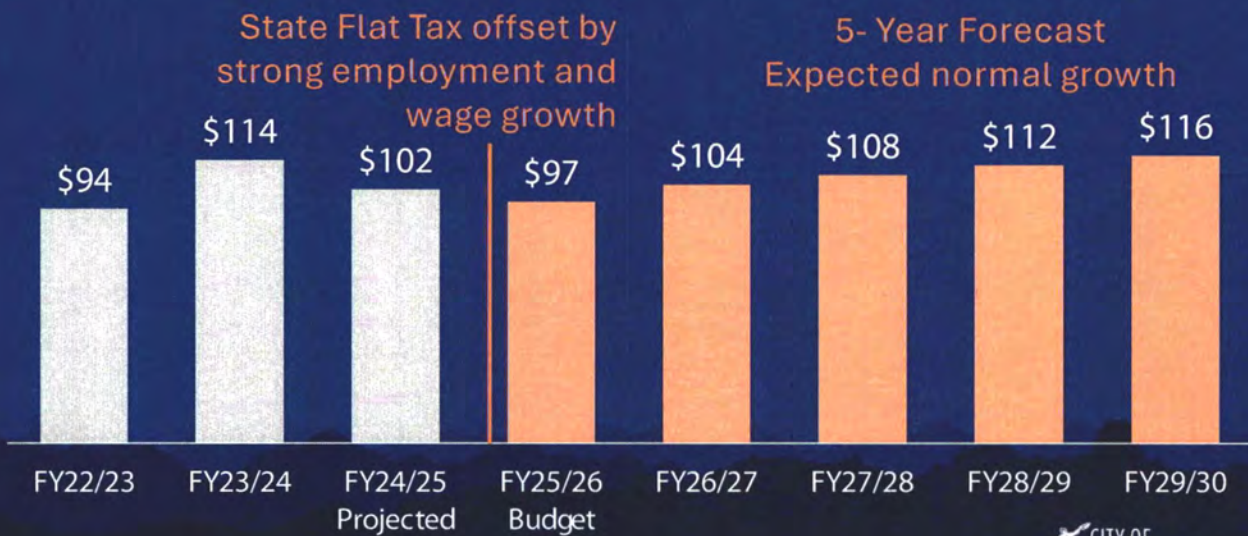
Scottsdale Maintains One of the Lowest Local Sales Tax Rate in the Valley



21

State Shared Taxes Expected Growth

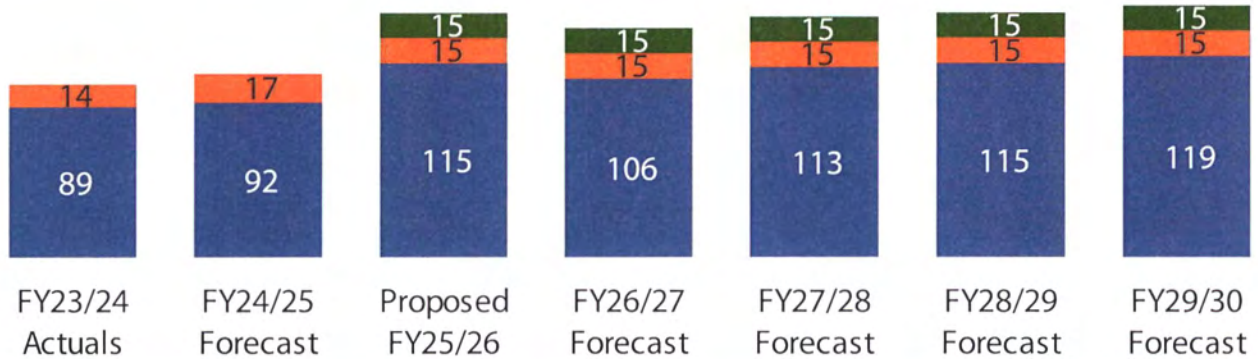
General Fund State Shared Revenues (in millions)



22

Increase in General Fund Rainy Day Funds to Cushion Against Unknowns (in millions)

■ Emergency & Operating Reserves ■ Contingencies ■ Revenue Loss Reserves



Note: Amounts do not include designated fund balances and other designated reserves



23

Proposed FY 2025/26 Budget Operating Budget



24

FY 2025/26 Proposed Budget

\$2,207.9 M

\$885.5 M
Operating
Budget

\$952.0 M
Capital
Improvements

\$370.4 M
Contingencies
and Reserves

Note: Amounts do not include internal transfers



25

98 New Full Time Equivalents (FTEs)

	Funded by General Fund	Funded by Other Funds
Fire Department	15	29
Police Department	15	7
Parks and Recreation	3	6
Transportation and Infrastructure	5	2
Other	9	7
Total New FTEs Requested	47	51

*FTE totals are rounded

26

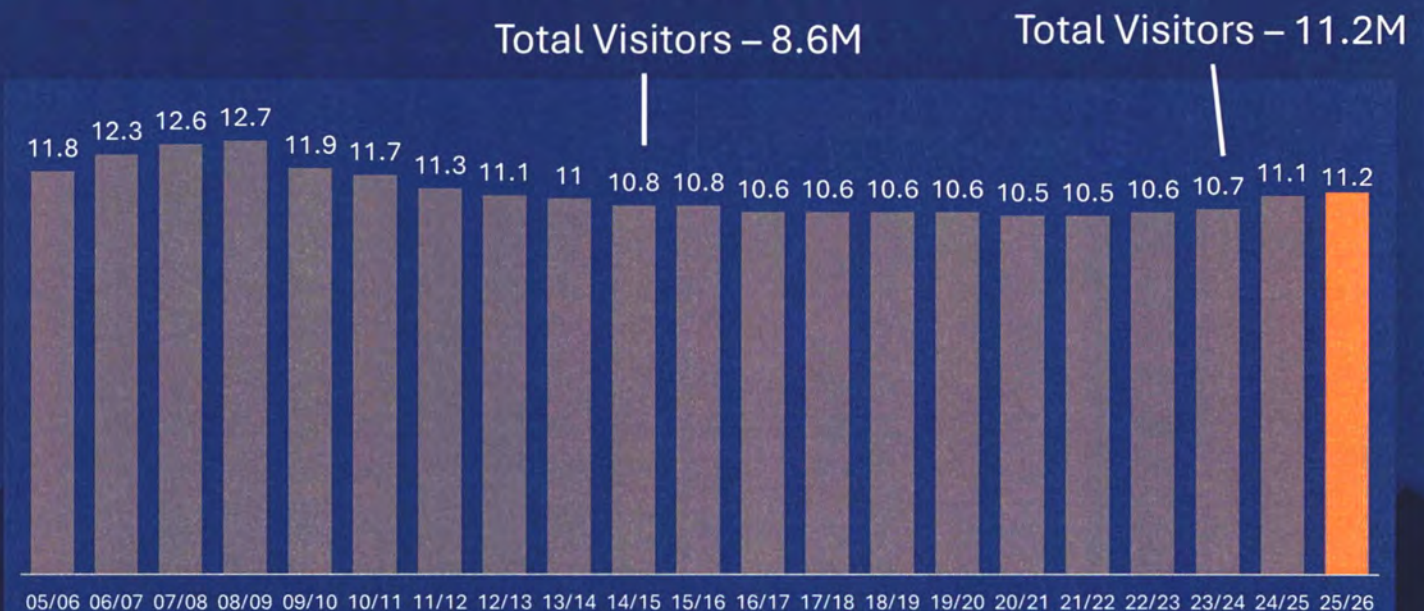
FTE Changes by Department

Department	FY 24/25	Change	FY 25/26 Proposed
Police Department	681	22	703
Fire Department	375	44	419
Water/Sewer/Solid Waste	330	0	330
Charter Officers	257	4	261
Parks and Recreation	240	9	249
Library and Human Services*	168	0	167
Transportation and Infrastructure	137	7	144
Enterprise Operations	106	7	113
Remaining Services	395	5	400
Mayor and Council	10	0	10
Total	2,699	98	2,797

*Library and Human Services decreased by 0.23 FTE, which reduced the rounded total from 168 FTE to 167 FTE

27

FTEs per 1,000 Residents



SOURCES – Scottsdale 2015 Visitor Report; Scottsdale Visitor Statistics, September 2024

28

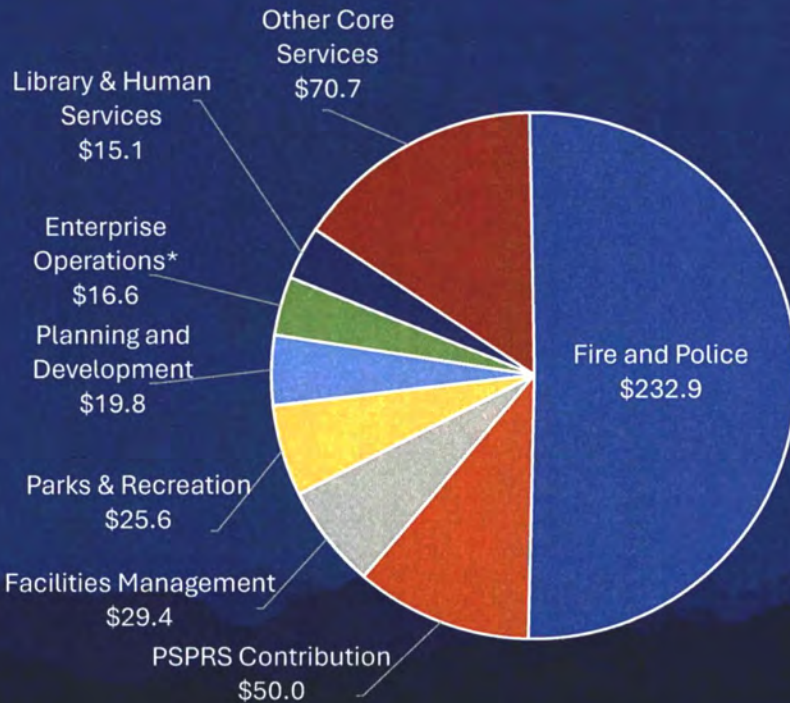
General Fund

\$460.2M

FY25/26
Operating Budget
(excludes contingencies
and reserves)



29



* Includes non-enterprise fund commercial operations (WestWorld, Scottsdale Arts, etc)

Fire and Ambulance Operating



- 44 total new FTE's requested
 - 39 Sworn
 - 5 Civilian
- Ambulance Phase II (25 FTE)
- Fire Station 601 Restaffing (15 FTE)
- Park and Preserve (4 FTE)

Fire Department Budget

FY 2024/25 Adopted - \$73.9M

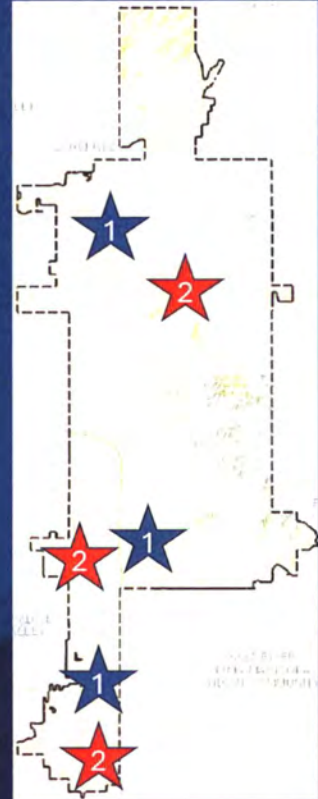
FY 2025/26 Proposed - \$93.3M



30

Fire - Ambulance Phase II

- Scottsdale Fire Department is providing ambulance services to citizens in a phased approach.
- Phase I (currently live)
 - Fire stations 602, 608, and 615
- Phase II (scheduled in 12/2025)
 - Fire stations 601, 605, and 614
- Phase III (scheduled in 12/2026)
- Ambulance Budget
 - FY 2024/25 Adopted - \$5.8M
 - FY 2025/26 Proposed - \$10.1M



31

Police Department Operating



Police Budget

FY 2024/25 Adopted - \$142.9M

FY 2025/26 Proposed - \$160.4M

(excludes \$50M PSPRS)

- 22 new FTEs requested
 - 9 Sworn
 - 3 School Resource Officers
 - 4 Park Ranger Personnel
 - 1 Lieutenant
 - 1 Digital Forensics Detective
 - 13 Civilian
 - 4 Dispatch Personnel
 - 6 Real Time Crime Center Personnel
 - 2 Records Personnel
 - 1 Property/Evidence Technician

Note: Other funds include grants, Park and Preserve Tax Funds and other restricted special revenue funds



32

Parks and Recreation Operating



Parks and Recreation

FY 2024/25 Adopted - \$27.3M

FY 2025/26 Proposed - \$37.4M

(includes 0.15% Park and Preserve Tax Funding for Preserve)

- 9 FTE Increase
 - 7 FTE 0.15% Park and Preserve Tax
 - 2 FTE General Fund
- New parks: Ashler Hills and Thompson Peak Dog Park
- Part-time hours for 2 new sports complexes, and leisure education



33

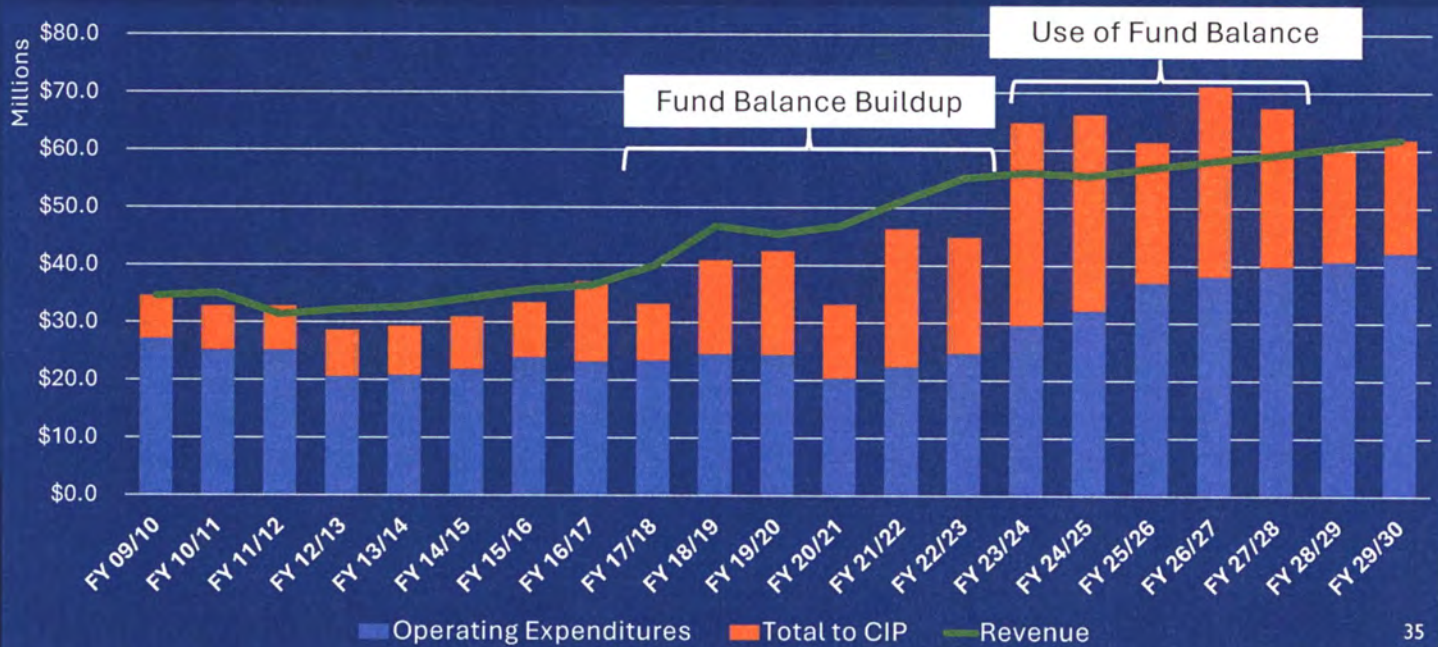
0.15% Park and Preserve Tax Expenditures Per Voter Approval and Council Ordinance

FY 2025/26 0.15% Tax Allocation and Expenditure Plan

	WestWorld Debt Service	Park Improvements	Preserve Maintenance	Park Maintenance	Fire Mitigation	Police Ranger	Total
Revenue Allocation		51%	18%	14%	10%	7%	100%
Revenue	\$0.7M	\$12.4M	\$4.4M	\$3.4M	\$2.4M	\$1.7M	\$25.2M
Expenditures	\$0.7M	\$2.7M	\$3.1M	\$2.2M	\$1.7M	\$1.2M	\$11.1M
Reserves/Cont.		\$2.3M	\$0.9M	\$0.7M	\$0.5M	\$0.4M	\$4.8M
Transfers to CIP		\$5.0M	-	-	-	-	\$5.0M
Unappropriated Balance	-	\$2.5M	\$0.3M	\$0.5M	\$0.2M	\$0.1M	\$3.6M

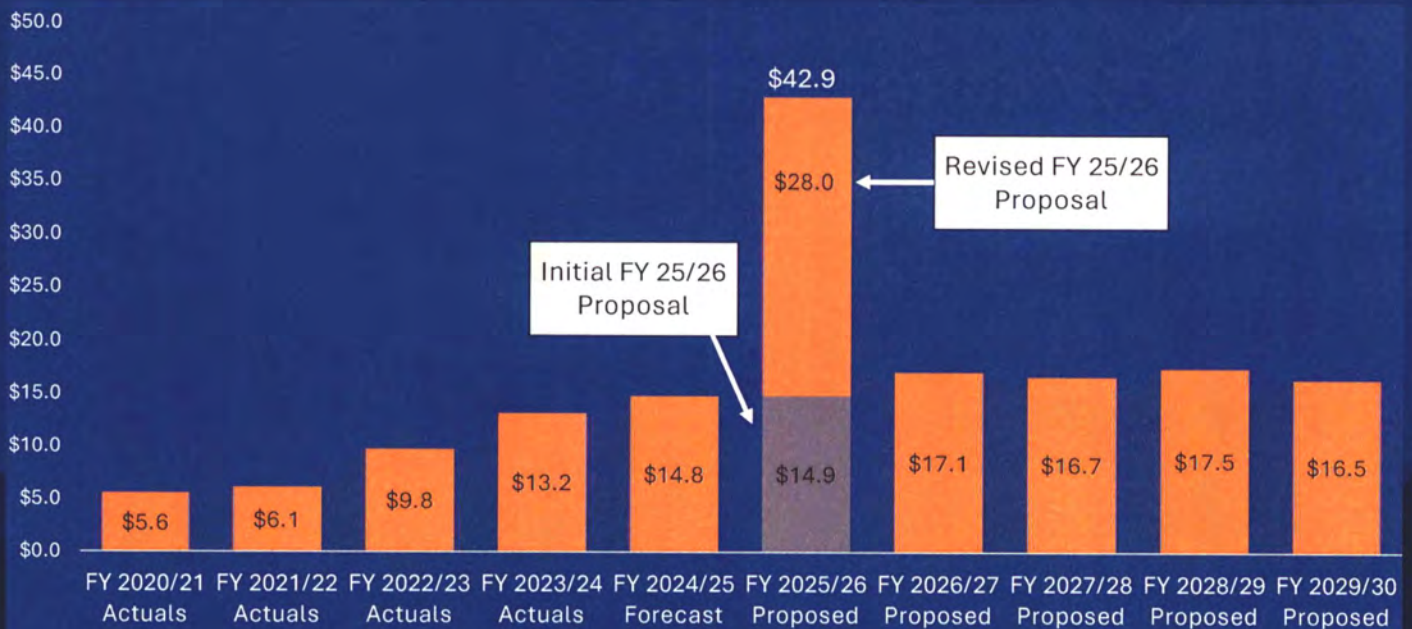
34

Transportation Fund (in millions)



35

Pavement Overlay Expenditures (in millions)

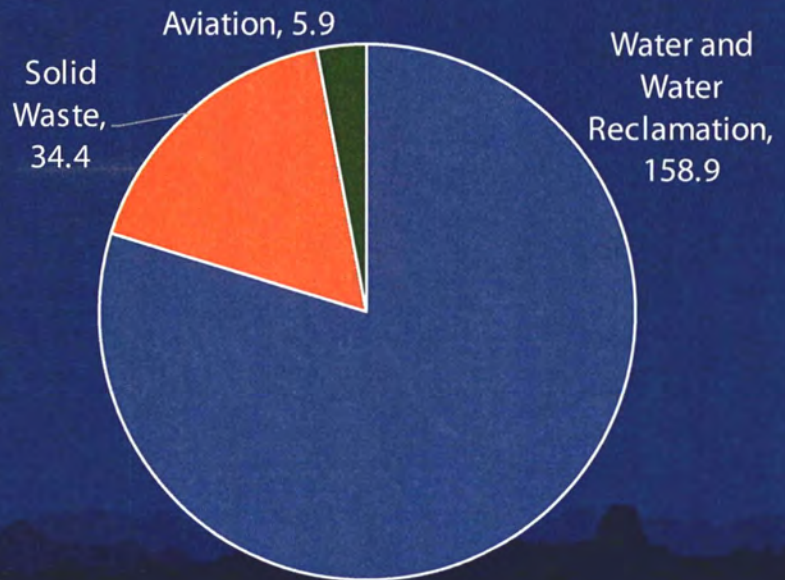


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Enterprise Funds

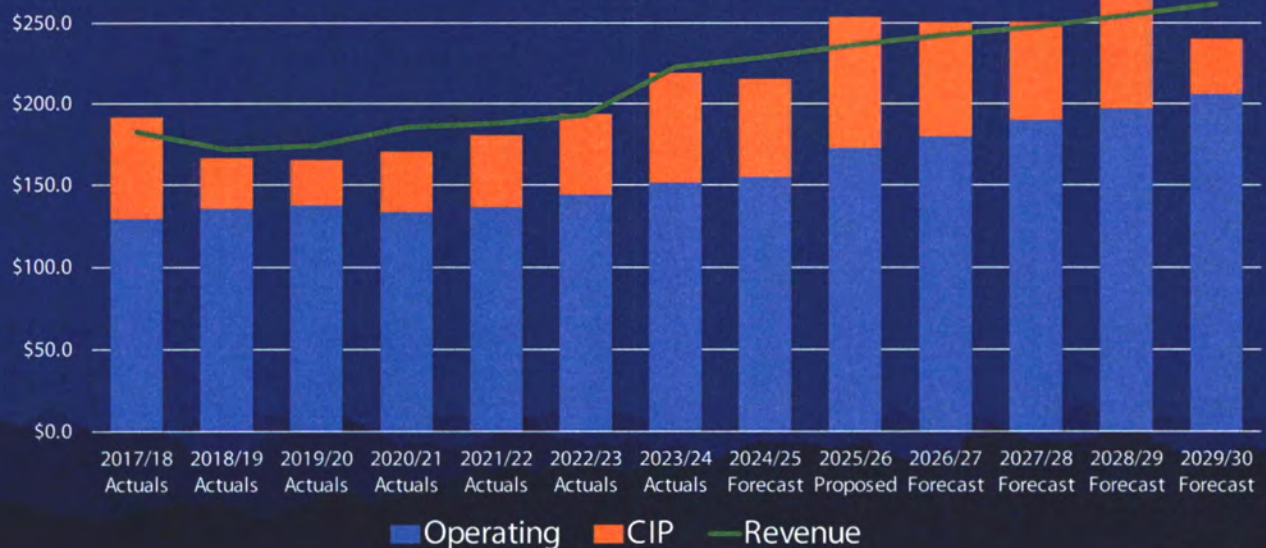
\$199.2M

FY25/26
Proposed
Operating Budget
(excludes contingencies
and reserves)



37

Water/Wastewater (in millions)



38

Water and Sewer Operations

	FY 24/25 Adopted Budget	FY 25/26 Proposed Budget	% Change
Expenditures	\$118.0M	\$124.8M	5.8%
Debt Service	\$29.4M	\$34.2M	16.3%
Contingencies and Reserves	\$96.2M	\$105.4M	9.6%
Total	\$243.6M	\$264.4M	8.5%

- \$1.8M for electric utility costs increase
- \$1.5M for CAP water purchase costs
- \$0.9M for water treatment chemical costs
- \$4.8M for new debt service

Proposed FY 2025/26 Budget Capital Budget and 5-Year Capital Improvement Plan

FY 2025/26 Proposed Budget

\$2,207.9 M

\$885.5 M
Operating
Budget

\$952.0 M
Capital
Improvements

\$370.4 M
Contingencies
and Reserves

Note: Amounts do not include internal transfers



41

Proposed FY25/26 Capital Budget

(in millions)	FY24/25 Adopted	Carry- forwards	FY25/26 Requests	Proposed FY25/26*
Community Facilities	\$123	\$70	\$23	\$93
Drainage/ Flood Control	16	5	32	37
McDowell Sonoran Preserve	6	4	12	16
Public Safety	89	48	29	77
Service Facilities	133	61	92	153
Transportation	250	128	124	252
Water and Water Reclamation	451	202	121	323
Total Capital Budget *	\$1,068	\$519	\$433	\$952

* Amounts exclude contingencies of \$26.5M

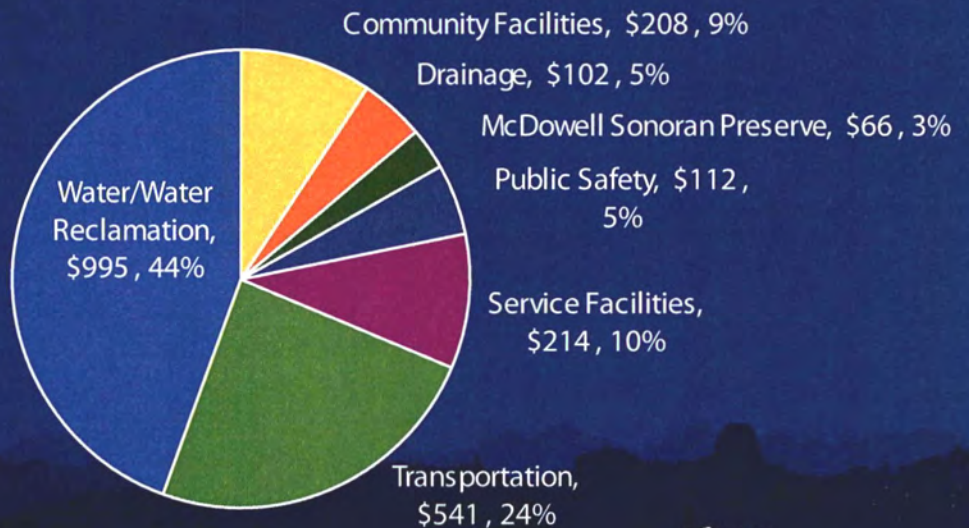


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Proposed 5-Year Capital Improvement Plan (includes contingencies)

FY25/26 to
FY29/30

\$2,238M



Water/Sewer Capital Improvement Plan Projects

Water Treatment Facility Improvements (WD04) (Water Rates)



Incurring to Date (2/25)	\$35.6 Million
FY 2025/26 Budget	\$23.5 Million
FY 2026/27 Budget	\$35.2 Million
FY 2027/28 Budget	\$5.1 Million
FY 2028/29 Budget	\$14.4 Million
FY 2029/30 Budget	\$4.5 Million
Total 5-Year Project Budget	\$82.7 Million

Deep Well Recharge/Recovery Projects (WF08) (Water Rates, BOR Grant, 2025 MPC Bonds)



Incurring to Date (2/25)	\$27.0 Million
FY 2025/26 Budget	\$28.9 Million
FY 2026/27 Budget	\$6.6 Million
FY 2027/28 Budget	-
FY 2028/29 Budget	-
FY 2029/30 Budget	-
Total 5-Year Project Budget	\$35.5 Million

Crossroads East – Water System Improvements (WF06)

(Water Rates, Water Development Fees, 2025 MPC Bonds)



Incurring to Date (2/25)	\$2.6 Million
FY 2025/26 Budget	\$11.9 Million
FY 2026/27 Budget	\$16.8 Million
FY 2027/28 Budget	-
FY 2028/29 Budget	-
FY 2029/30 Budget	-
Total 5-Year Project Budget	\$28.7 Million

Wastewater System Improvements (VF06)

(Sewer Rates, Sewer Development Fees)



Incurring to Date (2/25)	\$38.1 Million
FY 2025/26 Budget	\$21.0 Million
FY 2026/27 Budget	\$16.1 Million
FY 2027/28 Budget	\$14.5 Million
FY 2028/29 Budget	\$4.4 Million
FY 2029/30 Budget	\$13.4 Million
Total 5-Year Project Budget	\$69.5 Million

Wastewater Treatment Facility Improvements (VH08) (Sewer Rates)



Incurred to Date (2/25)	\$9.6 Million
FY 2025/26 Budget	\$14.8 Million
FY 2026/27 Budget	\$1.3 Million
FY 2027/28 Budget	\$1.7 Million
FY 2028/29 Budget	\$5.7 Million
FY 2029/30 Budget	\$1.9 Million
Total 5-Year Project Budget	\$25.3 Million

Transportation Capital Improvement Plan Projects

Pavement Overlay Program (YK29 & YL29)

(0.2% Transportation Sales Tax, HURF)



Incurring to Date (2/25)	\$20.7 Million
FY 2025/26 Budget	\$42.9 Million
FY 2026/27 Budget	\$17.1 Million
FY 2027/28 Budget	\$16.7 Million
FY 2028/29 Budget	\$17.5 Million
FY 2029/30 Budget	\$16.5 Million
Total 5-Year Project Budget	\$110.7 Million

64th Street Canal Path Wall Repair (Temp3226)

(0.2% Transportation Sales Tax)



Incurring to Date (2/25)	\$0
FY 2025/26 Budget	\$633,000
FY 2026/27 Budget	-
FY 2027/28 Budget	-
FY 2028/29 Budget	-
FY 2029/30 Budget	-
Total 5-Year Project Budget	\$633,000

Pima Road: Las Piedras to Stagecoach Pass (SK04)

(0.1% Transportation Sales Tax, Regional Sales Tax - ALCP)



Incurring to Date (2/25)	\$0
FY 2025/26 Budget	\$1.7 Million
FY 2026/27 Budget	\$3.4 Million
FY 2027/28 Budget	\$13.5 Million
FY 2028/29 Budget	\$13.5 Million
FY 2029/30 Budget	\$1.7 Million
Total 5-Year Project Budget	\$33.7 Million

Pima Road: Dynamite Blvd to Las Piedras (SI01)

(0.1% Transportation Sales Tax, Regional Sales Tax - ALCP)



Incurring to Date (2/25)	\$0.8 Million
FY 2025/26 Budget	\$5.0 Million
FY 2026/27 Budget	\$20.5 Million
FY 2027/28 Budget	-
FY 2028/29 Budget	-
FY 2029/30 Budget	-
Total 5-Year Project Budget	\$25.2 Million

Budget Review Commission Recommendations Included in Tentative Budget

- Recommended Changes:
 - Cactus Pool – \$250k Feasibility Study in FY 2025/26 and moving remaining funding out of the 5-year CIP
 - Wildlife Crossing – \$250k Feasibility Study in FY 2025/26
 - Granite Reef Senior Center – Propose delaying project for City Manager to perform project assessment

FY25/26 Budget and 5-Yr CIP Adoption Timeline

April 3

Proposed
Budget
Release

April 22

Work Study
with BRC

May 6

Proposed
Budget
Presentation

May 20

Tentative
Budget
Adoption

June 10

Final Budget
Adoption



Quarterly Financial Update General Fund FY2024/25 Quarter 3



- City Treasurer's Office
- City Council Meeting May 06, 2025

Primary Focus of Quarterly Financial Updates

Highlight General Fund Results to Date

- Revenue Collections to Date
- Budget to Actual Variances



FY2024/25 YTD Q3 (Jul 2024– March 2025)

Total General Fund Revenues are 5% Above Budget:

- Sales tax revenue growth offset by reduction in property tax collections

Total General Fund Expenditures are Within Budget with 2% Positive Variance:

- Salary and vacancy savings but offset by overtime and contract workers expenses.



3

General Fund 1.1% Sales Tax

General Fund Local Sales Tax (1.1%) - YTD March 2025

(in millions)	FY24 Actuals	FY25 Actuals	% Change from PY	FY25 Budget	Budget Variance		FY25 Forecast
Retail	\$41.4	\$45.4	9%	\$38.8	\$6.6	17%	\$58.6
Rental	\$19.1	\$17.9	-6%	\$17.0	\$0.9	5%	\$21.8
Automotive	\$16.8	\$18.5	10%	\$16.3	\$2.3	14%	\$23.8
Construction	\$14.9	\$16.2	8%	\$14.3	\$1.9	13%	\$20.4
Dining/Entertainment	\$13.4	\$13.7	2%	\$12.4	\$1.3	11%	\$18.0
Food Stores	\$8.0	\$8.6	7%	\$8.9	(\$0.3)	-4%	\$11.4
Hotel/Motel	\$7.4	\$8.2	10%	\$7.1	\$1.1	16%	\$11.3
Other*	\$22.6	\$25.3	12%	\$22.4	\$2.9	13%	\$30.8
Total	\$143.8	\$153.8	7%	\$137.2	\$16.6	12%	\$196.0

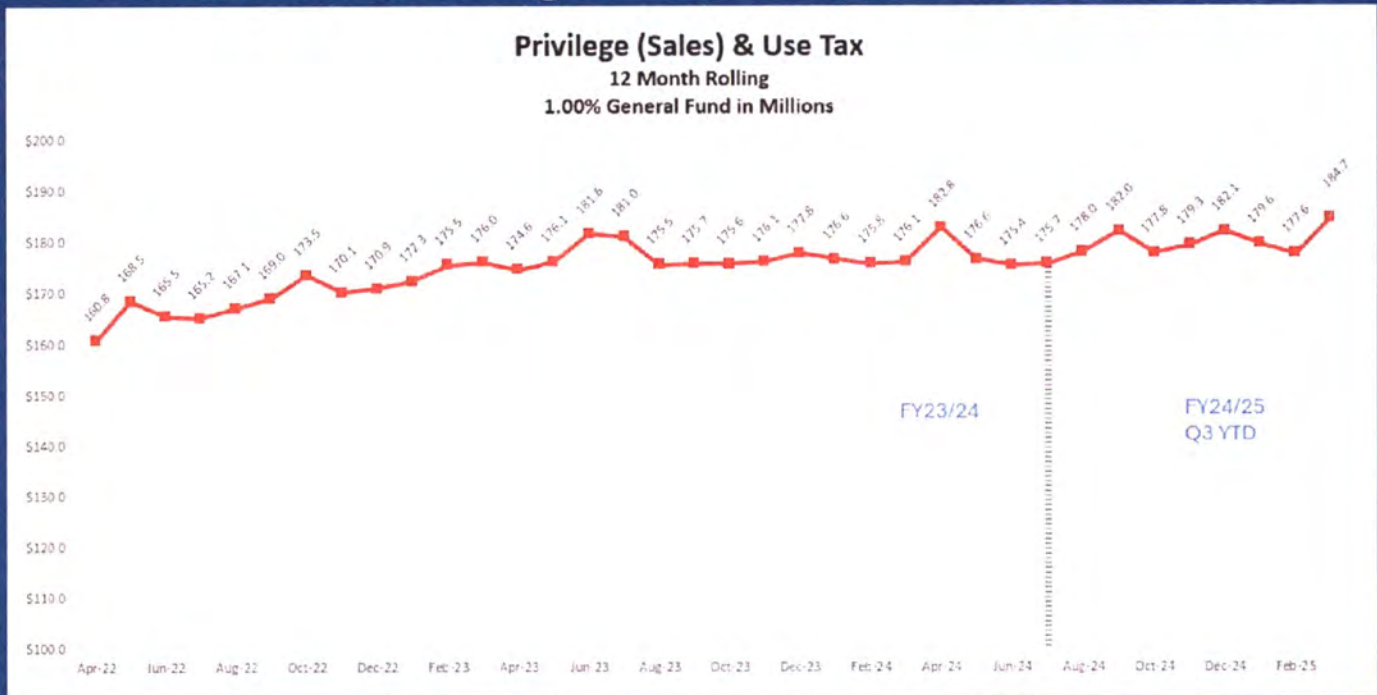
*Other includes Amusement, Manufacturing, Services with Retail, Wholesale, Utilities and others.



\$ in millions/ rounding differences and blank lines may occur.

4

12-month Rolling Local Sales Tax Revenue



5

General Fund Sources (in millions) – YTD Quarter 3

Total General Fund Revenues - YTD March 2025

(in millions)	FY24 Actuals	FY25 Actuals	% Change from PY	FY25 Budget	Budget Variance		FY25 Forecast
Local Sales Tax	\$143.8	\$153.8	7%	\$137.2	\$16.6	12%	\$196.0
State Shared	\$84.9	\$76.3	-10%	\$74.8	\$1.4	2%	\$102.0
Charges for Services	\$16.7	\$15.0	-10%	\$12.1	\$3.2	27%	\$21.3
Other	\$81.0	\$84.1	4%	\$89.6	(\$5.8)	-6%	\$111.8
Total	\$326.4	\$329.1	1%	\$313.7	\$15.5	5%	\$431.1



\$ in millions/ rounding differences and blank lines may occur.

6

General Fund Uses (in millions) –YTD Quarter 3

General Fund Uses by Categories

(in millions)	FY24 Actuals	FY25 Actuals	% Change from PY	FY25 Budget	Budget Variance		FY25 Forecast
Personnel Costs	\$189.2	\$209.0	10%	\$214.3	\$5.3	2%	\$269.3
Commodities/Contracts	\$67.2	\$81.0	21%	\$81.5	\$0.4	1%	\$100.3
Contract Payable/ Capital Outlays	\$1.5	\$1.5	-	\$1.3	(\$0.2)	-15%	\$1.4
Transfers Out	\$53.7	\$1.0	-98%	\$1.0	\$0.0	-	\$65.0
Total	\$311.5	\$292.5	-6%	\$298.0	\$5.6	2%	\$436.4



in millions/ rounding differences and blank lines may occur.

7

General Fund Department Uses (in millions) – YTD Quarter 3

General Fund Departments

(in millions)	FY24 Actuals	FY25 Actuals	FY25 Budget	Budget Variance		FY25 Forecast
Mayor/Council/Charter Officers	\$23.0	\$26.8	\$28.1	\$1.3	4%	\$35.5
Administrative Services	\$18.8	\$20.5	\$20.9	\$0.4	2%	\$27.1
Comm & Ec Dev	\$19.4	\$20.6	\$21.3	\$0.7	3%	\$26.4
Community Services	\$35.2	\$41.1	\$41.5	\$0.3	1%	\$54.8
Public Safety - Fire	\$48.4	\$56.9	\$58.0	\$1.1	2%	\$73.2
Public Safety - Police	\$94.7	\$105.4	\$107.1	\$1.7	2%	\$136.1
Public Works	\$18.0	\$19.7	\$19.8	\$0.1	0%	\$27.9
Total	\$257.4	\$291.0	\$296.6	\$5.6	2%	\$381.2

\$ in millions/ rounding differences and blank lines may occur.

8

Questions?

May 2025 Project Budget Overview



Project	Total Project Budget	Funds Spent	Funds Committed	Remaining Budget (in millions)	Funding Sources
77th Street Emergency Access Extension	2.8	0.0	0.0	2.8	Transportation Sales Tax 0.2% and Grant
Repair Lakes and Irrigation at Vista del Camino Park in the Indian Bend Wash	34.6	7.7	20.0	7.7	Bond 2019 and General Fund
Booster Pump Station 114: Water Distribution System Improvements	173.6	53.5	7.5	112.6	Water Rates
Shea Boulevard Intersections: Arizona State Route 101 to 136th Street	19.0	5.5	1.7	11.7	Transportation Sales Tax 0.1% and ALCP Regional Sales Tax
Modernize and Expand the Police and Fire Training Facility	20.4	15.8	3.2	1.3	Bond 2019, AZ Cares Funding, General Fund, Restricted CIP Land Sale

WORK STUDY