

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, MAY 20, 2025**



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

CALL TO ORDER

Mayor Lisa Borowsky called to order a Regular Meeting of the Scottsdale City Council at 5:20 p.m. on Tuesday, May 20, 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 (participated electronically), Kathy Littlefield, Maryann McAllen, and Solange Whitehead

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

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilwoman Whitehead.

INVOCATION

Councilwoman Littlefield requested a moment of silence.

MAYOR'S REPORT

Mayor Borowsky noted she met with a group of fifth graders recently. She recognized and acknowledged the graduates of this year's Mayor's Youth Council, many of whom were attending today's Council Meeting.

PUBLIC COMMENT

Dan Ishac, Scottsdale resident, discussed concerns regarding Council decorum and Council process.

Siddhanth Gupta, Scottsdale resident, presented a citizen petition (attached) prohibiting the use of electronic smoking devices in public places.

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.

Angelo Leonardi, Scottsdale resident, spoke in support of the citizen petition prohibiting the use of electronic smoking devices in public places.

John Lee, Scottsdale resident, spoke in support of the citizen petition prohibiting the use of electronic smoking devices in public places.

Michael Fernandez, Scottsdale business owner, presented a citizen petition (attached) regarding possible reconsideration of the parking garage at Brown Avenue and 2nd Street.

Madison Kendall, Scottsdale resident, spoke in support of the citizen petition regarding possible reconsideration of the parking garage at Brown Avenue and 2nd Street.

MINUTES

Request: Approve the **Regular Meeting Minutes of April 8, 2025.**

MOTION AND VOTE - MINUTES

Councilwoman McAllen made a motion to approve the Regular Meeting 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.

CITIZEN PETITIONS

25. 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 25 [Receipt of Citizen Petitions] be considered after the Meeting Minutes item.

A citizen petition presented by Siddhanth Gupta regarding prohibiting the use of electronic smoking devices in public places was accepted and acknowledged.

MOTION AND VOTE – ITEM 25 (PROHIBITING THE USE OF ELECTRONIC SMOKING DEVICES IN PUBLIC PLACES)

Mayor Borowsky made a motion to direct the City Manager to agendize the petition for further discussion. 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.

A citizen petition presented by Michael Fernandez regarding the possible reconsideration of the parking garage at Brown Avenue and 2nd Street was accepted and acknowledged.

MOTION NO. 1 – ITEM 25 (PARKING GARAGE AT BROWN AVENUE AND 2ND STREET)

Councilman Graham made a motion to direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner. Vice Mayor Dubauskas seconded the motion.

ALTERNATE MOTION – ITEM 25 (PARKING GARAGE AT BROWN AVENUE AND 2ND STREET)

Mayor Borowsky made an alternate motion to direct the City Manager to agendize the petition for further discussion. The motion died for lack of a second.

VOTE ON MOTION NO. 1– ITEM (PARKING GARAGE AT BROWN AVENUE AND 2ND STREET)

The Council then voted on Councilman Graham's original motion to direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner, which carried 7/0, with Mayor Borowsky; Vice Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

PRESENTATIONS/INFORMATION UPDATES

- **Arizona Public Service (APS) Peak Solutions Rebate**
Presenter(s): Kevin Rose, Interim Water Resources Executive Director; Tymothy Howitt, Account Manager, APS, and Matt Pool, Account Executive, CPower Energy
Note: The Council may make comments or ask questions to the presenter(s); however, no Council action will be taken.

NOTE: Mayor Borowsky requested the APS Peak Solutions Rebate presentation be given after consideration of Item 25 [Receipt of Citizen Petitions].

Interim Water Resources Executive Director Kevin Rose gave a presentation on the Arizona Public Service (APS) Peak Solutions Rebate.

CONSENT AGENDA

1. **Bunty G's Taco and Margarita Liquor License (23-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 a new location and owner.
Location: 7317 E. 6th Avenue
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
2. **Pinyon Liquor License (24-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 a new location and owner.
Location: 7363 E. Scottsdale Mall
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

3. **Señor Taco Liquor License (25-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: 15223 N. 87th Street, Suite 120
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
4. **X-Golf Scottsdale Liquor License (26-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 a new location and owner.
Location: 8140 N. Hayden Road, Suite H 110
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
5. **Lovely Rita Spirits Liquor License (27-LL-2025)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 4 (wholesaler) State liquor license for a new location and owner.
Location: 7762 E. Gray Road, Suite 200
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
6. **Studio Golf Liquor License (28-LL-2025)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a location/owner transfer of a Series 7 (beer and wine bar) State liquor license for a new location and owner.
Location: 15505 N. Scottsdale Road, Suite 170B
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
7. **AT&T AZL03549 Club Sar Conditional Use Permit (14-UP-2012#3)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 13383** approving the conditional use permit for an existing Type 4 Alternative Concealment Wireless Communication Facility, co-located on an existing 63-foot-tall palm tree with associated ground mounted equipment with Open Space (OS) zoning.
Location: 8045 E. Camelback Road
Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov
8. **Wired Telecommunications License Agreement (Level 3 Communications)**
Request: Adopt **Resolution No. 13401** authorizing Agreement No. 2025-071-COS with Level 3 Communications, LLC, to continue 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

- 9. Wired Telecommunications License Agreement (Level 3 Telecom of Arizona)**
Request: Adopt **Resolution No. 13402** authorizing Agreement No. 2025-072-COS with Level 3 Telecom of Arizona, LLC, to continue 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
- 10. Build New Fire Station at 90th Street and Via Linda Architectural Services Contract**
Request: Adopt **Resolution No. 13403** authorizing Contract No. 2025-073-COS with Perlman Architects of Arizona, Inc., in an amount not to exceed \$773,601.24, to provide design services and construction phase contract administration services for Bond 2019 Project 34 – Build New Fire Station at 90th Street and Via Linda to Replace Aging Facility.
Staff Contact(s): Alison Tymkiw, Senior Director – City Engineer, 480-312-7760, atymkiw@scottsdaleaz.gov
- 11. Treatment and Removal of Non-Native Invasive Plants Grant**
Request: Adopt **Resolution No. 13363** to authorize:

 1. Agreement No. 2025-049-COS with the Arizona Department of Forestry and Fire Management for the acceptance of a grant, in the amount of \$175,000, for treatment and removal of non-native invasive plants in the McDowell Sonoran Preserve.
 2. The City Manager, or designee(s), to execute all documents and other necessary or desirable instruments in connection with the acceptance of this Grant.
 3. A Budget Transfer, in the amount of \$175,000, from the adopted Fiscal Year 2024/25 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

Staff Contact(s): Nick Molinari, Senior Director – Parks & Recreation and Preserve, 480-312-1011, nmolinar@scottsdaleaz.gov
- 12. Carefree Ranch Homesteads Subdivision Water Service Agreements**
Request: Adopt **Resolution No. 13386** authorizing Water Service Agreement No. 2025-063-COS (Lot 12A) and Agreement No. 2025-065-COS (Lot 12B) with Frank Boxberger, setting forth the terms and conditions under which the City of Scottsdale will provide water service to new development on Lots 12A and 12B, Carefree Ranch Homesteads, Maricopa County Tax Assessor Parcel Nos. 219-47-055C and 219-47-055A.
Staff Contact(s): Kevin Rose, Interim Water Resources Executive Director, 480-312-5621, kröse@scottsdaleaz.gov
- 13. Proposition 202 Grant Applications**
Request: Adopt **Resolution No. 13389** authorizing the Government Relations Director, or designee, to submit Proposition 202 grant applications to local tribal partners for tribal gaming grants for the period of July 1, 2025, through June 30, 2026.
Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov
- 14. Driving Under the Influence (DUI) Enforcement and Education Grant**
Request: Adopt **Resolution No. 13412** to authorize:

 1. If awarded, acceptance of a grant from the State of Arizona, on behalf of the Oversight Council on Driving or Operating Under the Influence Abatement, accepting a grant in the amount of \$100,000, in support of DUI enforcement and education.

2. The City Manager, or designee, to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with the acceptance of this grant.

Staff Contact(s): Joe LeDuc, Chief of Police, 480-312-1900, jled@scottsdaleaz.gov

15. 9-1-1 Program Grant

Request: Adopt **Resolution No. 13413** to authorize:

1. If awarded, acceptance of a grant from the Arizona Department of Administration, in the amount of \$335,190, related to the 9-1-1 Grant Program, for reimbursement of annual costs for public safety answering point emergency telecommunications.
2. The City Manager, or designee, to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with the acceptance of this grant.

Staff Contact(s): Joe LeDuc, Chief of Police, 480-312-1900, jled@scottsdaleaz.gov

16. Financial Statement Audit Professional Services Contract

Request: Adopt **Resolution No. 13411** to authorize:

1. Contract No. 2025-076-COS with Heinfeld, Meech & Co., P.C., in an amount not to exceed \$114,950, for financial statement audit services.
2. The City Auditor, 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): Lai Cluff, Acting City Auditor, 480-312-7851, lcluff@scottsdaleaz.gov

17. General Fund Operating Contingency Transfer and Cash Transfer

Request: Adopt **Resolution No. 13419** authorizing a Fiscal Year 2024/25 General Fund Operating Contingency Transfer and Cash Transfer from the General Fund to the Special Districts Funds, in the amount of \$279,854 representing contributions from the City to three Community Facilities Districts, to cover property tax refunds resulting from the *Qasimyar v. Maricopa County* lawsuit as follows:

1. Via Linda Community Facilities District for \$61,331;
2. Scottsdale Mountain Community Facilities District for \$11,953; and
3. McDowell Mountain Community Facilities District for \$206,570.

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

18. Implementation of Voter Approved Park and Preserve Tax Change

Request: Adopt **Ordinance No. 4676** amending portions of the Scottsdale Revised Code, Appendix C, to change the privilege tax rate from 1.75% to 1.70% and the use tax rate from 1.55% to 1.50% for a period of 30 years, effective July 1, 2025.

Staff Contact(s): Whitney Pitt, Business Services Director, 480-312-5925, wpitt@scottsdaleaz.gov

19. Monthly Financial Report

Request: Accept the Fiscal Year 2024/25 Monthly Financial Report as of March 2025.

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

20. Scottsdale Emergency Operations Plan

Request: Adopt Resolution No. 13381 approving the City of Scottsdale Emergency Operations Plan.

Staff Contact(s): Jacob Johnson, Emergency Manager, 480-312-1849, jacojohnson@scottsdaleaz.gov

*****20A. Nicholas Boor and Vinyl Record Dude LLC Settlement Agreement**

Request: Adopt Resolution No. 13424 to authorize:

1. The Mayor to execute Contract No. 2025-080-COS, a settlement agreement with Nicholas Boor and Vinyl Record Dude LLC, to settle all claims in their entirety, in the amount of \$93,767.50, from funds paid from the City's Safety and Risk Management Department Operating Budget.
2. The City Manager, City Treasurer, City Attorney, and their respective staff, to execute any other documents and take such other actions as necessary to carry out the purpose of this Resolution.

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

PUBLIC COMMENT – CONSENT AGENDA

There was no public comment on the Consent Agenda items.

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Whitehead made a motion to approve Consent Agenda Items 1 through 20A. Councilwoman Littlefield 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

21. Public Hearing on the Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Impact Fees, Fiscal Year 2022/23 – Fiscal Year 2023/24

Request: Hold a public hearing as required by Arizona Revised Statutes §9-463.05(G)(2) to solicit and receive public comment on Report No. 2504, *City of Scottsdale Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Fees*, for the City's water and wastewater utilities.

Presenter(s): Lai Cluff, Acting City Auditor and Kevin Burnett, Principal Consultant, Willdan Financial Services

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

PUBLIC HEARING – ITEM 21

Mayor Borowsky opened the public hearing on this item.

Acting City Auditor Lai Cluff and Willdan Financial Services Principal Consultant Kevin Burnett gave a PowerPoint presentation (attached) on the results of the Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Impact Fees, Fiscal Year 2022/23 through Fiscal Year 2023/24.

There was no public testimony on this item.

Mayor Borowsky closed the public hearing on this item.

22. Public Hearing on Proposed Water and Wastewater Land Use Assumptions and Infrastructure Improvements Plans

Request: Accept citizen comments at a public hearing regarding proposed changes to Water and Wastewater Development Fees.

Presenter(s): Kevin Rose, Interim Water Resources Executive Director

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

PUBLIC HEARING – ITEM 22

Mayor Borowsky opened the public hearing on this item.

Interim Water Resources Executive Director Kevin Rose gave a PowerPoint presentation (attached) on the proposed Water and Wastewater Land Use Assumptions and Infrastructure Improvements Plans.

There was no public testimony on this item.

Mayor Borowsky closed the public hearing on this item.

23. Public Hearing on and Adoption of Fiscal Year 2025/26 Rates and Fees

Requests:

1. Accept citizen comments at a public hearing regarding proposed rates and fees.
2. Adopt **Resolution No. 13395** declaring the document entitled "*Chapter 49, Scottsdale Revised Code – Water, Sewers and Sewage Disposal*" to be a public record.
3. Adopt **Ordinance No. 4665** amending portions of Scottsdale Revised Code, Chapter 49, Water, Sewers and Sewage Disposal, relating to sewer/water reclamation rates, and miscellaneous rates and charges, effective July 1, 2025, and adjusting water rate (volumetric and base) charges, effective November 1, 2025.
4. Adopt **Ordinance No. 4666** amending Scottsdale Revised Code, Chapter 24, Solid Waste Management by adjusting solid waste rates and charges, effective July 1, 2025.
5. Adopt **Resolution No. 13391** authorizing and approving adjustments to the Planning and Development Services Department's fees and charges, effective July 1, 2025.
6. Adopt **Resolution No. 13387** authorizing and approving adjustments to the Parks and Recreation and Preserve Department's schedule of program charges, rental fees, and fines, effective July 1, 2025.
7. Adopt **Resolution No. 13409** authorizing and approving:
 - a. Scottsdale Stadium and Indian School Park professional baseball facilities schedule of program charges, rentals, and event fees, effective July 1, 2025.
 - b. The City Manager, or designee, with the concurrence of the City Attorney's Office, to execute Scottsdale Stadium and Indian School Park Use Agreements with negotiated fees or fees for areas that have not typically been reservable by the public.
8. Adopt **Resolution No. 13408** authorizing and approving the McCormick-Stillman Railroad Park schedule of program charges, rentals, rides, and event fees, effective July 1, 2025.
9. Adopt **Resolution No. 13388** authorizing and approving:

- a. WestWorld schedule of program charges, rental, and event fees, effective July 1, 2025.
 - b. The City Manager, or designee, with the concurrence of the City Attorney's Office, to execute WestWorld agreements with negotiated fees.
10. Adopt **Resolution No. 13404** authorizing and approving adjustments to the Library and Human Services Department schedule of program charges, rental fees, and fines, effective July 1, 2025.
11. Adopt **Resolution No. 13406** authorizing and approving adjustments to the Fire Department's fees and charges, effective July 1, 2025.

Presenter(s): Scott Selin, Budget Department Director

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

PUBLIC HEARING – ITEM 23

Mayor Borowsky opened the public hearing on this item.

Budget Department Director Scott Selin gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2025/26 Rates and Fees.

There was no public testimony on this item.

Mayor Borowsky closed the public hearing on this item.

MOTION AND VOTE – ITEM 23

Vice Mayor Dubauskas made a motion to adopt Resolution No. 13395, Ordinance No. 4665, Ordinance No. 4666, Resolution No. 13391, Resolution No. 13387, Resolution No. 13409, Resolution No. 13408, Resolution No. 13388, Resolution No. 13404, and Resolution No. 13406. 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.

24. Public Hearing on and Adoption of Proposed Fiscal Year (FY) 2025/26 Budget (Tentative Budget) and Five-Year Capital Improvement Plan (CIP)

Requests:

1. The City Council solicits and receives public input relative to the entire Proposed FY 2025/26 Budget, which includes both the Operating Budget and Capital Improvement Plan. The City Council may direct staff to revise the Proposed FY 2025/26 Budget prior to adoption or may adopt the proposed version as the Tentative Budget as amended required for conformity with Arizona Revised Statutes and the City Charter.
2. Adopt **Ordinance No. 4668** as presented (or as modified by Council) establishing the Tentative Budget for FY 2025/26 and adopting by reference the State-required budget forms. Establishment of the Tentative Budget statutorily fixes the maximum expenditure limit. The maximum expenditure limit may still be lowered by the City Council before final budget adoption.

Adoption of Ordinance No. 4668 also:

- a. Directs the City Clerk to meet obligations regarding publication and notices imposed by Arizona Revised Statutes and the City Charter.

- b. Tentatively authorizes or approves as applicable, certain salary adjustments included in the Tentative Budget for City employees and Charter Officers and sets the salaries of the Presiding Judge and Associate Judges.
3. Adopt **Ordinance No. 4669** as presented (or as modified by Council) tentatively adopting the Five-Year CIP for FY 2025/26 – FY 2029/30.

Presenter(s): Sonia Andrews City Treasurer

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

PUBLIC HEARING – ITEM 24

Mayor Borowsky opened the public hearing on this item.

Budget Department Director Scott Selin gave a PowerPoint presentation (attached) on the proposed Fiscal Year (FY) 2025/26 Budget (Tentative Budget) and Five-Year Capital Improvement Plan (CIP).

Harold Back, with the 68th Street Sidewalk Association, spoke in support of FY 2025/26 Budget funding for the 68th Street sidewalk construction project.

Robert Hallagan, McDowell Sonoran Preserve Commission member, spoke in support of FY 2025/26 Budget funding for the Rio Verde wildlife overpass crossing (bridge) feasibility study and funding for the construction of the Rio Verde wildlife overpass crossing (bridge) in next year's budget.

Dan Serbalik, Police Officers of Scottsdale Association President, spoke in support of increased compensation funding for the Scottsdale Police Department.

Raoul Zubia, Scottsdale resident, spoke in support of FY 2025/26 Budget funding for the Rio Verde wildlife overpass crossing (bridge) feasibility study and funding for the construction of the Rio Verde wildlife overpass crossing (bridge) in next year's budget.

Mayor Borowsky closed the public hearing on this item.

MOTION NO. 1 – ITEM 24

Mayor Borowsky made a motion to adopt an amended Proposed Fiscal Year 2025/26 Tentative Budget and Five-Year Capital Improvement Plan by adding an Executive Assistant position and Management Analyst or similar position to the Mayor's Office and keeping the two reclassified Management Associate positions that will be in the City Clerk's Office and support the six councilmembers. Councilwoman Littlefield seconded the motion.

ALTERNATE MOTION AND VOTE – ITEM 24

Councilman Graham made an alternate motion to adopt the Proposed Fiscal Year (FY) 2025/26 Budget (Tentative Budget) and Five-Year Capital Improvement Plan (CIP) as presented. Vice Mayor Dubauskas seconded the motion, which failed 2/5, with Vice Mayor Dubauskas and Councilmember Graham voting in the affirmative and Mayor Borowsky and Councilmembers Kwasman, Littlefield, McAllen and Whitehead dissenting.

VOTE ON MOTION NO. 1 – ITEM 24

The Council then voted on Mayor Borowsky's original motion to adopt the Proposed Fiscal Year

2025/26 Tentative Budget and Five-Year Capital Improvement Plan as amended, which carried 7/0, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Kwasman, Littlefield, McAllen, and Whitehead voting in the affirmative.

Councilman Kwasman left the meeting at 7:05 P.M.

PUBLIC COMMENT

No public comments were received.

MAYOR AND COUNCIL

26. Boards, Commissions, and Task Force Nominations

How the Board and Commission Nomination Process Works: The Council will review applications submitted for the board and commission openings under consideration. From this applicant pool, the Council will select nominees for further consideration.

- Board of Adjustment (one vacancy) – Councilwoman McAllen nominated Martha West; Mayor Borowsky nominated Randall Pullen; and Councilwoman Littlefield nominated Michael Gonzalez.
- Building Advisory Board of Appeals (one vacancy) – No applications were received.
- Historic Preservation Commission (one vacancy) – Councilwoman Whitehead nominated Brin Sherrin and Councilman Graham nominated Kat Djordjevic.
- Human Services Advisory Commission (three vacancies) – Mayor Borowsky nominated Pamela Hallows, Cynthia Hill, and Sheila Roe; Councilwoman Littlefield nominated Gary Blatnick; and Councilwoman McAllen nominated Mary Jung and Cindy Schopf.
- Industrial Development Authority (one vacancy) – Councilwoman Littlefield nominated Edgar Alvarado.
- Loss Trust Fund Board (one vacancy) – Councilman Graham nominated Tami Smith.
- McDowell Sonoran Preserve Commission (one vacancy) – Councilwoman McAllen nominated Savannah Engelking.
- Planning Commission (two vacancies) – Councilwoman Whitehead nominated Marianne Bazan and Katie Kiefer; Mayor Borowsky nominated Douglas Drake and Thomas LaBlonde, Jr.; and Councilwoman Littlefield nominated David Reid.
- Tourism Development Commission (one industry representative vacancy) – Mayor Borowsky nominated Joseph Shershenovich; Councilwoman Littlefield nominated French Thompson; and Councilwoman McAllen nominated Darian Nguyen.

MOTION AND VOTE – ADJOURNMENT

Mayor Borowsky made a motion to adjourn the Regular Meeting. Councilwoman Whitehead seconded the motion, which carried 6/0, with Mayor Borowsky; Vice Mayor Dubauskas; and Councilmembers Graham, Littlefield, McAllen, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor Borowsky adjourned the Regular Meeting at 7:17 p.m.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on _____

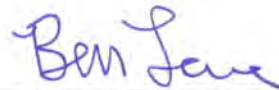
July 1, 2025

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 20th day of May 2025.

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

DATED this 1st day of July 2025.



Ben Lane, City Clerk

Public Hearing on Biennial Certified Audit of Land Use Assumptions (LUA), Infrastructure Improvement Plan (IIP), and Development Impact Fees, FY 2022/23 – FY 2023/24

City Council Meeting
May 20, 2025

Lai Cluff, Acting City Auditor
Kevin Burnett, Principal Consultant, Willdan Financial Services



Background

In 2011, state legislation placed several requirements on municipalities' development impact fees.

State law also requires the City to either:

1. Appoint an Infrastructure Improvements Advisory Committee (subject to additional statutory requirements)

OR

2. Provide for a biennial certified audit of its land use assumptions, infrastructure improvements plan and development fees.

Scottsdale Water opted for the biennial certified audit.



Background

3

The audit shall be conducted by “qualified professionals”:

- Not employees or officials of the city
- Did not prepare the IIP
- Defined as professional engineer, surveyor, financial analyst or planner providing services within the scope of their license, education or experience.

The City Auditor’s office contracted with Willdan Financial Services and administered the audit contract.



Background

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The City is required to post the report on its website and conduct a public hearing within 60 days.

- Posted for Audit Committee meeting: April 9
- Audit Committee voted unanimously (3-0) to accept the report: April 11
- News item posted on City webpage with notice of hearing: April 14
- Public hearing: May 20 (41 days after initial report posting)

Willdan Financial Services will provide an overview of the analysis and results.



*CITY OF
SCOTTSDALE, ARIZONA*

**BIENNIAL CERTIFIED AUDIT OF LAND USE
ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENT
PLANS AND DEVELOPMENT IMPACT FEES**

BACKGROUND

- City's development impact fees (DIFs) are subject to statutory requirements on how they are assessed, collected, used, and reported (ARS §9-463.05).
- DIFs may be assessed to offset the cost of providing necessary public services to a development.
 - Must be based on Land Use Assumptions (LUA) and an Infrastructure Improvement Plan (IIP) adopted by the City



BACKGROUND

- Willdan Financial Services audited the City's:
 - LUA – Prepared by Carollo July 2021
 - IIP – Prepared by Carollo July 2021
 - Development fee report – Prepared Carollo and adopted October 2021
 - DIF revenues and expenditures for the periods July 1, 2022 – June 30, 2023 and July 1, 2023 – June 30, 2024.
- Audit completed earlier this year

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AUDIT OBJECTIVES

Audit scope included reviewing:

1. Land Use Assumptions (LUA)
 - Was development consistent with capital needs?
2. Infrastructure Improvement Plan (IIP)
 - Was the system expanded to accommodate growth?
3. Expenditures
 - Were expenditures made on eligible items?
4. Level of Service
 - Has the City maintained the same level of service for new growth?
5. Permit Sampling
 - Were fees charged correctly?

8



AUDIT RESULTS

1. Review Land Use Assumptions
 - Minor differences between projected and actual development
 - Development looked at a 10-year snapshot
2. Review of Infrastructure Improvement Plan
 - Some projects were completed, some undertaken and not completed, some not yet started.
 - Projects were based on a 10-year horizon
3. Review of Expenditures
 - All of the expenditures were on DIF related projects

9



AUDIT RESULTS (CONTINUED)

4. Level of Service Review
 - Appropriate matching of new development and available resources
5. Permit Sampling
 - Fees were correctly charged based on development
 - Some fees were assessed at older rate based on State Statute:
 - *"A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues final approval for a commercial, industrial or multifamily development or the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat that would increase the number of service units."*
 - No inequities in implementing the plan and assessing fees

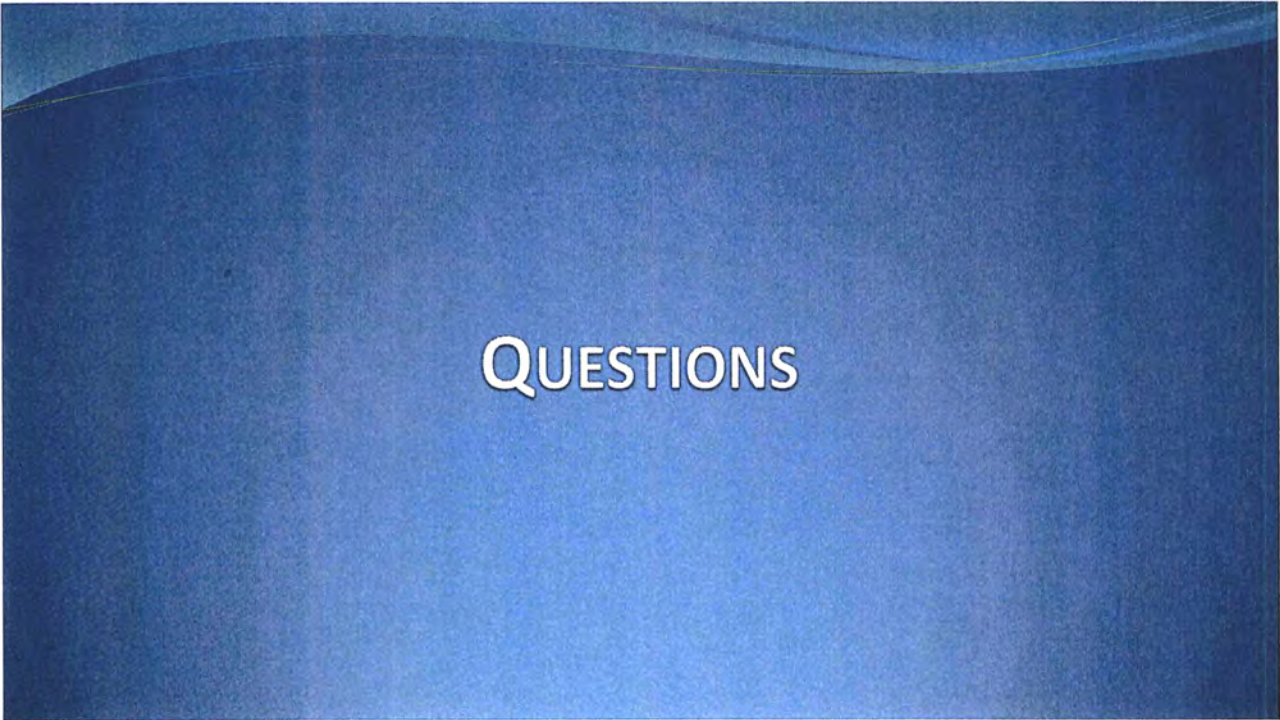
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AUDIT CONCLUSIONS

The City's development impact fee program was conducted consistent with and in compliance with ARS §9-463.05

11



QUESTIONS



Disclosure

Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Willdan Financial Services or for our CIK number which is 000182739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.

Development Fees for Water and Wastewater

Public Hearing | May 20, 2025

Kevin Rose, Interim Water Resources Senior Director



Development Fees

2

- Development fees are one-time fees charged to offset costs associated with providing necessary public services to a new development
- Development fees must result in a beneficial use to the development
- Historically, Scottsdale has adopted only water and wastewater development fees



Development Fees

3

- City of Scottsdale General Plan
 - Element: Cost of Development
 - Goal: As permitted by State law, require development to pay its fair share of the cost of public service needs it generates



Development Fees

4

- Arizona Revised Statutes §9-463.05 requires cities to adopt a
 - Land Use Assumptions (LUA) and an,
 - Infrastructure Improvements Plan (IIP),prior to the adoption or amendment of development fees.
- Council Adopted the LUA and IIP on April 8, 2025



Development Fee Process Timeline

5

February 11, 2025	Public Hearing on LUA and IIP
April 8, 2025	Request City Council Adopt LUA and IIP Post Notice of Intention to Increase Development Fees
May 20, 2025	Public Hearing on Development Fee Report
June 24, 2025	Request City Council to adopt development fees
September 15, 2025	New development fees become effective



Land Use Assumptions (LUA) Report - ADOPTED

6

- Covers the period 2026 to 2035
- Must be updated at least every five years
- Shows projections of changes in land uses, densities, intensities and population for the service area for ten years or more pursuant to the General Plan



Infrastructure Improvements Plan (IIP) - ADOPTED

7

- Defines existing and future level of service
- Equivalent Demand Unit (EDU) - Equal to one detached single family dwelling unit
- Estimates cost of future and system expansions based on the Land Use Assumptions
- The IIP timeline is the same as the LUA



Equivalent Demand Units (EDUs)

8

- State law requires that an EDU be defined:
 - Water EDU is equal to one detached single family dwelling unit
 - Wastewater EDU is equal to one detached single family dwelling unit



Existing and Future Level of Service (LOS)

9

- State law requires that a LOS be established
 - Water LOS is defined as the system's ability to meet the peak day demand per EDU
 - Wastewater LOS is defined as the system's ability to meet the average annual day demand per EDU



Development Impact Fee Process Flow ¹⁰



Future Facility and System Expansion 2026-2035

11

	Total Project Budget	Funded with Rates	Funded with Development Fees
Water:			
Water Treatment Expansion	\$116.4	\$11.6	\$104.8
Distribution System Expansion	\$447.0	\$65.3	\$381.7
Supply Expansion	\$27.8	\$2.8	\$25.0
Water Total	\$591.3	\$79.8	\$511.5
Wastewater:			
Collection System Expansion	\$321.3	\$23.7	\$297.6
Wastewater Total	\$321.3	\$23.7	\$297.6
Total IIP	\$912.5	\$103.5	\$809.0



Amounts in millions
Differences may occur due to rounding



New Development Fee – Per EDU

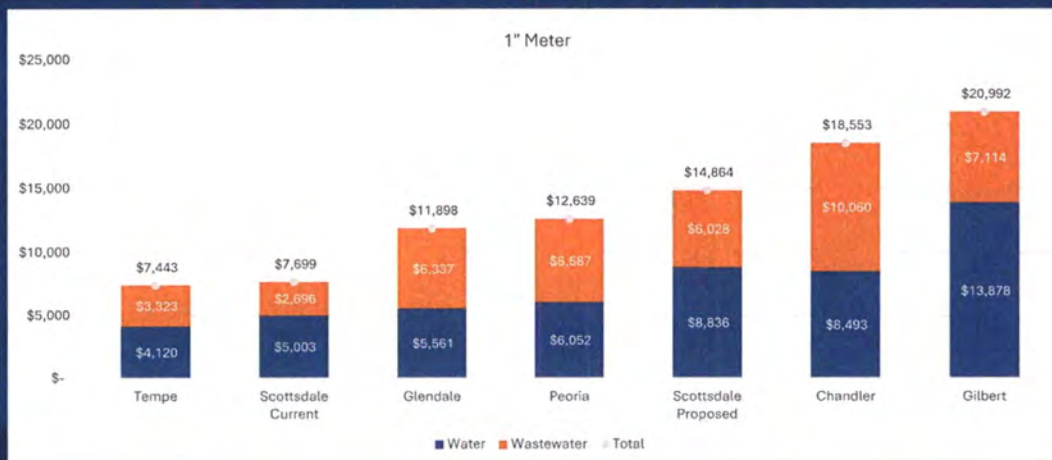
12

- Water development fee per EDU = \$8,836
- Wastewater development fee per EDU = \$6,028
- Total = \$14,864



Development Fee Comparison

13



Current and Proposed Development Fees

14

Meter Type	Current Development Fees			Proposed Development Fees		
	Water	Wastewater	Total	Water	Wastewater	Total
5/8, 3/4, and 1 Inch	\$5,003	\$2,696	\$7,699	\$8,836	\$6,028	\$14,864
1 1/2 Inch	\$25,016	\$13,482	\$38,498	\$44,180	\$30,140	\$74,320
2 Inch	\$40,026	\$21,571	\$61,597	\$70,688	\$48,224	\$118,912
3 Inch Compound	\$87,557	\$47,187	\$134,744	\$154,630	\$105,490	\$260,120
3 Inch Turbine	\$109,070	\$58,781	\$167,851	\$192,625	\$131,410	\$324,035
4 Inch Compound	\$150,097	\$80,892	\$230,989	\$265,080	\$180,840	\$445,920
4 Inch Turbine	\$187,622	\$101,115	\$288,737	\$331,350	\$226,050	\$557,400
6 Inch Compound	\$337,719	\$182,007	\$519,726	\$596,430	\$406,890	\$1,003,320
6 Inch Turbine	\$400,260	\$215,712	\$615,972	\$706,880	\$482,240	\$1,189,120



Summary

15

- Tonight – **No Action is Required.** This is a public hearing only.
- Development Fee Adoption is scheduled for the June 24th Regular Council Meeting.



ITEM 23

Public Hearing and Adoption of FY 2025/26 Rates and Fees



*City Council Meeting
May 20, 2025*

FY 2025/26 PROPOSED RATE & FEE CHANGES

Present in
Detail
March 4, 2025

60-Day
Posting
Compliance

Public Hearing
& Adoption
May 20, 2025



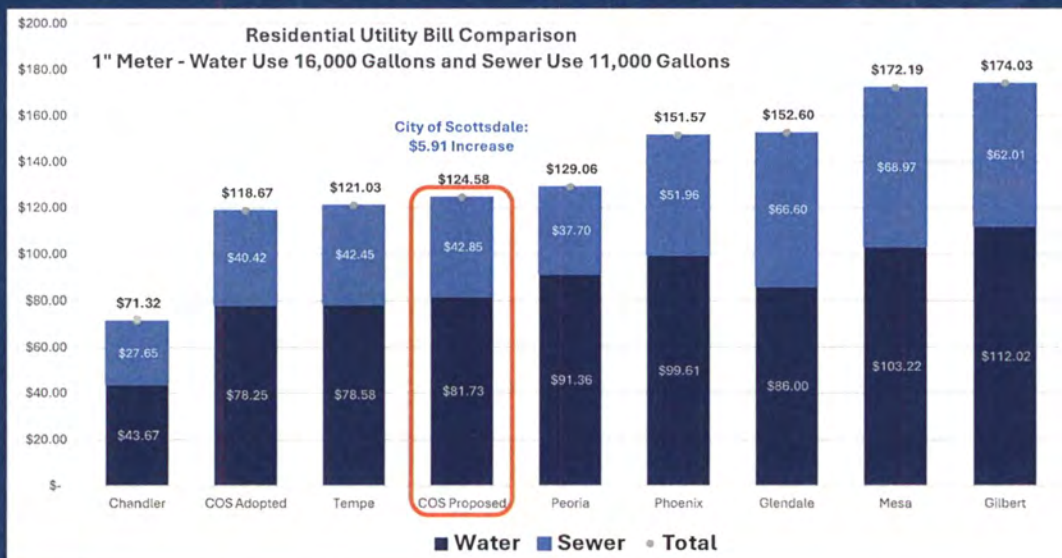
Summary of Major Fee Changes

- Water/Water Reclamation
 - Water fee increase of 4.5% (\$7.4M additional revenue)
 - Sewer fee increase of 6.0% (\$4.4M additional revenue)
 - Miscellaneous Service Charges (\$0.1M additional revenue)
- Solid Waste
 - Residential rate increase of 5% (\$1.5M additional revenue)
 - Various Commercial rate changes (\$0.2M additional revenue)



3

ENTERPRISE FUNDS – WATER RESOURCES



4

Summary of Major Fee Changes

- Human Services
 - New Senior Excursion Fee of approximately \$20 (\$9,000 additional revenue)
 - Eliminate drop-in fee for Table Tennis (-\$1,738 revenue loss)
- Planning and Development
 - Average 5.2% increase in rates and fees (\$1.1M additional revenue)
- Parks and Recreation
 - Increase rental fees for Scottsdale Sports Complex, Bell94 and Reata Sports Complexes (\$0.4M additional revenue)



5

Summary of Major Fee Changes

- Scottsdale Stadium
 - Formalize First Base Pilot Fee (\$17,000 additional revenue)
- Fire Department
 - Increase after hours inspection fees, special event plan rush rate, and compliance engine fees (\$0.2M additional revenue)



6

FY 2025/26 Recommendations – Rates and Fees

- Adopt **Resolution No. 13395** and **Ordinance No. 4665**, amending Scottsdale Revised Code, Chapter 49, Water, Sewer and Sewage Disposal sewer/water reclamation rates and miscellaneous rates and changes, effective July 1, 2025 and adjusting water rate (volumetric and base) charges effective November 1, 2025.
- Adopt **Ordinance No. 4666**, amending Scottsdale Revised Code, Chapter 24, Solid Waste Management by adjusting solid waste rates and charges effective July 1, 2025.
- Adopt **Resolution No. 13391**, authorizing and approving fee adjustments to the Planning and Development Services department's fees and charges.
- Adopt **Resolution No. 13387**, approving fee adjustments to the Parks and Recreation and Preserve Department's fees and charges.
- Adopt **Resolution No. 13409**, approving fee adjustments to the Enterprise Services Department, effective July 1, 2024, and authorizing the City Manager or designee to execute fees and agreements for Scottsdale Stadium and Indian School Park.
- Adopt **Resolution No. 13408**, approving fee adjustments to McCormick-Stillman Railroad park
- Adopt **Resolution No. 13388**, approving fee adjustments to the WestWorld schedule of program charges, rentals and event fees.
- Adopt **Resolution No. 13404**, approving fee adjustments to the Library and Human Services Department's schedule of program charges, rental fees and fines.
- Adopt **Resolution No. 13406**, approving fee adjustments to Fire Department's fees and charges schedule related to special event plan reviews, after hours and weekend fire inspection, and fire protection system compliance reporting fees.

7

The following slides are from the March 4, 2025, proposed rates and fees discussion. They are included as a resource only.

8

FY 2025/26 PROPOSED RATE & FEE CHANGES

Present in
Detail

60-Day
Posting
Compliance

Public Hearing
& Adoption
May 20, 2025



9

ENTERPRISE FUNDS

PROPOSED RATE & FEE CHANGES



Annual Review of Rates & Fees per
Financial Policy No. 9.02



Ensure Rates & Fees Recover All
Direct/Indirect Cost of Service, Debt
Service and Provide Adequate Funding for
Future Capital Needs



Proposed Rate &
Fee Changes
submitted by:

- Water Resources
- Solid Waste



10

OTHER OPERATING FUNDS

PROPOSED RATE & FEE CHANGES



Periodic Review of Rates & Fees per
Financial Policy No. 4.05



Rates & Fees Based on Acceptable
Recovery Rates for Direct/Indirect Cost
of Service



Proposed Rate &
Fee Changes
Submitted by:

- Planning & Dev. Services
- Parks & Recreation
- Enterprise Operations
- Human Services
- Fire

11

FY 2025/26 FORECASTED REVENUE

OTHER OPERATING FUNDS

General Fund	Revenue
Planning & Dev. Services	\$1,109,100
Parks & Recreation	\$40,300
Human Services	(\$1,738)
Fire	\$155,500
General Fund Total	\$1,303,162

Special Programs Fund	Revenue
Human Services	\$9,000

Stadium Facility Fund	Revenue Change
Scottsdale Stadium	\$0

ENTERPRISE FUNDS

Enterprise Funds	Revenue
Water Resources	\$11,797,405
Solid Waste	\$1,759,859
Enterprise Funds Total	\$13,557,264



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FY 2025/26 Enterprise Funds Water Resources

ENTERPRISE FUNDS – WATER RESOURCES

Significant Cost Drivers

💧 Operations

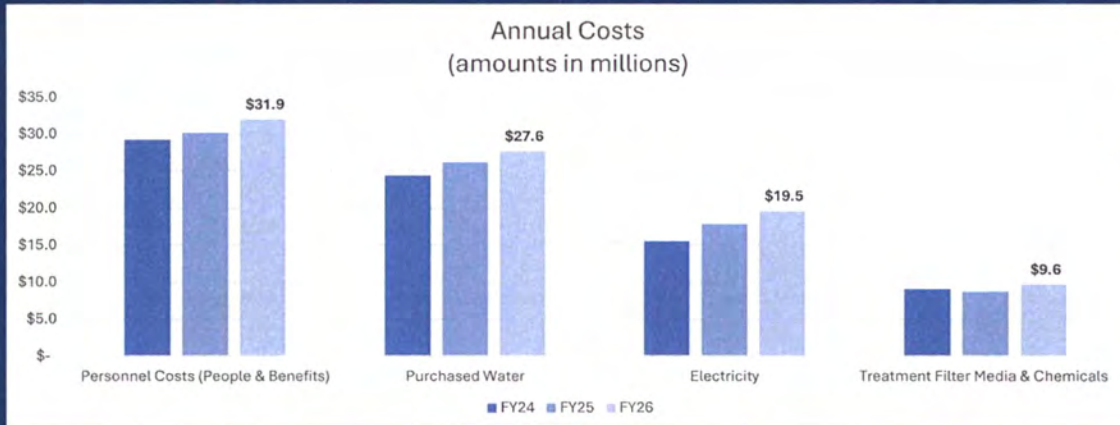
Significant increases* over the last three years in:

- Raw Water – 13%
- Personnel Services – 11%
- Electricity – 8%
- Chemicals – 6%

*Average yearly increase over the last three years

ENTERPRISE FUNDS – WATER RESOURCES

Major Divisional Costs



ENTERPRISE FUNDS – WATER RESOURCES

Water Rates

Base Fees (All Customers)		
	Current	Proposed
5/8" Meter	\$15.10	\$15.75
3/4" Meter	\$20.90	\$21.85
1" Meter	\$30.10	\$31.45
1.5" Meter	\$60.20	\$62.90
2" Meter	\$75.30	\$78.70
3" Meter	\$165.60	\$173.05
4" Meter	\$263.50	\$275.35
6" Meter	\$526.80	\$550.50
8" Meter	\$903.00	\$943.65

Proposed Implementation Date November 1, 2025

ENTERPRISE FUNDS – WATER RESOURCES

Water Rates

Current Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To
1	\$1.65	0	5,000
2	\$3.10	5,001	12,000
3	\$4.55	12,001	20,000
4	\$6.00	20,001	30,000
5	\$7.70	Over 30,000	

Proposed Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To
1	\$1.72	0	5,000
2	\$3.24	5,001	12,000
3	\$4.75	12,001	20,000
4	\$6.27	20,001	30,000
5	\$8.05*	Over 30,000	

Proposed Implementation Date November 1, 2025

*Rate applicable to commercial and residential water haulers and hydrant meters.



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ENTERPRISE FUNDS – WATER RESOURCES

Water Rates

Current Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To
1	\$1.65	0	5,000
2	\$3.10	5,001	12,000
3	\$4.55	12,001	20,000
4	\$6.00	Over 20,000	

Proposed Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To
1	\$1.72	0	5,000
2	\$3.24	5,001	12,000
3	\$4.75	12,001	20,000
4	\$6.27	Over 20,000	

Proposed Implementation Date November 1, 2025



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ENTERPRISE FUNDS – WATER RESOURCES

Sewer Rates

Base Fees (All Customers)		
	Current	Proposed
5/8" Meter	\$7.75	\$8.20
3/4" Meter	\$7.75	\$8.20
1" Meter	\$7.75	\$8.20
1.5" Meter	\$46.50	\$49.20
2" Meter	\$108.50	\$114.80
3" Meter	\$139.50	\$147.60
4" Meter	\$204.50	\$216.40
6" Meter	\$387.50	\$410.00
8" Meter	\$542.50	\$574.00

Proposed Implementation Date July 1, 2025



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ENTERPRISE FUNDS – WATER RESOURCES

Sewer Rates

Customer Category	Current Rates	Proposed Rates	Customer Category	Current Rates	Proposed Rates
Single Family Residential	\$2.97	\$3.15	Commercial Laundry	\$3.90	\$4.13
Multi Family Residential	\$2.97	\$3.15	Laundromats	\$2.97	\$3.15
Commercial Without Dining	\$2.97	\$3.15	Metal Platers	\$3.39	\$3.59
Commercial With Dining	\$4.74	\$5.02	Restaurants/Bakeries	\$6.39	\$6.77
Hotels Without Dining	\$2.97	\$3.15	Service Station Auto Repair	\$2.99	\$3.17
Hotels With Dining	\$4.74	\$5.02	Medical Institutions	\$2.97	\$3.15
Car Washes	\$2.97	\$3.15	Schools	\$2.97	\$3.15

Proposed Implementation Date July 1, 2025



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ENTERPRISE FUNDS – WATER RESOURCES

Miscellaneous Service Charges

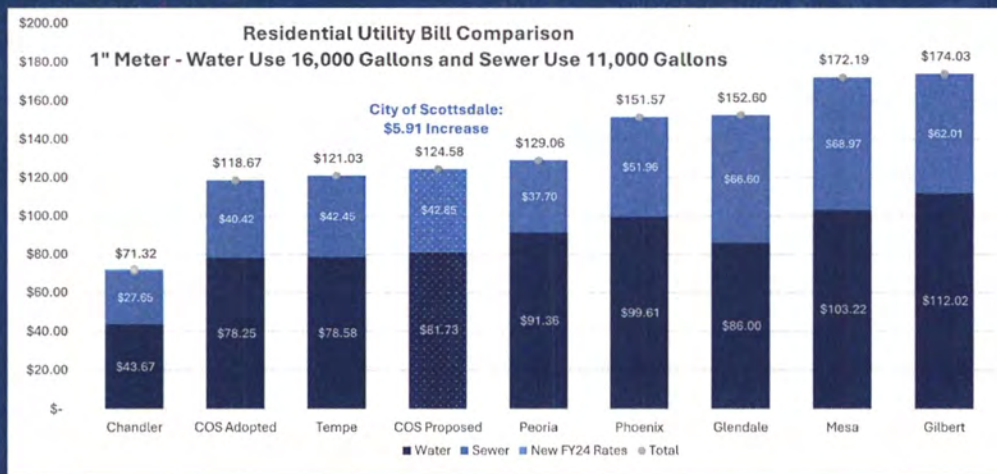
Service Charges	Est. # Of Sales	FY 2024/25 Fee	Proposed FY 2025/26 Fee	Increase Amt	Est. Revenue Change
Meter and Service Lines (All Sizes)	564	\$300 - \$4,580	\$340 - \$4,790	Various	\$59,710
Other Meter Maintenance	3,186	\$40 - \$370	\$45 - \$440	Various	\$51,600
Bulk Water Rate	3	\$2.32	\$2.42	\$0.10	\$2,600
Additional Water Fund Revenue					\$113,910



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ENTERPRISE FUNDS – WATER RESOURCES

Utility Comparison



22

ENTERPRISE FUNDS – WATER RESOURCES

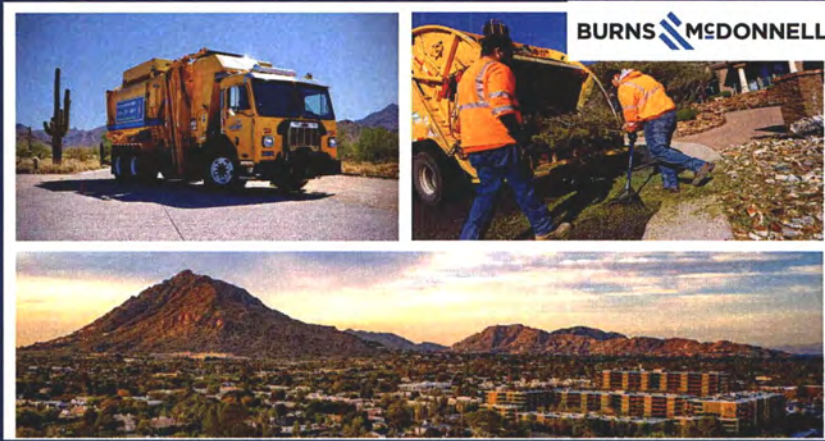
Revenue Proposals

💧 Proposed

- Water fees increase (4.5%) – Effective November 1, 2025
- Sewer fees increase (6.0%) – Effective July 1, 2025
- Misc. service charges, changes vary by type – Effective July 1, 2025

FY 2025/26 Enterprise Funds Solid Waste

Solid Waste: Rate Analysis



SOLID WASTE RATE ANALYSIS



Austin - Buckeye - Casa Grande - Coolidge - Dallas - Denver - Fort Worth - Glendale
- Goodyear - Houston - Kansas City - Phoenix - Queen Creek - Tempe - Tucson

25

Solid Waste: Rate Study Objectives

- Determining the total cost of providing solid waste and recycling services
- Allocating costs to the appropriate customer classes
- Designing rates to safeguard the financial integrity of the operation



26

Solid Waste: Proposed FY 2025/26 Rates

	Type	FY 2024/25 Rate	FY 2025/26 Rate	% Incr.
RESIDENTIAL	First Can	\$30.27*	\$31.78*	5.0%
	Additional Can	\$15.36	\$16.13	5.0%
COMMERCIAL	Front Load			
	2 Cubic Yard	\$113.00	\$117.52	4.0%
	3 Cubic Yard	\$121.56	\$126.42	4.0%
	4 Cubic Yard	\$130.52	\$135.74	4.0%
	5 Cubic Yard	\$138.74	\$144.29	4.0%
	6 Cubic Yard	\$147.30	\$153.19	4.0%
	8 Cubic Yard	\$159.92	\$166.31	4.0%
	Roll-Off (incl. 3 tons)	\$626.01	\$651.05	4.0%
	Holiday Park	\$115.23	\$119.83	4.0%
	Recycling Carts			
	90 Gallon	\$13.60	\$14.30	5.1%
	300 Gallon	\$44.48	\$46.77	5.1%
	Container Recycling			
	2 Cubic Yard	\$85.72	\$93.00	8.5%
	3 Cubic Yard	\$90.09	\$97.74	8.5%
	4 Cubic Yard	\$94.48	\$102.51	8.5%
	6 Cubic Yard	\$103.23	\$112.00	8.5%
	8 Cubic Yard	\$112.00	\$121.52	8.5%

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* Total current rate of \$30.27 includes \$0.04 fee paid to the State of Arizona section 49.836 and proposed rate of \$31.78 includes \$0.08 fee paid to the State of Arizona section 49.836

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Solid Waste: Revenue Estimates

Revenue	Estimated Revenue (Current)	% Change	Estimated Revenue (Increase)
Residential Rates	\$30,874,310	5.0%	\$1,540,146
Commercial Front Load Refuse Rates*	\$3,507,745	4.0%	\$140,230
Commercial Roll Off	\$492,669	4.0%	\$19,706
Commercial Front Load Recycling	\$131,846	8.5%	\$11,204
Commercial Side Load Recycling	\$112,789	5.1%	\$5,806
Miscellaneous Charges	\$908,655	Varies	\$42,767
Total Rates	\$36,028,014		\$1,759,859

*Includes Holiday Park
Rounding difference may occur.

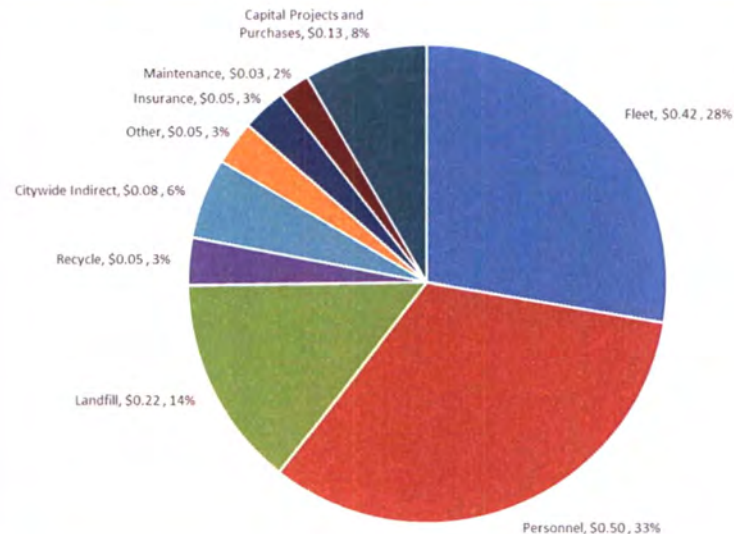
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SCOTTSDALE

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SCOTTSDALE

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Solid Waste: Residential Rate Increase – Cost Drivers

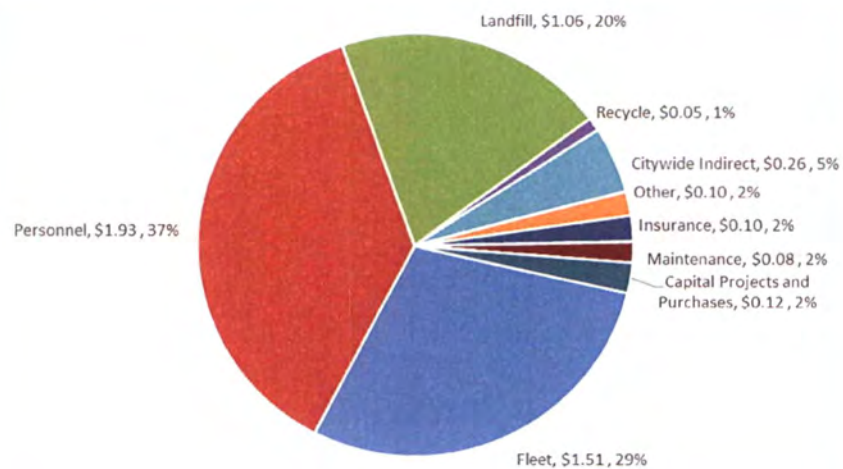
Total Increase:
\$1.51



Solid Waste: Commercial Front Load Refuse Rate Increase – Cost Drivers

Total Increase:
\$5.22*

*4 YD container dollar amounts used for example



Solid Waste: Transfer Station Expansion Project



Expand Transfer Station Bays

- Increase from 3 to 6 Bays
- Doubles Processing Capacity
- Divert Green Waste from Brush and Bulk Loads
- Future Revenue Opportunity



Green Waste Drop-Off Area

- Dedicated Disposal Area for:
- Commercial landscapers
 - HOA's
 - Golf Courses
 - Local Businesses
 - Future Revenue Opportunity



Permanent Household Hazardous Waste Facility

- Greater Accessibility for Residents
- Residents Can Bring Larger Quantities of Material.
- Between 20 – 30% of the material can be safely reused



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Solid Waste: Transfer Station Expansion Project

Construction Begins Summer 2025



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Solid Waste: Recycling Rate Increases

Achieve 10%
Recycling Discount



Commercial 4-Yard Frontload Container Increase

Fiscal Year	Monthly Fee
FY 24/25	\$94.48
FY 25/26	\$102.51

Commercial 90-Gallon Container Increase

Fiscal Year	Monthly Fee
FY 24/25	\$13.60
FY 25/26	\$14.30

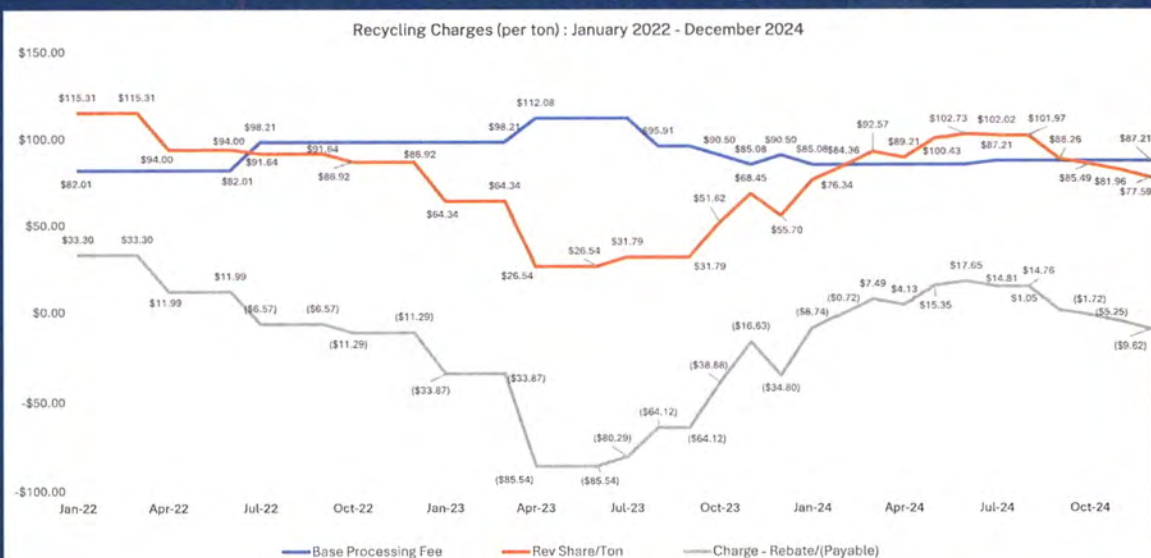
Commercial 300-Gallon Container Increase

Fiscal Year	Monthly Fee
FY 24/25	\$44.48
FY 25/26	\$46.77



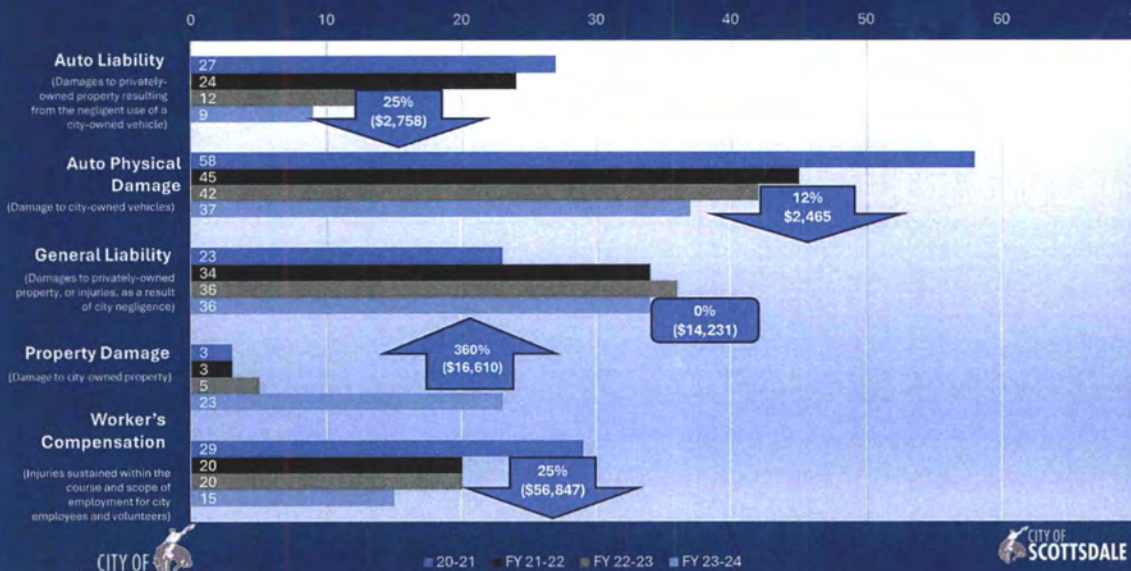
33

Solid Waste: Recycling Costs

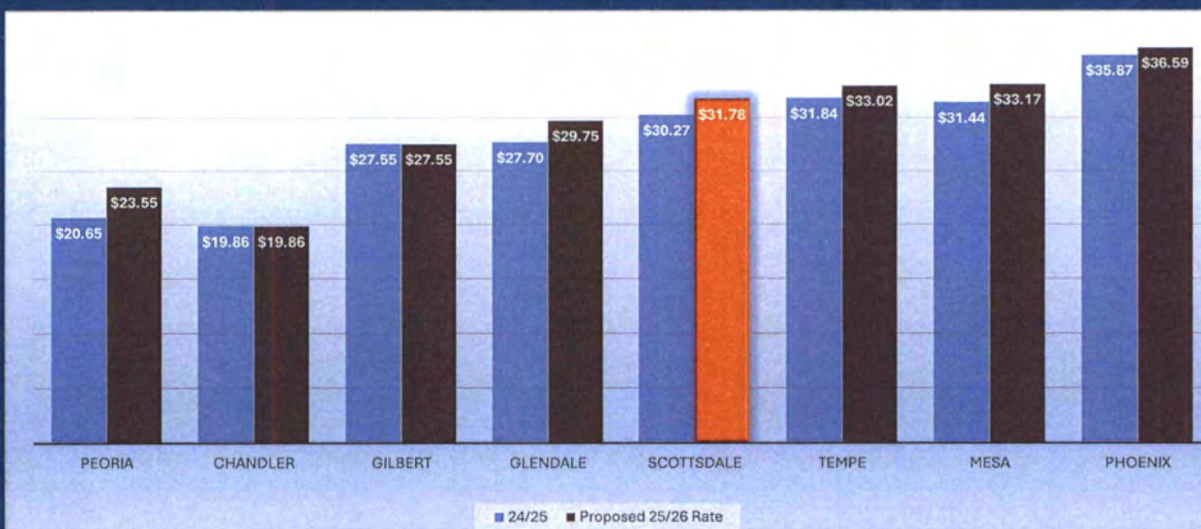


Base Processing Fee – The fee imposed by the City of Phoenix and/or Republic Services without credits applied for recycling revenue based on the current market conditions.
Revenue Share per Ton – The Rev Share/Ton or Blended Rate, is the revenue Phoenix and/or Republic Services receives from marketing the individual commodities based on the market conditions.
Charge – Rebate/(Payable) – The base processing fee with the Rev Share/Ton applied. This is the net amount the City of Scottsdale pays/(earns) for recycling processing per ton.

Loss Reduction: (Accident & Injury Claims - 4 Years)



Solid Waste: Valley Rate Comparison



SCOTTSDALE

Solid Waste: Proposed FY 2025/26 Rates

	Type	FY 2024/25 Rate	FY 2025/26 Rate	% Incr.
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Miscellaneous Charges	\$908,655	Varies	\$42,767
Total Rates	\$36,028,014		\$1,759,859

*Includes Holiday Park
Rounding difference may occur.

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FY 2025/26 Other Operating Funds Planning & Development Services



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Planning & Development Services

Propose 5.2% average increase in rates & fees

Program/Fee	Fee Assessed	Current Fee FY 2024/25	Proposed Fee FY 2025/26	Increase per user	Revenue Change
P&D Services Rates & Fees	Per rate or fee	varies	varies	varies	\$1,052,745
Wireless Communications Facilities Fees	Per charge	varies	varies	varies	\$56,355
Total Additional General Fund Revenue					\$1,109,100



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FY 2025/26 Other Operating Funds Parks & Recreation



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Parks & Recreation

Sports Complexes

Sports Complexes includes Scottsdale Sports Complex (SSC), Bell 94, and Reata. Entire Complex rental fees are utilized for events that book the entire complex (minimum two days).

- Increase Entire Complex rental fees for all Sports Complexes as follows:
 - SSC: From \$2,250 per day to \$2,500 per day.
 - Bell94: From \$1,600 per day to \$1,800 per day.
 - Reata: From \$1,300 per day to \$1,500 per day.
- ❑ The increase to the SSC fee is the final step in a 5-year plan that began in FY22, applying increases every-other year. All fee increases above are in line with Valley benchmarking while continuing to provide a discount off the hourly single field rental rate.



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Parks & Recreation

Program/Fee	Fee Assessed	Current Fee FY 2024/25	Proposed Fee FY 2025/26	Estimated Revenue	Revenue Change
Scottsdale Sports Complex – Entire Complex	Per Day (2-day minimum)	\$2,250	\$2,500	\$155,000	\$15,500
Bell94 – Entire Complex	Per Day (2-day minimum)	\$1,600	\$1,800	\$111,600	\$12,400
Reata – Entire Complex	Per Day (2-day minimum)	\$1,300	\$1,500	\$93,000	\$12,400

Additional General Fund revenue of \$40,300 for FY 2025/26



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FY 2025/26 Other Operating Funds Scottsdale Stadium



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Scottsdale Stadium

First Base Patio

Completed February 2024 - covered outdoor space along the first base line with views of the main field and Camelback Mountain.

- The patio and surrounding area can accommodate up to 400 guests.
- 2024 events included celebrations of life, fieldhouse event receptions, cocktail hours, meal breaks, corporate meetings, AZ Fall League, Pac-12 Baseball, 2024 Spring Training.

Formalize First Base Patio pilot fee of \$1,725

- Approved by Parks & Recreation Commission May 2024
- Established administratively as a pilot fee in June 2024



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Scottsdale Stadium

Program/Fee	Fee Assessed	Current Fee FY 2024/25*	Proposed Fee FY 2025/26	Estimated Revenue	Revenue Change
First Base Patio - Full Day [*Current Fee shown is a pilot fee]	per day	\$1,725	\$1,725	\$17,250	\$0

FY 2025/26 Other Operating Funds Human Services

Human Services

Senior Services

- Establish a Senior Excursions Fee.
 - ☐ The proposed fee would replace an expended COVID-related grant that provided excursions to seniors battling post-COVID isolation.
 - ☐ The fee would recover 50% of the event cost. The other 50% would be covered by the general fund.
 - ☐ Noteworthy – staff will actively pursue grants and/or sponsorships to cover costs.
- Eliminate the \$2.00 Table Tennis drop-in fee at Granite Reef and Via Linda senior centers.
 - ☐ Prior to 2018, this was a free drop-in activity opportunity for seniors. At the time, participation rates averaged about 40 seniors per week. Since instituting the fee, participation has dropped to about 15 seniors per week. In the seven years since the fee was instituted it has generated a total of \$6,990.
 - ☐ Elimination of the fee will have minimal financial impact but should significantly impact participation.



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Human Services

Program/Fee	Fee Assessed	Current Fee FY 2024/25	Proposed Fee FY 2025/26	Estimated Revenue	Revenue Change
Senior Excursion Fee	Per Event	\$0.00	\$20.00 (dependent upon nature of event – cost may vary)	\$9,000	\$9,000
Eliminate Table Tennis Drop-In Fee	Per Player	\$2.00	\$0	\$0	(\$1,738)

Change in General Fund revenue of (\$1,738) for FY 2025/26
 Add Programs Fund revenue of \$9,000 for FY 2025/26



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FY2025/26 Other Operating Funds Fire Department



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Fire Department

After Hours & Weekends Fire Inspections

- Fee to provide fire inspections to the construction customer in an emergency. Utilized during the Certificate of Occupancy inspection, whereas the business is approved and ready to open, keeping Scottsdale commerce moving forward.

Special Event Plan Review Rush Rate

- Staff overtime needed to accept, research, approve, create and inspect the event can take anywhere from 14-30 days depending on complexity. It is critical to have the plan submittal on time to provide the promoter a better chance for approval. Same as existing rush fire permit fee. Well below Valley pricing for afterhours inspections.

Fire System Compliance Engine

- Fee increase is in anticipation of a fee increase from Brycer during the upcoming year. Brycer charge will be \$50, Brycer will retain \$25 and the city will retain \$25 per contract.



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

City Council Meeting
May 20, 2025



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



Maximum Expenditures Set by Tentative Budget

Once the Tentative (preliminary) Budget is adopted, the total expenditure budget shall not be increased upon final budget adoption

A.R.S. §42-17105(C)



3

Changes From Proposed Budget to Tentative Budget

FY 2025/26 Proposed Budget	\$2,207.9
Operating Budget Changes	-\$0.4
Capital Budget Changes	-\$4.2
Contingency/Reserves	\$0.4
Net Change	-\$4.2
FY 2025/26 Tentative Budget	\$2,203.6



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Details of Changes From Proposed Budget to Tentative Budget

• Operating Budget Changes

- Move Scottsdale Arts increase to Contingency (-\$0.4M)
- Relocate 2.0 FTE to the City Clerk from the Mayor and Council (\$0.0M)
- Relocated 5.0 FTE from Enterprise Operations and Communications to City Manager's Office (\$0.0M)

Details of Changes From Proposed Budget to Tentative Budget

• Capital Budget Changes

- Wildlife Crossing Feasibility Study Funding (\$0.3M)
- 15-Build 200 Space Parking Lot off 75th Street to serve Court and Stadium (-\$1.5M)
- Grant-funded fire truck (\$1.4M)
- Close out seven projects (-\$4.4M)

• Reserves and Contingencies Changes

- Move Scottsdale Arts increase to Contingency (\$0.4M)

Detail of Changes for 5-Year Capital Improvement Plan

- Proposed 5-Year Capital Improvement Plan - \$2,237.7 million.
- **5-Year CIP Changes**
 - 22 – Build New Swimming Pool and Replace Building at Cactus Park Project (-\$31.0M)
 - Completed CIP Projects (-\$4.4M)
 - New Grant Funded Fire Truck (\$1.4M)
- Tentative 5-Year Capital Improvement Plan - \$2,203.8 million.

FY 2025/26 Tentative Budget

\$2,203.6 M



Note: Amounts do not include internal transfers

-4.0% Overall Net Decrease from Prior Year Budget

(in millions)	FY23/24 Adopted	FY 24/25 Adopted	FY 25/26 Tentative	\$ 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	885	123	16.2%
Capital Improvements	1,369	1,068	948	(121)	-11.3%
Reserves and Contingencies	425	465	371	(94)	-20.2%
Total Budget	\$2,533	\$2,295	\$2,204	(\$91)	-4.0%

Request Council Motion

- **Adopt Ordinance No. 4668** as presented or as modified by Council, establishing the Tentative Budget for Fiscal Year 2025/26 and adopting by reference the State required budget forms.
- **Adopt Ordinance No. 4669** as presented or as modified by Council, tentatively adopting the Five-Year Capital Improvement Plan for FY 2025/26 to FY 2029/30.

