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CALL TO ORDER

[Time: 00:00:00]

Mayor Borowsky: I would like to call the September 30th, City Council Regular Meeting and Work Study Session to order. City Clerk, Ben Lane, please conduct our roll call.

ROLL CALL

[Time: 00:00:11]

City Clerk Ben Lane: Thank you, Mayor. Mayor Lisa Borowsky.

Mayor Borowsky: Present.

Ben Lane: Vice Mayor Jan Dubauskas.

Vice Mayor Dubauskas: Here.

Ben Lane: Councilmembers Barry Graham.

Councilman Graham: Here.

Ben Lane: Adam Kwasman.

Councilman Kwasman: Here.

Ben Lane: Kathy Littlefield.

Councilwoman Littlefield: Here.

Ben Lane: Maryann McAllen.

Councilwoman McAllen: Present.

Ben Lane: And Solange Whitehead.

Councilwoman Whitehead: Here.

Ben Lane: City Manager Greg Caton.

City Manager Greg Caton: Here.

Ben Lane: Interim City Attorney Luis Santaella.

Interim City Attorney Luis Santaella: Here.

Ben Lane: City Treasurer Sonia Andrews.

City Treasurer Sonia Andrew: Here.

Ben Lane: Acting City Auditor Lai Cluff.

Acting City Auditor Lai Cluff: Here.

Ben Lane: And the Clerk is Present. Thank you, Mayor.

[Time: 00:00:40]

Mayor Borowsky: Thank you very much. This evening we have Police Officers Sergeant Bolis, Officer Wilburn and Officer Mathis as well as Firefighter Tyler Follio, if anyone requires assistance from those individuals please let a member of our staff know.

This evening, I would like to invite Councilman Barry Graham to give our Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

[Time: 00:01:00]

Councilman Graham: Thank you, Mayor, my honor. I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: One nation under God, indivisible, with liberty and justice for all.

INVOCATION

[Time: 00:01:27]

Mayor Borowsky: Thank you and for the invocation this evening, I will turn it over to Councilwoman Whitehead.

Councilwoman Whitehead: Thank you, Mayor. And I have invited Reverend Christopher Wurpts to give our evening prayer, and I'm oh, there he is. Okay. I will say a few words about him. The reverend is the lead pastor of North Scottsdale United Methodist Church. He became a pastor because he treasures being present with people in life's most meaningful moments such as worship, weddings and everyday connections, that form authentic community. At North Scottsdale United Methodist Church, he helps people deepen their faith, and nurture spirituality. Across generations. Christopher believes that faith is at its best when it inspires people to love their neighbors. And with that, I will turn it over to the pastor.

Reverend Christopher Wurpts: Mayor Borowsky, Council people, thank you for having me. In my faith tradition, we believe that every person is created in the image of the divine and worthy of dignity. We believe that true strength is revealed not in power or profit, but in care for the vulnerable. And we believe that the love of neighbor is both the heart of our faith, and the measure of a just community. You may not share my faith. You may not even be religious at all, but surely you can see the truth in this, that a city is at its best when it remembers the poor, when it helps the vulnerable.

And it's from this place that I implore you to remember those voices whose are often not heard, the poor, the unhoused, the immigrant, the child without opportunity. And as you deliberate tonight, may you recognize the image of the divine, in the least of these. And may compassion and justice guide your decisions. Let us pray.

God of justice and mercy, we thank you for this city and for all who make their lives here. We pray for these leaders entrusted with guiding Scottsdale, grant them wisdom that looks beyond immediate gain, courage to do what is right when it is difficult, and humility to hear the voices of those most often overlooked. We remember before you the vulnerable in our community, families struggling to afford housing, workers seeking dignity in their labor, children longing for opportunity, elders who need care and neighbors who live without shelter. May their needs stand at the center of all of our concern. Grant this Council a vision of justice that honors every race and culture, that protects creation, upholds the dignity of workers and opens doors for those long shut out of opportunity. Let Scottsdale be known

not only for prosperity and growth, but for compassion and fairness and mercy. And we pray for these Councilmembers and our Mayor themselves. Bless their families and strengthen them in their daily lives. And grant them wisdom to navigate disagreement with grace. Guard them from the temptation to see each other as enemies or rivals or pull them from blame or scapegoating. Where there is division, sew respect. Where there is weariness, bring renewal. And where there's anger, kindle instead a deeper commitment to the common good. Bless this gathering tonight and may the decisions here reflect your love, your justice and your peace. And may the city become a place where the stranger finds welcome, the child finds hope and the vulnerable finds refuge. Amen.

Councilwoman Whitehead: Thank you.

Mayor Borowsky: Thank you.

MAYOR'S REPORT

[Time: 00:05:33]

Turning to the Mayor's Report. This evening marks the conclusion of Councilwoman Jan Dubauskas' service as Vice Mayor. As part of our established rotation outlined in the Mayor and Council Rules. First, thank you, Councilwoman Dubauskas, for your service. And I'm pleased to congratulate Councilman Adam Kwasman on his new role as Vice Mayor. Vice Mayor now to be, soon-to-be Kwasman, I look forward to working with you in this capacity, as we continue to serve the residents of Scottsdale together. Of course.

EXECUTIVE SESSION

Possible Executive Session announcement as is always the case, at some point during tonight's meeting, the Council may elect, make a motion to recess into Executive Session in order to or in the event we need to obtain legal advice on an agenda item if authorized by Council to do so, the Executive Session will be held immediately and will not be open to the public. The public meeting would, in that case, resume following the Executive Session.

PUBLIC COMMENT

I'd like to turn it now to the first public comment period. Public comment is reserved for Scottsdale citizens, business owners and/or property owners to comment on non-agendized items that are within the Council's jurisdiction. No official Council action can be taken on these items and speakers are limited to three minutes to address the Council. If you wish to speak on a non-agendized or for that matter an agendized topic, please see the City Clerk if you have not already done so. And I would like to point out that the Council does not answer questions or engage in comment during this period of time. So just so everyone is aware.

We received let's see what do we have? We only have four speakers tonight. First, we'll invite Steve

Sutton to come down, followed by Dan Ishac, Bryan Scott and Gail Golec. And I would like to mention the new podium is here to our right.

[Time: 00:07:48]

Steve Sutton: Everybody hear me?

Mayor Borowsky: We can.

Steve Sutton: Good evening, Honorable Lisa Borowsky, Mayor of Scottsdale and other Councilmembers. Tonight, I am submitting a petition that was signed by approximately 95% of residents approached for signature. It requests the City Council takes the reasonable course of action of conducting a parking study before spending millions of dollars on building a garage across the parking corral from the Old Adobe Mission. It would be a win/win situation for the City Council. It would either prove to residents that the City Council is correct in supporting building or allow the City Council to demonstrate they are reasonable leaders who can change their mind when presented with information that does not support their position to build.

My research of the last 25 years of City Council agendas, minutes, transcripts and other documents indicates the decision to build a garage in front of the Old Adobe Mission is not supported by scientifically conducted research. Building a garage is being promoted by a small group of people for political and economic interest. There are residents, business owners and City Councilmembers saying the 2019 Bond election requires building a garage. That is not true. The text of the 2019 Bond states that it is to provide funds to design, acquire, construct, reconstruct, improve, furnish and equip public parking facilities. The 2019 Bond language was incorrectly abbreviated on the actual paper ballot. It does not require building parking structures in Old Town Scottsdale. The 2019 Bond does not specify a garage location. The 2019 Bond does allow building a garage at any suitable location.

There are residents and business owners and Councilmembers saying the parking corral across from the Old Adobe Mission is the only location available to build a garage in historic Old Town. That is not true. There is at least one other suitable city-owned location within walking distance of where I am standing right now.

Historical significance of the Old Adobe Mission has been underappreciated and unknown by the majority of Scottsdale residents. Publicity can and will change that. It's only one of the two Department of Interior designated historic places in historic Old Town. In the early years of Scottsdale, before and after incorporation as a city, the Old Adobe Mission was the important center of cultural residents. It's a monument to the social and cultural development of Scottsdale during last 90 years. The City Council and families can comprehend the negative reaction most residents have when learning of the details of their plan to build a garage in front of the Old Adobe Mission. This petition provides the City Council an opportunity, that is reasonable and wise. It's not too late to the City Council to avoid alienating a significant number of Scottsdale voters. Thank you, Mayor Borowsky.

Mayor Borowsky: Thank you, Steve. Dan Ishac.

[Time: 00:11:42]

Dan Ishac: Dan Ishac, address on record. The assassination of Charlie Kirk was a national tragedy, and we will not allow engagement people with different opinions. It was even more poignant and even though I didn't agree with many of Mr. Kirk's statements that he regularly reached out to people with differing opinions, so that they could discuss it civilly. It's a shame that members of our Council don't share that admirable quality.

For those of you who attend regularly, you know how Barry Graham uses rules of procedure to stifle conversation, whether it's call to question or his squawking point of order. We know that he blocks people on social media. We know that he uses his supporters to comment on that are unflattering to him on social media. We know that he uses his mouthpiece Rod Pritchard and others to say incorrect vile statements about people. We heard at the last meeting how he inappropriately used police resources to try to intimidate Steve Sutton. We also saw a video where he tried to physically intimidate Mayor Borowsky and he recently worked with our City Manager to try to stop residents from being able to collect signatures on petitions on Scottsdale property. Thankfully our City Attorney stopped that.

Barry is not alone in this bad behavior. Jan Dubauskas claims that he's the victim of lawfare when, in fact, she was actually the instigator and perpetrator of lawfare. Let me remind people what she said to the investigators in her interview. Ben, do we have the video or do I need to...

We've frankly, have done a lot of research, can we just 5-2 vote her out and that's not the charter doesn't allow it. And so she has to quit or she has to be convicted to be gone. So, we're just not sure what to do. He can't we can't trust these people. The four of us are friends and we're tight but Lisa has always been an expletive.

Councilman Kwasman: Point of order.

Dan Ishac: Could you stop the clock, please?

Councilman Kwasman: Point of order. Madam Mayor, Mr. City Attorney, do we have a decorum restriction on what can be what can be stated at at the podium for non-agendized items?

Interim City Attorney Santaella: Honorable Mayor, members of Council, yes, we do have a decorum rule.

Councilman Kwasman: Okay.

Mayor Borowsky: What's your point of order?

Councilman Kwasman: I had a question, I would like ask the City Attorney to remind the speaker of that decorum rule, for this instance. For the language that was portrayed just there.

Dan Ishac: You mean Jan Dubauskas' language?

Mayor Borowsky: Can you just articulate the point of order, Vice Mayor Kwasman.

Councilman Kwasman: Yes, Madam Mayor. Luis, can you please remind the speaker about our decorum that we have at this City Council chamber?

Luis Santaella: Mayor and members of the Council, I'm happy to remind the speaker. The same rules of civil dialogue that apply to the City Council apply to the to you sir, and what you have done is bleeped that out. I would ask you in the future to take that into account.

Dan Ishac: Sure. Thank you. So not only did Jan participate in lawfare but at the last meeting, she took a page out of Barry's playbook and she asked one of her supporters to claim to the police about an interaction I had with her. Jan, I will not be intimidated by you. It would surprise people that I'm actually a conservative. I was an active participant in the Republican party for most of my adult life. I was an LD-23 state committeeman for GOP. I'm a conservative for many reasons. Three important ones are one, I believe in the constitution. It applies to all of us, not just those who curry favor with elected officials. Jan and Barry apparently feel differently. Second, I believe in fiscal responsibility. Jan and Barry presided over a blowout budget that recklessly spends our tax dollars and cuts into our reserve. And lastly, I believe in law and order. Filing false criminal complaints and using the police to intimidate them is the opposite of law and order. They are not conservatives. They are trying to spend your money unnecessarily and squash your rights. Thank you.

Mayor Borowsky: Thank you. Bryan Scott, followed by Gail Golec.

[Time: 00:16:42]

Bryan Scott: Can I have the projector, please? Okay. First, I want to express my sincere appreciation for Mayor Lisa Borowsky. Everyone seems to be giving her a hard time, and Scottsdale is lucky to have someone skilled and capable in the saddle.

Tonight, I want to address the latest tourism funding, \$75,000 for the Bentley Polo Party. Here's the page, from the let me find my place again. Here is the page. It shows Gila River Resort and Talking Stick Resort sponsoring the event this disqualifies it from funding. This is the 14th Annual Polo party. Scottsdale has supported it for many years. Council, the event website says at the bottom, you can read it here, a way to stand with Ukraine at the Scottsdale Polo Party. Flyers handed out last year at the event state, quote, do not perpetuate the enemy propaganda, quote, do not invest or spend money with companies doing business in Russia and quote, abandon isolationism. Cancel funding and event signaling bias and promoting political agendas during a deadly international conflict does not align with Scottsdale's brand. It alienates people and raises questions about the anti-discrimination ordinance.

Even more disturbing the sponsored group affiliated with the Bentley Polo event has scheduled an event in Scottsdale Public Library on December 4th, titled "Lady Death." Promoting wartime snipers and glorifying assassination, this is not appropriate, especially not without public scrutiny. So, I'm requesting an audit of the Bentley Polo funding for this year and the previous three years under Section 7 of the

event development funding agreement, contract 2025126.

Finally, changes to the Tourism Development Commission bylaws are bizarre and alarming. Funding criteria has vanished into thin air replaced with language that says, quote, a code of ethics is not necessary, and quote, rules may be suspended for particular individuals and follow the instructions of commission Chairperson or be removed from the meeting, end quote this opens the door to arbitrary enforcement, censorship and systemic corruption. Scottsdale's tourism brand has been built over decades with western spirit professionalism and civic values. Scottsdale can do better.

Mayor Borowsky: Thank you. Gail Golec.

[Time: 00:19:38]

Gail Golec: Mayor Borowsky, members, thank you for the opportunity to speak. I am here to petition for a report. The Arizona Revised Statutes, Section 45.576 requires that every new development in an active management area must demonstrate a 100-year assured water supply before approval. It's before approval. That means enforceable proof of water not just promises in a contract. The public records department confirmed that no records exist showing 100 years assured water supply for the Axon project. A promise to purchase storage credits is not proof. The law requires enforceable contracts and a portfolio analysis. Scottsdale is relying on a designation issued in 2013. The original supply and demand analysis is not on file. The renewal application for that designation is still under review by the Arizona Department of Water Resources, and it is not final.

Axon's only water obligation is 3,000-acre feet of storage credits and it is suspended by the referendum and unenforceable. If zoning is overturned, via the referendum, that obligation disappears entirely. We are missing the, we have a lack of portfolio analysis showing how Scottsdale will cover the Axon's projected demand of about 688-acre feet per year for 100 years. Without it, there is no guarantee water supply for this project.

Before any action, I request that the Council must require proof that Axon has secured the water through binding contracts and updated enforceable portfolio analysis, showing the city can cover Axon's demand for 100 years or acknowledge publicly that the city of Scottsdale is not in compliance with current state law as required by Arizona Revised Statute Section 45-576. Thank you.

Mayor Borowsky: Thank you very much. That concludes the public comment on non-agendized items. I will close the public comment in that regard.

MINUTES

[Time: 00:22:13]

Next, we have the approval of the Minutes and if there's no revisions, I will entertain a motion to approve the Special Meeting Minutes of July 2, 2025, Executive Session Meeting Minutes of July 2, 2025,

Regular Meeting and Work Study Session Minutes of July 2, 2025.

Councilwoman McAllen: So moved.

Councilwoman Whitehead: Second.

Mayor Borowsky: All those in favor, please indicate. Thank you.

CONSENT AGENDA

[Time: 00:22:42]

Next, we move to Consent Agenda items 1 through 14A. Do any members of the Council have questions on any of the Consent items or request to move anything off the agenda?

Councilwoman Whitehead: I have a comment.

Mayor Borowsky: Consent Agenda is. Go ahead, Councilwoman Whitehead.

Councilwoman Whitehead: Thank you, Mayor. I have a comment. One the beauties of city government is we actually are connected to our residents. So, I am looking for the item number maybe somebody can help me. We had a group of comments part of the Mayor's Council come forward with a proposed ordinance, to make electronic cigarette devices abide by the same I'm projected an approval. I want to remind that Scottsdale is a 240,000-person city that acts like a small town. Thank you.

Mayor Borowsky: Thank you and thank you for beating me to that. They are up here today and so good job. Good job, you guys! Getting ahead of the curve and proposing ordinances to stop outdoor vaping. So that's in public spaces. So that's great. So having not seen any other questions or requests to remove, I will now entertain a motion to approve Consent Agenda items 1 through 14A.

Councilwoman McAllen: So moved.

Councilwoman Whitehead: Second.

Mayor Borowsky: All those in favor, please indicate your vote.

Ben Lane: Mayor, I apologize, we have several individuals signed up for public comment for Consent Agenda items.

Mayor Borowsky: Sorry, thank you for pointing that out. It's one of the Mayor Councilmembers. Great. And then we also have Bryan Scott for item number 8. So, let's take Bryan Scott first. Thank you, City Clerk.

[Time: 00:24:44]

Bryan Scott: Thank you. I'm here to strongly oppose the \$150,000 portion pore the day of death event especially because its double the city's maximum amount of \$75,000. The event is disturbing and alarming. This is not a Catholic holiday like All Saints Day. Day of Death is rooted in Aztec religious practices involving human sacrifices. Practice that Spanish missionaries claimed as satanic. At the center of this celebration is the Aztec Goddess of death, said to have been sacrificed as a child and married in the underworld. Giant skeleton installations, including skeleton wedding ceremony. Promoting this with public funds is a serious culture and spiritual distortion. This is why Scottsdale, a city so why is Scottsdale, a city known for family values and civic pride playing a Los Angeles company to import imagery rooted in a blood ritual.

Even more troubling, the finances used to justify this funding don't appear credible. The report claims over \$600,000 in expenses for the 2024 event, but this is unaudited and suspect. Key numbers feel inflated inconsistent and cherry picked. The event is marketed to Los Angeles and Mexico, and it's being staged at an historic Catholic church adding religious confusion. This is not cultural celebration. This is cultural rot. Subsidized by the city of Scottsdale and I urge you to cancel this funding. Scottsdale can do better.

Mayor Borowsky: Thank you, Mr. Scott. I'm going to bounce back to Consent Agenda item 1, and that is The Arden Scottsdale and I will ask Mailen Pancewicz to come speak.

[Time: 00:26:43]

Mailen Pancewicz: Thank you, Mayor. Mayor and Councilmembers, my name is Mailen Pancewicz, I'm a property owner at 303 North Miller Road Casa de Amigos. I want to preface all of this conversation by saying I am a Planner. I'm aware of the difference between an abandonment and whatever approvals are for zoning or just regular design on specific zoning, but I'm here for the record because our residents are really upset regarding the design of The Arden.

So, I'm here ahead of the DRB hearing to give you a heads up on our community's concerns regarding the layout and the design of the development which at three stories will remove our solar access from the west side of our two-story building. I want to let you know that we are fully aware of R5 requirements for setbacks and understand that the developer can build to the minimum standards of R5 zoning and three stories. We don't oppose this. We don't oppose the abandonment, even though they barely have talked to us about the kinds of accesses that we would need to our properties. But we oh, pose the complete lack of transparency.

From the perspective we will have at Casa de Amigos. We have bedroom windows that will completely lack natural light and privacy with a new three-story building only 21 feet away. I want to remind the Councilmembers that Scottsdale average width of traffic lanes is about 11 feet. So this is less than two lanes of traffic away from our windows.

In addition, along our west side we have landscape and decades of mature trees that we will see completely reduced to null in terms of solar access, killing our landscape and screening from this budding three-story development that would cast a perpetual shadow on our trees and bedrooms. Our largest concern is the minimal situation between the buildings and the Arden southwest. We have reviewed all existing R5 developments adjacent to each other in our neighborhoods and we could not find a similar condition where the distance is so minimal between adjacent developments and new construction is only relying on the established development to provide all of the buffering and most of the setback.

In every case, despite being able to build to minimum and no setback in R5 zoning, the sign considerations were always applied to ensure solar access and privacy. These considerations have not occurred in this case. Approval of this development as is will set a precedent in our neighborhood for non-context sensitive construction that leaves behind the permanent consequences of poorly planned building locations with no access to natural light. We have worked with the developers' representatives and they state they are unable to reorganize the layout of the site to provide more distance and natural light. This is a shame because a 21-foot distance between our building and their proposed building will not only reduce our property values, it will also reduce theirs and affect their landscape as well. Everyone will benefit from more distance between our buildings. Thank you for hearing me out on this topic.

Mayor Borowsky: Of course. Thank you very much. Going back to item number 11. Sid Gupta, come on down.

[Time: 00:30:16]

Siddanth Gupta: Good evening, Madam Mayor and city Councilmembers. My name is Sid Gupta, address on file. I'm a junior at Desert Mountain High School and I'm here representing the Scottsdale Mayor's Youth Council and the Scottsdale Youth Substance Abuse Coalition. We presented a petition to the City Council at the May 20th City Council Meeting, regarding prohibiting the youth of vapes in public areas and conforming to the state's Arizona smoke-free act. And I'm pleased to see that it is on today's Consent Agenda. I'm grateful for the support that I have received from all the City Councilmembers, city staff, as well as organizations such as American Cancer Society, American Heart Association, American Lung Association and the campaign for tobacco-free kids. I thank you for taking this important step in improving the public health of Scottsdale. Thank you.

Mayor Borowsky: Thank you. And I would just like to congratulate you again, the determination and the commitment you've shown as a part of the Mayor's youth Council has been really really refreshing and incredible and you actually got something passed good. Job.

Siddanth Gupta: Thank you.

Mayor Borowsky: More than most legislators can say, right? All right. Moving right along.

CONSENT AGENDA

So now we will go back to our Regular Agenda oh, we will vote on this first. Consent Agenda items 1 through 14A. We have a motion and a second. All those in favor, please indicate your vote. All right.

REGULAR AGENDA – ITEM 15

Moving right along to our Regular agenda items tonight. It passes. Item number 15. Item 15 is a request to adopt Ordinance 4686, for a zoning district map amendment from single-family residential district, environmental sensitive lands designation on approximately a 40-acre site, consisting of two parcels for a 32-lot subdivision community at the southeast corner of East Ranch Gate Road and 112th Street. I see Jesus Murillo, Senior Planner with the city is here to give us a presentation.

[Time: 00:32:47]

Senior Planner Jesus Murillo: Thank you. Good evening Mayor Borowsky and Vice Mayors Dubauskas and Kwasman and the members of the Council. Again my name is Jesus, I'm the Planner here with the city. Today I will present 8-ZN-2024, also known as the Ranch Gate 40. It's a request to R1-130 ESL, to R1-35 ESL. The slide is a little busy there's some things that happened. The project is located within the Dynamite Foothills character area. It will require amended development standards with the plat and as such with the increase in density and many development standards, the applicant is proposing the justification with additional natural area open space. There was some concern received from neighboring properties, which the applicant I won't steal thunder from them. They will address you in how they have been addressed. Also in your supplemental packet, I think you might have seen some additional comments from some residents, and I wanted to point out that most of those concerns are to be addressed through existing codes and ordinances. I also wanted to point out that a resident did speak in favor the project at the Planning Commission hearing.

So, the site is general located at East Ranch Road and 128th Street. That's about three-quarters of a mile from the McDowell Sonoran Preserve to the east. It's surrounded on the north, east, and south, by the Storyrock, and Sereno Canyon is located immediately across the street to the west. This is a closer look at the site. As you can see, there are three large washes that intersect on to the property diagonally, and that kind of created natural building envelopes for where the development would occur on the site itself.

So, again, the site itself is zoned R1-130. To the north we have R170 and R118 and the planned community district that applies to the entire Storyrock property and you have R135 and R143 on the McDowell Mountain manor site. And they are requesting to rezone to the R135 and with the environmentally sensitive lands. It's a busy slide. I would first like to direct your attention to those boxes that you see in blue and in orange. The existing zoning allows for .31 one dwelling units per acre which calculates the 12 lots and the current proposed zoning without any amendment to it, the R135 allows for .14, which is 41 lots. Now although that's the zoning that's being requested, it has been stipulated and capped at .80 dwelling units per acre, totaling 32 lots.

And if I may also direct your attention to the bottom of the slide, the property as ESL standards is required to provide 14.45 acres of natural area open space and the applicant is proposing to provide 18.32 acres of NAOS with 13.3 of those being in tracts and that's about 70%.

This is the site. We'll zoom in a little closer. As you can see the proposal has one entrance coming from East Ranch Gate Road. Although that will be the primary access to get to the private street tracts in the lower southwest corner, the bottom left-hand corner there's also a secondary access point that serves in for three different reasons. The first one, it will be emergency access if needed to evacuate the site or just needing access to a secondary access to the site as you see it here today. There will also be a trail that is located within that area to connect the this community to the trail system that is located along 128th Street. And it will also be used as construction access during the time of construction for the site itself.

[Time: 00:37:19]

Moving on to the circulation plan. We will blow that up a little. The project is stipulated to provide 50 feet of desert scenic roadway off of Ranch Gate Road. And then an average that's along the 128th Street frontage with the ordinance restricting the minimum of that to be 85 feet in length.

Next, looking at I will zoom in that as well. Looking at the natural area open space. Again, as you can see, 70% of the NAOS is going to be located within tract A or tract B which is preferred by the ordinance and the remaining of that open space will be on lot. This is the site plan that is super imposed on to the that green area that you see there, is the existing open space surrounding the property. So, you can see how it ties into the surrounding open space.

There were questions about density and surrounding areas. Again, the density being proposed for this site is .80 dwelling units per acre with .8 dwelling units per acre just across the street. .77 dwelling units per acre on the Astoria Highlands and total .96 dwelling units per acre for the Storyrock, which surrounds the remaining part of the project.

Some of the updates at that time applicant did, during the review cycle. There were residents who were concerned about construction access acting on coming in through East Ranch Gate Road which the applicant then agreed to the secondary access off 128th. Now, again, not to take thunder away from the applicant, I know that they have a stipulation to further impose how traffic accesses this site, I will allow them to present it, but staff has it also in writing in case it is approved that we can read it into the stipulation since that occurred between yesterday and today.

The lots were reduced from .33 to .32.

And then this one, I will speak a little bit about, because there was some misunderstandings on this point here. A resident had requested that there be a streetlight for illumination to be located on the site. Because this intersection qualified as a conflict point by transportation, they agreed that this would be a good site for a light. The applicant agreed to that as well. Through that discussion, people misunderstood that the streetlight for illumination to be a light signal for directional, and that

conversation find of formed into people disagreeing with what should happen at the intersection. We want to make sure that it's clarified that it's a streetlight and not a light signal being proposed at this intersection.

Some other discussions that have been had or about 128th Street. So currently, as you can see here, both the street classification map and the classification changes, as per the transportation master plan, right now, have designated 128th Street between East Ranch Gate Road and Jomax for emergency access only. Currently the development that's located adjacent to this site, which is this white area that you see around the yellow triangle, they are stipulated by a development agreement to have access through 128th Street, but once that construction has been completed, it will revert it will continue to be for emergency access only. Again, the applicant does have a stipulation that they would like to propose to further stipulate traffic to not come up and down 128th Street. The Planning Commission heard this and approved it 7-0. The applicant has a presentation. And staff is here to answer any questions.

Mayor Borowsky: Thank you very much, Jesus. And next we have the applicant presentation given by Keith Nichter with Kimley-Horn.

[Time: 00:41:18]

Applicant Representative Keith Nichter with Kimley-Horn: Hello, good evening, Mayor Borowsky and Vice Mayors? I wasn't sure when the baton was handed so I liked the way Jesus said it. Congratulations. Is it now? Is it official. My name is Keith Nichter, 2046, Riverview Auto Drive, Mesa, Arizona, I'm a Land Planner at Kimley-Horn. I have members of the team here from the engineering side and Emerson Holdings. I have been working with them in this area for a long time, probably has contributed to a little bit of the gray hair in my beard that's starting to come out, but it's been a good time and it's been cool to see this area develop and also get to meet a lot of residents out here that now live in these communities and are really enjoying that.

So, Jesus did steal most of my thunder. I will give you the Cliff Notes version. But just to try to highlight some points and then provide some color. But the site as Jesus mentioned is essentially surrounded by Storyrock. It was an outparcel at the time. They did not want to be included in the zoning at the time. They were unsure what they wanted to do with the land, but we agreed to kind of walk with them through the process. So, we actually planned for this site in all of our mass reports for Storyrock, from both an engineering standpoint and infrastructure. So unique site from the standpoint that all the infrastructure is built. The water and sewer was accommodated for the site. Infrastructure stubs were built to the site. So essentially it's ready to go. And when we factored in what this site might be, we went ahead and used the maximum that the general plan would allow, which was 40 lots. Essentially this site has been anticipated to be 40 lots and all of our engineering master plans as part of Storyrock.

I will skip through this slide. It's a zoom in of the aerial. It's rural neighborhoods. Again, that allows the maximum of 40 lots. Within the general plan, big focus for these rural areas is the preservation of natural vegetation. One of the ways they allow for that is through clustering of development. You see this throughout north Scottsdale. It's a great way to not only use development envelopes and

amended standards, but to create developments that allows you to put the lots where they belong. So through the use of development envelopes is and clustering, we essentially feel that we have created the most sensitive plan possible. When we look at sites, like this, we typically first look at the general plan and the surrounding context to see what's doable. Again, we anticipated 40 lots here but as we started to look at the site specifically, we realized it's probably not appropriate. So you will see kind of the zoning pattern that was set you through Storyrock. You see the larger lots on the perimeter and the smaller lots on the center. We thought it was important to look at the R143 which was established around the perimeter.

[Time: 00:45:29]

I will mention why we went to R135 but essentially the density that we use is the R143. I wanted to recap the community outreach. I saw the staff report had a lot of same email repeated over and over. So, I will give you, again, the Cliff Notes version. So had a neighborhood meeting back in January. Time flies. There was about 16 neighbors that attended. At the time, we had a 33-lot plan. We always like to put our best foot forward to try to accommodate what may be coming. So, we felt like we did, that but through that process, we felt like it was appropriate to lose a lot. So that's the 32-lot plan that we have today. But the discussion points that we discussed was drainage, and water and sewer. We have approved water and sewer reports and drainage report through this process. So we have addressed their concerns there. There were questions about the HOA. We will not be a part of Storyrock. We are not part of the DA or the HOA, but the idea would be that the HOA would be set up to match the character of Storyrock.

Traffic, we're less than what was approved and the overall theme that was approved with the Storyrock plan. Some of you may remember it was actually approved, anticipating the potential grease flats moving over there which obviously that's not going to happen. There were a lot more trips anticipated for this area. We are well below that with our 32 lots.

There was a concern about building height. We committed to one story this matches the character of the surrounding area. Lighting, we'll meet the city's intrinsically dark area requirements for all lighting. Again, we did add that light at the corner, based on staff's concern about safety at that intersection. Through all the confusion about whether or not that was a streetlight or traffic signal, we have agreed to work with the neighbors moving forward. The next step, if approved would be a pre-plat, which goes to the development review board. They are the ones that approved specific lighting. So, we'll create a photo metric plan that can that we can discuss with the neighbors and look at specific lighting fixtures that is going to essentially set us up best for those dark skies.

This were questions about wildlife, while it's not required, we went ahead and performed a biological study and everything looks good out here. Questions about fire. That was a big discussion point and why we ended up revising the site plan to remove a lot. We ended up putting in the emergency access and then also we discussed the benefits of the plan that we have today which is the large amount of tract NAOS, because that will be maintained by the HOA, rather than online NAOS, so that will be allowed regular maintenance throughout the community to get rid of potential, you know, dead branches and

brush that can be potential hazard.

Then the last thing that was kind of the big thing, again that we kind of coupled with the emergency access was neighbors were concerned about construction access coming down Ranch Gate. So we have agreed to remove that lot and provide a temporary construction access on 128th. So that will alleviate those concerns.

Again, here's the plan. As I mentioned, we looked to try to create a plan early on and as you guys know, we like to get out and have discussions early about creating a plan that will hopefully avoid you guys getting calls. So, we're hopeful that we put that best foot forward. But the reason we looked at R143 was density, because it meant it matched existing character, but the reason we went with R135 is because we can use smaller lots to create more tract open space. You will see here that we used the R143 in the right-hand column, we used the R143 density, lot width, building height, front setbacks, side setbacks and rear setbacks. The one thing we wanted to use the R135 zoning category and lot size was for that tract NAOS. So essentially on the left is what we could have achieved with R143 zoning. We could have got essentially minimum 32,000 square foot lots with a one-acre average. To be honest, that's more beneficial to our client because they would be able to sell those lots for more money, but we've worked with the city a lot and understand that the desire to have more tract NAOS maintained by the HOA, we reduced the lot sizes, and the same lot widths and setbacks and you see all the dark green on the right, that's the benefit of using that R135 and amending those standards to create the majority of the site as tract NAOS. So out of that additional NAOS that we provided, 71% of that is in tracts which is probably a record for me.

[Time: 00:51:23]

So as far as kind of the highlights goes, Jesus mentioned we recently received 7-0 recommendation from Planning Commission. We've worked with neighbors throughout the process. You probably saw a recent letter of support from one of the neighbors that had a lot of questions, and we're hopeful that we have been able to resolve all of those and it seems to be the case. We'll continue to work with them through the pre-plat, as far as the lighting goes. But, again, we wanted to match the character that's already established out here. So, the 32 lots was more appropriate than the 40 that the general plan allows. It creates a plan with 50% essentially open space for the community. And, again, it fits within the master plan and it has minimal impacts. Again, it's just 4% of the Storyrock area large buffers and recently we got David Weekley under contract if this gets approved.

We are excited to add another high-quality builder out in this area. We do have a stipulation that we worked with staff on that I can bring up here. So, it revolves around the emergency access that exists on 128th Street. We would like to keep it that way. Again, we won't be a part of the D.A. with this project and so we have agreed to come one an additional stipulation that would make sure that no construction access is taken through the Preserve. So not only are we adding that temporary construction access to the site, but this would remove the access through the preserve as well. So with that being said, happy to answer any questions.

Mayor Borowsky: Thank you. First, I'm gonna take there were two speakers listed for this. Carla, followed by John Ball.

[Time: 00:53:23]

Carla: Thank you. I'm Carla a preserve pioneer and a peaceful valley resident. As you saw in the presentations this development is south of the Preserve, what's called gooseneck. And the reason why I'm here is when this came before the Planning Commission, there were comments about multiple comments about when 128th Street is paved north all the way to Rio Verde Drive. And then there was discussion about should there be, you know, a traffic signal or a roundabout. And the issue is that not once during all that discussion did anyone on staff or anyone point out that 128th Street will never be paved through the Preserve. And it says so in the Transportation Action Plan, that this will ultimately have emergency access only gates put up to protect the Preserve.

So, I'm here tonight to clarify this with the public and to ask the City Council to use this as an opportunity to finally solve this problem. Thankfully, these applicants were willing to put this stipulation in there, that said they will not take their construction vehicles through our Preserve. And I appreciate Councilwoman Whitehead and Dubauskas for working with them on this. But two more actions are needed. The first thing is better signage. On 128th Street, on the northern part of the Preserve gooseneck and the southern part of the Preserve gooseneck, you need big old signs saying this is preserve land and ultimately this will be gated emergency access only. And the reason that's so important is when you have residents coming in there, and they don't know this is what's going to happen, it's harder to take things away after the fact. That's why when we bought preserve land and cited the access areas, immediately put up huge signs saying there will be a trailhead here. So, if you buy near here, you are going to be next to a trailhead and that helps avoid problems down the road.

The second thing that is needed, hopefully, is a drop-dead date as to when these gates go up. Because the longer you wait, the longer you create problems. And I hope that the City Council will address these issues so we can solve this problem for once and for all, because currently along 128th, inside our preserve, there is gating I mean there's fencing along both sides and that needs to come down so the wildlife can travel freely. So those are my requests and hopefully we can use this as an opportunity and thank the applicant for the stipulation. Thank you.

Mayor Borowsky: Thank you. John Ball.

[Time: 00:56:28]

John Ball: Good evening. If the applicant could pull up maybe the plot map. I don't know how to project this for everyone to see. I'm here I live in Storyrock. And I have been looking at this piece of land for a whole time. The whole preserve for a long time. The whole preserve is beautiful. We acknowledge that the Tom Thumb's Trailhead is a crown jewel of Scottsdale, it's a big tourist attraction. Probably tens of thousands of people hike that trail every year. I have no problem with the proposal here. We have done a good job but I wanted to suggest a few amendments.

As we all know, when we drive into the preserve area, it's a beautiful piece of land. And unfortunately, when you see homes have been built right next to the road on Ranch Gate, there's some pockets there, as well as on 128th Street, you can see into people's backyards. And their patios and even their living rooms, they are so close. And I know here the applicant has said that they have allocated 100 feet minimum on 128th Street, you will see there on the left. Well, 128th Street is one of the most trafficked roads in this area, because it leads directly to the Tom's Thumb Trailhead; whereas Ranch Gate Road on the north side is hardly trafficked in comparison because that's just where residents live. You also see on the southwestern side a lot of land that they have allocated for open space, which is great. The only problem about that southwest side and that north side is that no one really sees that in comparison to all the drivers and people who come to hike the trail.

So what I would like to propose is the applicant revise the plot map here to where those live lots on the western side be reallocated and moved to either the north side or south side or both, where no one sees that land in comparison to all of the folks that drive down 128th Street, both to get to the trailhead and to come back. I think we all agree we want to keep Scottsdale clean and scenic, and looking into people's backyards. 100 feet is not that far away. It's probably from where I'm sitting to that back ball. So, you can back wall. You can imagine, when you are driving by, especially as a long-time Scottsdale resident or even a visitor, they would say, why would they put homes so close to the road? It feels like I'm driving through a neighborhood, rather than through a preserve. So, I would like to request that that change be made.

And then additionally, right across the street from 128th Street, Serreno Canyon is being built out. You will probably have three different pockets of land that are being developed and ripped up simultaneously. There's already two being developed and when you go up to the Tom's Thumb Trailhead and you start hiking up and you look down, you just see a lot of construction going on. And I think if we want to keep Scottsdale clean and scenic, they should temper the development time and put a moratorium until the other development is done on those other pockets of land. Thank you.

Mayor Borowsky: Thank you. That concludes the speakers on this item. And let's see, Vice Mayor Dubauskas has something to say there.

[Time: 00:59:59]

Vice Mayor Dubauskas: Thank you, Madam Mayor. I first wanted to ask the City Manager, if we could take a look in those and see if there's some improvements that we could make that she suggested. I thought those were nice comments.

Greg Caton: Madam Mayor and Vice Mayor, certainly, yes.

Vice Mayor Dubauskas: Thank you, Carla for your commentary. Also I had a question for the applicant and for staff regarding the light at the intersection. Is that gonna be a lighted stop sign? Is that what is that light gonna be?

Keith Nichter: It will be a streetlight, but the city has different, essentially lighting criteria for different parts of the city. This is intrinsically dark areas. So, there's certain lumens essentially that can be used for streetlights. So, it's not gonna be like a you know, like a typical streetlight in a suburban neighborhood. So, it will be real low level, and, again, as we go through the DRB process, part of that is identifying the light fixture, as well as the photometrics and what that does is map out light pollution so you can see how that affects the surrounding area. So, we can come up with a light fixture that's gonna address the concerns from the neighborhood. But it will essentially be a streetlight. It will just be low level lighting.

Vice Mayor Dubauskas: Like a dark sky type streetlight.

Keith Nichter: Yes.

Vice Mayor Dubauskas: Thank you very much.

Mayor Borowsky: Councilwoman Whitehead.

[Time: 01:02:33]

Councilwoman Whitehead: Thank you, Mayor. Yeah, I also want to thank Carla for her remarks. In fact, it's something that we have been working on since last year. I want to thank the applicants for working with us on this particular case. So, yeah, I look forward to more action, but that's not tonight's agenda. I'm pleased with the, the use of the larger lot density, but the smaller lot designations so that we get the maximum amount of open space that's, as you called it, the community tract. And that really matters. I think both from a visual standpoint, from a wildfire prevention standpoint and from a wildlife standpoint. So very good.

So, with that, I am I move to adopt Ordinance number 4686 for a zoning district map amendment from single family residential district, environmentally friendly environmentally sensitive lands R1-130 ESL to sing family residential environmentally district environmental sensitive lands R115 ESL designation on the 40-acre site consisting of two parcels for the 32-lot subdivision community.

Councilwoman Littlefield: Second.

Mayor Borowsky: I don't see any more questions or comments. So, all those in favor, please indicate your vote. All right. That passes. Thank you very much.

Keith Nichter: Thank you.

MAYOR AND COUNCIL – ITEM 17

[Time: 01:03:34]

Mayor Borowsky: Next, we have Mayor and Council items. First is item 17, Boards, Commissions and

Committees 2024 Annual Report Presentations. Tonight, we have presentations and possible direction regarding key accomplishments, major actions taken, of the following public bodies, first, Airport Advisory Commission, and then we'll have the Citizens Bond Oversight Commission, followed by Human Relations Commission and finally Transportation Commission. Welcome, ladies, Airport Advisory Commission. We have, I see Kelli. Not Peter, though.

AIRPORT ADVISORY COMMISSION

[Time: 01:04:11]

Kelli Kuester: That's correct, Mayor. We have Vice Chair April Beauboeuf joining us as our Chair Meir was not able to attend us.

Mayor Borowsky: No problem. I will give the floor to you.

Vice Chair April Beauboeuf: Thank you. So, can we advance to the next slide, please? So the Airport Advisory Commission is designed or was created, sorry to advise on various aspects of airport operations, proposals for development, airport area land use, fees and safety concerns. We currently have a board of seven members who assist the staff and advise the City Council on aviation-related issues. What I would like to emphasize here, because I appreciate that you all can read this slide is that all of the seven board members that are serving on the commission, including myself, we all come from diverse backgrounds. Some of us have backgrounds in aviation and some have backgrounds in business and some have backgrounds in other areas. We have a real shared interest in aviation and we appreciate the jewel that the Scottsdale Airport is for our city. And particularly as an economic engine and a business model. So, with this, I will we will advance to the next slide.

And so, 2024, we had some key accomplishments and major actions taken by the commission. The first one being the approval of the five-year capital improvement plan this goes across fiscal year '24-25 to fiscal years '28-29 and so that sets the stage and strategy for the years to come. We received an award from the Federal Aviation Administration for Western Pacific Region Outstanding Airport of the Year. We received a grant to support our master plan and that's a huge win for us. And then last but not least, we continue to be a self-sustaining enterprise fund and there's no general fund money that are used to support the airport. If we go to the next slide.

Kelli Kuester: Thank you for the opportunity to talk about the latest and greatest things going on at the airport. We are entering the busy season. So, we have a lot going on at the airport. For tonight's purposes, I will focus on these three items we have on the screen. The first two we're very excited about. These are grant projects that were awarded to us by the FAA, just within last month or so we got the Grant awards for both of these projects. When it's an FAA grant-funded project, the FAA is covering 95% of the total costs of each of these projects. The remaining 5% is split evening between Arizona Department of Transportation avionics group and the Scottsdale Airport. We are very excited. We should be getting these projects started sometime later this year and hopefully completed later this year, if not early next year.

[Time: 01:07:16]

I want to focus the majority of my attention tonight on the Airport Master Plan, as Vice Chair had mentioned last year we received this grant also from the FAA. The funding was a little by different, though, last year. The FAA covers 91.06% of the cost of the airport master plan. Leaving 4.47 to be covered by ADOT and the other 4.47 to be covered by the airport what is the master plan you ask? It's a visionary planning document for the airport so that we can anticipate upcoming aviation changes within the industry over the next 20 years. We want to be prepared as possible to make sure that the airport is providing that level of customer service that we're currently providing. What do we do with that? Well, this particular master plan, we are focused on getting an economic impact study updated. In 2024, we are having our subconsultant take a look at what airport and airpark aviation-related businesses are doing to impact the economy.

Another focus for us if you have been up to the airport recently at all, you will see we're built out. We don't have a lot of space, but we have a lot of demand. So, we want to look at the master plan to look at airport and airpark land to see what is available. We get more requests for vehicle parking, as more users come to our airport, more businesses come to the airport, we need additional parking but, again, not just for aircraft, but also for vehicles.

And what I really want to point out to you tonight is the discussion about larger aircraft. Now, let me clarify. Larger does not mean commercial. We do not have commercial service at Scottsdale Airport, nor do we anticipate that coming to us at all in the near future. The airport currently accommodates aircraft that are up to 100,000 pounds and maximum certified takeoff weight, which is a 100-foot wing span. We get requests every week from operators to bring in bigger aircraft. So, we're working with a variety of different departments within the FAA and other aviation stakeholders to see if that's feasible and can we maintain our safe and efficient.

The next master plan open house is November 13th at the signature private hangars it's right next to our business center. We hope you can attend, 5:00 p.m., drop-in style. So, we invite everybody for that and we look forward to bringing the master plan towards the Mayor and Council for your approval sometime in early 2026. So, if we could go on to the next slide.

That wraps up as quickly as we can at our very busy little airport and if you have any questions the vice Chair and I are happy to answer them.

[Time: 01:09:52]

Mayor Borowsky: Great job. Thank you for the presentation. I don't see any questions or comments. Sounds like you have got a lot going on. Councilwoman Littlefield, do you want to...

Councilwoman Littlefield: Yeah, I would like you to repeat the date of the open house please.

Yes, it will be Thursday November 13th, 5:00 p.m. And the signature private hangars, the two large

hangars next to the Aviation Business Centers. We will have signs and staff out there directing you which way to go. Thank you.

Mayor Borowsky: Thank you very much.

CITIZEN BOND OVERSIGHT COMMISSION

Next, we have Citizens Bond oversight commission, and for the two individuals that turned in the petitions, don't fret. We're going to go back to those to direct staff on those. Thank you, I see Erin Welch, Staff Representative and Joe DuBois, Chair.

Chair Joe DuBois: DuBois.

Mayor Borowsky: Sorry about that.

Joe DuBois: It's okay. I get that a lot.

Mayor Borowsky: I'm sure you do. Thanks for being here.

Erin Welch: Mayor and City Council, we are here to talk about the citizen Bond oversight committee this committee was established by ordinance after the 2015 Bond election. That ordinance was amended after the 2019 Bonds were passed so that the committee could oversee all Bonds that the city has. The committee's purpose is simply to receive reports on the implementation of the Bond program and really to oversee the funds associated with the Bond program. They review any proposed changes to the program and provide comments to the City Council, as they deem appropriate. This group meets four times a year. They have seven members that are appointed at large to two-year terms. And with that, I'm going to turn it over to our Chair to talk about what we have been up to lately.

Joe DuBois: Thank you, Erin. Good evening, Mayor Borowsky and members of the Council my name is Joe DuBois and I'm currently serving as the Chairman of the Bond Oversight Committee. I think I would begin by reminding and reporting to the Council that our our charter, our task is not one of policy making. We essentially monitor the spending that has been allowed through the Bond and try to make sure that the money is spent correctly and appropriately. We do not make policy. We defer to the Council for that. From time to time, of course, we will make recommendations and sometimes we hope that those recommendations are followed. In any event, the accomplishments this year, I think I would point out that we have been able to transfer a number of the funding from one completed project to another with savings to alternate projects within the same question. Remembering that the Bond was divided into three question areas, and so it's appropriate if we have a project and we've had some that come in under budget and we have some savings that we're able and have been able to recommend transferring those saved funds to other projects as long as they are within the the same question.

In addition to that, another method for helping to move the funds around in the proper manner, we have funds that actually earn interest and this year we have been able to allocate some of the interest

earned to other projects and to help meet shortfalls in some of the other projects, again, as long as those projects fall within the same question, one of the three question areas. Upcoming opportunities and challenges, I think what I would report to the Council is that as projects are completed in the coming years, there should be opportunities presented to us to transfer savings again to other projects that we have within that same question area. One of the things that we also do is that we evaluate recommended changes to some of the projects, either in scope or duration or whatever and we've had a few of those that we have done this year and recommended changes back to the Council again because you are the policy-making body.

I think that one the challenges that we have and I'm sure have you heard this as well, this is a Bond that was approved in 2019 and I think that one of the criticisms that I receive and I'm sure you do as well, is the the length of time that it takes to get projects done. Not only the length of time, but the concomitant problem with that is because of inflation and so forth, we have increased costs of the projects. And so we're constantly dealing with that issue of, gee, this is costing more than we thought it was going to cost when the Bond was past. So that is a challenge. One of the ways that we're able to adjust to that, of course, is if we have savings in one project, we are actually able to get to that saving moved to another project. I think with that, rather than continuing to bore you and keep going on, I would entertain any questions that you may have.

Otherwise, I would be remiss if I didn't take an opportunity to thank city staff who make our job so much easier. We have the fortune good fortune to have Erin here who runs liaison with the Council and with us, also Allison Tymkiw, our engineer, and who marshals all of the information relating to the projects for us, and Dan Worth, who often comes and elucidates on many of the arcane issues as well. So with that, if there are no questions that's all we have at this point.

Mayor Borowsky: Thank you very much, Mr. DuBois. And thank you, Erin. Oh, Vice Mayor Dubauskas? Pardon me, has some questions.

[Time: 01:16:33]

Vice Mayor Dubauskas: Thank you, Madam Mayor. Thank you, Erin for your presentation and for your hard work. Mr. DuBois, thank you for your service as Chairman on the committee. Over the course of the last couple of years, we sure have heard a lot about inflation and the cost of projects and over the last several months, we haven't heard so much about that. Are you amount to spring a whole bunch of big projects on us? Or or are things going a little bit more better? How is it going?

Joe Dubois: You know, I think I think we're still going to have that problem. I think it's an incessant problem. I don't think that's going away. I think one the things that have helped address that is, of course, some the funds that the Council has allocated from the general fund have met some of the shortfalls. Also, a number of the projects, just by the very nature of the project, has tended to take longer time. And so I think that's stretched out a little bit. And so, we are not in a situation where we actually have to put the money down. I think it's out there. I think this is hidden. I think it will raise its ugly head again when the time comes to allocate the funds. I don't think inflation is going away at all.

Vice Mayor Dubauskas: City Manager Caton, I see you squirming in your chair over there.

[Time: 01:17:53]

City Manager Greg Caton: Any time we talk about budget, I get interested. Madam Mayor and Vice Mayor, thank you for the opportunity to say a few words. We have added process for our city's system as we move forward our capital projects and specifically a Capital Review Team and that was instituted shortly after the Budget Review Committee had discussions in the spring and implemented in May of this year. And we have used it in twofold, first of all for '25/'26 budgeted projects we have what was referred to as a readiness form. And that is cross-departmental led by Allison Tymkiw's team and the City Manager's office. We really see if it's ready, as you probably are not surprised, we have a significant list of capital projects and every department wants to get them started July 2nd. We don't quite have the resources to kick those off. So we look at spreading those resources throughout the fiscal year.

The second significant component of this Capital Review Team is to look the projects, as we look in the outer years to see if they are ready. And I have a poster child project as an example that's Bond project. It was the Cactus Pool. And I remember in our discussions through the proposal of '25/26, we talked about the estimated cost. I think it was approximately \$31 million that was estimated back in 2017, and then proposed in 2019 and this was discussion if there this was likely going to be on target and the answer was unequivocally no. So, what we are instituting in advance of the funding the full project cost is the feasibility study, the scope, something of that nature and we have embarked on that for this specific project and a number of other projects to really understand is this the best location. I will use Cactus Pool as an example is there an alternative location that will provide an alternative for Council's contribution.

And let's just say hypothetically after the feasibility, it comes back and says it's \$50 million. Then we come to City Council which I'm used to budgeting and we bring \$31 million worth of Bond and then we present options up front on how to fill that gap. I understand that is very different than our historical process. I think we have kind of funded the 31, and add over the year until we get the 50 number. We will know that up front after in-depth and in-depth scope and feasibility. So, thank you for the opportunity to add a few comments.

Mayor Borowsky: Thank you. I don't see any other questions. Thank you for being here. Appreciate it.

HUMAN RELATIONS COMMISSION

[Time: 01:20:43]

Next, we have the Human Relations Commission and I see Kelly Corsette, staff representative. And Chairwoman Tina Drews. Thank you for being here. I will turn it over to you.

Kelly Corsette: Thank you, Madam Mayor, members of the City Council, for the opportunity to talk about the Scottsdale Human Relations Commission. And if we could just go to the first slide. We'll go

over the purpose and makeup of the commission.

The Human Relations Commission was established by city ordinance in 2000. And the primary purpose is to advocate and promote all dimensions of diversity as stated in that ordinance. They act as an advisory body to the Mayor, City Council and to staff, and they will make recommendations on ways to encourage mutual respect and understanding among people to discourage prejudice and discrimination and to work towards cultural awareness and unity, and the commission per its purpose may also make recommendations as to special events. Next slide, please.

The makeup of the commission is seven residents appointed by the Mayor and the City Council who collectively shall be broadly representative of the diverse demographics of the community. So no particular professional expertise in any areas, just seven residents who are willing to step up and serve on the commission. And with that I will hand it over to Chair Tina Drews to go over some of the accomplishments and upcoming challenges. Next slide, please.

[Time: 01:22:24]

Chair Tina Drews: Thank you, Kelly and good evening, Mayor and City Council. As Chair of the Human Relations Commission, I am honor to be able to share some of our accomplishments, and some of our challenges. So, this last year, we heard quite a bit about many actions around the state and nationally, regarding impacts to diversity, equity and inclusion. With all of that work, we proceeded with creating a new strategic plan, recognizing the changes, you know, environmentally.

So, our strategic plan moving forward focuses really in four areas. Many of them are focused on community. So, you will see community partnerships and collaboration, outreach, resources, communication, and then finally, an area focusing on accountability and metrics which we know is important moving forward.

As we talk about some of the upcoming challenges and opportunities on the next slide, I would like to express some of my concern about the growing disconnect between the City Council and the Human Relations Commission. Most notably, the passage of Ordinance 4662. So, despite its significant implications for equity and inclusion, the commission was not consulted regarding this this ordinance. This omission not only, I believe, undermines our advisory role, which is through our ordinance, but also diminishes the value of our commission. When the Council bypasses the commission on matters of such importance, I believe it sends a message that the voices that we represent, the residents, and the expertise we offer are not valued by the Council.

The lack of engagement risks eroding public trust in the value of commissions and has lowered the morale among our commissioners that serve on the Human Relations Commission. And our and in our opinion, weakens the city's broader efforts to foster an inclusive community. I respectfully urge that the Mayor and Council reengage with the human relations commission, to reengage. We know and you know that our city is strongest when we lead collaboratively, with transparency and inclusion at the forefront. I appreciate your time to share this this evening.

Mayor Borowsky: Thank you. Councilwoman McAllen.

[Time: 01:25:00]

Councilwoman McAllen: Thank you, Mayor. Thank you, Mr. Corsette and thank you, Tina. I have attended some of your meetings. I thank you for what you do, standing up for all the citizens of Scottsdale. I do feel you are valuable, valuable commission, and please know that I understand it was very brave of you to come here and tell the Council what you just said. And I appreciate that you are sharing it's not just your views, it's the entire commission and for all of you to band together and bring that to the Council. Sometimes it's not easy to be up here and hear things constructively said that may not go the way you want or the way we want, right as a Council. We don't want any citizens to feel that they are not being represented. So, I just want to thank you for what you do, and continue to represent all the citizens of Scottsdale. Thank you.

Tina Drews: Thank you.

Mayor Borowsky: Councilwoman Whitehead.

Councilwoman Whitehead: Thank you, Mayor. Yes, I'm sure that was a little difficult to come and reprimand us a little bit, although the residents don't have any problem at all reprimanding us. I will say, that yeah, that was done quite a while ago. And there's always I always look forward and I think your remarks I like what you guys have, your four priorities I can't remember the word you used, and I do think that this Council will engage and I certainly will because these community is a good focus and community is, in fact, all of us. So, thank you.

Mayor Borowsky: Thank you. So, I voted in favor of that measure, but I appreciate your comments, and I couldn't agree more, with you that agenda item was put on the agenda, you know, quickly, I would say, after I took office, and several other people took office. And I think if there's one thing we can all agree on, when boards and commissions and committee you know, subcommittees are spending time here doing good work, volunteer work, that we should consult with them on big big decisions like that and so I think you raise an excellent point. And I appreciate you saying that. I do think we probably could have done better on that, in terms of the serving that up, and crafting transition that could have been a little more better thought out. So, I appreciate your comments completely.

Tina Drews: Thank you, and I'm sorry, I just want to clarify that this statement was written by me. I did not necessarily have it approved by my commissioners. These sentiments, though, are based on many conversations over the last six months.

Mayor Borowsky: Yeah, it sounded like it was delivered in a good spirit.

Tina Drews: Thank you.

Mayor Borowsky: I think that's all good. So, thank you very much for being here. Thank you for your

work and continued efforts.

TRANSPORTATION COMMISSION

[Time: 01:28:22]

And with that, we're going to move on to the last commission, which is the Transportation Commission. And this evening, we have Nathan Domme, staff representative and instead of the Chair, Mary Ann Miller oh, you're here. Oh, I thought you weren't here. But we have two for the price of one. So we have the Vice Chair, Kerry Wilcoxon and Chair Mary Ann Miller. So thank you for being here.

Nathan Domme: Thank you and good evening, Mayor Borowsky and members of the Council. Yes, we have two for the price of one because Chair Miller is up in October and so we thought it was appropriate to have vice Chair Wilcoxon who will be stepping in as Chair to sit in on this as well. So, I will go right into the next slide.

So we're introducing both the commission and our subcommittee tonight. So we will have a little bit longer of a presentation than most of the other ones tonight. Our commission was created in 1988. Consists of seven members appointed by the Council. The Transportation Commission shall advise the City Council on matters related to safe and efficient movement of the motor vehicles, public transportation which includes but is not limited to pedestrians, bicycles, pedestrians, equestrians path users and streets and all elements of transportation network in the city. Those are mostly done through two major components that we go into front of the Commission for on a regular basis which is the Transportation Master Plan, in accordance with the community mobility elements of the General Plan, and then also the city's capital improvement program and its operating budget for transportation.

Another important component of our commission is that it's a public forum for citizens to request transportation changes and any other transportation matters that they feel should come up.

Then our paths and trails subcommittee, which was created in 2009, following the trails master plan, consists of five members, also appointed by the Council. The Path and Trails Subcommittee provides its recommendations to the transportation commission and shall review plan modifications and improvements to sidewalks, bike paths, bike lanes, equestrian paths, pedestrian paths and equestrian facilities, except for those in the McDowell Sonoran Preserve where they already have their commissions. Next slide please.

To the major actions taken, in 2022, we adopted the Transportation Action Plan and so through the course of the years afterwards we have been trying to implement those sections. The Transportation Commission has also reviewed several projects, including the Jackrabbit and Miller pedestrian crossing which has been completed. The 124th and Shea underpass and the Hayden Miller Road bridge, which has also just been completed. So, three major capital projects have been reviewed and completed by the Transportation Commission.

Another one of their major tasks is reviewing neighborhood traffic management. The neighborhood traffic management program exception approval as well as the approval of the construction. So, when a resident sees a concern for speeding in their neighborhood, we have a policy and a standard operating procedure with our traffic engineering group to review that, study, it and then come in with recommendations if the resident sees concerns with that recommendation, they have this body to hear their appeal to. Next slide.

Challenges and opportunities coming forward. Right now, we're working on the transportation safety plan and coming up with a draft. We're working with the commission on that in the upcoming future, we had the local area infrastructure plan update. These are maps and plans for the neighborhoods in the northern part of the city, that we inherited from the county that need to lay out how we provide access to all of those single family homes. So, we have a lot of GLOs up there and this lays out how we convert those GLOs into right-of-way and local access to those parcels. Then the ongoing emergence of the electric bicycles and related devices, it's constantly evolving and constantly emerging, and we bring that item to commission on multiple occasions. We have the Cactus Trail fence project. This was a petition that Council is looking to move forward and put an equestrian fence along the trail at Cactus Road and the bike friendly community update. Since 2005, we have been a bicycle friendly community. The next update or the next application will be in 2027 and we would look to do a similar process that we have been doing, which is presented in front of the Path and Trails Subcommittee, as well as the Transportation Commission. Next slide, please.

[Time: 01:33:20]

The Path and Trails Subcommittee major accomplishments was also the Transportation Action Plan, also capital projects, reviewing it nor non-motorized improvements. Last year we had several presentations and conversations about the desert foothills expansion project. There was also a citizen petition and looking for ways to accommodate their concerns and add those trails, which have now been implemented with revisions based on the concerns from the residents.

And then unpaved trail easement review, when a citizen up north has concerns about the trail easements, this is a body that they can take it up in front of and suggest their concerns or whether we should release those easements or maintain those easements. And then the ever-going conversation about the paths and trails network gap analysis. Next slide, please.

And so opportunities and challenges upcoming is also the transportation safety plan, the local area infrastructure plan update, and then the unpaved trail expansions and improvements that we bring to them every once in a while. Next slide. So completes any conversation and -yes, please.

Chair Mary Ann Miller: Hi, I would just like to add, I started on the Transportation Commission when Councilman Graham was Chair, he taught me everything that I know. Thank you. It has been it has been an honor to serve for six years. The members of the commission have varied backgrounds but a wide range of interest in transportation and planning and safety and making sure that Scottsdale residents have the best opportunities and options for moving around this city as safely as they can. You know, we

started the safety action plan this year and we will I will leave that in the great hands of Vice Chair Wilcoxon. I also want to comment that the members of the commission also live throughout Scottsdale. So, we have input from south Scottsdale, north Scottsdale and a wonderful wide range. Thank you. Thank you, Mayor.

Mayor Borowsky: That's great. Did you want to add anything?

Vice Chair Kerry Wilcoxon: Madam Mayor, Council, I appreciate the opportunity to serve and I'm going to be filling some big shoes when Mary Ann leaves, but it's I worked on both sides of the public sector or staff and now commission, and it's it's a great system and I appreciate all the help that our staff have given us and continue to give us and all the support from the City Councilmembers. Thank you.

Mayor Borowsky: Thank you very much. Councilwoman McAllen.

[Time: 01:36:19]

Councilwoman McAllen: Thank you, Mayor. I just wanted to say thank you, Nathan. And I see Susan up there too and Allison. Thank you so much. And to the other staff members and to both of you for serving. I love bringing in deepening the bench, making sure you are prepared and obviously from Councilman Graham.

I served on Paths and Trails Subcommittee, three of the four plans that you talked about tonight that have been completed, we voted on, and that is so exciting. I know it's years later, but it takes a while and I know how hard you work and what people expect out of you. So many aspects of transportation. I want to say thank you for all you do. I'm actually kind of a transportation nerd and I really love all that you are doing and I'm looking forward to seeing the safety plan. So, thank you so much.

Mayor Borowsky: Councilman Graham.

Councilman Graham: My stint on, Transportation Committee, we had a little bit of overlap and I learned from you, by the way. And your service is appreciated. So, I hope you consider applying in the future or other commissions. I think this is the end of your two terms, correct? So, the Jackrabbit - Miller, that was a good project. That was a very good project. 124th Street and bridge didn't go well the first time around, but we got it done the second time, right?

Nathan Domme: Yes. That's why we brought it back to Commission was yeah.

Councilman Graham: Yeah. Miller - Hayden. So, you guys do a lot of important work and thank you for reporting to us. Good luck, Vice Chair Wilcoxon.

Mayor Borowsky: Thank you. Thank you all for being here appreciate it.

CITIZEN PETITIONS

I will circle back to we did receive two petitions earlier this evening. And we're going to look at directing the City Manager to agendize these for further discussion or direct the City Manager to investigate the matter and prepare a written response to the Council with a copy to the petitioner or take no action. First, I will turn to the petition to the City Council to investigate parking management and preservation of the Old Adobe Mission area. I believe the crux of this petition was to agendize a parking study. Is that right? Do I have that right?

So does anyone I'm going to go ahead before I make I transition. I'm going to make the motion that we this is an issue that's come up a couple of times and I, for one, would love to see it agendized to a future Council meeting. But at a minimum, direct the City Manager to investigate the matter and prepare a written response to Council. But I'm going to go with number one, direct the City Manager to agendize the petition for further discussion as my motion. Do I hear any seconds?

[Time: 01:39:52]

Councilwoman Whitehead: So, I'm happy to second it, because this keeps coming up, although I think we're going to end up with two and not be satisfied with that. But this has just been an issue that's come up again and again and it does seem worthy of a I don't know if a Work Study Session to talk about whether we need a parking study, because we're relying on one that's quite old. That's my not very strong second but thank you, Mayor for making the motion.

Mayor Borowsky: Councilman Graham.

Councilman Graham: Thank you, Mayor. Please allow me to make an alternate motion to direct the City Manager to investigate the matter and prepare a written response to the Council with a copy to the petitioner. Thank you.

Councilwoman Littlefield: I will second that.

Mayor Borowsky: Okay. We will vote on the alternate motion first. All those in favor I mean, I will vote no, because I want this agendized, but if that's best we can do, I'm in favor of it. So that will be we directed the City Manager to investigate the matter and prepare a written response to the Council with a copy to the petitioner and hopefully that will be done soon as soon as possible. Thank you.

Next petition we have is regarding the Axon World Headquarters campus and to paraphrase what I understood the petition to speak to or to ask for is to have staff either have it agendized for further discussion or direct staff to investigate and prepare a written response to the Council or take no action. Vice Mayor Dubauskas.

Vice Mayor Dubauskas: Thank you, Madam Mayor. I spoke with the petitioner about this yesterday and I confirmed that she would like us to direct the City Manager to investigate it and prepare a written

response. So, I will make a motion to do so.

Mayor Borowsky: I will second that. All those in favor, please indicate your vote. All right. Thank you very much. Ben, did you City Clerk, did you have some things to say?

Ben Lane: Oh, thank you, Mayor. I just want to mention on the board and commission presentations, that actually completes the presentations. Just a brief recap we started this back in July. 18 boards and commissions have presented before the Council since that time. Your feedback and your suggestions were really appreciated. And so that actually ends the process for this year and on the October 21st agenda, it will be a Consent item for you all to consider an approval of all the board and commission reports for to the 24 year. So, thank you again for all the feedback the 2024 year. So thank you again for all the feedback. We really appreciate.

Mayor Borowsky: Thank you. I thought that was well done. Thank you for scheduling those.

MAYOR AND COUNCIL - ITEM 18

[Time: 01:43:19]

Next is item 18, which is also under Mayor and Council items and this was at my request to agendize review of possible call for an election and proposed ballot language for a March 2026 special election. And I'm requesting Council support the idea to direct city clerk Ben Lane to agendize an item for discussion and possible Council action on October 7, 2025 at our next Regular Council meeting to consider draft ballot language for the referendum petition serial number REF-01-2024 and a resolution calling for a March 10, 2026 Special Election.

And I'd like to expand on why I've asked to have this added to the Mayor and Council items this evening. On September 18, 2025, the City Manager issued a report on the citizens petition that had been delivered to the City Council, I think it was back in July, regarding the Axon referendum election. I trust my colleagues have all had an opportunity to read that September 18th report from the City Manager. The information in the report, in my opinion, I would have preferred much to have that earlier, 230 days earlier, after the petition the referendum was certified, back in January of 2025. And for the record, to prove I'm persistent, I'm back again to talk about this because I feel strongly about it. Since last April, I have been asking or there's been requests for discussion from community members also to have a Council discussion on the Axon referendum. Those discussions have been opposed by the majority of the Council and I am once again requesting that we direct the City Clerk and Interim City Attorney to issue a call for election and proposed ballot language related to the Axon referendum petition which would set a March 10, 2026 special election to be considered for our consideration on October 7th at the next Council meeting. The referendum petitions were received in December, verified January 28, 2025, and ultimately certified by the City Clerk on January 30, 2025.

The first opportunity we would have had to hold the election would have been May 20, 2025, which raises, certainly raises questions for me primarily why wasn't the Council notified immediately of our

options about possible dates for the election. And why did it take until a July citizens petition to trigger a report with the information that was clearly available back when that was certified. Glendale, as I have talked about before, I think up here, has had the exact same situation as us, with a petition referendum submitted to their Council in December 2024 and their election was, in fact, held on May 2025. Our residents and voters deserved a far speedier resolution and so did Axon, a major business in this community. So, I'm not sure what happened here.

The petition to hold an election allowing voters to decide the fate of the Axon project has now been delayed for almost two years if we wait until November of 2026. Had we scheduled this is a really important fact, hindsight is always way clearer. Had we scheduled a May 2025 election, Axon would have not yet been to the state legislature and even if they had been seeking relief from the legislature, I certainly doubt that the state legislature would have been so bold as to interfere with an already scheduled city election. And I think we could have saved ourselves a lot of grief and and not dealt with that had we had a timely election in May. I bring this up now, again, because October 13th is our final deadline for the City Council to call a Special Election and approved ballot language so that we can finally let our voters I think there were 26,000 people who signed petitions, finally let our voters have a say in the March in an earlier election on March 10th. We are running out of time. I think and patience for voters that want to resolve this issue once and for all.

[Time: 01:48:58]

I think our residents and our voters deserve the opportunity to vote on the biggest issue that has come before this Council on a very long time, certainly on the newer members clock, that's for sure. And I'm sure I will hear from Council colleagues that have said a number of times that this is disenfranchising the voters that these are lesser attended or lesser participating elections. I just want to point out before that discussion lights fire, that if it's okay for our General Plan to go before voters during a special election, it sure seems like it would be okay to put the biggest issue not only in Scottsdale, certainly of 2025, but outside of Scottsdale also, not that they'll be voting in our election. But certainly, I, for one, think it's nonsense that our residents have not been given the opportunity to vote on such a big issue that has divided our community to a degree that I don't think we've seen, at least not as long as I have been around City Hall.

And importantly, it's unfair to those residents that took their time to sign the petitions and it is definitely in my opinion, for Axon to be in limbo for far too long. With that I would make a motion to agendize this discussion for October 7th. I think I've said, you know, what the content is for that agenda item. And I hope my colleagues will support me.

Councilwoman Whitehead: I will second the motion.

Mayor Borowsky: Thank you.

Councilwoman Whitehead: May I speak to my second?

Mayor Borowsky: Yes, of course.

Councilwoman Whitehead: First of all, I agree with everything that the Mayor has said. I think this process has exposed a loophole, so to speak. So, when a City Council votes on an item and the public disagrees, they're restricted in how much time they have to get out there, collect petitions signatures and justify a referendum. But what we found out through this process, is the elected officials don't have any such constraints. So the assumption, and we know how those go, when the when our City Clerk verified that sufficient signatures were collected for the process, the assumption would be that like the city of Glendale, the voters that signed that and the voters that didn't sign it would have an opportunity to have their voices heard in May. And that didn't happen. And the argument then was cost, but of course we have seen costs we have seen contracts written with expensive attorneys that don't even have caps for legal for challenging laws. So, I don't think cost is really an issue.

And then along comes November, we could have had this referendum go to the November election with minimal costs. Well, that didn't happen. And so once again, we're looking at the next available date, and we're hearing about costs. But again, if costs were an issue, then the anonymously funded PAC that is pushing for this to be in November, if they were concerned about costs maybe they wouldn't sue the city of Scottsdale for a law that every one of us opposed. So, I do support this. The longer this drags on, the more division we create in our community, and the more money attorneys get, from what I can tell. So, I support putting the election in March. Thank you, Mayor.

Mayor Borowsky: Thank you. Councilman Graham.

[Time: 01:53:01]

Councilman Graham: Thank you, Mayor. The constitutional election for November 2026 is the date that 27,000 Scottsdale residents who signed the referendum petition were led to believe it would be held. Altering the date to a nonconstitutional date, such as March is the date that lobbyists have persuaded some up here to support. The voter referendum on Axon's rezoning is statutorily scheduled for November '26. That's date when signers sign the petition were led to believe it would occur. And some people have come and spoken to us asking or saying if it if we don't schedule it for March 2026, then we can't get it or it won't happen. And that's untrue. It is scheduled constitutionally, statutorily for November 2026.

Holding an early, taxpayer-funded Special Election raises concerns such as reduced voter turnout. As you may know, special elections draw much lower turnout. Typically, 20 to 40% for a March election that you would get in a general election. And what does this mean? This means that a minority of voters would decide the fate of Axon's 1,900 apartment project than if it was held the date that the signers of the petition expected. I believe such a transformative project demands maximum participation to reflect the will of this community.

Another major concern with altering the scheduling of the referendum is the exclusionary voting

process. March Special Elections relies solely on mail-in ballots, and they exclude residents who prefer or rely on in-person voting. This risks underlining equitable access to the democratic access. That legislation attempts to nullify's Scottsdale's referendum, backed by 27,000 voters, raising questions about whether an election prioritizes corporate interests for your interests.

Additionally, critics of an estimated \$600 to \$800,000 of legal costs to fund a lawsuit to defend your voting rights overlook that a Special Election in March would cost nearly \$700,000 non-recoverable expense borne by taxpayers. Their selective focus on costs ignores the broader threat to our democratic process.

So, in summary, the Axon referendum is scheduled and statutorily set for November 2026. And altering that scheduling risks disenfranchising voters and eroding your trust in Scottsdale's governance. Thank you, Mayor.

Mayor Borowsky: Councilwoman Littlefield.

[Time: 01:57:20]

Councilwoman Littlefield: Thank you, Mayor. Oddly enough, I have very much the same points that Councilman Graham. That's what people did, was wanted to have this on November election. If we do March, you will pay that \$700,000 additional fee to hold a Special Election for this which is already scheduled for a different election and will be held on that election. Also, a March election is a mail-in ballot. You have a much lower turnout from your citizens for that election. It's just the way it is. It's the numbers that add up and don't add up.

So, you are disenfranchising folks in effect to vote on this issue, and that's not correct to do. The cost to the city, \$700,000 minimum. All mail-in ballot. You can't go to the polls and vote because there will be no polls and you will have a lower turnout, less a lesser result of the election if you do it an all mail-in ballot. That's just historically what happens and it's factual. It's not particularly for this election, it it's just any mail-in ballot election has a lower result. People fill out the ballot and they get to mail it in. It just happens. I will not vote for this because I believe statutory, they need to hold this in November. That's where it's set up to be. That's where it should be. And that's where citizens should go and vote for it. You will have a higher turnout because it's a November election. You will have many issues on that ballot. This will just be one of them and you will have a higher return on the issue by the citizens of Scottsdale, which is the point of holding the election in the first place. So, I think I will not be voting for a March ballot. This should go on the November ballot, as is statutorily required. Thank you.

Mayor Borowsky: Councilwoman McAllen.

Councilwoman McAllen: Thank you, Mayor. I, for one, am going to be voting to have the Special Election. I trust that the citizens know how to mail their ballot in, and that they will vote the way they wish to. And that's not up to us, who votes, when they votes. I trust the citizens of Scottsdale to make their own choice. They signed the referendum. They should be allowed to vote. And the sooner we put it

on the ballot, the better.

Mayor Borowsky: Councilman Graham.

Councilman Graham: Mayor, thank you. I, during my comments I forgot to make an alternate motion. And so, I will motion to number three take no action because I think that's probably I don't City Manager is there anything to to investigate and report? I don't see that as an appropriate yeah. So, so I will do I will motion to for number three to take no action. Thank you, Mayor.

Councilman Kwasman: I will second that.

[Time: 02:01:08]

Mayor Borowsky: So, I will say a few words. So, I think it would be helpful to have the City Manager, and the City Attorney return a report to us to correct all the misstatements that we just heard from Councilman Graham, namely, that statutorily we are required to do it in November 2026. He said something along those lines but that's absolutely false. We could have scheduled it already two times previously. And that's by default, if we take no action, which there's been a complete resistance to taking any action. You are seeing it here again play out tonight.

And the other interesting comment was that they were voters were led to believe. That couldn't be any more vague that that would take place in November of 2026. Well, I will bet if we would have invited them out to the polls over the two times we already had the opportunity to do so, or in March, where the city advertises the election, they'd come out and vote and I really, honestly, to Councilwoman McAllen's point, I take exception with how much the comments have discredited the the will of our voters by saying they can't mail they won't mail it in. They won't know. They were led to believe it's going to be two years from the date they signed the petition. I just am not buying that.

Interestingly, as I was parking my car here at City Hall, I was listening to the Chris and Joe show on KTAR, the own station I listen to, right, very exciting life I lead. And they were talking about how our elected officials really don't want to hear from us. They don't want to hear from the residents or the don't want to hear from the voters unless it's time for their reelection and they are raising men area they are looking for votes. Well, it just so happens that there is a reelection campaign coming up for three members, no two members of our City Council, and, you know, I don't know how this plays out, but the head of TAAAZE is rumored to be running for election to an available seat. So, I, you know, I question the genuine nature of stating that our voters will not turn out for this significant issue if we move up the election. And that's all I have to say. Councilman Kwasman.

Councilman Kwasman: The November 2, 2021 Special Election, voter turnout for the General Plan was 29.75%.

Mayor Borowsky: Thanks for that update. Councilwoman Whitehead.

Councilwoman Whitehead: I just wanted to add one more thing. This does not preclude continued negotiations. My colleague likes to talk about 1,900 apartments. That's been off the table for a long time. So, we're elected to solve problems. We have an opportunity to solve problems. So why in the world would we sue the state of Arizona when all they're gonna do, the legislature, they will just rewrite the law. That's there's no winning other than losing millions of dollars. So, we're all up here to solve a problem. If Mr. Graham doesn't like 1,900 apartments, then let's get to work. Let's bring that number down. And so, I do want to stress that it's it's on all of us to get that done. And to Mr. to Councilman, soon-to-be Vice Mayor Kwasman's point, that, yes, the lower turnout is true in these off-year elections but listen, all the Bond projects that we're enjoying, that was an off-year election too. So, it's you know, democracy isn't a perfect art, but we get things done. So, thank you for the added time.

Mayor Borowsky: Councilman Graham.

[Time: 02:05:28]

Councilman Graham: I know the City Attorney wants to talk and my point is going to be very brief. We are obviously off topic. We need to wrap this conversation up. So, there's a motion on the table. There's an alternate motion on the table and we'll start with a vote on and, you know, it's a couple of comments were made, Councilwoman Whitehead that they'll just go ahead the legislature will just go ahead and rewrite it. They're not going to do that if somebody sues them and they get called out and it's proven unconstitutional. A few other indecorous comments were made about political speculation that I regret to hear my colleagues say. So, I will leave it at that, and I I really hope we can begin voting now.

Mayor Borowsky: Luis, City Attorney.

Luis Santaella: Mayor and members of the Council, it sounds like your discussion has concluded but I did want to caution you all that you got quite off topic. So, there's limited things you can do on an item like that and just remind you all.

Mayor Borowsky: Okay. We're going to vote on the alternate motion before we misbehave anymore. Thank you for that. Voting on the alternate motion which reminding me is to do nothing, my colleagues do nothing. I'm going to vote no on do nothing. All right. Doing nothing passes. So, thank you very much. And that concludes that agenda item.

WORK STUDY SESSION

[Time: 02:07:17]

And moving right along, we have a Work Study Session. Let's see here. Next, we have the Work Study Session which as always provides a less formal setting for Mayor and Council to discuss specific topics with each other and city staff and provides staff an opportunity to receive direction from the Council to provide an opportunity for public input yet continue to maximize the amount of time available for the Council to have focused discussions. Spoken comments is accepted on tonight's Work Study. Although, I

don't have any. We will move right along.

Presenting tonight on the topic is Scott Selin and that's the Financial and Capital Improvement Plan update on the preliminary 2025 fiscal year results. Scott, and Allison Tymkiw will be presenting. Hi Scott, thank you, welcome.

Scott Selin: I'm happy to provide a preliminary financial update for the fiscal year '24/25, which just ended on June 30. Quick introduction, the figures that you will look at today reflect the totals as of the third close of fiscal year 2025. What you're looking at right now is the timeline for the year-end financial report. We're currently at the preliminary results step in the timeline. I will just briefly cover the remaining steps here from September to November, we anticipate the year-end audit. The plan is to go to the Audit Committee in December of 2025 and to the City Council for the final year-end report in January.

This slide shows the year-end closing process. Right now, the Treasurer's office is wrapping up the year-end closing entries. We will be proceeding through all the other steps listed on this slide, during the upcoming weeks and months.

This slide has some high-level big picture General fund takeaways. We will look at some specific numbers in the upcoming slides. For revenues we saw moderate growth across more of our sales tax categories and a significant decline in the rental category. I will add that this decline was expected as a result of the statewide elimination of the residential rental taxation which became effective on January 1st of this year. State shared income tax showed a significant reduction but, again, I would add an expected reduction from last year. Due to the implementation of the flat tax, a decline in estimated tax payments and loss of large capital gains tax revenue that was realized in fiscal year '23/24.

Property tax revenues declined due to the impact of the Qasimyar lawsuit which I believe you are all familiar with, and then looking at the expenditure side, overall, the expenditures were 2% below budget.

This slide shows our sales tax revenue broken out by category in a bit more detail. Before I start talking about the numbers, I want to orient you to the table that's on here because you will see several others like it throughout the presentation. We have our categories sales tax categories on the left. The first column is the fiscal year '23/24 actuals and the next is the '25 actuals the fiscal year that just ended. The third column is the percentage change year over year. The next column is the fiscal year '24/25 budgeted amount for those categories. The fifth column, the budget variance compares the actuals to the budget, where a positive number indicates a positive budget variance. And conversely a negative number indicates a negative budget variance. And then the last column is the budget variance percentage.

This table format is the same as you will see in the upcoming slides. It breaks up the sales tax revenues in the various categories that we track. Most of our categories showed some growth, the major exception was the rental category as a result of the statewide elimination of residential rental. This was expected and incorporated into our budget, just call your attention to the rental category in the budget

variance column which shows that we had a positive budget variance of \$800,000 roughly indicating that this decline was expected. We do have some findings listed in the bullets here. There were some large one-time payments in automotive, construction, and the retail categories. Construction and retail showed some solid base growth and then year-over-year our sales tax revenue, I would call your attention to the total line at the bottom, shows a 2% increase.

[Time: 02:12:28]

This slide summarizes the state shared revenues and primary property tax. State shared income tax showed a significant year-over-year decline. As a result of the flat tax implementation and loss of capital gains revenue, this again, was expected and budgeted for in the budget variance column for state income tax, we show a positive variance of \$200,000. We did see a slight budget gains in the state shared tax and vehicle tax categories for vehicle tax, highway user revenues came in it performed better than we originally anticipated. Overall, state shared revenues showed a budget gain of \$1.5 million, and 1%.

Moving down to primary property tax, we showed both a year-over-year and a budget variance that was a negative due to the Qasimyar decision. This resulted in a negative variance of about \$6 million.

This slide shows the charges for service categories. Just looking at the total at the bottom, we showed a total positive budget variance of \$4.3 million in fiscal year 2025. We have some subbullets that provide noteworthy variance for this context. The cease-fire insurance premium tax came in higher than budgeted. We had some facility rental fees for WestWorld that came in higher than budgets. And then finally we did recover some revenue from vendors for damage to the WestWorld facility.

This slide shows an overall summary of the general fund revenue in fiscal year '24/25. Calling your attention to the total row at the bottom, we collected \$455.5 million which is a slight decline compared to last year, compared to what we had budgeted, however, we show a 3% gain and the only significant budget loss on the categories on this slide was in the property tax category which we discussed previously.

Moving over to the expenditures side, this slide examines our FY '24/25 expenditures. We have the preliminary category this excludes transfers out. We spent a total of \$377.9 million against a budget of 385.2 merchandise which is a positive variance of 2%. So going down to the transfers outline, the reason that it is so under budget, showing such a large positive variance, is because certain transfers to the capital improvement plan had not yet happened as of the third close, and these transfers will occur before the final close. So, you will see that budget variance resolve itself.

This slide takes the general fund division expenditures, takes the expenditures and splits them up by division. We'll just go to the total line here, I will emphasize that we show an overall positive budget variance of about \$7.3 million, which is about 2%. I believe that brings me to the end. I'd be happy to entertain any questions that you all might have.

Mayor Borowsky: Councilman Graham.

[Time: 02:16:03]

Councilman Graham: Thank you, Mayor. Scott, good presentation. Can you go back to the slide showing that our rev are 8%, the sales tax collections are 8%. So, the biggest driver of that, looking at this, would be retail sales collections. Followed by automotive. I wanted to get on a soap box a little bit for a second. I know we never want to I know we never want to overestimate revenues, but 8% is kind of a big underestimation, especially because our expenses are not as high as they should have been. You know, when you don't when you have an 8% revenue under or I guess a windfall, you can't you can't budget. You know, you can't there's inadequate budget planning because if you had those resources in mind, if you are closer to 2 or 3%, then you know you have those resources and you can start planning your investments. You can start applying for grants because you think you have more revenue.

And then, you know this kind of has happened to us every year. What ends up happening is when you underestimate revenue, you get into a reactive financial management scenario at the end of the year. What do you do with it because you have all of this money. It can affect grants and delay other projects, and we can miss out on critical projects because we didn't think we were going to have the revenue. So, I just 8%, I mean these numbers I like I know it's an estimate. I know it's a projection, but and I'm really kind of talking to Sonia. Not you, Scott.

The other thing is can you go to the shared revenue slide. I thought that we kind of knew these numbers two years in advance. I think that they are all positive. So, what I'm thinking is it was more than what they told us; is that correct?

City Treasurer Sonia Andrews: Mayor, Council, Councilman Graham, we only know the income tax two years in advance. The state shared sales tax and vehicle license tax or collected and remitted real time.

Councilman Graham: Oh, same year.

Sonia Andrews: It's only the income tax that we know ahead of time. That's why we have a 0% variance.

Councilman Graham: And then thank you Sonia. If you go to enterprise, Scott. I mean, you know, it's 25%. It's it's I'm happy about it don't hear me the wrong way. I don't want to see nobody wants to see worst thing we could do is budget revenues and it's way less. I get that. That's the first thing, actually have a budget director. But 25%, I mean I know these are not huge numbers but you can really as far as grants, as far as your capital expenditures and your investments. So, I'm just trying to what I'm trying to do is raise awareness that it's not all you know, rainbows and butterflies, like there's a cost when you underestimate your revenues. And so, and I know it's I know it's an art as much as a science. And so, I will let you I will give you the last word, Sonia, and then I will be done with my comments.

Sonia Andrews: Thank you, Mayor, Councilman Graham, I appreciate those comments, and we will definitely look at our forecasting process and do a better job with projecting our revenues. However,

that said, I also want to point point out one fact is if you go to the slide that shows our total revenues in the general fund, despite the fact that our sales tax is higher, by 8% this slide shows local taxes which includes other taxes like franchise fees and such and that's why that number is 7%, and despite the fact that our charges and services are 25% over budget, we do have a negative 16% in our property tax category. So in total for the general fund, we are only 3% over budget in terms of total revenues. So, I hear you. I understand and we will definitely take a look at how we project revenues and do a better job and make sure we try to come closer, but, you know, for last year, we're kind of glad we over we came in over budget because it offset the big negative in the property tax. Thank you.

Mayor Borowsky: Thank you. Councilwoman McAllen.

[Time: 02:21:04]

Councilwoman McAllen: Thank you, Mayor. Scott, I don't know what slide it is. But you said it was off because the funds were reimbursed after the third quarter.

Councilman Graham: That was the transfer. That was timing.

Scott Selin: Was this the slide you are speaking of? Oh, the transfers.

Councilwoman McAllen: Yeah, yeah. That's it. So, I just want to clarify, once it comes through on the finals that it will be closer to 2%?

Scott Selin: Madam Mayor, Councilwoman McAllen, that's correct.

Councilwoman McAllen: Thank you. I wanted to clarify that.

Mayor Borowsky: Thank you. I don't see any other speakers. Thank you, Scott, thank you, Sonia. Appreciate it. And I believe we are oh, Allison.

Senior Director City Engineer Alison Tymkiw: Good evening, Mayor, members of Council. I have the C.I.P. update for you and it's a video, highlighting a few of our current and recently completed capital projects.

[Time: 02:27:33]

Thank you. Do you have any questions?

Mayor Borowsky: Vice Mayor Dubauskas.

Vice Mayor Dubauskas: Thank you, Mayor. Thank you, Allison, I love these videos. I think in the past, we have asked for budget-to-actuals. Where is that?

Alison Tymkiw: Can you pull up the slide for the budget-to-actuals, please?

Vice Mayor Dubauskas: You were prepared. Thank you.

Alison Tymkiw: Can you switch to the Elmo? Can you see that?

Vice Mayor Dubauskas: Can you talk us through it?

Alison Tymkiw: Oh, sure. So, the first project we highlighted was the water campus, administrative building expansion, the regulatory lab. The total project budget is \$23.6 million and the funds spent is \$22.1 million with a remaining budget of 21.5 million and that was funded by water rates. The next project is the Old Town pavement improvements and our total budget for the Old Town area is \$7 million. And so far, work has been proceeding, but we actually haven't paid any invoices. They are starting to come in and we are starting to make payments on those.

So, again, remaining budget right now is \$7 million and that's funded by the transportation sales tax we have the McCormick-Stillman roundhouse project and that was \$11.8 million total budget. Funds are 9.5 with the remaining 2.3 funded by general fund, tourism and development funds and special revenue fund. The splash pad portion was also Bond 2019. Again, that project is complete, but we are still doing final close out with the contractor, and, you know, the invoices will come in.

And then project 28, build a new fire station near Hayden Road and loop 101. The total project budget was 13.7 merchandise. Funds spent to date are 11.5 with a remaining of 2.2, again, still in project close out. The fire team just moved in on the 22nd but we're still finalizing the contracts there. And again, that was Bond 2019 general fund and then Bond 2019 interest proceeds as well.

Vice Mayor Dubauskas: Thank you very much.

Alison Tymkiw: Okay, you're welcome.

Mayor Borowsky: Thank you, Allison, I don't have any more speakers and appreciate it.

Alison Tymkiw: Thank you.

Mayor Borowsky: All right. That concludes our business for this evening. So, I will move to adjourn.

Councilwoman Whitehead: I will second it.

Mayor Borowsky: All right. All in favor, stand up.

[Time: 02:30:38]

ADJOURNMENT