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CALL TO ORDER

[Time: 00:00:01]

Mayor Borowsky: I would like to call the May 5, 2026, City Council Regular Meeting and Work Study Session to order. City Clerk, Ben Lane, may I please have a roll call.

ROLL CALL

[Time: 00:00:10]

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

Mayor Borowsky: Present.

Ben Lane: Vice Mayor Adam Kwasman.

Vice Mayor Kwasman: Present via remote.

Ben Lane: Councilmembers Jan Dubauskas.

Councilwoman Dubauskas: Here.

Ben Lane: Barry Graham.

Councilman Graham: 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: City Attorney Luis Santaella.

City Attorney Luis Santaella: Here.

Ben Lane: City Treasurer Sonia Andrews.

City Treasurer Sonia Andrew: Here.

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

[Time: 00:00:39]

Mayor Borowsky: Thank you, and this evening we have Scottsdale Police Sergeant Eric Bowles, Officers Kyle Shollock and Ray Wilburn and Scottsdale Firefighters Eric Duran and Steven Remke here if anyone requires their assistance, please let a member of our staff know. And thank you for being here, everybody.

For the Pledge of Allegiance, I will ask Councilwoman Whitehead to lead us in that.

PLEDGE OF ALLEGIANCE

Councilwoman Whitehead: 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.

Mayor Borowsky: Thank you very much. And for the invocation, I will turn it over to Councilman Graham.

INVOCATION

[Time: 00:01:27]

Councilman Graham: Mayor, thank you. Tonight's invocation, I have invited and pleased to introduce Pastor John Karolus. He served at the Shepherd of the Desert. It started at an office building in McCormick Ranch and built its main building at corner of 79th and Shea. And the preschool operating in 1984 has been operating ever since. Led by Senior Pastor Dr. Scott Sidler, they host 500 in worship in the winter months and 300 during the summer and a preschool enrollment of 175 students. The United School for Autism is operated from their 96th and Shea property since 2018. With a significant upcoming renovation of their Shea campus, and momentum building in are worship attendance, Shepard strives to be a family of faith that connects every person in every season to the life of Jesus' promise. And I will invite pastor John to open tonight's meeting with an invocation.

Pastor John Karolus: Thank you for this honor and thanks for the work you do. I can't imagine what it's like being in your shoes. For those who are willing, please pray with me. The eyes of all look to you, o lord, and do give them your food at the proper time. You open your hand and satisfy the desire of every living thing. We thank you, Lord, for all that you provide, and we thank you for the work of our civil servants and Mayor and Council. You have made everything beautiful in its time, and we are blessed to live in such a beautiful city and state together. Guide these leaders, lord in your wisdom that they may have patience and be exemplary decisionmakers and guide us as residents and stewards of this place that we will recognize the opportunities we have to care for one another and enjoy the blessings you pour out of your abundance generosity.

Orient the hearts in such a way that they enthusiastically pursue the good of our community according to your mercy. You have placed them in these positions for your mercies. Bless them to be successful and recognize the gifts and perspectives they need for the tasks at hand. All this we ask in the name of the father, son and Holy Spirit. Thank you.

MAYOR’S REPORT

Mayor Borowsky: For the Mayor's Report, first Happy Cinco de Mayo. Who brought the margarita. We have the chips and salsa. Speaking of which let's talk tourism. Tourism as we all know is essential to Scottsdale's local community and economy. Nationally, travel is a $3 trillion industry, that supports 15 million American jobs and generates more than $90 billion a year in state and local tax revenue for critical services, like public safety, education, and emergency response.

Here in Scottsdale, tourism is a powerful economic driver. I like to refer to it as our bread and butter and the icing on our cake. Each year our city welcomes 11.7 million visitors who generate $3.7 billion in local economic impact which supports jobs, small businesses, large businesses, and, of course, a vibrant community that we all love calling home.

Traveling strengthens every sector of our economy from healthcare to business innovation. That’s why today we proudly recognize National Travel and Tourism Week and the vital role this industry especially mays in Scottsdale's plays in Scottsdale's success. I issued a proclamation which summarizes what I just said, and so now therefore, I Mayor Lisa Borowsky claim May 3rthrough the 9, 2026 as national travel and tourism week here in Scottsdale, and encourage our community to recognize the vital role this industry plays in Arizona and accepting the proclamation is none better than CEO, President and CEO of Experience Scottsdale, Rachel Sacco, along with Ms. Sacco this evening is Tourism Development Commissioner, Kathy McKeever and thank you for your service, Cathy. I will invite you up here so I can hand this to you. Take a few photos and I will invite my colleagues down to join us.

Mayor Borowsky: I don't know if you all heard her say it, but that was Cathy's first she's been short in the role and look at her success already. Thank you very much.

PRESENTATION/INFORMATION UPDATES

[Time: 00:07:44]

For presentations tonight, we have the City Council recognizes proudly employees with 20 or more years of service, as of May 2026 and this evening, we're going to make those presentations or shall I say Holly Peralta, Communications Interim Senior Director, will talk us through that and we will celebrate them.

Communications and Public Affairs Interim Senior Director Holly Peralta: Thank you Mayor Borowsky and City Council. As I do every month, I'm here to celebrate our employees who celebrated 20 or more years with the city of Scottsdale. We have three employees who are going to join us up front tonight who all have 20 years of service with the city. I invite you to think back to what you were doing in May of 2006, because at that time, these three employees started their service with the city of Scottsdale and I invite you to come forward. We have Brandon Chatman who is our fantastic city-wide Volunteer Coordinator. We have Christopher John who is a building inspector. And Amy Tinder, who manages our website and keeps Scottsdale looking great digitally. So, the three of you, if you can come up, we'll take another photo, with the Mayor and Councilmembers.

Mayor Borowsky: And for the record, I remember what Councilwoman Littlefield was doing 20 years ago. She was sitting right back in that seat, weren't you?

Councilwoman Littlefield: Yeah, I was.

EXECUTIVE SESSION

Mayor Borowsky: All right. As is the case at every meeting, during this evening's Council meeting, the Council may make a motion to recess into Executive Session in order, if needed in order to obtain legal advice on any applicable item on the agenda and if so authorized by Council, the Executive Session will be held immediately and will not be open to the public, however, this general meeting would resume following that Executive Session.

Next, I will move on to the meeting minute approvals.

Beb Lane: Mayor, I apologize, we have one more presentation for the Scottsdale…

Mayor Borowsky: They're all here! Yes. How could I forget. Recognition of the city, now will recognize and we'll celebrate the 2026 Scottsdale 101 Citizen Academy graduates, presented by Joy Racine, Community Involvement Manager. And thank you all for coming over, by the way.

[Time: 00:11:02]

Community Involvement Manager Joy Racine: Thank you, Mayor Borowsky, members of the Council. My name is Joy Racine, I'm here to represent Government 101, Citizens Academy.

Dig deep and discover Scottsdale Government 101. That is just one of our quotes created by our attendees on last day of class, and you're going to hear and see more from throughout the rest of the presentation. Our citizen's academy is interactive, informative and stated by one group, know your city, shape its future.

Government 101 is designed to equip participants with the knowledge to actively engage in our community, understand local government and network with other residents, it's a place for residents to learn, grow, and connect.

Over the course of ten weeks they met to hear from city leaders and department heads. They were able to ask questions, learn how departments operate and gain a deeper understanding of what services they provide. Together we visited the North Corp Yard, heard a 92-year-old play the piano at the care cultural center. We took a walk in our preserve and we visited the railroad park. We learned how life is good in Scottsdale by going behind the scenes at the North Corp Yard, with our solid waste, fleet, facilities and a peek into the TMC. We heard ways to get involved and spent one morning at the food bank where we packaged 323 healthy packs for children at the local schools. We washed over 30 of the bin for the next pickup and crated two pallets of water. We cleaned up cigarette butts and other trash along Indian School Road.

Even some of you as Councilmembers and Mayor came and shared your perspective on what it was like to start with the city, what got you involved, and why you enjoy being a part of Council. I could tell you more over the ten weeks. Tonight I have Darryl Toupkin, and he will share a little bit about his experience with the rest of you.

[Time: 00:13:20]

Darryl Toupkin: Thank you, Mayor and Council, for having me here. My wife and I have been a resident here in Scottsdale for over 28 years. And really enjoyed the Scottsdale 101 class. Didn't have any perceptions of what I was going to get out of this class, but it was unbelievable, the experience that I received. It provided me behind-the-scenes opportunity to learn about the city. It was great introduction on how the departments work together. It's really interesting how the budget and the planning and all of these different departments work together.

It gave us a special insight of the hard-working men and women that make this thing work like clockwork, and the thing that I really appreciated was that the individuals could have easily been an A.I. presentation but they took the time and effort out of their busy schedules to come and to do presentations to us, and we were able to learn about their individual departments, that being court or if it was planning.

I really enjoyed that the history lessons that Bruce gave us. You are very fortunate to have Bruce as a wealth of knowledge of the city of Scottsdale, taking us to Titus House, which I didn't know of its existence or the history of the Stillman-McCormick Railroad Park. Boy, I have been there a few times, and I didn't really know how that came about and thank goodness we stole it away from Paradise Valley and it's part of the city of Scottsdale. 75 years is a big a big thing for the city, and I'm really blessed that we're here and I know that the next 75 years is gonna be great for the city.

The water education that we learned during our class was great, and the direction that the city of Scottsdale is going with the renewable resources, and clean water, is really important, and I know the Council, you have a lot of important decisions to make, and I'm really excited to see the direction that you are going to be going.

The one thing that I want to leave here is that I learned that I want to be involved more with the city, and hopefully some day you will see me as part of the board and commissions. So, if you see this face some day, I'm the one that's gonna be involved. So, thank you so much, Madam Mayor and Council for giving us the opportunity with this class, and my fellow classmates for putting up with me for the last nine week and to Joy and her staff for putting on a great program. So, thank you.

[Time: 00:16:02]

Mayor Borowsky: Thank you.

Joy Racine: Thank you, Darryl. And I want to add that it's his birthday today, and he chose to spend it with us.

Mayor Borowsky: Wow, Cinco De Mayo baby. Are you still presenting?

Joy Racine: I was just actually, I was going to ask if everybody in the class could go ahead and stand up. That was going to be my next thought.

Mayor Borowsky: Before. Please stand.

Joy Racine: If you could stand up, we would love to recognize you.

Mayor Borowsky: All right. Well done. I spy one of our own Budget Review Commissioners. So that's exciting. Thank you all. Congratulations. All right. Well, thank you, Joy. Appreciate it.

Joy Racine: Thank you.

MINUTES

Next, we're going to move on to the Meeting Minute approvals, and if there are no changes or questions on those, I will entertain a motion to approve Special Meeting Minutes of March 24, 2026, Executive Session Meeting Minutes of March 24, 2026, and Regular Meeting Minutes of March 24, 2026.

Councilwoman Littlefield: So moved.

Councilwoman Whitehead: Second.

Mayor Borowsky: All right. All those well, please vote. Next, we have our consent agenda…

Vice Mayor Kwasman: Aye.

CONSENT AGENDA

[Time: 00:17:27]

Mayor Borowsky: Next we have Consent Agenda items 1 and 2A, and I don't I haven't heard any I will wait a minute. Does anyone have any questions or have any questions on any of them? If not, and we have received no no speakers on these items. So, I will entertain a motion to approve Consent Agenda items 1 through 2A.

Councilwoman McAllen: So moved.

Councilwoman Littlefield: Second.

Mayor Borowsky: Thank you. Please indicate your vote.

Vice Mayor Kwasman: Aye.

REGULAR AGENDA – ITEM 3

Mayor Borowsky: Moving on to the Regular Agenda. Item 3 is presented by Scott Selin, Budget Department Director, Greg Caton, City Manager, Tom Shannon, Fire Chief. I won't name all the names.

They will get called up individually, but it is regarding the proposed fiscal year 2026/27 operating budget, and capital improvement plan. Scott, I will turn it over to you.

[Time: 00:18:40]

Budget Director Scott Selin: Thank you, Madam Mayor, members of the City Council, very happy to be here with you tonight with you. It wouldn't be Cinco De Mayo without 70 slides related to budget to go through. Looking forward to going over this with you. This is one of the more lengthy presentations that we bring to you all. We will strive to get through it in a thorough and expeditious manner. I will present a chunk of the slides. The city manager will present a few slides and there will be representatives from some of the larger departments to present to briefly speak to their individual budgets. Because of the length of the presentation today, if it pleases the Mayor and the Council, I will pause at the end of my section at slide 35 to take any questions you might have before we pass it on to the department heads.

Before we get started in earnest, the release of the proposed budget, it's a very significant undertaking. There are many people who deserve our thanks for that. The budget team, the department staff who participated in this effort, the Budget Review Commission, who spent many hours reviewing the budget and reviewing the recommendations, as well as City Council for their overall direction and support in this endeavor.

What you're looking at right now is the general timeline for the budget adoption. We released the proposed budget on April 3rd, and then three times in April, we met with the Budget Review Commission where they reviewed the budget and generated their recommendations. Today, we are here for the Work Study with the BRC. On May 19th, we will bring the tentative budget adoption to the City Council and the final budget adoption on June 9th.

This slide shows the FY26/27 proposed budget, the total amount is $2,118,000,000. We have it split up into three overall categories, operating budget, $838.2, and capital improvements under $882 million, and then $398 million in contingencies and reserves. What you're looking at right now is a comparison of the proposed budget to the two most recently adopted budgets. We will focus on the proposed budget within the oval there. The I will start about halfway down where it says total operating budget there's the $838 million figure. When you add in the capital improvements of $882 million and then 399 in reserves and contingencies, you get the total of 2 billion, $119 million. And then when you compared that total to the '25/26 adopted budget it's a reduction of 3.85%.

The slide is not advancing for me. There we go. At this point, I will pause and allow the city manager to discuss some major budget highlights in the proposed budget.

City Manager Greg Caton: Thank you, Madam Mayor and members of Council before I talk about some of the mechanics of how we address the budget, I want to talk a little bit about our methodology, our philosophy, how we approached this. We can advance to the next slide. Thank you.

And so, as we approach the budget cycle which started actually in the summer with some I would say some preliminary discussions with departments, following up on last year, understanding some of their needs, as we entered into the budget cycle. Also, we anticipated that we could have some headwinds as it relates to our revenue stream.

So, we needed to create some capacity within our budget that would allow some flexibility to make strategic investments and so that was the philosophy which drove the mechanics which you can read on the screen, and I will describe this just in some greater detail. But, again, the philosophy, as outlined, I would encourage even audience members, it's a short read, it's the budget message by the city manager, which really outlines our approach and investment. I referred to a lot of these as investments. They are not just spending. So, we invest in our employees and the return on that investment is phenomenal, customer and service that we deliver to our community every single day as an example. Investing in public safety, investing in our infrastructure, and so those were the core themes as we embark on this budget process, it's important to send the message to over 100 employees that put their hands on the budget process, and to state that framework for what we're trying to achieve.

[Time: 00:22:35]

So, what we were trying to achieve was not just the status quo of what we did last year, but really a scrubbing of the budget line items and so that directs me to this tool that we used. I am a budget reviewer for GFOA, Government Finance Officers Association. And so, these are mechanisms that some of the best of the best across the country utilize to utilize their municipal budgets.

And so let me describe the 10% and the 2% exercise. As city manager, I am not able to touch every single line item. I am familiar and have done that in smaller budgets not a $2 billion budget. So, what we embarked on was a process that engaged our employees to do that. That's exactly what was done. Let's talk about the 10% challenge, rule. It was a mechanism for the employees and the organization to look at every single line item within our budget. Again, two purposes to that. I think it's good business for us to continue to look at those line items and not live within status quo. Line items need to change from year to year. Sometimes they go down and sometimes they go up and it's a new philosophy of that approach to budgeting.

And then, also, again, creating some capacity so that we can make strategic investments and so the 10% exercise, you take every line item and you pop in the finance mechanism, you populate what that starts off with. You can start off with the same, as you start off as you had last year. You can do zero. That's not zero-based budgeting. That's a different exercise or you could start with a different number. We rolled it with minus 10%. What that did is require the departments to go through every single line item, look at it and in many instances they are not able to live within a minus 10%. But that encouraged them to look at other line items where they could find opportunities.

And I will tell you in conversations with every single department, at least twice, at large sessions, they found those opportunities. It came up to $7 million through that exercise. The second exercise was 2%. 2% of the reduction of positions that you have in your department. For easy math, if the department has 100 employees, then we would be looking for them to eliminate two positions. Two positions 2% of your total personnel count. However, there are some exceptions. There are exemptions, sworn personnel did not count. The 409 in the police department and approximately 400 in the fire department did not count. We were not reducing sworn personnel. There are also other smaller functions that didn't have vacancies and didn't contribute to that. Then when you look at the 2%, we went to the positions that were vacant. That was not eliminating any field position. That saved approximately $2.6 million. So, the combination of those two efforts, nearly $10 million.

And then as we will discuss later, there was the subtraction, but then we also added positions for next year. That's a balance, pretty close. It looks as a negative on an FTE count or a full-time equivalent count. It looks like we reduced more than we added but on a full-time benefited position, I'm specifically making a distinction between full-time benefited positions and FTEs or full-time equivalents. So, the balance of adding full-time positions and eliminating full-time positions came out about 33 and 33.
And so that was next slide, please.

[Time: 00:27:37]

That was that process. So, I go back to our strategic plan is moving forward with investing in infrastructure, investing in public safety. So how did we invest in public safety? The $4.2 million, for the sworn personnel, it adds up to about $3.1 million of additional compensation included in this budget, and then what we see with the 4.8 million, is a combination of longevity pay that we introduced last year for the police department, and introducing this year for the fire department. That's about $1.4 million each and then also a 1% market move for both that get us to the 4.8.

The fire department really proud about the significant investment, the chief has been talking about the tsunami of retirements that’s coming and making appropriate funding for that and then ambulance rollout, final phase three of 3 that's a good number of those positions that we added for next year as well. I will let Chief Shannon speak to that in more detail.

The 2 million for the public safety retirement, you’ll recall last year the PSPRS, we have the $50 million for the police side and $2 million for the fire, that's indicating the increased rate of retirements and then some significant capital investments for these areas, next slide, please.

Really prioritizing that infrastructure, we've talked a lot about pavement over the last couple of years, pavement condition index, our PCI, it was in the low 60s. We have a goal of a ten-year plan to get that to 75. Really proud about the investment that we made in the current fiscal year of just over $40 million. Just for the audience, educational purposes for most years, it was around $15 million on an annual basis was our regular investment in this area. So, we significantly increased it and the current fiscal year to just over $40 million and then we're proposing for next year, $45.9 million. So, we have over $85 million over two years so significantly moving forward to improving that PCI on the ten-year plan. And then the water increased costs and that's associated here, and we will talk more about the water infrastructure but that last bullet this, continuing to significantly invest in this area with a significant amount of carry forward and that was part of the strategy as well, was finishing up those projects that we already have in the pipeline, pun intended. Next slide.

And wrapping up my portion of the presentation here, economic development, as Council knows, we've been full steam ahead in this area and continue to make strategic investments in really what I refer to is the area, the facilities that we control. It really started with a management restructuring under Ms. Doyle's leadership, in the portfolio, of city facilities that look a little different. And I'm really proud of the partnership with the Giants moving forward that, and the Charros moving forward with that investment and WestWorld and we talked a lot about WestWorld in this room and many other rooms and making good progress there on some really drainage and significant capital investments in there. So that wraps up my section, I look forward to some discussion later. Thank you.

[Time: 00:31:38]

Scott Selin: Next portion of the presentation looks at our general fund revenue situation. What you are looking is the total revenues for general fund of the proposed budget for fiscal year '26/27, the three largest categories, taxes, local, state shared revenues and property taxes. Primary property tax, that encompasses about 75% of our total general fund revenues. Looking a little more closely at the local taxes category, the blue, that's the 1% general use sales tax, also our .1% public safety tax, and there are also a few smaller sources within that category, like electric and gas and franchise fee and I believe cable TV franchise fee. They are much smaller in comparison to the other two that I just mentioned.

The orange wedge of the pie chart, the state shared revenues that consists of state shared income tax and state shared income tax, those are the two tax and the auto in lieu tax, which comes from vehicle registration taxes that are shared with cities. And then finally primary property taxes about $41.1 million in the proposed budget. I won't go into specific details on all of the smaller wedges unless, of course, there are questions later, but the remaining revenue sources make up about 25% of the general fund revenue and total is $472.8 million.

This shows our projected sales tax collections the 1% general fund sales tax. This shows us what we are seeing in sales tax in the future years in the orange bars. We are projecting slower growth in sales tax over first two years the five-year planning period, a growth of about 3% in first two years. Before we gradually return to a more I guess traditional rate of growth in years four and five, 4% and 4.5% respectively.

We show this slide, because 1.7% is one of the lowest in the valley when compared to our peer cities. This shows our state shared revenue projections. Right now, those forecasts are showing modest growth in state shared sales tax, as well as state shared income tax. Those are the two major categories in the state shared revenues.

I do want to call your attention, it's mentioned at the bottom of the slide there, depending on what the state does, in its budget regarding conformity with federal tax law, it's possible that there will be a potential hit to our state shared income tax in fiscal year '27/28, that's not the first year, but the second year of the five-year planning window. We calculate the potential impact to be about $3 million if they do full conformity, but it depends what happens at the state level.

We show this slide to show that our general fund, rainy day funds are intact still. Over the five-year planning period, the major, the largest one, the blue bar there is the emergency and operating reserves. That's by our financial policies, 25% of general fund operating expenditures. That's why you see it kind of fluctuate over the five-year period.

We also carry a $12 million contingency in the orange bar there. And a $15 million revenue loss decreases, that was in fiscal year '25/26 and it was meant to offset the decreases in revenue.

[Time: 00:35:40]

And now moving on from general fund revenue, we will have a discussion about the operating budget at a high level. Overall, it's $838 million of that $2.1 billion total budget. This slide shows that our operating budget is structurally balanced. So, what this table does is it takes all of the major funds on the left-hand side, that's first column, and then the second column is the proposed expenditures and the proposed budget. And then the third column is the projected revenues into that fund in '26/27. So, we will start at the bottom on the total line, you will see total $838 million operating budget. And when you compare to the total revenues, it's just over $1 billion in revenue and then if you look at the individual funds as well, you will see overall the proposed expenditures are in line with the projected revenues.

A large portion of the operating budget is the FTE. This is the adopted FTE number of 2,796.9. It has a crosswalk to the proposed FTE level in '26/27. Phase three ambulance will bring 22 new FTE positions. Parks and Rec will receive 6 FTE. That's the .15 park and preserve tax. There's 25 other, and a total of 48.83 vacant positions eliminated. When you add all of those together, you get a net reduction of 8.33 as many as FTE and the final proposed FTE of 2,788.57. As the city manager was talking, about another way to look at the overall staffing within the city is the full-time benefited positions.

So, as he spoke to earlier, the departments were instructed to review their vacant positions with the goal to potentially eliminate 2% of total position count without impacting the service levels and there were a total of 33 full-time vacant benefitted positions that were identified for elimination through this initiative. And the eliminations by department are listed on the right-hand side. Then when we talk about the additions of 33 full-time benefited positions that are recommended to be added in the proposed budget. They are completely offset by the eliminations that we just talked about. 22 will be going to fire, six to parks and recs and a few others in a few other departments.

Looking more specifically at the general fund operating budget. We will focus on the proposed budget in the oval. If we look at the base operating expenditures, you add in the PSPRS additional payment od $200 million and $424 million total. And when you factor in the transfers out to the ambulance fund for debt service and capital projects you get a total general fund operating budget of $472.4 million. This chart shows ongoing revenues in blue, and ongoing expenditures in red. You see going back historically to 17/18 that the revenues and expenditures ongoing are more or less aligned and they kind of track with each other. Then when you get to the early fiscal 2020s, you see the revenues take off and the expenditures kind of lag behind a little bit. The reason for that is when pandemic era revenues started to come in higher than projected before the expenditures could catch up.

If you start to look at fiscal year at the red line, fiscal year '23/24, that's when you see the expenditures start to catch up to the revenues a little bit and they continue doing so until we get to the proposed budget and you see a little break in the rate of growth and the expenditures. That break continues throughout the five-year planning period. The delta between the two stays pretty much consistent and the reason why we are able to contain that is first of all, the reason is the exercise the departments went through that the city manager reference and debt service that is maturing and then finally the expected decreases in the PSPRS rate, due to the previous investments made by the city.

Just to emphasize the debt service piece starting with the proposed budget, about $10 million in debt service in '26/27, that falls to about $27 million in '29, '30, and '31, as WestWorld and TPC debt comes to maturity.

Looking at the PSPRS issue a little bit more closely. The blue line, well, these show the historical contribution rates for tier one, Tier two employees in PSPRS. Police in blue and fire in red. Looking at police first at 63.3%, that represented over a 75% increase when you look at it compared to '27 on the left-hand side of the chart.

[Time: 00:41:07]

So, at the high point is when the city started making some investments beyond what was required into PSPRS and you started to see some of the impacts of that start to trickle into the contribution rate. The projected in '27/28, that's where see a big drop. That's when we'll see the impact of the $50 million that we're contributing this year. Typically, you see the impact two years after the contribution is made. Then looking at Fire, very briefly, you start at 12.5% on the left-hand side, and that increases by more than 100% and gets over 30% at the right-hand side of the chart.

PSPRS historical costs this shows total amount paid to PSPRS split up between police and fire. At PD, it starts to 19 and gets to 22 and holds steady for several years and then we see it start to fall off a little bit as a result of the contributions that have been made and we anticipate the larger decrease happening in '27/28, and then fire, it grows over time. There's some additions to fire, blue ambulance and other service expansions. You see it increase and we think with the $2 million that's in the proposed budget that that will cause that amount to hold firm. And not increase.

This is the operating budget by department. Police and fire make up 55% of the general fund operating budget of $224 million. We have some other major departments listed on the slide here and then everything else is kind of condensed into that other core services in the bottom right.

Before wrapping up with the operating budget, I just wanted to highlight to the city wide, up to 1% market, 4% merit and 5% for step for sworn, there's the following personnel-related items in the budget. The city manager, $4.8 million for additional sworn compensation adjustments. There's $1.5 million for some focused, targeted classification and comp study projects. And there will be one-time adjustment for employees currently maxed out in their range. That will be about $600,000 and then $4.1 million in vacation trade and payouts for when people leave the city.

Okay, moving on to the capital budget, it's $882 million. This separates the capital budget by the individual program areas. I will just highlight total line there at the bottom in the oval. So, there's about $549 million in carry forwards. That's, you know, remaining budget for projects already underway. There will be another $407 million in either new projects or new budget for existing projects. When you add those together, you get $956 million on the right-hand side, and that 956 it says it in the title is a combination of the 828, plus the $74 million in contingencies within the CIP.

We talked about the one-year, this is the five-year, a total of $1.88 million. Between water and transportation, that makes up almost three-quarters of the total five-year CIP and you can see the other programs and what's going to them over the five-year CIP.

With that, we have covered the budget from a big picture perspective. Before we transition into having departments come up, I'm happy to open myself up to questions on anything that has been presented at this point.

Mayor Borowsky: Councilman Graham.

[Time: 00:45:02]

Councilman Graham: I just want to bookmark, I do have questions but I think maybe to let the departments come and then we have public comment and then and then I will present my because I may hear things from public comment, for example, and other department chairs but I do I want to share some thoughts and have some questions. So, thank you.

Mayor Borowsky: All right. Scott, why don't we do that. I don’t see anymore speakers on the dias here.

Scott Selin: We will have representatives from some select departments to speak to their budgets and CIP projects. Once one is completed, the next will come up. And once all are completed, I will get up and conclude the presentation and accept any questions you may have. Thank you.

Mayor Borowsky: Thank you, Scott.

Mayor Borowsky: Welcome, Fire Chief Shannon, Tom Shannon.

Fire Chief Tom Shannon: Good evening, Mayor and Council, the Fire Department's budget for '26/27, includes as the city manager mentioned, the execution of phase three ambulance, which will bring our total investment into the realm of nine ambulances daily servicing over 20,000 calls a year for service in terms of transportation. So, it seems like it's gone quite quickly, but perhaps not for you at the dais.

The city manager mentioned an investment in skills replacement. That cannot be underestimated. This is the first real investment to get ready the next generation of firefighters. The incumbent firefighters that exist inside the fire department require an up staffing of skill sets that are departing as our members retire. And this investment is notable. It's not in perpetuity. It will be over the next few years, I would say no more than four years total. And then we'll see a reduction in that investment. And included in this is also the upkeep of the normal everyday work that goes on out in the fire service in terms of assuring that our folks are ready to meet the needs of the citizens. It was mentioned that there's an additional $2 million investment in PSPRS on the fire side to stabilize that unfunded liability over time. Bringing our fiscal budget in 26/27 to just over $103 million.

I mentioned phase three of the ambulance, nine ambulances with the ability to peak at ten as needed. These will be spaced north and south in the city in three zones, if you will. We've had a great partner in Maricopa Ambulance and they will continue to service us through the balance of this year until year in service probably by late December of this year, no plaiter than January. Additionally, the fire department annex, which all of you are at for the groundbreaking, will help us serve that south community by providing quarters for those southern ambulances. That's an outstanding addition to the capability.

In the area of Prop 490, we have begun the investment. Of course, there was a small lag in the execution of the use of those dollars, and we wanted to make sure that we were fully capable of executing the plan for hires. You may recall that we have three community risk reduction captains that were already out doing the work of prevention services, particularly in what we call that wildland urban interface, and we have transferred those folks fully into the fund. We have just concluded our wildland urban interface position interviews. And we hope to make an offer very, very soon in that regard. And then we have enhanced those technical capabilities. We have a second TRT team in place with enhanced capabilities in and around the preserve and open spaces of Scottsdale.

[Time: 00:49:20]

In addition to all of those services, we anticipate the use of approximately $1.7 million from that fund annually. There’s a substantial surplus from this year because of the late execution of the plan. The great news, I just saw the renderings today of Fire Station 604, which many of you may know is right next to district three and it is truly going to be a beautiful building. What was a Jiffy Lube will become this beautiful, beautiful structure that complements D3. That investment is highlighted at about $10.3 million with a total project investment of $14.2 once capital projects makes the necessary adjustments in all areas of that project, but I cannot say how proud I am of not only our CPM team but the fire team and our selected contractors and architects for what is just going to be an outstanding building. I can't wait for you to see it. At ambulance annex ground that you broke ground on, that was an additional. This was a little bit larger than what the intent was when we first discussed this project, in previous Councils. This city manager saw the need to have contemporary capabilities to house our members. We were going to invest at a very tired building just to the north of that location. He saw the need to keep those buildings contemporary and healthy for our firefighters. That will be a busy house. That will service well over 8,000 calls a year for service and that ambulance will be a very important part of that service delivery. That is my presentation.

Mayor Borowsky: Thank you. Very well done, appreciate it. Next, I see Chief Joe LeDuc to come up to talk about police.

[Time: 00:51:25]

Police Chief Joseph LeDuc: Good evening, honorable Mayor and Councilmembers. Our budget reflects a significant investment in employees, through as the city manager said, but in addition incentives such as longevity pay and aggressive marketing adjustments that we have already realized from last year, some incredible numbers in filling our vacancies in dispatch and officers this year, we will realize zero vacancies in our police officer rank which is quite an accomplishment. It also reflects an ongoing priority to utilize technology to achieve our mission at public safety. We're very focused on finding ways to make our effort more efficient, and more effective. We invest heavily in things like the real-time crime centers. Our drone programs and then other automation, this budget will reflect an investment in artificial intelligence and we're trying to apply that to communications just to add efficiency and we found great value in that.

In addition to that, we have leveraged investment in our specialty units and staffing. When we talk about specialty units these are the units such as our digital forensic unit, or our human exploitation unit and they go a long in not only preventing crime and solving crime. If you look at all of this stuff together, all of these investments Scottsdale has some of the lowest crime rates and some of the highest clearance rates which really include, talk about our arrest rate. We are far below the national average in crime rates and far above the national average in clearance rates and I truly believe that some of those investments are why we are able to do it.

What's up on the slide is some of the out-of-budget packages that we are funding. The first one was a wellness initiative. For last several years we focused on the wellness of our employees, critically important. And this was really kind of the first time that we have a budget line item for it. It will help us to employ some critical processes and initiatives and efforts towards that.

[Time: 00:53:51]

Additional footprint at WestWorld. That means more municipal security guards over at WestWorld. We found that will be a critical need and that was an out-of-budget package that was approved. And to meet our hiring needs to we need to expand our polygraph group. We had one full-time polygraph examiner, we need to expand that to another part-time just to keep up with the applications that we are getting to make sure we are processing them through and put as many people in the academy that we can so we don't fall behind so that was very important to us. It shows what our proposed budget is up, there $156.3 million.

I want to talk about the park and preserve tax. This filled a critical need for us. Scottsdale has the largest urban preserve in the nation but then add on to it 46 municipal parks, all equaling about 31,000 acres of parks and preserves. It takes very specific and specialized park rangers or officers specially trained to use equipment, such as off-road vehicles and electronic equipment such as more rugged drones to go out and search for lost hikers and whatnot. We are looking at this budget through the park and preserve tax, supporting six sworn park rangers and a sergeant. They need a supervisor, we are expanding that program, and we need a real-time crime technician, to help on the back end, and the other electronics and cameras out and about these preserves and whatnot to really support that work unit. So, it's a critical need. And we're very pleased about that. And then we also so basically, it's an enhancements for the parks and preserve that were needed very badly so we are very pleased about that.

Just to cover a cup of our CIP projects a couple of our CIP projects. One of the things we are working on right now is out Civic Center jail downtown facility to meet demand. We talked about this before, that building is very antiquated and we are looking forward to get that completed. The first step is moving the employees out. That will happen in July and then construction should begin August 1st with the completion here around 2028.

Also at the same time, we are looking at renovating the Via Linda Police Department to increase efficiency, again antiquated floor plans and not meeting the needs of the staff that we have in there. We completed the top floor project which was a remodel of our communications center. And the RTCC, and now we're focusing on the other two floors, the basement floor, which is our patrol area which is in bad need of an uplift and then our detective area which is on the first floor of that building. So that project should start in probably January of 2027 and we're looking at about a two-year remodel with that, and that was a 2019 Bond project. And with that, we'll go to parks and recreation. Thank you.

Mayor Borowsky: Thank you, Chief Leduc. Along with every other department in the city, your department saw just amazing results with crime reduction and, you know, some very highlighted events and good job.

[Time: 00:57:36]

Parks and Preserve Senior Director Nick Molinari: Good evening, Madam Mayor and members of City Council, Nick Molinari, Senior Director of Parks and Recreation. I'll start with, I'll jump right in and look at the parks and recreation operating budget. You will see our operating budget is increased by approximately $5 million from fiscal year 2025/26 to the proposed 26/27 budget. I think it's important to note that the majority of that spending is not new spending. That's the result of a reorganization and the McCormick-Stillman Railroad Park already park moving to the Parks and Recreation Department from Enterprise Operations. Then we have additional increases in operating, and we have $175 million from '25/26 to '26/27 in the parks and preserve fund and about $190,000 increase in the transportation fund which serves as a transfer in from transportation funds for the parks and recreation department to maintain all the city-owned rights of way.

This slide speaks to the 14% parks maintenance allocation for the parks and preserve tax. So that's an operating budget that's specific to park maintenance. The highlights for this budget, which is the the fund is budgeted at $3.3 million, are the addition of approximately it's 6-point it's six new employees. We had a little bit of shuffling with the eight that will be split between the Parks and Recreation Department and Preserve Department. We are working to efficiently manage them to the best degree possible. And then we have about $300,000 for new vehicles for those new parks employees.
Next slide, please.

This next slide is for the parks improvement allocation which is a 51% from the new parks and preserve sales tax. That 51% allocation is really the majority of that is capital. There are some non-capital expenses in the parks improvement budget. The highlights include $6.8 million in transfers to the CIP for park improvements. About $300,000 for the replacement of park benches, picnic tables and barbecues in our older southern parks of the city.

And then one thing is important to note that we haven't talked about it here tonight, but we have followed a similar path and a similar approach to the rest of the city regarding capital. So, we did go with a design first approach for capital, with all the projects that are in this budget. So we took out projects that have been in the plan last year, in 25/26 that were just estimates that we had put together to match revenue. We are working on those estimates in 26/27 as part of the proposed budget. Those estimates, the designs would be for improvements at Eldorado and Vista Del Camino Parks, Aqua Linda, which is the first park, Apache Park and then improvements to Chaparral Park and the Chaparral Park Dog Park. Next slide.

[Time: 01:01:13]

This allocation which is 18% of the .15%, parks and preserve tax is for preserve operating. And I think it's important to note that in 25/26, we eliminated the general fund allocation to the preserve's operating and that was assumed by the parks and preserve tax. So, the highlights of this tax of this fund, we have, it's approximately $3.4 million in total expenditures. That's 10.2, so the other the other part of the .8 FTE in the parks and recreation fund, approximately $2 million of that is preserve planning and admin, that's staff, vehicles, fleet, healthcare and then we do have $1.4 million for various preserve initiatives that were defined through the parks and preserve sales tax initiative for Sonoran Desert or for Sonoran Desert preservation wildland, and invasive plant mitigation and Sonoran Desert education. Next slide please.

So, the next two slides focus on our highest priorities related to capital and they are both 2019 Bond projects that we continue to make progress towards. The Indian Bend Wash and lakes is focused the Vista Del Camino and Eldorado. We are making significant progress right now. They started to fill the two new lakes on the Vista Del Camino side, which is exciting for us. That 2019 Bond project has incurred $13.4 million to date. We do project the $21.2 million in 26/27. We think the project will be done close to the end of 26/27, and the total project budget is $36.4 million. This is a really critical project for those two southern Indian Bend Wash Parks which haven't had the investments that we made in Indian School, Camelback and Chaparral parks so that will enhance water quality and eliminate seepage in the lake. There's significant erosion in the low flow channels. So we'll see some major improvements in those south Scottsdale parks as we wrap up this project. Next slide.

Then we are moving fast and furious at the new dog park at Thompson Peak Dog Park. Total project is $6.4 million. We have incurred $1.8 to date. The additional budget is $4.6 million. We expect that project to be done at the end of the summer. So, we are really excited about that. And that will be a 3.5-acre dog park that will have three separate dog cells. Happy to answer any questions that anybody might have. No questions?

Mayor Borowsky: No, Nick there are, hang up there one second. If you wouldn't mind sticking up there one minute. Councilwoman Whitehead.

Councilwoman Whitehead: Thanks. Can you go back three or four slides. The bottom bullet point. Can you explain? You said you removed CIP projects, could you explain that last bullet point.

Nick Molinari: So, we have some transfers to the CIP. Thank you, Councilwoman Whitehead, I probably didn't cover that in enough detail. We have some transfers to the CIP for replacement of aging asphalt, tennis courts throughout the city. I think there's three of them to replace the aging water feature at Eldorado Aquatics Center and then the rest of the projects, we have taken the project budgets out of the five-year plan and we have budgeted for design. So we have design for Vista Eldorado improvements that were identified in the 2018 master plan, improvements at Chaparral Park, Aqua Linda Park, Paiute Park, and so those project, we will move into design for those projects in 26/27, and then as we have a realistic expectation of what those project budgets are, we will bring them forward to Council.

Councilwoman Whitehead: So that's a departure. It implies these costs are not coming but they are coming. So, the design is a small part. So, did he have estimates of how much was pulled out? I guess I could look I have my CIP book right here. Do you have an estimate of how much we have pulled out of the CIP?

Nick Molinari: Councilwoman Whitehead, as it relates to the parks and preserve tax, I don't have that information in front of me. I would have to get that for you.

Councilwoman Whitehead: Okay. Thank you.

Mayor Borowsky: Councilwoman McAllen.

[Time: 01:05:58]

Nick Molinari: Councilwoman McAllen: Thank you, Mayor. Thank you for your explanations on everything, Director Molinari. I started to laugh when you said the waters were being filled in the lakes. I received two texts from citizens, one with pictures from former Commissioner Davis. He was on his bike watching. People are very excited about this. And, you know, they keep asking the questions, how deep the lake is, all that but actually, I asked you that and for aeration, but my questions are not about the lake. Congratulations on working on them.

My questions are about the and I don't know if this is you or another area. So, I'm asking you. The shade and tree plan throughout the city. Is that under your department?

Nick Molinari: Mayor Borowsky, Councilwoman McAllen, no, the tree and shade plan is not managed under my department.

Councilwoman McAllen: Okay.

Nick Molinari: However, we are working very closely with the Planning Department on the implementation of the tree and shade program. There's actually some shade components that will go into Vista Del Camino Park as part of the project that we're working on now. That will be additional trees and shade that are funded through that. So, we're working very closely. We're a partner with the Planning Department on the tree and shade plan.

Councilwoman McAllen: Excellent. So, my next question with that is I believe there's a position, a new person, an urban forestry person, will that person answer to you or to Planning?

[Time: 01:07:24]

Nick Molinari: Councilwoman McAllen, the urban forester will live in the Parks and Recreation Department, so it will report through us and we have that position was actually funded in this current fiscal year, the 25/26 fiscal year. So, we are recruiting for that position now. And two of the new positions, two of the six or 6.8 positions in the 26/27 budget are urban forestry techs. So really a process of building our urban forestry team so that we can start to assume some of the work that we have been contracting out for a long time and we we are really, really excited about that initiative where we can gain some autonomy in how we care for our trees.

Councilwoman McAllen: Excellent. And is that out of 490 funds by chance?

Nick Molinari: It is, yes.

Councilwoman McAllen: Okay. Thank you. One more question for you. In the CIP community facilities, the parks improvements, it talks about construction-related design. But it says demolish and reconstruct, renovate, restrooms and storage facilities, Eldorado, Vista Thompson Peak, and next to Chaparral, boat dock. Are we rebuilding the boat dock at Chaparral?

Nick Molinari: Currently we don't have a plan to rebuild the boat dock, but we are looking at planning and design improvements at Chaparral Park. So that boat dock is something that we hear a lot about and we have people who are very passionate about the boat dock and they love the boat dock. We certainly recognize the value that our community sees in that space.

Councilwoman McAllen: I was going to say that's community outreach worthy. Thank you for your time. Sorry I had so many questions. But I love my parks and rec.

Mayor Borowsky: Thank you very much, Nick. Appreciate the presentation.

Nick Molinari: Thank you.

Mayor Borowsky: And next we will ask Thyra Ryden-Diaz who is the Water Resources Interim Senior Director to talk to us about water resources.

Water Resources Interim Senior Director Thyra Ryden-Diaz: Good evening. It's Thyra. It's a silent h. So, it's a hard name, but you will get it. I'm going to jump in and I will go quickly on the side. This is day seven for me. workday seven. So, I have an Assistant Director, David Wallaby, in the back in case I need help. So next slide.

So, this is our water and sewer operations for this proposed budget. So, the rates were brought to you at the end of February. There was a Council presentation on that. There's a 4.5% increase. 3.5 is operations and maintenance and 1% is new source and supply which has all been in the news lately. So that will I will pause with that. There's a 3.5% sewer rate increase and then an additional $4.1 million additional for utilities. Around then just under $1 million for additional water purchase costs and chemicals, the chemical market is just accelerated quickly.

And then a note to the budget is that the Barlett Dam feasibility was moved from capital to operating. So, we are participating in that feasibility study with, I think, 23 other communities to ascertain what the capital investment would be to raise that. So, next slide.

[Time: 01:11:03]

So, these are a highlight of the three capital projects that are proposed in the CIP. The first one is the water source and supply, this is actually $100 million dollars that is not in CIP, it's in the next year's CIP. In it's in 27/28 and the five-year plan so that's to obtain and facilitate water sources and supplies. Next slide.

Wastewater improvements is the next project we're highlighting, and this is to design and construct sewer lines to complete treatment plant work and rehabilitate sewer manholes. Next slide.

Crossroads east is the water system improvements and the crossroads reach area. It's to increase the site 55, with a booster pump facility and actually we have a design contract that we are working through right now that will come to for your review, and hopefully approval in June to kind of rebuild that whole site and provide some increased capacity and then it's also this capital project also includes to install approximately 4,200 linear feet of 30-inch transmission mains for future connections. I'm happy to answer any questions.

Mayor Borowsky: Councilwoman Whitehead.

[Time: 01:12:31]

Councilwoman Whitehead: Thanks, Mayor. Welcome, Thyra.

Thyra Ryden-Diaz: Thank you.

Councilwoman Whitehead: How many days?

Thyra Ryden-Diaz: Well, I have been at the city for 27 years. Working day seven. I studied over the weekend. So, we can count those too.

Councilwoman Whitehead: Let's count 'em. Alright, can you go back a few slides to the source and supply. That one too as well. I guess I'm you know, I know that this budget is evolving, but the needs and the approved plans are for this year, and 27/28, we are looking at uncertainty. Let's go back one more slide. Let's talk source and supply. Where was that? Right there. I have a question. So, the term "source and supply" is pretty open ended. Is there some place that tells rate payer that this is dedicated to strategic plan top objectives. Where do I find it because I couldn't find it.

City Manager Greg Caton: Madam Mayor, I'm happy to help answer that and support my colleague who has been at this position going on this seven working days. It's not going to be a short answer because I think a good number of community members are interested in this answer. I think this is helpful to back up and when we back up, when we presented the budget, capital budget about a year ago to the Budget Review Commission, there was a project in the budget review or excuse me in the capital budget for advanced water purification. And we had previously estimated this project about 15 to 20 million. And what we proposed a year ago was that it was going to move up to $67 million. And the Budget Review Commission said this is significantly increased. You should take a look at this. You really need to take a hard look at this project.

So, we did just that. So, what we embarked upon was having a third-party engineering firm review the advanced water purification. It goes by a couple of different names now it's emerging as pure water. And so, at the time of putting together the budget, we did not have the capital expenditure number. Since then, we have a draft, and we have shared that with City Council. It is still emerging. But we at least have a realistic number and lo and behold, guess what, it is more than the $67 million. So, we were wrong on the $15 million. We were wrong on the $20 million and I will come back to where it has changed or at least a component of why it's changed.

[Time: 01:15:18]

Councilwoman Whitehead: Greg, can I interrupt. So, my question is a little different than the answer I'm getting. So let me maybe I better rephrase the question. So listen, if certainty was a requirement in a CIP budget, the budget would be zero. There is no certainty. So that's not my question. My question is that the City Council, the city, has a strategic plan that tells the rate payers how we're going to get from today to tomorrow with a more diversified water portfolio and if that's going to change, that's a whole other public discussion that we need to have with data, community input, Work Study Session. We've had none of that up here. So, my question is very specific. It's not how much it costs. My question is, are the rate payers getting what they are paying for, what they are expecting which is that these dollars fund the strategic plan projects? There's four of them. And there's the project that is considered most urgent is the APRW, what you just called pure water and you yourself said in a meeting with me is it's the only water source that we have that is certain and cost effective.

So, the question is: If we pass this budget, we have what it looks like a very open-ended line item, water sewer supplies, that's not usually how we do things. We tell the rate payers or we tell the taxpayers depending on what the line item is what they are paying for. The question is just yes or no. Does this water source and supply fund APRW or does it give staff some sort of leeway to change a policy administratively? That's the question. It's really yes or no. Is does this fund APRW? And the other initiatives? Or can it be used for other other sources? And I know that you have done a good job looking for other sources. We probably need other sources, but we have a strategic plan, and that tells us how we get to a more diversified secure tomorrow that's also cost effective.

Greg Caton: Madam Mayor and Councilwoman Whitehead, I apologize, I thought you wanted a complete answer. The answer is yes. Thank you.

Councilwoman Whitehead: Okay. So that's really good. Thank you. Can we get that in before we adopt the budget, it would be good to just simply say water source and supply and add that it is strictly for APRW.

Greg Caton: It's not for that. So, no.

Councilwoman Whitehead: Okay. So, the answer is no.

[Time: 01:18:02]

Greg Caton: Well, you changed your question. Your question was two different items when you restated it. I was answering the first question, which was yes and the second question you switched to APRW…

Councilwoman Whitehead: Okay. Let's make sure that everybody in the audience knows what we're talking about, as well as your Councilmembers. Okay so…

Greg Caton: I was headed in the direction with that first answer.

Councilwoman Whitehead: Okay, and I'm sorry, it's going to be a long night. I'm trying to keep it short. The question is water source supply, does that allow you, does that allow changes to the strategic plan projects spending outside of the strategic plan, can those changes be made administratively versus via a policy from the Council?

Greg Caton: As you see from the screen, Madam Mayor, Councilwoman Whitehead, this is 27/28, we are proposing the 26/27.

Councilwoman Whitehead: Yeah, that's another concern of mine.

Greg Caton: I can't change anything that is not in next year's budget. It's not in next year's budget, thank you.

Councilwoman Whitehead: Okay. So, we're not funding the strategic plan. Thank you.

Greg Caton: I issued a memo today updating the strategic plan that provides a complete answer. Thank you.

Councilwoman Whitehead: Actually, I read it and it did not. So, I would say that that's concerning to me and I will be looking forward to a Work Study Session where we discuss a Council-approved policy and whether or not we are sticking with it because water is the most important service we provide. Thank you.

Mayor Borowsky: Just to chime in before I move on to Councilwoman McAllen, I have to tell you, Councilwoman Whitehead, your questions were not clear. And so, I don't think we had a clear discussion on any level. So, you know, I know Thyra here is kind of on the spot, but let's let's just focus on asking as direct questions about this particular budget as possible. So, Councilwoman McAllen, go right ahead.

Councilwoman McAllen: Thank you, Mayor. Thank you and congratulations on your new job. You are being thrown into the fire. Good thing it's water, to save you. I would like to see I saw the memo that you issued, city manager, and it does seem specific, but numbers aren't attached to it. It does seems like it's a global number. I would like to see and maybe that's also a suggestion from the BRC, specifically outlined what's that $100 million for. And if it's not there yet, I would like to see a study session to decide on that, if we are doing advanced water purification, pure water, and how much as well as if we are purchasing water somewhere else instead of just one big number. That's just my suggestion. Thank you.

Mayor Borowsky: Thank you. I have a question going back to slide page 55, which is the one immediately before this. We discussed water rate increases of 4.5%, earlier in the year. The 1% resource and supply, I think is what Councilwoman Whitehead was getting at which is kind of the flex, if you will, what will that be applied to, not necessarily the purification process. But alternate supplies as we go through the process. So Thyra, do you have a comment on that? Can you talk to us about the 4.5% and what the 1% new source means to us and how does that plug into the conversation about future additional supplies?

Greg Caton: I'm happy to help if you want.

Mayor Borowsky: Yes, absolutely.

[Time: 01:21:45]

Thyra Ryden-Diaz: I can try. You can save me. You can save me. So, Mayor and members of Council, so the 1% from what I understand and I was here for the discussion in February, when we were talking about the 1%, is to find those new sources, right? We're in a situation that we didn't think that we would be in this soon, in this century. You know, the you know, so I mean everyone seeing the pictures, right of Lake Mead and it's dropping like I think today they told me it was dropping 1 foot every four days, you know, rapidly going down to the critical elevation. It’s all concerning. We could have a great rainy season and a big snowpack next year. That may not be but there are dwindling supplies, the memo that you all received about, you know, the hydrologic lookout on the Colorado. These are things we have to consider. So that 1%, when it came in was to be like we knew we need to find new sources. We need to make sure we're sustainable and we have other sources. We've done a great job at banking water. We have done all the things to make us very sustainable but we need to look for the next step. And so that's what the 1% was there, the 1% was to go out and find the next step. And then, you know, as to the strategic plan, you know, there's five points to the strategic plan. It's not just water purifying. It is finding new sources and additional sources and, you know, expanding our and finding different ways that we can use water that's already in the valley, or obtain it or get other long-term storage credits.

So, it's a number of things, and our sustainability for water is not just one thing. There's not so I just attended the Arizona Water Conference this last week, and one of the really simple takeaways, they said, you know there's no silver bullet to this water. There's buckshot, right? So, there's a bunch of things what we need to do and that's what our strategic plan does. It says we need to look at water purification and we need to look at perhaps reclaiming some of our sewer flow. There's a lot of things that go into it, and we need to think about it. The $100 million is sitting out there to say we know we are going to have to do something. We just don't know what that is. And, you know, I have been an engineer for a long time. I like to have actual numbers not these numbers, we think this is what it is, right? We need to have a little bit more of my background is all capital projects and planning them. And I've never been over budget here at the city in my 22 years as capital project. I know it's not the quick answer and it's not the thing but it's a more precise answer and it also allows us to really evaluate if those costs what we want to pursue or not. We're in a great position to pursue some of these things that are for expensive for other cities to do. And we have the funding to cover the buckshot items.

[Time: 01:24:59]

Mayor Borowsky: Thank you for that, I appreciate that and the Bartlett Dam feasibility moved from capital to operating. So, clear this up for me. Does that ensure that we have a seat at the table in the Bartlett Dam feasibility, our position is maintained. Nothing has changed, right?

Thyra Ryden-Diaz: No, Mayor, members of Council, so I think I was having a discussion with water resources today. I think some of the problem with the Bartlett Dam issue is everyone thinks we have this Dam out there there's 23 communities that are participating. So, our payment into that collective feasibility study is our seat at the table. And then whether or not we will you know, how much we will buy into it or how much capital costs that will buy to get the percentages is when Roosevelt was brought up, I was educated today, that same thing happened where people participated and only a few cities bought it to get the extra water. Those are things to look at and see. When we have know and have more information about how much that water will cost us, then we can have that discussion with Council and we can decide what you guys can decide what is best for the city going forward.

Mayor Borowsky: Agreed. So, a policy. That's a policy decision. Thank you for that answer. So, the capital the capital is just the feasibility, the sorry, the operating, it's just the feasibility and the capital would be developed once there's the buy-in and that's decided upon?

Thyra Ryden-Diaz: Yeah, Mayor, members of Council, yeah. And I think that's just a lot safer way to go, we know what the money is as opposed to signing making a policy decision that we will spend $200 million, and maybe it's not. Let's get the study back. I'm a big proponent of doing feasibility study, design and then have the construction numbers. That's sort of my wheelhouse. And so, we can make much better decisions that way.

Mayor Borowsky: Okay. And so, the discussion that was just had about the $100 million, that was in that would be brought forward in the next fiscal year budget? Not this one?

Thyra Ryden-Diaz: Yeah, Mayor, and Council, it is in the five-year.

Mayor Borowsky: Five year.

Thyra Ryden-Diaz: But we wouldn't have that. If there's something that happens, we can certainly come to Council and you can appropriate other money. There's options but we know it's out there, because there was a lot of comments about not having a place holder. So, it's sort of our place holder and not five-year CIP and when we know more, we'll absolutely share with you that.

[Time: 01:27:37]

Mayor Borowsky: But it's not earmarked for any specific project as of this point in time?

Thyra Ryden-Diaz: It is not.

Mayor Borowsky: Okay. With respect to the advanced purification system or part of our water product or infrastructure, excuse me, that is a big hat has been a big focus for Scottsdale, a forward-thinking focus in terms of, you know, how to have a backup plan or a secondary plan for for water shortages. And so can you describe for me where that project stands right now. I know it's been taken out of the CIP. I understand the explanation, which is we had no idea what it's going to cost. So, in the interest of being prudent and responsible, we're not going to be funding a project. We have no idea how much it costs.

The concern that I would have about that and, again, this is a policy decision. We're not having that discussion right now. We are not funding it on a five-year projected cycle, which we ordinarily would be doing for the CIP project. So, talk to me about where that project stands, in particular.

Thyra Ryden-Diaz: Mayor, members of Council, when I first projects when I moved up to CIP from Development Services, was doing I had been there a couple of years and I managed the expansion of the AWT. We started that in 2007, I was involved with all of that. And it was all cutting edge and the first in the country and there's a lot of things to be proud of there. We had a lot of very smart people think out of the box. And so, because of that legacy, if we choose to move forward with the with the pure water, we're ahead of the game. So, we don't have to start from scratch. We can add a couple of things to our process. The problem is it has to do with the the rules of the state. So, we don't know what the rules state, to know what the process would be. So, these are there's a bunch of unknowns and quite a few unknowns. We can solve engineering problems with a few unknowns. There's a lot of unknowns in there. And so and so we're in a good situation if we choose to do that, but knowing what the rules are is really important to kind of make that policy decision.

Mayor Borowsky: That made a lot of sense. So ADEQ moved the ball a little bit I understand or maybe a lot.

Thyra Ryden-Diaz: Mayor, members of Council it's not completely clear. It's not as nailed down as we as we move forward and those are shifting a little bit. So, when we really have and that was a really big discussion at the water conference last week. So, this is a lot of balls in the air. So, we just gotta wait until, you know, they catch one and keep it.

Mayor Borowsky: That makes sense. This question is for City Manager Caton and just getting back to the $100 million I guess not specifically earmarked CIP funding, that would be just to confirm, a policy decision by the Council as to where that money would be allocated, is that accurate?

Greg Caton: Absolutely. And just to briefly expand on the thought process, once as my colleague is saying, some of that uncertainty is settled and then we will return to Council on that discussion over the next six to nine months and then that will prepare us a year from now and then we will have the decision, whether we move forward with acquisition of new water or that project. So, this really prepares us for that. Thank you, Madam Mayor.

Mayor Borowsky: Great. I appreciate both of your responses. Councilman Graham.

[Time: 01:31:37]

Councilman Graham: Thank you, thank you Mayor. This is good conversation. I kind of wanted to hold my questions until after, but I just want to say a few comments about the water issue, even though I wanted to I wanted to hear from the public before we got into this. So, I also understand we are going topically and people have questions I'm excited we're doing the Bartlett Dam. Can you say a touch more about the Bartlett Dam and first of all, I agree that the feasibility should definitely be in the operating budget. That to me, it wouldn't make sense to put it anywhere else.

And maybe just say more about the timeline of that and do you have any have you modeled or forecasted any, like, percentage of our water portfolio that might supply. This is a budget conversation, and not a policy conversation. I don't want to go too far into that because we know we have a water policy conversation coming up, so thank you.

Thyra Ryden-Diaz: Okay, Mayor, Councilman Graham, and members of Council. I don't have any of that detail. I haven’t done a deep dive. I understand the capital number that was in there and we took it out and it was really just a, you know, number we kind of grabbed and popped in to, you know, kind of encapsulate it. So, I don't have it, but I'm happy to find out.

Councilman Graham: That's fine.

Thyra Ryden-Diaz: I haven't had any of those meetings yet, but I will, and I will return some information to you.

Councilman Graham: Maybe you could remember that for when we do have our work study.

Thyra Ryden-Diaz: Absolutely.

Councilman Graham: Then we could that would be a good opportunity to talk about that. I read Greg Caton's City Manager's water plan correspondence, I thought it was clear. We passed a strategic water plan in '24 and like you said, it has multiple prongs, five prongs, it's not just one and it's not one pass or fail asset test, are we doing toilet to tap or tap to toilet, so I thought it was a good memo and communication. I wanted to share my opinion on that. And I think yeah, I just maybe if we can try to refrain from the the strategic plan or water study debate and just focus on, focus on this as on a budget discussion. We have flexibility on this. Our people are exploring ways to strengthen, augment our portfolio. There is I mean, like you said, it will be a multiple prong approach, and it's probably a reasonable place holder amount. It's not this year.

We have a five-year capital budget, it's within the five years, it's within it, it’s next year and it gives us flexibility to be able to adjust to opportunities that may arise and the reality is there may be opportunities that come up as far as as far as acquisitions we've tried some of that. Purchasing water rights, partnerships, you know, how are you going to the ideas that will come up on this, we don't even we can't even predict, in my opinion. There are going to be opportunities, and it's good to have a place holder for that, but also this our staff and this Council could be flexible and when it the time comes are and, I mean it says something about plus it also just sets a tone, like we're doing nothing or we're falling behind. I think that's what this conversation kind of does. We don't we're not talking anything about how much we have been banking. We get way more water from the CIP than we use and we are banking it. We're not even talking about the home inspections and efficiency audits, and the advanced metering that we are doing, we aren’t talking about the rebates for permanent savings, turf removal, water sense fixtures controllers, the water smart technology and the spa and pool removal, we're not talking about our reclaimed water leadership. And what we are already doing with advanced water treatment facility at our water campus. So, we're not talking about any of that.

It might give the impression that we are falling behind and the toilet-to-tap concept, I mean, ADEQ is developing standards and those are changing. And those are actually becoming more stringent and nobody else does that in Arizona. Nobody else does that, not a single municipality pumps that into their drinking supply, nobody. Is that correct?

[Time: 01:37:01]

Thyra Ryden-Diaz: Mayor, Councilman Graham, and members of Council, so there are plans that are that are under construction, the city of Phoenix has a Cave Creek one. We went to lots of presentations about it. So, they are doing purified water. There’s probably, to understand that that's a really big question and…

Councilman Graham: But I'm saying right now, nobody is pumping it in right now. So Phoenix is hoping for 28, 2029. I know Tucson is building one and they're looking at 2031. And it's like, hey, you know, why don't we thoughtfully observe them and we can learn from them.

Thyra Ryden-Diaz: Sure. Nobody is blending purified water straight into the drinking system in Arizona right now. California does have that occurring and has had that occurring for a while. Orange County.

Councilman Graham: Very good.

Thyra Ryden-Diaz: So, there are other places. So, yeah.

Councilman Graham: So, I kind of sort of broke my rule a little bit and wanted to save my questions until later but I will turn it back over to the Mayor.

Mayor Borowsky: Thank you very much and keeping with your comments to keep it to the budget discussion. This was your point. I think you wandered a little bit. Meanwhile, I want to hear from Councilwoman Littlefield.

[Time: 01:38:23]

Councilwoman Littlefield: This isn't directly regarding the current budget, but I just had a thought in my head and I was wondering if you had any information regarding it is this any thought or discussion with working with Mexico, who is also on the river water, below us to do a joint desalination plant?

Thyra Ryden-Diaz: Mayor, Councilwoman Littlefield and members of Council, we are not directly doing that to my knowledge, Scottsdale is. There has been some talk and discussion about doing that as a larger effort, but to my knowledge, Scottsdale is not directly involved with that at this time.

Councilwoman Littlefield: Thank you.

Mayor Borowsky: Thank you, Councilwoman Whitehead.

Councilwoman Whitehead: Thank you, Mayor. I will stick to the budget. Answer Councilwoman Littlefield, sort of in a budgetary way. Desal is available from California at $7,000 an acre foot. Right now, the city of Scottsdale is currently paying $300 an acre foot or so from the CAP. So, water is available and it's how much do you want to pay. That's why we had the strategic plan was to get the most certain water at the cheapest price. So, when my concern about this budget is that if we put no numbers in, recognizing we are going to have need water for next year, and the costs are coming what we are doing is modeling ourselves after Gilbert, and that doesn't work out so well. So, my point is we don't ever have certainty. I'm an engineer and I worked on capital projects in the government as well. We always put a place holder in so that our rate payers don't get spiked down the road.

We know costs are coming in and we do a disciplined rate increase so we don’t have spokes and nobody ever minds if we have to, you know, bring down those or stabilize the rates, but I just want to that is what I'm looking for in this budget. I don't think I'm going to get it, but we know the costs are coming. We need to anticipate the costs and do that conservatively so that our rates reflect those future needs and I want to say out of the budget, out of the strategic plan, there are besides conservation, there are four major sources and two of them are recycled water. So, we're always looking for that forever water and not that one-time groundwater. Thank you.

Mayor Borowsky: Thank you and I think just to close this out, I think we identified two place holders in the budget, this proposed upcoming budget. I think we're good with respect to forward thinking. So, thank you very much. Appreciate your time.

Moving right along. We have WestWorld, and Will Lofdahl will tell us what's new and exciting at WestWorld.

[Time: 01:41:35]

WestWorld General Manager Will Lofdahl: Thank you Mayor, members of Council. I'm Will Lofdahl General Manager of WestWorld, I'm here to outline the proposed budget for WestWorld for 2026/27. In 2025/26, we adopted a budget of $8.1 million and in 2026/27, we have a budget of $8.7 million, the amounts do not include indirect costs or a significant portion of utilities that are budgeted within facilities. This is, this is why the total budget does not line up with the quarterly WestWorld statement of operations.

We have an increase of five FTE positions. We added an event director for the last number of years we had one event director with a number of events that we had. Last year we only had eight days where we didn't have an event. So, we are doubling up on our event director. So, we can better service our clients. We are also adding eight proposing the adding of eight part-time maintenance workers.

We're going to have a reduction in contractual services which is a decrease per cost at the property, liability and workmen's compensation insurance, as well as organic waste removal and we're requesting additional funding to for equipment needs. We are asking for a reach lift for our maintenance department and also for for a disk pull for the grooming of our equestrian arenas and we are asking for a software package to help with event management.

We're looking forward to four drainage projects coming up in the next while. First one we'll initiate here in July which will take a drainage pipe across 94th Street over to 96th, which will drain, which will help dramatically of the rainwater that we get during the rainy times of the year. We are looking at an upcoming project along WestWorld Drive for a widening that channel, and the core campus, we are looking at projects coming up next year and the year thereafter.

As far as capital projects, we're looking to do a design study for $150,000 for a WestWorld comprehensive way finding and signage system. This is a big weakness at WestWorld. We don't really have very good signage for a facility that is nearly 400 acres. So, if approved, this will be a big benefit to us. And, again, that's for the design of that project. And we're also asking for design for a cover of WestWorld arena number seven. A number of our shows are highly desirous of having arena number seven and the Arabian Horse Show in February, they require that. So having that added to our portfolio would be a great advantage to us. I would be happy to answer any questions you may have.

Mayor Borowsky: Great job. I'm excited to see that drainage repair or improvement, I should say, get going. Where is arena number seven. I should know this, but which one is it?

Will Lofdahl: It's on south side of the facility.

Mayor Borowsky: Is it covered currently?

Will Lofdahl: It's not covered.

Mayor Borowsky: You're gonna cover it? Are you going to cover it? Is that what you said?

[Time: 01:45:14]

Will Lofdahl: Well, we're planning to. We're asking for right now, we're asking for monies with which for a or a study for the design.

Mayor Borowsky: Oh, gotcha. So, it's not approved yet.

Will Lofdahl: Not approved yet, just the design is what we're asking for. Hopefully the following year we can do the cover. Or maybe.

Mayor Borowsky: I think if we're going to be asked to contribute or to approve funds for the design, we should be looking at approving the project too. That would seem to make sense, just my my two cents there.

Will Lofdahl: You will take this year to the design and then we'd be looking to do the cover the following year.

Mayor Borowsky: Right, I understand that, but we wouldn't approve the design cost if we're not approving the project, are you following me?

Will Lofdahl: I mean this is not a feasibility study because you already have the evidence that it's 100% needed out there, or thereabout. So typically, don't we approve the design once the project is approved?

Greg Caton: Madam Mayor, we are taking this, I appreciate the question, we're taking this in two phases to do the design and then we would plan in just the subsequent year, we would plan to add the construction or the after we have established the design, the costs through the design.

Mayor Borowsky: Okay. As you wish. There we go. I don't see any other speakers on this, thank you, will.

Will Lofdahl: Thank you.

Mayor Borowsky: Alison Tymkiw, City Engineer and Transportation and Infrastructure Senior Director. You are going to talk to us about transportation and infrastructure. Thank you.

[Time: 01:46:53]

City Engineer and Transportation and Infrastructure Senior Director Alison Tymkiw: Thank you, Mayor and members of Council. Next slide, please.

Okay. So, this is our pavement overlay program and I know that city manager Greg Caton had done a brief overview of this in his slides but basically we are looking to fund this at $45.9 million this year. We did a big increase from previous years where previously last year we increased it to approximately $40 million and years before that was kind of routinely funded at about $15 million. So this is a big investment in our paving program. Next slide, please.

So, this project is a bond project. It's build a bridge on Thompson Peak Parkway over Reata Wash, this was built by D.C. Ranch, it was built in 2000. You probably know. 2004, I think. Oh, 2000. And with the agreement that the city would build the westbound portion, and that was approved through the Bond 2019, and we're currently in design of that and the scope is basically to construct design and construct the bridge and realign the roadway. Next slide, please. Okay.

So those are the two projects that I was going to discuss. I also wanted to just quickly highlight, the Shea and 66th Street pedestrian crossing. I know that there was some questions from Council on that. So basically, that project is a new project and it's to build a pedestrian hybrid beacon or otherwise known as a HAWK at 66th Street and Shea, and that area of Shea has a lot of high volume, high speeds. It's a very wide crossing. Those are areas where we would typically look at facilitating the crossing with a HAWK, and there was a study don't back in 2024 that had looked at the number of pedestrian crossings. The number of pedestrian crossings was just a little bit lower than the threshold of when we normally do a HAWK, but that doesn't preclude us from doing it. It is a safety issue, and we wouldn't want people crossing mid-block without the light, without the beacon. And that's what we found is happening. So, we've done some modification at 64th Street to the traffic signal and the timing to actually assist with getting people across the Street, and that was not effective. People were still crossing mid-block, it is a thousand feet away. So, again, that's why this project is in the budget and it's at just under $600,000. So, and with that, I can if you have any questions or if you want to continue on to the next presenter.

Mayor Borowsky: We do have a question. Councilwoman McAllen.

Councilwoman McAllen: Thank you, Mayor. Thank you for your presentation, Alison. You said the HAWK at 64th, 66th Street. That's a new project?

Alison Tymkiw: Correct.

Councilwoman McAllen: Okay. Was that but above other projects that have already been in line, is it pushing other projects back that had been done prior, had been waiting?

Alison Tymkiw: We looked at all of our projects and prioritized them with the new CIP review team, we look at all the projects from all the departments, and we look at the priorities.

Councilwoman McAllen: So, again, my question is, is this being moved up and other ones being moved back?

Alison Tymkiw: No.

Councilwoman McAllen: Okay.

Mayor Borowsky: I don't see any oh, yes, I do, Councilman Graham.

[Time: 01:50:51]

Councilman Graham: That's kind of how capital budgeting works, I mean, you just you have projects that the projects that changing in priorities and you every year you reassess. It wouldn't make sense to be we are stuck to a two years ago budget approved by a prior a completely different City Council, using totally different circumstances for us to somehow use that as a measuring stick against ourselves; is that right?

Alison Tymkiw: That's right, Mayor, Councilman Graham and we did precisely that this year. We looked at all the projects from all the departments and had to reevaluate which projects maybe were no longer a priority. When you are looking at new projects, you have to compare them to the existing projects as well. To see where the priorities lie.

Councilman Graham: The I mean, I've always kind of thought that our CIP the projects in our CIP, there were too many zombie projects and not to use kind of a colloquialism, but I think that it seems to me like staff is really tried to kill some of those zombies this year. Can you maybe can you name, I made one person laugh. Can you name maybe a couple of examples?

Alison Tymkiw: Okay, Mayor, Councilman Graham, at one of the Council meetings, I did present two projects that were removed one was Fifth Ave and Goldwater Park. Again, we had removed that from the budget because there's a lot of construction and impact on the local businesses. So, we moved that out of the five-year plan, and it can come back on a future date if it becomes a priority again. And then the other was the Pima Park pickleball courts that I mentioned. We can do that when we do the improvements to Pima Park but that's relying on a large drainage flood control project that we have funding for, but we have not yet secured the total amount that we need from Maricopa County Flood Control District to do that project. Another project that we check out and we'll hold for future place holder if it becomes appropriate.

Councilman Graham: Later on tonight, I will give a sermon of how happy I am for the $45 million for road pavements. So, I will be delivering that sermon later. Thank you, Alison. Thank you, Mayor.

Mayor Borowsky: Councilwoman Whitehead.

Councilwoman Whitehead: I want to make a correction on the phrase zombie projects. Maybe perhaps before the next budget session, we can have a list of projects that might be pulled out because they're just excess money for projects that are already done, that's what I would consider zombie projects.

The two that you mentioned are important projects. So, there was land our last canal parcel, owned by the city, slated for development and the city was ready to sell it, and I'm very proud to say, I stopped the sale and that will be a new park. And so, I'm sorry that that got defunded because the development around there does want the park but hopefully we will get funding back in and get the new park, the Rose Garden Park in. So that's certainly not a zombie park.

The other came by a citizen petition, it's nice that residents can come to us and the budget changes because of their requests and the citizens down near the Pima Park wanted pickleball courts and we absolutely complied as we always do to be efficient with your dollars, we combined the pickleball court construction with a drainage project. The drainage project has gotten delayed. So, the pickleball courts are getting delayed. So also, not exactly your zombie project. I think residents would be very upset to hear that. Those projects are moving forward. They are just not moving forward right now. My preference would be to keep them in the budget. We think it will be within the five years. So rather than create an illusion of cost savings, we should just keep those projects in, but, you know, we balance a lot of needs. So, both of the projects are very exciting and I happened to be involved with both. Thank you.

Mayor Borowsky: Thank you, Alison and I appreciate your time and presentation. Lastly, we have Hassan Mushtaq, hopefully I'm saying that directly, Drainage and Flood Control Manager and you will talk to us about flood control and drainage, CIP projects.

[Time: 01:55:31]

Drainage and Flood Control Manager: Hassan Mushtaq: Good evening, Madam Mayor and members of the Council, I'm Hassan Mushtaq, I am highlighting a couple of the drainage and flood control projects from the requested budget for FY 26 and 27.

This project is titled Granite Reef Wash, Phase 2A, total budget for this project is $13.9 million dollars. It's a storm drain project from Thomas Road down to McKellips Road and along McKellips Road from Pima Road to 84th Street alignment. We have an intergovernmental agreement with flood control district of Maricopa County through which they will pay us $7.5 million dollars. We have a separate contract with the Salt River Pima Maricopa Indian Community to pay $2.4 million. That leaves the city liable for only $2.4 million. Next project.

This is a small project, 68th storm drain, south of Camelback Road. It's a storm drain from Camelback Road south to Arizona Canal. The budget for this is $3.2 million. Once again, we have an I.G.A. with flood control district where they will pay us about $1.3 million, leaving us libel for $1.9 million. So those were the two slides I had. And I think I will hand it over to Scott, department director, Budget Director Scott Selin to wrap it up.

Mayor Borowsky: I didn't see any questions on those. Thank you very much. Welcome back, Scott.

Scott Selin: Thank you Madam Mayor. Just to highlight very briefly, the timeline that we're on, we looked at this earlier tonight has been the proposed budget presentation and the work study with the BRC, we will be back on May 19th for the tentative budget adoption and that brings us to the end and I'm happy to entertain any questions.

Mayor Borowsky: I think we are going to wait for questions until we hear from the public. So, stayed tuned. This is the time for comment on the proposed fiscal year budget. And I would like to call up in order of signing up, Ariella Friedman, followed by Daniel Friedman, followed by Paris Blumenthal. We can go with Daniel Friedman first. There we go. Right there. There you go.

[Time: 01:58:22]

Daniel Friedman: Is it on? Do I need to do anything?

Mayor Borowsky: There you go.

Daniel Friedman: Hi, my name is Daniel Friedman. I'm not related to Ariella Friedman, but I do know her and I think we're all related somehow. I'm here to talk about the HAWK crosswalk as I understand that. I live at 64th and Gary, 6431 East Gary Road in Scottsdale. I'm currently a single dad of three kids, 13, just had his Bar Mitzvah, two weekends ago. He did very well. 13-year-old, a 12-year-old and a 10-year-old. I have my kids every other weekend. And we traverse 66th and Shea twice a day on Saturday. I'm an active community member in my synagogue. I go every day. As I said, I have the kids on the weekends and we go across the Street. Yeah, we could probably go to 64th and Shea at the light, but my kids like to ride their bikes and I don't really want them riding their bikes on Shea even on the sidewalk. So, a crosswalk at 66th and Shea would be tremendous.

In fact, when services are over on Saturday, we usually bring home, 10, 12 kids ages 9 to 13, herding three kids across the street is a task enough. But herding 12 to 10 to 12 kids every other Saturday across the Street is extremely difficult. So, a crosswalk at that location would be literally a lifesaver and a tremendous asset to me personally as a single father and I know that there many other community members, neighborhood members that I know that would find this also very, very useful. Thank you for your time, Mayor, Councilmembers and city.

Mayor Borowsky: Thank you, Daniel. And Ariella Friedman is next. Thank you. Followed by Paris Blumenthal, Benjamin Benson and then Mark Rentz.

[Time: 02:00:42]

Dr. Ariella Friedman: Hi, good evening, Mayor and Councilmembers. My apologies for having to step out earlier I'm Dr. Ariella Friedman, a Scottsdale resident for the past ten years. I'm a surgeon, double board certified in adult and pedestrian urology, who treats vehicular trauma patients. I'm an assistant professor served on the medical executive committees at Banner, Thunderbird Surgery Hospitals. But today. I also speak to you as the mom of four young children, regarding the proposed pedestrian crosswalk at 66th Street and Shea.

One day, while walking home from synagogue my elderly father who can't walk the extra half mile to the crosswalk, attempted to cross Shea Boulevard mid-street, thinking it was safe to cross, my 4-year-old daughter followed him and ran into the street. Both misjudged the speed of the oncoming cars or perhaps hadn't thought to check. Traffic had to come to a halt, on both sides of the Shea, as cars reached within a few feet of them, until they made it to safety. My entire family and others were screaming from the sidewalk, helpless to prevent the unfolding horror. I wish this was an isolated occurrence, but it seems like it happens every week at this location.

Children cross independently, stuck in the middle of Shea and traffic comes to a complete halt to allow pedestrians through in the middle of the street. Foot traffic has only increased during this time and this is becoming a more frequent catastrophe waiting to happen. The local synagogue serves over 800 local Jewish families many of who walk because driving is prohibited, but this area is also home to Chaparral Christian Church, preschool and K-8 school, a cross fit gym and Cocopah Middle School, which has over 850 students through 8th grade. This is an area serviced by hundreds the families for anyone walking to or from any of these institutions from east of 64th Street, existing light at 64th and Shea is inadequate and too far.

There have been multiple attempts to make the light at 64th and Shea sabbath compliant, but each time it has not worked. The only thing that the city of Scottsdale was able to offer, was to have the synagogue encourage members to use the non-sabbath compliant light or go to the next nearest light at 70th Street. That hasn't worked. Human nature is what it is and our members and their children are not walking an additional mile in 115 plus degree heat in the summer. It has not been an effective solution. It is standard and routine for all major synagogues with walking families in the Phoenix metro area to have these crosswalks. In fact, Congregation Beth Tefillah is both the largest and fastest growing such synagogue in the area. The cost of the crosswalk was greatly exaggerated as was the burden on regular traffic as this crosswalk would only be activated by the presence of a pedestrian looking to cross there. Has already been a vehicular-related death at that exact location in recent years. I don't know how many more people need to die before this crosswalk is built.

I humbly request that all opposition to this much needed crosswalk cease and we can all get on board to protect our most vulnerable citizens, our families, our elderly parents and young children. Thank you.

Mayor Borowsky: Thank you. All right. Paris Blumenthal.

[Time: 02:04:03]

Paris David Blumenthal: Good evening, Madam Mayor, Council people and fellow residents, and the police protecting us. My name is Paris David Blumenthal. I became a resident of Scottsdale in 2015 and a half, started a company eight and a half years ago, moving company, which will be representing the city of Scottsdale and the state of Arizona for the Better Business Bureau for being one of the torch award finalists for the western region. That will be coming up in July.

My kids went through Cocopah, and Chaparral High School. The crosswalk you had mentioned before is why I am here. You mentioned that tourism is very important for Scottsdale. Both the rabbi and I believe the clergy or the priests of the church across the street have been fantastic. They have been bringing in a lot of people from all over the world, as well as residents and people from out of state. A lot of people don't know their way around there, but that's a very busy Shea Boulevard, as you know is pretty busy. And 64th and 56th Cactus and, Cactus and 64th and Shea and 64th and Shea and 56th are one of the highest accident-prone locations. Only two blocks from there is the 66th we were talking about. So, with kids crossing the Street, it's better to prevent than heal the cost of the ambulances and everything else, God forbid and herding all the children. It's very important that we do have a crosswalk place there, and I would appreciate that all of you have common sense and would rather prevent than heal. That's why we voted you all in. I met two of the Council people last night, they are fantastic. It was a really good, interesting conversation we had.

I want to thank you all for coming today, the people listening to this and let's see if we can get that crosswalk and you can ask answer yourself one question tonight, why did the chicken cross the road? Because he wanted to try out the new crosswalk on 66th and Shea. Thank you.

Mayor Borowsky: Thank you. Next, we have Benjamin Benson, Mark Rentz will follow, and then Susan Wood has donated her time to Dan Ishac. So, after that is Jason Alexander. Go right ahead, Mr. Benson.

[Time: 02:07:02]

Dr. Benjamin Benson: Hi, good evening, Mayor and Councilmembers. Thank you for running our city. My name is Dr. Benjamin Benson, I'm one of the members at CBT. I'm coming to you to request the crosswalk at 66th Street. Something that has already been mentioned is a lot of us have young families with young children and as our families grow, you know, it's very difficult for a pregnant mom and her sixth, seventh or eighth month of pregnancy to cross that street very quickly when there's like a small lull in traffic. So, if it would be possible to get a light at that location, it would be tremendously beneficial to the young families that are living in Scottsdale. Thank you for your time.

Mayor Borowsky: Thank you. Mark Rentz.

Mark Rentz: Thank you, Mayor, Councilmembers, and city staff. I'm here speaking on my own behalf. As I mentioned last week when I introduced a citizens petition on water which is what I'm going to focus on in my short period of time. Before I retired, I was the Association of California Water Agency's Director of Regulatory Affairs. Aqua and public water agency members were responsible for approximately 90% of the water consumed in the state of California. So, I had quite a bit of exposure to a quite diverse number of water agencies. What I found was that the most successful public water agencies were those that had a diverse water portfolio and those that invested in innovative technologies to efficiently use, reuse, and conserve their water supply.

The reason I bring those two points forward tonight is, it's my understanding that the city of Scottsdale's water portfolio, is anything but diverse. Over 70% of the water supply comes from the Colorado River and has a as we all know, the Colorado River is the subject of much discussion at the Bureau of Reclamation with regards to cutbacks on the downstream water diversion and that includes Scottsdale.

But on the second point, Scottsdale is noted for its innovative water management tools it has developed, green building code incentives tore water, for voluntary water conservation, advanced purified water recycling that the envy of cities across the United States and quite honestly, throughout the world. And expanding water storage at Bartlett. Now is not the time to back offer from those projects, especially given the crisis we faced. The worst time to be buying water out on the water market is when you are in the midst of a water crisis, trust me. The prices that you think are exorbitant today, you might consider quite reasonable tomorrow. As the market plays out.

So, I encourage Council to ask, ask your staff who made an excellent presentation tonight what is our contingency plan for reduced Colorado River water? What constitutes, transfers out, which is calling for a 30% reduction from fiscal year 25/26, to fiscal year 26/27? And I will leave with this last point, since I'm out of time, a 9.5% reduction in water supply and reclamation seems short sighted to me in a time of water crisis. Thank you very much, Mayor.

Mayor Borowsky: Thank you, Mark. Next, we have Jason Alexander, followed by Boaz Curtis and Linda Milhaven.

[Time: 02:11:55]

Jason Alexander: Thank you, Mayor Borowsky. My objection to the HAWK project at 66th Street has absolutely nothing to do with the goals of it. Of course, it is important to respect the Jewish community, to respect their faith, and the tradition of walking on the sabbath. Safety, of course, for pedestrian safety and multimodal transportation, I've been in favor of that on many past projects.

My objection to this project is the appearance of it being a pet project intended to be put forward by Councilmember Kwasman without a proper justification. This was studied in 2024 there was an email sent around to the entire Council by the former transportation director. Can I have the overhead, please? I know it's a little hard to see from this, if you could zoom in a little bit, but a couple of quotes from the email from transportation director, Mark Melnychenko said that the crosswalk, the location was not conducive to pedestrian access, and it's not located near a major intersection. The staff did observations and didn't see enough pedestrian crossings. It went on to say that they didn't meet the established volume, and the synagogue is primarily used on Saturdays when this would be very expensive proposition for not a lot of people using it.

Again, my objection is to the appearance that this was a pet project. Why wasn't it studied again? This study was done only two years, and if the project is justified, by all means, let's do it but let's study it again. You know, interestingly, this Council has a bad habit of not wanting to study transportation issues. They did not want to study the parking garage despite the fact that Mr. Graham just recently talked about the importance of reprioritizing constantly, seven years went by for that and it was not reprioritized.

I would further like to criticize Mr. Kwasman's handling of this issue and the way that he framed opposition to it as antisemitic. I was raised Jewish in New York and New Jersey, and I have seen plenty of experiences of antisemitism. And about the only thing worse than antisemitism is false flags of antisemitism. Like Mr. Kwasman who regularly claims antisemitism, when things don’t go his way. I can think of four possibly five instances of Adam doing this…

Councilman Graham: Point of order. Madam Mayor, does this conversation have to do with the budget? Can you enforce that, Madam Mayor?

Mayor Borowsky: Yes, I certainly can, and your answer is Mr. Alexander is talking about a crosswalk that was part of the budget presentation. So, continue on, and your focus obviously is the crosswalk.

[Time: 02:14:51]

Jason Alexander: Thank you, yes, the crosswalk. Again, objection to it, Mr. Kwasman claimed it as antisemitism. This is not first time that Mr. Kwasman has done this. When he was in law school, he famously blasted a Jewish professor…

Vice Mayor Kwasman: All right. Point of order. Point of order.

Mayor Borowsky: Let me just interrupt you. Jason, if you could keep your focus on the budget discussion, with the crosswalk, it would make this go a lot smoother. Thank you.

Jason Alexander: Okay, well, I would like to point out Mr. Kwasman's hypocrisy, the over sensitivity and the refusal to let things be talked about with their merits and he will be overly sensitive, let's remember that Adam posted this about D.E.I. a year and a half ago, poison that…

Mayor Borowsky: Your time is up. So, thank you. All right. Boaz Curtis, Linda Milhaven, followed by Gila Lesky. All right. Thank you. Boaz Curtis. Okay, Linda Milhaven, you're up. Thank you.

Linda Milhaven: Thank you, Mayor and Council, my name is Linda Milhaven, I live here in Scottsdale on Belgian Trail. And I'm here to talk about water investments. We heard a lot this conversation already. I worked with two other Scottsdale residents to meet with you to discuss water policy and subsequently we sent you an email outlining our concerns and I would like to read an excerpt. This email was from me and Bruce Halon, who is the recently retired Salt River Project Director of water supplies and Rudy Fisher, current board member of the Central Arizona Project.

The email reads in part as Scottsdale residents our concerns rise out of the proposed budget reductions to the water-related capital improvement plan projects. The rates and feed proposed, as well as the impacts these changes will have on ensuring a resilient, affordable and reliable water supply for Scottsdale's residents and businesses, the sustainable water supply is foundational to Scottsdale's health and stability. As we have learned from past water resource as we have learned from past resource investments, costs incurred today for water projects are much less expensive than costs delayed into the future.

[Time: 02:17:26]

Scottsdale's strategic water plan does an excellent job outlining options to replace the impending reduction no our CAP water reductions. We must pursue all the options in the plan without delay. There's been talk about buying water credits pursuant in lieu of pursuing other options, but this is one of the several options identified that need to be pursued to give Scottsdale more control over water supplies and water security. Net/net, $261 million has been removed from the five-year CIP for water projects. The two largest projects taken out are advanced purified water for $68 million and the Bartlett Dam for $25 million.

Some of the you have gone on record expressing concerns about expanding the use of recycled water. All water is recycled. Many upstream communities dump their wastewater into the Colorado River, we treat that water and mix in it our drinking water today. Continuing our investments in our recycled facilities to meet the state's new requirements is the most reliable, cost-effective and immediate solutions to impending reductions in our Colorado River water. We are losing time by delaying this project.

Participating in the Bartlett Dam modification gives us rights to water in the Verde River, a new source of water that is independent of what happens in the Colorado, and over the long term an inexpensive renewable water item. It should be a simple line item and not buried in the operating budget. Mr. Caton has explained that he only included projects in the CIP for which he had hard costs. We must ensure all water projects are included in the CIP, even if only best guest estimates to ensure we are planning appropriately. The budget in future years includes the vague category of sources and supplies. We are pleased to see sources and supplies however we need to be clear what is made up into that category, and make sure and make move that forward. This is delaying the budget. It is a planning document and it pushes the projects in the future which causes delay. It's a critical junction for our leadership. We must move forward with the water strategic plan and put the projects back into the initiative, and just to take to call recycled water toilet to tap is irresponsible. It undermines the project which is for all of our safety. The budgets reflect policy. They cannot be separated and finally by pushing these projects out we are falling behind and keeping our community safe. Thank you.

Mayor Borowsky: Thank you, Linda. Gila Lesky, followed by Dan Ishac and then David Smith.

[Time: 02:20:01]

Gila Lesky: Hi, everybody, Madam Mayor, Councilmembers thank you so much for giving me this opportunity to probably reiterate what you already heard before. I am a member of Congregation Beth Tefillah which is the synagogue that was discussed already. And Dr. Friedman, I think elucidated a critical reason why this is a critically important initiative. We are members of this congregation. We have been for about ten years. On a regular basis, during the week, my husband is there four times a week, I'm there once a week. There are programs. There are, you know, morning, day, afternoon, and evening there are people circulating in that area and there are people trying to cross the street.

My husband and I have personally witnessed holding our breath when we walk out of the synagogue and we're walking towards an area where we exit. We have seen people trying to cross. And we stand and we look and we pray and we look at the six lanes. We're talking about a six-lane thoroughfare, right across the street. That's what it is. Six lanes and I would encourage anybody, and everybody who questions this, go there, physically. If you have an opinion, have an opinion based on reality. Go there and try to cross. And see what it feels like and think about whether or not you feel safe. So, without belaboring this any further, I say this is absolutely critical. If one child dies, one teenager, one parent, one grandparent, one elderly person, then we will all be culpable. Thank you for all of your hard work. You guys have a tough job. And you are doing great. Thank you, Mayor. Thank you, Councilmembers. Thank you to everybody that's helping to facilitate a safe and healthy Scottsdale. Thank you so much.

Mayor Borowsky: Thank you. Dan Ishac, and Dan, I know you have some donated time. Can we wrap it up in four minutes?

[Time: 02:22:23]

Dan Ishac: I will do my best. Dan Ishac, four minutes at best. There are people in society that look down on organized religion, I am not one of them. And yes, organized religion has been responsible for bad things in the past but I personally believe organized religion is a key element of the fabric of society. To worship as a community, strengthens the bonds within society, whether that's through prayer, preaching, chanting, song, it brings us together. And there are those people who have chosen a life that at times is more difficult because they believe it aligns with their faith. The Orthodox Jewish community is one ever those communities. And they do so for the I am. Reason that they believe for the simple reason that they believe it's pleasing to God and aligned with the covenant that they made with God. It's something that should be admired and respected and I'm disgusted that anybody uses it against them.

That said, I'm opposed to this crosswalk. For three reasons. One, it's unneeded. Two, it negatively impacts many other residents, and three, it costs the city money. When I say it’s unneeded, it doesn't set the threshold. It doesn't mean it can't be done but it doesn't meet the threshold.

Second, when this plot of land was picked by the founders, when it was planned, when it was developed, when it was designed at no point did they tell the city we really need a crosswalk there.

Third, with why it's unneeded there's a crosswalk at 64th and one at 70th. Improve those. We're talking about this crosswalk at 66th, only benefiting those people who live between 65th and 68th north of Shea. That is not the majority of the congregation. That's a small part of the congregation. So, it is not needed. It is wanted and it will make things safer, but that's not the only reason we make decisions on how to spend money.

Secondly, it will negatively impact thousands of people who use Shea as well as Hayden and Scottsdale Road. Shea is one of the major, if not the busiest east-west arteries in Scottsdale. We are talking about adding an additional random event stoppage of that traffic. It has huge implications for the entire length of Shea, plus or minus a couple of miles as well as the north south corridors that cross Shea. I believe in first amendment that we should all be able to practice our religion. But we don't get to negatively impact other people by doing so. I'm a practicing Catholic. I don't do it well, but I still practice and will until my dying day. I would not entertain Bishop Dolan asking restaurants in Scottsdale not to serve meat on Friday during lent because it's distracting to me. I wouldn't entertain a notion from the mosque on Via Linda that five times say day when there's a call to prayer and they're supposed to stop whatever they are doing to pray, that we stop all traffic to make it easier for them. Our practice of religion stops when it negatively impacts other people. This will negatively impact other people.

And as far as the cost, I don't care whether it's $50,000, $100,000 or half a million dollars, if one is a conservative, one does not spend money on a project that is unneeded and negative impacts other people. And I'm all for safety, none of these people were here when this Council took an A-rated roundabout in safety and made it a D. in safety. These people don't care about safety. And all of you who do care about safety, I really wish you were here and called them out for making our road far more dangerous. Thank you.

Mayor Borowsky: Okay, thank you, Dan. David Smith, followed by Yvonne Cahill and Raoul Zubia. I'm like Raoul. I almost called you by someone else's last name.

[Time: 02:26:46]

David Smith: Thank you, Mayor, members of Council. Whether good or bad, I will give you something besides crosswalks and water to think about. As you consider the proposed budget for capital improvements tonight, I want to alert you to five included projects that run contrary to the expressed direction of the Scottsdale voters and which are, in fact, disallowed under the Scottsdale City Charter. I'm referring, of course, to the limitations on preserve investments which were imposed by Prop 420 which voters approved in 2018.

In fact, two members of the Council currently campaigned for passage of this proposition and celebrated its passage by a margin of 3 to 1. When the voters approved this, it superseded and negated all prior authority for spending preserve tax dollars. And after the election, we, in fact, inserted language from Prop 420 memorialized it in our City Charter at Article 8, Section 13.A, and it's entitled, limitations on the use of preserve funds. And it states without ambiguity, that preserve funds shall not be appropriated or spent by the city for any purpose other than acquisition of preserve land, the building of new trails or debt service.

The proposed capital improvement plan makes no mention of this voter-imposed spending limit. In fact, it ignores the limitation all together. And it lists on page F10 of your budget five different capital projects that are planned for the Preserve next year totaling $2,37,400. Four of these projects are for existing trailheads and not new trails. They are to update restrooms and improve the signage and shaded gathering and educational spaces, resurface parking lots add equestrian stalls.

The fifth project is to fund a feasibility study and design a wildlife crossing at Rio Verde Drive. I submit none of these projects fall within the definition of the 2018 legally allowable preserve fund expenditures. You must direct the city manager tonight to either remove these projects from the CIP budget or designate alternative funding for them. It's more than just a matter of keeping the promise we made to citizens. You cannot knowingly approve a budget that proposes illegal expenditures of taxpayer receipts. Thank you for your time.

Mayor Borowsky: Thank you, David. Next Raoul Zubia, and then Yvonne Cahill.

Councilman Graham: Mayor, Mr. Smith, can you email that list of projects to us? Can you email that list to us?

David Smith: What was the question?

Councilman Graham: Can you email us that list of projects?

Mayor Borowsky: Councilman Graham has a request, David to email the list that you just went over. Email to us.

David Smith: Yeah, I have a hard time hearing up here, particularly in this goofy room.

Mayor Borowsky: That's okay, we'll get you a note. It's fine.

David Smith: I can certainly email the list of projects if that's what you want and they are in the budget book and the CIP, page whatever I said, F-10, but I will email them to you. Yes.

Mayor Borowsky: Thank you, Raoul Zubia.

[Time: 02:31:32]

Raoul Zubia: Good evening, everyone. Raoul Zubia, address on record. And I'm speaking to you tonight, not just about line items in a budget, but about the fundamental promise of good governance. When we talk about good infrastructure, governance, we talk about invisible stuff, but they're saying something that's much more urgent, the literally resilient in our community in a changing climate. I encourage you to keep the CIP funding for the Bartlett Dam expansion and the advanced purified water facility in the budget. If we pull these projects, we aren't actually saving taxpayers money. We are simply ensuring that when they have to build, the cost of materials and labor will significantly be higher. More importantly, we would be sacrificing certainty.

So, people choose where to live based on whether a city is thinking 30 years ahead or 30 days ahead. By keeping these projects in the budget, you are sending a clear signal that Scottsdale is a safe bet. We are a community that values innovation, respects the reality of our environment, and refuses to leave the next generation with a bill they cannot pay for a crisis they did not create. So please, let's keep these projects moving forward. Thank you.

Mayor Borowsky: Thank you, Raoul. Last speaker on the list, Yvonne Cahill.

[Time: 02:33:06]

Yvonne Cahill: Thank you, Council and Mayor, my name is Yvonne Cahill, the address is on record. I'm hear to talk about the HAWK intersection project and crosswalk. And I just want to make a statement on my behalf for the Jewish community that I watched in dismay the 12 News report by Graham Resnik indicating that this was something to do with discrimination and I just was so embarrassed to hear that. I have not met anybody that is against the project because of that reason.

So, I just wanted to talk a little bit about that. You definitely have my empathy on the situation. The Council has a record of spending my tax dollars without actual proof of the spent without the need. The unfortunate situation is the city approved this without the consideration that it was a synagogue, and that they would need a crosswalk somewhere, when it was originally approved. So that was a failure on I think on behalf of the Planning Committee.

So, people will ask, why are we installing a hot crosswalk into a major arterial interrupting traffic flow when two studies conducted by the city showed the volume does not meet the minimum requirement. My question is to the city, and to the Council, has anybody else looked at something different and that is the need for safety? Crosswalks on a busy arterial, I think give a false feeling. How many red-light runners are there in Scottsdale? Huge number and everybody speeds on Shea. I go down it every day. I try to do the speed limit and people going past me. People are running red lights, and turning left on reds. It's crazy. So, my worry is from a safety perspective, if you put a crosswalk in there, a HAWK light, is it really gonna give a false sense of being safe at that area?

Has anybody looked at another solution and that maybe being a bridge? I think it would be a better solution. I'm sure it will be a lot more expensive but from a pure safety point of view, I would really like to have the project considered on something else other than the crosswalk that it is. did trot to the traffic department. They said they have done the best to prolong the signal light there at the crosswalk to accommodate more traffic on those days. Hopefully you will consider more maybe from the safety perspective, rather than is it needed because there's not enough people using it. Thank you.

Mayor Borowsky: Thank you, Yvonne. All right so that concludes the public speakers on agenda item number three. So, we're going to go back to a discussion and before we start, I'm going to ask City Attorney Santaella to opine on the comments that David Smith raised.

[Time: 02:36:22]

City Attorney Luis Santaella: Thank you, Mayor, members of the Council. There's a subsection portion of the charter that Mr. Smith didn't mention, and so it's not quite as clear cut as he makes it sound. The subsection at issue is subsection B, and it says it does not apply to funding improvements that existed prior to the effective date of this section or those authorized by section 12B1, 12B5, and 12B6. So in order to determine whether those particular items violate the Charter, I would need more information regarding when the improvements originally existed, and whether they meet one of the other exceptions which includes expansion of trailhead parking facilities and also the such and also completing the construction of certain ones like little Granite, Fraesfield, Pima Dynamite, and any necessary trail connections each trailhead's approval plan prior to the effective date of when it's approved by voters. So, it's more complicated.

Mayor Borowsky: Is that something you need more information from our staff about, right?

Luis Santaella: Yes, I can't opine off the top of my head without looking at it more closely.

Mayor Borowsky: Okay. Well, will you please do that? I mean, certainly if it's an issue we should be concerned about, we want to know.

Luis Santaella: We will take an in-depth look at it tomorrow.

Mayor Borowsky: Thank you. I appreciate that. And in order to make this smooth, I'm trying to figure out the best way to go through these topics. I have another question and it pertains to Alison Tymkiw and the crosswalk. I will ask my question and then go through this category by category. I will ask my question and then see if anyone else has questions for you.

Thank you. Do you have a map of where this crosswalk is located? I know generally where it is, but I'm trying to picture the book end intersections that as I understand it have traffic lights; is that right?

[Time: 02:39:09]

Alison Tymkiw: Mayor, members of Council, I don't actually have a map that shows the whole area, but 64^{th} Street and Shea is the closest signalized intersection that's about a thousand feet to the west of this location. So, it goes 64^{th} Street and Shea, then 65^{th} Street, 66^{th} Street, 68^{th} Street, 70^{th} Street.

Mayor Borowsky: And 70^{th} is where the Walgreens is, right?

Alison Tymkiw: And that's pretty far. And the closest signalized intersection is 64^{th} Street at 1,000 feet.

Mayor Borowsky: And the synagogue is on the south side?

Alison Tymkiw: The south side, yep, and they are right there in between 65th Place and 66th Street.

Mayor Borowsky: So, there's two concerns I have with this. It's the process that, that you know, this project didn't come cross our radar until it was plugged in recently until the transportation and infrastructure budget. The capital improvement project budget. So, I have a concern about that. It's the appearance of the lack of transparency, honestly, for this to kind of being sprung up. I don't doubt that there's a need there, based on everything I have learned since it was plugged in. But I do have major concerns about a HAWK there. I mean, I can't tell you how many people I've heard that the HAWK at between Kierland and Scottsdale corridor should be removed because of the danger it poses to pedestrians. And I believe I know Shea is even more dangerous road than the area at which that HAWK is located. So oh, there's a map. Okay. That's great. Can you zoom in or zoom out is the best way to say that. And highlight it because I know exactly what you are talking about, it but I want to see.

Alison Tymkiw: Okay, can you see the pointer there?

Mayor Borowsky: I can.

[Time: 02:41:23]

Alison Tymkiw: That's 64th Street and Shea. That's the closest signalized intersection. This right here is 66th Street. These two are 66th Street and Shea. The proposal is right here, and the synagogue is located right here. There's also a church located here. And then as you might know, Chaparral High School is located a little bit further to the south in that area.

Mayor Borowsky: So, the HAWK is set to be in the middle of the two 66th Streets?

Alison Tymkiw: At 66th Street and Shea.

Mayor Borowsky: Yeah, but you just said it's jagged, the way…

Alison Tymkiw: Well, 66th Street is jagged, but the HAWK is planned to be here.

Mayor Borowsky: Okay. Has there been any comparison? I mean the bridge is a great idea. I just don't see the first bridge in Scottsdale being located there. I think that could have value, but I just don't see that happening. Has there been any thought or consideration for a traffic light that was adjusted to be reactive to pedestrian traffic at that location? That to me seems like it would be far safer, I think that's a dangerous thing to put on Shea Boulevard. Granted, traffic flows are not as heavy on Saturdays and Sundays, but all the other days you talked about, it's a freeway. So, the question was for you.

Alison Tymkiw: Okay. So, what we did do back when this was initially studied was we did modify the timing of the pedestrian crossing at 64th Street and Shea to see if that would improve usage of

64th Street and Shea at the signalized intersection, however, that didn't work. The pedestrians were crossing mid-block, even with us trying to modify the existing traffic signal. We wouldn't put in another traffic signal at that location for pedestrians. The appropriate crossing there would be the pedestrian, which is the HAWK. And the HAWKs do lend themselves well for roads with high speed, high volume, and the length of crossing, which is what is here at this location on Shea.

Mayor Borowsky: I couldn't disagree more with that, even the Optima HAWK, that's just separates the mall and Optima and that is dangerous. I mean, people just almost run people over there all the time, having been officed this for a long time. I don't get the logic there. There is you could do a a traffic signal. I'm just throwing out ideas and I would love to talk about this further or get a written response from you, a traffic response but a traffic signal that was just going one way, i.e., north, on 66th Street I guess, the farthest east 66th Street, like this is at Eastwood, for example, and Scottsdale Road, it could be triggered by pedestrian traffic, currently triggered by vehicular traffic. I have major concerns with the two things I said.

With that. I would like to…And I see the city manager wants to say a few words. I would like to have a written description of when this was project proposed and when it was inserted in the in this CIP project, proposal, and what other projects were eliminated or if none, what what were postponed. That's not really the driving factor for me, but the safety factor is and I would also like an analysis of some sort of a traffic signal there. And what the cost of that would be. City manager, please.

[Time: 02:45:30]

Greg Caton: Thank you, Madam Mayor. I just wanted to briefly answer or touch on how we got to this point. So, this came in from community member concern, also leadership from the synagogue and this has been on my radar screen for some period of time. We tried to adjust the pedestrian walkways at 64th and 70th. 64th although closer, is kind of the wrong direction for most. They are really traveling by foot to north and the east, and so what and so this is not the first phase. This was probably a second or third phase. I would refer to it. So what we tried to do is make signal improvements, I'll just being I will just speak to the 70th because that's primarily the one that was heavily utilized and so we had it so it was automatically triggered for pedestrian and so we have been stopping traffic on Saturdays specifically at the times automatically whether it was triggered or not.

So, interesting enough, for the flow of traffic, this will actually increase the flow of traffic because we will return at the 70th signal to the way it will normally react and I will let my colleague speak more to the specifics of the device that's utilized but I wanted to speak how we got to this point. Thank you, Madam Mayor.

Mayor Borowsky: Thank you. I mean I'm satisfied with the answer so far. I would like the answers to my questions, though and either you or city manager could provide those, I would really appreciate it. Thank you. Councilwoman Whitehead.

Councilwoman Whitehead: I was just going to touch on the item having to do with the preserve and

Prop 420. So, I just want to point out that the author of Prop 420, I was very involved in that citizen initiative, we verified ahead of time. So, I understand Mr. Smith's concerns, but we verified that the projects approved prior were not impacted and actually the other project several projects he mentioned, I'm not even sure about, but specifically, I'm talking about the Rio Verde wildlife and, in fact, pedestrian overpass project. And so that was approved in 2004, in that preserve tax. So that's where that project comes from. I just wanted to point that out. And, in fact, you know, attempts to defund it last year, I think, somebody generated, you know, 2,500 signatures from residents in a matter of weeks. Once again listening to the people and what they voted for in 2004, and the fact it was revised by staff and the author of Prop 420, I think we are pretty good there and the other projects I'm not sure. Thank you.

Mayor Borowsky: Thank you. Councilman Graham.

[Time: 02:48:18]

Councilman Graham: I guess I will give the remarks to budget now, just go over it briefly. Kathy has been waiting for these remarks. Quickly about the crosswalk, the, what's the what do we call these now? They used to be called HAWKs but I was told that we don't I don't know what the right term is for these anymore do. We still call them HAWKs?

Alison Tymkiw: Yes, Mayor, Councilman Graham. So, they are referred to as a pedestrian hybrid beacon, pedestrian hybrid beacon, which is the same thing as a HAWK.

Councilman Graham: PHB, can you put a vowel? This there? The PHB, the pedestrian hybrid beacon at Kierland is so successful. You can't say enough about it. What that looked like before they built that I mean that was just a disaster, people were walking across to Quarter and Kierland. I was on Transportation Commission at the time, and I'm very happy with how that's turned out. The City Manager Caton made a comment that this will return 64th Street and 70th Street potentially to their original cycling and timing interval and that I think will expedite traffic and increase flows. I do expect it will be used a lot on weekends. I'm actually thinking about whether kids from Chaparral would use it. And if you think about it, it's not that far from Cocopah. As I look at a map and I I think it's gonna get a lot of use, personally, so those are some comments on the crosswalk that I have.

Overall, the budget is, I think, it's a good budget. We're going to keep looking at it. Tonight has been a good discussion about it. A lot of our community members had a lot of good contributions to say about it. You know, the CIP spending is down, which I typically don't like to see that because it Greg. I always say that to Greg, the city manager, because it's like you bring the money in, and you want to you want to invest it and when you are not investing in the capital assets, you are deferring maintenance. Because we are such an asset-intensive organization, there's a minimum amount of investment that you want to make into your net assets to keep them at a certain standard.

I will say that we even though the budget is down a little bit, we were budgeting our cap ex, our capital budget in the past, not our cap ex, but our capital budget we were never spending it anyway. It was always an approval that several fully happened. So, I think this gets us to closer to reality.

This is City Manager Caton's first full budget. You know, when he was tagged with the city manager role, he kind of what was that in March or something? It was kind of like March 2025, the budget had already been developed by the time that he took the wheel. And so, we've just seen from Mr. Caton so many reforms, we have seen so many I would say like outdated and overdue things within the organization that I have been very pleased with. Even stuff like moving code enforcement to to public safety, I mean there's things like that, that have just made sense to what we've been seeing. I like the public safety spending, how it protects our public safety. Somebody almost got there but we didn't talk about the gray tsunami that some of our public safety leaders like to talk about. I'm still afraid of that one, but, yeah. You know, it's gonna be when is it coming? Blink twice, Fire Chief Shannon, no I'm just kidding. It's here. I know.

But we're watching and monitoring the ambulance service, I think so far the rollout has been good. And Station 618 Annex, Scottsdale Police, we're I mean, what Chief LeDuc said this is the first year no vacancies. So, I think that I mean that to me is up with of the headlines. So, if someone writes an Op Ed, the clearance rate is up. Crime is falling, violent crime is falling. The last thing from sort of a philosophical standpoint is the road maintenance. And I'm not going to really give a sermon about that, like I threatened earlier, unless Kathy you want me to.

Councilwoman Littlefield: That's okay.

[Time: 02:54:10]

Councilman Graham: She's like, no, please don't. We were spending $15 million a year on our road maintenance, which I mean, just to say what it was, we were diverting money to basic road maintenance over the years. We had an 80 PCI, pavement condition index of 80 in 2019. Very good rating. And by the end of 2024, our pavement condition index was 63. It dropped like a lead balloon, and we were being outmatched by other peer cities. I think Apache Junction or Queen Creek surpassed us. This year, we put in the fiscal year that's ending next month, we put in $40 million, budgeting $45 million this year, and I mean, people know this. People know that we're a tourism destination and we welcome over 11 million visitors a year and they know that that generates almost $4 billion of economic impact, and they know that they form impressions about our city. And a large part of the impressions they form about the city are the roads and when they are driving over potholes and roads riddled with cracks it just doesn't leave a lasting impression that this is a truly desirable destination for them to spend their tourism dollars. Not only is it will impressions it leaves on our visitors but when you when you don't defer maintenance on roads, every dollars we delay on preventative work, let's put it that way costs 4 to 10 times more later in full reconstruction given depending on how long you wait and which materials you choose and we have seen that too many times. Nobody is going to tell you that part of the $45 million, that is not normal maintenance, that's catch-up. That in some cases it's full reconstruction to catch up for deferred maintenance that our residents suffer through.

Those are some comments about roads. I still think I will just register this opinion and then I will probably have some meetings with staff. I think our revenue estimates are probably too conservative and too low. And I wanted to ask about this Scott, maybe you could tell us about the unexpected revenue loss reserve. Cause I know what you are doing there but is that a new concept and it possible to pull that up on the screen just so we can you kind of had that you kind of had that I think you know the chart I'm talking about. I think it was the blue color that was introduced.

[Time: 02:57:04]

Scott Selin: Yes, Madam Mayor, and Councilman Graham, that was slide 16 of the presentation from earlier. That was the determination that was made during last year's budgeting process in the face of potential revenue losses. There's always, whether it be at the state level or some other level, potential threats to our revenue streams and the intent was to take a portion of our general fund reserves and create a reserve to ensure against any event like that happening to our revenues.

Councilman Graham: That was the recommendation from the Budget Review Commission?

Scott Selin: Madam Mayor, Councilman Graham, yes, that was.

Councilman Graham: Okay, they will come up here in a second and I will have to talk to them about that. I understand what you are doing there. So, it's the green one that was introduced. Was that introduced have we ever used that mechanism before? Or is or is this the first is this the budget that the we're introducing it? Or is this the year that we're introducing it?

City Treasurer Sonia Andrews: Madam Mayor, Councilmembers, I can respond to that. That was developed last year when the legislature was looking at eliminating the food tax and the food tax generates about $15 million for the city. So, the Budget Review Commission suggested that we put a reserve for that in the budget and that we could use that in the event that food tax was eliminated to continue separations while we realign operating expenses with revenues. So that was what that was for.

Councilman Graham: Are you funded that reserve yet?

Sonia Andrews: Yes, it is funded.

Councilman Graham: It's already funded. Okay, so you have already transferred $15 million and then you're just going to keep that there? You are going to cap it at that, give or take, is that your plan?

Sonia Andrews: Correct. Correct.

Councilman Graham: And the same policies with idle cash, as far as what we do with interest, applies with the reserves and the contingencies, applies to this to?

Sonia Andrews: What was the question on that?

Councilman Graham: The corpus, it will apply to this portion of it?

Sonia Andrews: They do earn interest. They are invested and the interest earnings are mostly transferred for capital projects.

Councilman Graham: Okay. I'm glad that's funded before we start the budget fiscal year because it doesn't take away from those projects and we just haven't already nailed down. Those are some of my comments and maybe some of my colleagues will stimulate more questions or conversations, but I wanted to share those, and put them on the record. Thank you.

Mayor Borowsky: Next we have Vice Mayor Kwasman. That's pretty tricky, I don't know how he got on my screen? Who did that? Okay, Vice Mayor Kwasman, you're up.

[Time: 03:00:18]

Vice Mayor Kwasman: Thank you, Madam Mayor. Can you hear me? Can you hear me okay? I just want to make sure.

Mayor Borowsky: Perfectly.

Vice Mayor Kwasman: Excellent. Thank you so much. This budget represents exactly what the voters wanted to see out of the 2024 elections which is a fiscally conservative budget. I want to ask anybody who wants to that a conservative. Just that pose it to what is happening juxtapose it to what is happening to the neighbors to the south right now, where Tempe is asking their residents to raise the taxes. The differences could not be more stark. We believe in limiting government so that you can flourish in the private sector. We believe in, we believe in making sure our infrastructure is fully funded with reserves so that we don't have any surprises later on.

We put in the very, very, very best in that we can offer in terms of city manager, in Greg Caton and his team have done a phenomenal job, both the Charter Officers and the staff hired by Greg Caton. In order to prioritize and ensure that we are on the long-term path of prosperity, I applaud the Budget Review Commission, I applaud the Mayor's Budget Review Commission, something that she ran on and we brought in together to make sure that that the taxpayer is protected.

Now I want to really, really speak to some of the speakers tonight and I want to address for something once and for all about antisemitism and HAWK and the whole time. At no time did any speaker or any Councilmember for that matter, want to mention in my opinion, most important topic that any city can provide which is police and fire. We just took it for granted that they did the great job. It's the lions share of our budget, those protecting us. And I applause Chief Shannon and Chief LeDuc for doing an outstanding job in working with the city manager and making sure that we are living within our means and providing the best of the best protection for our community members and residents.

What are people obsessed about in a $2 billion budget? Something that is that amounts to .025% of that budget. Now, you tell me why that's everybody's bugaboo. You tell me why. The fact of the matter is that I think it's two-fold. I think one, it's the Jews and the two and the second thing is that it happens to be my community. I want everybody to know that this issue came up prior to me being elected to the Council by community members that I happen to be a member of the community of. But not for me. This was brought before I was ever elected. I want to be very, very clear here that there are speakers today that were in opposition to a crosswalk to save children stating that not having a crosswalk is safer than having a crosswalk. That's absolutely absurd.

And secondly, when people are saying that Adam Kwasman uses antisemitism when he doesn't get what he wants, and by the way when we was in law school, he did one, two, three, four, and five, it has to do with Judaism. I'm sorry, it doesn't hold anywhere close to a candle of acceptability. We as a Council have got to be better than that. We as a community have to be better than this. And I will call it out whenever I see it. My community is the fastest growing Jewish community in Arizona. Happens to be in Scottsdale. We are blessed to have a huge Jewish community, and we are blessed to have a growing Hispanic community. I care about all citizens and especially children. And I think we have to make sure that we put the infrastructure in place to make sure the children are safe, it's as simple as that. Do we want children safe? Yes, we got to build the infrastructure. I am just I am dismayed that there are those who would think that saying that I would fly to the press over an issue when the press coverage yesterday about the that happens to be a crosswalk adjacent. It happened to be because of a deep fake A.I. video and the future of politics and by the way, the press person I spoke with, I think anybody could who knows any history of me and Arizona politics, he and I are not exactly going to dinner together. All right? I did not run to any press member about this and run and start claiming antisemitism, but what I heard tonight actually makes me think that if this were some pickleball court that we were building, nobody has a problem with spending all this money on a pickleball court. When it comes to helping children, now we have an issue. Because I happen to be a member of a synagogue that an issue started prior to me being elected. This is not about me. This is about children in this community.

[Time: 03:06:42]

I want to go back to what Councilman Graham said about the rainy-day fund and making sure that the state legislature takes way tax revenues from us. We should be worried and I'm glad we were there in the last budget to take care of it and keeping that singular rainy-day fund is absolutely appropriate, I support it. I want to make sure as we move forward. This budget is outstanding, but I want to make sure, I want everyone to hear this, we will continue to keep our promises to our police officers and our firefighters and make sure that they are a top three paid organization and respectively in this in this state. We will keep those promises. We're going to make sure that roads are paved, cops and fire are paid and that you, the taxpayer is taken care of once and for all and make sure our children are safe. Thank you, Madam Mayor.

Mayor Borowsky: Thank you very much. Councilwoman Whitehead.

Councilwoman Whitehead: Thank you, Mayor. I want to thank all the speakers who were here tonight.

It's really nice to have people come and speak. And I support the crosswalk. I support safety on are our roads generally. I would like to see my Council colleagues work harder with me as we defunded very important road projects that put residents in danger so something to work on.

Generally on the budget, what do all the presentations have in common, I will let you think about that. While I tell you that a budget is a book of priorities and that funding those priorities is the real trick the good governance, right? And so what all of those presentations had in common is those projects were funded by the past Councils, they were funded by the voters, the past Councils listening to the residents and then going with 2019 Bonds that was my first success and Prop 490.

You saw on everyone of those slides from WestWorld to police, to fire to parks and so I just have two colleagues in the audience right now, former Councilwoman Milhaven and Betty Janik, thank you for helping to fund this year's budget. There was a lot of talk about it being a conservative budget. The operating budget is what we really look at, and the operating budget is basically the same as last year and that's good. The difference is that last year, we continued a policy that began on the last Council, which was to pay down ballooning public safety pension debt. Last year we had a $50 million pay down which is saving us $5 million a year. That's the only variance, really, other than that, the operating budget stays the same.

So, how did we keep the operating budget the same? That's where I have some cautionary concerns I want to share. We have slashed a lot of positions. Now on the surface it sounds like, well, if you kept positions, you save money. Now, as Mr. Caton pointed out, many of these positions are vacant. But people need to understand that what we should be looking at is why can't we fill these positions. We have a very low employee count for population plus we have 11 million visitors every year and I can tell you in the past, that philosophy of reduce the employee count didn't work out so well because our employees, for instance, many of the employees are gone have generated hundreds of millions of dollars of grants that fund our projects, our infrastructure projects. And then keep our taxes low.

[Time: 03:10:40]

And we saw in the past there was a lot of talk from my colleagues which I agree with, both of them, about deferred maintenance. I always say, you want to fix the roof leak before the roof caves into the kitchen. So, in the past when the philosophy of let's cut staff people, we were able to maintain the city to the level we needed to. Instead of fixing bridges we had to rebuild them at a cost to the taxpayers. I'm very concerned about that. I think that we also in the past realized that when we contract out because we don't have enough staff, we don't get the quality we get from the excellent staff, and it costs us more.

And there was a little talk about that with the trees. We heard, well, we're trying thank you to Prop 490 which not everybody up here supported. Prop 490 gave us the money to bring in our own arborist because then we will get consistent better management of our trees.

So, I also want to talk about the rainy-day fund, and I want to be really clear, our staff is so good at making things I'm not pointing fingers. Politicians we point fingers, right? So, let's be clear, the state legislature again and again and again, these last few years have gutted our revenue. Just because they cut our revenue, doesn't mean we don't protect you. So, that it why we've built up on my watch we've changed policies to require more reserves and this added little buffer because they are going after our food tax, which costs people really pennies a day and you have to understand these taxes, those 11 million visitors pay in. So, we're having to have these special funds because we have a legislature that doesn't report to you as well as the City Council does.

Then I want to talk about capital improvement projects. Just because we defund them doesn't mean they go away. But it gives an illusion that we are more efficient. Nobody picks Scottsdale because we're the cheapest city. We pick it because we believe our government will be honest, transparent and make sure that the services we expect, the safety we expect is delivered and so I'm very concerned and, of course as you already heard me speak on water, our job, that is that is maybe more important than you policemen, I don't know. I'm looking at our police. Police, fire, water, I mean these are essential services, traffic safety.

We are looking at tremendous cuts to the Colorado River allocation. We knew that. This is not a surprise and that's why we developed a strategic plan, but we have defunded it those cuts are coming next year. They're not coming ten years from now or five years from now. And with water, when you go from that silver bullet to that silver buckshot like our staff mentioned, it's not a switch we turn on. It's investment we have to make and takes time. So, we know ADEQ is going to add an extra layer of treatment. We know what that layer is. There's some uncertainties, but other cities, they haven't stopped. They haven't defunded. They're moving forward while still negotiating with ADEQ to get the rules so they are right sized and right priced for our residents or for residents statewide. I'm very disturbed that we have defended the really two out of four water projects in the strategic plan for this coming year. We are losing time and letting that cave in rather than plug the hole.

[Time: 03:14:40]

And I want to talk about the Bartlett Dam. Because water is not as confusing as what we think it is. What we are paying for is a study. Our staff member mentioned that in past studies people paid in for the study, but they didn't necessarily get the water. That's because people don't drink studies, they drink water, and the cost isn't the study. But if we pay for a study and we haven't been disciplined to putting aside money for that future water, will we be one of those who have paid for the study, but didn't get the water? And I can tell you I've spoken to SRP engineers who have assured me that there are far more people that water than there is water.

I would like to see the final budget, have that same disciplined approach that have guided Scottsdale and Arizona for decades, where you go ahead and you put in the number. If you have no funding in the infrastructure in the CIP budget, you are guaranteed to be 100% wrong. Isn't it better to put that $100 million in the CIP for next year budget accordingly and we always budget conservatively and then come back and say, hey, with over delivered, undersold and overdelivered, we gave you more, but to not do it has real costs and when it comes to water, everything I have done in my eight years, and everything the city has done in the last 30 years is to deliver on a single headline that we all want and that headline is Scottsdale thrives despite significant cuts to Colorado River water supply. And that is the headline we need. We want to make sure we fund accordingly, because guess what, the cost of having one headline that isn't that, is going to be is going to be permanent damage to the city, even if water still flows. As I said before, water will still flow. We're talking about costs and there's a big difference between $300 an acre foot and $7,000 an acre foot. I'm looking forward to the silver buckshot. We're going to be more diverse and more secure, and we just have to continue to follow the plan. Thank you.

Mayor Borowsky: Councilwoman McAllen.

[Time: 03:17:09]

Councilwoman McAllen: Thank you Mayor, I will be brief. I just want to reiterate to our city attorney what the mayor said, making sure we are in alignment with the law. We are we want to make sure we're following the rules, especially prior to approving a budget if we have to align things differently, then we will have to do that, but to make sure that the items that former Councilman Smith brought up, that we're on the right side of that, that would be my caution to you, and that you report that back to us, please. Thank you, city attorney.

Mayor Borowsky: Thank you. And I don't see any more speakers, but I want to it's okay. First, during our joint session with the Budget Review Commission last year, I challenged the city manager to reduce spending divisional spending across the board by 10%. And I got a lot of, like, shock. So, and I'm glad I did. I'm glad you met the challenge and thank you for doing that. I still think there's room to sharpen the pencil, though, and drill down a little further. I know this is the first pass at this. I feel like you are really motivated to do what I challenged you to do. I appreciate it. I would love to say more sharpness, fine-tuning so we could say not only were 33 as many as FTEs eliminated -we are not just saying 33 were eliminated but yet we have 33 new FTEs, eliminated right? I would love to see the unfilled vacancy number go down further, where possible, and I do think it's possible. I don't have any evidence of that, but I trust in your ability to do that, I would love to that on our next swipe at this.

To really the rest of the story, I do think this is a great starting point. I think we're in a really good spot. You know, starting with the 10% savings across the board that you challenged all the departments to do. I mean, things are great. Crime is down, especially type two is it type two felonies, I forget the designations. The most dangerous and the most horrific crimes are down dramatically in Scottsdale. We have zero vacancies in P.D. which is exactly what we strive to do. Revenues are up, expenses for the most part across the board are down. We've paid off debt early so that we have long-term savings year over year and ultimately, in the long run, it's all really great news.

Fire, you know we have really enhanced fire protection with respect to burning on the ambulance service and funding that and funding the additional through the parks and preserve. Glad to see those new positions especially when it comes to the wildfire urban interface position and the others that you have got in the preserve. That's wonderful news and I think, you know, we're really doing a great job and, you know, it really looks good on paper. So, thank you. Councilwoman Dubauskas.

[Time: 03:20:49]

Councilwoman Dubauskas: Thank you, Madam Mayor. I wanted to highlight the $85 million reduction in a $2.1 billion budget. That's an enormous reduction, 3.8% while at the same time increasing our reserves and contingencies by $20 million. So, cutting the budget in a smart way, not making sharp cuts but making thoughtful, careful cuts but also being able to stash money for a rainy day. That's a great way to approach this budget. We're adding 22 FTEs for fire, for the ambulance service phase three. We're investing in our ambulance service and the health of our community. $5 million for sworn compensation adjustments. We are investing in our sworn officers and $3.4 million for the gray tsunami an investment in skills replacement. As the Chair Community Safety Committee, it was my pleasure to hear Chief Shannon talk about the opportunity to provide more training for the existing team, how are we going to get the guy that the midlevel, the ladies at the midlevel up to the highest level because the highest level, those certifications, those are the ones that are retiring and how do we get that knowledge and bring that into the community. And so, these are a couple of years of investment in doing that. One of the things it will do is improve morale and give firefighters an opportunity to learn and grow within the fire department. It's exciting for everyone. So, thank you, Chief Shannon, for your continued effort in that area.

I wanted to highlight $45.9 million for roads. We spent $44 million last year in two years, that's $90 million on roads and we're cutting our budget $85 million. It's absolutely incredible money management. There is a road that I travel that is right in front of our grocery store and it was rated a 27 PCI index. I went through the calendar. There's a tool that the City Manager’s office provides and you can look at the PCI index of the roads in your area or anywhere in the city of Scottsdale. This road was so terrible, it was a 27. Anything that starts with a 50 is tear it up and start all over again. 27 is absolutely unacceptable. And just over the course of the last three weeks with our spring paving program coming back, that road has been torn up and it's reason done and absolutely gorgeous. Our investment in the roads for $90 million over 2 years will have a significant impact in the city of Scottsdale. It will have an impact of how people see us when they come to visit on the resident experience and also on the people the people who want to come and stay here and they want to live here. They will say, wow, this is a great place to be. I don't hit potholes anymore. So, thank you City Manager Caton, this is excellent, excellent work. Appreciate it.

Mayor Borowsky: All right. Well, that concludes the speakers from the dais. And so, moving right along. Thank you, everyone for the presentations. We appreciate it.

PUBLIC COMMENT

Public comment. This is the time for Scottsdale citizens, business owners and our property owners to comment on non-agendized items. And hopefully we will keep it in the fairway. And items within the Council's jurisdiction. Also, within the fairway. Speakers are limited to three minutes and it's getting really, really late. So, if you can keep it at least to the three minutes, we would appreciate it. If you wish to speak on a non-agendized item, please see the city clerk if you haven't already registered. And notably we still have the joint Work Study Session with the BRC. So, it is getting late.

So calling all non-agendized public comment starting with Steve Sutton. Followed by Dan Ishac, Yvonne Cahill and then Jason Alexander. I don't see Steve either. So, you're up, Dan.

[Time: 03:25:11]

Dan Ishac: Dan Ishac, address still on record. At the last meeting, Adam Kwasman disrupted my public comment in an attempt to infringe upon my first amendment rights. Now people have a gross misunderstanding of first amendment rights. The U.S. Constitution specifically says that the federal government cannot limit our speech. However, over the decades and centuries that has been expanded to state and city government. Now, that does not mean that I can say anything I want anywhere at any time. If something is threatening or obscene, or menacing, you government has the right to intervene. But a City Council, does not have the right to limit specific words. I sent the case law to offer city attorney and the Council and Adam Kwasman ignored it. He admitted to me that he never read. It was Acosta vs. city of Costa Mesa. It's black and white. A word cannot be prevented from being spoken because somebody might think it is offensive or disruptive. Despite that, Adam Kwasman continues to step on my first amendment rights. The word is the word that Jan Dubauskas said when she filed a false criminal complaint against our Mayor and then as a child would to, in a fit of jealousy, called the Mayor a ****. I will continue to remind the people of Scottsdale that Jan Dubauskas' behavior is reprehensible and deplorable. Until such time as she apologizes to the Mayor for the false criminal complaint and using the pejorative word. And I will continue to remind people that Adam Kwasman condemns her publicly for using the word that he thinks is so offensive.

Jan Dubauskas controls way more of the City Council than people believe. She comes across as very nice and polite because she has Adam and Barry do her dirty work and she also controls our unqualified city manager, which is why we get a crosswalk thrown into the budget without proper analysis. That is why I and others are starting a recall of Jan Dubauskas because her behavior is unbecoming of an elected official.

Councilman Grahm: Point of order. This is electioneering.

[Time: 03:28:06]

Luis Santaella: You cannot use the podium to electioneer on a recall election, it's specifically prohibited.

Dan Ishac: I’m not campaigning, it is a statement of fact. Her behavior is unacceptable.

Luis Santaella: That may be the case but here’s the deal, you cannot use the podium to electioneer on a recall election. It’s specifically prohibited by state statute.

Dan Ishac: I didn’t ask anyone to sign a petition, did I?

Luis Santaella: You mentioned a recall election.

Dan Ishac: People mention they are running for office, that's not electioneering.

Mayor Borowsky: Let's go ahead and close this up, and let's just avoid that conversation.

Dan Ishac: That's fine. Her behavior is deplorable. Her actions are deplorable. She's unfit for City Council and people need to know who she is. Thank you.

Mayor Borowsky: Thank you. All right. Moving right along. Yvonne Cahill and then last we'll have Jason Alexander.

[Time: 03:28:48]

Yvonne Cahill: Thank you, Mayor and Council. I was just wondering when we come for public comments are at the end would it be inappropriate if I wore my pajamas because by the time I get home, it's going to be, like, really late. I wish I was out celebrating Cinco De Mayo instead of being at the City Council meeting for four hours.

Anyway, I just wanted to talk about I boy who cried wolf, which is a classic fable by Aesop about a shepherd boy repeatedly tricks the villagers. In the story, a shepherd board, bored while watching his sheep decides to play a prank on nearby villagers, he runs shouting, wolf, wolf, they rush to help him but find no wolf, but the boy laughing. He repeats the trick a second time and the villagers again come to his aid. Only to be fooled again. A real wolf then appears attacks a flock and the boy cries for help, but this time no one believes him. The wolf eats the sheep, and the boy is left to face the consequences of dishonesty, the story found in many children's books teaches the moral that liars are not believed even when they tell the truth, highlighting themes of trust, honesty and a responsibility to the public.

Councilman Kwasman, you have called so many people antisemite that when one actually shows up no one will believe you. And this includes very close friends of mine who are Jewish. The public has lost trust in you. Running to the press when you do not get your way, with false claims is not becoming to a Councilmember. Thank you.

Mayor Borowsky: Lastly, we have. Jason Alexander. We're keeping it in the fairway. That's my phrase for the evening.

[Time: 03:30:54]

Jason Alexander: Great phrase Mayor. Thank you. Jason Alexander, address on record. I want to circle back to two points. One, I'm actually upset that Adam Kwasman is not here in person tonight because every time he is here, the community gets to see just how much time he actually spends on his phone during meetings. Adam mentioned how irrelevant his history in law school was, so I want to bring some facts up for an article that I wrote about him for the AZ Jewish News. On January 21, 2016, Kwasman was a first-year lawsuit at ASU, a respected law professor who was also Jewish named Andrew Dressler was asked about a student's comment about Senator Ted Cruz's campaign that Donald Trump…

Councilman Graham: City Attorney, point of order. We respect First Amendment…

Mayor Borowsky: What is your point of order?

Councilman Graham: Allow me to make my point of order.

Mayor Borowsky: Excuse me, Councilman Graham, when you make a point of order, you don't launch into a dissertation. You ask to be recognized. Okay?

Councilman Graham: Thank you for the education, Mayor.

Mayor Borowsky: Thank you, go ahead with the point of order.

Councilman Graham: Mr. Parliamentarian, my point of order is comments at non-agendized public items should be on items under our jurisdiction.

Luis Santaella: That's correct.

Councilman Graham: So, I would ask the presiding officer to please enforce that with the speaker. I don't know how talking about decades ago and somebody's law school class is under our jurisdiction.

Jason Alexander: If you would let me continue Mr. Graham…

Mayor Borowsky: I'm going to respond to that. That is the rule. That is the rule. It's a little difficult to tell in the first 40 seconds if your comments, your public comments pertain to something within the Council's jurisdiction. So please direct your comments in the three minutes you have to items that are possibly or arguably within the Council's jurisdiction.

[Time: 03:33:12]

Jason Alexander: Relevant to what Mr. Kwasman said, how he claimed that opposition to his crosswalk was based on antisemitism, I would like to show that Mr. Kwasman in the instance in his law class, criticized his law professor who said that Cruz's comments about New York values were antisemitic to him and Kwasman did not accept that. He said how can you possibly say that, you have to be kidding. So, it's ironic that Kwasman would attack other people and deny their interpretation of events and then justify or excuse opposition to this budget item. That's pure antisemitism, I think we are seeing hypocrisy with Mr. Kwasman.

The one thing I do agree with Mr. Kwasman. I do agree that we should avoid using fake A.I. generated images and we should avoid putting them on social media which is why it's upsetting that Mr. Kwasman has never condemned his colleague Barry Graham…

Councilman Graham: Point of order.

Mayor Borowsky: Councilman Graham, what is I will recognize you. What is your point of order?

Councilman Graham: How are these comments under Council's jurisdiction? I will ask you to enforce our rules of procedure.

Mayor Borowsky: As I just did, I asked Mr. Alexander to get to his point.

Councilman Graham: That's not enforcement.

Mayor Borowsky: He hasn't finished yet. I understand you don't like the lead up, but can I ask you, Jason, are you going to get to something that's within the Council's jurisdiction?

Jason Alexander: Yes, I believe I will.

Mayor Borowsky: Well, I need you to. Thank you.

[Time: 03:34:53]

Jason Alexander: Thank you Mayor. My point is the hypocrisy we see in Mr. Kwasman's complaints that are directed at his budget item. When Mr. Kwasman claims that A.I. should not be used to criticize him, to criticize his policy decisions, I would like him to adopt a similar attitude to Mr. Graham's P.R. person who recently put out these A.I. generated images from last week's meeting. Mr. Graham has paid Rod Pritchard $54,600…

Mayor Borowsky: Jason, how is this within the Council's jurisdiction?

Councilman Graham: Point of order.

Mayor Borowsky: You don't need to interrupt, Councilman Graham.

Jason Alexander: Thank you Mayor, I think I have made my point on this then.

Mayor Borowsky: How is this within the Council's jurisdiction? It's not.

Jason Alexander: I will refrain from doing that then. Thank you, Mayor Borowsky. Thank you for listening. Have a wonderful Cinco De Mayo.

Mayor Borowsky: Thank you. I hope we get there. I hope it's not Cinco De Siete. Is that seven?

Ben Lane: Mayor, we have one more.

Vice Mayor Kwasman: I would like to respond to the comments.

Mayor Borowsky: Okay. Please go right ahead, Vice Mayor.

[Time: 03:36:04]

Vice Mayor Kwasman: I just want to say that one again, everybody is seeing the true colors of what is going on here and that this is pure politics and unfortunately, everybody has to suffer because of it, but I just want everybody to know that this community and these members of the Council are going to continue to focus on what matters to residents, public safety, prudence when it comes to the budget, and making sure that our roads are the most wonderful in all of Arizona. Thank you.

Mayor Borowsky: Thank you. All right, that concludes.

Ben Lane: Mayor, we have one more speaker. Paris Blumenthal would like to speak.

Mayor Borowsky: She's not on my list. My apologies, come on back up. He, I knew that. Because your name matches your hat. It's late.

[Time: 03:36:59]

Paris David Blumenthal: It's me again, Paris David Blumenthal. I wanted to just mention a couple of things. I know that antisemitism and so forth has been brought forward tonight and a bit of circumstances and then also picking on some of the Councilman for whatever reasons, I find them quite pleasant. There were several incidents that when I moved here, I was living overseas for nine years. I had a couple of threats from these pro-Palestinian groups and so forth, in front of the Jewish Community Center. I was, in my youth, I was a bodyguard for Whoopi Goldberg, Steven Seagal, and the and George Burns. And just random it looks like they are paid to do this, but we were talking about the crosswalk before, but just going, there is a real life situation of antisemitism, which I never really felt before, until the last year and a half, and one gentlemen said that he had a gun in front of me because I was trying to protect an older lady. The police were there and I asked him to pull it, please. He decided not to for smart reasons afterwards but there is antisemitism going through the localities of the synagogues. There's also a beautiful church next to us, which a lot of traffic has been generated because of that.

I just say in regards to the antisemitic situation they are bringing in Vice Mayor Kwasman. I know him, I’ve met him before but I don't see him crying wolf all the time for sets of circumstances for that. But it is alive here. We're looking for safety and security for our people that live here. Everybody here seated, they all deserve that, and have earned it. But this antisemitic set of circumstances that everybody keeps bringing up. It does exist but so be it, but, please, I would like to have some people, if they want to talk to the Council people and so forth or the Mayor, I'm sure they can discuss it in a in a they're very nice people, personally on the side but I don't think we should be bringing up our differences and depreciating the value of their character in any such way. Thank you.

Mayor Borowsky: Well said. Thank you.

WORK STUDY SESSION

Moving right along to the Work Study Session. There's been no I will close public comments and move to citizen petitions, which there are none. We will move right along to the Work Study Session, which is, of course, a less formal setting for the Mayor and Council to discuss specific topics with each other and city staff and in this case, the Budget Review Commission. And it also provides us the opportunity to receive direction or them the opportunity to receive direction from the Council.

We have received three requests to speak on the public, excuse me on the Work Study Session, and I'm going to take those first. So, starting with Betty Janik. Thank you for sticking with us this long.

PUBLIC COMMENT

[Time: 03:40:36]

Betty Janik: Now I know why I decided not to run. Anyways, my name is Betty Janik and good evening, Mayor, City Councilmembers, and I want to give a very big shoutout to our Budget Review Committee. I attended their most recent meeting. They are on task, they study, it's open for public review, and they bring up topics that kind of are for showing of what will be at our City Council meetings. So, thank you very much.

Could you turn on the overhead please, good, you did. Real quick, this is a map that shows where we are right now. Some of you have seen it but just point it out. The green line is our average water, that flows into Lake Powell. This blue jagged line is the actual water now and it's for the first quarter of our year, that has flowed into Lake Powell, and we are at 22% of our 60-year average and we are ready to set a new record low. So obviously we have a water shortage. Now, will we be able to sustain it for a while? To fill the gap between what we need and what we have? And the answer is, yes, it's a very resounding yes because our water department is very intelligent and they saved for years all the extra CAP water that we had available. So, yes, but it depends how deep the cuts are and depends on how much we are willing to conserve. So maybe three years, may not be. Maybe longer. So, let's kind of be thinking about conservation.

Now I want to talk about our new sources of water. I will list some of them Harquahala, APRW, Bartlett Dam, purchase credits, desalination and anything new that might come along. And the good news is David Wallby, who has been with the water department has been recently appointed to cover all of these new possible technologies so that we can have a robust source of water.

The one I like the best and you will probably not be surprised is whoa! Hard to read. Hard to read, it's APRW, but I will go through it briefly. Number one, in 2019, we had the most advanced process for purified recycled water. We got the award from the state the first permit to study this issue. And we were very successful. Everybody liked the beer that was made with the water, and people thought the water was very refreshing. And I consumed it and I'm still alive. Okay.

Number two, the state just changed the guidelines for this. They have added one more step. It has to do with the sampling of the purity of the water, as it reaches its destination. There's discussion at the level of the state to adjust that. We I would suspect within about a year we should have the final, final, and we originally thought this would be ready in 27/28, it looks like it will be closer to 2030. We already paid for the water. We should recycle it. If the Artemis astronauts that was not three minutes, was it can recycle, why shouldn't we? It was removed because of the way we did our accounting. I question that. Arizona and Scottsdale's success has been to keep politics out of water policy. This feels like we have crossed the line. But then there's good news. We have 100,000 - $100 million in the CIP, Brian Biesemeyer is coming up. And our Budget Review Committee has made the recommendation, as soon as the numbers are available, for pure water, they will review it for inclusion into the CIP as a line item. Thank you.

Mayor Borowsky: Thank you. Steve Sutton is not here. So, we're going to move on to Mark Rentz. Followed by Dan Ishac.

[Time: 03:44:47]

Marke Rentz: Thank you Madam Mayor. I have questions that I hope your team here can answer, give me better insight on the plan. But first of all, I want to thank those comments from the previous speaker. I cannot iterate how important it is for the Council to take this water situation very, very serious. I'm just gonna leave it at that without getting into too much emotional aspect of it.

But I have some questions first of all, does the city have a contingency plan in response to specifically significant reductions in Colorado River allocation? It is so very important that it is recognized that Scottsdale, 70% plus of Scottsdale water comes from the Colorado River. If the Bureau of Reclamation cuts back on that water, that will have serious impacts on water supply. It will also have serious aspects on all this fiscal discussion we have been having tonight. So, the question is, if Scottsdale has to purchase water, to offset Colorado River shortfall, where is the money coming from? We're not talking little change either. We're talking money that is going to be very expensive, water, I mean that's going to be very expensive. And I'm not sure I understood what was meant by transferred out which affects 30% of the budget as it applies to water supply. I don't understand why there's no dollars for water source and supply in fiscal year '26 and '27. I don't understand why there's not any line-item budget for recycled water, expanding it, and for other infrastructure projects, most notably the increased storage capacity of Bartlett Dam.

In conclusion, I appreciate that Council, the Councilmember I hope I pronounce it, Dubauskas, gave us her insights, shall we say, of fiscal prudence. I would throw back at you, ma'am, that you and others voted on a circle intersection that was already very close to completion, with rejecting city staff's reasoning for going with the circle and consequently, you threw away $31 million. I consider that fiscally imprudent. Thank you, ma'am.

Mayor Borowsky: Thank you. And finally, Dan Ishac.

[Time: 03:48:24]

Dan Ishac: I would like to, sorry, Dan Ishac, address on record. I would like to echo Ms. Janik's comments about the BRC doing a yeoman's job. I have attended one meeting in person and watched several on video. And they're doing what we need to do. And I will also compliment the city overall of really trying to be fiscally responsible. They have done some good things.

However, I would like the BRC to call out shenanigans. One example would be when last year's budget was done, we didn't eliminate vacant positions and why didn't we do that? Because some people wanted to come in under budget this year. Now for the next fiscal year, they are eliminating those positions so we can have savings so we can look like we are fiscally responsible. This is all gamesmanship. If it wasn't right last year, we shouldn't do it this year. Or if we are going to have an inconsistent policy, we should admit so we can make things look better.

When we take great pride of spending $90 million on improving our streets, we should also mention the fact that there's one Councilmember who has been this for ten years that allowed the streets to deteriorate and another one who was on the Department of Transportation when the Transportation Department was playing games with regard to the pavement quality index. So, there are things that need to be called out strongly so that the residents of Scottsdale know the difference between sound fiscal management and electioneering. That also goes to when they say that safety is one of our biggest concerns, but as the last gentleman mentioned and I previously mentioned if safety is such a concern, why did we spend 5 million extra dollars and push $30 million into a next fiscal year delaying other projects to make something less safe?

So, I will conclude with this quote from Seneca. And it is really sad that this quota applies 2,000 years later. Beware of men who lie and deceive. They only wish for power. Their speeches are soothing and fiery. Their vision a paradise, but the reality they create is the opposite. If those who vote only understand these men are devils who crown themselves and never look back on the promises they make. Seneca. It still applies today. Thank you.

Mayor Borowsky: Thank you, Dan. All right. That concludes the speakers on our Work Study and welcome all of you. Thank you for sticking with us tonight. So, who is going to kick it off, Mr. Schweiker?

[Time: 03:51:33]

Budget Review Commission Chair David Schweiker: I believe the city treasurer is going to start us off.

Mayor Borowsky: There you go Sonia please.

City Treasurer Sonia Andrews: Thank you Mayor and Council. I have a few quick introductory slides. Today is the commission's report to Council. So, I will just quickly go through my introductory slides and turn it over to the Chair Schweiker. Next slide.

I wanted to start by thanking the Budget Review Commission. We don't have all the commission members here, but we have four of them here I wanted to thank next for the time they took to understand the city's finances, the interest that they expressed, the great questions and suggestions that they have come up with, and also the effort that they spent and all the time they took to review the budget fund by fund with us. Thank you for your patience with staff and thank you for all that you have done for us. Next slide.

Just as a reminder for Council and also for our larger audience who may not understand what the Budget Review Commission does, the Budget Review Commission is advisory to Council, meaning that they do review our budget, but Council remains fully responsible for the city's budget. Per ordinance, the BRC is also allowed to review other budget areas that is outside of the proposed budget, and you will hear from them tonight, on some of those areas that they are proposing to look at. And next slide.

This is my last slide. And I wanted to recap Council's directions and suggestions or guidance for the BRC back in the November 17th Work Study Session. Council suggested that the Budget Review Commission look at financial trends and ratios and compare those trends and ratios to peer cities, look at budget variances and review the proposed budget prepared by staff and bring forward any budget topics for consideration. That's what they have done for the last five months, and you will hear from them tonight, I will turn that over to Chair Schweiker right now.

Mayor Borowsky: Thank you very much. And Chair Schweiker, please proceed.

[Time: 03:51:30]

Daniel Schweiker: Thank you. Mayor Borowsky and honorable Councilmembers, Sunday I was at the memorial service for former Paradise Valley Mayor Ed Lowry with whom I served as Vice Mayor for six years. Ed taught me how to effectively run meetings so that everyone was heard, and felt their input was valuable. Whenever there were issues when there are divergent views, Ed had them work together to find common grounds.

My old friend David Smith started that with the Budget Review Commission last year and we continued to work that way. Mayor Lowry always thought if you studied a situation thoroughly and from all viewpoints, more often than not, there turned out to be one correct answer. That has proven true with the BRC.

This year's BRC is comprised of bright, energized and interested residents, all of whom greatly contributed to our findings. This presentation was authored by all of them, Mark and Brad and I are merely the presenters. As we look at various subjects, all of our committee members are free to contribute on anything they want to join in or talk about.

So, our task was to make recommendations that we think are in the best interest of our residents and the city for the next year and beyond. Especially as we reviewed the CIP projects, it gave us an opportunity to recommend ways to future-proof the city. City revenues are slowing and needs are rising.

Roads and water are two of the long-term challenges that we review, both are important and we all have trust that the city will keep our roads smooth and our water flowing. Sustaining police, fire, water, ambulance and city services amid unknown challenges to revenue will continue to be issues that need close attention.

The BRC could not have done its work without the support of our wonderful city staff. We greatly appreciate their time and especially a time effort and input we received from the city manager and city treasurer. So now let's look at what our work product was.

So, the BRC had discussions and reviews of the proposed budget. We started in December and did it through April. If you go to the next slide, yeah. In December, we looked at financial ratios and then we moved to preliminary capital improvement projects and the general fund revenues with budget variances and then the proposed 26/27 operating budget and here we are to do a report to the Council. So, what did we look at? Mark, you will jump in on this one.

[Time: 03:56:25]

Vice Chair Mark Stephens: Go ahead and go to slide seven. Yeah, I would like to echo somewhat our Chairman said. He was very inclusive with the way he ran the meetings, and I don't think anyone ever felt like they didn't have an opportunity to have their view aired. So, I do want to thank him for that.

The first slide I will go over is the review of the financial conditions report. And that's something that a lot of you might not even know exist, but it's something that a lot of time went into to prepare and it was prepared in a fashion that if anyone ever said the city of Scottsdale does not take financial sustainability serious, there are elements of that report that kind of go through each of the measures that a lot of different cities would look at to determine whether or not they're sustainable and whether there are any red flags in there and it's an excellent document that I'm close to and it does has a very good job of comparing comparing us to other cities, and generally, I will echo the budget is structurally balanced.

The city is focused on maintaining that structural balance and financial stability, sustainability and we did have a chart at the end of that that compared us to other cities. We compared favorably. We did in a way that was dependent on sales tax and tourism.

One other thing that I will add in there because I'm trying to ingrate the discussions from earlier today, fund balances one of the measures that's in there, you saw a slide on reserves. There's over $100 million in reserves that needs to be that it's a fund balance allocation to help on the bond rating and then you talked about this 15 million for lost revenue. My understanding of a lot of the reserves you have or really an allocation of fund balance that's accumulated, excesses of revenue, over expenses over the years and you all have the ability to reallocate those things as you wish. The proposed budget has you allocating over $100 million to the things you need for a general reserve to satisfy bond requirements, the $15 million is there in case you had hidden revenue, you already have the fund balance there to absorb that hit is my understanding of how all of that works and as you will see later, you have another

$50 million in there that's tentatively for potential PSPRS pay downs. I made a recommendation that you look at the roll forward of fund balance that's something that you can decide if you want. That okay. We can go to the next slide now.

Slide two, a new thing that was added this year. We looked at the variances for September and through December, for each of those two quarters. We have not seen anything since then. We had those two to look at. It's a very powerful tool. I think it helped the understanding of a lot of commissioners, particularly new ones but all of us, and understanding about how the mechanics of the city works. You had a pretty big challenge this year. You had a new ERP system put in. That's a big deal. I'm a retired audit partner with Ernst & Young and I have audited companies up to $1 billion in sales. I've seen a lot of ERP conversions. They are never easy they are never as simple as someone said. You did have some differences that popped up, and I would categorize none of them as any unusual things and I think it really took a toll on your people, but they really did an awful good job of managing an awfully good job of managing that and making the necessary changes as they went in. They really did that. That was pretty good.

The other thing I will throw in here, and city treasurer can correct me if I'm wrong. I heard a lot of different comments about flat budget things being down or whatever. The city budgets are very confusing. You have an operating fund, you have an enterprising fund and capital, and when you bundle them all together, you can make them look like they have gone down. I encourage to look at each of the elements. One of the other slides in the presentation indicated that your expenditures were flat to budget but that particular slide included enterprise funds as well as operating funds. So all I want to share with you all, my understanding is if you looked at your operating fund which is really the most important one, most people view from a city, the general fund, the operating fund, and in that case, your the slide there showed that your operating fund expenditures actually went up by $12 million, okay, and then also your expenditures are running $7 million favorable to date this year and the projection is that that will be sustained through the end of the year and so your expenses are going up $20 million this year but we didn't look into any analysis of that. Some of it is completely explainable, ambulances going up. Therefore, the expense side of that went up, revenue went up. So I don't know if you want to look at that or have anyone do any more analysis for you. I just didn't want you all thinking that everything was flat or down, because that's not the case when you look at some of the operating things that are there. Okay. We can go to two more slides, these will go quicker. Slide nine.

[Time: 04:01:48]

On slide nine, the major revenue trends, there is consensus of the group that we got out of that. You know it's very dependent on sales and tourism. There's some risk, particularly from the one big, beautiful bill. Interesting operation on sales tax. The sales tax revenue has increased by 3%. One interesting observation that the staff made. They said GDP growth is projected to be 1%, 1.5%. If I look at those numbers together, your 3% increase in sales tax kind of smells okay. So just a super high-level observation on that. And then on slide ten, this tells some of the things we reviewed. We reviewed the CIP. When we get to slide 13, I want to go over the change you made on CIP, which I think you all have a pretty good handle on it and the impacts on water which you talked a lot about. I don't want to go over the things that have already gone over. I will touch on some considerations on the new methodology. And then we also reviewed operating funds during three different meetings that took place. So, I will turn the next two slides back over to my Chair.

[Time: 04:03:11]

Daniel Schweiker: Thank you, Mark. Yeah, we spent a lot of time. You know, it turns out the one slide, but we spent a lot of time talking about water and roads and everything, and that's reflected in, I think, a lot of the debate that you heard.

So as we look for recommendations for the proposed 26/27 budget and CIP, we had a lot of public comments that were received and we think the Council should know about those and there were a lot of public comments specifically requested that the Bartlett Dam and the APRW projects be re-instated into the five-year CIP, and during this whole process, the city manager said he was putting $100 million in undefined but into water projects back in the CIP project budget, because we think that's very important. Because there's not one thing that's going to solve the water project. There are three our four different prongs. They will all eventually be done. They are all big-ticket items, but they are spread out over a number of years. We felt very comfortable when the city manager came back and said there was going to be $100 million in the CIP project. So we like that.

And then there were also public comments about consideration for the loss of federal funding for certain human services programs, and the city provided a memo on various housing funds and the risks inherent with all of them. So, while that was not really an answer, it gave us a little bit of comfort knowing that they were looking at it and looking at the different options for that. So now we'll go on to the next slide, slide 13.

[Time: 04:05:04]

Mark Stephens: Yeah, 13. So back to me on slide 13. A couple of recommendations, for one the first one was a lot of discussions on the Granite Reef Senior Center and some of the condition it might be in. And there is a recommendation to determine what would be the best course of action with respect to shoring that up.

The second one was a lot of discussion on APRW, and the conclusion there was we really didn't look at all the different options in water. So, we're not your water people. We just looked at this, and Bartlett because those two projects were taken out of the five-year plan. And so that's why they got some attention. And we have heard some really interesting numbers as far as to what this might cost, but I also understand the regulations are so unclear right now, I don't know that anyone could be do a calculation on what it would cost to do that project even though it may be something you ultimately need. The recommendation was that you should consider restoring it once you see what the cost estimates are and if the cost estimates make sense, however you measure that, compared to other opportunities, or other options, then that's why that was one the recommendations.

The third point on the financial sustainability. On your five-year CIP, what the city manager did this year, he took a position that by and large said if I don't have enough information to make an in this is my understanding, our understanding, intelligent, and decent calculation of what it's going to be and the years it will fall, why should I put that in there is? So, a lot of things were taken out on the basis of the fact that we may need them, but we don't have good enough cost numbers to do a meaningful estimate. Therefore, those were generally taken out with the exception of, I think 35 million for the wildlife crossing and then you could kind of put the 100 million for water in there because you don't really know what that is. That would be a little bit of an exception to rule that was there. I compared your five-year projection. The concern there is how does that all impact you? And the city will figure this out but how does this all impact our debt capacity, the borrowing we will need, water rates we need in order to build for certain projects? Unfortunately, there's probably more questions than there are answers but I wanted you all to recognize the fact that all that those project dollars came out of the five-year plan and I think it raises a lot of questions about how you might have to fund certain things going forward.

And then the final comment was on PSPRS, the contribution the I guess the updated actuarial report is not in yet. And this is a reminder of the dynamics there. You do have you had $54.7 million is in your current budget right now, expected to be available at the end of the year if you needed it, it's tentatively designated for that but, again, you can allocate or reallocate things as you wish when it comes to fund balance. And the reminder, I think Councilman Whitehead touched on it earlier is you are basically earning 2 or 3% on the money that you have sitting. You've got, you know, several hundred million dollars of fund balance reserves. You earn a couple of percent on that, but if you put it in the pension, the pension is able to invest it at market rates and that ends up being it's an actuarial assumption, but you will get the actual returns that would defray for additional pension costs. So, it can be a real relief to your operating budget and reduction of police costs if you were to do that, but it's up to you to decide. We're not recommending you to do that because we don't have enough visibility into the other ways you might need those funds. So, we can go to the next slide.

[Time: 04:09:08]

Commissioner Carla: I just wanted to take a second here and expand a little bit on the first recommendation, which is do a feasibility study for the Granite Reef Senior Center. This budget is a 2019 Bond proposal. That keeps getting kicked down the road, because there is no clear consensus on what the potential increase in care for seniors there, perhaps in partnership with HonorHealth or another community partner could be. So, the city manager is absolutely correct, it should go to a feasibility study, but I have a concern that it keeps getting pushed off year after year after year. Everybody would benefit from this, every senior would be a resident of Scottsdale, a resident who helped build Scottsdale, yet it's not in the budget.

But a health clinic for Scottsdale staff is and we value Scottsdale staff. But 80% of them are not residents. So, all I'm saying is if you are going to value staff, also value your seniors who are residents and put this back in the budget, please.

Daniel Schwieker: Thank you Carla. We had great faith in what the city was doing and all of their budgeting things. But several of us took the city budget and ran it through a budge of different A.I. models and look for sustainability and weaknesses and everything and it all came out that Scottsdale is in a really good position, all of them had the caveat that we're very tourism, sales tax-dependent. So, I think those are all very important things to know.

You know, one the things, this is a pretty short presentation that we are giving you and that is because the city staff was so good to work with, that as we came up with ideas during our meetings, they were incorporated into the proposed budget that you are seeing right here. But there are some things that we might want to look at in the future. And these are things that require approval and direction from the Council. So, I will turn that over to Brad Newman to go over those.

[Time: 04:11:31]

Commissioner Brad Newman: Thank you, Dan. Madam Mayor and members of the Council. We went through and looked at as we have gone through the budget, there's a certain amount of spend we have shifted some of that in terms of more roads, more of the basic infrastructure, Councilman Graham mentioned the net asset and maintaining that. That's becoming a greater need as the asset base of Scottsdale has grown, but yet, the breakdown of the sales tax has not. And there's certain amounts of tax going in certain areas where the needs may have changed over time. So, it's been a while since we have looked at. That and these recommendations are really around getting an analysis for next year's consideration of what should that sales tax stack be? Not an increase in sales tax. It's not what should the tax be, but what is the configuration of what we currently charge? It’s a nonchanged analysis to raise taxes is a different analysis.

So, these three recommendations are to ask the city treasurer's office to develop what is the revenue demand that we have, versus where the structural revenues are going because they are mandated and in some cases mandated by voters. So, for example, we have about .3% going to roads. We have about .3% in total going to preserves and I'm not saying that's good or bad, but it's worthwhile to have the analysis. If you are not buying land, for example with preserves, if you are buying land, there's a lot of money going there that gets trapped. And then you and the way to move that around is through voter mandates. So, at some point, something has to be done there and maybe that's a broader strategic consideration. Let's look at the stack at what we will be spending on roads and other aspects. I have heard things around tourism. We don't have the data on that to know is that the right mix or not? But then come back with a recommendation for next year's budget and that would be obviously a much broader consideration for for it because that would end up as some type of voter referendum at some point to decide what the sales tax configuration should be. That may or may not lead to what the sales tax should be. That's the different discussion. What is the sales tax structure?

And then when you look at the first tax, that runs out through 2034 for the preserves that tax was for buying land and for the main purpose of that, I know Carla will have a comment here. And and if we're buying land, then you need that tax. If we're not buying land, you are putting money into an account that can never go anywhere under the way it's configured. With the Prop 490 that takes care of a lot of needs and as I understand there are a lot of by a super vote of the Council, that tax configuration, that particular configuration can be adjusted depending on what happens with the first tax. It's a strategic review of what the revenues are.

The last one was answered by Treasurer Andrews. The 2019 Bond, we are not done with that yet. How much was spent? It was thought that a smaller portion than has actually been spent is has been spent. Two-thirds is committed. But the question was, with COVID, changes to the city, have these things changed enough that it was worthwhile to reconfigure some of how some of the revenue comes in so it's more combatable with the budgeting process. That's the focus. You have this in your appendix, and you can go into more detail. But that will be something that we're asking the city treasurer's office to come back with for next year's review and then we can go through and have a discussion and make further recommendations on that. And Commissioner Carla would like to make a comment.

[Time: 04:15:22]

Carla: Thank you, Commissioner Newman. While I agree with Commissioner Newman. While I agree with Commissioner Newman and my fellow commissioners, that these two items deserve discussion, there's a couple of clarifications. The Prop 490 tax, while you can adjust percentages of where the money goes, with a super majority vote of Council, you cannot go outside the buckets that it's been identified for, which is parks, preserve, public safety and some specific items at WestWorld. If you wanted to go outside those buckets, it would take a vote of the people. For example, to bring in transportation.

Then on the 2004, preserve tax, which the debt will be paid off in 2027, which leaves an additional 7 years, I want to stress that the Preserve Commission has started a year long process to look at what additional qualified projects would be applicable to be covered in the preserve vision for with this tax. And the number one is strategic land acquisitions. Because there are 2,000 additional acres that qualify to be bought with this money, and the Preserve Commission is evaluating that amongst other things, and, of course, nothing would go forward until after they do their review, they come forward to Council for direction. But that is a public discussion, and a Council direction that will need to happen. So, I don't want anyone thinking, there's seven years of free money out there that we could go to voter go out to the voters and repurpose to transportation perhaps. This evaluation has to happen first and direction has to happen because the voters voted for this for the preserve.

And I will add one final thing that Mr. Smith, while I admire his passion, he is incorrect. As the city attorney said, when you look in depth at all the different parts of Prop 420, everything that the staff has in future projects does still qualify for preserve tax dollars under Prop 420. So just a couple of clarifications there. Thank you.

Daniel Schweiker: Thank you. Do you want to go to the next slide? Carla, would you like to talk on this one a little bit?

Carla: Sure. The federal funding cuts contingency plan. Because we know we've had cuts this year.

We'll have more next year, and the following year, a lot of cuts, many families are gonna fall off a cliff because of some of the federal cuts that have trickled down. And this recommendation is we would like to ask you to direct the BRC and staff to look at contingency plans to address how our vulnerable citizens and I stress citizens, residents will be, continue to be helped, many of them are seniors, and without a detrimental impact or at least a full knowledge of the impact on the general fund. So that's first recommendation.

And then the second recommendation is when we did a review at the beginning of our cycle, and we are looking at what are we deficit in? We are deficit at looking at aging facilities and making sure that we are looking at how are we going to refurbish or fund them or get them up to snuff. You heard earlier about a fire station, looking at doing Paiute, that's back in this budget and I thank the city manager for that. We need to look at that and we're asking if you can direct the BRC and staff to look at that over the break, and how how we keep up on that. So, we don't end up in a whole. Those are the two and we would be glad to answer any questions. Thank you.

[Time: 04:19:50]

Mayor Borowsky: Thank you very much. One second, because Councilwoman McAllen was on the board. But do you have any of these recommendations, I have a question about procedure. Did you take a vote? Can we get an idea of what was it a majority recommendation? Was it partial? Was it minority? That would be really helpful.

Daniel Schweiker: Almost everything we voted on was a unanimous vote.

Mayor Borowsky: Unanimous, wow! Look at you. Councilwoman McAllen.

Councilwoman McAllen: I just want to thank all of you, your entire commission, but, especially Chair Schweiker, Vice Chair Stephens and then Carla and Mr. Newman for staying this whole night and being so cheery and presenting these really important points, and, you know, while we're in great shape, we need to be very prudent for how we do things in the future and my thought, as we were just talking Commissioner Carla is before we look to build brand new facilities or add on to facility we should take care of what we already have. Kind of like with the money set aside for the preserve, by so, you know, just thank you for your prudence and being so cautious.

And I want to thank Sonia and Scott and all of your staff as I'm sure all of us up here do, it's been a long process. You are when I talked to you individually, you are saying how great the BRC is. The BRC is saying how great you are. So thank you all for working so well together and for taking the time.

Daniel Schweiker: We do have one more slide to go over, though.

Councilwoman McAllen: Please, don't. I didn't mean to cut you short.

Mayor Borowsky: I thought sorry, excuse me. Please.

Daniel Schweiker: It's too late to cut the evening short.

Mayor Borowsky: Yeah, right. Right.

[Time: 04:21:48]

Mark Stephens: This one is really about a future direction slide, and I wanted to tell you a little bit about what happened, because what was done this year was a lot less than what happened in the past. I will share a little bit about what happened and I will end it with us kind of asking you, what's the depth of the work you want the BRC doing? And what quality do you want of recommendations coming out of it?

And then also, are you open to allowing, seeing if there's a way to allow us access to staff, since this year that was not available to us? As a result, it pales in comparison. My recommendations were not the same. I will provide you all a separate letter indicating things that I think ought to be considered for the BRC, the staff, or internal audit to consider that I think could make a difference on the budget. But we weren't able to get into that kind of stuff this year. What happened this year was there were some changes and there was a we were no longer able to meet with city staff. To develop the budget to find out their thought process and what went into it.

The thought was up there earlier about hey, as you are putting it together, can we gather information from you without directing you, without making any legal decisions in order to be in a better position to come back in a BRC meeting in an open meeting consideration and have more thoughtful discussions. We weren't able to do that and so the preparation was not the same. Our meetings did go too long last year but they were changed this year. Staff recommended that we try to him them to two hours, and there were only five meetings in which we had time to talk over issues and so you saw the presentations you got today. You also had the advantage of meeting with people beforehand from what I can tell you. Picture yourself getting presentations like you got today and that's all you get and then you are supposed to talk and come up with some meaningful recommendations.

Staff might disagree, they might think that we are able to get anything, but it was so difficult to try to get to any people who prepared the information that in my mind, it was I was very dissatisfied an I thought it was very ineffective from my standpoint.

My views are not necessarily shared by everyone, but I we were told Open Meeting Laws and the application which your legal staff is taking on 38.438.101 is not what I read in there and that's what we were told we had to live by and we were not given options to meet with staff. Now having said that because I may be the most vocal on that. If anyone else would like to share their view, go ahead.

And now for the other point of view, Carla.

[Time: 04:24:30]

Carla: Yes. Carla will say the things that other people won't. With all due respect to Commissioner Stephens, he just went a tiny bit rogue. Everything all the other recommendations were unanimous, even Brad and I found ways to agree. So…but what Commissioner Stephens just shared are his personal feelings. I want to stress that staff was extremely helpful, spent a lot of time with us, and legal repeatedly explained why we are constrained by the Open Meeting Law. And Treasurer Andrews worked overtime to make sure to be the conduit to answer the questions we had. So, I would ask you all to end this by bringing it back end to the actual recommendations that we all agreed on' please consider putting some of these items back in our budget. And please consider those seriously. Thank you so much for your time.

[Time: 04:25:43]

Mark Stephens: I just have to add one thing. On our treasurer, I think she and our city staff are outstanding. She is extremely knowledgeable about the city government and what's happening here, and I think you are very fortunate to have her. My frustration is not being able to prepare for meetings adequately.

Mayor Borowsky: Thank you. All right. Thank you all for your passion and your interest in serving and it's very valuable. I'm going to kick it off because I like a lot of these recommendations. I, for one, would like to see you take a closer look at the increase in expenses for this year. I don't know how you do that structurally, before the final budget adoption meetings but I certainly would advocate for another meeting or two, whatever it took for you to look at some of these other issues. A closer analysis on the advanced purification system.

I think there's some it's some murky waters, pardon the pun. Really that was a double entendre pun. I think that would be helpful. And really the puzzle for me, as many years as I have been paying attention to city budgets, what is the what's the actual impact of taking it out of the five-year C.I.P.? How hard is to catch up there? I think we had some answers about that earlier. That's something I would like you to look at and that was on your list.

The 2 million for fire for pay down was already in there. I wouldn't turn myself for that, because that's for us to decide. It sounds like it's a good idea, based on what you said, Mark, as well.

So, the three options that you set forth, one, two and three, sales tax structure review, I think that's really good. I think that's a strong item for you to look at, would that be in this preparation preparation for the next fiscal year, correct?

Daniel Schweiker: For the next fiscal year. We can look at whatever you want us to do we just need direction or resolution from you, as to what you want us to look at, yeah, those are things and the advanced water purification. We don't have any more meetings before you adopt your tentative budget. Those are things we can look at over the next year and we're happy too.

Mayor Borowsky: Okay. I'm just going down your list, actually. These are helpful. And the 2004 Preserve tax repurpose, I think is a good one. I do think that's a good one. You're talking about buying more land. We dealt with that back in 2010 and the answer was no. I would hate to see when Kroy Ekblaw was advising the Council, that was the conclusion, no more land was needed. But without getting off topic, without getting off topic there I would love to see that discussion had. Absolutely. That's my note on the 2019 Bond audit, I will call it an audit of the bond projects. We dealt with that with the parking project, this was a very big issue determining and looking at, I guess really the likelihood or the need or the variance in the bond projects that were approved back in 2019, versus the usefulness or the appropriateness, really, of some of those projects looking at reevaluating them. So having you open the front-lines of those would be of that review would be excellent.

And then lastly, I do think that having an opportunity to hear from staff, have a give and take like we did tonight, with the staff members are the heads of the departments is extremely valuable, and I do think you should have that opportunity. I did talk to the city attorney about this. It would not violate the open meeting law for the for your Budget Review Commission to request that these staff members visit, you know, come present to you alongside Sonia, and it would not be inappropriate at all to have that happen and I do think that would be advance the discussion and information completely, and that's within the scope of your open meeting. That’s not going behind the scenes. I think that is a compromise that would be helpful and I would advocate for that completely.

So, of your list, I'm tired and maybe I didn't capture all of them, but I did like the list. Putting the Granite Reef project back in, I need to know more to form an opinion about that, but I don't disagree with that idea. Thank you.

Anyone else want to talk. I think everyone is asleep. Then my ideas go. I'm speaking on behalf of everyone. Councilwoman Littlefield likes my ideas. Yay! Winning!

[Time: 04:31:32]

Councilwoman Littlefield: I like your ideas. And I like your presentations. Thank you very much for the work that you have done for us and the time you spent putting this material together. Thank you. I like your ideas and I think you ought to continue doing exactly what you're doing. I like what the Mayor said and I support her suggestions and actions for what you can do. Thank you. Thank you very much.

Mayor Borowsky: Thank you, Councilwoman Dubauskas.

Councilwoman Dubauskas: Thank you Madam Mayor. One suggestion that I might make for you to consider is revenue projections. How do we arrive at the revenue projections? Frequently what Councilman Graham talks about our revenue projections are conservative throughout the year, very conservative throughout the year and that's not necessarily a bad thing. But maybe you want to take a look at how do we come up with our revenue projections? Do you think that that's the right methodology? And what might we do consider to do better? The closer we can get to the budget, then we can really determine how much money we need, how much money do we really need? How much do we have coming in and how much do we need to ask taxpayers for? And so that might provide us some opportunities for relief from some of these taxes if we're taking a look at what we need. And so, if we were able to have a little bit more accurate system, that might be helpful. Or you might say, you know, as a group, we don't want to look at that right now, we've got ours set for the next year. So just a thought. You like looking at money, good.

Daniel Schweiker: We're happy to look at anything you want us to look at.

Councilwoman Dubauskas: I think would be helpful. We don't want to end up like Tempe. They are looking at half a point increase. How much money do we really have? How much money do we have to spend and could we provide some relief to our residents? Or, you know, is the current system appropriate? So, thank you.

[Time: 04:33:41]

Mark Stephens: I would like to share something. When you mention something like that, the question is how deep you would like us to get into something like that. I'm from an audit world. So as a result, there are certain things you look at to form an opinion. If it's staff making a presentation like they did today to you, we already got that. So, maybe myself would be happy to dig into something a lot more if there's an area you would like us to and I would be happy to look at how they're coming up one those numbers in a little bit more sufficiency, but then that requires me to meet with the staff who are putting the numbers together, and if I'm allowed to meet with Sonia and the staff, that's okay. I tried to propose something like that last year. My vision is as they are putting the information together, let whatever areas you want us to look in, let us piggyback as we are putting it together. So it’s fresh and we are not taking up their time. Maybe next year when we set the scope, you will have to let us know to what degree we are able to actually get into meaningful information.

Councilwoman Dubauskas: Well, thank each of you, appreciate your time. Thank you for staying late tonight. We appreciate you.

Mayor Borowsky: So, the question was for a Council resolution. Luis, how would you like us to make this so it doesn't kind of just dissipate into status quo?

Luis Santaella: Mayor and members of the Council, since it's getting late, why don't we bring, I will work with the city manager and the city treasurer to bring back a resolution for a later agenda for you to adopt.

Mayor Borowsky: That would be fantastic because there's no way I could remember. No, I'm kidding. All right. Well, with that, I think it's a wrap. Thank you very much for your service.

Daniel Schweiker: Thank you.

Mayor Borowsky: You serve a very big, valuable role for us. Thank you. Yes, if we can table the Council updates until next time. All right.

Councilwoman Littlefield: Yes, yes, I think we can do that.

Mayor Borowsky: Excellent. Happy Cinco De Mayo.

ADJOURNMENT

[Time: 04:35:47]