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CALL TO ORDER

[Time: 00:00:07]

Mayor Borowsky: All right. Now, I call the June 9, 2026, City Council Regular City Council meeting to order. City Clerk Ben Lane, may I please have a roll call?

ROLL CALL

[Time: 00:00:15]

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

Mayor Borowsky: Present.

Ben Lane: Vice Mayor Maryann McAllen.

Vice Mayor McAllen: Present.

Ben Lane: Councilmembers Jan Dubauskas.

Councilwoman Dubauskas: Here.

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Ben Lane: Barry Graham.

Councilman Graham: Here

Ben Lane: Councilman Adam Kwasman.

Councilman Kwasman: Here.

Ben Lane: Councilmember Kathy Littlefield.

Councilwoman Littlefield: Here.

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 Andrews: Here.

Ben Lane: Acting City Auditor Lai Cluff

Acting City Auditor Lai Cluff: Here.

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

[Time: 00:00:39]

Mayor Borowsky: Thank you very much and this evening we have Scottsdale Police Officers Shollock, Savage and Ortiz as well as Scottsdale Firefighters Jack Shannon and Leonard Cornelius, if anyone needs assistance from staff or public safety, please let a member of our staff know.

I would like to ask Vice Mayor McAllen to lead us tonight in the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Vice Mayor McAllen: 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 Kwasman.

INVOCATION

[Time: 00:01:27]

Councilman Kwasman: Thank you Madam Mayor. I would like to introduce Rabbi Pinchas Allouche. He's the founding Rabbi of Beth Tefillah, where he resides with his wife Esther and ten children, one of who is here today. It is always an inspiration. That's how you win. He's a respected Rabbinic figure, a renowned lecturer. Rabbi Allouche is also a blogger and has written on many publications from his op eds to the Huffington Post and the Times of Israel and more, and he was listed by the Jewish Daily Forward as one of the 36 most inspiring Rabbis in the country, if not the world, in shaping 21st century Judaism. With that, Rabbi, thank you Rabbi

Rabbi Allouche with Congregation Beth Tefillah: All of those humbling words. Please rise and join me in reflection. Master of the universe, Honorable Mayor Lisa Borowsky, city officials and all of those convened here to fulfill one of the commandments, commandment to govern by just laws rooted in you, God, as the solemn ruler of all people and all nations.

Friends, I stand before you tonight, not as a guest, but as a grateful neighbor, blessed to live in a splendid city and humbled to Shepherd a congregation, a congregation of Beth Tefillah, who many call Scottsdale home. We thank four the blessing of Scottsdale, a city born from the vision of pioneers who looked at the desert and saw possible and looked at barren land and saw flourishing neighborhoods and looked at a handful of settlers and so one of America's extraordinary communities. These great visionaries embodied the timeless truth inscribed on the great seal of the United States of America, out of many one. And they understood that greatness is not built by individuals alone, but by people of different backgrounds, cultures and faiths who come together for a shared purpose and a cause greater than themselves.

And so, God, please bless our Mayor, Vice Mayor, Councilmembers, all of those entrusted with public service and all of us, that we may prove worthy of this remarkable legacy. Grant our leader's clarity in moments of uncertainty, courage in moments of challenge, humility in moments of success, and the wisdom to guide this great city with integrity and compassion. Above all, Grant them what king Solomon sought, an understanding heart to serve faithfully. May Scottsdale continue to shine as a city where tradition meets innovation, responsibility walk hand in hand with opportunity and where neighbors care for one another and where every resident can give with safety and security, dignity and respect, as my beloved mentors, of blessed memory often taught, the world is not perfect, but it is perfectible. May we each do our part to perfect it, bringing more light, more goodness, more kindness, and more healing into our city and into our world.

And finally, in the words of our great teacher Moses, may it be your will that the glory of your presence dwells in the work of our hands and dwell in the works of our great leaders who are gathered here tonight and in the citizens of this great city and let us say amen.

Mayor Borowsky: Thank you very much, Rabbi. All right, turning to the Mayor's Report.

MAYOR'S REPORT

[Time: 00:05:37]

Before we embark on that for tonight's meeting, I would like to acknowledge a strong and valued member of our WestWorld staff, an employee of nearly 30 years here in Scottsdale, Walt Weir who unfortunately and untimely passed away last week. And Walt was known as a respected, respected not only for his expertise but for his care and diligence and dedication to WestWorld and the stakeholders that call WestWorld home on a regular basis. Certainly, we extend our heartfelt condolences to Walt's family and friends and coworkers. He will be remembered with gratitude and years of service and lasting impact here on our city and at all of the events at WestWorld. And so very add occurrence and he will be missed for sure.

And moving on, I would also like to highlight that joining us this evening is the members, some members of the North Miami Youth Council, who are visiting all the way from Florida. That's a long trip. North Miami Youth Council is a youth advisory Council, appointed by their peers providing youth perspectives on community issues, while developing leadership and civic engagement, which is much like the Scottsdale's Mayor youth Council, who is a very impressive group of young individuals, high school students, actually who facilitate ideas and bring them forward, such as the prohibition on vaping here in Scottsdale last year. So, they do great work and we're thankful for the Youth Council from Miami that has joined us. Do we have any members of the group from Miami here with us? All right, we will invite you all well, I recognize some of the Scottsdale ones. They're frequent flyers around here. All right, I will have y'all come down for a photo. I understand, please join us down here at the front. And the Council.

Mayor Borowsky: All right. Thank you very much for being here tonight, Miami, I think it's something else. North Miami Youth Council. That was a treat. Okay.

EXECUTIVE SESSION

As is always the case, during tonight's meeting, the Council may make a motion to recess into an Executive Session if we need legal advice on any applicable item on the agenda and if so authorized, it would not be open to the public and we would come back to the regular meeting when we were done. So, meeting minute approvals.

MEETING MINUTES

Unless there's any questions or comments, revisions, I will move to approve Special Meeting Minutes of

April 28, 2026, Executive Session Meeting Minutes of April 28, 2026, and Regular Meeting and Work Study Session Minutes of April 28, 2026.

Councilwoman Littlefield: So moved.

Mayor Borowsky: And that was a second. So please indicate your vote. Thank you.

ADDED ITEM

[Time: 00:11:15]

This evening we have item 22A which was added to the agenda on June 3, 2026 and as such it requires a separate vote to remain on the agenda. Unless there's any objection, I will move to accept the agenda as presented and add the item number 22A to the consent agenda.

Vice Mayor McAllen: Second.

CONSENT AGENDA

Mayor Borowsky: Please indicate your vote. Next, we have Consent Agenda items 1 through 22A, and as soon as this pulls up, I will entertain any questions or comments on any items on the Consent Agenda. Does anyone have any...

Councilwoman Whitehead: I do. I pushed my button.

Mayor Borowsky: Councilwoman Whitehead.

Councilwoman Whitehead: Yeah, I think I would like to move 21 to the Regular Agenda because I'm gonna ask for a continuance on that.

Mayor Borowsky: Okay. We will go ahead and pull that off for now and put that after we vote on the balance of the Consent Agenda items.

Councilwoman Littlefield: 21?

Councilwoman Whitehead: Ben, did you get that? 21.

Ben Lane: One of the PSPRS funding policies?

Mayor Borowsky: We will hold that in abeyance. I will entertain a motion...

Ben Lane: Mayor, I apologize, we have one public speaker.

Mayor Borowsky: Oh, speakers. I'm rolling right along. We have Consent Agenda item 22A, former Mayor David Ortega is here. I don't think I saw him. Oh, if he shows up. Going once, twice. Okay.

Seeing no public speakers, I will now entertain a motion to approve Consent Agenda items 1 through 20 and 22 and 22A.

Councilwoman Whitehead: So moved.

Councilwoman Dubauskas: Second.

Mayor Borowsky: Please indicate your vote.

ITEM 21

[Time: 00:13:56]

Now we have Consent Agenda item number 21. I will turn the floor over to Councilwoman Whitehead for discussion or questions.

Councilwoman Whitehead: Yeah, I don't need a staff presentation on this. The I've spoken to actually members of the Scottsdale Fire Association and also POSA and I appreciate City Manager Caton's trying to increase the comp allowance, but I think what we're looking for or what the members of each of these organizations is looking for a work study session or a yeah, a work study session on the item. So, I would like to continue it and ask the city manager to put this on so there can be a public discussion. The concerns are real in terms of the financial. There's a lot of complications with this that were outlined in the memo. I think that's good. Fire does not have comp at all. So maybe an opportunity to discuss this further so the public understands, the members of these organizations understand, and we also have parity between police and fire.

So, I move to I guess continue this item with the intent of having a work study session if the city manager can get back to us on that one. I have to withdraw my motion. I'm looking at paper, instead of my iPad. I said PSPRS was the item I wanted to oh, I see. I pulled the wrong one. I wanted 20. Okay. That is a mistake on my part. What are my options on on that? Can we reconsider item 20?

[Time: 00:16:05]

City Attorney Luis Santaella: Mayor, members of City Council, Item 20 was approved by the Council so a member of the prevailing side would have to make a motion for reconsideration. As it stands, item 21 has not been approved.

Councilwoman Whitehead: Okay. I move to approve item 21.

Vice Mayor McAllen: Second.

Mayor Borowsky: Hold on. Let's vote on that. Please vote on item 21.

ITEM 20

[Time: 00:16:35]

Councilwoman Whitehead: And I would like to make a motion to revote on item 20, if my colleagues would so consider that.

Councilman Kwasman: Point of order.

Mayor Borowsky: Motion for reconsideration.

Councilman Kwasman: The motion for reconsideration is not --

Councilman Kwasman: You voted in the affirmative?

Councilwoman Whitehead: I did.

Mayor Borowsky: Okay. There's a motion and a second to reconsider Consent Agenda item number 20, and I would like a little more information on this. I know you mentioned it earlier, but...

Councilwoman Whitehead: Well, okay. Do we need to be before we can I can talk to the item, don't we need to vote? No? I will be glad to speak it.

This was a very generous offer by City Manager Caton to bump the comp allowance from 80 to 120, but I think the discussion is a little it's a little broader than that, in that we have public safety is not covered equally and also there's a desire to there are some other desired changes. So maybe it might make more sense, rather than to put administrative work making this change to have a work study session or a report from the city manager on I think a work study session is what I would like to further discuss how the comp works and how it impacts our budget and what the options are and what other cities are doing with this.

Mayor Borowsky: Thank you.

Councilman Graham: Mayor, forgive me, I seconded the motion, which I wish to I wish to withdraw.

Mayor Borowsky: Okay. Any other second?

Vice Mayor McAllen: I will second the motion.

Mayor Borowsky: Okay. So, all those in favor of motion to reconsider item number 20, please indicate your vote.

REGULAR AGENDA - ITEM 23

[Time: 00:18:57]

All right. Moving right along. We have Regular Agenda item number 23, truth in taxation hearing on proposed fiscal year 2026/27 property tax levy. We have a presentation from Scott Selin, the Budget Director and I will open the public hearing on item 23.

Budget Director Scott Selin: Thank you. Good evening, Madam Mayor, members of the City Council. Before I begin with the proposed property tax rates for next fiscal year, I wanted to take a few moments to go over some property tax basics for everyone that may be watching. Our property taxes are assessed by different taxing districts as shown on this slide. The city's total organization of the overall property taxes are only about 15% of the overall property taxes that are being assessed. That 15% is made up of two components, the primary component, which mostly goes to the general fund to support general city activities and there's also a small portion that goes to the risk management fund for tort settlements and then the secondary property tax, which goes to support voter-approved bonds.

Currently in this fiscal year, the city's property tax rates for a residential owner-occupied home is about \$6.10 per \$100 of total assessed value. Most of that goes to schools, counties and special districts, as you can see on the slide here. The city's portion is the 49 cents, and 42 cents that are kind of listed in yellow off to the right. For a total of 91 cents per \$100 of assessed value.

The property, the property taxes are not calculated based on the fair market value or the total cash value of the home, they are on the limited property value or LPV as it's sometimes abbreviated. In the current year, the LPV for Scottsdale residents is \$398,851. The table on the right takes that LPV and converts it into how much property tax is paid. So, looking at that city row there, if we applied a 91-cents rate per \$100 of assessed value, that comes to \$362.95 of the total property tax bill of \$2,444.95.

Limited property value is lower than the market value the limited property value is restricted in how much it can increase in a given year. The limited increase is limited to 5%. So even if the market value increases significantly in a given year, the LPV will increase by a maximum of 5%.

Getting into the proposed property tax rates for the upcoming fiscal year. They are laid out in the orange column on the slide in front of you. The primary and the secondary property tax rate for 26/27, it's a total of 90.7 cents. When you compare that to the previous year's property tax, it's a reduction of .5%. When you look at the individual components themselves, the primary property tax rate is decreasing by 1.8%, and the secondary increase is by .9% and I will go over why those are changing in some upcoming slides that are coming up.

We put this chart together to show how Scottsdale's proposed property tax rates for fiscal year '26/27 compare to those neighboring cities of ours in the valley, and you will see that Scottsdale compares very favorably to many our other city many of our other cities, neighboring cities.

This table explains and kind of cross-walks the change in primary property tax from our current rate to our proposed rate in orange at the bottom. So starting at the current rate of 48.9 cents, the the appreciation in assessed value causes the rate to decrease by about 1.8 cents. New construction presents no change to the rate, it does not increase the rate, I will come back to new construction in just a moment. There's a provision in law that allows us to increase the maximum levy by 2% annually that adds about 1 cent to the rate and then a reduction in city tort settlements is a decrease by a tenth of a cent. When you add up the percentage changes you get from the current rate of 48.9% to the proposed rate of 48.0%. And then you take the levy column on the right and add in all the changes contemplated on the slide for new construction, the 2% levy increase and then the reduction in tort settlements and you get to the proposed total levy of \$41.3 million.

[Time: 00:24:24]

This table shows that same crosswalk but for the secondary property tax rate with a current of 42.3 cents, the appreciation and assessed value pushes the rate down or decreases the rate by about 1.4 cents and then the amount needed for debt services increases by 1.8 cents when you get to a proposed rate of 42.7 cents on the secondary property tax side and the levy changes to from \$39 million to \$36.7 million.

This slide shows the impact of the property tax rates on a median property in the city. The median limited property value increases from the current year to the proposed 26/27 year from \$389,000 to \$418,000 as listed there on the slide. That median limited property value is an increase of 5% in '26/27 compared to the previous year. At the 90.7 cent rate that the city is proposing for '26/27, the actual property tax to be paid to the city in fiscal year '26/27, is \$379.76. And that's a 4.6% increase compared to the previous year. And that is due to the increase in the median property value going up.

I put together that table to show primary and secondary property tax rates for the last several fiscal years. At the high mark of 34/24, you'll see the high mark at 98.1, it's been fairly steadily decreases every year since then to the current proposed level of 90.68.

Adopting the property taxes is a two-step process. The first step is tonight, we are asking Council to conduct the public hearing and adopt a motion to levy the property tax rates and on June 23rd, we will ask Council to adopt the property tax levies and to fix the actual rates.

And this is the action that we're requesting of Council tonight and I believe that's the last slide. So, I would be happy to stand for any questions.

Mayor Borowsky: Thank you, Scott. And I now officially open the public hearing on item 23. And we have no public speakers on this. So, I will move on to questions from the Council. Councilwoman Dubauskas.

Councilwoman Dubauskas: Thank you, Madam Mayor. So, what this presentation would suggest is the property tax rate, the percentage would go down, but because property values increased, the out-of-pocket payment that the residents pay would go up?

Madam Mayor, Councilwoman Dubauskas, that is correct, for a median property in Scottsdale.

Councilwoman Dubauskas: Okay. And what is the amount that it would go up? About a million, it looked like?

Scott Selin: Is this what you are referring to right here?

Councilwoman Dubauskas: Mm-hmm.

Scott Selin: Yes, overall, the city's primary property tax levy will increase by about \$1 million and a significant portion of that is due to the 2% increase that we are permitted to levy and that's the majority of what's driving that increase of \$1 million.

[Time: 00:27:55]

Councilwoman Dubauskas: Okay. And so new construction is .3? So that would not be part of the increase?

Scott Selin: Madam Mayor, Councilwoman Dubauskas, that's correct. The new construction contributes to the levy but does not change the rate.

Councilwoman Dubauskas: Okay. So, on current homeowners, then the net to the city would be about \$700,000 increase? If we take new construction out?

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

Councilwoman Dubauskas: Okay, and City Manager Caton is this something you included in your budget forecast?

City Manager Greg Caton: Madam Mayor and Councilwoman Dubauskas, yes, these additional funds are calculated within the proposed budget.

Councilwoman Dubauskas: Okay. Thank you.

Mayor Borowsky: Thank you, Councilman Graham.

Councilman Graham: Scott, thank you for the presentation. This 2% increase, is that kind of like, what when is the last do you have any memory of when we have increased that?

Scott Selin: Madam Mayor, Councilman Graham, I'm not aware of that. I would have to research that and get back to you.

Councilman Graham: Okay. It's it's the kind of thing that we can kind of inch up taxes a little bit every

year, legally and we don't have to go to the voters or anything. I have been following. This I think Councils just sort of wave it through every time. I have been tracking this for 15 years or so. City manager, is it if we if we I don't know, with inflation and all the cost increases that our residents and everybody is facing, I mean would it be catastrophic to our budget if we just held off for one year?

Greg Caton: Madam Mayor and Councilman Graham, we have a number of projection estimates within our budget. I would say a large part of our revenue stream does not come from property tax. A large part of our revenue stream comes from sales tax, state shared revenues and fees. So in the grand scheme of the pie chart that I believe my colleague has articulated through the budgetary process, the property tax is a fairly small portion of the overall revenue stream and we have the fortunate benefit here in Scottsdale of significant amount of tourism, and the super events and the events and that brings a lot of outside money into our revenue portfolio, and to directly answer your question, we project the budget that is nearly \$1 billion on the operating side, and if we had 800 excuse me, 8 or 700 less in revenue, I believe we would be able to absorb that less revenue, should that be Council's wishes.

Councilman Graham: I mean I just think about gas prices are absorbing and how that trickles and reverberates across every other aspect of the economy. We do but we don't have to every year. I know that this city manager City Manager Caton has worked really hard to scrutinize the budget. The things that he's done to make things leaner and operationally efficient. Without recklessly going about it, can we I would like to make a motion, maybe give giving our residents a break for the year, and to keep that to keep that flat instead of the 2% increase, so that, you know, residents now, people people blame us when the county or the state or some other reason property taxes go up, we can't control that.

But there is a sliver there is a slice of what they pay for property taxes that the city collects, and I think a little bit of relief from the city for one year, I don't think could, you know, be the most harmful thing. So, if my colleagues will support me, I will move to keep that maximum levy as close to zero so that people are basically paying what they paid last year.

Mayor Borowsky: Second. I'm going to second that, because this is a great point. There's always the kind of the devil's in the detail because property values go up, your taxes actually go up, so this used to bug me when I was on the Council as well. And also, I note that our revenues are our general fund revenues have been exceeding expectations. So, I think that is a reason to give the money back to the taxpayers and we can do it by in this way by not increasing the property tax. So, I think that's a great idea, I will second that. Go ahead.

[Time: 00:33:10]

Luis Santaella: Mayor, members of the Council, may I make a suggestion regarding the motion? instead of doing a motion to keep things flat. Could we do a motion to not impose the 2% maximum levy increase?

Councilman Graham: So amended.

Mayor Borowsky: Agreed.

Mayor Borowsky: All right. Councilwoman Whitehead.

Councilwoman Whitehead: I will support this but also I would like to have some data on the approximate cost to the homeowners because this is going to affect, I guess, businesses as well as homeowners, all properties. And so, I just would like some so that we can put a number of what's what is the savings. Are we talking about \$5 a month? Are we talking about something significant? And the other thing that I would request is some guidance on where the funding how you know, what will be cut as a result of this. Where are you going to find those efficiencies just so we have an idea of what we are getting and what we are not getting. Thank you.

Mayor Borowsky: Councilman Graham.

Councilman Graham: I think this is an opportunity. this came up talking with Councilwoman Dubauskas before the meeting. So, what if it's \$5? It's \$5. That's 5 more bucks you get to keep. And if it's only \$5, why do we need it? I heard that argument many times. We don't have to force this every year. We've got a multibillion dollars budget. We have literally that would literally be one check. That's smaller than a lot of checks we write. Our average payroll run is how much? So, thank you, Mayor.

[Time: 00:35:07]

Mayor Borowsky: Thank you. And I just want to point out that the city manager did respond to that earlier, in that the current budget with the exception the exclusion of this, would be fine and could absorb it. Thank you. Let's go ahead and take a vote on the motion.

Ben Lane: Mayor, this is a roll call vote.

Mayor Borowsky: Pardon me, please take the roll call.

Mayor Borowsky: Aye.

Vice Mayor McAllen: Aye.

Councilwoman Dubauskas: Yes.

Councilman Graham: Yes.

Councilman Kwasman: Aye.

Councilwoman Littlefield: Yes.

Councilwoman Whitehead: Aye.

Ben Lane: Thank you. The item passes unanimously.

Mayor Borowsky: Thank you. All right.

REGULAR AGENDA – ITEM 24

[Time: 00:36:03]

Item 24. Public hearing on proposed fiscal year municipal streetlight improvement district expenses and property tax levy by district. And this evening we have Anna Henthorn, Assistant City Treasurer, to do the presentation.

Assistant City Treasurer Anna Henthorn: Good evening, Mayor, members of City Council. This action is to solicit the public testimony on the fiscal year '26/27 municipal streetlight improvement district for the proposed expenses and tax levy.

The streetlight improvement districts were established in 1971 to allow taxpayers to pay for the operation of streetlights. The city has 357 streetlight improvement districts, formed by petition of the property owners. The streetlight improvement districts are established for the sole purpose of purchasing electricity for lighting public streets. The city's levy, a special property tax based on the estimated electricity cost for each district.

The operating cost for each district varies in relation to the usage, the number of streetlights, and whether they are serviced by APS or SRP. The city completes 357 property tax calculations for each district and that represents 33,970 properties.

Here is the streetlight map. The red represents the APS and the green is SRP. The 2026/27 levy is \$642,566 with an average levy per lot of \$18.92. The average increase is \$1.89 per property. This action item is to solicit testimony on 26/27 tax levy with a request for a motion to adopt the annual statement, estimated expenses and levy the proposed '26/27 streetlight improvement districts by district, taxes to be assessed on June 23, 2026, based on the ordinance and I can answer any questions you may have.

Mayor Borowsky: Thank you very much. I don't see any questions. And I don't have any public speakers. So, with that, I will entertain a motion to adopt the annual statements and estimates of expenses and levy on the proposed fiscal year '26/27 municipal streetlight improvement district taxes by district with taxes to be assessed by ordinance on June 23, 2026.

Councilwoman Littlefield: So moved.

Councilman Graham: Second.

Mayor Borowsky: Thank you. All those, please indicate your vote.

REGULAR AGENDA – ITEM 25

All right, moving on to item 25, final public hearing on the fiscal year 2026/27 budget, presented again by our Budget Director, Scott Selin.

[Time: 00:39:44]

Scott Selin: Thank you, Madam Mayor. This is the adoption timeline for the budget. We're at the last step tonight, where there will be a public hearing, final public hearing and adoption of the budget. This slide shows the amount that was enacted in the tentative budget, the total is \$2,000,000,118.9. That amount is the maximum expenditures that the city may have in its budget next year. Overall, the budget is split up between operating 838.2 million for operating and 881.9 million for capital improvements and 398.8 million in contingencies and reserves.

This summary slide is the same slide that we have shown in previous presentations. Compares the FY '26/27 budget, kind of breaks it up into operating, capital and reserves and compares it to the previous years. If you look at the budget line, the tentative '26/27 budget set \$85 million less than the '25/26 adopted budget, about a 3.8% overall decrease.

This slide describes some of the pay table and compensation changes that are part of the budget that will be that compensation changes in the budget there's step plan and market adjustments effective on July 1st for fire sworn employees. Those changes by sworn rank are shown on the table on this slide here. Additionally, sworn employees will be eligible for longevity, annual payments that will be effective September 1, 2026. I did also want to highlight that there will be the budget contains merit of up to 3% and market adjustments of 1% for all other employees.

This is the action that we're requesting tonight to hold the public hearing on the budget as approved tentatively on May 19, 2026, and that brings me to the end. I will be happy to stand for questions.

Mayor Borowsky: Thank you, Scott. I do have quite a few public speakers on this agenda item. So, I will go ahead and call on them. Starting with Dan Ishac. Followed by Betty Janik, Bruce Hallin and then Freda, excuse me, Hartman.

[Time: 00:42:10]

Dan Ishac: Dan Ishac, address on record. Thank you, Mayor. As I mentioned at the last meeting, I have some concerns with this budget. And while I agree with Barry Graham that we should not increase taxes for the sake of increasing taxes, I find it fascinating that he's concerned about a \$700,000 increase in taxes but he has no problem throwing away \$700,000 on a crosswalk that's gonna benefit about 50 people.

Now, Mr. Kwasman would like to say that that crosswalk is for the safety of the elderly and the children. Yet, I haven't seen any proposals that the parks, which seven days a week, have children crossing major streets to get to, have such crosswalks, nor have I heard anybody mention that our senior centers have such crosswalks. It's not about safety. It's a pet project of Adam Kwasman, but again, that's only a few hundred thousand dollars.

My bigger concern, as I mentioned last time, is that this Council continues to claim that they're being fiscal stewards with their money. They are taking credit for a \$50 million decrease in pension funding for the police. That would be like saying, I made a down payment on a house last year of \$50,000 and therefore since I don't have to make that same down payment this year, I saved \$50,000. It's not a savings. Just like eliminating 50 positions that are empty is not a savings.

But the biggest issue with this budget is kicking the can down the road with regard to our water security. I do not believe we are imminently going to run out of water. I'm not that extreme, but we do know we need additional solutions for our water. Our city manager has removed all funding from the CIP for water projects claiming that we don't know how much they're going to cost. No corporation in the world would do such a thing. You put a place holder. You plan for it. And when we get additional information, we adjust it. To pull out all funding for the next fiscal year for water solutions is irresponsible, political nonsense. And I think the Council should refuse this budget because it is committing the biggest sin of government, which is kicking the can down the road. We cannot afford to do it. It's bad enough we do it at the federal level. It's bad enough we do at the state level. We should not be doing it at the city level.

So, vote against it or put money in the CIP for this coming fiscal year for water solutions whether it's additional sources, whether it's purification, whether it's infrastructure, to get our reserves out of the ground, do something. Put it in the budget. Act on it. Thank you.

Mayor Borowsky: Thank you. Betty Janik. Good save, Former Councilwoman Janik.

[Time: 00:45:25]

Betty Janik: Could you turn on the Elmo. Okay. Following up on what Dan just said. I would like to talk about the APRW program, Pure Water Phoenix, \$300 million for this project, about halfway through, mostly grant money, it's gonna be done in two and a half years. Scottsdale, what did we do? We zeroed out that number. We have removed \$67.6 million from our CIP. Pure Water projects work. They are ongoing in Arizona, California, Utah, Texas, Australia, and they are actually working in Namibia, and for decades in Singapore. So don't tell me they don't work.

Now, Scottsdale's water budget '26/27, \$233 million in water projects were removed from the five-year CIP. 94 million comes from reducing the scope of existing projects underway. \$139 million comes from projects not yet started. This was \$100 million put into a new category, delayed for a year, called sources and supplies. This is very fuzzy. It is very nebulous and it should be defined. 11 staff positions in the water department were either eliminated or moved to another department. Why did you change the accounting methods for the '26/27 budget? That seems very political to me.

Now, where is our funding coming from for Pure Water Scottsdale? For drilling wells and lift stations to retrieve water from storage in southern Scottsdale and move up to north Scottsdale? Not to even mention, Bartlett Dam, Harquahala and buying and trading for San Diego's CAP water. The biggest omission that you've omitted is no funding for conservation. That is what's going to bridge the gap between what we have and what we need while we develop these new water programs.

And the other thing is we are not even covering the true cost of water right here, right now.

This is a priority. It takes time to develop new sources. Good governance makes the tough decisions to protect citizens. It is forward looking. It shows leadership. It is profiles in courage. Where is the promised transparency? No discussion. No outreach to the public. No work study sessions with the public. It looks like politics to make the budget look good is winning out over common sense in this election year. My ask is very similar to what Dan said. Adjust the water budget before passage. Make those tough decisions in the best interest of the citizens so we can continue to rely on Scottsdale water. Thank you.

Mayor Borowsky: Thank you. Next, we have Bruce Hallin.

[Time: 00:48:41]

Bruce Hallin: Good evening. For those that don't know me, I'm a 30-year Scottsdale resident and the former director of water supply for the Salt River Project with over 40 years of experience in managing water resources in Arizona. I very much appreciate the opportunity to address the Mayor and Council on this critical role that water plays in our community.

There are three main points I would like to make. Past leaders in Arizona have long understood and had the foresight to work together regarding the need for investment in water infrastructure, and that construct has not changed today. We invested in infrastructure that secured reliable water supplies from varied sources of water that have provided the resiliency and reliability that we're all benefiting from, however, that water resiliency is at risk immediately and significant investment is needed to address a dwindling Colorado River water supply. Scottsdale is not yet in a crisis but without significant investment in water infrastructure today, we are placing undue risk on future generations residing in this community.

We owe it to the residents and the community that Scottsdale is actively investing in specific projects and programs, which is my second item. Identifying specific investment in specific water infrastructure and demand reduction programs ensures water certainty. A lack of water certainty creates consternation in the city's ability to meet future demands and media outlets will have a field day educating everyone on Scottsdale's lack of preparedness. We're seeing that today as others make statements and claims that Scottsdale is at high risk in lacking preparedness. By not specifically identifying and setting aside funds for direct investment, and specific projects, Scottsdale is creating unwarranted, uncertainty in its water supply planning.

Therefore, it's critical that Scottsdale include in its budget specific dollars that are dedicated to specific water infrastructure projects and resource programs that protect and maintain Scottsdale's water certainty and conveys a message to all Scottsdale residents that water infrastructure investments are a priority for the city.

Removing water projects from the budget sends the wrong and what could result in it being a very costly message for Scottsdale, which is this is my last point, water is typically top of mind in a priority issue of concern for all valley residents. Now is the time to over communicate and provide residents with the facts

and the data they need to feel comfortable that the city is responding responsibly and proactively to this ongoing drought. Including explaining investments, benefits and its costs. A cohesive, focused and consistent message is important. If the public is confused, it will be reluctant to support funding needed for water infrastructure and conservation programs, which ultimately results in project delays, lost opportunities, and increased costs for the city.

Thank you for the opportunity to briefly share my perspective and my 40 years of experience and I've dealt with this before. I can tell you, it's a challenge. I look forward to working together with Scottsdale water and the Council. Thank you.

Mayor Borowsky: Thank you so much, Bruce. Freda Hartman. Followed by Steve Sutton, David Ortega, Barney Gonzales.

[Time: 00:52:35]

Freda Hartman: Thank you. Good afternoon. Good evening by now.

Mayor Borowsky: You know, I'm sorry. I should have noted. The speaker's podium is over on this side now. So just to make sure we capture you accurately.

Freda Hartman: I should aim this way?

Mayor Borowsky: You gotta walk across, I'm sorry, Freda.

Freda Hartman: Oh, I've got to go over there?

Mayor Borowsky: I was like, where is she? She's speaking. It used to be there. So apologies.

Freda Hartman: Okay. Good evening, Mayor, Vice Mayor and Councilmembers, I'm Freda Hartman. I currently serve on the Scottsdale Library Board, and last year I provided public comments in support of a library project in the CIP budget. I represent myself only and not the board and I want to speak in favor of that same project, which is included in the proposed CIP budget this year for your approval. The project adds a second to main floor restroom on the west side of the Civic Center Library. This is currently one restroom on the far east side of that floor. The total floor space is 103,000 square feet. So, it's quite long walk from the west side to go to the east side. The patrons must walk through five busy areas. Those include children's, teens and cafe main lobby and the information area to get there. The next nearest restroom is on the lower level, and is reached by stairs or elevator, which can present a problem for people who have mobility issues and also for families with children. I strongly support this CIP project request and I ask for your approval of it.

And if I could, Scottsdale is very fortunate to have so many library advocates and users. The usage metrics each quarter that we have seen continue to climb as they should, in a great library system in a world-class city, which Scottsdale is.

As I end my term of service this year on the Library Board, I want to thank each one of you for your continuing support over the six years that I have been here. To improve our public libraries, and to make the libraries better. As city leaders, you came to each one of our branches, and you brought yourself, your families and your friends and I'm sure that our gate counts really benefited from that, quite a bit. I think they went way up.

But as city leaders, please know that your support is so very appreciated, and so I want to also thank City Manager Caton and his team for their commitment to improving the budget review process, to find where there can be better efficiencies in requested projects, and also to improve the overall effectiveness as a business person, bottom line business person, that appeals to me. And I really appreciate and I value the fact that we tried to find efficiencies and effectiveness in this new process. So, with that, I want to thank you all very much and I ask for your support on this project. Thank you.

Mayor Borowsky: Thank you. Steve Sutton.

[Time: 00:56:39]

Steve Sutton, address on record. Good evening, Honorable Lisa Borowsky, Mayor of Scottsdale and Councilmembers. Scottsdale is under attack. The attack threatens the current and future security of Scottsdale. The attacker's physical characteristics make it difficult to identify them amongst the population of Scottsdale. Fortunately, the weapons they use easily identify the attackers but unfortunately these weapons also make it impossible for law enforcement to defeat the attackers. Other means are required to defeat the attackers. The other means are Scottsdale residents who are aware of the attack and actively counterattacking in defense of Scottsdale.

If you do not know who the attackers are, the following explanations will help to identify and defeat them. The attackers weapons of choice are rhetorical and psychological tactics to manipulate people with false claims and explanations of your irrational fears and people stop using critical thinking skills. It's to maintain power over power. The use of these weapons is identified by the word demagoguery. The people who use these weapons are identified by the word demagogue. The goal of a demagogue is to achieve and maintain power over their self-interest, not the interest of people. They are residents of Scottsdale who use phrases such as toilet to tap and poop water and sewage Solange, not due to ignorance but deliberate use of demagoguery.

As this Council and most of Scottsdale citizens know, any claims of a need to delay funding of plans to initiate advanced purified recycled water treatment because of unknown safety factors or the impending changes to state regulations are not credible. These regulation changes will not significantly increase the cost of the equipment and operation necessary for advanced purified recycled water. This Council is voting for a budget that fails to fund for what is known in Scottsdale as advanced purified recycled water, also known as direct to potable. This is directly outrageous of this Council. This appears to be nothing more of a political manipulation to increase the power of the current Council majority. Prove me wrong, fund advanced purified recycled water.

Mayor Borowsky: Thank you Steve. Next, we have former Mayor David Ortega. And I understand Barney Gonzales how much time do you need four minutes? Five?

David Ortega: Yes, thank you.

Mayor Borowsky: Five minutes. Okay, thank you.

[Time: 00:59:31]

David Ortega: Good evening, Mayor and Council. Happy to be here. You know, the entire southwest is bracing for a severe I say severe cuts of the water, which is delivered by the Central Arizona Project. It makes the news every day, and we are bracing for a large shock everywhere in Arizona, and especially here in Scottsdale. It's also shocking that the city budget has eliminated \$230 million in CIP water projects over the next five years. \$230 million is not spent in one year. It is spent in because it's planned and for this coming year, it's approximately \$60 million. This is part of a roll out that's been in progress since Mayor Drinkwater. I recall being at the water campus in 1989, and in 1987 is when the first delivery of CAP water came to Scottsdale.

Just two years after it started to be delivered, Scottsdale became renowned as an amazing campus for innovation, for recharge, as well as recapture of our precious water. However, right now, it brings into question by reducing and tossing out the plan that I would say I worked on with Councilman Littlefield, Bob Littlefield, as well as the current Councilwoman during my term, as well as, of course, our Councilwoman Whitehead. It's not a happenstance that we have what's considered the best water system and reclamation system. I have to review with you that I was on Council 25 years ago when we signed a deal with to annex Desert Mountain. They had no water and we made a deal to preserve our aquifers and recapture and reclaim the water we get.

Why is this so important? It's so important because the delivery of CAP water enabled the development of north Scottsdale. Basically, all the area north of Indian Bend where SRP's canal arrives, that's all dependent on the CAP allocation. And what that means is SRP water cannot go north but the other water can has to remain well, that's the only water that north Scottsdale has to work with.

Right now, the allocation is 80 80,000-acre feet. Back in '89, it was only 20,000-acre feet. However, the CAP has never delivered more than 65 last year we only got 65. An allocation can say one thing but the reality of what the yield is upstream is another. And we are on the verge of being told by the federal government because it is all federal water. Hey, folks, you're gonna get 50% if you're lucky. You're gonna get 40% if you're lucky and you will have to live with it. That's very striking thing that's that faces all of our schools, our businesses, and every resident in town, but especially because if you live north of or around Shea, all the way up to Desert Mountain, 90% of your water comes from CAP.

Some cities, like Gilbert only get 20% from CAP water, well, yeah, if you get cut by 50%, for us, it's a huge it's a huge cut. Now, what did we rely on? We were known, as I said, as a very progressive, innovative leader in the country. Today the budget is basically saying let's put it off. Let's wait and see

how bad it is. Scottsdale has never planned that way. We've never said we're going to reject the technology that we have and stop buying supplies and continue the innovation that we need.

For that reason, at this time, I am requesting that you reinstate the five-year CIP plan. Now, if you are wrong, you're not gonna spend it. If you are, it has to be in the budget, but you can't just toss it out and say, it's no longer valid. A budget requires the planning that will look ahead to cover those costs in an ordered way through the treasurer's office, and every contract is approved at the Council level.

Back to what we're dealing with, Scottsdale has been able to over the last 25 years to save billions, almost 160 billion gallons of water in our aquifer. That's a that's like a mini Lake Powell, but it's it's in Scottsdale.

Mayor Borowsky: Excuse me. David.

Daivd Ortega: We don't conserve our water, those aquifers will collapse.

Mayor Borowsky: Thank you.

David Ortega: So again, I would strongly suggest that you restore the funding as stated and spend what's necessary so that we can sleep at night. Thank you.

Mayor Borowsky: Thank you. Thank you very much. All right. Next, we have Paul Basha.

[Time: 01:06:20]

Paul Basha: Good evening, Mayor and City Council. I'm Paul Basha. I reside at 7333 E. Chapparral Road, I was employed by the city of Scottsdale Transportation Department for 22 years and I have been a consulting traffic engineer for an additional 20 years. I'm also an associate of teaching at Arizona State University for undergraduate and graduate traffic engineering courses and have been for 27 years.

As you know, the Scottsdale traffic engineering area conducted a study in 2024 of Shea Boulevard and 65th Street. The study scored 33 points, which is three points more than the minimum necessary for some type of pedestrian treatment. The study stated that the existing traffic signals at 64th Street and 70th Street were appropriate. 70th Street is 2,800 feet east of the location. Critical to the decision to install a pedestrian hybrid beacon is 20 or more pedestrians crossing a street in an hour. The 2024 study counted 15 pedestrians crossing Shea near 65th Street in an hour. The travel speed on Shea Boulevard reveals that the 85th percentile speed is 53 miles per hour. It is not surprising that only 15 people crossed Shea Boulevard in an hour. People will not cross that. It's certain that if a beacon is installed more than 20 people will cross it. Beacons are superior to traffic signals especially because the pedestrian walk lights are only activated when a person activates a button at a bed hybrid beacon. Also, the beacon flashes a red phase which allows drivers to proceed on the flashing red light rather than wait.

Traffic signals at 64th and 70th Street are timed for certain times and day of the week so always activate a walk signal, unnecessarily stopping cars whether no pedestrians are present. The cars have to wait until

the pedestrians are completely across the street. The fact is, a pedestrian hybrid signal sorry, a pedestrian hybrid beacon at 66th Street will decrease traffic delay on Shea Boulevard. I encourage you to include that beacon in your budget. Thank you.

Mayor Borowsky: Thank you. David Mansfield, followed finally by Sasha Weller.

[Time: 01:09:57]

David Mansfield Good evening, Mayor and Council, I'm David Mansfield. I was junior manager for the Water Resources Department for almost 12 years, having retired in 2007. If we can say anything about water utilities, it's clear that we are capital intensive. This has been a critical key with respect to Scottsdale as being a leader across the country starting back in the early years in '87 and early '90s. I would want to emphasize the fact that advanced treatment technologies have been critically allowing us to deliver resource water more efficiently and effectively. It's very important to continue because due to the replacement or taking advantage of even more reliable facilities.

I don't know if how many of you have been to San Diego in the last 15 years? Well, when you went to San Diego, what you were drinking was direct public reuse. And I don't think that anyone is complaining of San Diego water that I'm aware of. It's not a new technology. It's nothing new in terms of trying things out. San Diego was a bit more difficult in that they were kind of forced to do it very early on, but it's very important that we realize that this is gonna have a reliable source and even in aspects even more healthy than what we started out with the process originally.

Yes, Scottsdale is not is facing a major issue with the CAP reductions. We are not the only ones but as the Mayor just commented on, Scottsdale is highly dependent. If you look at the city of Phoenix, the current capital improvement program, they are building them. They realized they were behind the eight ball with respect to taking advantage of that. So, you see that throughout the city of Phoenix system. And I guess we're not the only cities involved by or at least impacted by this process. More importantly, though, the final decision has not been made and we really have some challenges with the upper basin states who have told the federal government they are not really interested in any conservation measures, unfortunately. But I think that's a solvable problem.

I hope that we can get this done and get it done in an amicable fashion and all states in the southwest beneficiary of the technologies that we have. Thank you very much.

Mayor Borowsky: Thank you, David and Sasha Weller.

[Time: 01:13:16]

Sasha Weller: Good evening, Mayor, members of the Council, I'm Sasha Weller, I'm president of the Scottsdale Firefighters Association. I wanted to come and speak in favor of this the adoption of this budget. I want to thank you on behalf of the more than 400 members of the Scottsdale Firefighter's Association. I want to thank the City Council. I want to thank the members of the city staff of the city of

Scottsdale, you have a hard job. These are tough times. We appreciate your hard work on this. Excuse me. This budget has taken a thoughtful approach to employee compensation and keep Scottsdale competitive in an incredibly competitive market. This budget will take steps to return Scottsdale to becoming an employer of choice and we truly appreciate that. We applaud the potential to bring an employee healthcare clinic into the city. We really believe that that will not only reduce cost of healthcare to the employees, but we think it will reduce costs to the taxpayers by keeping some of that in house.

Additionally, we are very confident in the idea that it will reduce city's cost when it comes to workman comp, which will allow us to maintain the self-insured status with the industrial commission of Arizona, which is something that we have been fighting significantly to keep our EMOD score down, which is a vitally important part of our model here in Scottsdale.

I want to thank you for your continued efforts on advanced firefighter cancer screening and testing. We thank you very much for that effort this year and we look forward to working with staff and you on this to make this a more permanent thing moving forward in the future. I want to thank each of you, both staff and Council, for your service, again, like I said, this is tough stuff and tough times. We thank you all for your service to our community.

Mayor Borowsky: Thank you, Sasha. All right. That concludes the public speakers on item number 25 and I do see some speakers on the dais here. Councilwoman Whitehead.

[Time: 01:15:25]

Councilwoman Whitehead: I guess I will kick it off. So, you know, this budget has things that I do like. I think Sasha mentioned some of those items, of course, it has things I don't like but I'm not here tonight to talk about those. I do want to hopefully offer a compromise, something that we can do on this budget to address some of the water challenges that we face, and point out to members the public, we cannot change the budget of the allocated dollars. We can move money around, but we can't increase the budget at this time, I won't be asking to do that. I will call out, one of the many things I love about Scottsdale is our former elected leaders and staff do not ride off into the sunset. They stay engaged and we have seen a lot of that in my eight years on the Council. So, thanks for all of your remarks.

This past weekend, in Boulder, Colorado, there was a Colorado River Law Water Conference and at that conference, Scott Cameron, who is the Acting Commissioner of the Bureau of Reclamation, otherwise known as the person in charge of the river, and he pointed to Phoenix's advanced advanced water purification as the solution, not the river. So, if we're gonna read tea leaves, what he's saying is the federal government, as we have known based on everything proposal they have put out, is likely not going to bail us out, and we're going to have to work together as Arizona has always done, to bail ourselves out. And the one thing that has made Arizona a success is we enthusiastically debated passionately on many things, but not water.

So, there has been obviously a lot of controversy, but there is a policy of Council, a Council adopted policy, the strategic plan that was designed, not by me. I'm so glad I'm getting credit for it on social media,

but it's actually the professionals that run our water utility that wrote the plan, and it is a plan to get us from where we are today, with most of our eggs in one basket, to where we need to be tomorrow, which is a diversified water portfolio, so that we can continue to deliver not only secure and safe water, but affordable water and I have to whoever just mentioned San Diego, former employee, that was great. My kid, who lived in San Diego called me up and said, what's up, mom? You know, where's the controversy? She's drinking it and she loves San Diego.

So, five-year CIP budgets one more comment I want to make, wow, former Mayor Ortega, think about that, I had not really thought that through until the late '80s we did not get that water, and the entirety of north Scottsdale is was enabled by that. Most of us live north are wholly dependent or almost wholly dependent on CAPs. So good job Mayor Ortega on that.

When I'm out meeting with water professionals around the state and including our water professionals in our own city, we have what I call an immediate need and by immediate, I don't mean next year. I mean like immediate. And then we have sort of these what I would call medium term, which would be more like one to two years from now and then we have from there to forever. So, we have to deliver. It's our job to deliver water. That's our job.

[Time: 01:19:20]

So, the immediate needs, I think we need to focus what are our challenges for the immediate needs? If, in fact, the federal government does cut off a significant amount of our CAP water, again, not every part of our city is going to be impacted the same. The key about water is, you can have all the water you want and if you don't have a way to get it to where you need, you may as not have the water.

That's what I want to propose, moving a little bit of money around in this current budget to accomplish a couple of things, to be able and this is money that will give us the authority, it doesn't mean we have to do it, but move some money for quickly drilling wells in the north so that, in fact, Desert Mountain or DC Ranch or any other place, we do have the capacity in the event of the worst case scenario or even the medium case scenario we can continue to move that water to where we need it. And secondly, if we go back to that Scott Cameron dude, he said we're going to rely on AWP. We will rely on Arizona's pure water. And, again, for the public pure water, there's advanced purified recycled water, pure water, a number of different names but it's just treated water that's local and within our control. And without regulations, and without having to move it and moving is very, very expensive.

So, I also want to move forward with the design. So, move money from a contingency fund to a line item that, A, allows us to quickly add drilling sites if needed. And B, moves forward with a contract we have, but is paused which is to design begin design of the our own pure water facility as required by ADEQ. And yes, ADEQ rules are changing here and there a little bit. That doesn't necessarily stop us. It certainly hasn't stopped Phoenix from moving forward with their design, all engineers know that you solve problems without ever having certainty and you make tweaks at the end if you need to.

Yes, we are looking at the feasibility. We know it's feasible, but it still has to be done and we can walk and

chew gum at the same time.

So, I guess, I ask Greg, but City Manager Caton, I didn't give you much time, but what I'm hearing from professionals is if we moved \$20 million budgets are conservative. We go out of our with not to spend it but allocate \$20 million to those two line items since I didn't really get an estimate for the engineering costs, then we haven't changed the budget, we haven't committed to anything but we have given the public some transparency that they are demanding and some confidence that we are taking this seriously for 30 years, we have taken this seriously, for 30 years have invested to get to where we are today. Everybody who is drinking water, you can thank leaders from the past 30 years for getting that water to your faucet. Let me ask our city treasurer, where are we on the contingency funds?

City Treasurer Sonia Andrews: So, for the water and sewer capital improvement plan, there's \$40 million in contingency funds between those two funds.

Councilwoman Whitehead: And let me ask something of City Manager Caton the advanced water purified treatment, would that be funded by a combination of both funds or is it considered one or the other?

[Time: 01:23:29]

City Manager Greg Caton: Madam Mayor, Councilwoman Whitehead, I think that's part of the analysis and the feasibility that we're working on now that we will return and at this point in approximately six months for a Council discussion, not only on the capital side but also on the operating side and anticipated staffing measures, operating costs and that complete package. Thank you, Madam Mayor.

Councilwoman Whitehead: Again, you know, I like the expression. Anybody who has a parent used this, God helps those who helps themselves. So we have a situation, and it's our job to prepare for the worst case scenario and work diligently to deliver the best and what I'm hearing is that there are possibly a number of emergency water there will be some there will be some sources of emergency water, but those emergency sources will not be available to those who are not moving forward with these projects. So, they will not be available to those who have their head in the sand for lack of better words. So while I'm not accusing us of having our head in the sand, I think with the possible cuts coming even as soon as October, I guess I will move to to take or I guess to move to \$20 million from the appropriate contingency fund to two different line items, one is to restore some funding to our advanced purified recycled water for engineering and design, and the and another fund for emergency drilling that might be needed. And I don't know if anybody would...

Vice Mayor McAllen: I will second to the motion and I would like to speak to my motion. So, seconding that, if we're looking at taking away \$67.6 million from CIP over the long haul, we're looking at just a smidgen, right, one-third of the money coming from contingency and if we don't need it, because of the 100 million put aside, then so be it. But if we do need it and we don't have it, then we have put our head in the sand. It's a scary time. We want to support the budget because there are so many wonderful things in the budget, like, Sasha said, and I you want to be supportive of the entire budget moving forward for so many reasons but we want to be prepared for the residents. So that is why I'm seconding this, and if we

don't use the 20 million, great, but if we use it and we need it, it's there. It's contingency. It's not taking anything away from this year's budget, it's assisting it. So that's why I'm seconding it.

Mayor Borowsky: Thank you. City attorney.

Luis Santaella: Mayor, members of the City Council, this particular item is not agendized for any action. This motion would need to be considered in the Special Meeting that follows with the final adoption of the budget.

Councilwoman Whitehead: Okay. Well, thank you for that. Perhaps I will follow up with you on how best to proceed and at least I've had the opportunity that, I frankly, have been denied. I have asked for public meetings on water, when you take away when you eliminate all the funding for our Council-approved strategic plan to key water flowing, we should have had a public meeting, I'm glad to have this opportunity and I look forward to more public discussions later. Thank you.

Mayor Borowsky: City attorney, do you have something else?

Luis Santaella: I'm sorry, I left my mic on, no, I don't.

Mayor Borowsky: We heard everything you said.

Councilwoman Littlefield: It was pretty good.

Mayor Borowsky: That concludes this item and with that, I will close item number 25 and thank you for everyone that spoke.

[Time: 01:27:36]

And moving on to public comments on non-agendized items. Public comment is reserved you know what, I want to go back and for all of you that may not have been here, this is a very complex issue. I want to comment on this before I move along.

The budget is obviously it has a lot of moving parts, super complex, lots of decisions to be made, and we have had now two hearings on this. So any, you know, revisions or improvements, subtractions, whatever you might say, we've had the opportunity to do that, and I know water is a very big focus for all the speakers that spoke. I too share the concerns about the funding for these resources, based on the open dialogue that we've had here in prior meetings with both the city manager and our city treasurer, I am reassured and confident that we will have a comprehensive water discussion in a work study coming up here shortly, and we have the opportunity to readdress the funding and the CIP projected for these items that have been removed and it's a different way to look at it. We want the cost of the of the project before we plug in, you know put it in the budget and I get that, and all I can say is, you know, let's see how this works out and this is not a done deal.

PUBLIC COMMENT

So now I'm going no move right along to the public I'm going no move right along to the public comment. Public comment is reserved for Scottsdale citizens, business owners and property owners to comment on non-agendized items that are within the Council's jurisdiction. No official Council action can be taken on the items that the speakers raised, and they are limited to three minutes to address the Council. I have a list of speakers here and if you haven't signed up and you wish to, please see the city clerk. We have five speakers tonight, Steve Sutton, followed by Varsh Varun, Dan Isaac, and Dan Baxbaum. And the podium will be over here to your right.

[Time: 01:30:05]

Steve Sutton: Steve Sutton, address on record. I don't have a prepared statement for you. Just some observations. I've been attending City Council meetings since August of '24. I probably missed a couple in '24. I missed one this year. In all the time I have come to the Council and watched invocations, I have never seen an invocation that comes close to addressing my religious belief.

It's been an interesting demotion and promotion. At the federal level we have the demotion of certain organized religions that's not deemed to be worthy to be on the DOD list. The demotion of the Church of the Jesus Christ of Latter Day Saints not being Christian. Although it's my understanding that it's been reversed. And then my perception of promotion of religion that's occurring right here in this Council chamber repeatedly. I believe an invocation is something that appeals to everyone and primarily not something non-denominational. And yet I repeatedly see what appears to be promotion of one religion, specifically in that we have individuals giving the invocation that go into great detail about biographies and accomplishments and I just don't think that's appropriate. We don't see that with anybody else. I think you are doing a disservice by not making the invocation less secular event, and it should be pretty short, not as long as a public comment or longer.

The other thing is I see is a promotion which is very disturbing, more or less an act of corruption. And that is the Council spending money for another program that has not been properly studied. Another spending project. We already have the Old Adobe Mission garage. It's far more expensive. Even though it's \$600,000, to build a \$600,000 crosswalk for such a small group of people to use, that is going to inconvenience many thousands just does not seem like an appropriate use of government funds. And I think that there are many people who feel the same way. I suspect that we are going to be see action on that in just about a month or so. Thank you for your time.

Mayor Borowsky: Thank you Steve. Next we have Varsh Varun.

[Time: 01:33:01]

Varsh Varun: Hello everyone, I'm Varsh Varun, a 12-year-old and incoming seventh grader at Scottsdale Preparatory Academy and this month is June which is National Safety Month. I stand here today because I deeply care about online safety and digital kindness.

Every day kids use technology for games, messages and other social media, and these areas are prone to anonymous and known harassment which can result in cyberbullying. I wanted to do something about this. So, I created this program called SHIELD strong help in every level of digital life. It's a simple acronym to avoid cyberbullying online. I will call out what each letter in shield stands for. S, stop and stay calm. Take a pause before you react. You always need to be wise on what you say. H, help and report. Seek guidance from a trusted adult or authority. If it's in an app or game, report it. And if you feel like someone is in danger, get help immediately. I, ignore and block. Don't engage with bullies, just block or mute them. E, engage kindly. Promote respectful and positive communication, whether it's in person or online. L, log evidence. Save screen shots to document the situation. And lastly, D, disconnect and recharge. Take a tech break for your own mental health, it's the best thing to do.

I'm here because I strongly believe that Scottsdale can lead the way to promoting digital kindness. The city already has many youth safety engagements and SHIELD fits perfectly with that. I would love to partner with the city to share shield through, one, schools, libraries and youth programs; two, displaying posters in community centers; three, promoting digital kindness through city events; and lastly, four, requesting the Mayor to possibly recognize digital kindness week to raise awareness. My goal is simple. I want every kid in our online community to feel safe. Thank you for your time. And thank you for letting me have the opportunity to speak about something that will benefit the city tremendously. Just remember to be a shield, protect yourself and others online. Thank you.

Mayor Borowsky: Thank you. Okay, you're hired. That was a great interview. Listen, before you leave, that was excellent and well said. I just want to point out that we have the Mayor's Youth Council that you might want to look into. I don't know if you are in high school yet.

The Mayor's Youth Council would be a great place for you to check in and you can see Terrance is right behind you, give you more information. Thank you very much for that. That was really refreshing. Next, we have Dan Ishac. Follow that, will you?

[Time: 01:36:27]

Dan Ishac: Yeah, that's impossible.

Mayor Borowsky: You can try.

Dan Ishac: I did not have that composure at that age, and I don't have it at my age now. That's very impressive. Dan Ishac, address on record. Two quick things, maybe a third. At the last Council meeting, I tried to speak at public comment, and it took 27 minutes for me to be able to speak for three minutes. The behavior of two of our Councilmembers was ridiculous. Now, they are allowed to make points of order, but the way they did it was disrespectful, not just to me but to the Mayor.

In fact, Adam Kwasman running downstairs from the bathroom, almost tripping, screaming point of order was uncalled for when he didn't know that this was a point of order the only thing that would have made is if even more comical, if he didn't have time to zip up before coming back from the bathroom and that

would have violated our YouTube contract. And Adam, what did I say to the spouse. You will spend a lot less time in the bathroom if you don't take your phone. So, I suggest that.

But oh, I have gone three times today, but I didn't take my phone. But 27 minutes to allow me to speak about things that were in the purview of our Council, because it's the behavior of our Councilmembers. That is absurd. It's bad enough that our residents have to wait two to three hours to speak, but to then be interrupted for 27 minutes to speak for three is unacceptable.

Second point, I was disappointed with the entire Council for a unanimous vote about the railroad park admission fees. Now, I was shocked that a successful attorney and Councilmember can't afford \$3 per individual. And even Barry and Jan were a little concerned about making that change and they wanted additional information. It was contrary to what our director of parks suggested. It was career to what our city manager suggested. Yet we made a decision without calculating the cost, without calculating the benefit. I don't know whether it's the right price. The experts think it's too low of a price, the existing one, but you all agreed to cut it. Now, I'm all for city services being free for residents. The motion wasn't just for residents. It's everybody who goes there in the summer. You all acted emotionally, instead of logically, despite caution from Barry, caution from Jan, caution from our parks and recs, caution from our city manager. You all did not do what you were supposed to do. You should have asked for analysis and voted on it and then maybe come up with a better solution, which is free residents or reduced for residents but not cut it for everybody who brings their kids there. You are spending our money unnecessarily.

One last quick thing, the city's newsletter this week, has no mention of the Juneteenth celebration happening this weekend. I know we can't support diversity, but I would have thought that a major event would have been in our city newsletter. Thank you.

Mayor Borowsky: Thank you Dan. Next, we have Yvonne Cahill.

[Time: 01:40:04]

Yvonne Cahill: Dan is a lot taller than I am. Good evening, Mayor Borowsky and City Council. My name is Yvonne Cahill and the address is on record. I was one the 27,000 reported residents to have signed the Axon petition. I was very, very disappointed that it did not go to a vote, but what I have discovered through a public records request is alarming. The city sent me 14,932 pages. I was what they call papered, hoping that I didn't find things. Mayor Borowsky tried three times to move the election to an earlier date despite her attempts, four members the Council denied the request to put Axon referendum to a vote on the City Council agenda and move it to a Special Election. This is amazing. Because the city of Glendale had a similar referendum petition at the same time, December 2024, the Council acted exponentially, and had a vote and it went to a ballot on May of 2025.

But what happened in Scottsdale? Well, what I have seen is collusion between Councilmembers and TAAAZE, Councilmembers and the Scottsdale Progress, Councilmember Barry Graham sharing city emails with and blind copying Tom Scanlan from the Progress. So apparently Tom Scanlan doesn't have to send PRR, because Barry is apparently sending him blind copies, both to him and Jan.

The city clerk cooperating with polls to poll the Councilmembers. The city attorney redacting email from addresses from Jan Dubauskas and I ask myself, Mr. Graham, the two and from emails from Jan Dubauskas, and I ask myself, why are these redacted? The polling is an apparent practice which I hear has been modified, but it was to make four calls to Councilmembers who they know will support the item on the members that they want to remove. No random test. No record of who he called, and no recording of the vote. This is not transparency in government.

Then Mr. Lane sends out an email to Councilmembers saying there's a consensus that the vote has been canceled on item 2 that was done by Barry Graham. The fact is the election could have been held early, since 1982, Scottsdale has had 21 Special Elections, the city manager wrote a memorandum saying the city also had an option to hold a Special Election at an earlier date and possible dates were given. The language for the Glendale and Scottsdale referendums were exactly the same, nothing was mentioned for November 2026. So why was it done? I will tell you why it was done. Because Bob Littlefield told us. He said Barry Graham and I need a platform to run on in November of 2026. So, if you want proof, I have proof, and now we know who took away the vote of the residents of Scottsdale on the Axon election, it was Barry Graham with Kathy Littlefield, Jan Dubauskas and coordinating with TAAAZE. Thank you.

Mayor Borowsky: Thank you, Yvonne. Next and last, we have Doug Buxbaum.

[Time: 01:43:37]

Doug Buxbaum: That was very good timing as I just walked back in the door. I'm a 30-year resident of Scottsdale. And I know you have a lot of important things going on here, but I'm recently retired and I've been trying to strain for master's track and field. There's not a single track available for adults to use even though we pay for it with our taxes. Before COVID, you could go over to Scottsdale Community College and use that track. They have no track team now. They have no football team, there's nobody is using the track but there's no access for individuals who are trying to be healthy.

I have to train on 87th Street Terrace, which is concrete basically, terrible for your legs and body. I just need a place to run. I'm trying to find out why Saguaro High School, Scottsdale Community College, or any other tracks are not available to those of us who pay for it.

Mayor Borowsky: Thank you. We don't normally engage with speakers but thank you for coming to speak to us on this, and we might be able to point you in the right direction, but the Scottsdale City Council does not oversee the either the Scottsdale Unified School District or the Maricopa County Colleges. So, again, we would be happy to put you in touch with someone that can maybe open some track doors for you.

Doug Buxbaum: That would be great, because, again, I don't mind paying my taxes. I would just like to be able to use what I pay for.

Mayor Borowsky: Okay. Thank you.

Doug Buxbaum: Thank you all.

Mayor Borowsky: All right. That closes public comment. And next we move on to Mayor and oh, you added. I'm sorry, David. Come right up. Thank you and I did get notified by the city clerk. I'm sorry.

[Time: 01:45:38]

David Ortega: Thank you very much and I really appreciate it, Mayor Borowsky. I wanted to talk about water quality and it was very good to see the Council Kwasman offer some water and I guess if I were to ask you to look at that bottle that you offered just now, can you read the label on it?

Councilman Kwasman: California.

David Ortega: Yeah, it says California and the last time I was in here, the water that was distributed said water life or something like that. And it came from Sacramento, California. And if you read it and go into it, it says this water comes from waterways around Sacramento. Now, this is a different brand and it but it all it also said and/or city water of Sacramento. So somehow that city water that you are offering and you are drinking, and the city buys is offered because people have faith in ADEQ, environmental quality all of those protections that we have in water, and for some reason, rather than buy local, again, Pure Water that I see Councilman Graham drinking again, it may be from California, right?

So, the number I wanted to leave with you today is regarding Scottsdale clean water, Scottsdale water tests, lab tests our water 6,000 times a year. All the water that comes to your residence or business has to go through grueling tests and that's first responsibility of this Council, as utility. But no one up here, none of you, can change that. If it meets EPA quality, if it meets ADEQ quality, it's certified to be served to the public. No one can stand in front of that saying I know more than the scientists or less than the scientists or other reasons I don't believe it's good enough and I'm arbitrarily saying that, because we have quality control on our water and that is a given.

It's also very important to note that we, SRP and CAP delivers raw water. Raw water has been through Laughlin parties. Parties on Lake Mead, algae poisoning and everything else by the time it gets to CAP. It gets purified by our best systems in the world and when ww can recover that, if we only get back recover half of that, lens it to purity, it is still SRP or CAP water. The molecule didn't change. All the impurities were taken away and now that's the most important takeaway that this Council and all payers and Council want to make sure the public knows we have the best water possible. Thank you so much.

Mayor Borowsky: Thank you. Okay. That concludes oh, I'm sorry, Councilman Kwasman.

Councilman Kwasman: Thank you Madam Mayor. I want to thank Mayor Ortega for coming tonight. I don't know him well, but every conversation we've had has been so friendly and lovely. Looking forward to sitting and meeting with him on this. If this means that we can change this water to natural Fiji water or Evian or natural stream water I'm all in and also my biggest problem with these are the microplastics. That's my fear...

Councilwoman Whitehead: Point of order.

Councilman Kwasman: But finally, I want to thank the Mayor I mean, Mayor Ortega in saying that we should agree and trust the EPA. I would like to reach out to RFK, Jr., at the Mayor's insistence that we meet with RFK, Jr., and making sure that HHS and the EPA...

Councilwoman Whitehead: Point of order, Mr. Kwasman.

Mayor Borowsky: What's your point of order?

Councilwoman Whitehead: We not on the topic. We're not allowed to respond to public comment, non-agendized items.

Mayor Borowsky: I agree. So you're done, right?

Councilman Kwasman: I'm done. Thank you.

Mayor Borowsky: All right. That concludes the public comment. We do not have any citizen petitions. So, moving on to Mayor and Council items.

MAYOR AND COUNCIL ITEMS

[Time: 01:50:28]

There is item 27, agendized potential policy for optional cancer screenings for firefighters, at the request of Councilwoman Whitehead. So, I will let her briefly talk about this.

Councilwoman Whitehead: I just want to thank this Council. We have in the upcoming budget funding for cancer screening for our firefighters and I would like to see that not be an annual thing but have it be a policy. Obviously, it's an issue. I'm asking my colleagues to join me in agendize an item regarding a policy for optional cancer screening. Optional being that the firefighters don't need to have the screening, but the city is required to provide it, cancer screening for firefighters.

So, let's see and I would like to move to direct the city manager or responsible charter officer to agendize the item for a future meeting.

Vice Mayor McAllen: I will second that.

Mayor Borowsky: All right. I don't see anybody else that would like to speak, and this certainly sounds like a worthy cause. Which did you choose out of the three options?

Councilwoman Whitehead: One, agendize for a future meeting.

Mayor Borowsky: Okay, no other speakers, please indicate your vote. All right.

COUNCILMEMBER REPORTS

[Time: 01:53:18]

Moving right along to Councilmember Reports. Do we have anyone? I will go held and start. I know I had my own Mayor's Report, but I literally have to apologize for not pointing out the Juneteenth celebration on coming up on it's next Friday, though, but we don't have a Saturday. I think it's Friday. Okay. Hold on. Hold on. In any event, we hope it's a great event and I was remiss in not pointing that out and next week we don't have a Council meeting. So, thank you very much for whoever pointed that out. I think it was Dan.

Moving right along. Councilman Kwasman.

Councilman Kwasman: Thank you Madam Mayor. Just a point of personal privilege. I want to wish a very happy 52nd anniversary to my parents, Scottsdale residents Donald and Della Kwasman. Their marriage is a testament to to how it should work, and they're truly, truly best friends and they truly respect one another, and they gave me, growing up, the kind of the kind of household that showed how I can be a good husband and father. So, with that, happy anniversary.

Mayor Borowsky: Thank you. Vice Mayor McAllen.

Vice Mayor McAllen: Thank you, Mayor. I want to wish our Mayor a happy belated birthday. Her birthday was the 7th. Happy birthday.

Mayor Borowsky: Why, thank you.

Vice Mayor McAllen: You're welcome. I also want to thank the parks and recreation department. They had the lights on Chaparral courts, multiuse court for handicap accessible, as well as everybody, you know, the general residents, but during that time, that celebration, the lights, it was such a great celebration because there's if you would have been there in the park that night, you have people fishing and lacrosse going on, you have baseball going on, and soccer going on. And swim lessons and swim team and city employees are walking by with their kids and grandparents are walking by with city employees' kids. It was a wonderful celebration. That being said, it was funded through grants that the parks department applied for and I just want to give them kudos. Of course, I came from parks and recs, but it continues to be such a bright spot in our city. Good job to Director Molinari and his staff.

Mayor Borowsky: Excellent. That concludes our Councilmembers and my presentations. So, we'll now conclude the yes, we are moving on to...yes, I know it's a Special Meeting.

SPECIAL MEETING

[Time: 01:55:22]

Mayor Borowsky: So officially adjourning the Regular City Council Meeting and moving to the Special Meeting, starting with item SP1, final adoption of fiscal year '26/27, budget estimates and five-year capital improvement plan. And I think we have a presentation again by Scott Selin.

Scott Selin: Thank you, Madam Mayor and members of the Council, a very brief presentation. I would like to thank all of those who participated in the development of the budget. It's a significant undertaking and there was much work that went into it.

This is the Council action that we are recommending to adopt Ordinance 4712 and 4713, as tentatively approved on May 19, 2026, and that's my last slide. Happy to stand for any questions.

Mayor Borowsky: Thank you. Councilwoman Whitehead.

Councilwoman Whitehead: Thank you. So I would like to enthusiastically move to adopt Ordinance number 4712 setting the final budget estimates for the fiscal year '26/27, budget as tentatively approved on May 19, 2026, adopting the final fiscal year '26/27 job classification and job classification pay table and confirmative with the Scottsdale Revised code sections 14 through 20 through oh, sorry, 14-20 through 14-24 and authorize or approving as applicable certain salary adjustments included in the final budget for city employees and charter officers and setting the salaries of the presiding judge and associate judges.

And adopt Ordinance 4713 approving the capital improvement plan for the period beginning July 1, 2026 and ending June 30, 2031 with my additional language of taking \$20 million of the capital improvement contingency fund and moving that to the line items that would allow for drilling wells if as needed in north Scottsdale and engineering design of Scottsdale's advanced purified recycles water facility as needed by ADEQ.

Vice Mayor McAllen: I will second that motion.

Mayor Borowsky: All right. I have a motion and a second. I don't see anyone else to speak on this particular one. Councilman Graham.

Councilman Graham: Thank you, Mayor. I will make an alternate motion to adopt Ordinance 4712 and 4713 as presented to the City Council.

Councilwoman Dubauskas: Second.

Mayor Borowsky: Okay. We have a do you want to speak to it? We have an alternate motion and a second. So, we are going to take a vote on that. And...

Councilwoman Whitehead: I would like to speak.

Mayor Borowsky: You have briefly some time to speak before you vote.

Councilwoman Whitehead: I would like to add that it's pretty clear, a lot of my constituents asked this City Council to be a bit more transparent and so my request for this vote was just to allow the public to did, it was to allow my colleagues to vote and I would say, I do not have the votes. I think that's clear to the public. I will never not vote for a budget. So, I accept the fact that this Council does not want to support these projects at this moment in time. Thank you.

Mayor Borowsky: Thank you. And with that, we will take a vote on the alternate motion. All right. And that concludes our meeting. Thank you, everyone who stayed and for your patience today and for coming. Move to adjourn.

ADJOURNMENT

[Time: 01:59:42]