



**NOTICE OF REGULAR MEETING
OF THE TOWN COUNCIL**

Mayor Gerry M. Friedel	
Vice Mayor Gayle Earle	Councilmember Peggy McMahon
Councilmember Brenda J. Kalivianakis	Councilmember Allen Skillicorn
Councilmember Hannah Larrabee	Councilmember Rick Watts

TIME: 5:30 PM - REGULAR MEETING
DOORS OPEN 15 MINUTES PRIOR TO THE START OF THE MEETING

WHEN: TUESDAY, MAY 19, 2026

WHERE: FOUNTAIN HILLS COUNCIL CHAMBERS
16705 E. AVENUE OF THE FOUNTAINS, FOUNTAIN HILLS, ARIZONA

Councilmembers of the Town of Fountain Hills will attend either in person or by telephone conference call; a quorum of the Town’s various Commission, Committee or Board members may be in attendance at the Council meeting.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. If a child is present at the time a recording is made, the Town will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

PARTICIPATION IN PUBLIC MEETINGS

Request to Comment Cards - To speak or submit written comments, a **Request to Comment** card is required. **Cards must be completed and submitted to the Town Clerk before the meeting begins. Late or incomplete cards will not be accepted.** A separate card is required for each agenda item.

Agenda Items (Consent or Regular) - Request to Comment cards must include the **agenda item number**, whether the speaker is **FOR** or **AGAINST** the item, and whether the individual wishes to speak or submit written comments.

Online Request to Comment cards may be submitted for regular agenda items only to either provide written comments or request to speak at the meeting. **Online submissions must be received by 12:00 PM the day before the meeting** at: <https://www.fountainhillsaz.gov/publiccomment>. Online comments are shared with the Town Council.

Call to the Public requests are accepted in person only. Request to Comment cards must be submitted prior to the meeting commencing. **Online submissions are not accepted for Call to the Public.**

Speaking Rules - Speakers may speak only when recognized by the Presiding Officer and are limited to **three (3) minutes**. All comments must be directed through the Presiding Officer, not to individual Councilmembers or staff.

Request to Comment cards and submitted information are public records subject to public disclosure.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Town Council, and to the general public, that at this meeting, the Town Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the Town's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. INVOCATION

- a. Provided by: Pastor Keith Pavia, Christ's Church

3. ROLL CALL

4. STATEMENT OF PARTICIPATION

Anyone wishing to address the Council regarding items listed on the agenda or during Call to the Public must completely fill out a Request to Comment card located in the back of the Council Chambers and hand it to the Town Clerk prior to the start of the meeting. Once the meeting has started, late requests to speak cannot be accepted. When your name is called, please approach the podium, speak into the microphone, and state your name and if you are a resident for the public record. Comments may not exceed three minutes. It is the policy of the Mayor and Council not to comment on items brought forth under "Call to the Public." However, staff can be directed to report back to the Council at a future date or to schedule items raised for a future Council agenda. To avoid disruption of the meeting, to maintain decorum, and provide for an equal and uninterrupted presentation, applause is not permitted, except during Proclamations, Awards, and Recognitions. All meeting participants must maintain proper decorum as specified in Section 6 of the Council Rules of Procedure.

5. SUMMARY OF CURRENT EVENTS BY TOWN MANAGER

6. PROCLAMATIONS, AWARDS, AND RECOGNITIONS

- a. **RECOGNITION:** Mayor's Business Spotlight: Sonoran Lifestyle Team
- b. **RECOGNITION:** Mayor's Veteran of the Month: Captain Joseph Winters, U.S. Army (Ret.)
- c. **PROCLAMATION:** Recognition of the achievements of the Fountain Hills High School Boys' and Girls' Basketball Teams and Wrestling Team.
- d. **PROCLAMATION:** The National Sorority of Phi Delta Kappa, Inc. Day.

7. PRESENTATIONS

- a. **PRESENTATION:** Fiscal Year 2026 - 3rd Quarter Revenue Update

8. CONSENT AGENDA

All items listed are considered to be routine, non-controversial matters and will be enacted by one motion and vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a Councilmember or member of the public so requests. If a Councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The item will be removed from the Consent Agenda and considered as the first item on the Regular Agenda. The remaining items on the Consent Agenda will be enacted by one motion and vote of the Council.

- a. **CONSIDERATION AND POSSIBLE ACTION:** Regarding approval of Town Council Work Session minutes for March 24 and April 14, 2026, and Regular Session minutes for April 7, 2026.
- b. **CONSIDERATION AND POSSIBLE ACTION:** Related to moving the public hearing for Ordinance 26-06, amending Zoning Ordinance Section 1.12, Chapter 2, Procedures,

and Chapter 19, Design Review Standards, to provide for murals to the June 2, 2026, Town Council agenda.

9. REGULAR AGENDA

- a. **PUBLIC HEARING, with CONSIDERATION AND POSSIBLE ACTION:** Relating to Ordinance 26-03 amending Zoning Ordinance Section 5.13, Community Residences to remove sections moved to Town Code Article 8-8.
- b. **CONSIDERATION AND POSSIBLE ACTION:** Regarding Ordinance 26-05 amending Town Code Sections 10-2-1, 10-2-8, and 10-2-9 related to handbills.
- c. **CONSIDERATION AND POSSIBLE ACTION:** Regarding Resolution 2026-08, the Intergovernmental Agreement renewal with the Regional Public Transit Authority - Valley Metro, relating to transit services in Fountain Hills.
- d. **CONSIDERATION AND POSSIBLE ACTION:** Related to any item included in the Arizona Cities and Town's Weekly Legislative Bulletin or relating to any action proposed or pending before the State Legislature.

10. CALL TO THE PUBLIC

Pursuant to A.R.S. §38-431.01, or as prescribed by state law.

11. COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER

Members of the Council may (1) request the Town Manager follow-up on matters raised at that meeting; (2) request one two-minute response to directed criticism raised any portion of the meeting; (3) a consensus of the Council may request the Town Manager to research a matter and report back to the Council.

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

Dated this 14th day of May, 2026.



Bevelyn J. Bender, Town Clerk

The Town of Fountain Hills endeavors to make all public meetings accessible to persons with disabilities. Please call (480) 816-5100 (voice) or AZRelay 7-1-1 the Thursday prior to the meeting to request reasonable accommodation.

MAYOR'S BUSINESS SPOTLIGHT

May 2026



CERTIFICATE IS PROUDLY AWARDED TO

Sonoran Lifestyle Team

In recognition of your outstanding contributions to the Town of Fountain Hills, this certificate celebrates your dedication to excellence, innovation, and community engagement. Your commitment to quality and service has not only strengthened our local economy but also enriched the lives of residents and visitors alike. The Town of Fountain Hills is proud to honor your business as a vital part of our community's growth and success.

Gerry M. Friedel, Mayor

Attest: _____
Bevelyn J. Bender, Town Clerk

VETERAN OF THE MONTH

MAY 2026



CERTIFICATE IS PROUDLY AWARDED TO

Captain Joseph Winters, U.S. Army (Ret.)

In grateful recognition of your dedicated service to our nation and your significant contributions to the Fountain Hills community. Your courage, commitment, and sacrifice exemplify the highest ideals of patriotism and selflessness. On behalf of the Town Council and the residents of Fountain Hills, we honor your service and thank you for your invaluable role in protecting our freedoms and enriching our community.

Gerry M. Friedel, Mayor

Attest: _____
Bevelyn J. Bender, Town Clerk

PROCLAMATION

RECOGNIZING THE ACHIEVEMENTS OF THE FOUNTAIN HILLS HIGH SCHOOL BOYS' AND GIRLS' BASKETBALL TEAMS AND WRESTLING TEAM

WHEREAS, the student-athletes of Fountain Hills High School continue to represent the Town of Fountain Hills with excellence, dedication, and sportsmanship; and

WHEREAS, the Fountain Hills High School Girls' Basketball Team achieved an outstanding season, advancing through the Arizona Interscholastic Association (AIA) State Playoffs and earning the 2026 AIA 2A State Championship Runner-Up title, defeating multiple opponents on their path to the championship game and bringing pride to the Fountain Hills community; and

WHEREAS, the Fountain Hills High School Boys' Basketball Team demonstrated resilience and competitive excellence throughout the season, advancing in the AIA state tournament and representing their school and community with determination, teamwork, and pride; and

WHEREAS, the Fountain Hills High School Wrestling Team competed at the Arizona State Wrestling Championships where Tyler Trapani earned a State Runner-Up finish and Ava Bourne earned a Third-Place State Medal in the girls' division, bringing statewide recognition to Fountain Hills; and

WHEREAS, these accomplishments reflect the discipline, perseverance, and commitment of the student-athletes, as well as the leadership and guidance provided by their coaches, teachers, administrators, and supportive families; and

WHEREAS, the success of these teams inspires younger athletes throughout the community and exemplifies the pride and spirit of Fountain Hills.

NOW, THEREFORE BE IT RESOLVED Gerry Friedel, Mayor of the Town of Fountain Hills, Arizona, along with the Town Council, do hereby recognize and congratulate the Fountain Hills High School Boys' Basketball Team, Girls' Basketball Team, and Wrestling Team for their outstanding achievements and dedication during the 2025–2026 athletic season.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the Town of Fountain Hills, Maricopa County, Arizona this 19th day of May, 2026.

Gerry M. Friedel, Mayor

ATTEST:

Bevelyn J. Bender, Town Clerk

PROCLAMATION

THE NATIONAL SORORITY OF PHI DELTA KAPPA, INC. DAY

WHEREAS, The National Sorority of Phi Delta Kappa, Inc. (NSPDK) was founded on May 23, 1923, as a professional organization of educators dedicated to fostering sisterhood, promoting educational excellence, and supporting communities through service; and

WHEREAS, for more than one hundred years, the members of NSPDK, known as the “Willing Workers in the Vineyard,” have demonstrated a steadfast commitment to youth development, mentorship, scholarship, leadership, and the advancement of education; and

WHEREAS, the Zeta Theta Chapter of The National Sorority of Phi Delta Kappa, Inc. continues this legacy through educational outreach, community engagement, and support for teachers and students throughout the region; and

WHEREAS, the Zeta Theta Chapter will host its 4th Annual Posh & Pretty With Pearls Tea in Fountain Hills to celebrate the organization’s Founder’s Day and honor the “Great Eight” founders who envisioned a support system for Black women in education; and

WHEREAS, this “Teacher Tea” provides an opportunity for local educators to network, encourage one another, foster mutual respect, and reaffirm their shared commitment to shaping the future of students and strengthening the community through education; and

WHEREAS, the Town of Fountain Hills recognizes and appreciates the contributions of educators and organizations that work to inspire future generations and promote educational achievement and civic engagement.

NOW, THEREFORE BE IT RESOLVED Gerry Friedel, Mayor of the Town of Fountain Hills, Arizona, along with the Town Council, do hereby proclaim May 23, 2026, as

THE NATIONAL SORORITY OF PHI DELTA KAPPA, INC. DAY

in the Town of Fountain Hills, and encourage all citizens to recognize and celebrate the organization’s enduring commitment to education, leadership, service, and community empowerment.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the Town of Fountain Hills, Maricopa County, Arizona this 19th day of May, 2026.

Gerry M. Friedel, Mayor

ATTEST:

Bevelyn J. Bender, Town Clerk

May 19, 2026

FY2026 Q3 Revenue Update

Paul Soldinger, Chief Financial Officer



**FOUNTAIN
HILLS**

3rd Quarter of FY2026 (Jan – Mar 2026) Revenue Update



**FOUNTAIN
HILLS**

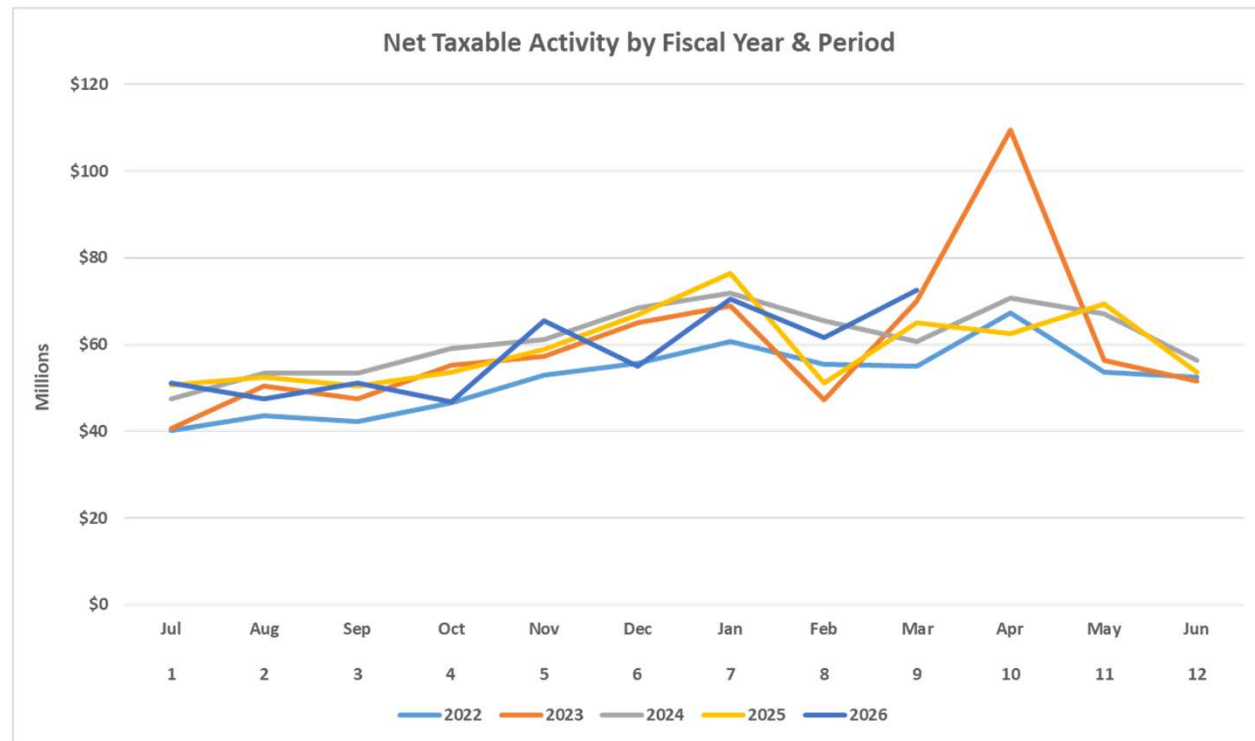


3rd Quarter Revenue Update

Net Taxable Activity



- Total Net Taxable Activity for Quarter 3 of FY26 was \$204.5M
- Increased by \$11.9M, or 5.8%, from the same period in FY26





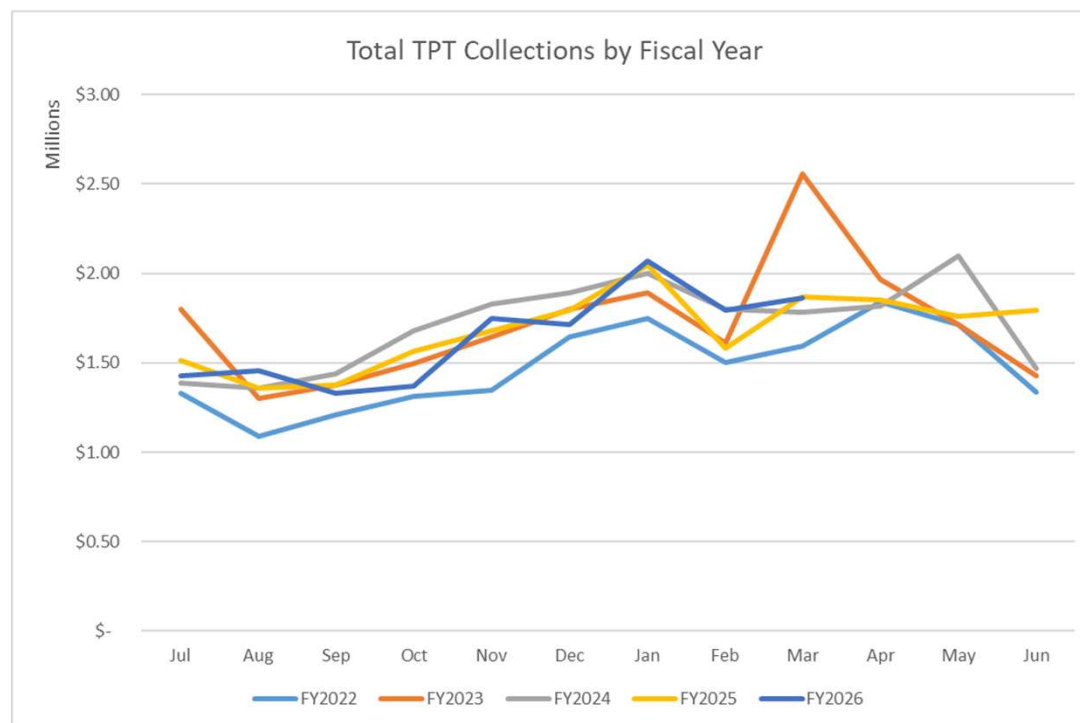
3rd Quarter Revenue Update

Total TPT Collections

- Includes all TPT reporting categories for all funds

Actual TPT Revenues				Change from
	FY2024	FY2025	FY2026	FY2025
1st quarter	4,188,306	4,250,022	4,209,368	-0.96%
2nd quarter	5,403,449	5,035,683	4,831,425	-4.06%
3rd quarter	5,582,509	5,496,543	5,726,149	4.18%
4th quarter				
Totals:				

FY2026 Projection to Actual			
	Actual TPT	Projection	% of Projection
1st quarter	4,209,368	3,843,441	9.5%
2nd quarter	4,831,425	4,549,742	6.2%
3rd quarter	5,726,149	4,892,878	17.0%
4th quarter		4,727,661	
Totals:		18,013,722	



3rd Quarter Revenue Update

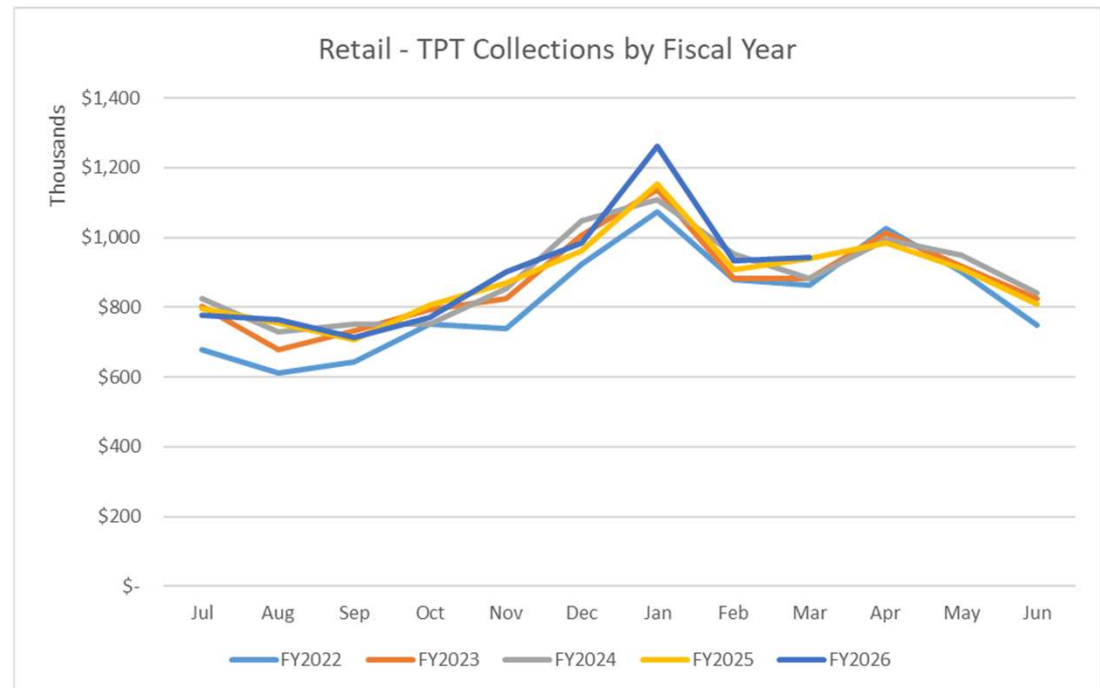
Retail Sales

- Includes Local and Online Retail Sales, Food and Use Tax



Retail Sales				
	FY2024	FY2025	FY2026	Change from FY2025
1st quarter	2,307,337	2,258,775	2,255,637	-0.14%
2nd quarter	2,654,837	2,639,578	2,654,588	0.57%
3rd quarter	2,945,812	3,001,273	3,140,878	4.65%
4th quarter				
Totals:				

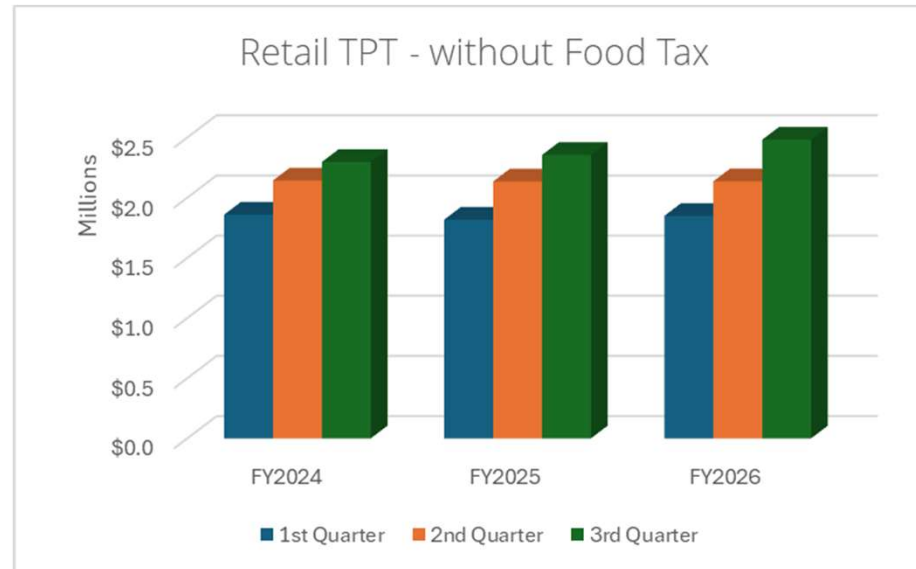
FY2026 Projection to Actual			
	Actual TPT	Projection	% of Projection
1st quarter	2,255,637	2,103,817	7.2%
2nd quarter	2,654,588	2,616,341	1.5%
3rd quarter	3,140,878	2,833,986	10.8%
4th quarter		2,706,216	
Totals:		10,260,360	



3rd Quarter Revenue Update

Retail Sales – without food sales

- Retail sales excluding food tax may better indicate local shopping trends

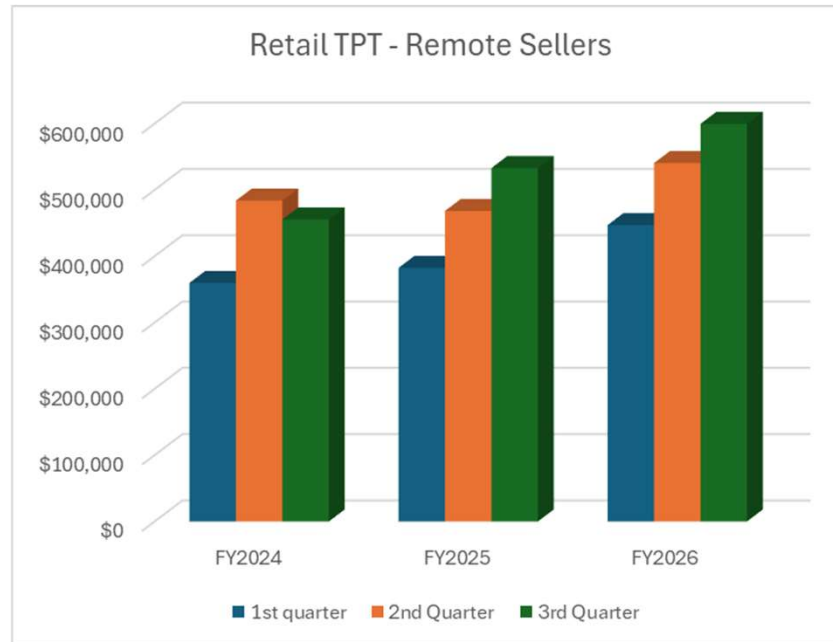


Retail sales - without food sales				Change from
	FY2024	FY2025	FY2026	FY25
1st Quarter	1,858,340	1,817,463	1,848,555	1.71%
2nd Quarter	2,142,377	2,134,130	2,135,426	0.06%
3rd Quarter	2,296,515	2,354,760	2,481,521	5.38%

3rd Quarter Revenue Update

Retail Sales – Remote Sellers

- Remote sales (within retail sales) may better indicate online shopping trends



Total Remote Sellers				Change from
	FY2024	FY2025	FY2026	FY25
1st quarter	359,792	382,435	446,973	16.88%
2nd Quarter	483,956	468,366	540,542	15.41%
3rd Quarter	455,512	533,043	599,699	12.50%



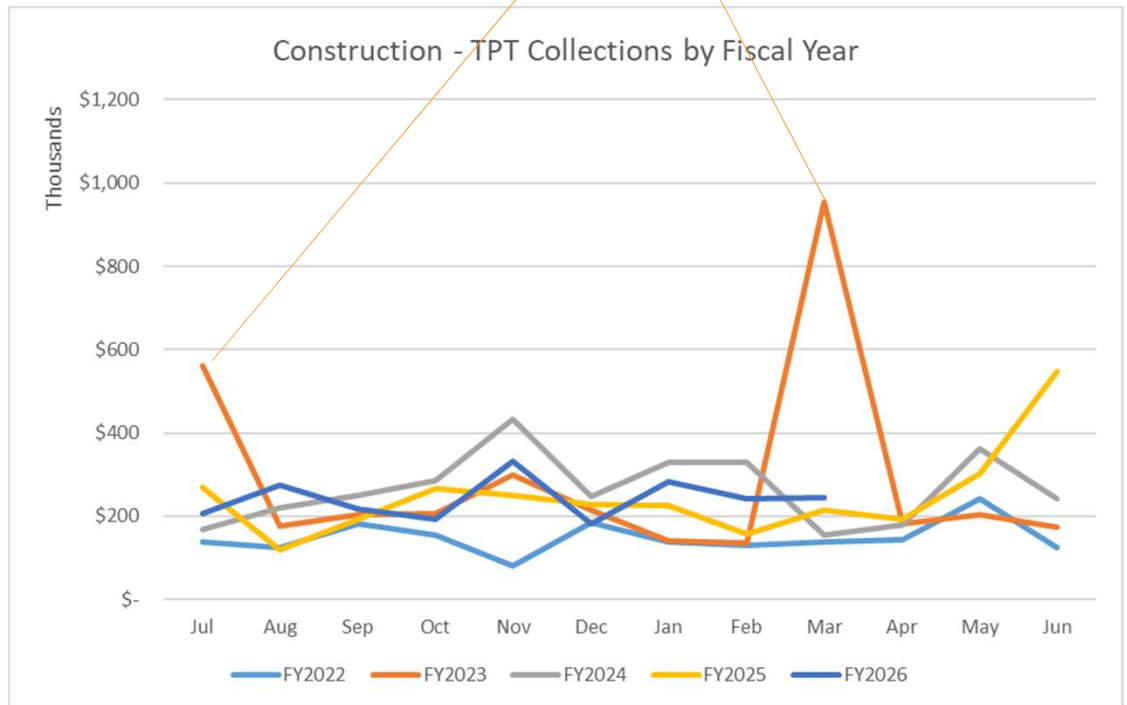
3rd Quarter Revenue Update

Construction

- Includes Prime Contracting and Speculative Builders



Large Taxable Event & Audit Collection in FY23



Construction

	FY2024	FY2025	FY2026	Change from FY2025
1st quarter	637,858	582,874	696,692	19.53%
2nd quarter	966,106	745,598	704,959	-5.45%
3rd quarter	811,500	597,941	767,747	28.40%
4th quarter				
Totals:				

FY2026 Projection to Actual

	Actual TPT	Projection	% of Projection
1st quarter	696,692	577,499	20.6%
2nd quarter	704,959	588,569	19.8%
3rd quarter	767,747	599,639	28.0%
4th quarter		610,707	
Totals:		2,376,414	

3rd Quarter Revenue Update

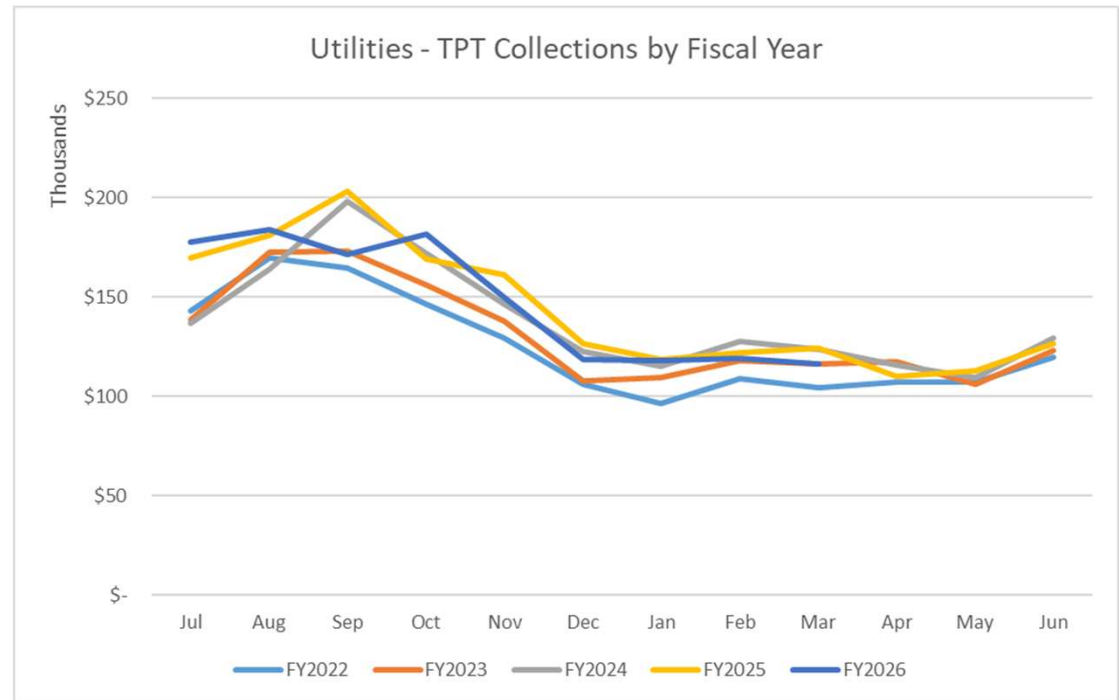
Utilities & Communications



- Includes Water, Sewer, Electricity, Cable, Natural Gas, and Internet Services

Utilities & Communications				
	FY2024	FY2025	FY2026	Change from FY2025
1st quarter	499,547	553,976	533,086	-3.77%
2nd quarter	440,338	456,112	450,222	-1.29%
3rd quarter	366,577	364,324	352,903	-3.13%
4th quarter				
Totals:				

FY2026 Projection to Actual			
	Actual TPT	Projection	% of Projection
1st quarter	533,086	490,504	8.7%
2nd quarter	450,222	444,726	1.2%
3rd quarter	352,903	378,111	-6.7%
4th quarter		381,906	
Totals:		1,695,247	



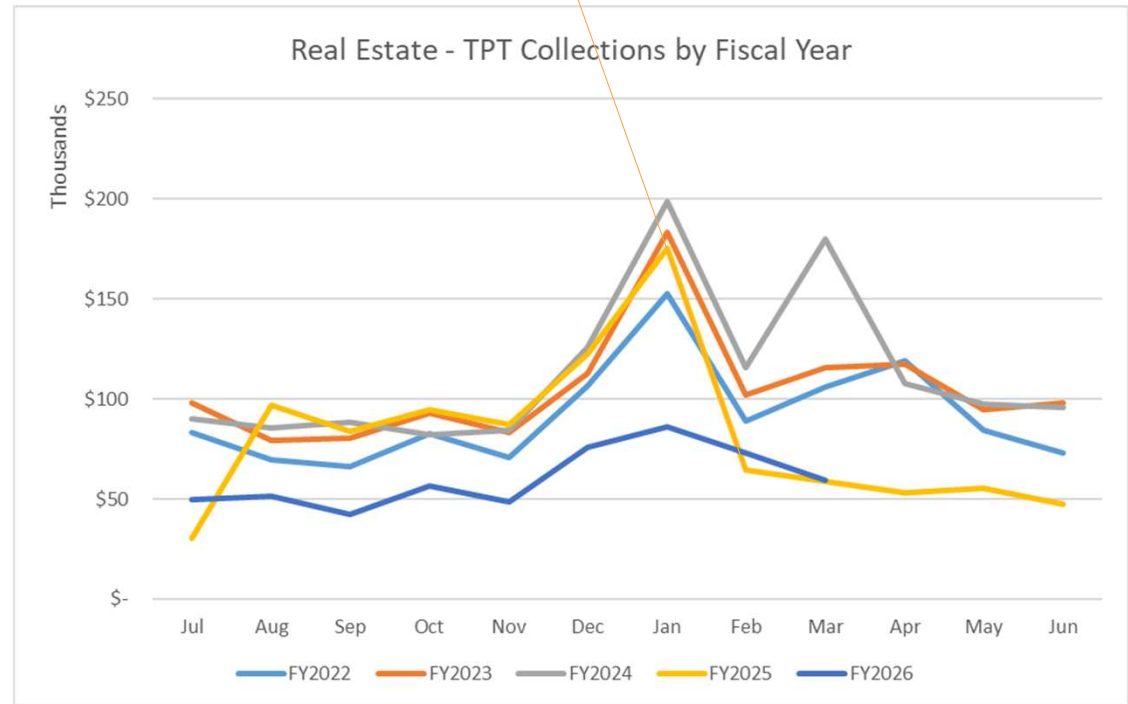
3rd Quarter Revenue Update

Real Estate

- Includes Commercial Rentals (*no longer includes long-term residential*)



February 2025 - First month without long-term residential rental tax



Real Estate				
	FY2024	FY2025	FY2026	Change from FY2025
1st quarter	263,394	210,949	143,223	-32.11%
2nd quarter	292,549	304,767	180,773	-40.68%
3rd quarter	494,045	299,016	218,692	-26.86%
4th quarter				
Totals:				

FY2026 Projection to Actual			
	Actual TPT	Projection	% of Projection
1st quarter	143,223	117,747	21.6%
2nd quarter	180,773	157,363	14.9%
3rd quarter	218,692	242,244	-9.7%
4th quarter		164,090	
Totals:		681,444	

3rd Quarter Revenue Update

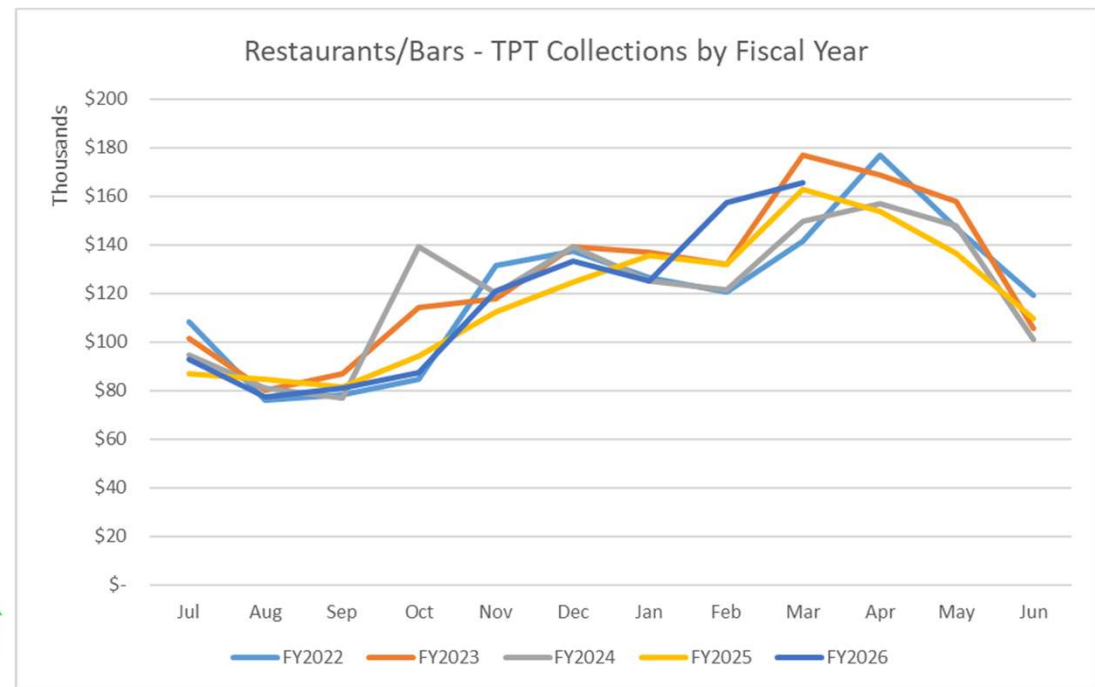
Restaurants and Bars

- Includes Local Restaurants and Bars



Restaurants & Bars				
	FY2024	FY2025	FY2026	Change from FY2025
1st quarter	252,574	252,750	251,363	-0.55%
2nd quarter	398,130	330,995	341,597	3.20%
3rd quarter	396,098	430,328	448,269	4.17%
4th quarter				
Totals:				

FY2026 Projection to Actual			
	Actual TPT	Projection	% of Projection
1st quarter	251,363	273,533	-8.1%
2nd quarter	341,597	311,787	9.6%
3rd quarter	448,269	355,815	26.0%
4th quarter		368,082	
Totals:		1,309,217	



3rd Quarter Revenue Update

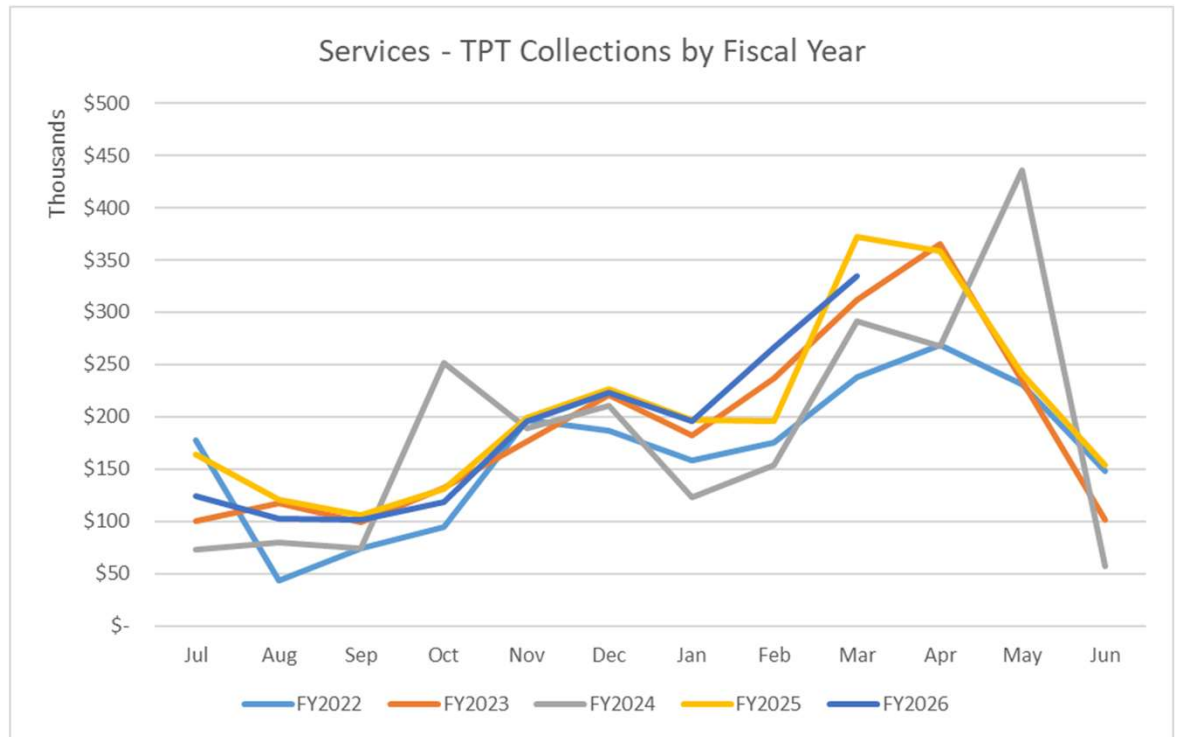
Services

- Includes Hotels, Golf, Tours, and Short-Term Residential Rentals



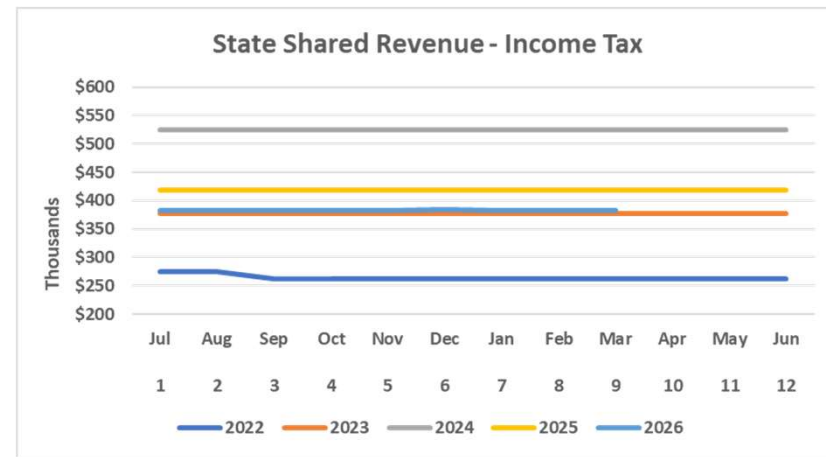
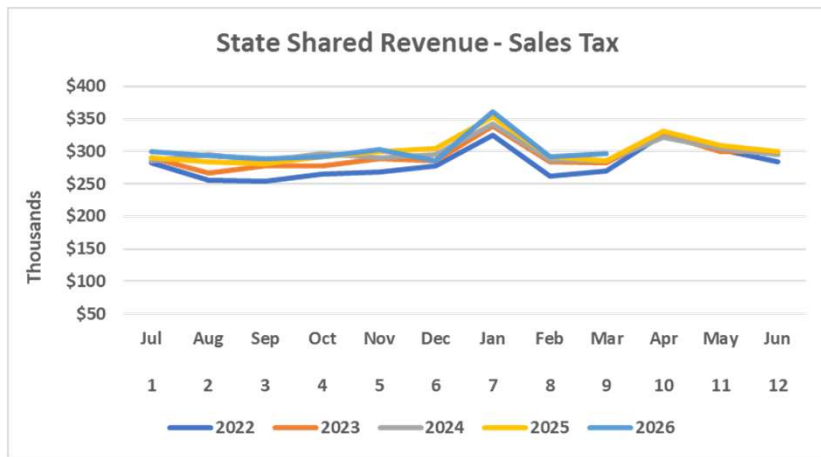
Services				
	FY2024	FY2025	FY2026	Change from FY2025
1st quarter	227,440	390,269	328,474	-15.83%
2nd quarter	650,848	557,727	536,694	-3.77%
3rd quarter	568,398	765,103	796,424	4.09%
4th quarter				
Totals:				

FY2026 Projection to Actual			
	Actual TPT	Projection	% of Projection
1st quarter	328,474	280,341	17.2%
2nd quarter	536,694	430,956	24.5%
3rd quarter	796,424	483,083	64.9%
4th quarter		496,660	
Totals:		1,691,040	



3rd Quarter Revenue Update

State Shared Revenue



General Fund Revenues

- Projected \$931K
- Collected \$950k*

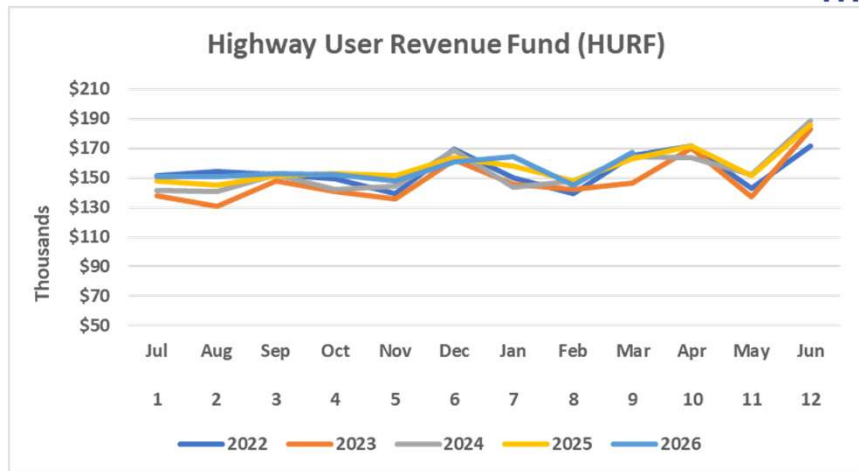
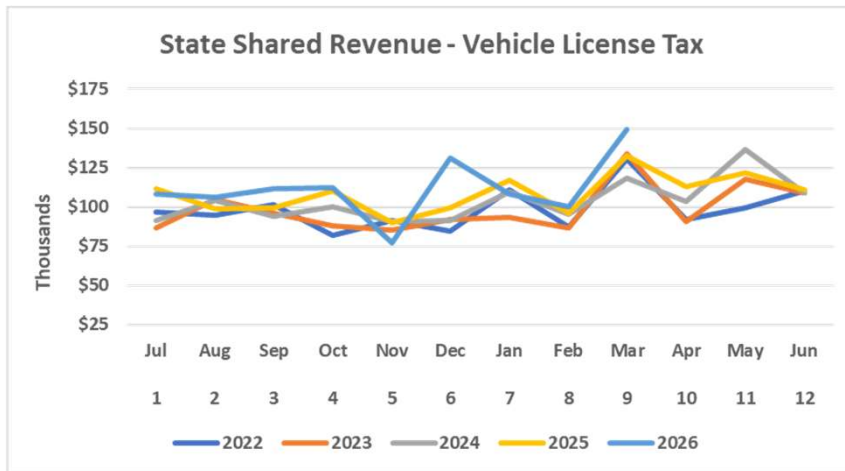
General Fund Revenues

- Projected \$1.17M
- Collected \$1.15M

*San Tan Valley began receiving State shared revenues in December 2025, reducing Fountain Hills' shares of TPT & HURF revenues

3rd Quarter Revenue Update

State Shared Revenue



Streets Fund Revenues

- Projected \$341K
- Collected \$358K

Streets Fund Revenues

- Projected \$465K
- Collected \$477K*

*San Tan Valley began receiving State shared revenues in December 2025, reducing Fountain Hills' shares of TPT & HURF revenues

www.fountainhillsaz.gov

Questions?



**FOUNTAIN
HILLS**



TOWN OF FOUNTAIN HILLS
MINUTES OF THE WORK SESSION
OF THE FOUNTAIN HILLS TOWN COUNCIL
MARCH 24, 2026

A Work Session of the Fountain Hills Town Council was convened at 16705 E. Avenue of the Fountains in open and public session at 1:01 p.m.

Members Present: Mayor Gerry M. Friedel; Vice Mayor Gayle Earle;
Councilmember Brenda J. Kalivianakis; Councilmember Rick Watts;

Members Attending Remotely: Councilmember Hannah Larrabee

Members Absent: Councilmember Peggy McMahon; Councilmember Allen Skillicorn

Staff Present: Town Manager Rachael Goodwin; Town Clerk Bevelyn Bender;
Town Attorney Jennifer Wright



Post-Production File

**Town of Fountain Hills
Town Council Meeting Minutes
March 24, 2026**

Transcription Provided By:
eScribers, LLC

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Transcription is provided in order to facilitate communication accessibility and may not be a totally verbatim record of the proceedings.

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MAYOR FRIEDEL: Call this meeting to order. Roll call please.

BENDER: Mayor Friedel.

MAYOR FRIEDEL: Present.

BENDER: Vice Mayor Earle.

EARLE: Present.

BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Here.

BENDER: Councilmember Watts.

WATTS: Present.

BENDER: Councilmember Larrabee.

LARRABEE: Present.

BENDER: And Councilmember McMahon, and Councilmember Skillikorn are absent.

MAYOR FRIEDEL: Thank you.

Rachel?

GOODWIN: Mayor, Council. I have a couple of words. I just want to sort of to introduce our meeting today. Remind everybody what we're doing, why we're doing it, and how we will be proceeding. So bear with me here.

Today's capital improvement program work session. I want to take a moment to frame the importance of the discussion in front of us. The CIP at its core is our long-range plan for investing in the community's infrastructure, facilities, and assets. It reflects not what we build or repair, but how we prioritize service, delivery, safety, and quality of life for our residents over time.

These decisions are always a balancing act. And Mayor, you and I talked about this a little bit. While the CIP identifies important capital needs across the departments, we are continually weighing those investments alongside other critical priorities, particularly roadway maintenance and reconstruction, which is, as we know, one of the community's highest expectations.

Our goal is to ensure that we are making thoughtful, strategic investments without losing sight of the fundamentals. I also want to emphasize that the projects presented

to you today have been carefully developed within our current financial capacity. What you see before you is a program that is aligned with our available funding and fits within our budget expenditure limits. In other words, this is a plan that currently fits in the FY '27 budget.

So as a reminder, we use a red, yellow, green framework to guide our discussion and provide clear staff to direction. Green items are those projects that Council is comfortable with moving forward with. These allowed staff to initiate work and proceed without needing to return, unless there are significant changes. Changes might be the scope, price, price point, things again, that are outside of what we present. Yellow items signal that we will budget for them. However, additional information or discussion is needed before moving forward. And of course, red items are those projects that Council does not wish to pursue at this time.

This process is intended to make your direction clear and allow staff to move forward efficiently with -- when there is consensus. We will be looking for your feedback on each project in order to assign it to the proper category.

And lastly, today's opportunity for open dialog between Council and staff to answer questions and refine the plan. Today's project -- basically, today is to let us know what projects you want us to move forward with and include in the budget proposal. A reminder that we will be bringing forward the budget proposal in a few weeks, in April. So we need to make sure that those that are projects that you'd like to include are mentioned today. We note them. Anything you don't, we will remove.

And then one aside, I had one earlier conversation. This is the chance to add projects if there are, if there's something you have heard or would like to see on here outside of streets. So not including streets, but other projects. If there's something that you would like to see staff consider, now's the time.

All right. With that, I will turn it over to staff to begin the presentation. Paul, are you kicking us off?

PAUL: Actually, no.

GOODWIN: Okay. We're going to go right to Kevin. The community services director is

going to lay out the projects specific to the Parks Department.

SNIPES: Alrighty. Well, we've talked about some of the capital improvement projects, but not all of them. So today is a chance to see all of them that we've kind of whittled down for this year and to get your feedback on each one of them.

One that we've talked about several times that we did the design side of this, this year. And so in next fiscal year, we'll be looking to add the structure around the irrigation pumps and controllers at Desert Vista Park.

This is one we talked about where we actually had a leak inside the little green box there that houses the pump about a year and a half ago now, I guess, and it fried all the computer controls that are in there with it. So the idea of this being that we can get things out and get them better protected and both from the sun and from possible leaks that could occur.

We're looking at doing several different turf improvements at Fountain Park, one of which, there on the left, you can kind of see there's a berm that's always right behind where the stage goes up for all of our major events. What we'd like to do is cut that berm down, and flatten out, and expand that event area out to where that we can move that stage back closer to the lake, which would allow us to have a lot more people in the flat area of Fountain Park's event space.

The ridge originally was part of holding water back. If there was a massive flood that would come into that area. We have since re-delineated the property and so we can now take that berm out and make it so that we can have a larger useful space there at Fountain Park.

The picture on the right there is another example. It's looking at getting rid of some turf that's in a difficult area, often leading to water overflow -- over throwing into the street because of the strange round corner that's on it. Makes it much harder to irrigate. It would also help protect both our monument sign from getting watered every day, and the electrical boxes from SRP getting worn out there on that corner as well.

This is one that we've talked about a few different times over the years, and this seemed like a good time to work on tackling this -- both of these projects. And there's

one other space that has -- that's right next to the Great Lawn, that also has a dip in it that holds water. And so we're looking at leveling up that area as well, using some of the material that we pull from this berm to help do that.

WATTS: It'll still be turf though?

SNIPES: It will still be turf, yes. The area by the corner there, that's going to go to landscaping, and that's going to be eliminating the turf, and the one that's red and crossed out. Does that make sense?

UNKNOWN SPEAKER: So no grass?

SNIPES: Yes. Yeah. We'll do granite, and plants, and stuff in that same area where the turf is. That's the corner of El Lago and Panorama. Any other questions on that one? Does that make sense? Okay. Uh-huh.

UNKNOWN SPEAKER: Kind of one other question. Will that be done with staff?

SNIPES: Yes. We're looking at the. The one on the corner. Could be a combination of the two. We're looking to do as much in-house as we can in all the turf sections. And just making it so that we can provide a much better space. And there's not much to -- it's just grading. So 90 percent of it will be in-house.

GOODWIN: Kevin, I have a question for you about that one, too.

SNIPES: Uh-huh.

GOODWIN: Timing on that one, I know you do overseeding obviously in the fall and stuff like that. How does that factor into all of this?

SNIPES: It's 100 percent what we're planning on doing.

GOODWIN: That's the plan.

SNIPES: So what we'll look at doing is when we shut down the irrigation to prepare for overseeding, that's when we'll come in and do all the projects that are in the turf. The one on the corner is less problematic as far as that goes. So that one could really be done at just about any time. But the one in the Great Lawn area will be geared around not only our events, but our overseeding to where that we won't interrupt anything. Anything else?

EARLE: Do I -- do I need to ask your permission to speak in this meeting? Would all this

be done for 75,000?

SNIPES: Yes.

WATTS: Oh, nice.

SNIPES: Yeah, that's. That's the key to doing it a lot in staff. So in house.

WATTS: That was easy and almost painless. I'd like to go back one slide to the pump house. I didn't know we were going to ask questions as we were going. So my bad.

SNIPES: No problem.

WATTS: What did we have allocated in '26, and how much of that did we spend? Do we have any carry forward from that or -- where are we?

SNIPES: So are we -- in '26 we did design only at 60. We're currently working with a person that's -- that we're talking about potentially doing a block building around it that he thinks he can do for cheaper than what we can. So if that's the case, then we won't need to spend that money either. And so we'll be giving that money back to the CIP and then moving forward with doing a block building around it.

WATTS: So we had \$60,000 allocated last year. We haven't spent that yet, and we may or may not spend it going forward.

SNIPES: Yep. It all depends. We should find out something next week about where we're -- if we're able to do it the way that we think we can. And if so then we won't need as much. It'll help save more money for --

WATTS: So to put words in your mouth, in your typical fashion, you're going to come in about 150,050 percent savings on your estimates?

SNIPES: I always hope that.

WATTS: Pretty close to that?

SNIPES: And I've done it a few times.

WATTS: Thank you.

SNIPES: I don't do it every time, but I've done it a few times.

WATTS: Thanks.

SNIPES: Uh-huh? It was 50 -- it was 50,000 towards design, not 60. Yeah. Either way, money not spent, so.

The bollard lights around Fountain Park, as anybody who's been here for a while have known since they've been put in, they've been challenged a few different times on how bright they were, and how it interacted with people that were walking around the park. We found a company that can do just -- this is just the light pack. We've now found out that the bollard drivers that can -- that turn the lights on and off, they're not manufacturing those any longer. We bought the last 11 that they had. So that creates a problem.

This is something that could be that would be an ongoing solution to this. We've worked with a company that's -- does a lot of retrofit, and they're helping us out with our basketball court lights at Golden Eagle right now, as well as we're involved with our lighting around the Centennial Pavilion, and for the shade, and for the shoe box lights that are around there. And so they did one of them. They brought it out. We've been working with our Dark Sky group. This is provided by Ted Blank. The pictures of the three different ways that it looks. The one in the middle there is what it would go to. It's definitely a more amber color.

But it still provides -- my big thing was, do we get the same candles per square foot to where that we're getting the same brightness out of it. And as you can see in the in these pictures, it's better than one and less than the other, but the one that it's less than is the top left one there. And that's one that's not one that's clear around the park. That's the black ones that we have just by the Veterans Memorial area there.

Any questions on that one?

WATTS: Who's up first?

MAYOR FRIEDEL: Vice Mayor.

EARLE: Well, thank you, Mayor. Are you replacing the whole bollard or you just the lighting, because you're saying a new --

SNIPES: Just the -- just the guts of it, so it'll just be the light and the driver that that would be being replaced on this. We did find a company that makes just the shell. And so that way, if we do need to do that, we can do that along with for the outer part of it, where the manufacturer that makes the actual -- the entire bollard doesn't sell it in

parts, they only sell it in wholes.

EARLE: But you're just changing --

SNIPES: Trying to make it so that we can get these to last as long as we can.

EARLE: And you're just changing the lighting. It's not reflecting down. You're not having a reflector on there?

SNIPES: No. It's --

EARLE: I see it. Just -- yeah. It looks like you haven't changed that part. Okay.

SNIPES: No.

WATTS: Kevin, somewhere in the 109 pages of detail that were supplied --

SNIPES: Uh-huh.

WATTS: There was a mention of more efficiency, and efficiency to me is cost saving.

SNIPES: Yes.

WATTS: So did the lighting company that proposed these do an analysis of what the effective cost savings would be versus what we're paying today?

SNIPES: We have not done a full-on -- because this started out as a very small like, are we going to do ten at a time and work our way through? These are running at 27 -- 2700 Kelvin. So they'll definitely use less electric. I don't know the total cost savings on that, but the old ones were at three. And so they were less efficient than what the new ones will be.

WATTS: Not to split hairs, but 3000 Kelvin and 2700 Kelvin is the color of the light --

SNIPES: Right.

WATTS: -- on the light spectrum. The amp draw is what I'm looking for. The reduction in amp draw when you go from an incandescent or some sort of fluorescent back to LED.

SNIPES: So what they did say was, these drivers are more efficient than what the other than the original ones were. It's ten years' worth of technology that's making them more efficient. It was something that we reached out to see if there would be a substantial if there would, if it would fit with the SRP rebates. And it was not because of -- I can't remember what the exact was --

WATTS: It probably doesn't fit for the SRP rebate program.

SNIPES: -- but it doesn't fit with their thing. Yeah.

WATTS: But on the other hand, most good salesmen say you're going to save \$50,000 in utility costs over the life cycle of these things. So if we could do that, and we ended up taking from 300,000 down to 250, that would be good to know up front, to see.

SNIPES: Sure.

WATTS: Okay. Thanks.

SNIPES: Yep.

MAYOR FRIEDEL: One other quick question. How many bollards are down?

SNIPES: There's over 300. Yeah, it's 326 or something like that.

KALIVIANAKIS: Just one quick question for you too. You said you picked up 11 drivers. Did we ever have an inventory of drivers? Would that be on top of what we had?

SNIPES: That was because we were -- we were running out of drivers that we ordered, and we had two or I think we had three or four that were still left on hand. So we do have enough to last for a little while, but --

KALIVIANAKIS: Yeah. How many do we have in inventory? Any rough idea?

SNIPES: Less than 20.

KALIVIANAKIS: Okay. And how long does the driver usually last?

SNIPES: It is so random. I wish there was a direct number, but we had -- when we first put them in, we probably had ten percent of them that failed --

KALIVIANAKIS: Uh-huh.

SNIPES: -- within the first year. And then since then, it's been hit and miss here and there where they fail. But we probably go through eight to 10 a year at least.

KALIVIANAKIS: So we have like a year, two year max supply.

SNIPES: Yeah, we'll have to figure out something. Uh-huh.

KALIVIANAKIS: Okay. And is that kind of like just a ballast for a light bulb?

SNIPES: Yeah. Something like that, uh-huh.

KALIVIANAKIS: Okay. Thank you.

SNIPES: Yep. All right.

GOODWIN: Kevin, I was just going to emphasize -- the Mayor kind of got beat me to it, that there's more than 300 of these down there, and they were in -- in '16.

SNIPES: Uh-huh.

GOODWIN: So they're ten years old. We know that this we knew that this was a cost that was coming. But the discussion we've been having internally is just like Kevin said, do we take this on in stages, doing ten at a time. Between the color change and the cost savings of a bulk order, that doesn't make the most sense. We save significantly if we order and do this project in one fell swoop.

SNIPES: Correct.

GOODWIN: Is that accurate?

SNIPES: Yeah, because they're all being made specifically for our lights. There's definite cost savings in doing all versus one.

Anything else?

All right. The Fountain Park Lake liner replacement design. So this is one that we've talked about a few different times. So this is where we're looking to actually get into the nitty gritty of how we can get 100 million gallons of water out and replace or -- the coffer dam we talked about potentially doing, or seeing if there's other avenues that we need -- that we haven't even looked at, that we need to.

We've looked at several but we'd really like to get this playbook, as we've talked about having it ready to go for if there's an emergency and something happens that's catastrophic, or as we go through time and we know that we'll start seeing -- like, if it's a leakage thing, that's going to happen in a slow process, but it doesn't mean that someone couldn't come off the road and drive up into it and tear the liner. And then we're still going to be in this exact same spot. And so this is so that we can be ready for that if and when the time comes.

Any questions here?

Okay.

Fountain park remodel replacement. Down in the bottom left corner, there is the shape of the structure. It won't be that big. We're looking at 25 by 25 foot structures, but

that's the style that it'll be. We're in the process right now. We have it out to bid for the -- for this project. This is a two year project. So this year we're scheduled to do three and do two next year. So this is just both an update and for what -- for the ones that will be doing in next year's process.

Any questions on these?

EARLE: Did the old ones have lights? Because it looks like --

SNIPES: The old ones do have lights.

EARLE: It's nice. And it's called Barrel Vault?

WATTS: Yes.

SNIPES: They're from a company called Cedar Forest.

EARLE: Oh, that's the company name. It's not going to be saying Barrel Vault?

SNIPES: No, it won't say that. There -- that's just the name of the product.

EARLE: Okay.

SNIPES: Anything else?

KALIVIANAKIS: Yeah. And then again, looking at the pictures on the right, is there a public safety hazard right now going on here?

SNIPES: Yeah, it's close. We're keeping an eye on it.

KALIVIANAKIS: Because it's -- with the cracks, and the pillars, and the falling --

SNIPES: We keep an eye on it on a daily basis if we need to pull stuff down.

KALIVIANAKIS: -- down.

SNIPES: And no, it's more the -- it's more the -- so the way that the original one was designed, it had a layer of metal, a layer of insulation, a layer of metal. So what happened was somewhere along the way, moisture got in between the two layers and got wetness. And so it's rotting from the inside out. And so that's where we're seeing the holes start to pop up in a few of them that are out there and other ones aren't far behind, so.

And we did look into just replacing the roofs. That was the thing that we thought would be the cheapest. And I had, I think, three different vendors come in and look at them, and each one of them were over \$100,000 just to do the roof. And I was like, well, we

can do the whole structure and then some for that. So that's when we started looking at it a different way about three or four years ago. And so that's what got us to where we're at.

KALIVIANAKIS: Yeah. It's just -- it just -- again, just to a layman, it looks dangerous. And I think this should be a priority item to get this thing going as soon as possible. Thank you.

WATTS: And Kevin, just so I'm clear, all five of them are \$200,000. \$40,000 a piece, installed?

SNIPES: No, this is -- this is -- so we're doing three this year and we're doing two next year. So there's 300,000. There's 320 on this year's and 200 on next year's, for five total.

WATTS: Oh, on '26, we've got \$320,000 for three of them?

SNIPES: Correct.

WATTS: So \$167,000 apiece. And next year we're going to have about the same thing for the other two?

SNIPES: For the other two, correct.

WATTS: Okay. Thanks.

GOODWIN: Kevin. Not to steal your thunder on this because I know you'll do a SIP update about this year's project, because it is a bridge project, but you expect this probably to all be done -- kind of a summer effort?

SNIPES: This one we're trying to finish. Be somewhere -- we're hoping to get everything in in the June, July carryover so that it'll all look like one seamless project. And we'll do it in the hottest part of the summer to where that most people won't be out when it's 115, to sit in the shade, even to sit in the shade.

So that's the impact that we're trying to -- as long as we can get them produced in that amount of time, then -- then we should be all good.

GOODWIN: Thank you.

SNIPES: Uh-huh. Thank you.

Another electrical building that we talked about that we did the design for this year, and

it's in the exact same line as the other one. When we found that out, we said, well, let's try and save both of these projects from having to pay for the design side. If we can just build a block building around it, there's a pad already there. So we've had a contractor out taking a look at those, one of our JOCs. And so we're working our way through that right now. We're hopeful that we can do both of these buildings at less than what we originally anticipated.

Anything else on these?

WATTS: Easy question. What -- are you just putting a new building around it? The four walls foundation is going to stay the same. No movement of the electrical or any of the sub -- the sub panels that are in there, transformer, et cetera?

SNIPES: What we may do is -- what we're looking into is everything that's on the left side of that picture is swinging that around to the outside wall, because that little building there is going away.

WATTS: So it seemed like \$200,000 for that size building was a little expensive.

SNIPES: Yep, because there's all that electrical involved. Yup.

WATTS: So with all the electrical, it wouldn't be relocating all of that stuff.

SNIPES: Exactly.

WATTS: Okay. Thanks.

SNIPES: Uh-huh.

This next one we talked about, I think once a little while ago, about taking the irrigation that we're currently sharing a lake across the street from Golden Eagle Park. And the golf course uses the lake for their irrigation, as do -- as does the park. And so all of our pumps are in the same room. We're sharing the same body of water. And it has had some issues, definitely over the year with -- over the years with doing that, with discrepancies on what type of injections we should use, how to treat the lake, all that sort of thing.

What we're looking at doing here is putting in an in-ground storage tank, doing a direct feed from the sanitary district. That middle picture there is approximately where the water line runs that goes over to fill the lake. So we could tap into it in that location.

Put a small pump house in the bottom right corner of the picture there on the right, where the red box is. And then put the tank in that turf area below the turf.

We think this can be a cost effective way to do this and give us total control of our irrigation water. We'll have better water quality because we'll have control of how we treat it.

As you can see, that picture there on the left, that's an every year scenario for our park guys. And when you have 1000 sprinklers in the park, it turns into a lot of work having to clean those. We do do chemical treatments of our lines to try and help minimize it, but we still run into having to clean out a lot of sprinklers, usually in the June, July timeframe, which is a great time to have to do a lot of work on your irrigation system. So for both of those reasons, we would like to get away from having to do that, and we think this is the best way to do that. We've already talked with the Sanitary District about it. They're on board with it. So it would just be a matter of doing some modifications to the line to pull it off. So this would be -- this is looking at getting the design done this year, and then in two years starting on the actual construction for three years.

WATTS: But the 75,000 doesn't include construction costs. This is purely design, right?

SNIPES: Right, this is just design. Correct. The three -- yeah.

WATTS: Right.

SNIPES: We're -- because of how much stuff's involved. I didn't want to make a guess on that, because I felt like that was a little bit above what I could guess.

WATTS: But you've got four -- oh, so construction is going to start at FY30.

SNIPES: Yeah, 30. So that -- that was because of how our CIPs were lining up.

WATTS: Right.

SNIPES: We felt like that was a good year to do that.

WATTS: So no estimates yet on construction, \$75,000 for design. That's it.

SNIPES: Yes.

WATTS: Thanks.

SNIPES: Uh-huh.

UNKNOWN SPEAKER: Two questions. Do we have this issue anywhere else in town?

SNIPES: This is the only spot that we have anything close to this.

MAYOR FRIEDEL: Yet you anticipate the storage tank to be below ground?

SNIPES: Below ground?

UNKNOWN SPEAKER: Will that be a block?

SNIPES: No one will see the water supply. It'll all be below ground that way it -- we can make it the exact size that we need it to, so that we know. We turn it over as often as we need to minimize the amount of treatment we would need to do. And it just gives us total control of the irrigation for a critical piece of infrastructure.

GOODWIN: Kevin, I've chimed in on every one --

SNIPES: Sure.

GOODWIN: -- so I'm just going to chime in on this one too. I apologize because this is something Kevin -- I've talked about quite a bit over a number of years, so this has really been something in the background for a while, so I'm a little more familiar with it. But one thing I wanted to mention, particularly for you, Councilman Watts, is you had asked about offsets. What we didn't mention is we pay an annual fee to access the lake that's across the street, so that savings would be realized year over year after -- once we got this up and running.

WATTS: I bet you the order of magnitude, the labor costs are significantly more than the fees that we pay.

GOODWIN: You'd be surprised.

SNIPES: It's a -- it's a -- it's a reduction, not a total cost coverage.

WATTS: Right.

GOODWIN: Yes. Yes, but there is -- there is that savings to be -- to be -- just to be clear.

SNIPES: Anything else?

All right. The next one was -- is Sierra Madre Park, which is a location that's north of Golden Eagle Park. You can kind of see it on this map. There in the top center, is the location of it. It butts up to the property that the school just sold. And so with the development that could be going in there, if that development does go in, we feel like it

would make the most sense to try and capitalize on development already going on. And then adding in a new park along with that.

Feeling like -- and then being able to -- we've already had some preliminary discussions with them about maybe with them having their heavy equipment out here, helping us out, and doing some grade work. And wanting to do that, we have to have a plan in place to be able to pull that off.

So what we're looking for this year is to get the design done, so that we know where we need material, where we don't. Start looking into the challenges of having a dam at the top of the park versus at the bottom of the park, which is kind of where we're at Golden Eagle right now, where everything backs up into the park. This would kind of be on both sides of the dam. There's ten acres on the upstream side of the dam, and there is 20 on the down side. You can kind of see that better in this picture.

So you can see the new development there in that top left corner. And Sierra Madre Park has access to a couple different streets there, we're looking at. There is some amazing views down through there. We were out walking the space not too long ago. And it's just a -- it would be a nice size community park that would have a lot of great views, and we could really capitalize on some views of nature in that area.

EARLE: Kevin?

SNIPES: Yep.

EARLE: Has anybody talked to Toll Brothers that they might help pay for it?

SNIPES: That's where we're talking to them about helping out with doing some of the groundwork and doing some of the grading side of it, and that sort of thing with that as -- yeah, we certainly have had those discussions. Yeah. Like I said, we have to have the plan in place to where that we know what we want to do before we can do that. We're also looking at partially funding this with some development fees to help with that cost mitigation as well.

EARLE: Is the 6,000 just design, or is that doing the park?

SNIPES: It's 600,000.

EARLE: I'm sorry.

SNIPES: Yes.

EARLE: Yes, 600 --

SNIPES: That's just design.

EARLE: Just design.

SNIPES: Yep.

EARLE: Oh.

SNIPES: Yep.

WATTS: How receptive is Toll Brothers been?

SNIPES: Fair. Yeah. Yeah, they --

WATTS: Yeah, they got a smoking deal on the land. So they've got a little bit of latitude.

SNIPES: They were -- they seem like they -- when we were having our preliminary discussions with them, they said yeah, let's have -- let's have those discussions down the road.

WATTS: So the 600,000 then is inclusive of the 200 from the development fees. And that development fees come from Toll Brothers, the construction side, from there?

SNIPES: No, no. Not directly, no.

WATTS: That was quick.

GOODWIN: There it is.

WATTS: That was quick.

PAUL: Mayor and Councilman Watts. So it's just from the existing development impact fees that we have. We're planning to spend most of it this year, potentially on Skyview Park. So we have about 1.44 million today. If the budget that we're asking for is around that amount, because of the expanded scope and stuff, and Kevin will talk about that more, so but we are projecting to bring in additional revenues.

The fees are -- is it almost April 6th? Almost April 6th. So the new fees are going into effect in a couple of weeks. Our projections have gone up for those revenues, so that's probably a conservative number. We're projecting over \$400,000 of parks impact fees next year. So we're just earmarking some of that money to go towards this, and through the entire process, if we do move forward on this, we would use basically as

much of the parks impact fees that we're bringing in. That's what we would earmark to try to offset the cost of the entire park construction.

KALIVIANAKIS: And as long as you're up, Paul --

SNIPES: Come back.

KALIVIANAKIS: Yeah. Just one quick question for you. I know development fees, if you don't use them within ten years, they revert back.

PAUL: Uh-huh.

KALIVIANAKIS: And so do we have any development fees that are close to expiring that we should be using up right now?

PAUL: Yeah. Great question, Councilwoman. We don't have any that are approaching the ten year mark. We track that every year. I think we have some -- I don't know if it's parks or our streets impact fees that are close to six or seven years old are the closest to the ten year mark, but we're going to spend that on the street widening pretty soon here.

KALIVIANAKIS: Right, right.

PAUL: It's just getting started.

KALIVIANAKIS: Okay. Good. Good to know, but thank you.

PAUL: Before I get down or let Kevin come back up. But I did want to mention that -- and I'm sure Kevin will get into this, but it makes me a little antsy with moving forward on a park like this, it does bring an operational aspect. It will cost money to staff and utilities and things like that, and it's included in the book, and I'm sure Kevin will talk about that as well, so.

SNIPES: With that, I'll take any other questions on the park itself. Design.

EARLE: He mentioned more staff.

SNIPES: Uh-huh. Yeah. Taking care of 30 acres of park is definitely going to take some more staff. We're planning a multi-year approach to this. I think we have it scheduled out, five years at least of doing a phased approach on it. Because it is going to be -- I mean, it's -- 32 acres is not going to be -- doesn't build for free, and it won't, and making sure that we have the money.

So we've been looking at all those numbers and seeing where, where that puts us at. And so far, we're all on the same boat as thinking that this does work, it is a good time to do it with what's happening in that space. If it wasn't, then we probably wouldn't be looking at this project today. It was something that Rachel and I had earmarked, I don't know, probably seven or eight years ago, as far as this being a great spot for a community park.

And with the new development coming in, we were like, if the school builds there or that's where we thought we could tag into and now with the development going in, it makes the same sense with a new development going in to come in at the same time.

WATTS: Is this a good time to ask him the question? Okay.

EARLE: How much staff are we talking about?

GOODWIN: Well, and we don't know yet, is the answer, because as Kevin just said, it's a -- we're visioning building this over five years at least. So each phase of the park will determine what staff, if any. Meaning if it's a highly active park where we have -- and I don't know this, again, this is where we don't know we need. That's why we need to build a design and plan it out.

Does it have high-use amenities? Are we getting people -- are we getting hundreds of people through there every day where we need to be checking trash multiple times a day and cleaning restrooms and things? Or is it more passive use where we're not seeing that type of high traffic number, where we have people -- and it's really going to be dependent on what elements are included in the park, what type of amenities, and how fast they're added, i.e., the first phase of this is probably going to be much more low impact, right? With some trails and some things, as we add a playground or as we add a restroom, or as we add other things that will determine those staffing elements as well as the operational costs, whether that's for supplies, materials, that type of thing. The idea for today in this conversation is, none of those questions can be answered until we have a design, until we know what the park will include or won't include.

SNIPES: Certain -- if you'll let me step in.

GOODWIN: Please do.

SNIPES: So given the size of this, think about Fountain Park at 60 acres. 30 of it is Lake, right? So the outer 30 is going to be similar to this. So the max that I can see us needing there would be two staff. And depending on the impact, like Rachel said, it could be that it's one. It just kind of depends on what all ends up going there and -- like Golden Eagle, has two staff because of the activeness of the space and how much we're having to turn over fields and get everything ready. So you can kind of look at it from that, and it'll be two or less.

MAYOR FRIEDEL: I have two questions.

SNIPES: Uh-huh.

MAYOR FRIEDEL: Do we -- and I won't hold you to this. Do we have any idea what the value of Toll Brothers moving, grading, what that brings to the table for us? Do we have any idea? Estimate. Ballpark. No.

SNIPES: I'm not sure.

MAYOR FRIEDEL: All right.

SNIPES: You're talking heavy equipment.

MAYOR FRIEDEL: Yeah.

SNIPES: So it's --

MAYOR FRIEDEL: Yeah, it's --

SNIPES: It'll be considerable.

MAYOR FRIEDEL: I was going to say, it's costly to do that.

SNIPES: Uh-huh.

MAYOR FRIEDEL: So there's -- so there's some -- certainly some value to having that done.

SNIPES: Yeah.

MAYOR FRIEDEL: The second question I have is with this design. They're going to be there putting sewer lines in and all kinds of stuff. Are we anticipating that our design is going to say, hey we need a sewer hookup for potential washrooms down in here. Will that all be taken care of with the design work? And can we get Toll Brothers to put a hookup in there? Anticipating the fact that we're going to be able to have a restroom

down there at some point in time.

SNIPES: It would all depend on where that needs to go to. But without the design, we don't know any of those answers. So we need to figure out the design and where the location will be for things that need that, and restrooms, or even our irrigation hookups and things like that. And so that'll be what will help determine what we can and can't easily do.

GOODWIN: Mayor, I think you kind of hit the nail on the head in that question is that we can't give Toll any direction. We can't make any of those requests or partner with them or collaborate on any of this until we know what we need. And that plan is really the catalyst for that conversation.

Toll has been very open to dialog with us and have asked, well, what is it that you want? And I can't answer that until we have more concrete plans, until we have a design, exactly. So a lot of this is all turning on that conversation. And again, Kevin mentioned it. We wouldn't be having this conversation today. This wasn't really on our horizon until that development process triggered. And then it made sense to piggyback. If there's going to be development in the area, we should capitalize on that in terms of timing.

SNIPES: And it certainly takes a fair amount of time to develop a park to get the design for a park of this size, as we all know. And so we need to move on this quickly to be able to catch when they still have their heavy equipment on site. So there's definitely a ticking clock as far as --

MAYOR FRIEDEL: You need us to delay this -- I'm just kidding.

SNIPES: Yeah.

MAYOR FRIEDEL: I think we should take every advantage possible if they're going to be down there and we're going to need it at some point anyway.

SNIPES: Any other questions? All right.

Our next one is Skyview Park Construction. We have the design done. We are out to bid. The number that we put in the book was 1.4 that was based off of some engineering estimates and a little bit of contingency as well. We're still hopeful that

we'll come in under that.

Some of the things that we're in the -- in the original cost, we think we'll have taken care of some of the issues that were in that engineering estimate before they start working on it.

This has been a project that we've sat in several meetings with our Dark Sky folks and made sure that we're looking into all the details possible to make sure that it's a success when it opens. And so there was a lot of design things that had to be thought of, especially with a hillside coming down on Golden Eagle. We've talked about this before, about the headlights coming down and around that corner, as well as vehicles turning on to Bainbridge.

And so to help with that -- the center, we have the big structure that had to have a top and sides on it to where that we could capture more of the light and make sure that it doesn't ruin the experience. We're doing red lighting inside, push button activated to where that we can turn on and off the lights and make it so that it's usable. Both if we want to have something that's not directly to Dark Sky viewing, but just towards having a place in the evening, it will be lit normal. And then when you go to doing Dark Sky viewing, you can push a button, it switches it to red lighting, and so it won't affect your eyes.

And then there's walking trails that'll be around it, that'll add in a bunch of different and unique styles of plants so that we can show our residents there's more to landscaping than Lantana. And we're always trying to get people to use different things. We certainly do in the parks. And so this provides a nice space and with its heavily tree oriented as well to where that, as the trees grow, they'll help to protect from the lights coming into the space. So you can see.

And I know this is hard to believe, but we're about 75 percent less vegetation in this than it originally came to us. Because architects love to put more plants than what you need to if you let them grow to their full size. So we did that reduction and so we think this could be a very useful space, not only at night, but also during the day, being able to have outdoor yoga, which we're already doing in some of our other parks. But this

would be a quieter, off the beaten path space to do that at as well. And hold other classes at as well.

EARLE: How much parking is there?

SNIPES: So it's -- so along -- we did parallel parking there in the parking lot to where that no headlights could turn into the space. That was a big concern from -- for the light pollution coming in and affecting it. I think there's 13 to 16 spaces, something like that, in that area. And then we're also going to restripe Golden Eagle Boulevard, like we did down around the ball fields, to where there could be some on-street parking as well if needed.

EARLE: I'm hearing lots of complaints about the narrow road there because they've done that by Golden Eagle. So then this would be narrowed near this as well, just like Golden Eagle?

MAYOR FRIEDEL: Correct. Yep.

EARLE: Well, I'm still hearing complaints, so. Okay. I don't know if I like that reducing the road that way.

GOODWIN: Well, it's also feasible that we can give the parking lot a chance to see what type of traffic you're seeing.

SNIPES: Uh-huh.

GOODWIN: I think the question becomes -- is if the use demands more parking, that's our best option is to create on-street parking.

SNIPES: But I don't think it needs to be there out of the gate. I think it will be something where we see how it -- how it functions.

GOODWIN: See how it functions. Uh-huh.

EARLE: Yeah, I'm just -- I mean, but we want to be prepared for the future.

GOODWIN: Yeah.

SNIPES: Because it is a really small park. And so if you have, I mean, with that many parking spots that are in there and the number of people, that would be a pretty sizable event in that space for that time. So the idea is, this should sustain itself. If we found that it was that popular that we needed to expand, there is a solution to that.

EARLE: But it's a potential we got to think of what we, you know, down the road.

WATTS: Kevin, are you -- for walk walkway lighting? Are you going to do the same type of bollard lighting?

SNIPES: It's it is a low-level bollard-type lighting.

WATTS: Same thing as we've got around the fountain now, basically?

SNIPES: Not the exact same, but similar.

WATTS: Okay.

MAYOR FRIEDEL: There is a church right across the street to --

SNIPES: Uh-huh.

MAYOR FRIEDEL: -- for with a big parking lot as well. So that's something we could always explore as well. Maybe we can get an agreement to allow some overflow in there.

SNIPES: Uh-huh.

Any other questions? Okay.

This next one is back behind the community center there next to the Centennial Pavilion area. We have a turf space back there that's so sloped, it's not usable. And so what we would like to do for this coming year, is bring that grade up to where that we activate that space for things like cornhole or could be -- anything that -- that needs that flat space. And I know that Kathleen's talked about activating that space for several different things, and it just isn't usable the way it is for any of the events we have back there or on the day-to-day basis.

And so we'd like to get that space to a level that we -- that is much more usable, and get it done before the property behind it gets developed, to where that we're not matching their grades, but they're matching ours. And there is a storm drain that's in there that we've talked about, that we can bring up some that will help us also with making that grade much more flat.

And so that's the main part that's on for this fiscal year. And then the next part is over next -- right behind the building. Putting a shade structure over that section of turf that will help shade that hallway that is usually around 95 degrees when you walk down

through it in the middle of the summer. And it'll also provide an outdoor seating area next to the building. And then doing a balance type fitness area where the turf is there currently. We've been doing a lot more balance and core strengthening type classes, and they've been doing so well, we had to move them into the ballrooms, so we know there's a demand for it.

One of the problems that -- that I've heard several times is they wish there was several of those. This would provide a way to be able to do it on your own -- on your own time. It would be open to the public. It wouldn't be part of the membership of the community center. But I think, all things considered, adding in the shade blocking the sun from hitting that side of the building is going to be a huge asset as well.

Several years ago, we talked about expanding the community center into this space and having this be a fitness area or a coffee shop area. We had several different ideas for it, and that price number was knee buckling. This is a slightly different beast to that. And so this is what we're recommending for both of those spaces.

Questions? Uh-huh.

UNKNOWN SPEAKER: So the shade, at some point, we talked about the need to replace the windows and doors that won't have any impact on --

SNIPES: Now, what we're looking at is doing a cantilever from the shade structure side and having it tilt up towards the community center building. And so that way it would go vertical enough to make sure that the sun never comes through those windows. But it has to be ten feet away from the building itself because of building codes. And so we'll design it to where it's able to accomplish both of those tasks and still maintain a safe distance.

MAYOR FRIEDEL: To change the codes.

SNIPES: We're going to change everything today.

Other questions?

All right. The next one, we pushed back for the third year of the linear park development to do the shade structure on the west half. This is a similar design to the one that's on the east half to where we maintain consistency through that group. We've

noticed a lot of people using it and -- using the shade structure that's on the east half. When they come down to the west side the avenue, we're seeing a lot of people sit in really tight groupings in this area to find the shade that comes from the trees that are there, but there just isn't much that's there midday or even into the evening hours, where adding a structure where we could place the picnic tables in that area to where you could be in the shade would be as -- is definitely something that's been asked of us, especially during farmer's market days, but also during regular days out there as well. And this is something that we're not looking at doing this year. This is '28. We're just -- I'm just kind of getting you sharing the stuff for the future years as well.

Questions on that one?

EARLE: I don't know if I want to say it. We had some people very unhappy with the first one. So is there anything different from this one to the other one, or have you found --

SNIPES: We could certainly do something different. I think that if we're not maintaining consistencies with the two halves, I received a ton of compliments on it. And so I know that there's certainly were some people that weren't happy with it, but a lot of the things that they were bringing up didn't come to fruition. Blocking views of the fountain, or issues of walking down the pathway and not being able to see. It just -- when it got put in, and you walk down through there, none of those factors were actual factual.

EARLE: So that's what I was wondering. Yeah, talking about the views are from people. There will be the apartments above these?

SNIPES: Huh-uh. This is straight out from the parking lot. That's just on the end of the building here.

EARLE: Oh, okay.

SNIPES: This is straight out from the sheriff's office parking lot.

UNKNOWN SPEAKER: Based on this upper left, what you're talking about, I believe, comes in further down.

EARLE: Okay.

SNIPES: Correct.

EARLE: So the other one people were saying was going to block view. So it's --

SNIPES: Yeah. And it's definitely not. You can't you don't even see that structure until you get down to it when you're walking down the hill. All you see are trees. And so until you get past -- until you get within about 100 feet of it, you don't even see the structure because there's too many trees down there that block it when you're walking down the path.

EARLE: So I want to say this very gently, the little circle thing.

SNIPES: Yeah, I know.

EARLE: It's not aesthetically pleasing to me, but is that the only way it can be built this way? I guess it is, because that circle is over the fountain. There'd be no posts there.

SNIPES: Yeah, we can look at that. I mean, we're still not looking at this year. We're looking at next.

EARLE: Okay.

SNIPES: But if that's something that we want to just.

EARLE: Just putting out there. That's all.

SNIPES: Uh-huh.

EARLE: Thank you.

WATTS: All right, Kevin, I think the uniformity of one shade structure and the another is important. I know we got a lot of criticisms from 50 percent of the people, but the other 50 percent of the people like it. So it's six one, half a dozen of the other. My question really is what are we spending in '27, if anything? Or is this all in '28?

SNIPES: Uh-huh. We just pushed everything back. Yeah, all the '28. Uh-uh.

WATTS: Okay. Makes sense. Thank you.

SNIPES: Uh-huh.

This next one is also a future project that we're looking at. This one we're looking at fiscal year '30 for. This is the hillside that goes up from the back of the skate park. It's super steep right there. And having that turf up there has been problematic. And so what we'd like to do is bring in a shade structure down closer to where the bowl is of the skate park. And in part of helping to be able to do that, you can see the picture on

the right there is looking kind of from the street yard entrance close to there, and it goes uphill before it goes downhill.

So what we want to do is cut that hill off and make it to where that -- that slope doesn't have to be near as steep. It's about -- it's probably a four- or five-foot-high berm before it starts going downhill. That doesn't serve any purpose other than making that hill steeper.

So what we want to do is come in and cut that down to where that we can have a much less steep area. And then we'll come in and do some landscaping on that hillside versus having that hillside be turf. So that will be something that will be bring back to you at a later date. But just wanted to start getting it so you can see what we're looking at for down the road.

Any questions on that?

MAYOR FRIEDEL: I have a question on that.

SNIPES: Uh-uh.

MAYOR FRIEDEL: At one point, I thought we had kicked around the possibility of putting some bleachers or some kind of seating in there. Is that still something we're going to think about?

SNIPES: Yep, yep. That would -- that's part of what we're looking at doing with the shade structure. Uh-huh.

MAYOR FRIEDEL: Do we have any kind of grant money or anything like that we can look at for that?

SNIPES: Not yet.

MAYOR FRIEDEL: No?

SNIPES: No. Doesn't mean that we won't be looking for it, but right now would be too soon to have that.

Any other questions?

All right then. This is a cut out straight from the budget book. So you can kind of see the where we're looking at years out into the future and the total cost for each one of the projects that we're looking at.

And then I'll take you to the next slide, and we can start looking at red light, yellow light, green light information. Any questions on this page?

WATTS: Do you have a total down on that?

EARLE: That if you keep going down, is there a --

SNIPES: So for '27 it would be 4.2 million. For '28 it's 2.5. '29 is 5 million, and '30 would be three million -- a little over three million.

GOODWIN: And just for reference, it's also in your packet if you want to scroll. If you head over to like page 15, there's a good bar graph that kind of shows the amounts each project and then where the funding is coming from. And you can kind of scroll down from there to see the totals that Kevin just called out on page -- looks like page 16.

SNIPES: So then we can just go through each one of the projects. I did the green highlight over the three projects that are this year and next year projects. Because we're hoping that if you guys were on board with those last year, that we'll stay on board. But just so you know, those were the three that were greenlit last year, and this year is looking to be the construction side of those. The first one there, the Fountain Park Lake liner replacement design. We'd like to get kind of a your opinion if so you know, if we should red light, green light, yellow light that one.

UNKNOWN SPEAKER: And what do you think?

MAYOR FRIEDEL: Hannah, can you -- do you want to weigh in on that one?

LARRABEE: I think I'm a green light. Thank you, Mayor.

MAYOR FRIEDEL: Thank you.

SNIPES: Okay. Sounds like we got a consensus there to green light that one. Sierra Madre is the next one. Thoughts there?

EARLE: Is that the one that's actually 400?

GOODWIN: That's 600 total with two of it will come from.

EARLE: So it's 400.

SNIPES: Yeah, we'll take that. One has 200,000 coming from the development fees, and 400 would be coming from.

EARLE: Is it a complete definite it's going forward with Toll Brothers?

WATTS: That's up to you guys.

MAYOR FRIEDEL: That's up to us at the Council.

EARLE: So I'm wondering I know, I think that was a rhetorical question.

SNIPES: And what we could do is we -- could -- we could green light it with the understanding that if --

EARLE: That's what --

SNIPES: -- one doesn't happen, then the other does.

EARLE: Yes, that's what I would do. Okay.

SNIPES: Thank you.

MAYOR FRIEDEL: That's fine. And that's at least \$200,000 in development fees. It could be more depending on what happens.

SNIPES: Yeah.

MAYOR FRIEDEL: Yeah, I think so too.

SNIPES: Yeah. Okay. We'll add that asterisk to it that we'll green light that one with the understanding that if the Toll Brothers development doesn't happen, then that one goes back on hold.

MAYOR FRIEDEL: Let me ask Councilmember Larabee if she has an opinion. Hannah on the Cedar Park, Sierra Madre Park, 600 grand, at least 200 coming from development fees. How do you stand on that one?

LARRABEE: I agree with the -- with the understanding that we just mentioned.

SNIPES: Perfect.

MAYOR FRIEDEL: Thank you.

LARRABEE: So yes, with the asterisk. Thank you.

WATTS: I think so much of it is not so much whether that the Toll Brothers project will go forward or not. It's what concessions are going to be made by Toll Brothers to be able to support some of this. So it's a little bit nuanced in the concessions.

SNIPES: Okay.

WATTS: But yes, I'm in favor of it.

SNIPES: Yeah. We'd have to have the development to be the plan to be able to figure

that out, too. Uh-huh. Sounds good.

Skyview Park. That one's being paid entirely with development fees. That is not out of the CIP budget. But where are we at with that one?

GOODWIN: Kevin, just to clarify to you that 1.4 is a estimate.

SNIPES: Estimate.

GOODWIN: It is out for bid now. So we don't actually have the final bid on --

SNIPES: Right.

GOODWIN: -- cost yet. Is that accurate?

SNIPES: Correct.

GOODWIN: Okay.

EARLE: Will that be -- is that okay? Will that be depleting our developmental fees?

SNIPES: Yeah. It'll take -- it'll take some out of that. But that's exactly what development fees are earmarked for. These development fees are only able to be used for new -- for new development in parks.

EARLE: In parks. Okay. And they're going to -- oh, there we go. The expert. Thank you.

PAUL: Today we have about 1.44 million. So just above that amount in parks impact fees. So hopefully, the bids come in lower, and we spend from that. And to Kevin's point, that's the -- really the development impact. Fees are only for capital projects for the most part. So it would be what we would use as a funding source for this project.

EARLE: All right. Thank you. Green light.

KALIVIANAKIS: If I may, just the Skyview Park, it's a lot of it's going to be contingent on whether it's going to be passive park, active park for the for the eventual funding.

Correct?

GOODWIN: Well, so that's more what we were talking about in terms of funding. That was more Sierra Madre. This park is it's only 3.3 acres, not even one and a half acres one and a half.

KALIVIANAKIS: Yeah.

GOODWIN: And so it's designed for extremely passive use and is designed for the access to the Dark Sky.

KALIVIANAKIS: Right.

GOODWIN: Essentially, it was all born out of the concept that we are a Dark Sky community, but we have nowhere to send our community to actually look at the dark skies because none of our parks are -- or meet those standards. So people were trying to find dark parking lots, go to the trailhead. All these places that were closed are not meant for those purposes. This is designed to give 365 access to sky viewing and complement our dark skies.

KALIVIANAKIS: Okay. And so we're not going to deviate that much from our plan?

GOODWIN: No, no, that's the intent.

KALIVIANAKIS: Okay. Great.

MAYOR FRIEDEL: I was going to say you could just say, you know what? We only have so much so many dollars to spend, and you can get that to come in under budget then.

SNIPES: Right? So Hannah. Hannah?

MAYOR FRIEDEL: Hannah, how do you feel about Skyview Park?

LARRABEE: I like it. I'm only a yellow light because I want more information. I'm a yellowish green. How's that?

MAYOR FRIEDEL: Thank you.

SNIPES: Okay. Do you want to talk about the next three, or are we good with the three that were green lit last year for design and implementation to move into construction?

WATTS: I'm good.

SNIPES: Okay. All right. We'll keep those in the Fountain Park turf reduction, grading and drainage work. Where we talked about the event space, and the corner, and doing some grading around. Are we good with that one? What do you -- is there something that you're wanting to see more of or --

WATTS: From my perspective, I don't know what we have saved from last year or we will roll over this year. We haven't done really a consolidation and elimination on a financial statement. When you look at different and the buckets, I'm going to go back to the buckets. So what have we been able to save and accumulate that we haven't used. So I was really hoping Paul would be up first and I could ask him those questions. But as

we get there, some of this is contingent upon what we haven't spent yet. Like you said, these three we've approved, but we haven't spent the money. So if we haven't spent the money but we've got it from last year, then I'm good with it.

PAUL: Then we don't need more money.

WATTS: Yeah. Then I'm good with that, so.

GOODWIN: Well, and I think Paul's probably going to tell you this already, but we don't know what that consolidation is until the end of our fiscal. I mean, we're in the last quarter of the year and cranking on CIPs right now so that we won't know what's left in the bucket. But that's why this plan was built on what we do know, what we do have in the bucket, not based on what we might have.

WATTS: So everything that you have here, we can pay for today?

GOODWIN: Correct.

PAUL: I can touch on that, too. So Mayor, Councilmember, we're projecting to have somewhere in the 8.8 to \$9 million left over in the CIP fund at June 30th. Considering we get a lot of these projects done that we're talking about, a lot of that hinges on street widening and how far that progresses. But around 9 million, and we're projecting 1.5 million or so in ongoing revenues next year from construction sales tax and investment earnings. So that's 10.5 right there.

We also have general fund excess reserve savings at the end of the year. So once this year's audit is closed out around November, we'll bring that to Council most likely. And right now we're projecting about \$4 million just based on projections. I do want to clarify projections are projections. They can change throughout the end of the year, but we're projecting somewhere around \$4 million of general fund excess reserve savings at the end of this year.

WATTS: Perfect. That's exactly what I was looking for. And really, if it had prefaced all of this, I wouldn't have to think so hard. So. Yeah.

SNIPES: Relax.

WATTS: Thanks. I'm good, I'm good.

PAUL: And just because I like to get in the nitty gritty of things, the other thing to think

of is with -- we are bringing on a large project now with Sierra Madre Park. Of course, like Rachel mentioned, we need to do the design to really we put numbers in the budget for the next five years just to get an idea. But when we know that number and the downtown, which Justin will talk about to those change things, and that's why we're kind of trying to stagger some of these projects, but it is a bit aggressive the next three years with a big project coming on. So we can't expect that fund balance to start going down. But right now we're at a pretty historically high level for our capital projects fund.

WATTS: Right. And thank you.

MAYOR FRIEDEL: The other note, the other note with that Sierra Madre Park, we can do the design. That doesn't mean we have to carry everything forward right away.

SNIPES: Yeah. The one of the big things that we did this year was, when we came up with all of our capital improvement projects, both Justin, and myself, and Paul got together, and we just started talking about which ones made sense to move which ones. And that's why you're seeing some of these projects are pushed for future, because we didn't have the money to do them all this year. And so we start staggering those out where all the ones that we have listed on this page did fit within our capital improvement for this year.

GOODWIN: And some of it didn't also have to do with money. It had to do with our expenditure limitation. How much could we actually do based on those caps that we have. So it's a -- yeah. So pulling those different levers. But that's why we also wanted to take a little bit broader look than sometimes we have in the past with our CIP. Sometimes we get sort of focused on just one year or two years. But looking at a horizon kind of helps know what's coming down the pike.

SNIPES: So with that, are we agreeing on the turf reduction grading at Fountain Park?

GOODWIN: Yes.

WATTS: Okay. Next one. The Golden Eagle Park pumphouse, storage tank design for the irrigation system. That's just the design side of that. Okay.

MAYOR FRIEDEL: Let me get Hanna's weigh in.

SNIPES: Yeah, that's my fault.

MAYOR FRIEDEL: Councilmember Larabee, how do you feel about the storage tank?

LARRABEE: I'm all good with it. Thank you. Mayor. Yep.

MAYOR FRIEDEL: Good. Thank you.

SNIPES: Okay. Next one there, the community center. And this is just year one of just doing the turf grade that's out the back there that we looked at first. It'll just be a matter of leveling that up and putting in -- changing that irrigation system for the back section. It'll still be turf. But getting it so it's level and usable, versus a space that never gets used.

KALIVIANAKIS: And then this is the actual work. Not this -- not the study.

SNIPES: This is actual work, yes.

KALIVIANAKIS: Right. Thank you.

SNIPES: Okay.

MAYOR FRIEDEL: Hannah, on the turf design for the back of the community center.

How do you -- how do you stand?

LARRABEE: For the turf design, I still am a little hesitant, but given that it's only at 50, I'm going to say I'm a green light.

MAYOR FRIEDEL: Okay. Thank you, thank you.

SNIPES: Then the last one there, the bollard light replacement. That's just the light part, not the fixtures. It's just the guts out of it. Uh-huh. Yep.

WATTS: Yeah, I'm good with that. I'd still like to know what the savings is converting from what we've got to LEDs.

SNIPES: Let's get those.

KALIVIANAKIS: I'm kind of a yellow on this one. I'd just like to bring it back in a year from now. I think we have time on our side since we do have replacement parts. And it'd be nice to trim some -- something from this list. So I'm kind of a yellow.

SNIPES: Okay. So we got two greens and a yellow.

MAYOR FRIEDEL: I'm a green. Hannah, how do you -- how do you feel on the bollard light replacements?

LARRABEE: I'm also agreeing. I know we've had a lot of feedback on those lights over the last few years, so I'm kind of excited to get this done.

SNIPES: Okay. All right. That's all that I have. So thank you, everybody. And I'll hand it over to Justin.

WELDY: It's my first day with a computer.

GOODWIN: Mayor, as we -- as we get, as we get pulled up here for the next set of projects I wanted to throw out, and we were discussing that nothing was pulled from this, you know, item we didn't red light. I said, well, arguably, you actually gave us the red lights at the staff retreat or the budget retreat that we did in February. We did modify some of these and pulled them out. So arguably, we did try to bring back a plan that was consistent with what we heard, so that there was some stuff down the road.

MAYOR FRIEDEL: You adjusted it?

GOODWIN: We did. We adjusted some things. We pulled out -- actually, one of Amanda's projects that had gotten a no-go. We pulled that back. So I joked that I was going to put in a red light project just so that you guys had the opportunity. But we -- that is why you're seeing what you're seeing is that these are projects that kind of pass muster internally, and aligned with what we talked about in February. So while there's not a direct red light list. We did try to make sure that we only brought forward what we heard was consistent with your initiatives. All right. Director Weldy, are you ready to go?

WELDY: Yes, ma'am.

GOODWIN: Fantastic. Take it away.

WELDY: Thank you. Thank you for the opportunity. We're going to expand a little bit on the opening statements from the town manager at the beginning of this meeting. She is, in fact, telling you that we spend not just days or weeks, but months, oftentimes years on these projects. When it comes to public works and capital improvement, our primary focus is always going to be on public safety. Public safety includes all modes of transportation. Obviously, the infrastructure, which is not just the streets, but it includes the infrastructure that services the parks and the buildings.

As we drill down deeper into those infrastructure and multimodal needs, then we start looking at the past. What feedback have we received? Who have we heard from in regards to the elected body, the public as a whole, town management, and what have we observed? And then we go out and look at those locations, sometimes multiple times.

The stuff you're going to see here from Public Works today is based on needs. It includes infrastructure flexibility in regards to mobility and the opportunity for people to move freely around the community in a safe environment. It also includes placemaking. Infrastructure includes that segment, simply because when you have an area such as the downtown, it literally takes more than a decade or two, sometimes even three, to take that vision through development and design and implementation.

I'm going to give you just a brief example. The Avenue of the Fountains between La Montana and Saguaro, the sidewalk program took multiple years of planning and budgeting, and then phase one of that section was built. That is the section that we currently walk on that ended, most recently in front of Park Place. And then there was an interim sidewalk placed in that area that connected to another one that would take you down to Saguaro.

That also included lighting upgrades, and it also included some seating, and the palm tree islands that we are all familiar with that currently house the lights.

Another example is the Linear Park. For the longest time that was not referenced as a park nor technically used as a park. It was an area that was primarily inaccessible to those with any physical challenges. It had a dirt trail that went down through the middle of it. It had a lot of trees that needed help and an incredible amount of water features that were mostly donated items from the residents. That took almost 15 years of planning before it became what you currently see, excluding some minor recent upgrades, which I refer to as kites. But Kevin says shade structure. I had -- I was trying to time his return.

With that said, we're going to have a discussion. As part of my opening statement, we discussed placemaking. The downtown as a whole, which depending on who you're

talking to and what generation of the downtown you're discussing. When I referenced the downtown in this, I consider the downtown the area from El Largo basically, to Palisades and La Montana to Saguaro. There are different definitions of what the downtown is.

This section right here, we've discussed over many, many years, not only with this elected body but previous elected bodies. And rest assured, we will. We will discuss it with the future. This is the Verde River Park view. We came to Council some time back, asked for permission to get started on the design. We've been working on the design. It's on a relatively fast schedule. We met with them just a few -- week before last. I believe it was, and discussed the need for some drainage improvements that will be necessary on the Park View segment of it.

As a reminder, this is split up over several years, with the focus being the design for Verde River Park View and an initial construction actually taking place on the Verde River section of it.

I've already been talking for a considerable amount of time. Are there any questions before we move on here?

We had discussed multiple years that it takes to plan stuff. This is Ashbrook Wash. Ashbrook Wash runs primarily east and west just north of Palisades. It originates up in the McDowell's and then enters into Golden Eagle Park, and it joins two others in that location. Downstream from Golden Eagle Park, it crosses several of the roadways, including the area adjacent to the high school, which is Hampstead, and then the next undercrossing is Fountain Hills Boulevard. That's the section we're focusing on.

During some storm events over the last five to seven years, some of them had a very negative impact on Golden Eagle Park. It also had an impact on the area that you see on the screen. In this area there was lateral migration. Lateral migration is when the flow of water eats away at the slope of a wash. In this particular case, the lateral migration was 70 to 80 feet wide, and when nature was finished with its artwork, there was a seven to eight foot vertical wall, one foot adjacent to a home that is in view here.

With the support of the previous town manager and the incoming town manager, we

worked to secure contractors. We had an abundant supply of donated boulders at various locations throughout the town. We worked to stabilize that area and backfill it as part of that. We immediately began to work to establish the Ashbrook Wash Stabilization project. The intent of this project is to control the flow on the town's property between Hampstead and Fountain Hills Boulevard.

For clarification on that, the area that is west of Hampstead, between Hampstead and the Golden Eagle Dam, is private property and belongs to the school district. So we're challenged on what we can do in that section of Ashbrook Wash. The intent was we would take donated materials, which you can see here on the screen. We would utilize that to create the first slope on the north side. And as part of that, began to work with the Maricopa County Flood Control District in regards to grants, while we secured donated materials for the south side.

We have been very successful on the north side, as you can see. For any of you that have been in that area, it is a clear walking path, and there is a pedestrian gate there that remains open. The intent is we continue to move forward and we apply for grants to help with the stabilization. The finished product would be a 50-foot bottom with two to one slopes with riprap on them, and then the top area would be for recreational walkers and or riders. That kind of thing.

Any questions related to this one? This is a multi-year --

WATTS: Hang on a second, Justin. The riprap. Have you already collected that -- is that sitting in one of the washes today?

WELDY: Mr. Mayor, Councilmember Watts. No. So we do not have the adequate amount or size or gradation of riprap for this project. That will have to be sourced as part of the project.

WATTS: But we're still using the washes as storage area for the millings and some of the larger boulders and so on?

WELDY: To a lesser extent, in one location, but several other locations are nicely stocked right now. We are currently using some of them that we have stored to stabilize the slope in Bristol Wash, adjacent to Palisades -- excuse me, Golden Eagle

Boulevard at Golden Eagle Park.

WATTS: But Sycamore still being used as storage area as well?

WELDY: No, sir.

WATTS: No longer?

WELDY: We have a small amount of material there, but we've primarily moved that material out.

WATTS: Are we covering the materials that we're storing now to camouflage them to some degree? We've talked about that a year or two ago.

WELDY: We have not done any camouflaging to the balance of the material that was there. There's a couple of reasons that we were moving that material. The one is we did receive complaints, and then those complaints stopped after a while. We've not heard from that group. And the second one is that area is identified as a future park. And we don't want to impact the use of that land for that purpose.

WATTS: Thank you.

WELDY: The sidewalk infill and design. This is a multi-year project. We've all had an opportunity to look at it. The most recent additions were on La Montana, fronting the Bashas Shopping Center and a couple of other locations in town. We still have a couple of small areas to complete before June 30th of this year. This is part of what we discussed -- when we talk about multimodal and or an area where people feel comfortable walking. This is this sidewalk infill has generated an incredible amount of positive feedback over the years. Again, this is a multi-year project.

Any comments related to sidewalk infill? Awfully quiet.

KALIVIANAKIS: Is there any going to be any grant money? I know you've received grant money in the past.

WELDY: Mr. Mayor, Councilmember. So the grant money for this type of thing is a considerably more limited now. And the reason for that is the government that offers -- the federal government and state government to a lesser extent, that offers that grant requires or at least asks that you have a master transportation plan, and we do not have one of those. So we will certainly apply for grants like the \$4 million one we used. The

likelihood that we would be selected is very, very limited. They're going to go first to the communities that have already completed their master transportation plan.

KALIVIANAKIS: Yeah, because I think that last one was like 1.8 miles of the sidewalks.

WELDY: It was a little bit more than that. Yes.

KALIVIANAKIS: Yeah, yeah.

WELDY: For just around \$4 million.

KALIVIANAKIS: So yeah, it would be obviously better if we could get the grants, but yeah. Thank you.

WATTS: So you've got \$325,000, and that's per year. You get '26 and '27. But on the spreadsheet, it's got 1,625,000 over five years. Is that correct?

UNKNOWN SPEAKER: I'm sorry. Go ahead.

WELDY: Councilmember, I'm not -- I'm not actually looking at the spreadsheet, so I'm not sure what you're referencing.

PAUL: Councilmember, I work with the departments, put the five year outlook together. This is basically a year to year project that we just are, including the budget to continue doing sidewalks around the town, but the Council can change that at any time.

WATTS: So ignore the million six. Pay attention to 325. Right. 2731. So the 325 is what you anticipate spending every year.

PAUL: That's the budgetary amount that we will be including as a multi-year program every year until Council changes that.

WATTS: Thanks.

WELDY: Talking about long range planning, Shea Boulevard has been in the works since it was gifted to the town for Maricopa County almost 35 years ago. As part of that gifting, we agreed to continue the master transportation plan that had been put together by the County in the State. We are currently working on that phase eastbound between Palisades and Fountain Hills Boulevard. We anticipate that we will not be completed with the project this year, and we're asking for a placeholder in next year, for the ability to pay for the balance of the agreement.

Any questions related to this one?

Pedestrian marked crosswalks. The feedback from the public is primarily positive on this. There is an exception to a retired gentleman, a well-respected engineer that is not happy about how many times he has to slow down and or stop on the way to his favorite tavern. Outside of that, it's been quite successful, and we would like your permission to continue that.

We came to the Mayor and Council over the past couple of years with proposals and locations. We have several other ones that we have identified prior to the closeout of this year, which is June 30th. There will be one additional one appearing on Saguaro at La Montana on the South Lake, so on the south side of that intersection.

Any questions related to that last one?

We've discussed this for a considerable amount of time, and this is the rehabilitation for the town hall campus roofs. We had anticipated that this would be a much, much larger number, but the architects and engineers have come back with a solution overall, reducing that substantially by over, well, 75 percent. This is our estimated cost based on their assessment. We are not quite 100 percent on the plans for that, but we believe that we'll be going out for bid for that later on this fiscal year or early next fiscal year.

Questions related to the roofing?

WATTS: So you're doing an overlay over the existing structure?

WELDY: Councilmember, that is correct. It's going to be a repair overlay type process. So there are some areas where it's going to be a little bit more. They refer to it as destructive removal and then replacement but primarily an overlay.

WATTS: Address some of the slope and drainage issues that are on the roof at the same time.

WELDY: They're going to address some of the slope and drainage issues. They're also going to address some of the failure of the ceiling of the parapet walls. There are a large number of penetrations that are not properly secured. It's a pretty comprehensive list of items that they're working on.

WATTS: And I assume the engineer is looking at the structural integrity if it can take the overlay, because I think there's been a couple of overlays already done, haven't there?

WELDY: To my knowledge, Councilmember, there's only been some minor repairs, but nothing substantial. No full overlays.

WATTS: Thanks.

WELDY: You're welcome. Any questions related to the roofs?

KALIVIANAKIS: Yeah, this -- this isn't really a question, but just an observation. I know when you brought this before the Council years ago, the number was eye-popping. It was. And then we went with an experimental fill, and that didn't work out, which was disappointing. And I just can't imagine how much work you took to get this number so manageable. So I just want to appreciate that because the numbers come down considerably. Must have been a lot of work. So thank you.

WELDY: Thank you. I will share the kind words with staff, of which -- well, there is one right here in the building, facilities, and also Alana Buick and Beers. So they worked hard on -- and again, it's a -- it's a little bit misleading, destructive investigation where they came out and cut numerous holes into the roofs to determine what they were made of and what would be necessary to repair them. So I will share those kind words, or Mark will, with the group. Thank you.

This is a multi-year project. This is its first year. This is the dam sediment removal and improvements. Several of the dams, and this is a good example, have never received the proper maintenance in the impoundment area. For clarification, the impoundment is the area on the upstream side of the dam where we're intended -- the design is to hold water temporarily, and then it flows through the dam at a slower rate.

Our capacity at several of them, including Golden Eagle Dam in the past, was at such a rate that we had backwatering and or overtopping in some of the areas. So this is a multiyear project to remove that material, that this material, when practical, possible, and suitable, will be used on other town projects for fill dirt, so we can reduce the overall cost there.

One of those locations is Ashbrook wash. In the event that the community center project goes through the very bottom layer, but not the top, one could utilize some of this material.

Any questions related to dam sediment removal?

Library Museum. So this is the air handler. And Mark is certainly the leading expert on this. But this one will replace that aging infrastructure that services those buildings. It's a pretty elaborate project. And I do believe this does come from the facilities reserve fund, but is technically a capital project with a different funding mechanism.

Questions? Seems a little odd.

Golden Eagle impoundment. Boy, have we discussed this multiple times for multiple years. So this is the final phase for the impoundment. To be clear, the impoundment is the dam in the area in front of the dam, and to a lesser extent, the three washes that feed into that.

The spinel phase will include the removal of the sediment and the vegetation in the impoundment area adjacent to the multi-use path that runs along the outside of the ballpark. It will also install trash racks on the two inlets. And this is a mostly grant-funded project from the Maricopa County Flood Control District. They'll fund up to 75 percent of it, and the town will fund 25 percent.

Right now, the plans, which are as close to 100 percent as you can get, are at Arizona Department of Water Resources, ADWR, and the Maricopa County Flood Control District for review. That review process takes a little while, but once again, we anticipate that we'll be ready to go to bid, if not late this calendar year -- excuse me -- fiscal year early next fiscal year.

MAYOR FRIEDEL: Question for you. Scott asked me yesterday. We did all that work in Golden Eagle, and there was a little bit of an eroded area, and then we were going to do some vegetation in that area, too. Where are we at with that? Do you have --

WELDY: Earlier in this conversation, I had discussed moving some of the boulders from different areas. So that's one of the areas that we're going to work on. We have been working with Kevin and Kyle so that the director and the superintendent of the parks -- on that area that you're describing in their opinion, and I don't disagree with this, we should not be placing any vegetation there because it is likely to be washed away during future events. So we're going to do a little bit of modification, and we're going to add

some strength to that area. And then the plantings will take place elsewhere in the park.

UNKNOWN SPEAKER: So it'll just grow back naturally?

WELDY: Yes, nature will restore it to the extent that it can.

UNKNOWN SPEAKER: Thank you.

WELDY: Any questions related to this one?

WATTS: So we have to turn plans around in ten days, but the County doesn't have to adhere to the same thing?

WELDY: To my knowledge.

WATTS: I'm looking at John thinking, yeah, so what's good for thee is not good for me type thing.

WELDY: Here's -- so there's different types of applications, and I can only comment on the applications that we were involved with. For the application to review an existing shallow system in Panorama down by Panorama Park, the review period is 487 days on their side.

WATTS: I shouldn't have asked.

WELDY: For the impoundment, it's up to 18 months, is what they're allowed.

UNKNOWN SPEAKER: That's why it's important to get out in front. Yeah.

WELDY: This is a new project. This might come as a surprise to you, but probably last fall, while I was walking over to check on progress from a new structure being built on the town's property, I discovered water backed up against the museum library. I did go to my boss and expressed the frustration in myself for not having noticed it over -- I don't know, 18 years that there were sandbags up there.

Once again, we have a building that was built approximately 2/10. That's a little bit more than two inches below the surrounding grade. I simply never picked up on that, and I feel terrible about that. Having said that, we reached out to Alana Buick and Beers. They secured the services of Kimberly Horne. This is the design that you're looking at right here. So the intent is that we would do this in fiscal year '28, but we want to finish the design now. So there's a little bit in this year for that. And if

necessary, we may have to put some in the next year. But we don't see that right now. So again, this is designed now, and then address it in '28.

Questions?

This is a multi-year. In the coming weeks, you're going to see some activities on Palisades where the guardrail out there is simply dilapidated and has to be brought up to the standards. We can no longer make repairs to it. And then the outlying years there will be additional locations on Palisades that we will address.

This is one that we've had numerous internal discussions about, including yesterday. We received a large number, not unreasonably large, but considerable amount of complaints about the lighting on the avenue being out related to the palm trees. So the pilot program that's out there is just that, and the type of lighting that was used to demonstrate how it could be with appropriate funding, and appropriate lighting. Well, they have a tendency to either, one, fail, or two, we have a number of walk by electricians that make adjustments and or fix things on their own. It's not just limited to Avenue of the Fountains, it's town wide.

So we are proposing that not only the infrastructure be corrected, which is necessary, but that a more durable industrial type of lighting be placed in this location, and to a lesser extent, and I don't mean any offense to anyone, tamper proof most of them. So we don't have some of these challenges that we're facing.

Any questions related to this one?

All right. Here's the summary of all of them, including the total. It also includes the five year horizon. That five year horizon can be a pretty big number. Keep in mind that each year, staff comes back to the Council after weeks and months of internal reviews, and some of these are subject to change. We look pretty successfully at the next year.

Beyond the one year horizon, I feel a little bit uncomfortable. I can't imagine how Paul feels about the five and ten year, but he can describe that certainly better than I can.

WATTS: Justin, do you know what the what the rotation rate, so to speak, is? When this starts to occur again, you get five to ten years out of each of these projects. Then you have not only the maintenance costs but the replacement costs. So when we

design, what are we designed for as far as a life cycle?

WELDY: Depends on the different type of structure, Councilmember.

WATTS: But just on average, I mean.

WELDY: So if we're looking at concrete structures and roads, we're looking at a 25 to 30 year and depending on the level of cost, it's capitalized. And then we put in funding for maintenance throughout that lifespan. So every time we create a capital project, or we renew it, or we keep it in the -- in the multi-year horizon, there's a cost associated in the book that's related to maintenance, and eventually it'll -- at the capitalization point, ideally, there would be funding in the Capital Reserve to replace it.

WATTS: That hasn't always been done, though, has it? I mean, we're being proactive now, which is a good thing. But historically, we weren't that forward thinking. So we're -- we kind of get jammed up a little bit. And that's an observation. Just an opinion on my part.

WELDY: I think the thinking and the planning was in a good part. It was just the budget restraints that kept it from happening.

WATTS: I hear you. So because a lot of these things are subject to nature, subject to weather, subject to just wear and tear, tamper-proof things that don't have the same life limit, it's good to know we're taking them into consideration now.

WELDY: I'm fresh out. I thought I had a -- no, I don't. I thought I had a red, yellow, green light, but we'll have to go back. I seem to have misplaced that slide.

GOODWIN: Justin, can you just go back to your list then?

EARLE: That was going to question on there, maybe to Paul. Did we do we determine that we have all the money set aside for every single one of those?

WELDY: Gentlemen, come on in.

PAUL: So Mayor, Councilwoman, I have the spreadsheet in front of me. Looking at the five year outlook, we do -- we have enough money for all these. We specifically earmarked certain funds to pay for certain things that would fit that. Like those types of projects, such as the Parks Development Impact Fee fund. So of the \$9.3 million that's in the CIP plan, we'll add some contingency when we bring the proposed budget to

Council. So it's going to be around ten million as a full CIP budget, but just for the 9.3 million, about 4.9 million would be coming directly out of the Capital Projects Fund. And like I mentioned earlier, we already have -- we have over nine million today in that fund. And we'll continue to add to it 1.1 million. If the whole project -- the whole plan goes through as -- as planned, we'll be out 1.1 million of grants, development impact fees, about 1.9 million and facilities reserve, including the lake liner design 1.4 million, at this point, but that's subject to change by the time we bring you the proposed budget. Today is about getting that feedback from you. Thank you.

GOODWIN: In the sort of with time in mind, I know we're getting on to almost 3:00. I guess, because there wasn't a lot of questions, maybe we take this one in reverse and go, are there anything that you don't want to green light on this list that we need to note?

WATTS: Not for me. I think --

GOODWIN: Okay.

WATTS: I think Director Weldy did a good job of presenting and answering questions.

GOODWIN: Great. I'm glad to hear that. I think so, too. Again, because I didn't hear many questions, that's why I'm going this route. I mean, and Hannah, please feel free to chime in as well. Because the next question for this Council is, are there any projects on here that you didn't see that you would like to see?

WATTS: Bingo. The one that is kind of haunting is A DOG, and I'm looking at Kevin because with the dissolving of the A DOG entity, we have a choice. We can either make this a local park. We could change the profile and make it an access control park, much like we do other facilities around town.

So what I'd ask is that maybe we do a little bit of brainstorming and figure out which is the best avenue to go, because without some sort of oversight, even though A DOG's oversight wasn't necessarily the best in the world being nice. Can we make it better? Can we keep it as a as A DOG park? Can we manage the processes? The -- everything goes on, and it's extremely complex, from access, to the dogs being neutered, and not neutered. Big dogs, small dogs. I mean, there's 100 different components. Or do we --

which would probably include access control gate and making the fences higher so people can't get in. Or do we just simply take the fences down and say, let's make it a local park? So why don't we think about those and see how we can address it, how we want to move forward with it? Just something to think about that I'd ask for some consideration. So thanks.

EARLE: Can I ask about that? If you were to make it a -- the access required dog park, would you then need another employee for that?

SNIPES: So with having checked into that zero times, my answer would be I have no idea. The reality of it is anything that you change is going to require something to be different. So with that, I can see that stirring up some disbelief from residents for sure. If we're, if we're charging to come into or -- depending on how that access is done, is it free access and you just have to have a card to be a member? Is -- are we changing times on it, are we -- there was a lot of things thrown out.

Are we turning it into just an open park area? so it, you know, if -- if it's -- if it's just the access side of things, we would have to at least have somebody manage and run that side of things. So the cards, the -- how you get them is it a third-party? Is it done in town hall? All of those things would have to be looked at as well.

WATTS: I think to Councilwoman Earl's point, if there's a cost, then all of the costs, the maintenance costs, the whatever it is, labor costs, et cetera, should be rolled into the accessibility to that park.

If residents want something that is so specific, then how do we make -- how do we keep it up? And so I think it considers all of the things that you identified. And like I said, there's 100 plus things that need to be considered, and how are we going to pay for all those things?

GOODWIN: So in the interest of this conversation, typically I need a majority of you guys to want to go down this path for us, the staff, to go and do this level of research. So I'm looking for that direction.

MAYOR FRIEDEL: Do we know that A DOG is totally gone?

SNIPES: I do not at this time.

MAYOR FRIEDEL: Okay. So.

GOODWIN: I know that they are -- I know Denise has stepped down, and she is no longer interested in maintaining it. I know there's been some --

MAYOR FRIEDEL: There'll be a survivor group of some sort, is what I know.

SNIPES: There's --

GOODWIN: There's been some chatter.

SNIPES: I've heard so many different things that I would not want to say --

MAYOR FRIEDEL: Yeah.

SNIPES: -- where things are at, but I know that there's certainly --

MAYOR FRIEDEL: So are we going to proceed as though A DOG will never be coming back? Is that -- is that what I'm hearing here or.

SNIPES: Well, the -- so I'll say that we've always run the park on how we think that it should be --

MAYOR FRIEDEL: Right

SNIPES: -- with their input to help guide anything that -- to help try and make it run smoother. No different than what we do with other groups like say, Little League playing on the ball fields, and them having input on how we do things as well. The dog park's different because it's typically louder, and so everybody hears more of what goes on there. But as far as the town operating the facility, we've run it with the budgets that we have to do the things we do, and A DOG has supplemented that, to add things that they wanted, that we approved of. They've wanted things that we have not approved of, and we haven't gone down that road in the past. But if they wanted it and were willing to fund it and we approved of it, then we would go down that path and figure out exactly what to do and how to do it. If that money source was not there, then we would run it within our operating budget and continue to function like we do with any of our other parks.

WATTS: So isn't -- don't you have three choices? You can leave it as is, run it the way we've been doing it without input from A DOG, assuming that they're dissolving --

SNIPES: Uh-huh.

WATTS: -- you can change its profile into a local park, or you can better control and manage it to avoid some of the fisticuffs that have gone on, and the screaming and yelling, and big dogs biting little dogs and so on and so forth. And how would you do that? So you've really got three, three ways to look at this. And I don't know that one is better than the other. All I'm asking is that we look.

GOODWIN: I kind of need a little more information on it. I don't know the whole history of A DOG and how much they really actually did with it. So like, was there a monitor of the dogs biting each other, as you said? And was that something just recently starting to happen, or has this always been the case, or is it getting kind of more volatile recently?

SNIPES: It ebbs and flows. I mean, you know, it just takes one person that goes every day that has issues with others to stir something up, because they are in a confined space and everybody has their opinion on their dog versus other dogs. And so sometimes it's hot and heavy, and sometimes it's pretty relaxed. And here recently I haven't been hearing a lot, but six months ago or so, Rick and I met with the A DOG group, we were hearing a lot of stuff at that time. So it just kind of depends on who's going and how they get along with each other.

EARLE: So what is your thoughts on your department running it as you have been moving forward without A DOG?

SNIPES: Honestly, it doesn't concern me. I -- I don't have any problem with us. I mean, like I said, A DOG was the extras that came in, not the day-to-day. They didn't fund any of the things that went on in the park that was treated just like our other parks. Now they would come -- we had some complaints the last couple years about how no money was being spent there, but that wasn't true either. It was that we did a big push eight years ago. And then it has to wait its turn to get back in line. No different than all of our parks do.

We did -- we just did the Avenue. We did a couple years there. We did a couple years at Desert Vista. We did a couple years at -- or five years at Four Peaks Park because it was so far behind. So our parks are cyclical on when they get that update, and repair,

and remodels, and playgrounds, and you know, all that sort of stuff. So it's more a matter of if they want better than that, then they have to help supplement that cost. If they're happy with what we do and how we do it with the budget that we're held to, then we'll keep running it and make it a successful park. But if you want something above that, then there's a cost associated with that.

EARLE: Yeah, I'd hate to see it go away. I wouldn't want to make it just a regular park. I mean, I don't hang out there, but just from what I know, it's popular. I know it's popular.

SNIPES: Uh-huh.

KALIVIANAKIS: I would just say, just keep running the park as you are, without the advice and consent of A DOG and not doing any more studies or staff time on it, that would be what I would suggest.

SNIPES: Okay. Hannah?

LARRABEE: I think at this moment, because we don't know what the future for A DOG will be -- or could be, I guess. I think for now, let's continue as we have with Kevin running, and maybe there will be kind of a branch off of volunteers that take on the role that A DOG had, hopefully.

So at the moment, I don't feel we need to make an emergency plan and make it so that no one does take up that mantle, if that makes sense.

MAYOR FRIEDEL: Sure.

SNIPES: Anything else?

GOODWIN: Mayor, are there any other projects or anything else out there that we have not covered today that you'd like to consider? I know streets is another big conversation. But we'll be bringing that back.

MAYOR FRIEDEL: Uh-huh.

GOODWIN: We'll be bringing that back another time. Just for everybody's awareness, I think I mentioned this at the beginning. We'll be taking the direction from today, integrating it with the rest of the budget discussions that we've had, and we'll be bringing forth the proposed budget in early April for full discussion. Is that right, Paul?

PAUL: Yeah, April 14th.

GOODWIN: April 14th. Mark your calendar.

[CROSS TALK]

PAUL: No, Councilmember, I was just saying that the proposed budget will be on April 14th. It will be a work session here in the Council chambers. I believe 5:30 is what I was told. So.

EARLE: So it's an all-nighter?

PAUL: It'll probably be -- it typically goes about two to three hours, but I'll try to make it as brief as possible. I know we've had a lot of conversations already about the budget, so.

GOODWIN: Well, I would say it's actually scheduled at 1 on my calendar.

WATTS: Oh, is it 1?

[CROSS TALK]

SNIPES: That's our numbers guy.

GOODWIN: It's like, that is what this group has decided as a body, that work sessions are at 1. That's why they're scheduled at that time. So if this body would like to make that change, we can do that. But it is on calendars at 1:00.

Okay. Anything else?

Okay.

MAYOR FRIEDEL: We're adjourned.

Having no further business, Mayor Gerry M. Friedel adjourned the Work Session of the Fountain Hills Town Council held on March 24, 2026, at 2:56 p.m.

APPROVED:
TOWN OF FOUNTAIN HILLS

Gerry M. Friedel, Mayor

ATTEST:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session held by the Town Council of Fountain Hills on the 24th day of May 2026. I further certify that the meeting was duly called and that a quorum was present.

Bevelyn J. Bender, Town Clerk



TOWN OF FOUNTAIN HILLS
MINUTES OF THE REGULAR SESSION
OF THE FOUNTAIN HILLS TOWN COUNCIL
April 7, 2026

A Special Meeting of the Fountain Hills Town Council was convened via Microsoft Teams at 5:30 p.m.

Members Present: Mayor Gerry M. Friedel; Vice Mayor Gayle Earle; Councilmember Rick Watts; Councilmember Peggy McMahon; Councilmember Brenda J. Kalivianakis; Councilmember Hannah Larrabee; Councilmember Allen Skillicorn

Staff Present: Town Manager Rachael Goodwin; Town Jennifer J. Wright; Town Clerk Bevelyn J. Bender



Post-Production File

**Town of Fountain Hills
Regular Council Meeting Minutes
April 7, 2026**

Transcription Provided By:
eScribers, LLC

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Transcription is provided in order to facilitate communication accessibility and may not be a totally verbatim record of the proceedings.

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MAYOR FRIEDEL: I'd like to call this meeting to order. Would you please rise for the pledge of allegiance?

ALL: 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 FRIEDEL: And if you choose to remain standing, our invocation tonight will be by Moshe Gaunt of Baha'i, of Fountain Hills.

GAUNT: O' thou kind Lord, this gathering is turning to thee. These hearts are radiant with thy love. These minds and spirits are exhilarated by the message of thy glad tidings. O' God, let this American democracy become glorious in spiritual degrees, even as it has aspired to material degrees. And render this just government victorious. Confirm this revered nation to upraise the standard of the oneness of humanity. To promulgate the most great peace, to become thereby most glorious and praiseworthy among all the nations of the world. O' God, this American nation is worthy of thy favors and is deserving of thy mercy. Make it precious and near to thee, through thy bounty and bestowal.

MAYOR FRIEDEL: Thank you.

Town Clerk, can I get a roll call, please?

BENDER: Mayor Friedel.

MAYOR FRIEDEL: Present.

BENDER: Vice mayor Earle.

EARLE: Present.

BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Here.

BENDER: Councilmember Watts.

WATTS: Here.

BENDER: Councilmember Larrabee, are you on the phone yet?

LARRABEE: Present.

BENDER: Councilmember McMahan.

MCMAHAN: Here.

BENDER: And Councilmember Skillicorn.

SKILLICORN: Here.

BENDER: Mayor, you have a quorum.

MAYOR FRIEDEL: Thank you very much. I have one correction to our agenda tonight. Item number 7(a), which is the recognition for the high school girls basketball team, and boys basketball team, and wrestling team for their achievements. That's going to be delayed to a future meeting.

And we'll move on to the town manager with the summary of our events.

GOODWIN: Great. Thanks, Mayor.

Just a few community updates tonight. First, if you weren't there on Saturday evening, Music Fest was a huge success. Thank you to the weather being very, very helpful with that too. But we had three amazing bands, a packed crowd and a great atmosphere throughout the evening. It was a wonderful to see so many people come out and enjoy such a good time. And a special shout out to our staff, who, on the heels of Irish Fest, put on yet another great community event. So thanks for all the work there.

In other news, as we continue our year-long celebration of America's 250th, I'm happy to report that the new America 250 sign is now up in Fountain Park. Kevin's going to share a quick picture of it. You'll note that it's still in the crate for the moment while the concrete finishes setting, but that will be removed tomorrow. And this will be our new photo op for the community. We'll be rolling it out through social media campaigns and other things, but this is such a great visual of the year-long celebration. So just one of the cool ways.

In addition to the installation, we're getting excited about our 250-themed movie in the park and American car parade coming up later this month on April 25th. That's at Fountain Park. The parade will be led by the MCSO Mounted unit, and we're expecting more than 55 cars. Special shout out to Peter and his help with that. And that should be really fun.

Following that parade will be kicking off our movie in the park at the amphitheater, where we'll be showing national treasure on a big forty foot jumbo screen down at the

park. So mark your calendar. Yes, it'll be super fun.

Again, all of these are just ways that we are trying to join in with the national level celebration of America's 250th.

A couple of infrastructure updates. If you haven't been over there, the Palomino Road work project is darn close. It's on track to be substantially complete later this month, with only the permanent striping to follow at a later date. Work on Richwood is also underway as part of our spring road work efforts, so there is a lot -- a lot going on in that regard.

Another notice, I want to make sure that our residents here, you're going to be hearing more about this in the coming days, but residents should be aware that EPCOR is going to be doing a mainline water line replacement project along Palisades, and it's expected to begin in about two weeks. The work was originally anticipated to start later this summer, but it's beginning a bit earlier to help ensure that the project is completed within the contract timeline.

Note that the work will begin near the intersection of Shay and Palisades, and will span more than a mile up Palisades. As a result, this work will create some traffic changes, and we encourage residents to visit the town's website for additional details and ongoing updates. We'll be working with Mike Pelton to make sure that information goes out through our different social channels, to make sure that all of our residents understand the impact and the ongoing phases of that project.

With that mayor, that's my update.

MAYOR FRIEDEL: Great. Thank you. And now we'll move on to presentations. So I think I'll introduce Elizabeth Waters. And the reason the coalition is here tonight is because I heard these two gentlemen speak at a coalition event and was very impressed. And I wanted the Council and the rest of the town to hear what they have to say, because I don't know if a lot of people remember or not, but we voted unanimously on this Council to turn over all of our opioid funding to the coalition, because they have the programs and the program manager in place to deal with that. So I wanted you to see the result of some of that.

So Elizabeth Waters, it's your turn.

WATERS: Thank you so much. And I just want to -- the boys are going to take over, but I just want to say thank you so much for this opportunity to speak. And our club members are Above That Club members are going to take over now. Come on up, boys. Okay.

GOOD: Hi, everyone. My name is Henry Good, and I'm the vice president of the Above That Club. And this is Peyton Jones. He is the club treasurer. Thank you for giving us this opportunity to speak on behalf of the Hills Protect Our Youth Coalition.

This year, we had the opportunity to travel to Washington, D.C. to attend the CADCA Youth Summit and National Leadership Forum. The CADCA forum brings together more than 4000 people from across the world, including prevention leaders, educators, and youth coalitions. There were more than 100 workshops, training sessions, and speakers focused on preventing drug use and helping communities support healthy choices. We were honored to represent Fountain Hills and bring what we learned back to our community.

Before we get started, I'd like to tell you a little about who we are. The Above That Club is a youth coalition made up of students who want to make a positive difference in our community. Our mission is to lead, inspire, and support our community by modeling integrity and educating youth on the dangers of vaping, drugs, and alcohol.

The club started in 2025 as part of the Fountain Hills Protect Our Youth Coalition. Our focus is peer to peer education, which means students helping other students make healthy choices. Our membership has grown to 24 students, and we meet two Thursdays each month to learn about prevention, plan activities, and educate other youth in our community.

We were selected to attend the CADCA Youth Summit the day right before winter break. We were not expecting the announcement at all. When we heard the news we were shocked, but also extremely excited. We realized this would be a once in a lifetime opportunity to represent our community and learn from other youth leaders across the country.

From that moment on, we were counting down the days until the trip. This is the first time youth have been invited by the coalition. A goal Fountain Hills' Protect Our Youth Coalition has had on its action plan since 2009.

The flight to D.C. went very smoothly, and getting through the airport was no problem. A great part of the surprise was that her parents were coming with us. We got off the plane, and we couldn't believe the amount of snow. The hotel where we were staying at was the Gaylord National Resort, and it was honestly the most beautiful hotel we had ever seen. The hotel was huge and filled with thousands of people attending the CADCA conference. Right away, we realized we were part of something really important.

The conference took place at the Gaylord National Hotel in National Harbor, Maryland. CADCA stands for the community -- for the Community Anti-Drug Coalitions of America. This event is called the National Leadership Forum, where people from across the Country come together to share ideas about prevention and community health.

During the conference, we attended workshops and youth sessions where we learned strategies for preventing drug use and helping communities support healthy choices. It was very interesting to meet people from other states and hear how they address the same challenges that communities across the country are facing.

One of the most important events during the conference was the SAMHSA Prevention Day. SAMHSA stands for the Substance Abuse and Mental Health Services Administration, which works to improve mental health and prevent substance misuse across the country.

During this event, we heard from national leaders, including U.S. Department of Health and Human Services Secretary Robert F. Kennedy Jr. and RADM Christopher Jones. Secretary Kennedy spoke candidly about his own past struggle with drug addiction and his recovery, explaining how substance misuse affects not only individuals but also families and entire communities.

Secretary Kennedy also discussed the Great American Recovery Initiative, a new executive order focused on expanding treatment and recovery programs across the United States. This initiative includes a \$100 million investment aimed at addressing

homelessness, combating opioid addiction, and improving public safety by expanding recovery focused treatment options. A key part of this effort is the Safety Through Recovery, Engagement and Evidence Based Treatment and Supports Initiative, also called STREETS, which helps people experiencing homelessness and substance use disorders with housing and long term recovery support.

He also announced a \$10 million assisted outpatient treatment grant program designed to support adults living with serious mental health conditions while they continue living in their communities. Hearing these national leaders speak helped us understand how serious the substance misuse crisis is and how important prevention programs, especially youth-led programs like the Above That Club are in helping protect our community.

Our first youth session was focused on how to start a conversation with someone who might be struggling or making unhealthy choices. One of the most important lessons we learned was that listening is just as important as speaking. When you listen carefully and respectfully, you can better understand what someone else is going through. This helps you respond in a supportive way instead of judging them. These skills are important when we talk with other students about making healthy decisions.

Our second youth session was about identifying hot spots in our community. A hot spot is a location where people often go to participate in risky or unhealthy behaviors, such as vaping or drug use. In this session, we learned how communities can identify these areas and work to improve safety and awareness.

We also created maps of possible hot spots in our town of Fountain Hills. Some examples included certain public parks, gas stations, and areas outside of stores where students sometimes gather. The goal of this activity was to better understand where prevention efforts might be needed.

The third youth session was called Product of Our Environment. This session focused on how the people around us and the environments we spend time in, can influence the choices we make. When young people are surrounded by positive influences, supportive friends, and strong role models, they are more likely to make healthy

decisions. This session reminded us why youth leadership programs like the Above That Club are important for building positive environments for students.

At the conference, we also visited the Vendor Expo. This area included organizations from across the Country that provide prevention resources, educational materials, and programs for communities. We had the opportunity to speak with representatives from different organizations and learn about tools that help prevent substance misuse. It was a great opportunity to gather ideas that could help our coalition back home.

JONES: One of the most impactful experiences of our trip was visiting the DEA Museum in Washington, D.C. The museum shows the history of drug enforcement and the impact drugs have given have had on communities across the country. The atmosphere in the museum felt very serious and emotional, because many displays honor people who lost their lives in the fight against drugs.

There were also exhibits explaining how different drugs affect the body and the serious dangers they create. One exhibit that stood out the most to us was called Faces of Fentanyl. The Faces of Fentanyl Memorial exhibit, located at the DEA Headquarters Museum in Arlington, Virginia, displays more than 7000 photos of people of people who whose lives have been lost to fentanyl overdoses. Each photo represents a real person with a family, a story, and a life that has been cut short.

Seeing so many faces displayed together was extremely powerful because it shows just how widespread and deadly fentanyl has become. It made the crisis feel very real and personal, rather than just statistics. Walking through the museum was especially -- well, and especially seeing the faces of fentanyl exhibit was emotional and eye opening. It reminded us that behind every number is a real person and a family that has been affected.

Experiences like this reinforce why prevention, education, and programs like the Above That Club are so important for protecting young people and raising awareness about the dangers of drugs. Another highlight of our trip was Capitol Hill Day, where we had a personal and private tour with Congressman David Schweikert. Because the government was shut down at the time, the Capitol building was closed to the public,

which meant we had a -- we were actually the only people in the Capitol after hours. Congressman Schweikert guided us through the underground tunnels that connect the government buildings, which had artwork and historical displays along the walls. During the tour, we were able to see parts of the Capitol building that civilians do not normally get to visit. One of the most incredible places we saw was the speaker's private balcony, where important leaders such as past presidents, the pope, and visiting foreign leaders have stood.

We also visited the Capitol rotunda, where the large dome is located, and where statues representing important historical figures from every state are displayed. One of the most exciting parts of the tour was being able to sit on the floor -- sit on the floor of House of Representatives, which was huge, which was a huge thrill because it is a place we normally only get to see on the news.

Unfortunately, we were not able to bring our phones into this area, so we were unable to take pictures of that experience. But as that -- but it is definitely something we will never forget.

Visiting the White House was yet another unforgettable experience during our trip. Before entering, we went through several layers of security to ensure everything was safe. The tour included several of the public rooms on the State floor of the white House, including the Blue Room, Red Room, Green Room, State Dining Room, Cross Hall, and Entrance Hall. Each room has its unique history and is used for official events, meetings, and ceremonies.

As we walk through these rooms, we are able to see the historic furniture, artwork, and decorations that help tell the story of our country. Secret service officers were stationed along the route and were able to answer questions about the history of each room and how they are used today. Our own Fountain Hills Mayor was also gracious enough to send a letter supporting our visit, since the White House often asks for letters from local officials when groups request a possible greeting with the president.

We hoped we might have an opportunity with a brief encounter with President Trump, but unfortunately, that request was denied. Even so, being able to tour the White

House and walk through such an important and historic building where many major moments in American history have taken place, was an incredible experience.

One evening, we experienced the National Mall at night during a three-hour guided night tour -- guided night tours of the monuments. We traveled through Washington, D.C. on a temperature controlled coach bus, while a guide explained the history of the monuments and important events that happened there.

Seeing Washington, D.C. lit up at night made the monuments feel even more powerful and memorable. Our tour included several stops around the National Mall. We first stopped outside the United States Capitol, where we explored the area and took photos at the heart of our American Republic. We then visited the Lincoln Memorial, where we saw the massive statue of President Abraham Lincoln and learned about the history of the monument. We also visited the Martin Luther King Junior Memorial, which features the Stone of Hope and many of Doctor King's inspiring quotes, overlooking the water. During the tour, we also saw many other important landmarks, including the white House, the Vietnam Veterans Memorial, the Korean War Veterans Memorial, and the World War Two Memorial, where we were able to -- where we were able to find the pillar representing our home State of Arizona.

The tour also passed by sites such as the National Gallery, National Gallery of Art, and the US Marine Corps Memorial War Memorial. Being able to experience these historic places at night made the monuments feel even more impressive and gave us a deeper appreciation for American history.

During the trip, we also had some time to explore other parts of Washington, D.C., we visited museums, historic landmarks, and different areas of the city. Being able to see these places in person helped us better understand American history and how our government works. It was exciting to experience places that we only read about in books.

This trip had created many memories that will we will carry with us for the rest of our lives. We met youth from across the Country who are also working to prevent drug use in their communities. We learned leadership skills, prevention strategies, and the

importance of listening to others. This experience inspired us to continue growing the Above That Club to keep helping other students making healthy choices.

We would like to thank the town -- we would like to thank Fountain Hills Protect our Youth Coalition Board for supporting this trip. We'd also like to thank the Town of Fountain Hills for believing in youth prevention and education. Because of their support, we are able to attend this conference, learn valuable lessons, and bring those lessons back to our community.

We are -- we are so grateful for this opportunity and excited to continue our work with the Above That Club. Thank you.

WATERS: Thank you so much. I just wanted to say I'm very proud of these boys and thank you again. This is probably the fifth time they've gone around the town and given this presentation, and just for the audience and everyone watching and listening, and this is sixth and seventh graders, so very proud of them. And thank you again for your support. We really appreciate it.

MAYOR FRIEDEL: Before you go, I have a special gift for both Henry and Peyton. So if you'd come forward.

So what I've got here is one of our 250 celebration t-shirts for each of you. All right? Now, if the size doesn't fit, you can always exchange that upstairs.

MAYOR FRIEDEL: And we have another presentation. Rachel.

GOODWIN: Thank you, Mayor. Unfortunately, our MCSO captain has the disadvantage of going after that. He's going to be sharing his quarterly updates, specifically the three-year crime report from 2023 through 2025.

This is obviously not -- kind of goes in hand in hand with all of the efforts that the coalition is working towards is to help obviously impact our crime, keep our community safe, and in a different way, that's what our MCSO is here to do as well. Captain, do you remember the last time you were here with us, Christmas time?

THOMAS: Yeah, that sounds right.

GOODWIN: Okay. So I appreciate you being back.

THOMAS: Okay. Mayor Fidel. Councilwoman. Town manager.

Like I say, just about every time that I've been up here in front of you, it's. I really appreciate the opportunity to come and talk about the great work that the men and women for MCSO do -- what they do and what they do for the town of Fountain Hills. And the stuff I represent is directly related to their efforts.

So when I took over as the captain here in March of last year, one of the things I do is I go through and see what has been done before. And what I recognized was we had a 2020 to 2022, end of 2022, three-year report. And I thought for these quarterly meetings that was that's -- that worked out great that it was time to come up and do this again, because those reports are a great highlight, especially over that time frame of what's going on in the town. And it's a good notification for the Council to see what changes there are, because we use these things as intel to drive our direction, and our resources, and sometimes respond to hot button topics that sometimes just require our presence.

One of the things I did was I had our criminal intel analyst. Her name is Melissa Deming. Excellent resource for both me and the town in these situations. And my intention was to have her here with me today to maybe describe some of the data collection, if any questions come up. Unfortunately, she was not able to be here.

So my review of some of this information is just going to be an overview. And if there's any nuanced questions, I apologize for not being able to answer them, but I think I do have a firm grasp on most of this material.

So this is going to be pretty brief. These are the four topics we're going to go over. As you guys are well aware, and for those watching at home, our calls for service are broken into a couple categories. Whether the general public is calling in, or our deputies are out there being proactive and putting themselves on calls for service. And the best way to think about that is, they see something suspicious, or they see a crime in process, and they step in and they take action and generate reports.

What you'll see here is for the '23 to '25 time span, that difference right there, the on view traffic versus the calls for service we get from the public. You'll see in 2025 we have a pretty decent uptick in our on view traffic. And what I can tell you is I reviewed

the 2020 to 2022 three-year report, and it was pretty consistent between '23 and '24 here it was around the 5000 mark and 7000 mark for both categories. Now, the reason we're seeing that uptick in 2025 for the on view is going to be related to, once I come on and gave direction and worked with the town on the visibility initiative and everything, we started upping our efforts and attention toward making contacts with business owners, the community, prioritizing our tips that come in that point out traffic concerns or safety issues. And this includes, of course, traffic enforcement, and that is the result you're seeing right there.

Now, the yearly reports between this three-year report and the last one are pretty consistent. In 2020, we had a -- it seemed like an uptick similar to this one in 2023, but around 1500 has been the consistent number of reports these guys are generating. And just for interest, these are the major crime reports that we see. And again, you'll see that traffic violation number stand out a little bit. And that's, again, related to some of our efforts from public feedback and directives that we're given.

Now the intel analysts are really good at putting together information and digestible ways for us to look at. And it helps me, as the division commander, to direct my resources based on what we're seeing. And for this one, this is the criminal damage example, day of week, and the times that these are happening. And this helps us generate other digestible visuals.

Are you guys familiar with heat spot mapping? There'll be an example of that coming up, but we can look at this, and then we can almost pinpoint the best places and times for us to deploy our resources. And that's just another example of how we look at traffic stops, and we can do this with just about any category.

So the noninjury accidents, we put this information out not long ago, but this is an example of that heat spot mapping. You'll see the dark purple. The darker it is, the more activity we got in that area. And so we have our three major locations right here for these accidents, which are Fountain Hills and Palisades -- and Palisades, La Montana, and Shea and Saguaro. And then you'll have our traffic enforcement, and you'll see our enforcement is heavier in one area, but not surprisingly, where these accidents are

happening and where this enforcement activity takes place are around the major intersections throughout town.

And this is -- the Uniform Crime Report is going to be what our analysts put together for me, who is really the expert on this. And this is where I'll go just kind of high level on it, and just point out a couple things and keep going. What I wanted to do was kind of mirror the last report, talk about the comparisons between Fountain Hills and other similar towns size-wise, and our neighbors.

You'll see right here the violent crime statistic. Right here, the 80 that's going to be all of these categories added up to make that 80. Homicide, sexual assault, robbery, aggravated assault. So when they do the UCRs, they do it -- they categorize it 1 per 1000 population. So that's what this number is seen here. 3, 2, and 0.2, and 1 that's represented for 1 of those incidents per 1000 population.

MAYOR FRIEDEL: Captain, can you take a question?

THOMAS: Absolutely.

EARLE: I'm sorry. Could you back up one slide, please? Okay. On the top you have -- oh, it's for per 1000 people. So you broke down those figures into per thousand people, what --

THOMAS: Yeah. The bottom numbers that you see down there, that 3.2.

EARLE: Okay. Thank you.

THOMAS: And there will be some categories, much like arson, even though in this time frame there were two quote, unquote, arson incidents. But because it doesn't -- it'll be a zero in this reporting.

And here we're going to talk about the not -- the major crime indicators. This is the ones that don't fall into that category, property crimes, burglary, theft. And you'll see the same thing here. This number is what combines all of those. And that per 1000 numbers are all down here.

So in review in the last three-years in this one, I see Fountain Hills is really consistent on experiencing these incidents. There has not been any major upticks. And actually, there's been some areas where it's gone down significantly. And when I wanted to

compare, I did our neighbor, Scottsdale PD. You'll see the significant population difference here and where I gained the most indication to me on what we experience versus what they do is using that 1 per 1000. You'll see for violent crimes, we're 3.2, Scottsdale is 4.8. So it's just it's just a quick and easy way for me to do a comparison between the two and see how we stack up compared to other towns, no matter what the population size is.

You'll see right here where property crimes Scottsdale's up there quite a bit over us, but I think that could be explained when you do have major population differences. These types of crimes are obviously going to be more significant. Paradise Valley, they're a little. They're about half our population of Fountain Hills. But again, I'd say go down and take a look at the UCR numbers here used at the bottom. And you'll see we're not far off from them. And even they're ahead of us on some categories.

Gilbert, again, different. Oh. Okay. I'm going to skip over this. As you see right here, the population numbers off. So this data may be -- may be off here. So we'll bypass that one.

Queen Creek. Again, here, you'll see these comparisons. But this is the easiest to digest right here. And see where we -- where we stand out and where -- I mean, you could say do better.

El Mirage in the West Valley. Very similar population. But right here you can see where, depending on what you're looking at, there's a stark difference in some areas.

So I was going through all this information between these two reports before, and consistency ended up being a common theme across all these numbers. And what we, what we deal with in town. And we actually -- as far as property crime, the public safety crimes, and violent crime were actually down compared to the three-year report last year.

Property crime numbers from 2020 to 2022 were around 864, and for this three-year report, we're down to 632. And the violent crimes were actually down a few as well. So I think it goes a long way to say that in the things that are actually measured and counted upon, Fountain Hills continues to be a very safe community.

MAYOR FRIEDEL: I will make a comment. Thank you for the report. That's very telling. And we have a law enforcement review committee, which the Captain also serves on. And one of our -- one of the outcomes from that, We've got about 125 years' worth of experience on that committee, and one of the outcomes was Community Policing and Visibility Initiative. And I have to say that the numbers reflect in the work that you guys have done. So we really appreciate the support and all the hard work. So thank you for that.

EARLE: Hello.

BENDER: Captain. We have one more question up here.

EARLE: I don't have a question. I just have a comment. I really appreciate the visual presentation you had tonight. It was really nice and very helpful. Thank you and good information. Thank you.

THOMAS: Thank you.

MAYOR FRIEDEL: Okay. Now we'll move on to proclamations. We have two tonight, and we have the CASA Volunteer Week, which I believe Vice Mayor Earl will be reading.

EARLE: Okay. Whereas children in the foster care system often face uncertainty and need strong advocates to ensure their voices are heard and their needs are met. And whereas Court Appointed Special Advocates, CASA are trained volunteers appointed by judges to advocate for the best interests of children who have experienced abuse or neglect. And whereas CASA volunteers work alongside judges, attorneys, and social workers to help provide stability, support, and hope for vulnerable children. Now, therefore, Gerry Friedel, mayor, along with the Town Council of Fountain Hills, does hereby do hereby proclaim April 6th to 12th, '26, 2026 as CASA Volunteer Week and encourage all members of the community to recognize the dedication of CASA volunteers and learn more about supporting children in foster care.

Is there someone here to --

MAYOR FRIEDEL: Do we have anybody here from -- there we go.

Test.

UNIDENTIFIED SPEAKER: Good evening, Mayor and Councilmembers, I just want to say

thank you for the recognition of CASA Week and for helping shine a light on the importance of advocacy for our children living in foster care. A CASA volunteer really does do something very important in our communities. They provide a steady, adult voice focused on the best interests of those children living in foster care. So we're grateful for the recognition and the awareness it brings. Thank you.

MAYOR FRIEDEL: Thank you.

And we have a second proclamation, which I will read. It's for the International Dark Sky Week, which is April 13th to 20th. Whereas the natural light -- I'm sorry -- the natural night sky is shared heritage that inspires wonder, scientific discovery, and a deeper connection to our environment. And whereas light pollution has measurable impacts on our environment, economy, and public health.

While Arizona remains a global leader in astronomy, and home to the world renowned observatories, and whereas, the town of Fountain Hills and its Dark Sky Preservation Committee are committed to promoting responsible lighting and protecting our communities dark sky resources.

Now, therefore, I, Mayor Gerry Friedel, on behalf of the Town of Fountain Hills, do hereby proclaim April 13th to 20th, 2026, as International Dark Sky Week and encourage all residents to join in preserving and protecting our dark skies for future generations. And I think we have a few representatives here if you want to step forward.

UNIDENTIFIED SPEAKER: Just a quick thank you, Mayor, Council, for your support. I think the partnership that the town has with the Dark Sky community has paid in dividends for this community, as we will see very shortly with the fully grand opening of our Discovery Center, which is a unique organization and facility that will provide all kinds of educational, discovery, and event activities, which can only bode well for the economy, and keep us all contented.

MAYOR FRIEDEL: Can you give us any hint as to when that will be?

UNIDENTIFIED SPEAKER: Well, it should be -- is this still on?

MAYOR FRIEDEL: It is.

UNIDENTIFIED SPEAKER: We're -- we are optimistic that it will be towards the end of

this year. There's a chance we might slip into the new year, but it is coming. We are ready to go.

MAYOR FRIEDEL: Great. Thank you. Thank you all. Thank you.

Okay. Now we'll move on to our consent agenda. Can I get a motion on that?

KALIVIANAKIS: Motion to approve consent agenda.

WATTS: Second.

MAYOR FRIEDEL: We have a motion and a second. Can I get a roll call, please?

BENDER: Councilmember Skillicorn.

SKILLICORN: Yes.

BENDER: Councilmember McMahan.

MCMAHON: Aye.

BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Aye.

BENDER: Councilmember Watts.

WATTS: Aye.

BENDER: Councilmember Larrabee.

LARRABEE: Aye.

BENDER: Vice Mayor Earle.

EARLE: Aye.

BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

BENDER: Mayor, seven-zero.

MAYOR FRIEDEL: Thank you.

We'll move on to our regular agenda. We have consideration, possible action relating to amendment number 7 for professional services agreement for J.E. Fuller hydrology and geomorphic morphology.

Rachel.

GOODWIN: Thank you, Mayor. Our director, Weldy, is going to be presenting this item. It's related to our drainage improvements at Golden Eagle Park that were initiated a

number of years ago. And this is continuing down that process.

Director, with that, I'll turn it over to you.

WELDY: Thank you for the kind introduction. Staff has certainly been before this elected body numerous times over the past several years to discuss the Golden Eagle impoundment area, including, but not limited to, asking for funding to clean up some of the debris from some storm events, more than once.

Also, we've returned to this Council to ask for approval of contracts on several different levels, additional funding, and we're nearing the finish line on this. Having said that, we are now in the final phases and the design of the final phase, which is phase two, which addresses the dam throughput, so that's the inlet and the and the throughput outlet, the water flow. Also making some necessary corrections to the Fountain Hills Sanitary District manhole that is adjacent to one of those inlets.

Staff was here last year asking for the approval of a contract to complete phase one. During that presentation, we discussed some of the challenges that were faced. We returned at a later date and explained those challenges as part of our capital improvement.

As a reminder, this portion is funded 70 percent by the Maricopa County Flood Control District. Earlier tonight that IGA for that was approved. So when we get to final design, which should be in the coming months based on progress, then the construction documents will be prepared. The town will release it for sealed bid. Ideally, in the middle of the summer or beginning of the summer. Those dates are unknown at this time because the Arizona Department of Water Resources and the Maricopa County Flood Control have some pretty long review times for their plans.

We just got some notification today that one of the applications was reviewed. There's 120 day time frame tied to that. They let us know that 60 of those days they used to complete it, ask that the town and their -- and their engineering firm make some minor adjustments, and resubmit it.

So we're moving along nicely with the final phase on this. With that said, if you have any questions about this amendment, I will do my best to answer them.

EARLE: Thank you. Hi, Justin. When did the contract expire and how come it expired?

WELDY: Mr. Mayor, Councilmember. The contract expired about 60 days ago --

EARLE: Uh-huh.

WELDY: -- and we allowed that to happen while we were in the process of submitting all the documentation. When I say we, we're part of a team --

EARLE: Uh-huh.

WELDY: -- that includes the engineering firm. We knew it was going to happen, but we also had some checks and balances and some requirements that we needed to be certain of prior to coming to the town manager to explain that, and then put together this package for the funding tonight.

EARLE: Okay. Thank you. Also I'm a little confused about the money, because I think that you're saying it's up to 150,000 for each contractor, but then you're asking 165,817. So could you explain how that works, please? Unless I'm referring to the wrong one.

WELDY: Mr. Mayor and Councilmember, the one -- the one that we're discussing right now is a one amount.

EARLE: Okay.

WELDY: An amendment for --

EARLE: I'm confusing with the other one. Right. Okay. So it's all you're asking for is one hundred is -- not all, but 165,817 to fulfill?

WELDY: That is correct, Councilmember.

EARLE: Okay. Thank you I appreciate it. And I'll make a motion to approve.

WELDY: You're welcome.

WATTS: Justin, 165,817 is about \$47,000 more than the 93,197. Is that 93,197 still being held by the town? Is it work that's already been completed, and we just need the other additional 47 plus to get to the 165.

WELDY: Mr. Mayor, Councilmember, the majority of that funding was utilized to get us to where we're at right now. We do have an open PO, or an unspent fund balance, but no additional work has been taken place and the contract expired. I can certainly get you that unspent fund balance tomorrow by midday or mid-afternoon, but I don't know

what it is right now.

WATTS: But there is an incremental increase. It isn't a full 165. It's whatever is a residual left and looked like 93 to me. So it's about \$47,000 additional to get to the 165?

WELDY: That is correct.

EARLE: Okay. And the 15 percent in contingency funds, is that something that you suggested because of not knowing what we can encounter normally? Maybe a ten percent. I'm surprised that the 15 percent. So is there a basis for the 15?

WELDY: Councilmember, the 15 percent is based on what we encountered during construction of phase one, and several other items that came up as part of the construction and the design. And yes, that is my suggestion based on having to return to Council to ask for some additional funding. Just a little bit of insurance there, just in case we need it to keep moving.

WATTS: Just a cushion to get it complete?

WELDY: Correct.

EARLE: Thank you.

KALIVIANAKIS: And thank you. I just wanted to second the motion that's on the floor to approve the amendment number 7.

MAYOR FRIEDEL: We have a motion and a second. Can we get a -- Hannah, do you have anything to add?

LARRABEE: No, thank you Mayor.

MAYOR FRIEDEL: Okay. We have a motion and a second.

Can we get a roll call, please?

BENDER: Councilmember Skillicorn.

MAYOR FRIEDEL: I'm sorry. Were there any comment cards?

BENDER: No. Mayor. Mayor, we haven't received any comment cards for today or for the call to the public.

MAYOR FRIEDEL: Okay. Thank you.

SKILLICORN: Yes.

BENDER: Councilmember Larrabee.

LARRABEE: Aye.

BENDER: Councilmember McMahon.

MCMAHON: Aye.

BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Aye.

BENDER: Councilmember Watts.

WATTS: Aye.

BENDER: Vice Mayor Earle.

EARLE: Aye.

BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

BENDER: Mayor, seven-zero.

MAYOR FRIEDEL: Thank you. Moving on to item b, 9(b) that's I think that's also -- Rachael, that's also Justin, correct?

GOODWIN: It is, and the next one is also related to Justin's wheelhouse, where it's a job order contract that's related to both mechanical and plumbing services for all of the town's facilities.

WELDY: Thank you. A short time ago, staff was at this podium asking the Council to consider approval of some separate job order contracts for electrical. Post council meeting, we had some discussions and some additional information was included in the staff report that we hope better helped to explain the position.

Approval of these agreements tonight does not automatically authorize the staff to spend the \$150,000 for each one of them. Each one of these contracts in that amount are still governed by the budget, policies, plans, and procedures. The \$150,000 amount is simply a holding place that allows staff not one, but several options in regards to -- and I refer to it primarily as mechanical. That's the technical term, but it's plumbing. A good example of that, for those of you that may not have noticed, was right here in the town hall recently. The facility staff has been struggling for a considerable amount

of time with the employee break room drainage system. Upon inspection of that using cameras and other technology, it was discovered that the pipe that goes from the second floor to the first floor, and obviously into the sewer system was essentially shot. They were able to secure the services of not one, but two specialty mechanical people and remove the old ductile iron pipe and replace that with a more modern PVC pipe. And then obviously bring in from another job order contract, the folks that did the drywall repair.

All of that work was in the facility's budget. We did not have to go to the town manager to ask for any additional permissions, nor did I have to bring a proverbial hat here at a later date and ask for permissions to spend money. And that's what job order contracts are about. It gives the town staff, all of our facilities and all of our parks, excluding our roads and stuff like that. It gives us an opportunity to take action on preventative maintenance and or reaction to emergencies that may happen.

With that said, if you have any questions about any one of these, I will certainly, certainly do my best to answer them.

WATTS: I think Beth was up first. Never mind. Sorry about that.

So Justin, I went through the contracts. I was looking at them, and I noticed that each contractor provided a different markup on materials and equipment. One had a 15 to 30 percent markup. One had a similar gross margin, and one didn't disclose. We've generally been pretty accurate in doing cost plus. Is there a reason that we've not done that on these?

WELDY: Mr. Mayor, Councilmember, the primary reason here is each one of the vendors that submitted on this are right now in an unpredictable commodities market. So not only the cost of fuel, but all commodities, parts, and pieces that we need are historically up and down right now. So as part of our due diligence -- and the procurement officer couldn't be here tonight. He's at a family event -- but as part of our procuring, whenever we submit for a purchase order, and their quote is in there, there are going to be checks and balances in regards to the markup.

What you're seeing is the maximum amount allowed for any one particular part that

may be a specialty part, or it may have had to have been shipped overnight, or something like that. But the Mr. Durham, along with myself and Mr. Snipes and the finance team, we keep a close eye on those types of margins. There's a reasonable, and then there's unreasonable, and we will certainly flag that should it come up.

WATTS: You use the term margin, but if it's cost plus it's not gross margin that you're going to -- based upon what the cost to the contractor is. Isn't it more reasonable to have a cost plus in uniform across all three contractors, so we can ask for their original invoice to make sure that we're getting the applied? And I don't really care whether it's 15 percent, 20 percent, as long as we have that disclosure. You don't have that same disclosure when you do gross margin. And in one case, there is no disclosure about the amount of markup.

WELDY: Councilmember, I believe that the ask is reasonable, but we also ask for backup invoicing whenever we're processing as well. So we will have those for our records.

WATTS: But we won't have anything for the one contractor that doesn't have a disclosed markup. So you're just going to argue with him and say why?

WELDY: Certainly we're not going to argue with him. As if that is, if that person is selected or that firm is selected for a particular project, there will be a discussion with them from either myself, facilities, or community services, and we will discuss what we're needing. We will ask them for a quote, and then we will discuss that quote and ask for backup documents should we deem it necessary.

WATTS: So you do the pricing behind the scenes to make sure they're charging us the appropriate pricing?

WELDY: Yes, sir. Not only for this, but for everything that primarily in regards to commodities that we use.

WATTS: And something that seemed to be glaring. There were two contractors where you generally use a lot. One was MESA and EMCOR. Was there a reason they didn't participate because they are both in this same trade?

WELDY: Each of them have cooperative use agreements, and their cooperative use agreements are really locked in, and they have a relatively large customer base as a

result of those cooperative agreements.

WATTS: Okay. I'm not sure I understand that.

Last question. The travel time for the contractors was ambiguous. Is it \$75 an hour? Is it \$75 lump sum? Do you know? Because it wasn't clear in the contract in the documents.

WELDY: And that's an excellent question. So a couple of us that were reviewing this had that question. Historically, it's portal to portal.

WATTS: Both ways?

WELDY: Correct.

WATTS: That's not if I was reading the contract, and I would say they said \$75, I would interpret that as a flat rate. \$75 is all they're going to be allowed to charge for travel time to and from the job. Now I realize that if I'm on the west side of town and I've got an hour drive there and an hour drive back, somebody has to pay for that. But I would ask for clarity on the disclosure. Is it 75 an hour, 75 each way, 75 lump sum or -- and portal to portal is an excellent example of what we really need to make sure we've got clarification on.

WELDY: We will certainly work to achieve that.

WATTS: Thank you.

KALIVIANAKIS: I would just like to make a motion to approve the award of job order contracting 2026-727374 under RFP 2025-27, and the amount not to exceed 150,000 per year, each.

MCMAHON: Second.

MAYOR FRIEDEL: We have a motion and a second.

Can we get a roll call vote, please?

BENDER: Councilmember McMahan.

MCMAHON: Aye.

BENDER: Councilmember Watts.

WATTS: Aye.

BENDER: Councilmember Skillicorn.

SKILLICORN: Yes.

BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Aye.

BENDER: Councilmember Larrabee.

LARRABEE: Aye.

BENDER: Vice Mayor Earle.

EARLE: Aye.

BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

BENDER: Mayor, seven-zero.

MAYOR FRIEDEL: Thank you.

Item C is a discussion and possible direction regarding state level legal resources and protections available to public officials.

And I believe Councilwoman Larrabee, you had initiated this. Would you like to start the discussion?

LARRABEE: Sure. My original intention -- and I think we may remember there was a little bit confusion on whether it needed to be an agenda item or not, but my initial idea was just writing a letter to the Attorney General, because there is, of course, a lot of discretionary power that the Attorney General has on which laws are enforced or by how much. And this would be specifically in regards to ARS-13-, I believe 202. Let me fact check myself. Sorry. 13-1202 which is what outlaws threatening violence, property damage, or using threats to interfere with official duties.

So that would be in regards to public officials and in line with the comment that we heard from a member of the public last meeting regarding judges that have been threatened throughout the country. But then on top of that, just understanding the current political environment and standing as a town, Fountain Hills, making a statement to say, hey, we stand against political violence and we encourage the Attorney General to take any threats seriously.

And given that this law does allow for it to be from a class one misdemeanor to a class

six felony, this is something that does call for some encouragement to the Attorney General's office to ensure that the law is being enforced properly.

EARLE: Okay. Thank you very much. It sounds to me like I had difficulty understanding what you were saying, that you would like the town to write a letter to the Attorney General asking her to enforce the law or -- what was it, Hannah again?

LARRABEE: Mayor, if I may respond to the Councilmember's question, and thank you. Councilmember McMahon.

MAYOR FRIEDEL: Please do.

LARRABEE: Yes. I would like for us to write a letter encouraging the Attorney General to enforce ARS 13-1202. I'm sorry, I'm trying to think of the correct word. I'd like for our town to make a statement in that letter regarding that. First of all, that we stand against political violence, that we encourage the Attorney General to enforce these laws should our officials be met with threats in today's political environment? I do feel that that is necessary, and I concur with the member of the public that had brought this up in our last meeting.

EARLE: Well, based on what I've read, the State Attorney General's office, she's there to protect local town councils and judges by enforcing state laws against threats, defending laws like Daniel's Law that shield personal information from data brokers, and providing legal guidance to local officials.

They act -- she acts as the top law enforcement official, assisting local law enforcement and investigating threats to public office officials. That's her job. She defends the State laws in court, protects judges and public servants from threats of violence and harassment.

She can initiate criminal investigations, prosecutions against individuals who make violent threats against public officials. They -- she provides legal guidance, advocacy, provides legal advice to local officials, and can file lawsuits to uphold the rule of law and safety of communities. She can coordinate with law enforcement to provide support to local police, et cetera. I believe she these powers are already installed in her, and she does do them actively.

It's her job and it's her authority already to ensure the safety of officials, including judges, in the face of threats and using their position -- and using their position, as, you know, the chief legal officer of the state to make sure that we are protected.

So I'm not sure that a letter to the Attorney General is number one, necessary, and number two, is going to have any force and effect, because she already does all this, and she already has all these powers.

KALIVIANAKIS: Hmm. Thank you, Mr. Mayor. I'll make it short. But while I fully acknowledge the serious concerns surrounding threats to public officials, I do believe this discussion falls outside the appropriate scope of this council's responsibilities. We are not a state-level body. We're a town council. We're elected to address local priorities like public safety, budgeting, and infrastructure. We already have enough on our plate serving our community.

Matters of state-level enforcement and legal response are best left to the appropriate agencies, including the Attorney General's office. Once again, I would focus us to use our time and attention on issues that we were elected to address, and where we can make the most meaningful impact to our residents. Thank you.

SKILLICORN: Thank you, Mr. Mayor. And my question is actually for Councilwoman Larabee. And in light of our Attorney General's kind of veiled threats on law enforcement, do you find it ironic that -- you know I support this -- ironic that we'll be writing a letter to effectively not do the things that she's been talking about doing to law enforcement. But protecting elected officials and judges and even taking a stand against political violence.

LARRABEE: Mayor, if I may respond?

MAYOR FRIEDEL: Please do.

LARRABEE: Thank you, Mayor. To answer the Councilmember's question, yes, I do find it ironic, and I honestly use that as partially my example of why this is necessary. If communities come together and make it clear that we expect that law to be enforced. And should officials be threatened or government actions be obstructed, we expect that individual to be prosecuted to the fullest extent of the law.

I believe that there is an opportunity for someone seeking elected office to hopefully change their tune regarding that. And in today's political environment, frankly, threats, veiled or not, are entirely unacceptable. We've seen the effects of a lot of this rhetoric already, and I can speak very personally to the effect that that has had on this country.

MICHAEL: Thank you. Mayor. I would just make a recommendation to go ahead and write this letter as Councilmember Larrabee has requested.

SKILLICORN: Second.

WATTS: I think laws are already on the books. I think that a letter to the Attorney General, who has her own bias that's clearly been demonstrated, is going to have little or no effect. I think that the majority of the time that this Council and staff need to dedicate is to town business.

While I agree in that we should rely on our officials to enforce laws, I don't think we're going to have any impact by writing a single letter. I don't think it makes any sense to me to write the letter. I think what we're saying here on the dais right now is that it's abhorrent when our Attorney General doesn't enforce things, but our letter coming from a small town is going to have no impact. And it's not something that I think we should waste our time doing.

EARLE: Also, Hannah, your comment was about the country. This isn't about the country. This is about our local town and city. And again, I reiterate what I said. She already has this authority. She's already doing it. You may not like what she's doing or not, or in your perception, not doing, but I don't think that we need to spend time on this, and sending her a letter that is absolutely going to have no force and effect.

I think we need to start paying attention to more local things, and doing our job, and being proactive to provide solutions to things that are going on in our own town versus -- to me is this going to end up being an insult to her? I don't know, it's something to consider.

MAYOR FRIEDEL: Having heard everybody else, I'll weigh in now. I think that there are effects nationally. We just heard from the drug coalition and the young men that spoke about fentanyl that's pouring into our country. So there are effects. I don't see any

problem with just sending a letter and just asking, hey, we think this is an issue that needs to be considered strongly. And I think it's something that -- that we could do.

EARLE: I think she's already doing it. There's a lot of cases and stuff that she's enforcing and upholding. It's not something she's ignoring, that's for sure.

MAYOR FRIEDEL: We're not saying that she's ignoring it. We're just -- we're just --

EARLE: You are if you write the letter.

MAYOR FRIEDEL: No, we're just encouraging.

GOODWIN: At this point, mayor, there is a motion on the table. But really, this item is for direction. But at this point, I don't have a consensus of the majority at this point, if that's what I'm understanding.

MCMAHON: We've got Hannah, Allen, me, and Gerry.

GOODWIN: Okay. Great. Then that's what we'll -- we will go ahead and do the letter based on --

EARLE: Please omit my name from the letter.

GOODWIN: Correct. That's what I was going to say, I will make it that it was from the majority and include those that are in support. Okay.

MAYOR FRIEDEL: We'll move on now to the call to the public. Town clerk or do we have any --

BENDER: No speaker cards.

MAYOR FRIEDEL: No speaker cards? Okay.

Then we'll move on to Council -- we'll move on to Council direction to the town manager.

All right. Seeing none. How about any future agenda items?

GOODWIN: Mayor, sorry, we did skip one item, which was the legislative update --

MAYOR FRIEDEL: Oh, yes.

GOODWIN: -- if there was any discussion on that.

MAYOR FRIEDEL: Yeah, yeah. Because there was no meeting, I didn't --

GOODWIN: There was no meeting this week, so I figured it -- yeah.

MAYOR FRIEDEL: Does anybody have anything for the legislative update that they want

to bring up?

SKILLICORN: If I'm allowed. I was looking through it. And you know, there's a couple bills here that I actually recommend people from this Council to go on individually support because they may or may not agree. Most of them are okay, but I mean, I see the one that is basically geared up to punish -- I'm actually trying to find the actual bill number right now. It's HB2460. And what this would do is punish retail stores that have their have their items stolen, and then the crux abandoned it.

It would -- actually punishes the victim in a crime. And I still think it's ridiculous that the cities and towns would take this position. But effectively, Phoenix wants to fine retail outlets for having their stuff stolen. And it's retarded. And we shouldn't support it. I mean, I have -- I have come out on RTS against -- or for it, but we shouldn't. I don't think the town should go along with this. And frankly, the town needs to represent the needs and wants of the citizens, not the kind of radical objective that's going on in Phoenix. That's all.

EARLE: It addresses issues regarding property and restricts local ordinances that penalize businesses for such incidents. It doesn't penalize businesses, it's trying to prevent that from happening.

MAYOR FRIEDEL: Future agenda items. Anyone?

KALIVIANAKIS: Yeah, I've got one, Mr. Mayor. I would like to bring the call to the public back to the beginning of the meetings. And just relook at that that whole process.

MCMAHON: I'd like to do that to you. I'll second it.

SKILLICORN: Thank you, Mr. Mayor. In light of some information that's kind of come to my attention about prosecutions in town and effectively Fountain Hills is getting the reputation of being soft on crime. I would like to have an agenda item of replacing our town attorney -- our town prosecutor. I'm sorry. Specifically town prosecutor. And because of open meetings, I can't get into details here, but. --

WATTS: I'd suggest that we wait until we have the review. Because while it may be a little bit subjective at this point -- doggone you guys.

KALIVIANAKIS: Motion to adjourn meeting.

MAYOR FRIEDEL: Meeting's adjourned.

Having no further business, Mayor Gerry M. Friedel adjourned the Regular Session of the Fountain Hills Town Council held on April 7, 2026, at 6:45 p.m.

APPROVED:
TOWN OF FOUNTAIN HILLS

Gerry M. Friedel, Mayor

ATTEST:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting held by the Town Council of Fountain Hills via Microsoft Teams on the 7th day of April 2026. I further certify that the meeting was duly called and that a quorum was present.

Bevelyn J. Bender, Town Clerk



TOWN OF FOUNTAIN HILLS
MINUTES OF THE WORK SESSION
OF THE FOUNTAIN HILLS TOWN COUNCIL
April 14, 2026

A Work Session of the Fountain Hills Town Council was convened at 1:00 p.m. in the Fountain Hills Council Chambers, Fountain Hills, Arizona

Members Present: Vice Mayor Gayle Earle; Councilmember Rich Watts; Councilmember Peggy McMahon; Councilmember Brenda J. Kalivianakis

Members Attending Remotely: Councilmember Hannah Larrabee

Members Absent: Councilmember Allen Skillicorn

Staff Present: Town Manager Rachael Goodwin; Town Attorney Jennifer Wright; Town Clerk Bevelyn J. Bender



Post-Production File

**Town of Fountain Hills
Town Council Work Session
April 14, 2026**

Transcription Provided By:
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Transcription is provided in order to facilitate communication accessibility and may not be a totally verbatim record of the proceedings.

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MAYOR FRIEDEL: All right. I'm just calling the meeting to order. We'll do roll call, please.

BENDER: Mayor Friedel.

MAYOR FRIEDEL: Present.

BENDER: Councilmember Earl. I mean, sorry, Vice Mayor Earl is not on here yet.

Councilmember Skillicorn is not here yet.

Councilmember Kalivianakis.

KALIVIANAKIS: Here.

BENDER: Councilmember Watts.

WATTS: Here.

BENDER: Councilmember Larrabee is on the phone.

And Councilmember McMahan.

MCMAHAN: Here.

BENDER: Mayor, you have a quorum.

MAYOR FRIEDEL: Thank you.

Rachael?

GOODWIN: Thank you, Mayor. Today we are bringing forward the tentative budget, which is a required step in our annual process. I know Council as well as staff have spent many hours on this budget, so I will keep my opening comments brief.

The tentative budget reflects the priorities discussed through the retreat and the work sessions and the supplemental items being recommended for addition. Those supplements have been reviewed carefully and are not simply a wish list, but each item requires justification based on need, timing, available resources, organizational capacity, and alignment with Council priorities.

The tentative budget continues funding for core services, including public safety, streets and infrastructure, facility maintenance, capital planning, and community services.

Arguably, the budget is more than a spending plan. It is a prioritization document that shows where the Town is choosing to focus its limited resources. So with that in mind, staff will walk through the key components, the recommended supplements, and the

remaining steps before final adoption.

Before we kick off, I want to say a big thank you to Paul and his staff, as well as the rest of the team, because our budget process starts way back in December. For those of you that don't remember all that far back, we start in December. So this is a culmination of a lot of detail, a lot of work, a lot of "oops, I forgot", and really, Paul kind of herding all of the squirrels in the office to make sure we get here and get this done. So thank you, Paul, for all your efforts.

SOLDINGER: Great. Thank you, Mayor, Vice Mayor, and Council. Thank you for another opportunity. Like Rachael mentioned, this is kind of a culmination of all our discussions up to this point. We've had several, and it's a long and exhaustive process, but we're getting close. We only have a few more steps in this process to consider the fiscal year 2027 budget. And so with that, this is meant to be seeking your direction on the budget. If there's anything you'd like to see addressed or discussed, please chime in and ask questions. And we'll have those conversations today.

So for the budget just some main considerations. Looking at the time line today, we are talking about the proposed budget. We have an online budget book that we included in the packet. The public can also look at it. It includes all -- the entire proposed budget by fund, by department. Just 250 pages of fun is like -- what I like to call it, and it's there online for consumption. And we'll talk through it a little bit today. I can also pull up the book if you'd like. Because I know we send it out in advance, so there's a lot of information there.

So today, the purpose of today is really to get your feedback on the budget, everything we've put together. And by next month, when we bring the tentative budget for adoption, that's the maximum amount that the Town can budget for next year. So once you approve that, we like to have pretty much everything final other than anything last-second. Because once that takes place and the Council approves that, we'll have the final budget adoption considered in early June with a public hearing attached to that as well.

So we like to start with projected fund balances. We want to know what we have across

our different funds or our different buckets to work with next year. We incorporate these projections in our balanced budget approach as required by the State and the budget forms. So for the General Fund, we're projected to have about \$15 million at the end of this year or the start of next year. The Streets Fund, we're projecting about \$6.1 million. That's after doing all the road work that we're currently working on with -- where's -- oh, Justin's not here. I usually look over. Is Justin around? He just walked out? We're doing a lot of road work. We're working on Palomino. It's almost complete. Richwood is up and going, and a lot of other roads are in the queue to get going these next few months. So we typically do do all our road work towards the end of the fiscal year. And that's what we're doing now. And so today we have almost \$14 million in that fund. But once everything's done and complete, we're projecting about 6 -- it could be, dare I say it, 6 to \$7 million in that fund by year end. And conservatively, 6.1. Capital Projects Fund, \$9 million. We've had about the same amount in the Capital Projects Fund at year-end over the last three years. This is a historically high dollar amount for this fund. So we're well-funded for the capital improvement plan. I know I get that question a lot. Do we have enough money to do these capital projects? Yes, we do. We look at a five-year outlook. We consider all those things, and we have sufficient funding for now and the future few years.

\$8.2 million in the Facilities Reserve Fund. Of that, 6.7 million is specifically set aside for the future lake liner project. This budget does include about \$1 million to be spent from that savings for the design of that project, for the future design. So just keep that in mind when we get to the capital projects and capital improvement portion of the presentation.

Across all our other funds, about \$8.5 million. So the Town projects to have 47, \$48 million at the end of this year. And those are available resources that we can use to budget for next year, including our ongoing projected revenues.

At the last work session, we talked a lot about revenue. So I'm just going to touch on it briefly. In total, we're projecting \$38.5 million of total projected revenues next year. That is a decrease from the current year. But really the decrease has to do with the

Dark Sky Discovery Center grant that Council approved us to apply for. We had to include it in the budget. We didn't get it. So we didn't receive the revenue, we didn't spend it, but we had to budget for it. So the revenues, the projected revenues are going down, but things are relatively level. We are projecting a \$750,000 increase in the General Fund, like we talked about, a slight decrease in the Streets Fund based on new league (ph.) projections they just sent us. They're projecting HURF revenues to go down a little bit next year. We'll also have less money in the fund, so we'll have less investment earnings on that balance.

The Special Revenue Fund, that 2.9 million, \$3 million-figure going down is because we don't have the grant budgeted there. That fund is used for restricted types of money if we get grants. The opioid settlement money, we spend out of that fund. The RideChoice program, we spend out that fund. But for the most part, for example, when we got the grant for the Four Peaks restroom, we spent out of this fund. So when we get grants, we typically use this fund. The bike park project is another one where we talked about where we would use this fund, because we're getting a donation from a nonprofit organization to help with that project.

As you go down, Capital Projects Fund, there's less projected grants. That's why you see a decrease there in the revenues. And you'll also see our higher projections for development impact fee funds because we -- the Council adopted a new fee schedule. Yes, they have substantially increased, but that will mean more money in our coffers to be able to do capital projects with those monies. So in total, \$38.5 million. You can also look in the prior three years of actuals where we brought in 41, 40 million, and 38.5 million. Remember, our state-shared revenues did drop a little bit with the state income tax flat tax implementations. And it kind of leveled out, so we're starting to see our revenues flatten, but starting to increase a little bit from a state-shared revenue perspective. So yes 38.5 million. That's a lot of words. But I just wanted to touch on revenues briefly as -- for the Town as a whole.

The expenditure limitation. We also have talked about this a lot for the past year. Our expenditure limitation was just released. The State releases this in about March every

year. The final number for next year for the town is \$381 -- .18 million. It's about 1.5 million more than fiscal year '26, based on the inflation and population changes for the Town. So we have to consider that in our budget process, because we have to budget to make sure that when we budget, we -- our budget will -- I'm sorry, I said budget like five times in one sentence, so. That's not what I intended to say. When we budget, we have to consider the expenditure limitation because after the revenues that don't count towards the expenditure limitation, the excludable revenues, we have to make sure that our budget says we'll be at least \$1 under the expenditure limitation. And so that's what this is trying to illustrate. \$38.2 million for our expenditure limitation. That's the most we can constitutionally spend as a Town from revenues that count towards that cap.

So these on the left, those are the revenues that we've accounted for that don't count in our budget towards that cap, that when we spend them, they will not count towards the expenditure limitation. The grants that we're projecting to bring in of 1.7, \$1.8 million, HURF revenues of \$1.8 million, investment earnings of 840,000, and \$2.2 million of other exclusions, including, for example, the fire insurance premium, tax, insurance revenues from the State. That's an excludable revenue source that's included in that amount. And then like we talked about, we have a lot of carryforwards or money that doesn't count towards the cap saved up from prior years.

Yes.

MAYOR FRIEDEL: Councilmember, do you have a question?

SOLDINGER: Yes.

MCMAHON: Yeah, but I want him to finish what he's saying.

SOLDINGER: Sure. Yeah. So the 4.4 million out of that carryforward, we're also projecting to use 4.4 million of that. And as you can see, we're budgeting to make sure we're at least \$1 below the expenditure limitation.

MCMAHON: Not to ask a stupid question, but do we have any carryforward at all?

SOLDINGER: Yes. Mayor, Councilmember, yes, we do. So last time we talked about this, we're projecting about 10 to \$11 million of carryforward still at the -- this year-end,

when everything is said and done. It's actually going down because we're using some of that four to six million of that to be able to do more road work with the additional road projects this year. So of that 10 to \$11 million, we're budgeting to spend 4.4 million of that.

MCMAHON: Okay, thank you.

SOLDINGER: Complicated subject, but this is it in a nutshell. This is what we do in our budgeting practice. When you see the budget forms in the final budget, I can point -- it's like one obscure place on the budget forms, but we basically have to say these are our exclusions and we're \$1 below the expenditure limit for the year. So 6.6 million of exclusions plus carryforwards will get us there to that dollar below.

So a concept that comes up around this time of year is contingency. The Town manager and I, in preparation for this budget, we kind of discussed how we'd really like to stay above \$1 million. We were at 1.1 million last year. Something we kind of got lucky with, with the MCSO contract coming in low again, some things worked out in our favor, and there were some bumps in the road, such as like our benefits and -- health insurance benefits went up more than expected, nine and a half percent this year. So that impacted our budget, I guess negatively. It added more to our budget.

But we did end up at \$1 million. And I'm just going to show you real quick how we got there. \$26.8 million of projected revenues in the General Fund. So we start with our revenues, and that's where we know, okay, we can budget for our departments up to this amount, but we want some wiggle room. We want some buffer there in case something unforeseen comes up. And we call that contingency.

So illustrating that, we have 25.8 [sic] million of expenditures with amongst the departments in the General Fund. And to bridge that gap, to have a balance, ongoing revenue and expenditure budget in the General Fund, we have \$1 million of contingency. And so we really met our goal, kind of fell into it, got kind of got lucky in a way, but it worked out in our favor. I think we're in a good place with a very conservative budget. Like we've talked about, we're very conservatively projecting next year with our flattening revenue situation at this point. So we want to see how next

year plays out.

So for the contingency, just one thing to note. Where is it in our budget? It's in our General Government department. And so and I'll -- and this presentation is set up to show you all the departments in just a little bit. But our General Government department is really for any expenditures at the town level that don't really fit in any individual department. For example, our liability insurance. Our community contracts that we've talked about a few times go in this department. On top of those things, it's really our contingency.

So you'll see on the screen we have 1.002, like barely over \$1 million of contingency this year in the General Government department or bucket, whatever you want to call it, within the General Fund bucket. And again, that budget -- that budget is not used unless something comes up where we're like, oh, we did not plan for this. We need to go to Council. There's been a big storm; we need to do a cleanup. Sometimes in some of the agenda items, you'll see we -- we talk about how we're going to get the budget, and some -- sometimes -- or typically it's from the General Fund contingency. Or if it's in the -- for a capital project, a lot of times it's from the Capital Projects contingency. So that's how we use contingencies in our budget. And just kind of wanted to delve into that a little bit with you.

But one other key concept to know is we've been talking about revenues being flat, but we're still conservative and we're still above our projections. Last revenue report, we were seven percent above projections for the year. We are unable, by policy, to use our contingency budget authority unless we're meeting our projections, because it doesn't exist. Going back to this slide, that 1 million really doesn't exist if we're not meeting our revenue projections, because that's how we -- we balance our budget. So our policy says you can't use that budget authority if that happens.

So it's a lot of words. Any questions on contingency or anything? No. Okay.

So as a whole, this shows you holistically what our budget looks like. In the proposed budget for next year, 49.2 million budgeted. We already talked about that 38.5 million of projected revenues. And so a question might come up, why -- how can you balance

your budget with higher expenditures and revenues? The simple answer is, is we use existing fund balances. Like I talked about. We have \$47 million projected of fund balances across all our funds as a Town. And so our practice is, in the General Fund, we balance our ongoing revenues and ongoing expenditures. But across all of our funds, if things come up, like the Streets Fund, we want to do more streets work. We're only bringing \$4.5 million of ongoing revenues or so. Well, we want to do \$8 million of road work next year. Well, we can do that because we're balancing our budget using existing fund balance. So that's kind of how it works in a nutshell. I know it's a kind of a confusing topic, but that's some of the practices that we have to go through when we fill out the final budget forms for the State as well.

Yes.

MCMAHON: So is any -- sorry. Is any of that X 49 the carryforward money?

SOLDINGER: Yes. So Mayor, Councilmember, going back to that previous slide about the expense limitation, out of the 49 million, several of the expenditures were planning to use -- it's in this huge spreadsheet that Michael puts together, and he probably has a printout over here. We look at each fund individually and we say, what strategically makes sense? We hear that the Council wants to do more road work or there's more capital projects. Should we use this carryforward or these exclusions in certain funds? So what we've been doing the past few years is we've been saving up HURF revenues and not trying to spend those. We've been using the money we've been transferring into the Streets Fund that's considered unrestricted or it counts towards the cap. And so yes, we look at each one, we say, which exclusions are we going to use this year, or should we save this, such as HURF if we can. And we'll just use carry-forward in a different fund instead. So it's going to be -- like, we have 19 funds total right now, 18 funds have budgeted in them. And individually, we look at every single fund to see which carryforward items we're going to use.

MCMAHON: Thank you for the clarification. I appreciate it.

SOLDINGER: Yeah. No problem.

And then just one thing to note, a little bit different from previous years to this year, we

did -- during the work session, we talked about the staff pay adjustment because we had that data available. So everything we're talking about, as far as numbers on the next few slides, are going to include all the staff pay adjustments already and all the recommended supplements that I'll get into in a minute. So really, if you're happy with everything in the budget today, we don't need to make any changes to the budget. You'll see pretty much the same budget at the tentative budget next month, but if there's something you'd like to change, we'll talk about that and we can make it -- it's most likely we can make it happen in the budget.

So recommend supplements. I will say that our supplements -- so supplements are just departmental requests for additional budget. The way it works -- I probably haven't done the best job of explaining this in some of my budget presentations, but we have a base budget model. We keep our budget from last year to maintain levels of service. So each department has the same budget. We take out anything that was considered a one-time budgetary item. Like last year, community services did a lot of painting of park amenities. That was, I want to say, 20 or \$30,000. There was a couple other things that they did. We took that out of their budget, and all that, that's considered their base budget going into this budget session for fiscal year '27. And all we do is add the things we've talked about: the benefit increase, the costs, the staff pay adjustment. And then after that, anything that needs to be updated, we add the recommended supplements that we're going to talk about now.

And so the recommended supplements are going to be included in the budget. And so I don't think I touched on this, that long diatribe that I just explained. But the -- what was I going to say. Sorry, I'm tripping up on my words now, so it'll probably come back to me. But yeah.

GOODWIN: Paul, can I interrupt for one second?

SOLDINGER: Yes.

GOODWIN: I wanted to just -- you can take breaths, too.

SOLDINGER: Okay.

GOODWIN: So I wanted to just talk really quickly about the supplements. The other

piece of the supplement conversation -- Paul's exactly right. We do a base budget model where we roll over. But I think one of the things is, well, what if you saved money? Shouldn't you give that money back? Because what we do is staff is instructed if there are cost savings or measures that are going down -- I know that's very rare, but it does happen, where they got a, you know, a better deal on Turkey Trot T-shirts or they, you know, are saving money in other areas -- they are asked to use those resulting savings to cover other expenses that are going up, i.e. if you come with a supplement, it has to have been can you absorb it already in your existing budget? And if you cannot, you need to explain why. You need to justify what it is, why it is, why you need it, how you're going to cover those costs, or how it's going to improve your service delivery. I kind of mentioned it when we opened up. This is not a wish list situation. This is -- it's imperative from the staff perspective that they have to come and really justify the asks. So the things that you're seeing today have gone through that sort of rigorous review, and not just myself, but through, you know, through finance and through -- even through each other in the sense of, okay, if we only have so many marbles to divvy up, how then do I explain giving one to you, but not you? We all have to be on the same page as a team to make sure this is the best place to divvy that up, and that's what you're seeing today. So I wanted to make sure that that there's a method to it as well.

SOLDINGER: Yeah, it's been thoroughly vetted.

GOODWIN: Indeed.

SOLDINGER: Yeah, I -- yeah, Rachael, I appreciate that. And I think I was kind of on a roll and just talking, talking, talking. But no, that's an important key point. We spend a lot of time talking about each supplement. We meet with each department. We talk about their needs for the year. They provide justifications. We have further discussions, discuss with the town manager.

And the key point I was trying to make a minute ago that I forgot was that we had a very lean amount of supplements this year. We've kind of been warning about the flattening revenues and the situation we've seen. So departments didn't submit as many supplements as last year. I think we had about half or maybe a little bit less. So these

are the ones we feel really good about that we want to include in the budget. And so we'll seek your direction on them.

But the first ones on your screen are ongoing supplements. So these would be added to the budget on an ongoing basis. Starting next year, they're in the budget. They'll just keep going unless something happens and we decide, you know, we don't need it anymore. And we'll go on to the next few slides talking about other types. But with ongoing supplements, the top two are in the General Fund, about \$12,800 in total for the General Fund is what it would impact.

And so number one, ChatGPT, we're asking for an organization-wide subscription. We found that a few departments use it. I actually use it quite a bit. I've been using an upgraded version the last six months or so. It's been extremely helpful. I could talk a little bit about the benefits, where if you're comparing a bid packet versus another one, or a contract versus another one, you want to find a very obscure provision in a 70-page document, you upload it and it identifies it within seconds for you and where you need to look and -- and explain it and summarize it. So I've been using it, and not everyone has -- else has had the opportunity. So this would give us, I believe, 15 licenses for department heads and other designees to be able to use the upgraded version of AI. So that's the first one.

The next one would be staffing for community services for inflatables at events. The idea with this one -- and I forgot to mention, the departments are here to answer very specific questions if you have them. But this one, we just need more contracted staffing for inflatables at some of our special events. Just from a liability standpoint, we don't have enough staffing to make sure everything's safe and people are following the rules. And so that was something that was discussed, and that would hit the community services budget for \$8,300.

Economic development funds. So the first one would actually come out of the Economic Development Fund. As a reminder, when you see Amanda come up here talking about our economic development programs, downtown programs, she's the one division in the administration department, so one of the people that you see that comes up here

that's not paid out of the General Fund. She's paid out of three separate funds: the Economic Development Fund, the Downtown Fund, and the Tourism Fund. So when you see supplements that are coming from her division, they're going to be paid out of these funds.

So you'll see that first one, the promotional material, the idea is to have more promotional materials for the Town to bring to events, such as the conferences and things of that nature, just to have more available for promotional purposes for the Town. And so that would be a \$10,000 ongoing supplement in Economic Development Fund.

The second one, the Avenue of the Fountain Street Banners Replacements, in your budget book, it actually explains Amanda's explanation, justification. There was pretty -- a pretty robust explanation for this one, talking about how in the downtown strategy approved by the Council, it talks about regularly replacing the street banners. So it ties it back to something the Council already approved. So the idea would be to give her the budget to be able to buy new banners every year to replace them on the avenue. And so that's what that would be for.

And then the Downtown Fund, another supplement for downtown videos. This has to do with, from a marketing standpoint, doing more promotional videos for social media and the likes for our downtown businesses, the downtown district. And so that would be \$10,000 also in the Downtown Fund. Any questions on any of those ongoing supplements?

WATTS: Well, two questions. One relates to ChatGPT. And of the hundreds of AI products that are on the market, how did you land on ChatGPT, other than the fact that it was probably one of the first ones out there?

SOLDINGER: Yeah, that's a great question, Councilmember. It came from our IT director, our chief technology administrator. But I've used several and I'd say ChatGPT has the easiest interface. It's user-friendly and it's been very -- it's helped me achieve my results really well. I do like different -- I pay for my own actually out of my own pocket for a couple other because I like using multiple AI products because they're very

helpful from an efficiency standpoint. So I use -- like, the road bonds presentation I did a few months ago, I used, I think, Canva AI for that. And I also have created some of the AI images in NotebookLM, which is a Google product. So I personally use multiple. But I think with the integration of AI into our everyday practices, using something that's more widely -- widespread used is probably the thought, but. Mike's back there somewhere behind that --

WATTS: Maybe I can corner him later. Because I think there are so many AI products that are out there that are task-specific, if you would. So one that is focused on governmental issues. I just want to make sure that we're on the same page, because ChatGPT is a very wide-ranging background. I use things like Perplexity, Claude, those types of things. And they are unique in some aspects and general in others. So I'll talk to Mike more about that.

The other question I've got is the Downtown Fund for the downtown videos. Is that a contract employee or is that a direct employee?

SOLDINGER: Is Amanda around?

Amanda, do you want to address that one?

JACOBS: I'm here. Good afternoon, instead of evening, Mr. Mayor, Councilmember Watts. So with the downtown videos, yes, we are contracting most of those through Andrew Day of DayLiteFilms. He is a local resident and business owner. When our PIO Mike Pelton can help, he can, but he's a one-man operation, so it's been very slim. and so just wanting to be able to rely on daylight films to assist with this. What we did this year is within the Downtown Fund, a previous ongoing supplement was printed advertising, so I did not do that in lieu of doing the downtown videos. So in addition to marketing, it's also a business retention and expansion tool. And the businesses have been loving that extra effort.

WATTS: My concern is with the videos and making sure that whomever we use, whether it's internal or external, they are a licensed 107 operator. There's a liability issue because I've seen some of the videos and we fly over groups, and there's prohibitions on doing that. There's also waivers that you can do. So making sure that

one of the criteria is that you're 107 licensed. I would ask you to make sure of that.

Okay?

JACOBS: Okay. Sounds good.

Any other questions while I'm up here?

EARLE: Yes. Yes, thank you.

JACOBS: You're welcome.

EARLE: I just wanted to ask on the banner replacements, are you changing the size on them that was talked about before you do?

WATTS: So Mr. Mayor, Councilmember Earle, for this, no, we're not changing the size. This would replace them each year.

EARLE: Just once a year. Okay.

WATTS: So once a year. Why we're not changing the size just yet -- we previously talked about this is -- we appreciate the comments, but with -- its two parts. Right now how it's currently structured, we cannot do that.

Mr. Weldy, is it tenants?

Tennans (ph.). So we can't move that around.

EARLE: Oh, okay.

JACOBS: And then two, if we're wanting to look at that, we look at that as part of the overall downtown streetscapes, the capital project. So as we're looking at Verde River and Parkview, if that's a desire of Council, then making some of those potential modifications then.

EARLE: Okay. Thank you.

JACOBS: You're welcome.

GOODWIN: Mr. Mayor, can I jump in real quick? Just to answer Councilmember Watts' question, I did quickly ping Mike Ciccarone just to say, hey, why ChatGPT? And he did clarify, while that is probably the most widely-used, especially in our organization, so that there's a familiarity, there's a easier learning curve for anybody that chooses to use it, it also has the most versatile sort of use, whether it -- in terms of dynamics, whether it is used for writing purposes, whether it's used for budgeting or financial purposes, it

has probably the most robust wide availability. But that being said, Mike said he's not sold -- not married to it, that it's simply a placeholder for a -- an AI product for the support of staff.

WATTS: So he texted you that answer, but I can't get him up here to grill him himself?

GOODWIN: Yes.

WATTS: Okay. Thanks.

GOODWIN: I'll take the heat for him.

SOLDINGER: All right. Okay. So next slide is one-time supplements. This is what I described earlier. We would add these to the budget for next year. But we will take them out in the budget process for the following year. So it's just a one-time need. And none of them are in the General Fund this year. They're -- the first two in the Downtown Fund, one's in the Court Enhancement Fund for the municipal court. The next three are vehicle replacements out of our Vehicle Replacement Fund.

So again, for the first one there, Verde River banners, the same idea with the banners other than this would be for Verde River if the construction is complete next year. We have heard that there may be delays in that timeline, so we'll talk about that here soon. But we have this in the budget in case it is complete. And we could buy banners for the Verde River area.

The next one, Mr. Weldy is here to answer any specific questions, but there's a \$40,000 request for building a performance pad on the avenue. And my understanding, this has to do with, like, the Christmas trees and some of the special events, having a pad to -- a safer, more durable pad or placement for things like that. So they --

Would you manufacture it in-house or use a contractor?

Use a contractor for that. So that's coming from public works, but it's a downtown improvement. So we thought the Downtown Fund would be the appropriate source of funding for that. The Downtown Fund, we have a lot of money in that fund at this point that we haven't budgeted to spend down very much. We have 730,000 today. There have been talks, obviously, about possible restrooms and things like that in the past, but at this point we have a large fund balance and so we're finding creative ways to use it

for that purpose.

MCMAHON: Question.

SOLDINGER: Yes. Do you have a question?

MCMAHON: Thank you.

Justin, would you mind -- I know you and I talked about this, but would you mind standing up and explaining this a little bit more? Thank you.

WELDY: Mr. Mayor, Councilmember. So performance Pat is kind of a generic term that I came up with. What they will be used for is to support the holiday lighting, so the trees in two locations. Over the past several years, under guidance and direction from the Mayor and Council, we have either had contractors or a group of volunteers install two trees. The Public Works Department has built and maintained those platforms. But each year, simply because of the nature of the environment over a water feature, even marine-grade materials have a tendency to deteriorate at a rate that is unacceptable. The plan is to make the primary structure out of aluminum to support it, and then a less expensive, durable finishing surface for the trees and the decorations to be placed on. You're welcome.

WATTS: Fixed or permanent?

WELDY: Mr. Mayor, Councilmember, it would -- they would be fixed. So we would bring them in and out annually. The only difference is currently we make them out of wood, and we utilize either timberjacks or automobile jacks to support the platform. So we would make, for lack of a better description, a folding aluminum platform that would be removed.

WATTS: So it's portable, not fixed?

WELDY: Portable, correct.

WATTS: Thank you.

SOLDINGER: Okay. Core Enhancement Fund. This is a fund we don't talk about very much. It's when you -- when the Council approved the municipal court fee increases last year, part of that was the Court Enhancement Fund fees. There's a specific statute that says you can charge -- as a court, you can charge additional fees to support court

programs. And so we do that. We have about \$370,000 saved up in this fund. And we -- the only thing we use it on an ongoing basis, for the most part, is our court security that's new. And so with that one -- I'm just explaining the fund a little bit because we don't talk about it very much. But the request is for a refresh of the furniture in the judge's office. Last year, we used the Court Enhancement Fund to do a broad refresh of all the other furniture throughout the municipal court, but not the judge's office. So this request is to now do the judge's office for 10,000 bucks.

Okay. And then out of the Vehicle Replacement Fund, we discussed -- I know I talked about this -- these requests with at least one councilmember. Basically, we have a policy that says every vehicle that we purchase as a Town, after ten years or 100,000 miles, it's up for replacement. We don't always do that. We do have discussions internally about the vehicles, but two of these three, I believe, it's 156 and 159, one in public works, one in community services, are in pretty bad disrepair. One, the AC keeps needing to be replaced, the other one, just lots of repairs and maintenance needed. So it's time for those two to be replaced. The third one, we -- it's up for replacement but still in decent shape, so we're going to keep it and repurpose it to be used by community services for special events. It has a lift gate so it's a useful vehicle still. So the only point I'm trying to make is we don't just replace vehicles because the policy says. We have a discussion, we try to figure out what's best for the Town, and we'll keep one of those vehicles for future use. In that fund, we have -- we don't talk about that fund very much, but we have 3.3 million saved up in that fund right now. That sounds like a lot. But we have fire trucks coming down the pike that are going to need to be replaced, and that can run us 1 to \$2 million apiece. So definitely don't want to spend too much out of the fund if we can help it.

Any questions -- any other questions about one-time supplements? No.

Okay. Personnel --

Yes.

WATTS: So we do have a very defined prescription for based upon not only ROI, but things like depreciation schedules and so on. But there is some latitude in that. And

it's -- it's my opinion that we should have that applied to a lot of different things. There are certain things that are a little bit ambiguous, subjective, et cetera, but when you've got something as defined as the vehicles, I think it goes a long way to supporting your position. So thanks for that.

SOLDINGER: I appreciate that, Councilman.

Okay. Personnel supplements. So all three personnel supplements brought forth to the Council this year are in the General Fund. The first one is for community services. And the idea with that is to add another groundskeeper part-time to provide coverage on the weekends. I believe, if I'm saying it correctly -- Kevin, correct me if I'm wrong -- but we don't currently have groundskeeping on the weekends. And so to have some coverage on the weekends will be very helpful, especially if there's leaks or situations that need addressed. Kevin doesn't have to drive out here every Saturday to take care of that stuff, or his staff.

And also special events. We have a lot of special events on weekends, and sometimes there's groundskeeping needs, something's going wrong. Just having someone on staff to be able to address stuff like that, that would be the idea behind this supplement.

And so would add \$31,000 to the Community Services department. And these would be on an ongoing basis, add to the budget moving forward. Any questions on that one for Kevin? No.

Okay. The second one, the deputy town clerk. Here, the idea is we have a lot of need for a deputy town clerk. We have, how many, Bev? 150 public records requests so far this year. We are recognizing we have to -- we should be strengthening our document retention practices and things like that. So the idea is to allow Angela to move into that role full-time and to open up her current position as the executive assistant to the town manager for recruitment. So we would be adding additional FTE or staff member to the Administration department under the Town Clerk's Division at \$124,000, inclusive of benefits and taxes. Any questions on that? Or discussion?

EARLE: Thank you.

SOLDINGER: Yes.

EARLE: I just want to ask, if for some reason we didn't have so many public records requests and everything was up-to-date, would we still need that extra employee?

GOODWIN: I'll jump in. Bev, you're welcome to chime in as well. I think at this point it's something we could consider, you know, if and when we were to get there, so to speak. Right now we're -- you know, as of right now, you just heard we have about 150 public records requests for the first quarter of the year. Last year, we had over 400. We are on track to meet or exceed that. So unfortunately, I don't see a slowdown in that world. But if by chance it did, sure, we could certainly revisit.

I think part of this other piece of this conversation and Paul really hit the highlights is remembering that the clerk's role is a high risk and it's legally mandated. We have things that have to be done, and there are timelines and associated reporting that is not -- that is nonnegotiable, right? Where a lot of times we are not very deep in our -- in our staffing, i.e. if -- I'm just going to use Mike Pelton. If Mike Pelton's out, there's not another Mike Pelton that does his -- the work that he's working on pauses until he returns. The clerk's office is not able to do that. There's elections and reporting. And again, if we have public records or other legal requests and other legal things, we have to -- we have to follow them. So this is helping create that redundancy so that if there are out -- staff outings or other things or other reasons, we can't, you know, Bev -- or the clerk, whoever that may be, isn't solely responsible for all of that and managing that independently. So this is kind of creating, again, redundancies where we have the most risk.

EARLE: Thank you.

SOLDINGER: Want to chime in, Beth? Yeah.

BETH: I was going to just mention that succession planning is also very important. It's the knowledge transfer. I won't always be here, so you want to make sure that you get that information passed along to the next generation.

UNIDENTIFIED SPEAKER: (Indiscernible)?

BETH: You never know.

EARLE: It all sounds like a good idea. I just wanted that to be said out loud. Thank you.

SOLDINGER: I appreciate that.

And the third one, our favorite discussion in the past year or two, the fire department, firefighter. So we are adding one more. From a financial perspective, I like the way it's set up. Like I know the fire department would like three more people. For now, we're adding one. We'll see how next year goes, see if we can make it work and be able to have almost that -- I don't want to call it negotiation process, but it kind of is because, you know, they've made it clear they would like three people. And so we'll try to make that work. Or in our proposed budgets each year and our discussions with Council, if it's something we think we can make happen and the overtime data still supports it, that's something we'll have further discussions on. But for this year, just one more to the fire department.

MCMAHON: I have a question. In only hiring one, how does that affect -- does that adversely affect the fire department and the services they provide? Not to open a huge conversation about it. And if we have the money in the budget, why wouldn't we look at -- at least two out of the three?

SOLDINGER: Yeah, absolutely. That's a really good question. Kind of a deep question. So Mayor, Councilwoman McMahan, I'll address it, and if Chief Ott wants to correct me, he can. But we don't have a lot of money in the budget. We have that \$1 million contingency. But that has been shrinking as our revenues have flattened the past few years. I was just watching a town hall for, I think it was, Paradise Valley. I look at some of the benchmark communities, and they have, like 2 or \$3 million in their contingency, in their general fund. So it's -- ours is shrinking a little bit. We're still in good shape. We're very conservative in our practices, obviously, like we talked about many times. But this -- this feels like the right fit for the Town, adding one to see how it impacts the overtime.

And from a logistical or fire department standpoint, what I understand is they would like to have three. Their ideal scenario would be to hire all three next year. Because the way they work is almost in platoons or shifts. And so they have -- it's almost like a family. Think of it as a family. They have three different families or shifts, and so

they're all working together. If you're adding one person to one of those families, you might have to move that person to other families or shifts. And so it creates a little bit of challenges as far as logistics and you know, making that work for them. And it's not what they're comfortable with. But for now, this seemed like the best approach collectively in our discussions.

MCMAHON: But in the future, in this fiscal period, if something comes up where they really need another person, we would be able to look at that, correct, and make adjustments?

SOLDINGER: Yes, absolutely. That's something the Council can consider mid-year. And we could -- because we have that contingency, we can -- if -- if Council want to add someone mid-year, we could add that to the budget through a budget transfer and make that work if that's something that they came to Council for.

MCMAHON: Okay. Because you know, and I think that when we originally brought him in-house, we knew and it was up front about what they were going to need and anticipated budget over a couple years. So it's -- to me, this is not an extraordinary request, knowing that when we brought him in, it was going to cost us some money. Yeah.

SOLDINGER: Yeah, I agree, Councilwoman. I would -- the only thing I would say is this year was a little bit more challenging to make some of that work, too, because there were several other things with the fire department that we already had to account for, like the full year of the command structure. So again, valid points 100 percent, valid requests. This is just the best kind of midpoint for us as a town, in my opinion.

All right. Did I get it? Thank you.

Okay. I will be kind of breezing through these slides. And you know how I kind of get on a roll, so just chime in if you have questions. But we're going to go over the funds now. With the General Fund, we're going to focus on the department-level budgets. And I will call out -- I will call out anything that I feel like specifically should be called out. But feel free to let me know if you have questions.

So with the General Fund again, \$26.8 million. With -- on the expenditure side, we

balance our expenditures with our revenues. And very consistent since I've been here. Most of our -- about half of our General Fund budget goes to public safety. The fire department at 6.5 million, plus our law enforcement at 5.8. That's about 46 percent of our General Fund budget right there on those top two departments.

Community Services is our next biggest department, going down to administration. Public works that are not streets-related items, like facilities and engineering, general government, development services, municipal court, and the Mayor and Council, there at the bottom.

So now I'll go through each department and I'll kind of show you what's changed on a department level. So the Administration department -- I have two slides. One shows you the expenditures by object, which just means the expenditure type of expenditure. The next slide will show you the total budget by division within the Administration department. So the payroll is going up by 8.9% in this department. And really most of that has to do with what we've already discussed, the benefit increases, the -- the pay adjustments and the deputy town clerk. So we're adding another staff member to this department. All in all, that brings up the department by 8.9% in that category.

The other categories, I mean, they are moving a little bit. And that's part of our practice. We look at individual line items and we try to line up the budget better by what we're spending a little bit. But for the most part, I think all in all, in those other categories are not changing too much. So we have a \$3.5 million budget, an increase of 6.4 percent in the Administration department starting next year. Another way to look at it -- again, this does not include economic development.

Oh, yes.

EARLE: This is not a hard one. How did you get your utilities to go down so much when my personal ones haven't?

SOLDINGER: Oh, just a lot of luck, I guess. I don't know. The utilities here are like, I want to say, internet or -- it's -- what? Yeah. Oh. Basically, this is just accounting for central utility costs. And it's an accounting treatment. It's kind of hard to explain. Yeah, but I appreciate the joke.

Okay. So another way to look at it is just on a division level. A lot of times we don't talk about the division level and administration, like IT. The Finance division, for example. They're all relatively staying the same or barely going up. The only one that's really shooting up is the Town Clerk division because of the new staff. So that's why I thought it'd be helpful to point this out.

General government. You can kind of see there in the contractual services line we brought -- took down the community contracts budget. Based on the prior conversations, we renegotiated the unsheltered contract with CASS. So we brought that budget down. So you'll see a decrease there. But overall, that also shows the contingency, kind of illustrates what I've been talking about. When we actually spend that budget, it's not -- it doesn't come out of contingency. We will move it into other places if we need it. But you'll see that from this year, 1.121 of contingency or budget for unforeseen expenses, that's going down by about ten percent to a little bit over \$1 million.

Yes.

WATTS: The contractual services. This may be a question for John. I don't want him to go to sleep on me.

Hi, John.

Are we well-positioned? Do we have any -- included any computer or systems program updates to meet the State requirement, a ten-day turnaround on permitting?

JOHN: Mayor, Councilmember, the easy answer is no. The citizens serve that we have works very well for us, and we're able to track and handle our processes. I think we'll be able to comply with any of the requirements through that system that we currently have.

WATTS: I didn't realize citizens serve included all of that. So that's good to know that we have -- we can meet the requirements of the State. So thanks.

SOLDINGER: All right. The municipal court. So most of the Municipal Court department is paid out of the General Fund. However, they do pay some expenses out of the Court Enhancement Fund we talked about. So I kind of regret the way I presented this slide

now because it's kind of busy, but it's just showing the entire budget for the department as a whole. I believe out of the General Fund, it's like 570, \$580,000 for the municipal court, and the rest comes out of the Court Enhancement Fund. But you'll see the 662,000, an increase of 5.7 percent across the department. Part of that is the supplement we talked about for the judge office furniture.

This is also another busy slide. So apologies. This is kind of how the budget book worked out with the Public Works Department. The Public Works Department, they kind of work out of different funds. Operationally, they work out of the General Fund for anything that's not streets-related, like facilities, engineering, things like that. They work out the Streets Fund for all the streets items that we talk about, the pavement management program, the other streets-related repairs, striping, things like that. They also manage the capital projects out of the Capital Projects Fund. But we don't consider that an operational budget item. That's kind of separate in our capital improvement plan.

So in total, not much has changed in the General Fund. It's 2.5 million in total. It kind of shows the categories there. Not much is changing there. But what's kind of key, and we'll talk about more when we get to the Streets Fund, is we are proposing an increase for road-paving work next year. It's kind of complicated to explain because the public has heard that we're spending ten million this year. That's because we -- the Council approved a large capital project for Palomino doing -- redoing Palomino. So that was budgeted separately in our capital improvement plan, plus whatever we budgeted out of the Streets Fund.

This year, without that large capital improvement plan, we thought, you know, the town manager and I discussed and we thought what would be best? What would be somewhat sustainable to allow the Council to continue doing a little bit more road work the next year, next couple of years? And so we are proposing an increase directly out of the Streets Fund from 5 million to \$6 million for road-paving repairs. So you'll see that 6.3 on your screen. I know it's kind of small, I apologize, but out of that 6.3 million, 6 million of that is specifically for the pavement management program. When Justin

comes up and gives you the list of roads he's recommending to do for next year. And we can talk about it now, or we can talk about when we get to the Streets Fund, if you'd like.

Okay. Development Services department. This department, not much to write home about. Very similar budget. Not moving too much at 1.57 million. One thing I'll say is we have been evaluating. Well, the impact fee schedule just came on board, so we are projecting more impact fee revenues next year. We're also looking at next year, considering all of our building permit fees and relooking at that and seeing what we can address there in next year's budget.

Community Services Department, an increase of 3.5 percent at \$4.6 million.

The fire department. So here's our crown jewel of our budget conversations for the past two years. This is kind of why I thought it was important to show at the department level in the past few budget presentations, just because so much has been discussed, it's almost hard to keep track of what the fire department. So putting everything together, everything Council has approved, this is what the budget looks like, that \$6.47 million, an increase of 8.6 percent. It's going up more than the other departments. And most of that has to do with the payroll that's going up because of the full command structure -- the full year of the new command structure with the battalion chiefs, the pay raises. They are the biggest department from a staffing level. That's about a third of our staffing budget. Or even more than that, 35, 40 percent. And so you know, when the staff get a raise, that's going to impact this budget, and then adding the new firefighters. So all that combined, you'll see that top line at 5.15 million for payroll. That's increased by 9.5 percent.

The only other thing to point out that's probably a little bit more obscure is with the brush trucks coming on board at some point, the vehicle replacements, that internal service line item has gone up. Just because when we do with that, I don't think we ever talk about this much in front of Council, because it's kind of a confusing thing for me to even explain, but because we're getting new vehicles, what we do is that 270,000, that's not something that the fire department is actually spending. That's just saying \$270,000

is charged to the department, and we're going to save that money in our Vehicle Replacement Fund for when we need to replace those vehicles. So that's one thing to kind of know, that that is going up because they're getting new vehicles here in the near future, and so we're budgeting to save up for that. So any questions?

WATTS: Well, how much of the contingency do we have left over from the 150 last year to get the 20 -- to go down to the 20 percent for the 120 for this year?

SOLDINGER: So Mayor, Councilmember, that's a good question. We have a contingency in a few departments, especially, like the fire department, because it's challenging to make sure we have everything accounted for and budgeted for. If you remember, last year, at one point, I kind of presented that the fire department spent 5.18 million in fiscal year '25, compared to 5.5, \$5.6 million budget. This year, that 5.9 million budget, we're going to be a lot closer to that amount. When everything is said and done, we're probably going to be eating into that contingency quite a bit. Because -- well, we were expecting to get a brush truck this year, but it looks like we might not get it till July. So if that doesn't happen, that would have -- oh, I'm sorry, that came out of the Vehicle Replacement Fund. I'm sorry.

The overtime -- the equipment -- I was talking about the equipment, the scuba units that we bought. We didn't have a large equipment purchase the prior year. In fiscal year '26, we just bought \$260,000 worth of scuba equipment. There's also other purchases down the line. So anyways, all I'm trying to say is we reduce that a little bit because we felt like we accounted for all the payroll needs for next year, and we're hoping the overtime comes down a little bit as well, adding the firefighters. But we felt comfortable doing that just in the overall budget process.

WATTS: I guess my concern is taking it down \$30,000. If we used -- utilize the entire 150 last year from the contingency fund, then we take this down 30,000, while I see that there could be some savings in the utilities and service vehicles and so on, I don't want to be penny-wise pound-foolish on this.

SOLDINGER: Right.

WATTS: And much like some of the contracts that we did for some of the other

contracts, should we keep it at 150 so that we don't run into getting stymied on things when we have an urgent need? And I would hope that that was all taken into consideration. I just don't want to be too short.

SOLDINGER: Yeah. I mean, it's --

Would you like to --

GOODWIN: Yeah, I was just going to chime in.

And you're absolutely right. And we've had similar conversations about what is the right number? Because the fire department has done a lot of fluctuating and have had evolving needs. And we're hopeful that this year we sort of level off and we get a better idea. That then being said, going back to the overall contingency in the General Fund, we have that additional contingency in the General so that if for some reason the 120 isn't enough, we can draw down from that if we had to. So we do have some additional wiggle room. It's just not allocated specifically for the fire department.

WATTS: Okay. Thanks.

SOLDINGER: I mean, to touch on that point, we could change it back to the 150, but we do have kind of a backup plan. So I mean if there's direction to do that, we can make that change to give them a little bit more budget.

WATTS: As far as I'm concerned, as long as it was considered. And like I said, whether it's vehicle maintenance service, et cetera, and labor savings and those sorts of things, and that's why you came down the 30,000, then I'm okay with that. Particularly now that town manager has, you know, clarified that we still have another contingency fund that we can pull from. I just didn't want to be too short. As much as I argued against some things for the fire department, this is one of those things that contingency funds are just that. And if we utilize last year's, then I don't want to be short this year.

SOLDINGER: Yeah, absolutely. We'll consider that feedback. Thank you, Councilman. Yes.

EARLE: Thank you, Mayor.

Because I wasn't up here in 2023, did we only spend \$1 million for fire then, and then we bring it in and it goes to 5 million, which will now be 6.5 million? Or was it just in a

different bucket?

SOLDINGER: So that's a really astute observation. I also wasn't here in fiscal year '23, but I do have what I believe is the correct answer. In fiscal '23, that was the last year that we spent ARPA funding on public safety. So we got \$8.4 million from the federal government. And one of the allowable uses of that money was for public safety in response to the pandemic. And so we spent, I want to say, about 4 million, \$4.2 million of the fire department expenditures from our Special Revenue Fund, actually, because we put the federal monies in there. And so if you add the 4. -- or right around 4 million to that, that's probably what we spent on the fire department that year. Yep. All right. Law enforcement. This department's all for contracted services. But you know, just to point out our MCSO contract, it kind of -- actually, if you go to fiscal year '23, there's something similar there with that lower cost I believe we may have applied. Does that sound right, Michael?

Yeah. We applied some of the ARPA money towards MCSO contract in fiscal year '23. So that's a little bit lower than we actually spent. But you'll kind of see that progression from fiscal year '24 where we had the 6.1 million, 6.1 million again for MCSO patrol. And that slowly has gone down to the 5.69. That's really helped us since I've been here as far as putting the budget together and building the budget. But you'll see the department has gone down by one percent because of that.

All right. Coming down the home stretch. Streets Fund. So kind of what I already discussed, a lot of the budget is very similar, other than adding another million dollars to the road-paving work budget. One thing to note, that I sent an email to Mayor and Council out -- about, is internally, the staff does plan to use part of that budget for what Justin explained to Council on some of the roads that weren't done in 2016 time frame. I watched that presentation again. He cited about a \$3 million number. So there's already about 3 million of that 6 million earmarked for that work.

So with that, this is our proposal. If there's any feedback you have or you want to discuss now, we would appreciate your feedback on that. No? Okay. All right, that's our plan. Appreciate it.

Capital Projects Fund. So again, this has been something that I've struggled with explaining and I've kind of had to take my lumps on, but every government does this a little differently. But the way we do it is pretty consistent with what I've seen in my auditing experience. We budget for our capital improvement plan for all the expenditures out of the Capital Projects Fund, but we earmark certain funds to actually pay for the expenditures. So we're basically reimbursing the fund.

So when you see that \$10 million of budget in the Capital Projects Fund, say we only have \$9 million in that fund. How does that work? What you really need to consider is in that pie chart to the right of your screen, which is where the funds are being earmarked to be spent from. So we have 9.3 million of budgeted expenditures for capital projects specifically. We have another 700,000 of contingency in case it is needed. Out of that 9.3 million of expenditures, about 4.8 million of that is earmarked to come out of the Capital Projects Fund. So we have 9 million; we're earmarking to spend about 4.8 million. We're going to have more than 9 million, because once we have our excess reserves at the end of the year, we'll transfer some more money. We might have 10, 10.5 million, something like that. So very sustainable. We have -- we're in good shape from a capital improvement plan standpoint. Definitely no need to worry. And there's no cause for concern at this point.

Other funds we're earmarking, development impact fees funds and the parks impact fees. Projected grant revenues directly in this fund.

Facilities Reserve Fund, that's what I pointed out before. We are earmarking \$1 million out of the lake liner savings to be spent for the design of the lake liner replacement. Another \$400 from that fund, but from the separate kind of sub bucket of nonlake liner savings for that. There's an air handler project for upgrading the town hall campus -- well, actually the community center library, that area.

So these are the different funds. The only point I'm trying to make is we're not spending this all from the Capital Projects Fund. We're using the available funds and resources we have to fulfill this plan. And also, this budget of 10 million is a decrease from last year -- or fiscal year '26 at 12.7 million. So we are decreasing our plans for capital

projects for the coming year.

We already had a long work session on CIPs. So our understanding from that is all the projects presented were considered green light projects, which has helped us streamline things. It just means that they're fully authorized by Council. As long as the scope and the price doesn't increase substantially, we can go out and do our bidding process, get contracts and get going. I know Rachael's mentioned this has really helped us because we have July and August to work on capital projects, whereas before we were waiting until September or October to even start most of them.

The only thing that we felt was pretty contingent would be the first one for Sierra Madre Park. If the Council does approve that rezone, that's something we'll include in the budget. If the Council does not approve that rezone of the nearby properties by Aspen, then we would reconsider those options for that.

So this is everything in Community Services. And this is everything in Public Works. And so we'll consider all those to be green light projects going into next fiscal year.

Questions?

WATTS: Paul, can you give me the definition of "substantially"?

SOLDINGER: Yes. Actually, our policy -- substantially is the word I use, and it's probably misleading. Our policy only allows us to approve change. Town attorney and I've talked about this like 25 times, so. Our policy -- our town code and policy only allows us to approve change orders that are either the lesser of 50,000 or ten percent of the project costs. So 50,000 is the max that we can approve in a change order to. But if it's a smaller project, like 100,000, the max we could do as staff is 10,000.

WATTS: So the \$600,000 project, you can go \$60,000 above that?

SOLDINGER: 50,000.

WATTS: 50 is the max you can go above that?

SOLDINGER: 50 is the max.

WATTS: Whatever that percentage ends up being.

SOLDINGER: Yes.

WATTS: Thanks.

SOLDINGER: So substantial is probably a little bit misleading. So thank you for the clarification.

Okay. Facilities Reserve Fund. This is the operational budget, not from the lake --

MCMAHON: I have a question.

SOLDINGER: Oh, yes.

MCMAHON: I did put on the light.

I have a question. Are we going to be talking about these projects individually, or are we just going over the summary right now?

SOLDINGER: So Mayor, Councilwoman, we talked about each one individually at the CIP work session a few weeks ago. So today we're not planning on it, but we can. We'd be happy to have any conversations or answer any questions that you have.

MCMAHON: Okay. No, I won't bring it up now because this is budget. Thanks.

SOLDINGER: Okay.

MAYOR FRIEDEL: Councilwoman McMahan, when you need to be asking a question, please hit the left button so I --

MCMAHON: I did.

MAYOR FRIEDEL: -- so the Mayor can acknowledge you. Thank you.

MCMAHON: I followed your instructions.

MAYOR FRIEDEL: That's good. Thank you.

Go ahead, Paul.

SOLDINGER: Okay. Facilities Reserve Fund. In our operational budget, we decreased the budget down to 600,000. The only reason is we wanted that million dollars total budget. We already have 400,000 earmarked through our capital improvement plan. So the 600,000 is in the budget for next year operationally. And I will say this is actually -- the increase in the budget for this year that council approved has been very helpful. We've been able to get a lot of things done. I'm having a hard time thinking of examples, but we've done a lot around the Town as far as replacing things, fixing things. And it's really been a good resource for staff. So we really do appreciate that you approved that.

Special Revenue Fund. I kind of explained this already, but we do budget for a couple specific things, like the RideChoice program and opioid settlement payments. Those are restricted type of revenues that can only be spent on specific things out of this fund. We also have 1.5 million, which is basically contingency in case we get grants. If we get a grant, we -- and if we do the bike park next year, we would spend the budget at 1.5 million to do it. So this has just been our practice and this is what we have in the budget.

Again, sorry for a very busy slide, but this does give you an idea of when you see a man up here asking for supplements or talking about programs, this is where they're being paid from. So it's broken down by funds. The top section is for the Downtown Strategy Fund. We are budgeting more in the Downtown Strategy Fund with the supplements being added. So 240,000, compared to about 140,000 or so of projected revenues. We are budgeting to spend more than we're bringing in. But we do have over \$700,000 saved up. So we felt comfortable with that. And they're for very specific things, such as the performance pad.

Economic Development Fund. One of the line items went up quite a bit, but that's just a matter of Amanda moving around her budget a little bit, but not too many changes. I think the key point is below. The total budget for Amanda's programs is going up by two percent, total up to \$989,000.

Okay. This is really the home stretch. So I was a little ahead of myself. We have 10 other -- we have 11 other funds. We're -- you'll hear about this soon, but we are hoping to close down the Eagle Mountain Community Facilities District by June of this year. So we'll be bringing that to the Board and the Council here soon. So there's no budget in that fund. So there's ten other funds we have budgets in. We consider these nonmajor or minor funds in the budget, but to present them to you in case you have any questions, here they are on the screen. Public Art. Court Enhancement Fund, we've already talked about. Cottonwoods, which is the separate maintenance district that you're all -- that you also serve on the board as.

And then for the most part, the only substantial thing is the Vehicle Replacement Fund.

The only thing I feel like that really needs to be explained is we brought the \$390,000 of budget carried over to next year, because we haven't received the brush truck yet for the fire department. I've learned it takes a long time to get fire department vehicles. So we're thinking July or August. So we carried that 390 over and we added the three vehicle truck replacements into the budget.

So with that, that's it. Really looking for any other feedback you have or questions or discussion. Because again, when we bring back the next budget, we really like to have everything for the most part wrapped up. And that'll be the maximum amount that we can set as a Town for the budget for next fiscal year. So now's the time for any other feedback or budget discussions.

UNIDENTIFIED SPEAKER: (Indiscernible)?

SOLDINGER: May -- is it Cinco de Mayo? May 5th? It's like the first slide. I'm trying to get there. May 5th.

GOODWIN: Yes, you're right. So on May 5th, that is at a regular Council meeting. So it is a regular agenda item. And that's where we begin the formal adoption process.

Okay. Great.

SOLDINGER: Yeah. All right. Thank you. Thank you for your time.

MAYOR FRIEDEL: Well done. Thank you.

WATTS: Move to adjourn.

EARLE: Second.

Having no further business, Mayor Gerry M. Friedel adjourned the Work Session of the Fountain Hills Town Council held on April 14, 2026, at 2:12 p.m.

APPROVED:
TOWN OF FOUNTAIN HILLS

Gerry M. Friedel, Mayor

ATTEST:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session held by the Town Council of Fountain Hills on the 14th day of April 2026. I further certify that the meeting was duly called and that a quorum was present.

Bevelyn J. Bender, Town Clerk





TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 5/19/2026
Meeting Type: Town Council Regular Meeting
Submitting Department: Development Services
Prepared by: John Wesley, Development Services Director
Staff Contact Information: Phone: 480-816-5138
Email: jwesley@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Related to moving the public hearing for Ordinance 26-06, amending Zoning Ordinance Section 1.12, Chapter 2, Procedures, and Chapter 19, Design Review Standards, to provide for murals to the June 2, 2026, Town Council agenda.

Staff Summary (background)

Notice for the public hearing by the Town Council for this ordinance was published at the end of March. Due to staff conflicts, this item is being moved to the June 2, 2026, agenda for the public hearing and action. New notice has been published for the revised hearing date.

Related Ordinance, Policy or Guiding Principle

N/A

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends approval of moving the public hearing on Ordinance 26-06 to the June 2, 2026, Town Council agenda.

Suggested Motion

MOVE TO advance the public hearing on Ordinance 26-06 to the June 2, 2026, Town Council agenda.

FISCAL IMPACT

Fiscal Impact: N/A

Budget Reference: N/A

Funding Source: N/A

ATTACHMENTS

None



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 5/19/2026
Meeting Type: Town Council Regular Meeting
Submitting Department: Development Services
Prepared by: John Wesley, Development Services Director
Staff Contact Information: Phone: 480-816-5138
Email: jwesley@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

PUBLIC HEARING, with CONSIDERATION AND POSSIBLE ACTION: Relating to Ordinance 26-03 amending Zoning Ordinance Section 5.13, Community Residences to remove sections moved to Town Code Article 8-8.

Staff Summary (background)

The Town Council directed staff to review the current ordinance provisions for community residences and add provisions to require insurance and allow for inspections of these homes. After reviewing the state statutes and the current ordinance provisions, it was determined the best way to accomplish this was to move the registration portions of the existing ordinance to the Business Regulations chapter of the Town Code. At their March 17, 2026, meeting, the Council approved an ordinance establishing a new Article 8-8, Community Residences, in Chapter 8, Business Regulations. This section of the Town Code now provides the requirements for licensing of community residences and added the provisions desired by the Council for insurance and inspections.

With the adoption of Ordinance 26-09 moving the registration requirements for community residences to Article 8-8 of the Town Code, it is necessary to remove the duplicate provisions from Sec. 5.13, Community Residences, from the Zoning Ordinance. Attached is Ordinance 26-03 which amends Zoning Ordinance Sec. 5.13 to remove the portions of the existing ordinance that are now covered in Article 8-8. The only other change to Sec. 5.13 is to add a new subsection D. Registration. This section references the registration provisions in Town Code Article 8-8.

Attached are the ordinance making the changes and a clean version of Sec. 5.13 with the portions of the ordinance that have been moved to Article 8-8 removed.

Related Ordinance, Policy or Guiding Principle

Zoning Ordinance Section 5.13

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

The Planning and Zoning Commission held a public hearing at their regular meeting on April 13, 2025, to consider this item. No citizens addressed this topic. The Commission voted to recommend approval.

Staff Recommendation(s)

MOVE TO recommend adoption of Ordinance 26-03.

Suggested Motion

MOVE TO APPROVE Ordinance 26-03.

FISCAL IMPACT

Fiscal Impact: N/A

Budget Reference: N/A

Funding Source: N/A

ATTACHMENTS

- | | |
|----|----------------------|
| 1. | Revised Section 5.13 |
| 2. | Ordinance 26-03 |

Section 5.13 Community Residences

A. Standards.

1. To prevent the clustering of community residences and to better integrate community residence residents into the surrounding neighborhood and community, such home must be located on a lot that is at least one thousand three hundred twenty (1,320) feet from the exterior lot lines of another community residence, measured by a straight line from the property line in any direction.
2. No more than two (2) persons per bedroom.
3. An individual required to register under Arizona law as a sex offender and classified as a Level II or Level III community risk (intermediate to high risk) is not permitted to live in a community residence.

B. Any community residence that is in operation as of the adoption of this section shall be considered a legal nonconforming use consistent with Section 4.01(B). Any new community residence or any residence that is in operation but that transfers ownership shall be subject to the provisions of this section.

C. Waiver For Reasonable Accommodation. To establish a community residence that does not comply with the occupancy or separation requirements, the applicant may apply to the Development Services Department for a waiver for reasonable accommodation. In all cases the Development Services Director shall submit the request for the waiver to the Community Residence Waiver Committee to make findings of fact in support of the determinations and shall render the decision in writing. The application will initially be reviewed by the Development Services Director for completeness. The Director may meet with and interview the applicant to request additional supporting information to determine the necessity of the accommodation and to ascertain or clarify information sufficient for the Committee to make the required findings.

1. To grant a waiver, the Committee shall find affirmatively all of the following standards:
 - a. The applicant demonstrates through documentation and evidence that the proposed community residence can and will emulate a biological family and function as a residential use rather than an institutional or other nonresidential use.
 - b. The applicant demonstrates through documentation and evidence that the proposed community residence needs to house more than eight (8) residents in a family community residence or six (6) residents in a transitional community residence or reduce the separation.

c. The applicant demonstrates through documentation and evidence that the proposed community residence will not interfere with the normalization and community integration of the residents of any existing community residence and that the presence of other community residences will not interfere with the normalization and community integration of the residents of the proposed community residence.

d. The applicant demonstrates through documentation and evidence that it will operate the home in a manner similar to that ordinarily required by state licensing to protect the health, safety, and welfare of the occupants of the proposed community residence.

e. The applicant demonstrates through documentation and evidence that there are no other viable locations for the community residence and that the proposed community residence in combination with any existing community residences will not alter the residential character of the surrounding neighborhood by creating an institutional atmosphere or by creating a de facto social service district by concentrating community residences on a block or in a neighborhood.

2. The Community Residence Waiver Committee shall be composed of the Town Development Services Director, the Board of Adjustment chair or designee, and the Planning and Zoning Commission chair or designee.

D. Registration. Prior to operating a community residence, the owner or operator must register the home as provided in town code article 8-8.

E. Violations and Penalties.

1. In addition to applicable penalties under Arizona law, violations of this section shall be subject to the provisions of Town Code Section 1-8-3 regarding civil penalties.

ORDINANCE NO. [26-03]

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, MARICOPA COUNTY, ARIZONA, AMENDING ZONING ORDINANCE CHAPTER 5, GENERAL PROVISIONS, SECTION 5.13, COMMUNITY RESIDENCES, DELETING PROVISIONS MOVED TO TOWN CODE ARTICLE 8-8, COMMUNITY RESIDENCES.

WHEREAS, the Mayor and Council of the Town of Fountain Hills (the “Town Council”) adopted Ordinance No. 93-22 on November 18, 1993, which adopted the Zoning Ordinance for the Town of Fountain Hills (the “Zoning Ordinance”); and

WHEREAS, the Town Council desires to amend Chapter 5, General Provisions, Section 5.13, Community Residences; and

WHEREAS, in accordance with the Zoning Ordinance and pursuant to ARIZ. REV. STAT. § 9-462.04, public hearings regarding this ordinance were advertised in the March 25, 2026, and April 1, 2026, editions of the Fountain Hills Times; and

WHEREAS, a public hearing was held by the Planning and Zoning Commission on April 13, 2026, and by the Town Council on May 19, 2026; and

WHEREAS, in accordance with Article II, Sections 1 and 2, Constitution of Arizona, and the laws of the State of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town and the probable impact of the proposed ordinance on the cost to construct housing for sale or rent before adopting this ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Chapter 5, Section 5.13 of the Fountain Hills Zoning Ordinance is hereby amended as provided in Exhibit A.

SECTION 3. If any provision of this Ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 4. This ordinance shall become effective thirty (30) days after its passage and adoption by the Town Council of the Town of Fountain Hills, Arizona, and its approval by the Mayor and attestation by the Town Clerk.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, this 19st day of May, 2026.

TOWN OF FOUNTAIN HILLS, ARIZONA

ATTEST:

Gerry M. Friedel, Mayor

Bevelyn Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Rachael Goodwin, Town Manager

Jennifer J. Wright, Town Attorney

ORDINANCE NO. 2026-03

EXHIBIT A

Section 5.13 Community Residences

A. *Standards.*

1. To prevent the clustering of community residences and to better integrate community residence residents into the surrounding neighborhood and community, such home must be located on a lot that is at least one thousand three hundred twenty (1,320) feet from the exterior lot lines of another community residence, measured by a straight line from the property line in any direction.
2. No more than two (2) persons per bedroom.
3. An individual required to register under Arizona law as a sex offender and classified as a Level II or Level III community risk (intermediate to high risk) is not permitted to live in a community residence.

~~B. *Application Requirements.*~~

- ~~1. Copy of license or certified through one (1) or more of the following groups:
 - ~~a. License or is certified by the State of Arizona Department of Health; or~~
 - ~~b. License or is certified by the Arizona Recovery Housing Association; or~~
 - ~~c. "Permanent" Oxford House charter.~~~~
- ~~2. If the property is being rented or leased, an acknowledgement from the property owner agreeing to the use of the property as a community residence.~~
- ~~3. A description of the scope of services to be provided in the home and whether or not the residents will be ambulatory.~~

~~4. A statement the home shall not house any person whose tenancy would constitute a direct threat to the health or safety of other individuals or would result in substantial physical damage to the property of others.~~

~~5. The portions of any state license or third party certification application requirements that provide:~~

~~a. Names and contact information for contact individual(s) for the home who can respond to complaints or emergencies.~~

~~b. Information regarding policies and procedures for residents and visitors related to parking, noise emanating from the home, smoking, cleanliness of the public space near the home, and loitering in front of the home or nearby homes are established, known to residents, and enforced.~~

~~c. Information regarding efforts to promote the safety of the surrounding neighborhood.~~

~~6. A floor plan of the home showing all bedrooms, living, and dining areas.~~

~~7. The applicant shall attest that they will provide all evidence permissible by code and authority having jurisdiction necessary in response to a code enforcement inquiry, in particular, occupancy logs.~~

~~8. Evidence of the property's appropriate Maricopa County tax classification for the use applied prior to completion of registration and occupancy of the property.~~

~~9. A copy of the standard residency agreement for individuals to occupy the community residence.~~

~~10. Certification that no outpatient treatment center licensure will be solicited or occur on premises and that medication distribution will not exceed what would normally be expected in a family home.~~

~~11. Owner and/or operator receives a Town business license.~~

~~C. Registration.~~

- ~~1. Registration of a community residence with the Town is required prior to beginning operation. An approved registration is valid for one (1) year from date administratively issued.~~
- ~~2. Following receipt of a complete application for registration, the property will be inspected by the Building Official and Fire Marshal for compliance with all life safety requirements. Any identified deficiencies must be addressed and compliance verified through a follow-up inspection before the registration will be completed. Unannounced follow-up inspections may be conducted upon a reasonable belief of noncompliance.~~
- ~~3. All required documents listed in subsection B of this section will be reviewed. Any required corrections or clarifications must be submitted to complete the registration process.~~
- ~~4. When all registration requirements have been met, the Development Services Director will administratively complete the Town's registration process.~~
- ~~5. If all other requirements of this section are met, the Development Services Director may issue a conditional registration for up to ninety (90) days while the applicant applies for and receives:
 - ~~a. The license or certificate as required by subsection (B)(1) of this section;~~
 - ~~b. The Maricopa tax verification required by subsection (B)(8) of this section;~~
 - ~~and~~
 - ~~c. A Town business license.~~~~

~~The applicant may not occupy the residence until these items are received by the Town. If one (1) or more of these items are not received by the Town within ninety (90) days, or is not approved, the registration of the property will be rescinded. Should the license or certificate become revoked for any reason, the community residence operator will have forty-five (45) days to vacate the property.~~

- ~~6. *Reregistration.* The community residence operator must register annually by submitting a new application with any updated documents. The registration can be renewed if the following are met:~~

- ~~a. The home has maintained a current license or certificate.~~
- ~~b. The home or operator has maintained a current Town business license.~~
- ~~c. Reinspection of the property has verified ongoing compliance with:
 - ~~i. Life safety standards;~~
 - ~~ii. Occupancy limits; and~~
 - ~~iii. The policies and procedures established in subsection (B)(5) of this section.~~~~
- ~~d. Verification of the current, appropriate Maricopa County tax status.~~

DB. Any community residence that is in operation as of the adoption of this section shall be considered a legal nonconforming use consistent with Section 4.01(B). Any new community residence or any residence that is in operation but that transfers ownership shall be subject to the provisions of this section.

EC. *Waiver For Reasonable Accommodation.* To establish a community residence that does not comply with the occupancy or separation requirements, the applicant may apply to the Development Services Department for a waiver for reasonable accommodation. In all cases the Development Services Director shall submit the request for the waiver to the Community Residence Waiver Committee to make findings of fact in support of the determinations and shall render the decision in writing. The application will initially be reviewed by the Development Services Director for completeness. The Director may meet with and interview the applicant to request additional supporting information to determine the necessity of the accommodation and to ascertain or clarify information sufficient for the Committee to make the required findings.

1. To grant a waiver, the Committee shall find affirmatively all of the following standards:
 - a. The applicant demonstrates through documentation and evidence that the proposed community residence can and will emulate a biological family and function as a residential use rather than an institutional or other nonresidential use.

b. The applicant demonstrates through documentation and evidence that the proposed community residence needs to house more than eight (8) residents in a family community residence or six (6) residents in a transitional community residence or reduce the separation.

c. The applicant demonstrates through documentation and evidence that the proposed community residence will not interfere with the normalization and community integration of the residents of any existing community residence and that the presence of other community residences will not interfere with the normalization and community integration of the residents of the proposed community residence.

d. The applicant demonstrates through documentation and evidence that it will operate the home in a manner similar to that ordinarily required by state licensing to protect the health, safety, and welfare of the occupants of the proposed community residence.

e. The applicant demonstrates through documentation and evidence that there are no other viable locations for the community residence and that the proposed community residence in combination with any existing community residences will not alter the residential character of the surrounding neighborhood by creating an institutional atmosphere or by creating a de facto social service district by concentrating community residences on a block or in a neighborhood.

2. The Community Residence Waiver Committee shall be composed of the Town Development Services Director, the Board of Adjustment chair or designee, and the Planning and Zoning Commission chair or designee.

D. REGISTRATION. PRIOR TO OPERATING A COMMUNITY RESIDENCE, THE OWNER OR OPERATOR MUST REGISTER THE HOME AS PROVIDED IN TOWN CODE ARTICLE 8-8.

~~E.~~ *Violations and Penalties.*

1. In addition to applicable penalties under Arizona law, violations of this section shall be subject to the provisions of Town Code Section 1-8-3 regarding civil penalties.

~~2. In addition to the provisions above, registration for a community residence may be revoked and the community residence required to vacate the property if:~~

~~a. The required registration, licensure or certificate lapse and are not reinstated within forty-five (45) days of their last effective date; or~~

~~b. The property owner or community residence operator receives any combination of three (3) violations related to the operation of the community residence from either the Town or the Arizona Department of Health Services within a twelve (12) month period.~~

~~c. The applicant for the community residence knowingly provides false or misleading information on the registration or annual renewal.~~



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 5/19/2026
Meeting Type: Town Council Regular Meeting
Submitting Department: Development Services
Prepared by: John Wesley, Development Services Director
Staff Contact Information: Phone: 480-816-5138
Email: jwesley@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Regarding Ordinance 26-05 amending Town Code Sections 10-2-1, 10-2-8, and 10-2-9 related to handbills.

Staff Summary (background)

During the process of responding to a code enforcement case, staff became aware of a potential issue with our current regulations on handbills. Generally speaking, handbills are any printed or written matter, any sample or device, circular, leaflet, pamphlet, paper, booklet, or any other printed, or otherwise reproduced original or copies of any matter or literature.

Sections 10-2-8 and 10-2-9 of the Town Code address handbills and place some restrictions on the distribution of handbills. The current regulations make a distinction between commercial and noncommercial handbills. This distinction, regulating the distribution based on the content of the handbill, creates a potential First Amendment issue. Therefore, staff has drafted an ordinance removing this distinction in the ordinance.

Section 10-2-8 addresses commercial handbill distribution on public property. The change in this section removes the restriction on distribution of commercial handbills on public property.

Section 10-2-9 addresses all other distributing of handbills.

Other than removing the distinction between commercial and noncommercial handbills, the other significant change is in subsections D and E. These two sections have been a bit contradictory. D ultimately allows noncommercial handbills to be left on a property if it is secured from being blown or drifting about the premises or sidewalks. E does not allow any commercial handbill to be left except by someone accepting the handbill. Because the distinction between commercial and noncommercial handbills is being removed, and the historic concerns in town about leaving handbills on property even if secured, staff as written the revised ordinance to state handbills can be left on a private premises only if it is accepted by an occupant. The exception for newspaper and mail delivery has been maintained.

Related Ordinance, Policy or Guiding Principle

N/A

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends adoption of Ordinance 26-05.

Suggested Motion

MOVE TO APPROVE Ordinance 26-05.

FISCAL IMPACT

Fiscal Impact: N/A

Budget Reference: N/A

Funding Source: N/A

ATTACHMENTS

1. Ord 26-05

ORDINANCE NO. 26-05

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, MARICOPA COUNTY, ARIZONA, AMENDING TOWN CODE SECTION 10-2-1 DEFINITIONS AND SECTIONS 10-2-8 AND 10-2-9 RELATING TO HANDBILLS.

WHEREAS, The Town desires to protect the safety of its residents by limiting the possible accumulation of unwanted materials in and around the street facing yards of their properties; and

WHEREAS, The Town desires to maintain streets and sidewalks free of litter and debris; and

WHEREAS, The Town recognizes and desires to protect free speech and lawful commercial activities;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Council adopts the amendments as contained in Exhibit A.

SECTION 3. If any provision of this Ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 4. In accordance with Article II, Sections 1 and 2, Constitution of Arizona, and the laws of the State of Arizona, the City/Town Council has considered the individual property rights and personal liberties of the residents of the City/Town and the probable impact of the proposed ordinance on the cost to construct housing for sale or rent before adopting this ordinance.

SECTION 6. This ordinance shall become effective thirty (30) days after its passage and adoption by the Town Council of the Town of Fountain Hills, Arizona, and its approval by the Mayor and attestation by the Town Clerk.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, this 19th day of May, 2026.

TOWN OF FOUNTAIN HILLS, ARIZONA

ATTEST:

Gerry M. Friedel, Mayor

Bevelyn Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Rachael Goodwin, Town Manager

Jennifer J. Wright, Town Attorney

ORDINANCE NO. 26-05

EXHIBIT A

Chapter 10, Health and Sanitation

Article 10-2 Litter; Nuisances

Section 10-2-1 Definitions

...

**“HANDBILL” MEANS ANY TYPE OF COMMERCIAL OR NONCOMMERCIAL
HANDBILL AS DEFINED HEREIN.**

...

Section 10-2-8 Deposit of ~~Commercial~~ Handbills on Public Property.

No person shall throw or deposit any commercial or noncommercial handbill in or upon any sidewalk, street or other public place within the Town, ~~nor shall any person hand out or distribute or sell any commercial handbill in any public place,~~ but ~~nothing~~**NOTHING** in this section shall be deemed to prohibit any person from handing out or distributing on any sidewalk, street or other place within the Town, without charge to the receiver thereof, any ~~noncommercial~~ handbill to any person willing to accept it.

Section 10-2-9 Handbills: ~~Commercial and Noncommercial~~

- A. No person shall throw or deposit any ~~commercial or noncommercial~~ handbill in or upon any vehicle, but it is not unlawful on any public place for a person to hand out or distribute without charge to the receiver thereof, a ~~noncommercial~~ handbill to any occupant of a vehicle who is willing to accept it.
- B. No person shall throw or deposit any ~~commercial or noncommercial~~ handbill in or upon any private premises which are known, or should be known, to such person to be temporarily or continuously uninhabited or vacant.
- C. No person shall throw, deposit or distribute any ~~commercial or noncommercial~~ handbill upon any private premises, if requested by anyone thereon not to do so, or if there is placed on the premises in a conspicuous position near the entrance thereof, a sign bearing the words "No Trespassing", "No Peddlers or Agents", "No Advertisement", or any similar notice, indicating in any manner that the occupants of said premises do not

desire to be molested or have their right of privacy disturbed, or to have any handbill left upon such premises.

~~D. No person shall throw, deposit or distribute any commercial or noncommercial handbill in or upon private premises which are inhabited unless the handbill is so placed or deposited as to secure or prevent the handbill from being blown or drifted about the premises or sidewalks, streets or other public places, and except that mailboxes may not be so used when so prohibited by federal postal law or regulations. The provisions of this section shall not apply to the distribution of mail by the United States nor of newspapers as defined by this article.~~

ED. No person shall throw, deposit or distribute any commercial handbill in or upon private premises which are inhabited except upon the acceptance thereof, or the express consent therefor, by an occupant of such premises. **THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO THE DISTRIBUTION OF MAIL BY THE UNITED STATES NOR OF NEWSPAPERS AS DEFINED BY THIS ARTICLE.**



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 5/19/2026
Meeting Type: Town Council Regular Meeting
Submitting Department: Administration / Administrative Services
Prepared by: David Trimble, Deputy Town Manager/Administrative Services Director
Staff Contact Information: Phone: 480-816-5125
 Email: dtrimble@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Regarding Resolution 2026-08, the Intergovernmental Agreement renewal with the Regional Public Transit Authority - Valley Metro, relating to transit services in Fountain Hills.

Staff Summary (background)

The action before the Town Council is approval of the FY 2027 Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA), also known as Valley Metro. Approval of the IGA keeps the annual agreement with Valley Metro in place and allows RideChoice to continue for eligible Fountain Hills residents during FY 2027. RideChoice is the Town’s only active transit program. No General Fund monies are currently budgeted for transit service. The program is funded through restricted regional transit sources and accumulated restricted transit fund balance. Based on current projections, existing restricted transit fund balances are sufficient to cover the projected FY 2026 and FY 2027 funding gaps. Staff recommends approval of the FY 2027 IGA as presented.

Related Ordinance, Policy or Guiding Principle

Transit Services

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends approval of the FY 2027 IGA as presented.

Suggested Motion

Move to approve Resolution 2026-08

FISCAL IMPACT

Fiscal Impact: \$0 General Fund

Budget Reference: Fund 400

Funding Source: Regional Restricted Transit Funds: Arizona Lottery Funds

ATTACHMENTS

- | | |
|----|---|
| 1. | FY_2027_Valley_Metro_IGA_Staff_Report_Final_pdf |
| 2. | FY_2027_Transit Presentation for 05-19-2026 Council Meeting_pdf |
| 3. | Original 2014-32 IGA with RPTA |
| 4. | FY 2027 Resolution 2026-08 Valley Metro IGA 5-19-2026 pdf |

FY 2027 Valley Metro IGA

Staff Report - Transit Services / RideChoice

Summary

The action before the Town Council is approval of the FY 2027 Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA), also known as Valley Metro. Approval of the IGA keeps the annual agreement with Valley Metro in place and allows RideChoice to continue for eligible Fountain Hills residents during FY 2027.

RideChoice is the Town's only active transit program. No General Fund monies are currently budgeted for transit service. The program is funded through restricted regional transit sources and accumulated restricted transit fund balance.

Beginning July 1, 2026, RideChoice eligibility and fare rules will change. Staff expects these changes to reduce annual program demand and Town subsidy costs, and to bring ongoing RideChoice expenses back within the Town's available restricted transit funding. Because the exact impact will depend on ridership and trip patterns after implementation, staff will continue to monitor the program and return to Council if additional direction is needed.

Based on current projections, existing restricted transit fund balances are sufficient to cover the projected FY 2026 and FY 2027 funding gaps. Staff recommends approval of the FY 2027 IGA as presented.

Background

The Town and RPTA have used annual IGAs for transit-related services for several years. Historically, the Town's transit program included the 515 Express Bus and RideChoice. The 515 Express Bus was discontinued in April 2025 because of budget constraints. Since that time, RideChoice has been the Town's remaining active transit service.

To date, the Town has not budgeted General Fund dollars for public transit. Transit service has been funded through restricted regional transit funds. However, the Town's available restricted transit funding has not kept pace with recent RideChoice demand, which created the need for program changes.

At the November 12, 2025 Council work session, Council directed staff to begin implementing cost-saving changes to RideChoice. The goal was to preserve a transportation option for residents with qualifying disabilities while bringing ongoing program costs back within the Town's available restricted transit funding.

Current Transit Service: RideChoice

RideChoice has been available in Fountain Hills since 2014. It is an on-demand, door-to-door transportation service administered through Valley Metro. The program includes rideshare providers such as Uber and Lyft, taxicabs, and wheelchair-accessible vehicles as needed.

Prior to the July 1, 2026 changes, RideChoice was available to Fountain Hills residents with disabilities and to residents age 65 and older, regardless of disability status. The Town currently has approximately 178 residents enrolled in the program, with roughly 70 to 75 active users.

Ridership has increased significantly in recent years. In FY 2023, RideChoice provided approximately 1,175 rides. FY 2026 ridership is on pace for approximately 3,300 rides. By comparison, the Town's annual restricted transit funding can support approximately 1,500 RideChoice rides on a more sustainable basis. This mismatch between annual demand and annual restricted funding is the main budget issue the July 1 program changes are intended to address.

RideChoice Program Changes Effective July 1, 2026

The July 1, 2026 changes affect both eligibility and fares. Together, these changes are expected to reduce annual program demand and reduce the Town's subsidy for longer trips.

Program Area	Current Approach	Beginning July 1, 2026
Eligibility	Residents with disabilities and residents age 65 and older qualify.	Age alone will no longer qualify a rider. Riders must qualify through Valley Metro's disability eligibility assessment process.
Fare / mileage structure	Under the Mileage Program, riders generally paid a \$3 fare for trips up to 50 miles, subject to program limits.	The program will use the RideChoice Classic fare structure: \$3 for the first 8 miles and \$2 per mile for each additional mile after the 8th mile.
Expected impact	Demand has exceeded the level that can be supported by annual restricted transit funding.	Staff expects lower annual ridership and reduced Town subsidy costs, primarily because the revised fare structure will require riders to pay more of the cost for longer trips. The disability eligibility requirement also keeps the program focused on residents with qualifying disabilities. Together, these changes are expected to bring the program back within the level the Town can fund with restricted transit funding.

Staff believes these changes should address the long-term funding imbalance for RideChoice. The primary expected effect is the revised fare structure. The Town will no longer absorb the same level of subsidy for longer trips, and as the rider-paid share increases for longer trips, some longer-distance or discretionary trips may be reduced or may shift to other transportation options when RideChoice is no longer materially less expensive. The disability eligibility requirement also narrows the program to riders who qualify under Valley Metro's process.

The exact amount of savings cannot be known until after implementation because it will depend on actual ridership, trip lengths, and rider choices under the revised fare structure. Staff will monitor those results after the changes take effect and will return to Council if additional policy direction is needed.

Implementation and Rider Communication

After Council direction in November 2025, Town staff began coordinating implementation with Valley Metro staff in December 2025. Valley Metro sent letters to existing RideChoice riders in January 2026 explaining the upcoming eligibility and fare changes and providing information about disability eligibility assessments.

Valley Metro and Town staff held two local eligibility assessment events in February 2026, with another assessment event scheduled for May 20, 2026. Valley Metro advised that the 20 participants who completed the first two assessment events were determined eligible for continued RideChoice service.

Staff will continue to work with Valley Metro on implementation, rider communication, and program monitoring. After the changes take effect, staff will monitor ridership, costs, resident impacts, and the annual reconciliation process with Valley Metro.

Funding Sources and Fiscal Impact

RideChoice has been funded through restricted regional transit sources. The two main sources are summarized below.

Public Transportation Fund (PTF). PTF is the transit portion of the regional half-cent transportation sales tax associated with Proposition 400 and the voter-approved extension under Proposition 479. A small amount of remaining PTF funding is included in the FY 2027 IGA, but PTF should not be treated as an ongoing source for RideChoice in future years.

Arizona Lottery Fund (ALF). ALF provides an annual transit allocation to RPTA member cities and towns based primarily on population. Fountain Hills typically receives approximately \$60,000 per year in ALF funding. ALF is the Town's primary ongoing restricted transit funding source for RideChoice.

The FY 2027 IGA estimate from Valley Metro assumes approximately 2,400 RideChoice rides. Staff believes the estimate may be higher than actual ridership and costs after the new eligibility and fare rules are in effect for the full fiscal year. However, using a higher planning estimate is appropriate for the IGA because actual costs are reconciled after the fiscal year. If actual program costs are lower than the estimate, the Town's account is adjusted accordingly. If actual costs exceed the estimate, the Town is responsible for the difference.

Even if the FY 2027 estimate proves accurate, existing restricted transit fund balances are projected to cover the FY 2026 and FY 2027 funding gaps. After FY 2027, staff expects the July 1 program changes to bring annual RideChoice costs back within the Town’s annual ALF allocation. No General Fund monies are currently budgeted for transit service. If actual ridership or costs remain above available restricted funding, staff will return to Council for direction before any General Fund commitment is considered.

Alternative Transportation Concepts and Other City Programs

Staff has continued to evaluate transportation ideas and suggestions brought forward by Council members, residents, vendors, and other communities, including local circulators, rideshare programs, and microtransit concepts. This section is included to show that these options have been considered and to explain why staff is not recommending a broader transit program at this time.

The common issue is not whether these concepts could provide useful service. Many could. The issue is that broader local transportation service generally requires ongoing local funding, operating capacity, insurance, and administrative support that are not currently available within the Town’s restricted transit resources. In many cases, the options would require substantial local funding, including General Fund support.

Staff previously received presentations from May Mobility and eCab. May Mobility is a point-to-point local circulator concept using minivans. eCab is an upscale golf-cart-style local circulator. Both concepts were appealing from a service perspective, but preliminary cost discussions indicated that either approach would likely require Town expenditures of more than \$650,000 per year, depending on the final service area, hours, vehicle count, and operating model.

The table below provides additional context from nearby city programs. These examples are not direct comparisons to Fountain Hills, but they illustrate the same policy issue: broader local transportation programs can be attractive from a service perspective, but they generally require a level of ongoing subsidy that exceeds the Town’s currently available restricted transit funding.

City / Program	Service Type	Funding / Cost Notes	Relevance to Fountain Hills
Tolleson Micro Transit	Discounted Uber/Lyft program replacing prior ZOOM bus service.	Tolleson’s FY 2025 budget includes a \$450,000 General Fund Transportation line. Program materials show a rider base fare and a City subsidy of up to \$15 per eligible trip, with riders paying amounts above the subsidy limit.	Shows that even a rideshare-based local program can require a significant General Fund commitment.
Surprise WeRIDE / RideChoice	Surprise operated a WeRIDE microtransit pilot, then discontinued it after June 30, 2025. Surprise now provides RideChoice service for ADA-certified riders.	Public information indicates the WeRIDE pilot was not continued due to cost and funding concerns.	Shows that broader microtransit pilots may not be financially sustainable without ongoing funding. The current RideChoice model for ADA-certified riders is generally consistent with the direction Fountain Hills is moving toward on July 1, 2026.
Chandler Flex	Via-operated on-demand microtransit program. Chandler’s budget projects approximately 42,000 annual Flex trips at about \$30 per trip.	Chandler’s Transportation Policy cost center includes Chandler Flex and is funded with both General Fund and Local Transportation Assistance funding. The FY 2025-26 adopted budget identifies approximately \$3.14 million in General Fund support for that cost center.	Shows that larger microtransit programs may involve significant General Fund support even when restricted transit funds are also used.

Staff also reviewed whether the Town could operate a local circulator internally. This option is sometimes perceived as a low-cost alternative because it may appear to involve only a vehicle and a driver. In practice, it presents several practical and financial challenges.

Insurance is a significant issue. The Town participates in the Arizona Municipal Risk Retention Pool (AMRRP), which provides coverage to many Arizona municipalities, but staff understands that AMRRP is unable to extend coverage for a Town-operated transit service. Without available insurance coverage, the Town could not reasonably self-insure this type of operation.

Other operational issues would also need to be resolved, including dispatch and customer service, driver recruitment and backup coverage, vehicle maintenance, fuel or charging infrastructure, replacement vehicles, and accessible vehicle availability. For these reasons, an in-house circulator may appear simple at first glance, but would likely be more complex and expensive than anticipated.

Other Available Transportation Resources

In addition to RideChoice, there are limited free transportation resources available to qualified Town residents.

The American Cancer Society's Road to Recovery program provides free rides to and from cancer treatment appointments, subject to volunteer availability. Residents may contact the American Cancer Society at 800-227-2345. At least 24 hours' notice is recommended.

The Town's Community Services Department coordinates the volunteer Give-A-Lift program. Give-A-Lift provides free transportation for medical appointments for pre-qualified residents through a network of volunteer drivers using their own vehicles and insurance. The program is coordinated through the Community Center at 480-816-5108. Staff recommends requesting rides at least four days in advance. Rides depend on volunteer availability and cannot always be guaranteed.

Background on RPTA / Valley Metro

The Regional Public Transportation Authority (RPTA), commonly referred to as Valley Metro, is the regional transit agency for Maricopa County. RPTA was created after the passage of Proposition 300 in 1985 and is a political subdivision of the State of Arizona. It is governed by a board of elected officials from member jurisdictions.

The current Valley Metro RPTA Board includes Avondale, Buckeye, Chandler, El Mirage, Fountain Hills, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Queen Creek, Scottsdale, Surprise, Tempe, Tolleson, Wickenburg, and Youngtown. The Fountain Hills Town Council voted for the Town to become an RPTA member in December 2017. Since then, the Town has had a seat on the RPTA Board of Directors. There is no membership fee for RPTA member municipalities.

Proposition 400, approved by Maricopa County voters in 2004, extended the regional half-cent transportation sales tax through 2025. With voter approval of Proposition 479 in November 2024, that regional transportation sales tax was extended through 2045. While this regional funding remains important for transit in Maricopa County, Fountain Hills' ongoing RideChoice funding is expected to rely primarily on the Town's annual ALF allocation and existing restricted transit fund balance.

Staff Recommendation

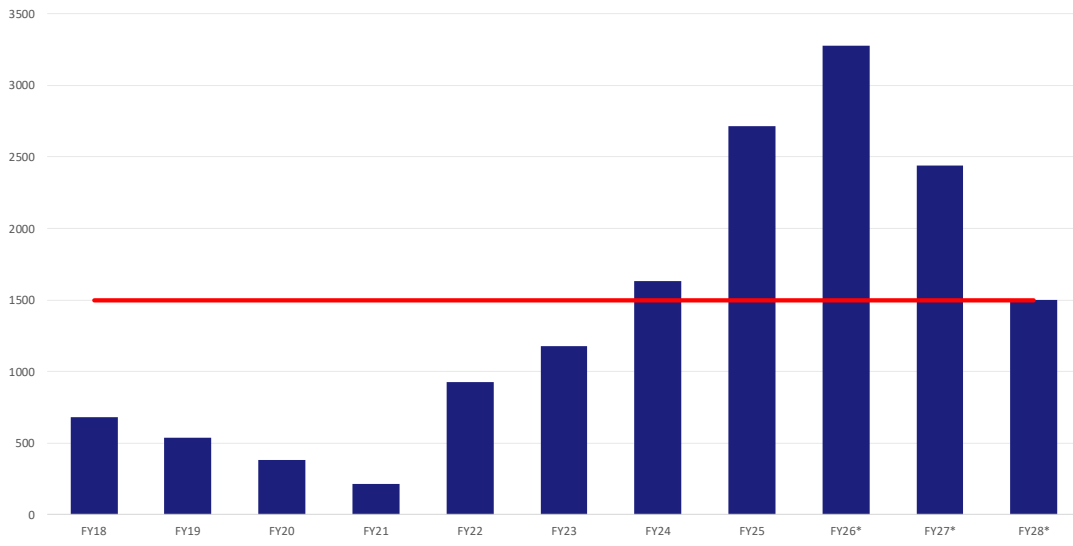
Staff recommends approval of the FY 2027 IGA with Valley Metro as presented.

Approval keeps the annual agreement with Valley Metro in place and allows RideChoice to continue for eligible residents. Existing restricted transit fund balances are projected to cover the FY 2026 and FY 2027 shortfalls, and staff expects the July 1, 2026 RideChoice changes to address the ongoing funding imbalance by reducing annual program demand and Town subsidy costs. Staff will continue to monitor ridership, costs, and resident impacts after implementation and will return to Council if additional policy direction is needed.

RideChoice Usage Trend



**FOUNTAIN
HILLS**



≈1,500 rides
available funding
equivalent

*FY 26 – 28 are
estimates

May 19, 2026

Transit Services

Intergovernmental Agreement with Valley Metro

Dave Trimble, Deputy Town Manager /
Administrative Services Director



**FOUNTAIN
HILLS**

Overview



**FOUNTAIN
HILLS**



Today's Purpose

Requested action: Approve the FY 2027 Intergovernmental Agreement with Valley Metro.



- 1 Annual IGA**
Each fiscal year, the Town and Valley Metro enter into an agreement to provide transit program administration.
- 2 Transit context**
Budget constraints have narrowed the Town's transit program.
- 3 RideChoice update**
RideChoice continues as the Town's transit option, and program changes begin July 1, 2026.

Current Transit Context

Budget constraints have narrowed the Town's transit program.



No General Fund monies are currently spent on transit.

515 Express

Discontinued in April 2025 due to budgetary constraints.

RideChoice

The only remaining transit option for Town residents.

Program changes are being implemented to address the long-term funding imbalance.

FY 2027 Valley Metro IGA

Annual agreement needed to continue the RideChoice program.



**FOUNTAIN
HILLS**

WHAT THE IGA DOES

Keeps the annual agreement with Valley Metro in place

- Allows RideChoice to continue for eligible residents

STAFF RECOMMENDATION

Approve the FY 2027 IGA with Valley Metro.

RideChoice program changes go into effect July 1, 2026.

RideChoice Changes Effective July 1, 2026

Two major program changes were directed at the November 12, 2025 work session.



1

Eligibility: disability-qualified residents only

The program will no longer auto-qualify residents based solely on age 65+.

2

Fare structure: \$3 per trip + mileage charge

Riders will pay \$2 per mile after the 8th mile of a trip, in addition to the \$3 per-trip charge.

Goal: Preserve access while reducing costs and aligning usage with available funding.

Implementation & Resident Outreach

Valley Metro assessments and resident communication support the transition.



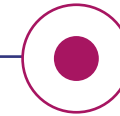
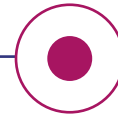
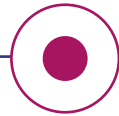
**FOUNTAIN
HILLS**

Nov. 12, 2025

Feb. 2026

May 20, 2026

July 1, 2026



Council direction

Assessment events

Additional outreach

Changes begin

Begin cost-saving measures for RideChoice.

20 residents attended; all 20 qualified.

Community Center assessment event.

Eligibility and fare changes take effect.

Both the disability qualification and fare rate changes take effect July 1, 2026.

RideChoice Trips & Budget



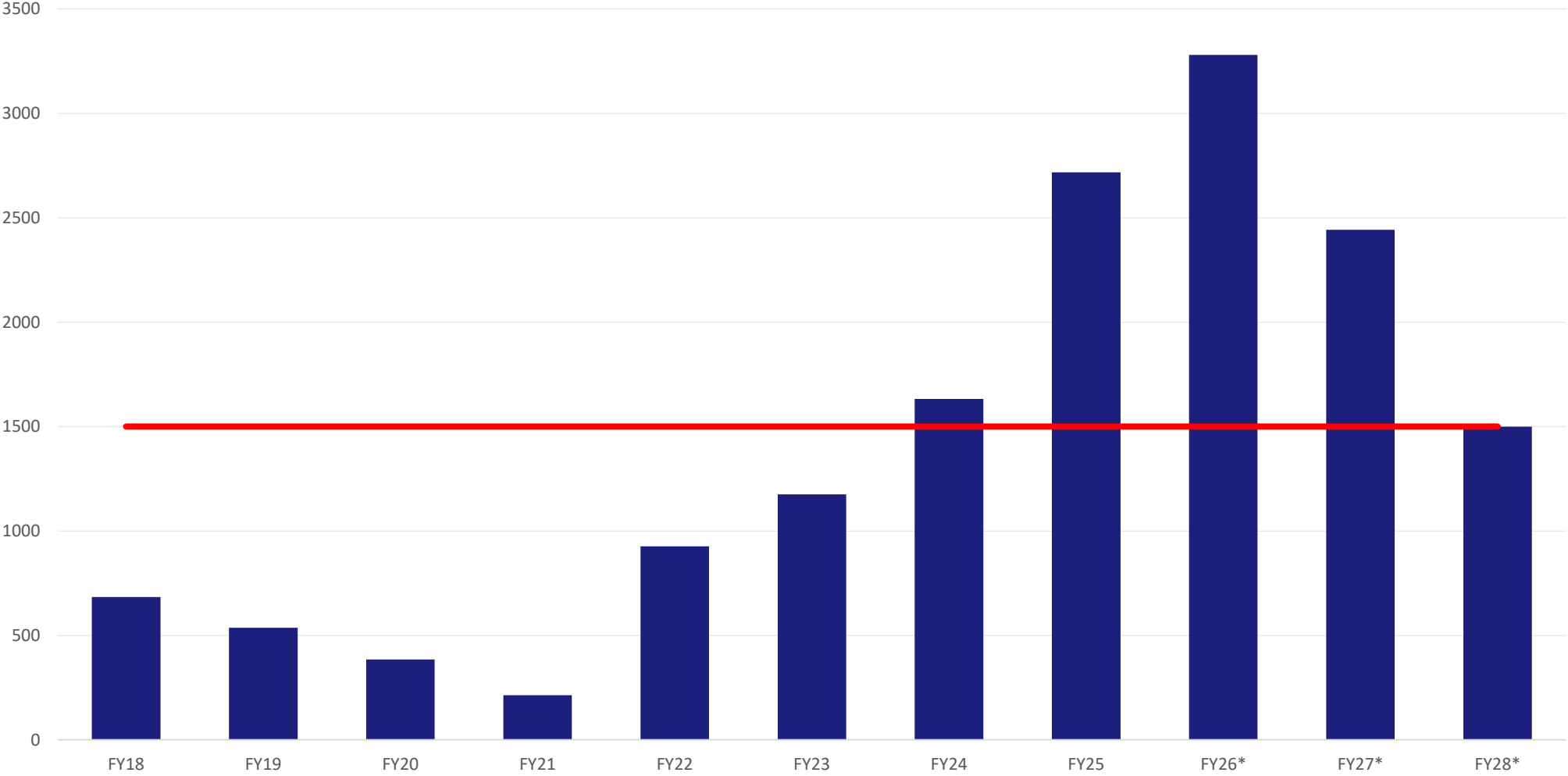
**FOUNTAIN
HILLS**



RideChoice Usage Trend



**FOUNTAIN
HILLS**



**≈1,500 rides
available funding
equivalent**

*FY 26 – 28 are estimates

Final Summary

Staff recommendation and key takeaways.



Staff recommends approval of the FY 2027 IGA with Valley Metro.

1 IGA approval supports continued RideChoice service.

Approval allows the Town to continue annual program administration with Valley Metro.

2 Program changes take effect July 1, 2026.

Eligibility shifts to disability qualification; fares add mileage-based cost after the 8th mile.

3 Program changes are intended to address the funding imbalance.

Existing fund balances are projected to cover FY26 and FY27 shortfalls while the Town monitors ridership and costs after implementation.

Questions?



**FOUNTAIN
HILLS**



RESOLUTION NO. 2014-32

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY RELATING TO TRANSIT SERVICES.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

SECTION 1. The Intergovernmental Agreement with the Regional Public Transportation Authority relating to transit services (the "Agreement") is hereby approved in substantially the form and substance attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to cause the execution of the Agreement and to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, June 19, 2014.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:




Linda M. Kavanagh, Mayor



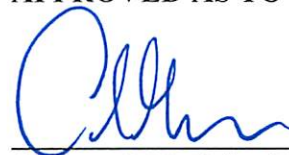
Bevelyn J. Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:



Kenneth W. Buchanan, Town Manager



Andrew J. McGuire, Town Attorney

EXHIBIT A
TO
RESOLUTION NO. 2014-32

[Agreement]

See following pages.

TRANSIT SERVICES AGREEMENT
BETWEEN THE TOWN OF FOUNTAIN HILLS (“Member”)
AND
THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Contract # 124-75-2015

THIS TRANSIT SERVICES AGREEMENT (“Agreement”) is made and entered into this 1st day of July, 2014 by and between the Town of Fountain Hills, a Arizona municipal corporation (hereinafter referred to as “Member”) and the Regional Public Transportation Authority, a political subdivision of the state of Arizona (hereinafter referred to as “RPTA”). Member and RPTA are collectively referred to as the “Parties.”

RECITALS

WHEREAS, Member has statutory authority to provide transit services and to enter into agreements with other entities within Maricopa County to provide transit services (A.R.S. Section 11-951, et seq.); and,

WHEREAS, RPTA is a political subdivision of the state of Arizona, established for the purpose of planning and providing public transportation services (A.R.S. Section 48-5121; A.R.S. Section 48-5101, et seq.); and,

WHEREAS, as a political subdivision of the state of Arizona RPTA “may contract and enter into stipulations of any nature to do all acts necessary and convenient for the full exercise of” its powers granted under A.R.S. Section 48-5101, et seq., including entering into intergovernmental agreements with other governmental entities (A.R.S. Section 11-951, et seq.); and,

WHEREAS, RPTA is willing to provide, and Member is willing to purchase or receive transportation services as detailed in this Agreement; and,

WHEREAS, transit activities are one of those types of activities authorized pursuant to the aforementioned statutory and other authority,

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and considerations herein contained, it is agreed by the Parties as follows:

SECTION 1. DEFINITIONS

The following capitalized terms shall have the following meaning when used in this Agreement, unless a different meaning is clearly intended:

“RPTA” means the Regional Public Transportation Authority, a political subdivision of the State of Arizona.

“Member” means the Town of Fountain Hills, Arizona municipal corporation and a community within the service area of the Regional Public Transportation Authority (RPTA).

“Effective Date” means the date on which rights granted hereunder become operative, as specified in Section 6 hereof.

“Force Majeure” means any event which: (i) causes either party to be unable to perform under this agreement; and (ii) is outside the reasonable control of the party unable to perform and could not be avoided by such party through the exercise of due care. Force Majeure events include, without limitation: terrorists, earthquakes, fires, floods, tornadoes, wars, labor strikes or similar accidents, disputes or similar events.

SECTION 2. SCOPE OF AGREEMENT

During the term of this agreement RPTA shall provide the following services:

The Ride Choice Program (Schedule D): Ride Choice is a program which provides subsidized taxicab services to Fountain Hills residents who have qualifying disabilities and/or who are 65 years of age or more. Each qualifying resident will receive up to \$100.00 of taxicab service per month. The rider will pay 25% of the cost, and the Town will pay the remaining 75%.

Americans with Disabilities Act (ADA) Public Transportation Funds (PTF) (Schedule E)
The RPTA shall transfer to the Member funds allocated by the Board of the RPTA, and specified in Schedule E, for the purposes of reimbursing Member for the cost to provide Paratransit services to ADA certified individuals. The Member shall submit a PTF Reimbursement Request Form, Attachment A, certifying that the costs have been incurred and are eligible for reimbursement.

SECTION 3. RPTA'S OBLIGATIONS:

- 3.1 With respect to the services provided hereunder, RPTA, shall:
- a. Provide Fixed Route Bus, Dial-a-Ride Paratransit Services or other transit services, administrative services, equipment, personnel and management services directly or through contractors, as provided in this Agreement. The RPTA shall ensure that the contractor(s) are duly qualified, licensed, trained, and have adequate equipment to perform services under this Agreement;
 - b. Draft and secure approval for annual operating budgets;
 - c. Intentionally deleted;
 - d. Administer the RideChoice Program.
 - e. Select, oversee and manage the RideChoice contractor and any subcontractors utilized for this program.

- f. Create marketing materials, including brochures, applications and other documents intended to inform the public about the RideChoice program.
- g. Accept applications for RideChoice service and make determinations of eligibility based on guidelines agreed to by the parties.
- h. Forward information for eligible riders to the RideChoice contractor, who will be responsible for enrolling the rider in the program, for providing the fare card and for providing customer service and support to the rider as he/she uses the RideChoice program.
- i. Providing monthly reports and invoices to the Town.
- j. Managing the budget which the Town has established for the RideChoice program.

3.2 The RPTA and the Member may conduct service and financial audits, as required, of any Services provided hereunder.

3.3 By February 21 of each year, the RPTA shall provide the Member with a detailed written budget estimate for the provision of transit Services, including the expected sources and amounts of funding for the next fiscal year. If the Member approves the budget estimate, RPTA shall prepare an amendment to this Agreement for Member approval of the budget estimate.

SECTION 4. TOWN'S OBLIGATIONS:

- 4.1 With respect to the services provided hereunder, Member, shall:
- a. If Member desires services in addition to the Services originally approved in the schedules hereto, Member shall provide funding adequate to finance such services over and above funding provided by the RPTA and Member.
 - b. Intentionally deleted;
 - c. The Member may purchase and install bus stop signs and associated amenities;
 - d. The Member shall provide advice to the RPTA and to any operator providing service required by this Agreement in the preparation and amendment of service plans;

- e. Collaborate with Valley Metro on eligibility guidelines for the RideChoice program.
- f. Assist Valley metro with marketing and outreach as necessary.
- g. Establish and communicate the annual budget for the program.

4.2 Member does hereby agree to participate in the Valley Metro Program(s) defined in Section 2 of this agreement.

4.3 Transit Life Cycle Program: Intentionally deleted.

SECTION 5. TERM OF AGREEMENT

This Agreement shall be operative for an indefinite term to be amended on an annual basis as service needs and as Public Transportation Fund (PTF) reimbursements are agreed. The Parties do not intend that the term of this Agreement shall exceed any limitation imposed by law, including, without limitation, the laws of the State of Arizona, and agree to comply with any applicable requirements of such laws in connection with any renewal of the term of this Agreement.

SECTION 6. EFFECTIVE DATE

This Agreement shall take effect only after it has been approved by Member's Council, approved by the RPTA Board of Directors, executed by the duly authorized officials of each of the Parties, approved by the Parties' respective counsel.

SECTION 7. GENERAL CONDITIONS

A. Records and Audit

All books, accounts, reports, files and other records relating to this Agreement under the custody or control of RPTA or its contractors shall be subject, at all reasonable times, to inspection and audit by Member and RPTA for five (5) years after completion of this Agreement. Such records shall be produced at RPTA offices as and when requested by Member.

B. Covenant Against Contingent Fees

Both Parties warrant that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of Congress, no member of the Member's Council or the RPTA Board of Directors, and no officer, agent, or employee of the Town or RPTA has any interest, financially or otherwise, in this Agreement.

C. Alteration in Character of Work

Minor alterations in the character of work shall be authorized in writing by Member and acknowledged by RPTA by letter.

D. Termination (and/or Changes in Service)

Member and RPTA hereby agree to full performance of the covenants and obligations contained herein, except that each reserves the right, at its option and sole discretion, to terminate or abandon the service provided for in this Agreement, or any portion thereof.

Termination of this Agreement may be at any time and for any reason, with or without cause, upon providing ninety (90) calendar days prior written notice to the other Party. Termination shall be effected by delivery of a Notice of Termination specifying the extent to which performance of work under the

Agreement is terminated, and the date upon which such termination becomes effective.

Upon termination, RPTA shall calculate actual expenses incurred up to and including the date of termination and (if termination was at the election of Member) any penalty or costs whatsoever (including, but not limited to, any costs of such termination as a result of Section 49 U.S.C. 1609 [formerly Section 13(c) of the Federal Transit Act of 1964, as amended] together with any penalty or costs imposed by other funding sources and any related labor costs (the total of which is hereinafter referred to as "termination costs"). If Member has paid RPTA sums in excess of the termination costs, RPTA shall refund the excess; if Member has paid RPTA an amount less than the termination costs, then Member shall pay to RPTA an amount equal to the difference between the termination costs and the amount that Member already has paid under this Agreement. Upon termination of this Agreement, all property used in connection with this Agreement will be promptly returned to the Party holding title thereto, not considering any state or federal funding. Final payment shall be made within sixty (60) calendar days after the termination of service.

SECTION 8. ADDITIONAL WORK

This Section is intentionally left blank.

SECTION 9. AGREEMENT NON-ASSIGNABLE

RPTA may not assign or otherwise transfer any of its rights or obligations hereunder to a third Party without the express prior written consent of Member, which may be granted or withheld by Member in its sole and absolute discretion. Any assignment or transfer without such prior written consent shall be void.

SECTION 10. INDEMNIFICATION

Except for claims arising solely and exclusively from the negligent or willful acts or omissions of Member, its officers, officials, agents or employees (hereinafter referred to as "Indemnitee"), RPTA shall indemnify, defend, save and hold the Indemnitee harmless from and against any and all claims, actions, liabilities, damages, losses, expenses and costs (including court costs, attorneys' fees and costs of claim processing, primary loss investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), loss or damage to tangible property: (1) arising under this Agreement, or (2) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of RPTA or any of its owners, officers, directors, agents, contractor or employees, including employees from the Member assigned to work full time for RPTA.

It is the specific intent of the Parties to this contract that the Indemnitee shall, in all instances except for loss or damage resulting from the sole and exclusive negligence of the Indemnitee, be indemnified against all liability, loss or damage of any nature whatever for or on account of any injuries to or the death of any person or damages to or the destruction of property belonging to any person, arising out of or in any way connected with the performance of this Agreement.

SECTION 11. INSURANCE

RPTA will maintain in force the insurance program approved by the RPTA Board of Directors and included in RPTA's fiscal year budgets.

SECTION 12. DEFAULT

Either Party shall be deemed in default under this Agreement upon the failure of such Party to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, and the continuance of such failure for a period of thirty (30) days after written notice by the other Party, as required herein. Such notice shall specify the failure and request it be remedied, unless the Party giving notice agrees in writing to an extension of the time period prior to its expiration. However, if the failure stated in the notice

cannot be corrected within the applicable period, it will not give rise to a default hereunder if corrective action is instituted within the applicable period and diligently pursued until the failure is corrected. In the event of a default hereunder, the non-defaulting Party may have a breach of contract claim and remedy against the other in addition to any remedy provided or permitted by law; provided, however, that no remedy that would have the affect of amending any provisions of this Agreement shall become effective without the formal amendment of this Agreement.

SECTION 13. ISSUE RESOLUTION

Any dispute arising out of the interpretation of any provision of this Agreement, any policy matter or the determination of an issue of fact, which dispute is not resolved at staff level, shall be referred to RPTA’s Chief Executive Officer and a representative designated by Member. If, after good faith negotiations aimed at reaching an amicable solution, a dispute cannot be resolved, the dispute shall be presented to the RPTA Board of Directors for resolution. If not resolved at this level, the dispute may be brought before a court of competent jurisdiction in Maricopa County, Arizona.

SECTION 14. NOTICE

Any notice, consent or other communication (“Notice”) required or permitted under this Agreement shall be in writing and either delivered in person, deposited in the United States mail, postage paid, registered or certified mail, return receipt requested, or deposited with any commercial air courier or express service addresses as follows:

If intended for RPTA:
Regional Public Transportation Authority
Attention: General Counsel
101 N. 1st Avenue, Suite 1300
Phoenix, AZ 85003

If intended for Member:
Town of Fountain Hills
Attn: Kenneth W. Buchanan, Town Manager
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268

with copy to:
Gust Rosenfeld, PLC
Attn: Andrew J. McGuire
One East Washington Street, Suite 1600
Phoenix, Arizona 85004

Notice shall be deemed received at the time it is personally served or, on the second day after its deposit with any commercial air courier or express service, if mailed, ten (10) days after the notice is deposited in the United States mail as provided. Any time period stated in a Notice shall be computed from the time the Notice is deemed received. Either Party may change its mailing address or the person designated to receive notice by notifying the other Party as provided in this Section.

SECTION 15. AMENDMENT

This Agreement may be modified or amended only by a written document executed by both RPTA and Member, approved as to form by the Member Attorney, and may be filed with the Member's Clerk. Such document shall expressly state that it is intended by the Parties to amend specifically identified terms and conditions of this Agreement.

SECTION 16. INTEGRATION

This Agreement, together with the exhibits, instruments and other documents required to be executed and delivered in connection hereto represents the entire agreement of the parties with respect to the subject matter hereof, and all agreements entered into prior hereto with respect to the subject matter hereof are revoked and superseded by this Agreement, and no representations, warranties, inducements or oral agreements have been made by any of the

parties except as expressly set forth herein, or in other contemporaneous written agreements. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.

SECTION 17. APPLICABLE LAW AND LITIGATION

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Arizona. Any and all litigation between the Parties arising from this Agreement shall be litigated solely in the appropriate state court located in Maricopa County, Arizona.

SECTION 18. NON-WAIVER

No covenant or condition of this Agreement may be waived by any Party, unless done so in writing. Forbearance or indulgence by any Party in any regard whatsoever shall not constitute a waiver of the covenants or conditions to be performed by the other.

SECTION 19. SEVERABILITY

Any provision of this Agreement that is prohibited or unenforceable under the laws of the State of Arizona shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

SECTION 20. BENEFIT AND BINDING EFFECT

The terms and provisions of this Agreement shall inure to the benefit of and are binding on RPTA and Member and their respective successors and permitted assigns.

SECTION 21. SURVIVAL

The indemnifications and limitations on liability provided in this Agreement shall have full force and effect notwithstanding any other provisions of this Agreement and shall survive any termination or expiration thereof.

SECTION 22. FURTHER ASSURANCES

The Parties hereto shall execute such other documents and take such other actions as may be reasonably necessary or proper to achieve the intent and purposes hereof.

SECTION 23. CONFLICTS OF INTEREST

All Parties hereto acknowledge that this Agreement is subject to cancellation pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

SECTION 24. Intentionally deleted.

SECTION 25. CONSTRUCTION AND INTERPRETATION OF AGREEMENT

This Agreement, and each of its provisions, exhibits, terms and conditions, has been reached through negotiations between the Parties. Accordingly, each of the Parties expressly acknowledges and agrees that this Agreement shall not be deemed to have been authored, prepared or drafted by any particular Party, and that the rule of construction that resolves ambiguities against the drafting party shall not be employed in the interpretation of this Agreement.

SECTION 26. THIRD-PARTY BENEFICIARIES

This Agreement is intended to benefit the corporate and municipal interests of RPTA and Member alone, and no other person shall claim any implied right, benefit or interest in such services. The Parties do not intend to create rights in or remedies to any third party as a beneficiary of this Agreement or of any duty, covenant, obligation or undertaking established under this Agreement.

SECTION 27. POLICE POWER

The Parties acknowledge the right vested in Member pursuant to general law to exercise its police power for the protection of the health, safety and welfare of its constituents and their properties. Nothing in this Agreement shall be construed as precluding Member from exercising such powers in connection with the subject matter hereof.

SECTION 28.

A. COMPLIANCE WITH THE IMMIGRATION REFORM AND CONTROL ACT of 1986 (IRCA) and with A.R.S. § 23-211 – § 23-214.

RPTA understands and acknowledges the applicability of IRCA and of § 23-211 through § 23-214, Arizona Revised Statutes (A.R.S.), to it. RPTA shall comply with IRCA and with A.R.S. § 23-211 through § 23-214 in performing under this Agreement. To ensure that RPTA and its subcontractors complying with the provisions of this Section, Member shall have the right to inspect the personnel and related records and papers of RPTA and of its subcontractors pertaining to individuals performing work under this Agreement.

Further, Member is prohibited by A.R.S. § 41-4401 from awarding an Agreement to any contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). For this reason, RPTA shall ensure that both it and each of its subcontractors are in compliance with the requirements of A.R.S. § 23-214(A). In addition, both RPTA and each of RPTA's subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. § 23-214(A).

A breach of any of the provisions of this Section shall be deemed a material breach of this Agreement and is subject to penalties up to and including termination of the Agreement.

SECTION 29. COMPLIANCE WITH THE E-VERIFY PROGRAM

29.1 Warrant of Compliance - Under the provisions of A.R.S. §41-4401, both Parties warrant to the other that each Party will comply with all Federal Immigration laws and regulations that relate to their employees and that each now complies with the E-Verify Program under A.R.S. §23-214(A).

29.2 Breach of Warranty - A breach of this warranty will be considered a material breach of this Agreement and may subject the breaching party to penalties up to and including termination of this Agreement.

29.3 Right to Inspect - Both Parties retain the legal right to inspect the papers of any

employee who works on this Contract or subcontract to ensure compliance with the warranty given above.

29.4 Random Verification - Either Party may conduct a random verification of the employment records of the other to ensure compliance with this warranty.

29.5 Federal Employment Verification Provisions – No Material Breach. A Party will not be considered in material breach of this Agreement if it establishes that it has complied with the employment verification provisions prescribed by 8 USCA §1324(a) and (b) of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A).

29.6 Inclusion of Article in Other Contracts - The provisions of this Article must be included in any contract either Party enters into with any and all of its contractors or subcontractors who provide services under this Agreement.

SECTION 30. CIVIL RIGHTS

The parties agree that as a condition of this Agreement they will each comply with all applicable civil rights laws and regulations, in accordance with applicable Federal directives, except to the extent that the Federal government determines otherwise in writing. These include, but are not limited to, those provisions of Section 12 of that certain United States of America Department of Transportation Federal Transit Administration Master Agreement, dated October 1, 2009, as may be amended from time to time, which provisions are hereby incorporated by reference.

SECTION 31. SUBJECT TO APPROPRIATIONS

The Town is obligated only to pay its obligations set forth in the Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds

to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement ~~in any~~ budget in any fiscal year other than the fiscal year in which the Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep RPTA informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. RPTA hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this section.

SECTION 32. INCORPORATION OF EXHIBITS

For each year during the term of this Agreement and in coordination with RPTA's adopted fiscal year budget process, Schedules hereto shall be revised and incorporated into this Agreement and made a part hereof as though fully set forth herein.

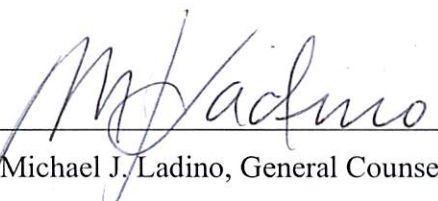
Schedule "A"	Intentionally left blank
Schedule "B"	Intentionally left blank
Schedule "C"	Intentionally left blank
Schedule "D"	Ride Choice
Schedule "E"	Americans with Disabilities Act (ADA) Public Transportation Fund (PTF)
Schedule "F"	Intentionally left blank
Schedule "G"	Intentionally left blank

IN WITNESS WHEREOF, the Parties have each executed this Agreement as of the date first set forth above.

REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA)

By: 
Stephen R. Banta, Chief Executive Officer

APPROVED AS TO FORM:

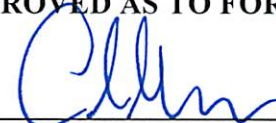
By: 
Michael J. Ladino, General Counsel

TOWN OF FOUNTAIN HILLS (MEMBER)

By: 
Linda M. Kavanagh, Mayor,

By: 
Bevelyn J. Bender, Town Clerk

APPROVED AS TO FORM:

By: 
Andrew J. McGuire, Town Attorney

SCHEDULE "A" INTENTIONALLY LEFT BLANK

SCHEDULE "B" INTENTIONALLY LEFT BLANK

SCHEDULE "C" INTENTIONALLY LEFT BLANK

SCHEDULE "D" – RIDE CHOICE

The Town of Fountain Hills agrees to participate and financially support the RideChoice Transportation Services program for Fiscal Year 2014-2015. The Town of Fountain Hills shall fund this project in the amount of \$28,930.00 for the period July 1, 2014 to June 30, 2015. The Town of Fountain Hills will pay the RPTA for the project in twelve (12) monthly installments of \$2,410.83. Payment of invoices shall become due within thirty (30) calendar days after the receipt of an invoice from RPTA.

Regional Public Transportation Authority

RideChoice Program

Town of Fountain Hills

Fiscal Year 2014 - 2015

Funding:

PTF ADA Funds	\$36,400
Coupon Revenue	13,440
City Contributions	28,930
Total Funding	\$78,770

Expenditures:

Payments to Taxi Cab Companies	\$57,670
Dialysis Voucher Program	0
Program Cost	\$57,670
Agency Staff, Overhead, Program Mgmt.	16,100
One Time Setup Fee	5,000
Total Expenditures	\$78,770

SCHEDULE “D” – RIDE CHOICE Cont.

RIDECHOICE PROGRAM

RideChoice is the name of the program that includes the RideChoice Medical Trip Card and the RideChoice Fare Card. RPTA shall provide the services required to administer, market and manage the Ride Choice program. The participating City will pay for costs of these Alternative Transportation Services Programs.

RIDECHOICE MEDICAL TRIP CARD – Intentional deleted.

RIDECHOICE FARE CARD

The RideChoice Fare Card program is available to seniors and individuals with disabilities who reside in the cities of Mesa, Chandler and Tempe and the Town of Fountain Hills. Any value up to a maximum of \$100 per month may be purchased/added to a customer’s card.

How it Works

- Individuals must complete a RideChoice application which is intended to gather information needed to verify the individual’s eligibility for RideChoice.
- Upon receipt of a completed application, Valley Metro staff will review the application and make a determination of eligibility.
- Once an individual is deemed eligible, Valley Metro will forward the individual’s name, address and other required information to the RideChoice contractor. The RideChoice contractor will create an electronic account for the new RideChoice customer.
- An eligible RideChoice customer will receive a letter indicating eligibility and a RideChoice Fare Card. Once notified of his/her eligibility, the RideChoice customer will be able to pay up to \$25 per month to his/her account. Payments may be made via the Internet or by mail.

- Upon receipt of a payment, the RideChoice contractor will add four times the value of the customer's payment to the customer's RideChoice account. This value will be available to the rider via his/her RideChoice Fare Card. Riders can make payments in any increment up to a total of \$25 per month, and riders can carry unused RideChoice account values forward from one month to the next. At no time can a rider's RideChoice account accumulate more than \$300.
- Once the RideChoice Customer's account is established and funds are deposited, the customer can use any of approximately eight taxicab and transportation providers enrolled as RideChoice providers. These companies are under subcontracts to our RideChoice contractor. When taking a trip on RideChoice, the customer calls the company of choice, indicates that he/she is a RideChoice customer, and schedules his/her trip in the same manner that any other taxicab customer does so.
- At the time of the trip, the customer swipes his/her RideChoice card upon entering the vehicle and upon exiting the vehicle. This creates a record of the beginning and ending points of the trip, along with the date and the identity of the rider. Upon the conclusion of the trip, the value of the trip is automatically deducted from the rider's RideChoice account.
- Approximately three weeks after the end of each month, the RideChoice contractor provides Valley Metro with an electronic file, showing all RideChoice trips taken. Data includes the date, time, pick-up and drop-off locations, the rider's name, the mileage and the cost of the trip. Valley Metro uses this information to allocate RideChoice costs among the participating cities. Valley Metro provides each participating city with a detailed report showing its share of the RideChoice service.
- Because funds may be limited, Valley metro can cap enrollment and/or adjust the subsidy for a given city or town.

Valley Metro and the Town will establish a cap based on available funding. This cap may be adjusted by Valley Metro at the direction of Fountain Hills, based on available funds or changes in the amount of service to be provided to each eligible participant. Initially, this cap is set at 40 participants. Once the cap is reached, no new participants will be enrolled. Instead, qualified residents will be placed on a waiting list. If and when participants drop off the service and/or in

the event that Fountain Hills raises the cap, Valley Metro will enroll qualified residents on a first come, first served basis until the cap is again reached. This procedure may be amended by the mutual consent of the parties.

**SCHEDULE “E” – AMERICANS WITH DISABILITIES ACT (ACT) – PUBLIC
TRANSPORTATION FUNDS (PTF) AVAILABILITY**

For the period July 1, 2014 to June 30, 2015 the maximum amount of Public Transportation Funds (PTF) available for the Town of Fountain Hills’s is **\$36,400.00**. The PTF will pay actual costs for ADA trips and other requests for Paratransit service made by ADA certified Riders up to the maximum amount. A final reconciliation at fiscal year-end will be performed and adjustments, if necessary, will be made using actual ADA eligible costs.

Any remaining ADA PTF funds not credited up to the maximum may be requested by Town for other ADA certified rider eligible expenses, and certified by the Town’s chief financial officer or designee. RPTA will reimburse Town within thirty (30) business days based upon availability of funds. Town may request that reimbursements be made electronically. Wire transfers must be pre-arranged through the RPTA Finance Department.

Maximum amount: **\$36,400.00**

SCHEDULE "F" INTENTIONALLY LEFT BLANK

SCHEDULE "G" INTENTIONALLY LEFT BLANK

AUG 25 2014

ATTACHMENT "A" – PTF EXPENSE REIMBURSEMENT REQUEST

Regional Public Transportation Authority PTF Expenditure Reimbursement Request

The information provided will be used by the Regional Public Transportation Authority (RPTA) to monitor designated lead agency cash flow to ensure compliance with ARS 48-5103. No further monies may be paid out under this program unless this report is completed and filed as required.

RECIPIENT ORGANIZATION NAME AND ADDRESS	PROJECT AGREEMENT NUMBER	REQUEST NO.
	REPORTING PERIOD (Dates)	
	FROM:	TO:

	TOTAL	PTF SHARE
TOTAL ELIGIBLE COSTS	\$ -	\$ -
TOTAL PREVIOUS PAYMENTS	\$ -	\$ -
CURRENT PAYMENT REQUESTED	\$ -	\$
REMAINING FUNDING	\$ -	\$ -

REQUIRED SIGNATURE

This document must be signed by the recipient's Chief Financial Officer or their designated representative.

CERTIFICATION

I certify the financial expenditures submitted for reimbursement with this report, including supporting documentation, are eligible and allowable expenditures consistent with the project goals and requirements, have not been previously requested, and that payment is due. I also certify that all matching requirements have been met and sufficient documentation exists in our files and are available upon request or in the event of an audit.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	DATE REQUEST SUBMITTED
TYPED OR PRINTED NAME AND TITLE	TELEPHONE

Instructions

1. Keep a copy of everything submitted.
2. All project records, including financial records, must be maintained for 3 years beyond project completion.

	<i>For RPTA use only</i>
Date request received:	Life cycle compliance review (signature/date)
Approved for funds availability	10 Date of funds transfer

RESOLUTION NO. 2026-08

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, MARICOPA COUNTY, ARIZONA, APPROVING AMENDMENTS TO THE INTERGOVERNMENTAL AGREEMENTS WITH THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY RELATING TO TRANSIT SERVICES.

WHEREAS, the Town of Fountain Hills and the Regional Public Transportation Authority have entered into a Transit Services Agreement, as amended from time to time, for the provision and administration of transit services, and the proposed FY 2027 amendment updates the applicable schedules for the period July 1, 2026 through June 30, 2027;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, as follows:

SECTION 1. The Amendments to the Intergovernmental Agreements with the Regional Public Transportation Authority relating to transit services (the “Amendments”) are hereby approved in substantially the form and substance attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to cause the execution of the Amendments and to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, this 19th day of May, 2026.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:

Mayor

Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Town Manager

Town Attorney

**EXHIBIT A
TO
RESOLUTION NO. 2026-08**

TRANSIT SERVICES AMENDMENT

BETWEEN

THE TOWN OF FOUNTAIN HILLS

AND

THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

CONTRACT # 124-75-2027-10-00

THIS AMENDMENT dated this 1st day of July 2026, amends the following items of the Transit Services Agreement Contract # 124-75-2026 entered into between the Town of Fountain Hills and the Regional Public Transportation Authority, dated the 1st day of July 2014 as amended July 1, 2015, July 1, 2017, July 1, 2018, July 1, 2019, July 1, 2021, July 1, 2022, July 1, 2023, July 1, 2024, and July 1, 2025.

The following Schedules replace those Schedules of the agreement entered into July 1, 2025.

The attached Schedule A replaces and supersedes Schedule A entered into July 1, 2025.

The attached Schedule B replaces and supersedes Schedule B entered into July 1, 2025.

The attached Schedule D replaces and supersedes Schedule D entered into July 1, 2025.

The attached Schedule E replaces and supersedes Schedule E entered into July 1, 2025.

All other terms of the Parties Transit Services Agreement dated July 1, 2014, remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties have each executed this Agreement as of the date first set forth above.

REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA)

By: _____

Jessica Mefford-Miller, Chief Executive Officer

APPROVED AS TO FORM:

By: _____

Michael Wawro, Chief Legal Officer

TOWN OF FOUNTAIN HILLS

By: _____

Rachael Goodwin, Town Manager

By: _____

Bev Bender, Town Clerk

APPROVED AS TO FORM:

By: _____

Jennifer Wright, Town Attorney

SCHEDULE "A" - REGIONALLY FUNDED FIXED ROUTE BUS SERVICE

Regionally Funded Fixed Route Bus Service **\$0.00** (including express)

The above line represents the value of transit service paid for by RPTA to the benefit of Member. The calculation to derive this figure is daily revenue miles of service x number of service days x cost per revenue mile of service.

**FY27 Fixed Route Bus Estimate
RPTA Operated in the City of Fountain Hills
PTF Funded**

Funding PTF
HASTUS Fountain H

Level	Route	Miles	Gross Cost	Fares	PM	Net Cost
Grand Total		-	\$0	\$0	\$0	\$0

SCHEDULE "B" – MEMBER FUNDED FIXED ROUTE BUS SERVICE

For the period from July 1, 2026 through June 30, 2027, Member will pay RPTA a total of **\$0.00** for the provision of fixed route bus services. This payment will be broken into quarterly installments of **\$0.00**, which shall be due and payable within thirty (30) calendar days of the receipt of an invoice from RPTA. IGA billings will be processed for the full fiscal year based on the above referenced installments. A final invoice will occur once the final recon has been completed after our year end close. This final invoice and payment may be adjusted based on the extent to which the actual cost of service is higher than the budget amount for service.

FY27 Fixed Route Bus Estimate
RPTA Operated in the City of Fountain Hills
Fountain Hills Funded

Funding Fountain H
HASTUS Fountain H

Level	Route	Miles	Gross Cost	Fares	PM	Net Cost
Grand Total		-	\$0	\$0	\$0	\$0

SCHEDULE "D" – RIDE CHOICE

For the period from July 1, 2026 through June 30, 2027, Member will pay RPTA a total of **\$112,313.00** for the provision of ridechoice services. This payment will be broken into quarterly installments of **\$28,078.25**, which shall be due and payable within thirty (30) calendar days of the receipt of an invoice from RPTA. IGA billings will be processed for the full fiscal year based on the above referenced installments. A final invoice will occur once the final recon has been completed after our year end close. This final invoice and payment may be adjusted based on the extent to which the actual cost of service is higher than the budget amount for service.

**FY27 RideChoice Service
Funded by City of Fountain Hills**

	<u>RideChoice</u>
Trips:	
RideChoice ADA Trips	33
RideChoice Non-ADA Trips	2,409
<u>Total Trips</u>	<u>2,442</u>
 Cost:	
Contractor Transportation Cost	\$128,719
RPTA Salaries, Fringes & OHD	\$5,204
<u>Total Gross Program Cost</u>	<u>\$133,923</u>
 Total Fare Revenue	 (\$15,201)
Federal Funding	(\$5,320)
<u>Total Net Program Cost before PTF</u>	<u>\$113,402</u>
 Cost for ADA Service	 \$1,089
Cost for Non-ADA Service	\$112,313
 PTF Applied	 \$1,089
 Member City Contributions:	
Ride Choice Service	\$112,313
<u>Total Member City Contribution</u>	<u>\$112,313</u>

**SCHEDULE “E” – AMERICANS WITH DISABILITIES ACT (ADA) – PUBLIC
TRANSPORTATION FUNDS (PTF) AVAILABILITY**

For the period July 1, 2026 to June 30, 2027 the estimated amount of Public Transportation Funds (“PTF”) available to Member is **\$1,089.00**. This amount is only applicable to ADA. The ADA PTF will pay actual costs for ADA trips for paratransit service made by ADA certified Riders up to the maximum amount. A final reconciliation at fiscal year-end will be performed and adjustments, if necessary, will be made using actual ADA eligible costs.

Any additional ADA certified rider eligible expenses incurred directly by Member and certified by Member’s Chief Financial Officer or designee may be reimbursed by RPTA with ADA PTF. RPTA will reimburse Member within thirty (30) business days based upon availability of funds. Member may request that reimbursements be made electronically. Wire transfers must be pre-arranged through the RPTA Finance Department.

Maximum amount: **\$1,089.00**



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 5/19/2026
Meeting Type: Town Council Regular Meeting
Submitting Department: Administration / Town Clerk
Prepared by:
Staff Contact Information: Phone:
Email:

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Related to any item included in the Arizona Cities and Town's Weekly Legislative Bulletin or relating to any action proposed or pending before the State Legislature.

Staff Summary (background)

Related Ordinance, Policy or Guiding Principle

Risk Analysis

Recommendation(s) by Board(s) or Commission(s)

Staff Recommendation(s)

Suggested Motion

FISCAL IMPACT

Fiscal Impact:

Budget Reference:

Funding Source:

ATTACHMENTS

None