

TOWN OF FOUNTAIN HILLS
MINUTES OF THE REGULAR MEETING
OF THE FOUNTAIN HILLS TOWN COUNCIL
DECEMBER 16, 2025

A Regular Meeting of the Fountain Hills Town Council was convened at 16705 E. Avenue of the Fountains in open and public session at 5:30 p.m.

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

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
December 16, 2025**

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MAYOR FRIEDEL: I'd like to call this meeting to order. If you would please rise, if you choose, for the invocation that will be done by Pastor Keith Pavia from Christ Church in Fountain Hills. I'm sorry. We'll start with the pledge first. I'm sorry.

ALL: (Pledge of Allegiance).

MAYOR FRIEDEL: And now we'll have Pastor Keith. Thank you.

PASTOR PAVIA: Thank you so much. Thank you, Mayor and council, for having me here. I'm honored to be able to deliver the invocation today. Dear God, I come tonight to ask for godly direction and guidance as we discuss things that help in -- are the best interest of this town. Help us to forget our differences and let them work together for the betterment of this town. Keep our focus on integrity and character, not personal preference, and let this meeting go on with no interruptions. In Jesus name we pray, amen. Merry Christmas.

MAYOR FRIEDEL: Town clerk, can I have a roll call, please?

MS. BENDER: Mayor Friedel.

MAYOR FRIEDEL: Present.

MS. BENDER: Vice mayor Skillicorn.

MR. SILLICORN: Present.

MS. BENDER: Councilmember Earle.

MS. EARLE: Present.

MS. BENDER: Councilmember Kalivianakis.

MS. KALIVIANAKIS: Here.

MS. BENDER: Councilmember Watts.

MR. WATTS: Present.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: Here.

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Here.

MS. BENDER: Mayor, you have a quorum.

MAYOR FRIEDEL: Thank you. We'll move on now to town manager.

MS. GOODWIN: Thank you, Mayor. I have a number of updates from things that happened this past weekend and a few updates about what's coming up. So bear with me. All right.

This past Saturday, the community center hosted the season celebration, which was a wonderful evening filled with holiday cheer. The free event brought together more than 900 community members of all ages for a festive celebration. Guests enjoyed live music by the Fountain Hills Saxophone Quartet, 24 beautifully decorated trees, and the halls were decked with handmade quilts and wreaths. Families took photos with Santa, participated in a Santa dance along, enjoyed craft stations and cookie decorating, where more than 32 dozen cookies were decorated. They also visited their hot cocoa bar, sponsored by Calvary Chapel Fountain Hills, where they served more than 600 cups of hot cocoa, so there's no shortage. Yes, the outdoor play zone featured bounce houses, a ride on train, and games capturing the spirit of the season.

On Sunday, the Chabad of Fountain Hills hosted a well-attended menorah lighting ceremony, bringing residents together for an evening of tradition, reflection, and community. The event served as a meaningful opportunity to celebrate the season, share in the symbolism of light, and strengthen the sense of unity that defines our town during the holidays.

Shifting gears a little bit, our public works crews continue our wash maintenance activities with a primary focus on Ashbrook Wash, which is the Town's largest and widest wash, and conveys the greatest volume of water runoff. Progress has been slower than anticipated due to storms, heavy vegetation, and instances of unauthorized dumping. Crews are currently working in the segment between Fountain Hills Boulevard and Bayfield, and we appreciate the community's patience as this important work continues.

We also wanted to remind residents that Thursday, so that's not tomorrow, but this coming Thursday, the day after, is our third Thursday concert series. It continues at Centennial Pavilion from 6 to 7:30. We have a nice little crowd out there. It's a little

chilly, but that's okay. We encourage you to bring blankets, chairs, maybe a snack. This month's performance will feature the Sugar Thieves. So please join us and enjoy an evening of live music on Thursday.

We also kicked off the Light Up the Town program, which is our annual light display. It features 19 homes throughout the community. The program started this week and runs through December 31st, offering a festive, family-friendly way to experience holiday lights and enjoy the season. An interactive map is available through Experience Fountain Hills, so you can pull it up on your phone. It pops into your Google, and you can make your way throughout the Town to visit all of the participating homes. There's also voting for your favorites, so enjoy that throughout the season. I will say it's always a fun thing when you have an evening open with no plans.

Looking ahead into the 2026., this is the -- we wanted to remind everyone that the Mayor State of The Town address will take place at the community center on January 28th. We look forward to sharing highlights of the past year and priorities for the year ahead. The public is invited to join us, and registration is now open through the Town's website. With that Mayor, those are my updates.

MAYOR FRIEDEL: Thank you. And now we'll start with our other agenda items. So we'll start with the Mayor's Veteran of the Month recognition. So this month's veteran is Joe Arpaio, known as America's toughest sheriff. Was born on Flag Day, June 14th, 1932, in Springfield, Massachusetts. Joe worked for his father's grocery store throughout his childhood, and after graduating high school in 1950, Joe volunteered to serve in the US Army when the Korean War began.

Joe was deployed to Nice, France, attached to a medical unit, and in two years he rose to the rank of staff sergeant. After being honorably discharged from the Army in 1953, Joe stayed in the U.S. Army Reserves as a warrant officer for the Criminal Investigation Division and became a police officer in Washington, D.C., and afterwards in Las Vegas, Nevada, at the age of 25.

Joe married his wife, Ava, and was sworn in as a federal agent for the U.S. Bureau of Narcotics, now known as the DEA, in Chicago, Illinois, before being appointed special

agent in charge of covering Turkey and the Middle East. During his 26-year career with the DEA, Joe also served as regional director, covering Mexico, Central and South America. Joe served as the Deputy regional director for the Boston, Massachusetts and Baltimore, Maryland regions, and special agent in charge of the agency's offices in San Antonio, Texas, Washington, D.C., and Phoenix, Arizona.

In 1992, Joe was elected Sheriff of Maricopa County, where he presided over the third-largest sheriff's office in the United States with over 5,000 employees. Joe was elected to serve for 24 years, the longest-serving sheriff in Maricopa County history.

Joe, would you please come up and accept this recognition? Okay. You got a hot mic here.

MR. ARPAIO: You got a cold guy here. You said I have a hot -- What did you say? Hot? He said I have a hot mic. I don't know about that, but anyway, thanks. And I want to congratulate you, actually, for initiating this new program. And I want to thank you and the Council for what they've done on this program. Very, very excited.

I have been a -- I started at ten-years old, but I've been a American Legion for 60 years. And in my career, after the army, became a federal guy and have traveled with many presidents.

I'm not getting into politics, but I do say that because one thing I really was angry at, and every speech I have given, I'm not going to do it here -- around the country, I always said, I don't like the way they treated Vietnam dedicated military fighting for our country. I made that a big mission around this country for years and years and years. That's awful what they did to our military who were only fighting for our country. So I haven't given up on that one. That's been one of my top priorities in my elected function and others.

So I want to thank you. Thank you for coming up with this concept, which I believe is every month.

MAYOR FRIEDEL: Correct.

MR. ARPAIO: So that's a great concept. I don't think anyone -- and I've been around the world. I don't think anybody has come up with a formalized concept like this, for

every month, celebrate our military and pick out a recipient that deserved that honor. So I'm very humble, very humble for being selected by you, the Council, and the committee, and your staff. Never forget the people that work for you. So that's what I have to say. I have my daughter here. I'm not going to plug her business since I like coffee anyway, but she -- where's Sherry at? Where's my daughter? Sherry, come on up for a minute.

Can I have a minute with my daughter?

So I have to apologize to my daughter and my son, Rocco. He can't make it. She's laughing. She didn't really see her father. You remember?

SHERRY: Oh, yeah.

MR. ARPAIO: No, never saw me. I was always out working in the hills of Turkey, everywhere. And my wife, her mother, did a great job raising my kids. And as she's up there now, she will be very proud.

So we never should forget our families, our families, our military families. What they have to put up to, it isn't easy. And she went through this. She turned out okay. That's because she probably never saw me. But she turned out okay, my daughter. And so I leave you with this. Always remember your families, especially the military, law enforcement. Families deserve credit too. So I want to wish you all a happy -- can I say Merry Christmas? Merry Christmas, New year's.

And once again, all of you, thanks for your support. We may have some differences, but I love all you guys. I love Fountain Hills. I think I've been here 38 years. protecting you guys. Anyway, thank you very much.

MAYOR FRIEDEL: And now we'll move on to our Stellar Students recognition. And we're going to have the Councilmembers read those recognitions tonight, starting with the vice mayor and then going down the line. Vice mayor.

MR. SILLICORN: Thank you, Mr. Mayor. Much better. Thank you, Mr. Mayor. So I actually have the privilege and honor of introducing everyone to Misha Manhas (phonetic). Come on up. Come on up, Misha. So the comments she gets from her teachers are "I am delighted to nominate Misha as a Stellar Student of our Little Falcons

Preschool. She is a joy to have in her class, polite, caring, always eager to help both her classmates and teachers. Misha is a wonderful friend to everyone and well-liked by her peers. Her academic growth has been remarkable, and we couldn't be more proud of her progress. She comes to school each day with a happy heart and greets her teachers, "as we can, see here" with a bright smile. Misha is so deserving of this special recognition." Congratulations, Misha.

UNIDENTIFIED SPEAKER: Good evening. I have the honor of recognizing Axel Wilson (phonetic). If you're here, please come on up. Oh, what a cutie.

"Axel is a wonderful nominee for Stellar Student. He brings a great sense of humor and vivid imagination to our classroom each day. Axel is eager to learn how things work and loves sharing his discoveries with his peers. Nothing gets by him. He is incredibly observant and a thoughtful, deep thinker. Watching his growth has been truly exciting. Axel is a loyal friend to all and always brings a positive attitude. Your teacher is so proud of you." She says congratulations.

UNIDENTIFIED SPEAKER: I'll start with Ms. Nora Zanella (phonetic) from the elementary school. Nora, hi.

"Nora is a bright light in our classroom.: And this is from Ms. Val Reichler. "She is always ready" to prepare -- she is always ready "and prepared to learn. She maintains a positive attitude, even when she faces challenges. She is kind to all her friends and maintains positive relationships. She is always willing to lend a helping hand. She always follows the Falcon way and truly is a joy to have in class." So thank you Nora. And next from the elementary school is Royce Montgomery. This is also from -- oh, teacher Holly Delano (phonetic). So Royce, is Royce here? Well, that's okay, I'll read about him anyway.

"Royce is always happy and carries a positive attitude. He follows directions and works hard. He always tries his best and never gives up. He loves music and loves to dance. He keeps us entertained. He is a kind student and a great friend to all of his classmates." Let's hear it for Royce.

UNIDENTIFIED SPEAKER: (Indiscernible) Middle school. I never can get that to work.

"Harlow is not only a high achieving I-21 honors student, she is also a talented artist and a gifted athlete. Harlow is very quiet and focuses her energy on submitting excellent, neat, and well thought out work. Her artwork, handwriting, and notes are always thorough and beautifully designed. She runs on our cross-country teams and competes in races with her family." Harlow I hope you beat the mayor last on the Turkey Trot.

"Harlow is also polite, kind, thoughtful, respectful with classmates and teachers. She's a lovely young lady." Let's hear it for Harlow.

And next up we have Mason Berber-Hibbs (phonetic). Mason is also from Fountain Hills Middle School. "Mason is a quiet, clever, and thoughtful young man who is a scholar and an athlete. He always follows the Falcon way. He is an inquisitive student, creative thinker, and hard worker. He has joined the I-21 program and is excelling. He is friendly with everyone and always respectful and hardworking in class to teachers and peers. Mason is a new member to the FHMS cross-country team and has already shown himself to be competitive and hard working at practice. We are proud of his hard work and delighted he is one of our fabulous Falcons. Thank you Mason."

UNIDENTIFIED SPEAKER: Thank you, Jerry. I'm delighted tonight to introduce to you Liliana Villafane (phonetic), whose teacher, Cassidy Robbins, says, "Earlier this week, I saw an interaction with Liliana and a brand-new student where she made them feel so welcome and gave them a sense of belonging. It showed me that she can be a great leader and showed much compassion for her peers. It can be so challenging coming to a new school, where you feel like you don't know anybody. Thank you Liliana, for being so friendly and warm to your fellow student."

UNIDENTIFIED SPEAKER: And I have the pleasure of introducing to you, Logan, and I think it's Reedy (phonetic). Are you here, Logan? Did I say it right? Oh, great. And your teacher, Patty Schultz, would like me to tell you that "Logan was a member of the swim team this past season. He's encouraging, hardworking, and builds up his teammates. Logan helps when needed and does the right thing. During the swim season, he cares about his school and representing the Falcon way. Way to go, Logan!"

MAYOR FRIEDEL: Now, if you guys want to stand right in front of the Council here, we'll

get a picture of all of us together.

(Group photo taken)

MAYOR FRIEDEL: Thank you to all of our students. Now we'll move on with the Mayor's Business Spotlight. And tonight's business that we're spotlighting is Cheryl's of Fountain Hills. Today, we're recognizing Tom and Cheryl Katz and celebrating an incredible milestone of 27 years in business here in Fountain Hills.

Tom and Cheryl first opened their doors in the Bashas shopping center back in 1998. At that time, Cheryl was designing homes, from floor to ceiling, while working with working for her brother. Over the years, she completed design work for nearly 500 condominium and resort properties across Tucson, Casa Grande, and Fountain Hills, and Scottsdale.

As they approached their first decade in business, Tom and Cheryl began exploring a new direction selling clothing. They started with just a small section of a store, but when the housing crisis hit in 2008, they knew they had to pivot quickly. That decision ultimately led them to the boutique we now know and love today, which is on the Avenue of the Fountains.

In 2016, Cheryl moved from the Bashas Center to their current location on the Avenue of the Fountains. Today, Cheryl's of Fountain Hills is a locally owned boutique known for its curated collection of women's clothing, jewelry, handbags and unique accessories. And I know that firsthand because my wife shops there quite a bit.

Beyond their business success, Tom and Cheryl have been tremendous community partners. Tom serves as an active member of the Avenue Merchants Association, helping to strengthen and support our downtown businesses. And with the ongoing need for additional restrooms in the downtown Fountain Hills area, Tom and Cheryl generously opened their doors to our Farmers Market vendors. A small act that has made a big difference for the farmers market.

Tom and Cheryl, thank you for your service. You provide to our town, for your dedication to our business community, and for being part of the heart of downtown Fountain Hills. We are grateful for your 27 years. Thank you.

(Photo taken)

MR. KATZ: Thank you, Mayor. We have been really fortunate to be in Fountain Hills. We're so lucky to be able to live and work in the Town that we really love 27 years, AND we're going to hope for 27 more. That'll put us, you know -- I think we're just getting started. So anyway, thank you again, everybody. I really appreciate the support that the community has given us to allow us to work and thrive in Fountain Hills.

MAYOR FRIEDEL: Awesome. Thank you.

MS. KATZ: Your wife was in the other day.

MAYOR FRIEDEL: She was. Do you want to tell everybody that?

Thank you guys. And so now we'll move on to a proclamation that I have recognizing our Sister City Relationships and honoring Italian culture. So tonight, the Town of Fountain Hills proudly celebrates the spirit of friendship that enriches our community, our sister cities, Ataco in El Salvador. Dierdorf and Germany, and Zamosc in Poland. Each share with us pieces of their hearts, their heritage, their traditions, and their beautiful languages. These relationships remind us that, even across oceans, people can be united through understanding, respect, and goodwill.

We also honor the Italian community, whose rich culture and language continue to inspire Fountain Hills and deepen our shared sense of cultural pride. These connections are more than symbolic. They help shape who we are as a town. They bring us new perspectives, new friendships, and a deeper appreciation for the world around us. They remind us that our community is stronger, richer, and more vibrant because of the cultures that touch our lives.

On behalf of myself and this Town council, we express our heartfelt gratitude for these international friendships, and for the joy, meaning, and cultural beauty that they bring to Fountain Hills. And these connections are really important. So with that, I know there's people here from Sister Cities, and I think Steve is here from the Italian Club in town. So if you'll both come up, I have these to present to you, and then I'll let you say a couple of words if you'd like.

UNIDENTIFIED SPEAKER: Guten abend, liebe ist und freund und Herr Bürgermeister.

Good evening, friends, Mayor, and council. What an honor it is to be recognized for our efforts here in town. It is such a pleasure to see folks enjoying different countries when they go with us on our trips. And most beneficial is that we are giving students here in Fountain Hills an opportunity to experience a culture outside of their comfort zone. And these kids, when they come back from the trips, they have life-changing experiences. They've been to Ataco, they've been to Zamosc, and they've been to Germany. We just had 12 students come from Zamosc, and we're going to be sending a group in the spring time to Germany. It is a pleasure to see the results of our efforts from these kids. Thank you very much for this honor. And we are celebrating 25 years as our organization in Fountain Hills.

UNIDENTIFIED SPEAKER: Thank you, Mayor. Thank you council. Thank you Christine and everybody else here from Sister Cities. Being Italian, the reason I wore a Santa Clause hat is because Santa Clause is buried in Bari, Italy. So that's, you know -- (Italian). And we have great news. We've been talking with an Italian, possible Sister City in Bassano del Grappa. It's where my parents are from or right around the area, and they want to talk to the mayor, and they want to extend everything. So it's really a great Christmas gift if all goes well. (Italian). Merry Christmas to everybody. Bonne tali. Thank you mayor.

UNIDENTIFIED SPEAKER: I would like to extend Merry Christmas (Polish) to all of you from Zamosc, Poland. Thank you kindly.

UNIDENTIFIED SPEAKER: And real quick, I just want to give greetings from our ambassador, Enrique Melendez, who started Ataco. He couldn't be here tonight.

MAYOR FRIEDEL: Thank you.

Okay. So we'll move on to our -- we don't have any presentations tonight. We'll move on to our consent agenda. If I can get a motion.

UNIDENTIFIED SPEAKER: Motion to approve consent agenda.

UNIDENTIFIED SPEAKER: Second.

MAYOR FRIEDEL: We have a motion and a second town clerk. Can we take a roll call, please?

MS. BENDER: Councilmember Earle.

MS. EARLE: Aye.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: Aye.

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Aye.

MS. BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Aye.

MS. BENDER: Councilmember Watts.

MR. WATTS: Aye.

MS. BENDER: Vice mayor Skillicorn.

MR. SKILLICORN: Yes.

MS. BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

MS. BENDER: Mayor, 7-0.

MAYOR FRIEDEL: Thank you. And we'll move on to our regular agenda. So tonight there is a subcommittee's recommendation for the Town's Community Service Advisory Commission to appoint one youth commissioner to serve a partial term from December 17th, 2025 through June 22nd, 2026. So I, mayor Jerry Friedel, moved to approve Adam Oberg (phonetic) as the Community Services Advisory Youth Commissioner to serve this partial term, and I request a second on that motion.

UNIDENTIFIED SPEAKER: Second.

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

MS. BENDER: Councilmember Earle.

MS. EARLE: Aye.

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Aye.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: Aye.

MS. BENDER: Councilmember Kalivianakis.

KALIVIANAKIS: Aye.

MS. BENDER: Councilmember Watts.

MR. WATTS: Aye.

MS. BENDER: Vice Mayor Skillicorn.

MR. SILLICORN: Yes.

MS. BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

MS. BENDER: Mayor, 7-0.

MAYOR FRIEDEL: Thank you. And we'll move on to item B on the agenda, which is -- I'm opening a public hearing. So this is dealing with the with ordinance related to rezoning the area bounded by La Montana. Rachel Goodwin, Town manager.

MS. GOODWIN: Yes, thank you mayor. The item is going to be presented tonight by Director Wesley. It's the adoption of the Downtown Overlay District. This has been something that we've talked about quite a bit. I believe it also went through our planning and zoning. So John, with that, can you give us an update of where we are?

MR. WESLEY: Yes, Mayor and council, good evening. I'll go through this fairly quickly because we have had several discussions about the ordinance itself. So back September 2nd, the Town council approved a new chapter 217 to the zoning ordinance, which is the Downtown Overlay District. It's been developed and intended to replace two existing overlay districts within the downtown area.

As part of this rezoning process, we follow the same standards and requirements of any other rezoning, with notice being mailed to all property owners, posting the area, publishing in the newspaper. Over the last few weeks, while that's been out, I've received a few phone calls and emails, particularly from people north of Palisades, concerned a little bit about what might happen in the Innovation District, which is the area north of Palisades, up to Saguaro. And then a couple of owners within the area had some questions, but really it's been relatively quiet on that front.

So existing we have C2 zoning mostly in the downtown area with one little spot of three

C3PD, and then the area bounded by the yellow. We have the two existing overlay districts, entertainment and planned shopping plaza overlays. The proposal is again to replace the two existing overlays and extend the overlay area to include the portion north of Palisades with a new downtown overlay.

So your action tonight is whether or not to remove the two overlay districts and apply the new one. It's not really a discussion of the ordinance itself. You've already approved the new ordinance, but for the public who may not be aware of the provisions of that, I've got a few brief slides here that cover the provisions of the ordinance.

So again, the Downtown Overlay District is divided into three sub-areas, the Innovation District north of Palisades, the Business District through the middle, and then the Avenue District along the Avenue and a portion of Verde River.

In the Avenue District, it limits the uses to primarily the active retail, commercial entertainment, restaurant type uses along the Avenue within 50 feet of the street. It continues to permit the outdoor entertainment activities but allows those to be approved by staff and not have to come to the Town council. Allows residential above the ground floor at 35 units per acre, and no residential on the ground floor.

In the Business District, again allows the same uses, but expands it to also include the office uses. So we're looking for more employment type activities as well as the retail in this area. It still allows for the outdoor entertainment, but in a slightly different venue in terms of requirements. Outdoors, but not within the right-of-way necessarily. I see I've got a typo here. Increases residential density 35, not 350. Forget that extra zero in there, per acre by right on upper floors. But on the first floor with an SUP, so 35 not 350.

And the Innovation District north of Palisades again allows the various commercial uses, but it's being expanded to allow some employment uses there that wouldn't be allowed today, to facilitate some of the bioscience and other type uses happening in that area. Planning and zoning commission and staff recommend approval of this rezoning. Any questions that you have of me at this time?

MAYOR FRIEDEL: Councilwoman Earle.

MS. EARLE: Thank you, Mayor. I have a question. I didn't see in the packet that the -- well I saw in the packet one of the goals is for the new town strategy plan is to bring increased residential density. But in the packet it didn't have the 35. So that was going to be my question. But now I see it's 35 units. I would like to -- I could approve this, but I would like that reduced to 16 units if we can do amendment for that.

MR. WESLEY: Mayor, if I may. So the action tonight is whether to rezone or not rezone. You don't have agendized -- it's not on your agenda to actually change anything within the chapter 27 zoning ordinance. To do that, we'd would have to go back through P and Z for any of those types of changes.

MS. EARLE: Okay. Well then I'll be a no tonight. Thank you.

MR. WATTS: So John, was it unanimous from planning and zoning that to go to the 35 units? Was there any discussion?

MR. WESLEY: Mayor, Councilmember Watts, no, it was not. It was unanimous for it to go to 50 breaker. Council reduced it from 50 to 35.

MR. WATTS: Thank you.

MR. WESLEY: Excuse me. I'm sorry. It was not unanimous. It was six to one. But the issue there wasn't the 50 units per acre for the one that didn't vote for it. Okay.

UNIDENTIFIED SPEAKER: Thank you. John, please clarify. What we're looking at tonight is to determine whether or not to remove existing overlays and replace them. That's all we're really looking at. We're not looking at the units or anything else, correct?

MR. WESLEY: Mayor and councilmember, that is correct.

UNIDENTIFIED SPEAKER: So that's all we're voting on. We're not changing the ordinance or anything else that has to do with the specifics of what can be built downtown or otherwise, right?

MR. WESLEY: That is correct. That would take a separate action.

UNIDENTIFIED SPEAKER: Okay. I just need a clarification on it. Thank you.

MAYOR FRIEDEL: Do we have any comment cards?

MS. BENDER: Mayor, we have three cards. First speaker is Larry Myers (phonetic), followed by Crystal Cavanaugh and then Shelby Blecher.

MR. MYERS: Larry Myers, resident 44 years. So my 74- year-old brain didn't remember that the planning and zoning wanted 50, or I would have jumped up and strangled some of them. And then I also didn't remember that you guys lowered the 50 to 35, so I would have probably been pretty pissed off about that too. John's original recommendation was 15.

And the reason I like all of this and I support it. It's Amanda's -- She's got to have it in order to have some economic development. But I think zoning in this high density of residential will actually zone out Amanda's ability to bring in economic development, because apartments are the biggest money maker for a builder. So if I'm a developer, I come in, I offer a lot of high dollars to all those parcel owners in that one area. I consolidate those parcels, and we have nothing more than a bunch of park places, which we have a problem with now anyway, and we've zoned out any potential extra land that maybe Amanda brings in a company and they say, well, I'd like to have across Palisades too.

So I'm trying to save the land for business, not houses, apartments. and 50 is really obtuse. 35 is almost Park Place, and right now by right it's 8. And everybody loves the place next to the Thai restaurant and thinks it fits in. So I would hope you guys would approve the overlay district but reduce the residential density to somewhere back towards the eight. That would keep the character of the Town.

We have the one side of the Avenue. Hopefully Park Place finishes out some time in my lifetime. And then the rest of the downtown would be more like the character of the other side of the Avenue and keep the landowners from consolidating into giant parcels where we could put things more, things like Park Place, and less things like Amanda's scientific and technology quest. So thanks for the time. Appreciate it. And thank you.

MS. CAVANAUGH: Crystal Cavanaugh, resident of Fountain Hills. Hopefully I'm on the target on what's being addressed, but I'm going to tell you my points anyway right now, because it will probably work into it somehow. Because rezoning that area north of Palisades and along Saguaro could make sense. You know, if it allows the Town to seek out a corporate entity that can then bring well-paying jobs.

That being said, I didn't really understand how this was all in one bucket, but I was looking at could the parcels be looked at with more specificity, while keeping in mind what would be suitable in Fountain Hills? And the parcels have different owners, so if it was all rezoned at once, the most likely scenario is the one that was just talked about, with an apartment developer swooping in to buy them all. And instead of our usual 8 units per acre, to talk, about 35 units per acre seems ridiculous.

There are already over 300 apartments approved in the target lot, which was 100 units beyond what our zoning had called for. There's still over 250 Park Place apartments approved to be built. There are apartments at the corner of Shea and Saguaro being built now. 50 to 70 mountainside apartments can be built, plus others in the north end of town.

So changing the remainder of the Plat 208 to bring in high-density apartments doesn't seem to fit the vision for me. And let's take Parkview, for example. Think about a nice rooftop restaurant and bar at the corner with a view of the fountain, especially if it had a unique draw like a Buffalo Bills up in Show Low with its western theme. A nice steakhouse with craft cocktails and a rooftop would be a nice addition. Cave Creek has unique businesses that draw tourists and locals alike. We have a Dark Sky Discovery Center coming and that will bring more visitors here. Could we not seek out a business that complements that, maybe even with telescopes on a rooftop? Be creative to create Fountain Hills as a destination stop.

More apartments are the easy way out. And that's what makes me nervous about this. And it brings in part-time people who have less investments with us. And I don't even know who thought jumping from 8 units per acre up to 35 sounded like a good idea, but allowing limited builds similar to the one just recently approved could work out, but certainly not on all the remaining parcels.

So maybe Parkview is the real entertainment district with some imagination. On-street parking is available on both sides. Forget narrowing that street. If people need to park further away, maybe an entrepreneur will start a new business shuttling people in a six-person golf cart. I'm requesting that you take your time on this one and really look at

the end goals for what best suits Fountain Hills downtown. Shea is very busy. Make selections and decisions to divert some of that to Fountain Hills with a solid business overlay for economic development. Thanks.

MR. BLECHER: Good evening, Mayor and Town council. Shelby Blecher, resident of Fountain Hills. As you know, I came from Los Angeles, which is a town which is very dense and continues to become even more dense. Growing up there, there was always a community plan that was looked at, and it was always revised for more density and revised for more density and revised for more density. You can't move around the Melrose and Fairfax area anymore. It takes a half an hour to go two blocks, so be careful what you ask for here.

I understand this is like an up-and-down vote. You're either going to approve the overlay and allow 35 units per acre or you're not. I say 35 units per acre is way too many. It's just going down the road that other towns are going to, where you're going to choke yourselves to death, and no one's going to be happy, and no one's going to benefit from it. We're going to lose our small town feel, and it's not going to feel any more like a Hallmark town. It's going to feel more and more like downtown Phoenix. Please, just please vote no on this. Thank you.

MAYOR FRIEDEL: Vice mayor

MR. STILLICORN: Thank you, Mr. Mayor. And I just want to ask you a question. Are you going to close the hearing before accepting a motion, or you're just looking for comments right now, or what's the plan there?

MAYOR FRIEDEL: Typically I close the hearing and then we ask for a motion.

MR. STILLICORN: Okay. And I'd just like to make a comment. So I am concerned about the density. And it is interesting hearing some comments from the public, especially about Los Angeles. and a little story. Give me a little bit of leeway. It's not long ago I was camping in Big Bear, and I was hiking on the southwest side of the mountain, and I could look down and see Los Angeles. Yet you couldn't see Los Angeles because it was covered in smog.

And I had a thought that 60 years ago, 50 years ago, had the leadership in Los Angeles

envisioned what was going to happen, and had appropriate zoning and appropriate density, Los Angeles wouldn't be like that. It would be a great place to live. But you wouldn't have the pollution. You wouldn't have the traffic. You wouldn't have the crime. You wouldn't have the homelessness, if you just had the appropriate density. And that leads us to where we are here. We are at the perfect town in Arizona. Why would we want to screw it up? So that's all.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: John, just so I'm clear, being an up-and-down vote, we could, if the vote failed, bring this back. Or does it have to go to planning and zoning if the recommendation is for something like 16 units per acre as a density in lieu of 35?

MR. WESLEY: So Mayor, Councilmember Watts, you have a couple of different choices this evening. One would be to continue on with the up-or-down vote on applying the zoning. If you vote tonight to not apply it, it's still chapter 27 of the zoning ordinance. So at some point in the future, you could bring it back, and the existing ordinances would just stay in place until we're ready to bring it back.

You could continue it this evening and not take action tonight with some direction to staff to go back to P and Z, to consider amendments to chapter 27 and work those through and then come back and pick this up. Either way, it's probably the same whether you vote it down or continued it. If you want to make changes, though, to chapter 27 to change that density, it is a separate action that would need to go back to P and Z first before coming to you.

MR. WATTS: But even if it went back to P and Z, we would have the last say as far as the density. If we came back with 35, then we would have the ability to say, amend it to 16.

MR. WESLEY: Correct, whatever.

MR. WATTS: Correct?

MR. WESLEY: Yes.

MR. WATTS: Okay. Then, Mayor, once you close --

MAYOR FRIEDEL: Councilwoman.

MS. MCMAHON: Thank you very much. Sorry to belabor the point, but this is for the

Overlay District. If we want to go back and look at the density at 50 per acre, 35, that's a whole different discussion and agenda item.

MAYOR FRIEDEL: Correct.

MS. MCMAHON: So even if this is passed, we still have the opportunity to go back and look at density issues and revisit that separately.

MR. WESLEY: Mayor, Councilmember, that's correct. That is another option. You could go ahead and approve it, and we could still amend the Overlay District and bring that overlay back and it would apply, whatever you amend it to.

MS. MCMAHON: Okay. Thank you very much. And I'm going to --

MR. WATTS: I got one more comment.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: I think my concern with voting it is that if we vote to approve it, then we -- even though we can come back and review it and change the density at some point in the future, we leave that window of opportunity open for people, developers, whomever to swoop in and buy up that area under its current zoning, at which time it would be grandfathered in. So I would like to close that window before we allow that to occur. That's my concern.

MAYOR FRIEDEL: Brenda.

MS. KALIVIANAKIS: Thank you, Mr. Mayor. I think Peggy's points are really well-taken. I think we might be mixing apples and oranges here tonight as to what we're trying to accomplish. I think the density thing is a whole different deal. You know, this this has gone to planning and zoning. They approved 50. It came back to this council at 35. It's had citizen participation plans. It's had a whole history of exposure to the public. And we're here tonight. It seems like a pretty perfunctory vote just to vote on a simple change to the overlay district, which is recommended by our Amanda, our development coordinator.

And so I'm going to be for this. If these issues and density -- there's something the Council wants to bring up at a future date, they can do that. But voting against this is not going to do what they're trying to accomplish.

MAYOR FRIEDEL: Okay. Any other discussion? I'm going to close the public hearing.
Councilman Skillicorn, vice mayor.

MR. STILLICORN: I'd like to make a motion to continue this until after the retreat.

MR. WATTS: Second.

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

MS. BENDER: Councilmember Watts.

MR. WATTS: Aye.

MS. BENDER: Councilmember Kalivianakis.

MS. KALIVIANAKIS: Nay.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: Aye.

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Nay.

MS. BENDER: Councilmember Earle.

MS. EARLE: Aye.

MS. BENDER: Vice Mayor Skillicorn.

MR. STILLICORN: Yes.

MS. BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

MS. BENDER: Mayor, 5-2.

MAYOR FRIEDEL: Thank you.

And our next item C is another public hearing. So I'm going to open the public hearing.
Town manager Rachel.

MS. GOODWIN: All right. Our next public hearing, John, I think you're up again. This one is related to an SUP for a property on Saguaro Boulevard. Specifically reducing the number of required parking spaces. John, I'll let you take it from there.

MR. WESLEY: Thank you. Mayor, Council. We're dealing with the southwest corner of Palisades and Saguaro. The building there it's in the current downtown shopping plaza

overlay. There's a lot of over 10,800 square feet. Lots of this size, by ordinance, are required to provide all their own parking. However, they can apply for a special use permit to allow up to a 50 percent reduction, given the large parking field adjacent to it with part of the plateau 8.

So the property owner has requested a special use permit to remove up to nine parking spaces along the south side of the building. It's currently a three-tenant building. 41 parking spaces are required for this building, and there are 41 parking spaces available. It has two existing drive-up windows, one on the east side and one on the west side. The desire is to remove the parking space along the south side of the building to facilitate reuse of the drive up window along the east side of the building and have a longer drive-up lane to provide access to the order board and then to the window as shown in this particular illustration.

If we consider an SUP, there are certain considerations that the ordinance says need to be reviewed, and one is would approval be detrimental to the public health, safety, peace, or general comfort of the neighborhood? So again, there are 41 spaces required and 41 provided. The existing uses today aren't really utilizing all those parking spaces. When you go by there, you rarely see all the spaces full. The Dairy Queen project, which is the one proposing to go in, projects a need for 16 parking spaces so that removing 9 at this point does not seem to be particularly detrimental to the area.

Also, looking further around the area, when we look at the eastern portion of the plateau 8 parking lot, and you can see the number of spaces that are currently open there. When we look at all the land available, and if those were each built out to a typical size, there would be a need for 142 parking spaces. And we count 216 currently. So the area does appear to be over-parked for a full build out condition.

The next consideration, would the approval be detrimental to existing commercial improvements within the area? So the development is showing seven vehicles being parked up for the drive-up window without blocking any of the drive aisles. If you get beyond that, it could start to impact the drive-thru lanes, the interior circulation there. The applicant has agreed to monitor the situation and put out cones, as may be

necessary, if there gets to be a significant traffic flow.

And there's also some concern with the loss of parking spaces. Employees of the center may decide to park in the most convenient spaces, which would be the ones immediately south of that drive aisle. There's a business looking at using that building, and expanding, and had some concern that if employees are parking there, then her customers wouldn't be able to park. And so we looked at that consideration.

And so this illustrates that condition, if you have the two drive lanes in and out, if you get another car stacked behind the drive-up lane, it would start to interfere with incoming traffic. And these are the parking spaces that there was some concern of employees from this building parking in that location.

I did make one a note as we reviewed this. The illustration is off a little bit. This is showing a 22- foot-wide drive aisle. But when we measured it, it's actually wider than that. It's actually 30 feet. So there's more room in there for that circulation than what it appears in the illustrations that were provided.

And then just overall in the area, there's access off of Palisades Boulevard. There's one off the screen here that would come in off of Parkview that provide multiple routes for vehicles to get into and queue into that drive-up lane just besides just the one off of Saguaro. So we feel that with those, those will mitigate any of the challenges there. And then finally, would approval be detrimental, injurious to the general welfare of the Town? And the staff did not identify any general issues.

There was one site planning issue that has been addressed, but go ahead and bring it up, in case you've heard about this or the concern. That is, there is an existing grease interceptor located in a traffic island that's now going to become part of the drive-thru lane. And the sanitary district requested it be moved, and the applicant has agreed to move it to a location to the east that was acceptable to the sanitary district.

So with that, the Planning and Zoning Commission has recommended approval of elimination of the nine spaces with two conditions. One is requiring that employees of the businesses on this property be required to park in the parking lot to the southwest and not immediately to the south, and again that they move forward with the grease

interceptor being moved as shown in the site plan. With that, are there any questions for me?

MAYOR FRIEDEL: Councilman Watts?

MR. WATTS: John, the parking spaces that are on the south side of the aisle, I'll call it Dairy Queen. I'm glad to see, number one, that it's not a dual lane. I think originally it was proposed as a dual lane for drive-thru, but those parking spaces, it looks like there's three cars. How are they going? How is the owner/developer going to block off or protect those four spaces from being utilized?

MR. WESLEY: Councilmember are you talking about these spaces immediately to the west?

MR. WATTS: No, I'm talking about the ones to the right where those three cars are. Because if you look at the other drawing with the parking spaces, are those parking spaces included as well, or are they blocked off? And I know I'm pointing to the screen. You can't see it, but it's those first three before the turn lane.

MR. WESLEY: So Mayor and Councilmember, here's the existing condition. And these parking spaces will be removed and become the drive-thru lane and these remain. And there's that curb that will be put in for the transition.

MR. WATTS: How are you protecting those spaces? Are they just not going to be marked as parking spaces or?

MR. WESLEY: To these three immediately to the west?

MR. WATTS: No. Back to where now the drive-thru is.

MR. WESLEY: So yes, there just won't be spaces anymore.

MR. WATTS: You're just going to take the markings away. And so there's no indication?.

MR. WESLEY: Yeah, they'll be repaving that, putting in the curb and assign it as the drive-thru lane.

MR. WATTS: Okay. So the only problem then is if we had 12 cars in the drive-thru lane, you could have blockage to the other spaces further to the west.

MR. WESLEY: Right.

MR. WATTS: Should be a warning sign to people not to park there.

MR. WESLEY: Park at your own risk.

MR. WATTS: Thank you.

MAYOR FRIEDEL: Vice Mayor.

MR. STILLICORN: Thank you, Mr. Mayor and Director Wesley, as an interesting point. And hopefully this is successful, and they'll need more than seven cars in that lane on occasion. And I don't know if there's flexibility to actually eliminate those extra three. But that's not in front of us tonight. But if we're talking about a successful redeveloping of this building, I think we might be open to something like that. At least I am.

MAYOR FRIEDEL: Councilwoman McMahon.

MS. MCMAHON: Didn't this building used to be a dairy Queen? So it's been there before, correct? It functioned fine, the whole nine yards.

MR. WESLEY: Yes, Mayor and Councilmember, I believe that's correct. It's before my time. I haven't seen it. They may have had a more limited line of products that were selling at that time, but yes, it has been a Dairy Queen in the past.

MS. MCMAHON: Okay. Thank you very much.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: Just as a side note, they've got great chili dogs, and I never had problem getting through the drive thru.

MS. MCMAHON: Want to make a motion?

MAYOR FRIEDEL: Let me let me ask if -- are there any other comment cards, Town Clerk?

MS. BENDER: No, Mayor.

MAYOR FRIEDEL: No. Okay. Thank you. Then I'm going to close the public hearing, and then I'll look for a motion.

UNIDENTIFIED SPEAKER: I move to approve.

MR. WATTS: Second.

UNIDENTIFIED SPEAKER: It works, it works.

MAYOR FRIEDEL: So we have a motion and a second. Can we get a roll call vote, please?

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Aye.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: AYE.

MS. BENDER: Councilmember Earle.

MS. EARLE: Aye.

MS. BENDER: Councilmember Kavilianakis.

MS. KAVILIANAKIS: Aye.

MS. BENDER: Councilmember Watts.

MR. WATTS: Aye.

MS. BENDER: Vice Mayor Skillicorn.

MR. SILLICORN: Yes.

MS. BENDER: And mayor Friedle.

MAYOR FRIEDEL: Aye.

MS. BENDER: Mayor, 7-0.

MAYOR FRIEDEL: Thank you. Next up we have discussion and possible direction relating to creating a Placemaking Strategy for murals on exterior walls. Town Manager Rachel.

MS. GOODWIN: Yes, that's correct. So just as a note, it is a discussion item. I believe Amanda is going to walk through the internal conversations we've been having and some of the external requests that we've had about murals within our business area. So Amanda, would you take it from there?

MS. JACOBS: All right, Thank you, Manager Goodwin, Mayor, Council. So yes, again tonight is to talk about a Placemaking Strategy on the exterior buildings of private businesses. I am going to be going through lots of pretty folders and then just really seeking a consensus to move forward to bring this back.

So our elected officials, who are very analytical and like data, we're not at that point yet. We're wanting to see if Council even supports the idea before we spend a lot of time. But just as a reminder, in '23 the Council unanimously approved a three-year community economic development strategy, which calls for a Placemaking Speaking

strategy. And then in 2024, you also unanimously approved our downtown strategy. And so here are a couple of murals. So specifically these are on utility boxes within the downtown. In 2023, the Council also approved and authorized as an ongoing expense, \$25,000 to execute these murals. So again, these are just throughout downtown. We just installed nine more.

And some of you I know, Councilmember Kalivianakis shared and forwarded some residents who are like, how can I get my boxes painted? What about the ones you know across from La Montana? So as we start to do this, the phone starts to ring in. So the last couple of weeks we've been inundated.

We'll see there's murals inside. This is Mindful Barbell. This is Snowbird Ice Cream. So we've created a problem. But I think it's a good problem is there's other folks that are wanting to do this. So they're inspired, so we can do stuff and then inspire somebody. I love that.

So what we've received is requests from businesses to either donate their wall, which is a blank space, completely white building, for the Town to install a mural. It's also been how about we split the cost of doing that? We'll give you the wall. We'll also split the cost to implement.

And then over the last past year and the last couple of months, we've had six to seven businesses do a mix of this, but several wanting to rock and roll right now to actually install murals, which would be completely funded by the property owner or the business. So hence that's the problem is we're getting these requests, but we don't quite have a policy or program.

And so what staff is requesting is your support to move forward, to come back in about three to four months. That is showing said policy. So creating some guidelines that could come through Town staff for review and approval, and to also consider a formal annual call-to-artist process.

So I'm going to briefly kind of describe what we do with the utility boxes. So we partner with a third-party which used to be called the Southern Arizona Arts and Culture Alliance, which is now called Art State Arizona. And so they work with lots of

municipalities. They, on our behalf, do a national call-to-artist. So the current one we just completed, we had over 18 artists submit. There is then a committee that reviews it. And there's a criteria. And so, for instance, again with these boxes we say what is appropriate is our fountain, tapping into the dark skies, nature, trees. So we're then reviewing to see has somebody actually followed the rules. Or have they gone out of scope and are going to do something inappropriate? So there's then the ranking.

So we would propose something like that where, again, there's some control to ensure there's nothing political in nature, there's no advertising of a business.

So for instance, there's one business that's a tenant. We wouldn't want them on their exterior -- they don't own the property, to put a mural that's actually advertising their business because if, for some reason they go under, which we hope does not happen with our business-retention program, that we're not stuck looking at, oh, well, that business failed.

So again, looking to do that. As we go through this, we would also want to make sure that we are not having any negative impacts to our Town code, which also within the code includes our zoning code. So with that I will open it up to Council. Again, I know there's not lots of detail. We're just seeking. Would you like us to spend time on this? So we're not telling councilmembers we don't have a process or telling them no, or we'll get back to you, we've been waiting to get to council. So with that, Mr. Mayor, happy to hear some feedback.

MAYOR FRIEDEL: Councilmember Kaliviankis.

MS. KALIVIANAKIS: .Thank you, Mr. Mayor. Yeah, man, I can't thank you enough to bring this up tonight as a placeholder for future discussion. As you know, I've been approached by a number of businesses and residential, and it's hard to tell them we don't really have a policy on that. Let me see what I can do for you.

And so this is, I think, an example of government being nimble. It's responding to a plan that was done by the manager and a few departments. People love the murals and the electrical. And so it's kind of catching on. But it's so good for a public policy standpoint to have people -- had codified, you know, this is what you can do. This is what you can't

do. You can't promote your own business. You can do something to beautify the City. No politics, just the rules of the road.

And so you know, I'm really -- I'm strongly for this. It's something that a lot of people even want in their own neighborhoods. And I do think they would be willing to pay for them. You know, we've got the artists, we've got the talent, and the people want to see their neighborhoods beautified. And so I just want to say thanks for bringing this up. Definite big, big fan.

MS. JACOBS: Thank you.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: Yeah. Amanda, Thanks. I'm a fan. There's a lot of fun to walk around and take pictures of -- and macros and you know, of landscape and that kind of stuff. So it's pretty neat. I am interested in what the guidelines will look like. So if you're asked tonight is it to say I'm going to come back with the guidelines, things like the NPO has a comment that says desert muted colors, for instance. So we don't have glaring high gloss. We've got something that blends in with the desert. And possibly a consideration is other utilities. You know, if we can get involved with somebody like Cox Cable and we can do that, fire hydrants, I mean, those can be very, very creative. So other things. And so I'm a supporter. Thank you.

MS. JACOBS: Thank you. And then, Mr. Mayor, if I could just. Councilmember Watts brings up a very good point in some of the inquiries I'm getting from businesses. And our residents are looking at other boxes, is telling them it's just SRP right now. So sometimes when you see, oh, there's all these murals and then there's an empty -- so thank you for bringing that up, Councilmember Watts.

MAYOR FRIEDEL: Councilwoman.

MS. MCMAHON: Thank you. Thank you for bringing this forward. I have concerns about it, though. You're asking about exterior buildings and adding more murals, et cetera. I have a concern that there might be over-proliferation of this because, right now, looking at the SRP utility boxes, they're very unique, and they're very well accepted, and I wouldn't want that to get diluted in a lot of ways.

But also I'm just concerned about, you know, what are the guidelines going to be, you know, is it censorship? What if somebody wants to put something up and then we, you know, deem it political or something? Is that an infringement on the right for freedom of expression? I mean, I think that this is probably going to detail right now, but it's just those are things that I thought about.

And then I think that the Town, if they want to put a policy like this forward, I think that you're going to need some serious consideration about a few things, you know, like that in the artistic world. And again, I am concerned that, given the density of our downtown and other areas in town that, you know, are you going to cap it at a certain number? I mean, there are so many questions that I have about this, but so I am anxious to see what that policy might be. I think that it's going to -- might be a little bit difficult to draft, but then we'll see. Thank you.

MAYOR FRIEDEL: I'm 110 percent behind it. Bring us back some guidelines. I think that's what you're looking is for some direction. I think you've got a lot of people that are interested in this. So bring us back some guidelines, and let's move with it.

MS. JACOBS: Mayor, do we have anyone else? So again, I've heard from Brenda, Rick and you as a yes. And just looking for --

MAYOR FRIEDEL: Councilwoman Larabee is next up.

MS. JACOBS: Thank you.

MS. LARRABEE: Sure. I'm also a yes, As far as bringing it back. I will actually somewhat echo what my fellow councilmember mentioned. I do want to be looking at these rules and understanding that, one, I think you brought up a very good point of I don't necessarily want to water down the existing art that we have by going overboard on the other end. So that's going to be where my mindset is when we do rediscuss this. But for the record, I am for it. I think, in general, when we don't have a policy on something that there is public interest, let's get a policy down.

MAYOR FRIEDEL: Councilwoman Earle.

MS. EARLE: I'm in support of the policy as well. And I just want to make sure that comes back to us to review. Great. Thanks.

MAYOR FRIEDEL: I think you have your direction.

MS. JACOBS: Yep. And I just received a thumbs up. And then to just again reassure, whenever we bring back a draft code, guidelines, or policy, it goes through the Town attorney's office first before we daylight it in public and you see. So I appreciate the concerns from Councilmember McMahon and Larrabee. We'll bring those back.

MAYOR FRIEDEL: Thank you. And item E is consideration possible action authorizing the budget transfer from the general fund contingency to the Downtown strategy Fund. Rachel.

MS. GOODWIN: Director Jacobs, don't go anywhere. You're up again. This is --

MS. JACOBS: You're stuck with me.

MS. GOODWIN: Yes, this is a unique one. And if I recall, Councilmember Larrabee was excited about this when it was first sort of introduced as America's 250th birthday. You probably started to see it advertised in a lot of different places. I see it in so many unusual places. I'm always pleasantly surprised when I see it somewhere unexpected. But in preparation, the Town is getting ready to engage in the same type of honor to sort of partner with the rest of the nation as we celebrate this. And in order to do so, we've been doing some internal discussions about what that looks like, how we can do that, how we can make this a community wide within the next calendar year, 2026. So with that Director Jacobs is going to give you some details and talk about next steps. Okay.

MS. JACOBS: Thank you, manager Goodwin. She stole a little bit of my thunder, but that's okay. That's okay because I have to talk budget and numbers, which is sometimes a little boring. So yes, next year we want to celebrate America's turning 250.

The unfortunate is it's not currently in the budget. And so that is why we're coming before this mayor and council to request \$100,000. But bear with me to the public and to our elected body.

So for this current fiscal year, we are looking to take money from our general fund contingency, which is over \$1 million, to transfer 15,000 to the Downtown Fund, which also has a healthy balance of almost 700,000. But again, for you, our elected body and

for the public here and viewing at home, you only gave myself the authority, our CFO and the Town manager within the Downtown Strategy Fund to spend about \$130- or \$60,000. So I can't go. I don't have the authority, or manager, or CFO. This body does -- has the authority to tell us we can transfer in, so we can tap into that downtown fund that again has close to \$700,000.

So \$15,000 for that is to take down the current banners along the Avenue and then to celebrate America 250 and have those up for approximately six months. The remaining of that 60,000 of that we're requesting for this fiscal year would then go towards the general fund, specifically our Community Services Department, recreation, to get t-shirts that we can start pre-selling in honor of 4th of July America 250, have our branding, a logo of America 250 and also purchase other promotional material that we can distribute throughout the year at our event. So again, from January to July.

And then we're also looking at -- we don't know all the details yet, but we would love to have a family movie night with the 1776 theme. And we're looking at some of our parks. So again, to just bring the family, just honor the traditions being America, you know, being American, being proud. Have a picnic, all the things.

So now the remaining 40,000 we're asking you for fiscal year '27. I even had to get past the CFO. So because in a couple of months, we will be before you at a council retreat. So the reason why we're asking for that now is we can't wait for you guys to hopefully approve our final budget for fiscal year '27 in June. And then we try to pull off a national promoter, band, and some of these other things.

And specifically that 40,000 is we're trying to get a national band or singer. We need to start procuring some of that now, getting contracts in place. And so we can't do that if we don't know we're authorized or have the funding to do that.

So what would then happen is the accounting and behind the scenes, our CFO and finance team will just carry that over to fiscal year '27. Hopefully I didn't botch that up. Hopefully I didn't confuse you. So again, we're looking for that budget transfer and authority to celebrate America 250. Mr. Mayor and Council.

MAYOR FRIEDEL: Vice mayor.

MR. STILLICORN: Thank you, Mr. Mayor. This sounds very exciting. Sounds very patriotic. And what's also really neat is that we're ahead of the game here. I foresee this being a great opportunity for tourism. I see this as a great opportunity for us to market our town. So I'm very excited about this. I'm going to make a motion to approve this as drafted.

MS. EARLE: I'll second. But I also want to say stuff.

MAYOR FRIEDEL: Councilwoman Earle.

MS. EARLE: Maybe I didn't hear you say it. Is the national band for the 4th of July,?

MS. JACOBS: Correct, sorry. No, I didn't.

MS. EARLE: Thank you.

MS. JACOBS: You're welcome. Yes. You're welcome.

MS. EARLE: Got it. Okay.

MAYOR FRIEDEL: Brenda.

MS. KALIVIANAKIS: Thank you, Mr. Mayor. Yeah, I'm fully supporting this, and I'm going to go right from supporting it into the weeds, which is you mentioned the banners, taking them down, replacing the banners. If there's one complaint I've heard from many residents of our town is those banners are too small. You can't read them. Would there be any chance that we can use this opportunity? We take the banners down and maybe get larger banners and bigger poles, something that would be more appropriate because there's so little right now that it's just, you know, enjoy Fountain Hills in Fountain Hills, but you really can't see them. They're not very visible.

So I'm just taking this -- that's why I said it's in the weeds, because I'm for this and I'm not going to kill it if you say no. But I think this would be a great opportunity to throw a little bit of money in better banners, which we could use in the future to celebrate high school students, veterans, or any other thing like in a six-month rotating basis but have them just more visible and something that would be more impactful for tourists and people that drove through the Town.

MS. JACOBS: Mr. Mayor, Councilmember Kalivianakis, what I would say is hold that thought and maybe bring that forth during the February council retreat, because it's

going to delay the process. So again, I would need to get with the facilities department. What's the impact of, of poles like, how quickly could we do this? We could delay it. By you guys saying yes, now, we're hoping in the next couple of weeks to go to print and put these bad boys up in in January. This could delay it by a couple of months. So I appreciate where you're going and kind of going in the weeds but maybe bring that up for the February council retreat to think about it for consideration for fiscal year '27.

MS. KALIVIANAKIS: Fair enough. Thank you.

MS. JACOBS: You're welcome.

MAYOR FRIEDEL: Councilwoman Larrabee.

MS. LARRABEE: Just for the record, I would agree on that. I'm certainly not opposed to discussing larger banners, but I want the money that we're approving for the 250th to go to the 250th. And really, all I wanted to say was I knew this idea would be in good hands with Amanda

I'm just so excited to see this. So thank you so much. I think that Fountain Hills is leading the charge in a lot of ways on celebrating the 250th anniversary of our country. And I'm really excited and really proud to see this unfolding. So thank you for you and everything that you and your team are doing.

MS. JACOBS: Thank you. And Mr. Mayor, councilmember Larrabee, I do you want to give a huge shout out to our recreation team that is part of this, as well as our public information officer. So we've been meeting for several months, and then of course, our manager of like, yes, like we need to get this done and her helping with the creativity. But I'm like, I'm the one that has to ask for the money. We need to stay at 100,000. So there's been excitement. So thank you.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: Yeah, I'm definitely a supporter of the celebration and the thought behind it. Although I do think it's important that we're not providing the community with swag bags and free t-shirts, and there is some recouping of some of these costs as we go forward. I'd also ask to give you my proxy next time I go to the bank to get a loan, so you can sell them on me too. Thank you.

MS. JACOBS: So again, Mr. Mayor, Councilmember Watts again brings up a good point. So with the T-shirts, we do plan on selling them. So we will be recouping. And then, as always, as we kind of get through this program, we will report back of did we use the full 100,000. Of course you're going to see things. But we can also report back on the T-shirt sales.

MAYOR FRIEDEL: I'll make a final comment. I think it's fantastic. And we really need to have a big celebration for the 250th, so I'm 100 percent behind this. So did we get a motion yet on this? No.

UNIDENTIFIED SPEAKER: Oh you did.

UNIDENTIFIED SPEAKER: Yeah, we had Allen and then I seconded it.

MAYOR FRIEDEL: Oh, we have a motion and a second. Can we please take a roll call?

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Aye.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: Aye.

MS. BENDER: Councilmember Earle.

MS. EARLE: Aye.

MS. BENDER: Councilmember Kalivianakis.

MS. KALIVIANAKIS: Aye..

MS. BENDER: Councilmember Watts.

MR. WATTS: Aye.

MS. BENDER: Vice mayor Skillicorn.

MR. SKILLICORN: Yes.

MS. BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

MS. BENDER: Mayor. 7-0.

MAYOR FRIEDEL: Thank you.

MS. JACOBS: We appreciate your support.

MAYOR FRIEDEL: Okay. Moving on to item F regarding proceeding with pavement

management options for Richwood Avenue and approving necessary budget transfers.
Rachel.

MS. GOODWIN: Correct. Thank you, Mayor. We have Jeff Pierce, our street superintendent, returning again. He's going to be talking about the request. There was a recent request about Richwood. When we did the initial street presentation, there was some concerns and questions about potentially doing additional streets if the money was available. So this was one suggested option. Mr. Pierce is going to walk through that, but we're certainly open to other discussions and ideas. So with that.

MR. PIERCE: Thank you very much, Mayor, Vice Mayor, Council. I stand here before you tonight in regards to direction to staff to find an alternative payment method for Richwood Avenue. It's located in the north part of town, which falls between Golden Eagle Boulevard and Boulder Drive. It's approximately 4100-feet long, almost 4200-feet long.

During this time, staff has met with multiple vendors for onsite field evaluations discussing multiple treatments. During that time, our own chip seal and cape seal projects came up that the Town conducted a few years ago and were discussed. You may be familiar with El Lago Boulevard between Palisades and Fountain Hills Boulevard and also Chama. Both of those received these products, and so far are doing very well with the results.

This project consists of many steps. I'll go down the list of kind of what it takes in order to do this project. For this first we start off with a concrete replacement. Staff evaluates the roadway. They mark curbs and other forms of concrete that need to be replaced first. So that way we have proper curb lines for the work.

We then go down and we remove any types of asphalt that looks like it's distressed or has compaction issues and backfill it with the proper asphalt that is needed for that.

We then perform a micro mill, which is basically a half to three-quarter-inch mill, bringing it down, eliminating any of the high spots in that roadway, which then takes a type two or three micro seal. Basically, it's a sealer that goes over that.

We come back with a crack seal to fill any of those cracks that may be showing through

there. And finally we put down a chip seal and a cape. Basically, we put down chip, asphalt chips and glue it down with a cape.

This product it has a service life of just under a decade. Depends on a number of things, whether -- so you're looking at about seven to ten years to get out of this product. The cost of this right now is roughly estimated at \$740,000 to do this on this road. If no action is taken, unfortunately, with the way Richwood is currently in the state, more distress will continue to grow. And unfortunately, the cost will be higher with future rehabilitations needed to reconstruct this roadway. With that said, is there any questions?

MAYOR FRIEDEL: Councilwoman Earle.

MS. EARLE: Thank you, Mayor. Yeah, I have a few questions. I've driven on this road, and it does look pretty bad. So my question is, is this a pre-incorporation road?

MR. PIERCE: I believe it is. Yes.

MS. EARLE: Okay. And my other question is I know you call them feeder roads or the roads going into that have been done. Weren't they full reconstruction?

MR. PIERCE: Yes ma'am.

MS. EARLE: They were. Okay. So I don't see the cost of full reconstruction. Do you know what that would be if we did full reconstruction?

MR. PIERCE: Yes, ma'am. A quote secured late last week in regards to a full reconstruction for this road. A full reconstruction for this road is estimated at \$935,000. That is just the reconstruction of the road. With the cost of the concrete that would still need to be replaced with it, you're looking at just about \$1.1 million.

MS. EARLE: And with this we're looking at 750,000.

MR. PIERCE: Correct. With the temporary, the lesser of the two.

MS. EARLE: It's not a huge difference. Would we be able to do this if we did a full reconstruction?

MR. PIERCE: That depends on the funding.

MS. GOODWIN: I think that's part of the conversation. And Paul, I hate to do this to you, but I am going to ask if the budget transfers as related to this, if this is part of our

streets funding, or if this is coming from -- because there's been associations with savings of other projects coming in under, however, those are specific to our capital improvements. The question is it funding that this is specifically out of our streets fund, is that right?

MR. SOLDINGER: Yes. Short answer. Rachel, Mayor, Council, is we can do it. Palomino came in well under budget and that was going to be reimbursed from the streets fund anyways. So it's really just moving the budget or the permission to do the work directly out of the street's fund. So even with the additional around 1.1, 1.2 million, we could definitely do it within the constraints of the budget.

MS. EARLE: That would be my recommendation since this road gets more traffic than even the side roads did. Thank you.

MAYOR FRIEDEL: I don't know who's next here. Vice Mayor.

MR. STILLICORN: Thank you, Mr. Mayor. And I'm not sure which way to go as of yet, but I would point out that there is a big difference between chip seal and total reconstruction, and it's over 50 percent increase. And if you think of it that way, I mean, that is another portion that can go towards another street. So it isn't like it's \$900,000 versus \$1 million. I mean three-quarters of a million versus 1.1. I mean, that's over 50 percent increase.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: If you took the 4,100 square feet that you've got as asphalt, and you backed into a number for Palomino and how it actually came out, as opposed to the estimates that you've got today, how would that compare?

MR. PIERCE: I currently do not have that in front of me, sir.

MR. WATTS: I think it's worth looking at because I'm also a believer. We've been shortsighted before about how we do some of our repairs. And I'm not saying this is shortsighted, but the longevity of a street that is completely redone is probably closer to 20 years, at least twice what this is. So half again, as much to get twice the longevity. Not being shortsighted. And I think with what we found on Palomino that our estimates were high. And if we could back into that number without going to a lot of work, it

would be worthwhile looking at to figure out whether or not it makes some sense.

And I think the life expectation, and if I'm using 20 years as a reasonable number with reasonable maintenance, and if it's not right, then I'd like to know that as well. The 7 to 10 years has got a fairly wide range. So I'm going to be just as liberal saying 20 years. So worth chasing down a little bit. Thank you.

MAYOR FRIEDEL: Before I call on Councilwoman Kalivianakis, I just wanted to throw this out with the savings that we have under budget. I was going to make a suggestion later in this meeting that we consider doing cape and chip. Find out if we can move it to a CIP and do Thistle as well. So we could get two major roads done with the savings under budget from these bids that came in lower than expected. So I'd like to get more roads done. And then be able to preserve them as long as we can. But anyway, Councilwoman Kalivianakis, go ahead.

MS. KALIVIANAKIS: Thank you, Mr. Mayor. Well, I've really spent a lot of time with this one, and I guess I reject the notion that we should even be doing anything to this Richwood Road. This reminds me of the worst of Washington, D.C., that we took money from CIP and we put it into roads for Palomino, which we were going to repay from streets later. And now Palomino came in under budget and so suddenly now we think we have all this found money like we won the lottery.

And what are we going to do with this extra money? Why don't we just put it back in CIP? That's what we should be doing. I don't even know why we're talking about this road. It's not good public policy. And it stands in contradiction to the road repair plans that we've been talking about in this council for years that I've been on this council.

This Richmond wouldn't have been supported by the former streets committee. It's not supported by the RAS report that determined the priority list of roads to be repaired, and also the BOSS pavement selection software. It doesn't show up.

I think we should be supporting a data-driven approach to fixing the roads. If we don't use a data-driven approach, but we just throw ideas out there that aren't on the existing list of people that are trying to get their neighborhoods fixed, because there is a list of 1 through 100. And so we're kind of bumping everybody down because we want to select

this road over all the rest of the road. So the next one on the list is going to be bumped to maybe another year or two. And I don't think that's a good idea.

If we support a data- driven approach, then we will be cleared of accusations of possible cronyism or misuse of public funds. Because if we start fixing certain roads and people are going to say, why are those furrows being fixed, are these where politicians live? Or is this where somebody was guiding us to do, to jump the line? And so it raises speculation of, you know, why that road and not the one next on the list.

You know, we did have some money savings because we did put off Fountain Hills Boulevard until we get a more exhaustive plan. We did save some money on Palomino. But you know, why are we robbing CIP? And it always goes into the buckets. The buckets that they always do at the retreats.

There's a bucket for CIP, a bucket for streets, a bucket for development, economic development. And so when you start grabbing money from one bucket and putting it into a next bucket, then all of a sudden roads are going to be great, but CIP is going to suffer. And CIP is concerns. You know, we've got major repairs for this building, for the road, for the roof, for the community center. And we've got the Lake Line. We've got a lot of money that we need to spend.

So by just saying, well, let's just pick a road out of the air, I don't think it's a good idea. I would ask maybe Director Weldy. Would Richmond? Is this currently on our BOSS report as the next road that we should be repairing?

MR. WELDY: Mr. Mayor, Councilmembers. Richwood was not on this year's selection. The roads that were selected by the software, the data, which is driven by budget, were presented to the Mayor and Council earlier this calendar year.

MS. KALIVIANAKIS: So wouldn't it be more prudent policy to pick the ones that were previously selected by a program that we spent millions of dollars on that RAS report. There was a truck that drove every street to determine what are the worst ones. For us councilmembers to say, well, I drove in Richwood and I don't think it's a good road. Well, maybe you didn't drive on 15 other streets that were worse because there are many streets that are worse than that one.

And they've been previously prioritized. They are on a list, and I don't know why we're jumping the list on this project. If somebody would care to explain what makes this one more important than the next one on the BOSS list, I would love to hear that explanation.

MAYOR FRIEDEL: So let me let me share something with you. First of all --

MS. KALIVIANAKIS: I believe I still have the floor, Jerry.

MAYOR FRIEDEL: Okay.

MS. KALIVIANAKIS: And I will be finishing soon, but I don't want to be real-time fact checked. I will yield the floor back to you when I'm finished. Instead of borrowing the funds from CIP and then replacing them later, wouldn't it be logical to just return the funds back to CIP now and go back to the BOSS list? The list that was made to make our job easier as what the next road to fix.

Again, this is government that just because we save money, we feel like we have to spend money. And I don't like that concept. Just because we save money on one project, we should put the money where we found it, and we should go back to the original plan.

And the other thing, and this is more importantly too -- and again, Director Weldy or Paul, if you want to address this, I would really appreciate it. But ten years ago this town had some budgetary and funding problems and threw a lot of hard work through Director Poch and our staff. We got in an enviable position now that we do have some extra money in reserve, and we do have funding, but we do have a lot of projects coming up, and there was a lot of hard work to get us to the point that now we do have more money.

But if we start spending money on, well, let's throw money at this road and let's throw money at that road, is there a chance that we will get back to the days that our funding will be depleted, and then we're going to have to start restricting other improvements, infrastructure, just because we want to fix certain roads? Could you explain that, Paul? Because from my experience in Fountain Hills history, you know, we had some pretty lean times, and we fattened it up based on a lot of good thinking.

MR. SOLDINGER: Yeah. So Mayor, councilmember. What I'm advising is what we can do within the constraints of the budget. And so for this particular road that we're talking about today and the budget transfer, the way it's explained in the staff report, I'm trying to be as objective as possible, is that Palomino Boulevard came in under budget. For that, in the budget, what we plan for which is very confusing, I've had to kind of go through this several times in front of the dais is that it's being paid out of the CIP fund but automatically being reimbursed from the streets fund because it's a streets project.

So in this case, it's more of a logistical move to do the budget transfer. It's still going to be eventually paid out of the streets fund. So that's within the constraints of the original plan. But it's the Council's decision on making changes to that plan and that budget. So if you want to go a different way with that, and to clarify, this agenda item tonight would not actually transfer money. It's just the budget authority. So it would be the permission to directly spend money out of the streets fund rather than the CIP fund and do the reimbursement.

MS. KALIVIANAKIS: Yeah, I can appreciate that, that the funding will eventually be recouped by future street funds, correct

MR. SOLDINGER: So we're in a -- so Mayor and Councilmember, we're in a strong fund balance situation right now where, yes, the Council has authorized transfers of savings, general fund excess reserve savings into various funds, including the streets fund. So right now, today, we have a little over \$13 million in the streets fund.

A lot of the streets work is going to happen in the second half of the fiscal year. So we are going to plan to spend a lot of that down. Also, depending on what you decide on tonight. Palomino, a little over \$3 million, that will be reimbursed from that fund. We also have \$5 million in the streets fund already for other road paving work. That was I believe, selected by the BOSS data. So that's \$8 million right there coming out of that 13 million.

We'll still recoup some revenues along the way this year. So we'll still be in a decent fund balance or savings position at the end of the year to do more streets work next

year, but probably not as much as this year. So tonight the agenda item is simply to give the Council an option. If you want to do Richwood, we can do it within the constraints of the budget.

MS. KALIVIANAKIS: And I appreciate that. And just to conclude, I just think a data-driven approach based on the RAS report and the BOSS software program would be better than just picking improvement roads out of the air with no explanation other than I drove on them, and it didn't seem like a good road to me. Thank you.

MAYOR FRIEDEL: Now that the filibuster is over, I'll make a couple of comments. First of all, we are following the BOSS data. This is additional work. We're not shoving anybody else down the road. And secondly, there's no cronyism involved in this. All the feeder roads that were leading into Richwood were done. Why not complete it all, that whole neighborhood in one season, if we can do that? I have been on that road, and it is a mess. I don't know that you have. So we are following the data. We have the money.

MS. KALIVIANAKIS: (Indiscernible) home delivered meals (indiscernible).

MAYOR FRIEDEL: This isn't a discussion right now. We have the money available. Another road project came in under budget. We're going to take those funds and complete this road, and possibly even another road, and still follow the BOSS data and get the roads that we would normally do completed as well. So this is in addition to not shoving anybody else's road down.

And I don't think any resident in this town has said that we're cronies because this street didn't get done or that street didn't get done. Our focus is to get roads done as much as we can, and every resident in this town sees what we're doing, and they're happy with the progress that we're making on our roads. I've not heard one complaint about a road being done and us being cronies for doing it, and I don't know of any politicians that live on Richwood.

MS. KALIVIANAKIS: I didn't say I accuse anybody of cronyism. I said, the way we're doing this, there could be the accusation of --

MAYOR FRIEDEL: Brenda, that's enough. That's enough please.

MS. KALIVIANAKIS: It's a possibility.

MAYOR FRIEDEL: Councilman Watts, you've been waiting.

MR. WATTS: So if we follow the BOSS or whatever report in this year's budget to address the streets, where and how was the decision made? I think it's an important question. How did we get to Richwood? Maybe Justin -- maybe director can explain to us why we selected it. Nobody's asked the question. How did we get to them? Are they in next year's list and we're bumping them up? If we've already got this year's list taken care of, how did we get there?

MR. WELDY: Mr. Mayor, Councilmember, Richwood was direct select.

MR. WATTS: What does that mean?

MR. WELDY: From this elected body. So there are discussions in regards to all the different types of roads and classifications. When we presented what we could do with the money that was allocated based on the data, staff recommended, and I'm that staff member -- that we not do anything to Fountain Hills Boulevard. As part of that conversation and every other one we've had, I have listed a number of long, wide roads, including Richwood, Palomino, King's Tree. I could continue on down the list. And those are additional roads that need historically a single funding mechanism. As part of that conversation, Richwood was discussed.

MR. WATTS: So if I said it less eloquently, we did -- the Council, this Council did discuss, was advised that Richwood was in the mix. And could it be that the amount of money that we saved, the cost for the square footage, for the 4,100 square feet of asphalt, repair, removal, whatever we end up with, fit Richwood better than other streets because of its size, because of its overall condition? And so it was selected not randomly, not haphazardly, but we literally -- your department looked at it and said, this is the best fit for the funds that we have available to get it in from next year's to this year.

MR. WELDY: We looked at it, Councilmember, based on council direction.

MR. WATTS: Thank you.

MAYOR FRIEDEL: Councilwoman Larrabee.

MS. LARRABEE: Thank you. I actually really appreciated the conversation regarding whether the chip and cape or a rebuild would be worth it. With the Mayor's suggestion of getting two roads with that amount of money, maybe combining Thistle in there, I wanted to clarify, what would the timeline be if we were -- instead of doing Richwood and Thistle, if we were to say, let's just rebuild Richwood? I know Councilmember Watts kind of answered my question, but just to hear it from your mouth, what would that lifetime then be for?

MR. PIERCE: I believe a reconstruction of a road, a brand new road has a lifespan of about 30 years. So you're talking about three decades if it's utilized with the proper preservation methods. But you have to follow those. You have to preserve them. You have to rejuvenate them. You have to do it properly. So it's about 30 years, I believe, that we've presented to this Council before in our RAS presentations.

MS. LARRABEE: Okay. So. One road for 30 years versus two, maybe two roads for 7 to 10. However, as discussed, this is on top of, not instead of. So we are saying that we're buying time there before we do eventually have to rebuild those pre-incorporation roads. What I guess I'm trying to weigh in my brain is do we consider continuing this and rebuilding that road instead, or do we value those two roads for seven to ten years. Instead, I just want to hear everybody's conversation on that, I guess.

MAYOR FRIEDEL: Councilwoman.

MS. MCMAHON: Thank you very much, I appreciate it. I'm also concerned about selection, direct-select, whatever you want to call it. I feel like Council did agree. And there is a management plan in place based on the street committee based on professionals. And I feel like, for example, when we selected Palomino, there was disagreements about that street, even with the residents. And I don't want that to happen again.

I thought that Council had discussed and agreed upon a payment plan for certain streets. And even though I appreciate your response, Justin, it really didn't address the question. It's not that staff I don't think is, like you said, is picking this. It's Council. And I don't think that we ought to select streets out of sequence because it does affect our

budget. It does affect how much money we're going to have for the streets funds. I'm not going to vote for this because I recall we did already decide on the streets that were going to be repaired with the funds, and I don't want to backtrack on that. Thank you.

MAYOR FRIEDEL: Vice Mayor.

MR. STILLICORN: Thank you, Mr. Mayor. Actually, would you mind explaining your plan to fix more roads? You mentioned that there's a possibility of doing Thistle. Tell us more about your plan to fix more roads.

MAYOR FRIEDEL: Well, that's not really an agenda item, but we're not picking and choosing. We're still doing the other roads, according to the BOSS data. This is in addition to. So the bids came in lower on Shea Boulevard and also Palomino. So my thought was if they came in that much lower, we could also do a chip and cape on Thistle like we were going to do on Richwood.

So you're going to get two major arteries in this town, and all the connector streets to Richwood right now have been done already. So why not clean up that whole neighborhood at one time? And I think Chama and El Lago have held up extremely well with that process. Have they not?

MR. PIERCE: They are showing good signs, yeah.

MAYOR FRIEDEL: So we're not using the data that we have. This is in addition to the data and the road work that we're doing.

MS. MCMAHON: I understand that and thank you. However --

MAYOR FRIEDEL: I'm sorry.

MS. MCMAHON: I said I'm sorry.

MAYOR FRIEDEL: You weren't recognized yet.

MS. MCMAHON: I thought you were answering --

MAYOR FRIEDEL: No. We're vice mayor. No, the Vice Mayor.

MR. STILLICORN: Mr. Mayor, thank you very much. And it's good to hear that you have a vision to fix more roads and move us a steady progress where we want to get. Motion to approve as drafted.

MS. LARRABEE: Second.

MAYOR FRIEDEL: Councilwoman McMahon.

MS. MCMAHON: Thank you very much. Again, I feel like this is going out of order as far as street selection. And I'm wondering if we don't spend this money right now, if we carry it over to the next year's budget and then have more money to maybe fix a longer, larger -- or larger portion of streets versus selecting another one this year, for lack of anything else to say, just to get it done. I'm just -- I feel like we're going out of sequence, and I'm not for direct select. That's all there is to it. I'm not going to vote for it.

MAYOR FRIEDEL: Thank you, Councilman Watts.

MR. WATTS: I'm confused that we're going out of sequence in any way, shape, or form. Director Weldy clearly told us how we got to Richwood. My concern is that we can get three times the useful life out for 50 percent more. When I go to the grocery store and it's buy three, get five, I do that. And I think the same thing applies to roads. I can get more life, less headaches.

And I wouldn't be surprised if we could throw both of the roads in, Richwood and what was the other road? Thistle. Thank you. And maybe I would say we should look at that to make sure that we can get those done in the same manner of a complete removal and replace. I just like doing it right, as opposed to doing it three times. Thank you.

MAYOR FRIEDEL: Councilwoman Earle.

MS. EARLE: I'm with Councilman Watts. I like the math on three years with 50 percent more. So I don't know. I guess we would have to vote down against this one. And how do we get to that if we --

UNIDENTIFIED SPEAKER: (Indiscernible) ask to amend it?

MS. EARLE: I would then ask Allen if he would amend it to a full reconstruction. Allen. Skillicorn, sorry, Councilman Skillicorn. Are you just thinking?

MR. STILLICORN: Mr. Mayor, Councilwoman, I like the Mayor's plan, and I think he's got a solid plan here. Gets us ahead of the curve. If we were going to amend it, I'd like to get his input.

MAYOR FRIEDEL: I'm not opposed to the reconstruction. But I think we should also

then maybe get some input about moving Thistle to a CIP to do what I was suggesting on that one. But I don't know that we can discuss that right now because it's not. Yeah, we'll bring it back separately. So I'm not opposed to that, Vice Mayor, if you want to make the amendment.

MR. STILLICORN: I will amend my motion to the full rebuild.

MS. EARLE: Thank you.

MR. WELDY: Mr. Mayor, Councilmembers, if I may, as we're discussing the different types of treatment here, Staff went out and prepared an estimate for a chip seal with a cape micro mill. Reconstruction is different, and that requires us to go back to the board. And part of that discovery will include some geotechnical exploration. That's when we go out and dig holes in the road to determine the type of base, whether it's a suitable base.

Please note that Mr. Pierce provided you with a preliminary number tonight to reconstruct it, not the final number. That will not be known until after we do the geotechnical and a little bit of other looking into it in regards to logistics and moving and discuss it with the Town manager and procurement.

MAYOR FRIEDEL: Justin, Jeff what kind of a time frame are we talking about? If you have to go back and do the geo work.

MR. WELDY: Mr. Mayor, Councilmembers, realistically, we would return in the latter part of February with our end results including an updated estimate.

MAYOR FRIEDEL: So is it safe to say that that 740 could balloon to maybe double?

MR. WELDY: In regards to the chip seal and cape, sir, No.

MAYOR FRIEDEL: No, I'm talking about a full reconstruction.

MR. WELDY: So the preliminary number is a little bit over 1.1 for reconstruction. Is there a possibility that price will increase? Yes. Is there a possibility it will be less? Slightly. We will not know that until we do the geotechnical. And there's a lot of internal moving parts and discussions that need to be have with other professionals, and then make a determination based on our findings, whether or not we want to take the additional time that we did with Palomino. Get some solicitation out there, a little

bit of competition. We see the outcome of that. So we would have to have some discussion about that as well. Either direct select using one of the job order contracts or cooperative use agreements. Or do we want to go out for bid.

MAYOR FRIEDEL: We could continue this and have them bring back information if that's what the Council wants to do.

MS. MCMAHON: Can we do that?

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: I just want to be real clear about you came up with the with 1.1. You didn't just wave your finger in the air. It wasn't a wild guess. It was based on experience. It was based on what you believe to be so. I'm not looking for it to double. If it moved ten percent, \$100,000, one way or another, you still have the multiplier effect of the 740 versus the 1.2.

And we still get a road that's got 30 years versus 7 or 10. And if I'm a pessimist in the 7 years, then I get four times the return on my money as opposed to three times with the 30 years. So I'm still a supporter of reconstruction 1.1. I believe in you guys to be able to get the best numbers to manage the 1.1, and we shouldn't see a significant increase, if anything and possibly to your point, Director, we might even see a reduction from the 1.1. So I'm still going to stand firm on the reconstruction.

MAYOR FRIEDEL: Councilwoman Larrabee.

MS. LARRABEE: Yes, I think I have a point of information. Whichever one's a question. Councilmember, asking through the Mayor, of course, but Councilmember Skillicorn for the amendment to the motion, are we moving to continue this, to then talk about reconstruction, or are we moving to approve 740,000 right now as the budget transfer and understanding that they'll need to come back for additional, that -- that's where I apologize. I was just I -- I missed exactly what the amendment is.

MR. STILLICORN: Thank you, Mr. Mayor, Councilwoman, the question is valid because the packet and the staff report recommended the chip seal. And it appears that the Council majority's opinion has changed on that. And that's fine. But the amendment to the original motion would be to allow -- and the directors back there -- is allow the

sufficient funds transfer to allow for the effectively \$1.1 million estimate for a total rebuild. That's the specifics of the amended motion. And as long as I know there's -- it seems like there's two detractors to chip seal. As long as they're still insisting on the rebuild, I would like to keep with that motion.

MS. LARRABEE: Thank you.

MR. STILLICORN: Are you going to also amend your second?

MS. LARRABEE: Yeah, I amend my second.

MR. STILLICORN: Okay.

MAYOR FRIEDEL: Okay. Town Clerk, we have a motion and a second. Can we get a roll call, please?

MS. BENDER: councilmember Kalivianakis.

MS. KALIVIANAKIS: Nay.

MS. BENDER: Councilmember Larrabee.

MS. LARRABEE: Aye.

MS. BENDER: Councilmember Earle.

MS. EARLE: Aye.

MS. BENDER: Councilmember McMahon.

MS. MCMAHON: Nay.

MS. BENDER: Councilmember Watts.

MR. WATTS: Aye.

MS. BENDER: Vice Mayor Skillicorn.

MR. STILLICORN: Since I oppose potholes, I'm a yes.

MS. BENDER: And Mayor Friedel.

MAYOR FRIEDEL: Aye.

MS. BENDER: Mayor, 5-0 -- I'm sorry, 5-2.

MAYOR FRIEDEL: Thank you.

And then the next agenda item is G. And I'm going to open a public hearing on this one. And this is regarding proposed development impact fee schedule. Town Manager Rachel.

MS. GOODWIN: Thank you, Mayor. The public hearings are for our impact fees. We've been talking a lot about these. There's a few updates to share. We're almost to the homestretch here. We have this meeting, and then it will be brought back again in January for I think the final time, ideally. So with that, I will hand it over to our CFO for more updates.

MR. SOLDINGER: All right. Good evening, Mayor, Vice Mayor and Council. This is the second-to-last step of this long, laborious process to update our development impact fees. We will be holding the public hearing tonight to hear public input. And we'll be talking about a staff proposal to reduce the fees based on recent changes in projections. And with that, the Council will take no action tonight. But consider the public feedback, and we'll come back at the January 20th meeting for Council to consider the final approval of the impact fees, and they would go into effect in April. I think it's a 75-day waiting period.

So with that, just another updated timeline. Things have been changing. It's very malleable. Basically, on the 21st, the Council did approve the Land Use Assumptions and Infrastructure Improvement Plan, including the development impact fee schedule. Since then, we actually received bids and awarded -- the Council awarded a bid on December 2nd for the Shea widening project for the construction of \$3.2 million. That was about half of what the engineering estimates indicated. I kind of explained the timeline in other meetings, but we had a budgetary amount of \$3 million based on an older estimate. We got a new one that pretty much more than doubled what we were projecting.

We used that to develop the land use assumptions and infrastructure improvement plan that you approved. And since then, we got good news through the bidding process that the construction costs will come in much less than that engineering estimate. So tonight I'm getting a little bit ahead of myself. We'll talk about that in just a little bit. But tonight we're having the public hearing. And then the last step, like Rachel mentioned, would be on the 20th for consideration of approval of the new impact fees, and they'd go into effect next April.

So just the basic background, these are our current fees, the kind of ones to look at. Just an easy point of reference is the single-family residence and multifamily fees at the top 3,973 combined for single-family residence and 2,537. This is being charged to develop new development in the Town for those types of residents, as well as the commercial type properties below, based on 1,000 square foot of space.

Based on the report that you approved on the 21st, we did talk about in depth how the fees were substantially increasing, but there was some wiggle room and flexibility for the Council if things change in the projections to consider. Number one, tonight during the public hearing and then for approval, if there is any appetite to reduce the fees based on the change in projections. So that has happened.

You'll see that the proposed fees in the report you approve about tripled up to 12,314 and 7,100 bucks for a single-family multifamily residence. But since then, like I mentioned, we did receive an award, a bid for the that project. The Shea Boulevard widening project is about .94 lane miles to, widening to three lanes at 3.2 million. Once we looked at all the costs associated with the project, it was pretty much almost exactly 50 percent.

So what we're doing tonight is just kind of introducing our recommendation that we'll be bringing to you on January 20th to say, hey, the parks and the fire impact fees, we recommend they stay the same. And with the streets fee, we're recommending reducing it by 50 percent. And with that this is actually what the new revised fees would look like that you would be considering for approval on January 20th.

You'll see that the single family, rather than the 12,314, it's down to 8,816, still more than double than what it currently is. So it is still a substantial raise, but not as -- easier to stomach than triple the amount. And the multifamily is down to 5,462. And you'll see down the line across the other development types that there was a reduction for the street's impact fees.

So this is what's included in the updated report in your packet that you'll consider approval for on the 20th. And this last slide just simply shows the difference between the current fees and what the staff-recommended fees would be. You are still seeing an

increase across the board for a single-family residence. It would be going up by \$4,843, multifamily 2,925 and down the line. And with that, I'd be happy to answer any questions.

MAYOR FRIEDEL: Councilman Watts.

MR. WATTS: Pretty significant drop. And (indiscernible) put this together the second time around?

MR. SOLDINGER: Yes, Councilmember.

MR. WATTS: And the outlook, we're still able to accomplish everything that was in our original plan for parks, support all the developments, additional (indiscernible), you name it, we've got it included there for the next five years. Is that correct?

MR. SOLDINGER: Yes, Mayor and Councilmember. It lasts for five years before it's required to be updated, but the assumptions are based on a ten-year outlook.

MR. WATTS: Okay. I like the fact that it went down. It's more conducive to building and our economics. So thank you for that.

MAYOR FRIEDEL: Councilwoman.

MS. LARRABEE: Paul, I just want to thank you for your work on this. I know I've been the I guess, thorn in your side on the development fees, and I just I appreciate that we found something that does lower, especially that amount for single-family homes. That lowering by almost 3,500 is really exciting. So thank you. I know it's got to raise one way or another. So I appreciate your work, and I appreciate your patience with me. I will no longer be the bump in the road.

MR. SOLDINGER: Thank you. Appreciate that.

MAYOR FRIEDEL: Thanks for your hard work on this. Paul, this has been a long journey. And we see the results. So thank you again. Are there any comment cards?

MS. BENDER: No, Mayor.

MAYOR FRIEDEL: Okay. Then I'm going to close the public hearing on this. Thank you.

MR. SOLDINGER: Thank you very much.

MAYOR FRIEDEL: And notice was given that items H and I were removed from the agenda, as was requested. And now we'll have Council discussion and direction to the

Town manager.

UNIDENTIFIED SPEAKER: Merry Christmas.

MAYOR FRIEDEL: And then we'll move on to future agenda items. And I have two. One I'd like to have back. For the future agenda, the overlay conversation again so that we can get that resolved with the density.

UNIDENTIFIED SPEAKER: Yes. He has voted to continue that.

MAYOR FRIEDEL: Yeah. All right. So I just wanted to make sure we had that continued, and that we'll bring that back. And then I want to see if we can take a look at what it would cost for Thistle with a chip and cape and have that really become more of a CIP project. Anybody have anything else? Can I get a motion to adjourn?

UNIDENTIFIED SPEAKER: So moved.

MS. LARRABEE: Second.

MAYOR FRIEDEL: All in favor? Aye.

ALL: Aye.

MAYOR FRIEDEL: Thank you.

TOWN OF FOUNTAIN HILLS
DECEMBER 16, 2025 CITY COUNCIL MEETING MINUTES

HAVING NO FURTHER BUSINESS, MAYOR GERRY M. FRIEDEL ADJOURNED THE REGULAR MEETING OF THE FOUNTAIN HILLS TOWN COUNCIL HELD ON DECEMBER 16, 2025, AT 7:35 P.M.

APPROVED:


GERRY M. FRIEDEL, MAYOR

ATTEST:


BEVELYN BENDER, TOWN CLERK

CERTIFICATION

I HEREBY CERTIFY THAT THE FOREGOING MINUTES ARE A TRUE AND CORRECT COPY OF THE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF THE COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA HELD ON DECEMBER 16, 2025. I FURTHER CERTIFY THAT THE MEETING WAS DULY CALLED AND HELD, AND THAT A QUORUM WAS PRESENT.


BEVELYN BENDER, TOWN CLERK