



CITY OF SURPRISE
Regular City Council Meeting
16000 N. Civic Center Plaza
Surprise, AZ 85374
Tuesday, April 2, 2024 @ 6:00 PM
COUNCIL CHAMBERS

A. Call To Order

Mayor Hall called the Regular Council Meeting of April 2nd, 2024 to order at 6:00 p.m., located at Surprise City Hall, 16000 N. Civic Center Plaza, Surprise, AZ. 85374.

1. Invocation

Mayor Hall led a Moment of Silence.

B. Roll Call

In attendance with Mayor Hall were Vice Mayor Nick Haney, Council members Chris Judd, Alyson Cline, Patrick Duffy, Ken Remley (Telephone), and Jack Hastings.

C. Pledge of Allegiance

Sierra Montana and Contryside Tot Time Program came to lead the Pledge of Allegiance.

D. Proclamation and Community Acknowledgements

2. Water Awareness Month Proclamation

Mayor Hall proclaimed it was Water Awareness Month. He presented the proclamation to Sandra Hurlbut.

E. City Manager Report

3. City Manager sub-text

4. Reports

City Manager, Bob Wigenroth, came to introduce the Friends of the Library to announce the bookmark contest award winners. Councilmember Cline came to present the winners. Luther Campbell, Eden Ammerman, Emma Lake, Audrey Smith, Emma Jamison, Audrey Smith, Loredana Borden, and Sydney Uhl.

Shelby Fenwick came to introduce the Youth Council members.

Lily Robert, Willow Canyon Highschool

Nikki Paumi, Dysart Highschool.

F. City Clerk Report

5. Reports

G. Call To The Public

H. Regular City Council Meeting Agenda

6. CONSENT AGENDA:

Motion: To Approve

Initiated By: Nick Haney

Seconded By: Aly Cline

Yes: Aly Cline, Jack Hastings, Ken Remley, Patrick Duffy, Skip Hall, Chris Judd, Nick Haney

No: None

Abstain: None

Vote Result: Passed

1. Consideration and action to approve the March 18, 2024 Regular City Council Meeting, and Work Session Minutes.
2. Consideration and action pertaining to approval of a Fiscal Year 2024 budget amendment by moving budget authority of \$625,000 from General Contingency and \$200,000 from project A34200 within the General Capital Projects Fund to project P34350 in the General Capital Projects Fund, and amending the fiscal year 2024 Contract Awarding Authority List by adding \$825,000 to CAAL #25142 to cover the projected expenditures associated with the remodel of Fire Station 303; Resolution #2024-47.
3. Consideration and action pertaining to approval of a Fiscal Year 2024 budget amendment by moving budget authority of \$778,300 from General Contingency and \$423,300 from the Ground Ambulance Service Fund to the Fire-Medical General Fund personnel services and supplies budgets for the purpose of covering increased operational costs, moving existing full-time employees (FTE), authorizing an inter-fund cash transfer and amending the fiscal year 2024 Contract Awarding Authority List by increasing the FD new hire outfitting item to \$550,000; Resolution #2024-46.
4. Consideration and action pertaining to approval of an amendment to the Fiscal Year 2024 budget by moving budget authority in the amount of \$6,000 from General Contingency to project G31401 FFY24 AZ Internet Crimes Against Children (AZICAC) Task Force in the Grants Fund and authorizing acceptance of a grant award from City of Phoenix Affiliate Award Funding, to cover training and equipment expenses related to the investigations of internet crimes against children; Resolution #2024-48.
5. Consideration and action pertaining to approval of a Fiscal Year 2024 budget amendment by moving budget authority of \$194,400 from Personnel within the Police Department General Fund to Project P31130 within the General Capital Projects Fund, authorizing an inter-fund cash transfer and amending the fiscal year 2024 Contract Awarding Authority List by creating #24109-CID NIBIN Computer \$194,400 to support a one-time purchase of an IBIS® BulletTrax NIBIN computer and associated hardware to increase the department's efficiency to investigate firearm related crimes; Resolution #2024-49.
6. Consideration and action pertaining to approval of an amendment to the Fiscal Year 2024 budget by moving budget authority in the amount of \$229,500 from General Contingency to the Grants Fund to Project G54110 to support turf removal projects and account for the acceptance of the grant from the Water Infrastructure Finance Authority of Arizona; Resolution #2024-41.
7. Consideration and action pertaining to approval of the Final Plat entitled, "Cactus 303 Retail" and dated February 15, 2024, a site generally located on the northeast corner of SR 303 and Cactus Road; Case FS23-0238.

8. Consideration and action pertaining to approval of the Final Plat entitled, "Asante Unit 3.1 & 3.3" and dated February 06, 2024, a site generally located on the northeast corner of Happy Valley Road and Pat Tillman Boulevard; Case FS23-0849.
9. Consideration and action pertaining to approval of the Final Plat entitled, "Toll at Prasada, Phase I – Phase 3 Lots 1859, 1861, 1862, 1865, 1870, 1871, 1878, 1883, 1884, 1890 & Tracts I-J – I-N" and dated January 16, 2024, a property located west of Cotton Lane, between Cactus Road and Peoria Avenue; Case FS23-0972.
10. Consideration and action pertaining to approval of the Final Plat entitled, "Re-Plat of 'Bell and Dysart Commerce Center Lot 5 AMD' and 'Bell and Dysart Commerce Center Lot 5B-5C Replat'" and received January 30, 2024, a property located at the northeast corner of Bell Road and 134th Avenue; Case FS23-0654.

7. REGULAR AGENDA ITEM - PUBLIC HEARING:

11. Consideration and action pertaining to a recommendation to the Arizona Department of Liquor Licenses and Control (DLLC) on Application No. 283480, requested by Andrea Dahlman Lewkowicz, for Applebee's Neighborhood Grill & Bar for Series 12 Liquor License. Applebee's Neighborhood Grill & Bar is located at 13756 W Bell Road Suite, Surprise, AZ 85374.

Motion: To Approve
Initiated By: Jack Hastings
Seconded By: Chris Judd

Yes: Aly Cline, Jack Hastings, Ken Remley, Patrick Duffy, Skip Hall, Chris Judd, Nick Haney
No: None
Abstain: None

Vote Result: Passed

12. Consideration and action pertaining to a recommendation to the Arizona Department of Liquor Licenses and Control (DLLC) on Application No. 280295, requested by Maria Danielle Burgess, for Circle K Store #9576 for Series 9 Liquor License. Circle K Store #9576 is located at 16934 W Wadell Rd, Surprise, AZ 85388.

Motion: To Approve
Initiated By: Patrick Duffy
Seconded By: Nick Haney

Yes: Aly Cline, Jack Hastings, Ken Remley, Patrick Duffy, Skip Hall, Chris Judd, Nick Haney
No: None
Abstain: None

Vote Result: Passed

13. Consideration and action pertaining to a rezone of approximately 31.46 acres from Residential Medium Density (R-2) and Residential High Density (R-3) to R-2 Planned Unit Development (PUD) within the master-planned development known as Nobella, which is generally located west of 155th Avenue and north of Jomax Road; Ordinance #2024-06.

Trever Fleetham, came to present this item. He talked about the Vicinity Map, Existing Zoning Map, General Plan Land Use, Existing Zoning, Proposals, Conceptual Land Use, Density, PUD

Deviations, and Outreach.

Mayor Hall asked what the access was to this development? Trever talked about Jonas and 159th ave. Mayor Hall asked if it was an overall reduction of one unit? Trever said it was.

Vice-Mayor Haney asked for clarity of R2 to R3? Wendy Riddell came to talk for the developer. She said they were down zoning. She talked about letting single family units getting built.

Mayor Hall asked about the southern piece of the development needing to go up north? She talked about the project and layout. Mayor Hall asked how people will be able to get out? She said there is another connection they aren't seeing that would let them get out.

Councilmember Judd, asked about the lot sizes, and what the applicant was requesting? Trever said the request was specific for this development. Councilmember Judd asked about the setback deviation? Wendy talked about the product type. She talked about having the ability to put the buildings next to each other. Councilmember Judd asked about the rest of Nobella? She said it would stay the same. Councilmember Judd asked if this was their first PUD and about how much of the rest of the rest of the project they have final plots for? She said it was for 161 lots. Councilmember Judd asked if they were planning to do duplexes? She said they weren't.

Motion: To Approve
Initiated By: Nick Haney
Seconded By: Patrick Duffy

Yes: Aly Cline, Jack Hastings, Ken Remley, Patrick Duffy, Skip Hall, Chris Judd, Nick Haney
No: None
Abstain: None

Vote Result: Passed

14. Public hearing, presentation and discussion pertaining to the proposed development impact fees.

Andrea Davis came to present this item. She talked about Development Fee Ground Rules, Overview of Adoption Process, Project Timeline, Fee Category Overview, Overview of Changes, Residential Fee Comparison, Nonresidential Fee Comparison, Proposed Utility Fees, Etc.

James Ashley, from HBACA, came to talk about this item. He expressed his appreciation of the updates made, and elaborated on them. He talked about further desires.

Councilmember Hastings, asked about development impact fee would impact housing prices? James, said that in terms of estimates it could impact the cost of the home.

Councilmember Cline, talked about the cost of everything going up, she said that the fees need to go up to help provide future services for the City. Andrea said that was correct and that this would help pay for police and fire. Councilmember Cline asked if it was probably that other communities will have the same needs of the capital costs? Andrea said that is correct. Councilmember Cline talked about building when the utilities are there. She talked about balancing the fees to not punish the developer or buyer. Andrea said that is correct.

Councilmember Judd, asked about the policy of having development pay for itself. He asked about the goal of the development fees to cover the cost and where the money comes from? Andrea said if it didn't come from the impact fees it would come from the General Fund. Councilmember Judd said he wants the fees low but also respects how it works.

Councilmember Duffy, asked if we have had to subsidized those costs in the past? Andrea said that the City has because of the rise in costs in high inflation.

Vice-Mayor Haney, talked about smart growth and his belief that these fees need to match the growth happening in the City to avoid having the citizens subsidize the growth.

Mayor Hall asked about the credit back? Andrea said that all the categories are different. She talked about certain things being needed before development starts such as infrastructure. Mayor Hall asked if a builder pulls a permit right now if they are protected for 2 years? Andrea said they would be grandfathered in.

15. Consideration and action pertaining to adoption of amendments to the City of Surprise Municipal Tax Code relating to certain Transaction Privilege Tax rates; Ordinance # 2024-09.

Andrea Davis, and Bob Wigenroth came to talk about this item as well. They talked about the FY25 Revenue Replacement, Revenues - Residential Rental, Tax Reform, State Shared Income Tax, State Shared Revenues. Andrea talked about the total losses, and possible solutions, City Comparison, Primary and Secondary Property Tax Rate, and Next Steps.

Rebeka Massie, a Surprise Resident, came to talk about the increased sales tax proposal and her opposition to it.

Mayor Hall, asked if the total number of employees included part time? City Manager Bob Wigenroth, said it does. Andrea talked about how they compared to other Cities.

Kevin Perry, a Surprise Resident, came to talk about the revenue shortfall, and talked about not reducing the residential tax rate.

Councilmember Hastings, asked about having to raise the rate to 2.9% not 2.7%? Bob said it was. Councilmember Hastings talked about city spending. He talked about cutting the Micro Transit program, Printer Paper, PDF Subscription, and T-Shirts. He said he was against raising taxes.

Mayor Hall talked about the incredible need for transit. He talked about the retreat, and the food tax that other Cities have.

Councilmember Judd, talked about the revenue shortage and how cuts would be across the board. He talked about keeping the property tax cut still being an option. He talked about sales tax being his preferred way to collect tax. He asked what the general fund budget was? Andrea said it was \$200 Million and that it has increased about 20% over the last 5 years. Councilmember Judd said he would like a solution that doesn't have to be revisited.

Mayor Hall talked about the savings account and how it allowed the City to get Triple A rating.

Councilmember Duffy, asked if the State could do it again and lower it again with the revenue? City Manager Bob Wigenroth talked about future predictions. Councilmember Duffy said it was assuming there is no recession? He talked about the guarantee of property tax. He asked about reducing the property tax by 25% then revisiting it in the future. Bob said a reduction of 25% would save about 3 million dollars. Andrea said the rate would have to be 2.8%. He asked if it is even possible to increase property tax again? Andrea said it was lengthy to do so.

Councilmember Remely talked about reducing property taxes and how we compare already to other Cities. He said if we don't reduce the property tax it would solve the proposals. He talked about having to increase in the future and how it would be hard to do.

Mayor Hall, talked about the sales tax and property tax rates with 2.8% and 25% Reduction.

Councilmember Cline, talked about Micro Transit, and her constituent interest in public transportation. She talked about the savings account, and not spending it for ongoing costs. She also talked about how we compare to other cities. She asked staff to revisit the options and for an

additional presentation. Andrea talked about the strict timeline involved right now.

Vice-Mayor Haney, asked if the rental tax is coming back? Andrea said it is not. Vice-Mayor asked what would happen if we maintained the status quo? Andrea said there are positions to help with the growth, and the service level would decrease. Vice-Mayor talked about other jurisdictions and the additional taxes they have, and the bond and if it pays for personnell? Bob said the bond is paid for by secondary property taxes and it pays for debt. Vice-Mayor asked if covers the people? Bob said it just pays for the building and the roads. Vice-Mayor talked about what the cuts would look like.

Councilmember Judd, asked about doing property tax at 25% and sales tax at 2.8%? Andrea talked about the 2.8% and 25% reduction and how it would likely get the budget where it should be. Bob said it would still involve cuts. He talked about the legal requirements for postings.

Andrea said the City would post the notice at 2.8% sales tax and the property tax at 25%, while making \$2.5 Million in budget cuts.

Motion: To Continue

Initiated By: Chris Judd

Seconded By: Nick Haney

Yes: Aly Cline, Ken Remley, Patrick Duffy, Skip Hall, Chris Judd, Nick Haney

No: Jack Hastings

Abstain: None

Vote Result: Passed

8. REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

I. Other Business and Future Agenda Items

J. City Council Reports

Councilmember Cline had nothing.

Councilmember Duffy, talked about the out of the Park Music Festival and gave staff kudos.

Vice-Mayor Haney, also talked about the festival.

Councilmember Judd, talked about the festival too. He also talked about the Boards and Commissions appreciation event.

Councilmember Hastings, talked about his community meeting next week at 5:00 PM.

Councilmember Remley, had nothing.

Mayor Hall talked about the State of the City event. He talked about the Kids Jamboree happening Friday April 12th at the Surprise Resource Center. He talked about April being distracted driving awareness month.

K. Executive Session

9. Executive Session Items

10. Executive Disclaimer - Part 1

11. Executive Disclaimer - Part 2

12. Executive Disclaimer - Part 3

L. Adjournment

Motion: To Adjourn

Initiated By: Nick Haney

Seconded By: Aly Cline

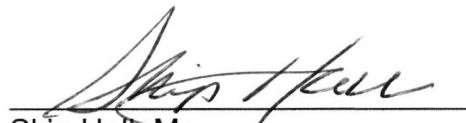
Yes: Aly Cline, Jack Hastings, Ken Remley, Patrick Duffy, Skip Hall, Chris Judd, Nick Haney

No: None

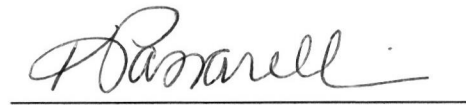
Abstain: None

Vote Result: Passed

Meeting Adjourned at 8:09 PM

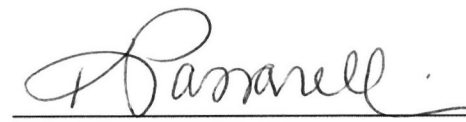

Skip Hall, Mayor

ATTEST:


Kristi Passarelli, City Clerk

CERTIFICATION:

I, Kristi Passarelli, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Meeting of **Tuesday, April 2, 2024.**


Kristi Passarelli, City Clerk