

MINUTES OF THE REGULAR MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Chambers, 88 E. Chicago Street, on Thursday, February 24, 2011, at 7:03 p.m.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY.

The following members answered roll call:

Jay Tibshraeny	Mayor
Trinity Donovan	Vice-Mayor
Kevin Hartke	Councilmember
Rick Heumann	Councilmember
Matt Orlando	Councilmember
Jack Sellers	Councilmember
Jeff Weninger	Councilmember

Also in attendance:

Rich Dlugas	Acting City Manager
Pat McDermott	Assistant City Manager
Mary Wade	City Attorney
Marla Paddock	City Clerk

INVOCATION: Susan Stevens-Clarke – Chandler Baha'i Faith

PLEDGE OF ALLEGIANCE: Girl Scout Troops 585 and 602 led the Pledge of Allegiance.

SCHEDULED PUBLIC APPEARANCES:

1. Proclamation: Disabilities Awareness Month

MAYOR TIBSHRAENY, joined by COUNCILMEMBER WENINGER, read the Disabilities Awareness Month Proclamation and presented it to Kim Foy, Chair of the Mayor's Committee for People with Disabilities.

Mayor Tibshraeny, Councilmember Weninger and Ms. Foy presented the following 2011 Disabilities Recognition Awards:

Student of the Year:	Michelle Verrico – Hamilton High School
Employee of the Year:	Robert Miglore – Harkins Theatres
Employer of the Year:	Harkins Theatre Chandler Fashion 20 – Phillip Forbes
Educator of the Year:	Jessica Peacock, Chandler High School
Volunteers of the Year:	Haley Metcalf and Rick Sughroue

2. Chandler Centennial Celebration Call to the Public

Public History Coordinator JEAN REYNOLDS announced that she was the City's Centennial Celebration Coordinator. In lieu of the City of Chandler turning 100 in a year, a steering committee has been formed that consisted of stakeholders throughout the community as well as City staff. The steering committee meets on a regular basis and is in preliminary stages of putting

together a special celebration for the community. She announced that the committee had recently unveiled a centennial logo and showcased it to the Council. She told the Council that the logo would be used on all informational and promotional information materials from now until the end of 2012. She encouraged members of the community to become involved by volunteering. She stated that the committee was looking for members to serve on various subcommittees which include: sponsorship events, history, education, volunteers and publicity. She further encouraged people to share suggestions by visiting the centennial website, at www.chandler100th.com. She explained that the goal was to have all suggestions by the end of April 2011, so that the City could determine what specific events and celebrations will be done. She announced that the committee had developed a preliminary plan that included a series of special events in early 2012 that would build interest and excitement to the City's 100th birthday on May 17, 2012. She told the Council that the levels of community support and sponsorship would determine the size and scopes of the celebrations.

3. Tony Dibonito – “Free Energy for All – Why Pay for it?”

Mr. DiBonito was not present.

UNSCHEDULED PUBLIC APPEARANCES: None.

CONSENT:

Mayor Tibshraeny allowed public comment on Items 4 and 18 while retaining them on the Consent Agenda.

MAYOR TIBSHRAENY noted that Item No. 12 (Agreement with APS) would be withdrawn. In addition, Item No. 22 (License Agreement with the Chamber of Commerce) would be moved to the Action Agenda.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY COUNCILMEMBER HARTKE, TO APPROVE THE CONSENT AGENDA AS PRESENTED, WITH ITEM NO. 22 (LICENSE AGREEMENT WITH THE CHANDLER CHAMBER OF COMMERCE) MOVING TO THE ACTION AGENDA AND THE WITHDRAWAL OF ITEM NO. 12 (APS AGREEMENT).

COUNCILMEMBER WENINGER declared he would be voting nay on Item No. 18.

MOTION CARRIED UNANIMOUSLY (7-0) WITH THE EXCEPTIONS NOTED.

1. MINUTES:

APPROVED, as presented, Minutes of the City Council Special Meetings of February 7 & 10, 2011, and the Regular Meeting of February 10, 2011.

2. CITY CODE AMENDMENT: Chapters 32 and 20 Ord. #4272

ADOPTED Ordinance No. 4272 amending Chapter 32, Sections 32-1, 32-4.1(I) and (N), and Chapter 20, Sections 20-3(C) and (D) of the Chandler City Code to reduce the requirements for Special Event vendor registration.

3. IRRIGATION EASEMENT: SRP Ord. #4277

ADOPTED Ordinance No. 4277 granting a no-cost, non-exclusive irrigation easement to Salt River Project (SRP) to relocate irrigation facilities in Commonwealth Avenue between Hamilton Street and McQueen Road.

4. CITY CODE AMENDMENT: Zoning Code

Ord. #4278

Discussion:

MR. JEFFREY KAUFMAN of Scottsdale stated that he represented 3 senior citizens who owned a vacant restaurant at 6403 W. Chandler Blvd. He stated that the restaurant had been vacant for quite some time and was surrounded by offices. He stated that the property was zoned for a medical marijuana dispensary. He stated that the sight was ¼ mile away or more from schools, parks, community centers, libraries and daycare centers. He indicated he had spoken to City staff regarding having the site qualify as a medical marijuana dispensary. He stated that all of the indications were favorable until it was discovered that the site was a little more than 500 feet away from a church. He did not believe it would be an issue until was discovered that the church was within a ¼ mile of the location. He indicated that the church was only open on Sunday mornings and at 6:30 on Wednesdays. He told the Council that the hours of operation would be during hours that the dispensary would be closed.

Mr. Kaufman told the Council that the State's requirements for separation of medical marijuana facilities were 500 feet away from a school. He told the Council that the State did not have restrictions on parks, libraries, churches or other facilities. He believed other ordinances in other valley cities were not as restrictive as Chandler's. He stated that there were very few types of locations in Chandler that would be suitable to be medical marijuana facilities in Chandler. He believed that the licenses would be strictly upon location not merit. He indicated that his clients wanted to lease the location to a nonprofit organization.

COUNCILMEMBER ORLANDO noted that staff had previously indicated that variances could be put in on a case by case basis. He asked Mr. Kaufman if he had been told of a variance issue. MR. KAUFMAN concurred.

COUNCILMEMBER ORLANDO stated that the Council spoke about the variance being concurrent with any approvals that were needed from the State. He asked Mr. Kaufman if he still felt there was an issue.

MR. KAUFMAN replied that it all depended on what the standards were on granting a variance. He stated he did not know what the criteria is for granting a variance.

COUNCILMEMBER ORLANDO asked if that had been explained to Mr. Kaufman by staff.

MR. KAUFMAN stated he got the impression that it would be difficult to grant the variance.

COUNCILMEMBER ORLANDO suggested Mr. Kaufman meet with staff regarding the process of a variance. He reiterated that there had been discussions with the Council and staff about situations being handled through a variance.

ADOPTED Ordinance No. 4278, Zoning Code Amendment, ZCA10-0007, City of Chandler / Medical Marijuana, amending Chapter 35 (Zoning Code), Sections 35-200, 35-305 and 35-2100

of the Chandler City Code, by establishing definitions and Use Permit requirements relating to Medical Marijuana Facilities and Cultivation Sites and Infusion Food Establishments.

5. CITY CODE AMENDMENT: Chapter 35, Zoning Code Ord. #4280

ADOPTED Ordinance No. 4280, ZCA10-0008, City of Chandler/Outdoor Patios, amending Chapter 35, Sections 35-200, 35-1708, and 35-3203 of the Chandler City Code pertaining to outdoor patios in conjunction with liquor use permits.

6. CITY CODE AMENDMENT: Chapter 46 Ord. #4285

ADOPTED Ordinance No. 4285 amending Chapter 46, Division I and adding a new Division VIII of the Chandler City Code relating to the establishment of an encroachment permit policy and process for valet parking and providing penalties for the violation of the ordinance.

7. REZONING: The Landing at Reid's Ranch Ord. #4286

ADOPTED Ordinance No. 4286, DVR10-0027, The Landing at Reid's Ranch, rezoning from PAD to PAD amended to eliminate a zoning condition requiring copper supply plumbing for residential homes for specific lots within a subdivision located one-quarter mile east of the NEC of Chandler Heights and Gilbert roads.

8. PROJECT AGREEMENT: Maricopa Association of Governments Res. #4455

ADOPTED Resolution No. 4455 authorizing a project agreement with the Maricopa Association of Governments for regional reimbursement for arterial roadway improvements to Price Road: Loop 202/Santan Freeway to Germann Road.

This Project Agreement is for reimbursement of Proposition 400 funds to the City of Chandler for recent improvements to Price Road (Loop 202/Santan Freeway to Germann Road), completed in 2008. The project involved widening Price Road (Santan Freeway to Germann Road) to add a fifth and sixth thru lane, additional turn lanes, and bicycle lanes. Additional improvements include sidewalk, curb & gutter, streetlights, traffic signals, storm drainage, water lines, reclaimed water lines, sewer lines and landscaping. This project is scheduled for reimbursement in year 2015.

The Transportation Commission recommended approval. This agreement will provide regional reimbursement to the City of Chandler in the amount of \$3,034,994.00. Reimbursement is programmed in 2015 and will be adjusted annually for inflation. Staff will request advancing the reimbursement starting this fiscal year.

9. GRANT AMENDMENT: ADOT Res. #4493

ADOPTED Resolution No. 4493 authorizing an amendment to grant number E7S86 with the Arizona Department of Transportation (ADOT), Multimodal Planning Division, to extend the grant expiration date to December 30, 2011.

This grant was awarded in 2007 for the Apron Construction Project which included the design and construction of a portion of the Airport Boulevard Realignment on the north side of the Airport. The Airport Boulevard project is currently out to bid and is scheduled to start construction in early summer 2011. This project is included in the Capital Improvement Program.

The ADOT grant related to this project expires April 30, 2011. The City is requesting, and ADOT has agreed, to extend the expiration date to December 30, 2011.

This grant is for \$1,393,425.00 and requires a minimum match of \$154,825.00 from the City. The estimated construction cost of the project is \$1.7 million to \$3.0 million. The remainder of the cost for this project comes from the Transportation CIP. There are no new financial responsibilities associated with the amendment to this grant.

At their February 9, 2011, regular meeting, the Airport Commission voted unanimously in support.

10. AGREEMENT: Habitat for Humanity

AUTHORIZED a Purchase and Loan Agreement with Habitat for Humanity in the amount of \$57,500.00; AUTHORIZED the City release of lien for and acceptance of property located at 83 E. Kesler Street; and AUTHORIZED the Acting City Manager or designee to execute documents necessary to complete the transactions.

On April 24, 2008, the City Council approved a loan agreement with Habitat for Humanity that authorized lending up to \$235,000.00 to Habitat for acquisition of properties in the City's designated Housing Development Area. Habitat's plan was to construct or remodel 5 houses with the funds. Each loan made under the loan agreement was structured to be forgiven if Habitat constructed and transferred the property to its target population within three (3) years of the loan commencement date.

Habitat did acquire, construct and convey to its target population 4 of the houses. Habitat also acquired the fifth, located at 83 E. Kesler Street. However, it has not been able to improve the fifth parcel or to market and sell it for residential use and will not be able to do so before the three-year loan period expires. Instead, Habitat has located and placed in escrow to purchase another property located at 354 S. Dakota Street within the Housing Development Area. Staff and Habitat are proposing that the Dakota property be acquired and the Kesler property be transferred to the City.

In order to allow this to happen, a new agreement, the Purchase and Loan Agreement, is proposed. This agreement will outline similar conditions as the original agreement executed in April 2008, and it will require the following:

- The agreement will specify that \$57,500.00 be loaned to Habitat for the property at 354 S. Dakota Street;
- The City will release the lien on the property at 83 E. Kesler Street;
- Habitat will deed the property at 83 E. Kesler Street to the City of Chandler.

Downtown Redevelopment will transfer \$57,500.00 to Neighborhood Resources, which will loan the funds to Habitat for Humanity. Downtown Redevelopment will oversee and fund maintenance and demolition of 83. E. Kesler until its assemblage and redevelopment at a later date.

11. No Item.

12. AGREEMENT: Arizona Public Service Company

WITHDRAWN - Agreement with the Arizona Public Service Company (APS) for electrical services at 175 S. Arizona Avenue and 240 S. Washington Street for a three-year period.

13. AGREEMENT: Wilson Engineers, LLC

APPROVED Agreement #WA1005-201 with Wilson Engineers, LLC for Water Production Facilities improvements in an amount not to exceed \$179,150.00.

This project is a continuation of Municipal Utilities ongoing efforts to modernize and rehabilitate the City's older water production facilities. Variable Frequency Drives (VFDs) will be added to booster pumps at water production facilities to decrease power consumption and stabilize system pressures. Other modifications include booster pump and discharge piping modifications, reservoir modifications and other items as necessary.

14. AGREEMENT: Aquatic Consulting & Testing, Inc.

APPROVED Agreement #RO8-485-2582 with Aquatic Consulting & Testing, Inc., for pond management/mosquito control services in an amount not to exceed \$170,000.00.

Chandler's Reverse Osmosis Facility maintains a 32-acre brine evaporation pond site near Gilbert and Ocotillo roads. Housing developments are in close proximity to the site and in the past, residents have reported odors and midge fly nuisances associated with the ponds. Since 2003, Chandler has contracted for larvicide treatment of the ponds and to monitor midge fly and mosquito populations. These treatments have reduced midge fly and mosquito activity. In addition, odor control measures have reduced odors. The Airport Water Reclamation Facility also is using this contractor for midge fly and mosquito sampling and control at the Chandler Heights Recharge Facility.

15. AGREEMENT: Wilson Engineers, LLC

APPROVED Agreement #WA0808-202 with Wilson Engineers, LLC, for the Appleby Well Equipping Design in an amount not to exceed \$41,100.00.

The original design plans and specifications for Appleby Well were completed in 2009. Both the City's Development Services and Maricopa County Environmental Services Division (MCESD) require the plans and specifications be updated and reviewed to obtain final approval signatures prior to bidding of the project. In addition, plans will be prepared to include the construction of a perimeter wall and exterior landscaping for the Iris Well site located on the west side of Gilbert Road just north of Ocotillo Road.

16. AGREEMENT: Plante and Moran

APPROVED an Agreement with Plante and Moran for external project management services for the Oracle Release 12 upgrade project in an amount not to exceed \$253,440.00.

The City originally selected and implemented the Oracle eBusiness Suite to serve as the citywide integrated system for managing financial and human resources processes in 1998. This included the purchase and implementation of the following modules: HRMS, Fixed Assets, Projects, Inventory, Purchasing, Accounts Payable, Accounts Receivable, Cash Management, Order Management, General Ledger and Payroll. Much of the system was highly customized to the City's business processes in existence at the time.

Oracle has announced that it will no longer support the software version that the City is currently running after November 2013, except for federally mandated requirements. Since the City depends on regular updates to the software for tax law changes and other system fixes and

improvements, the City must remain current with a supported version of the software. The City plans to look at modifying business processes to conform to the processes built into the software wherever possible to reduce the amount of customization and make future software version upgrades much easier to implement. The City is also looking at implementing some of the modules that were not implemented during the original project but have become necessary as the City's organization has grown and transactions have become more complex.

In order to assure the processing of routine financial transactions, such as vendor payments and payroll, the upgrade must be completed by the end of November 2013, when the support for the current system ends.

Staff considered looking at solutions other than the current Oracle system. Considering the current economic climate, the cost to retrain all users in another system and potential loss of functionality, it was determined that it would not be practical nor cost effective.

An external project manager is necessary because IT Staff are assigned to other projects during the required time to complete the upgrade and the scope and nature of this project requires particular expertise.

17. AGREEMENT: CedarCrestone, Inc.

APPROVED Agreement #IT1-918-2922 with CedarCrestone, Inc., for implementation and consulting services for Oracle Release 12 upgrade in an amount not to exceed \$2,126,411.00.

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18. AGREEMENT AMENDMENT: Redflex Traffic Systems, Inc.

APPROVED (6-1) Agreement #PD7-918-2382, Amendment No. 2, with Redflex Traffic Systems, Inc., for photo enforcement, in an estimated amount of \$650,000.00. This is the first of two optional three-year extensions. In 2001, the City implemented a photo red light program which included enforcement at four intersections. The program was expanded to eight intersections soon after implementation. During 2005, the City conducted pilot speed enforcement at three of the intersections. Additional intersections were enhanced with speed enforcement capabilities in 2007. The City currently has 12 equipped intersections, actively utilizing Redflex Traffic Systems, with 22 various approaches.

COUNCILMEMBER WENINGER VOTED NAY ON THIS ITEM.

Discussion:

MR. MICHAEL ROOS, MESA, AZ voiced support of photo enforcement. He told the Council that he was from Las Vegas and had moved to Mesa. He believed that the photo enforcement seemed to tame down red light running and speeding. He believed that Chandler's statistics showed how the program had made improvements. He hoped that the Council would support photo enforcement.

MR. COLIN O'CONNOR, 1711 W. MANOR ST., expressed his support of photo enforcement. He recalled things how things were in the neighborhood of Ray and Dobson roads before photo enforcement. He stated there were quite often accidents in the area due to people running red lights. He believed that the photo enforcement made a big difference. He stated that he had no problem using technology to remind people how to drive.

COUNCILMEMBER WENINGER questioned if the yellow light study was to continue with the contract.

Transportation & Development Director RJ ZEDER stated that the yellow light study was going to continue with the contract. He explained that there were 7 intersections along the Alma School Road corridor that had been moved on a temporary basis to 4.5 seconds. He indicated that most of the intersections in Chandler were at 4.5 seconds, where speeds were at 45 mph. He stated that it was a small group of intersections due to having only 27 out of the 208 signalized intersections in Chandler. He stated that the data was still inconclusive and that staff was unable to accurately say that increasing the additional half second has had an impact either up or down.

COUNCILMEMBER WENINGER asked if the speed reader boards would be continuing. He asked if any revenues coming to the City would be going towards traffic safety. He believed that the original contract indicated that revenues would go through traffic safety.

Assistant Police Chief DAVE LIND replied that speed reader boards were still being used and that any revenues brought in would be earmarked for traffic safety. He stated that the Police Department had not requested any additional funds for traffic safety. He explained that the Police Department was constantly monitoring new technology to make traffic safer, but that nothing had been added.

COUNCILMEMBER SELLERS stated that it was his impression that the amount was revenue neutral.

ASSISTANT CHIEF LIND concurred. He indicated that the amount was very close to being neutral.

COUNCILMEMBER ORLANDO believed it was a holistic approach that was being done. He stated that the photo enforcement had never been about money. He stated that it was about safety and improving the safety of Chandler.

COUNCILMEMBER HEUMANN noted that the City of Chandler was ranked one of the safest cities by the National Institute of Insurance for the most significant drop in accidents.

ASSISTANT CHIEF LIND concurred. He explained that Chandler was listed as the number one City in the Country with photo enforcement that had the single biggest reduction in fatal traffic accidents at intersections with and without photo enforcement. He added that the study further stated that photo enforcement made people think about every intersection they go to.

COUNCILMEMBER HEUMANN noted that the Legislature was looking to eliminate photo radar. He believed that perhaps they should read the study.

MAYOR TIBSHRAENY stated that the photo enforcement had proven to be a good public safety tool and safety tool for citizens. He noted that there was a lot of legislation that he did not believe was friendly to cities. He believed it was bad policy to preempt the local government and to take a safety tool away from citizens.

19. AGREEMENT AMENDMENT: Mechanical Products, BAS, Inc.

APPROVED Agreement Amendment No. 1, a no-cost extension with Mechanical Products BAS, Inc., for an Energy Management System for City buildings.

The existing proprietary Energy Management System (EMS) used at City facilities for the past 20 years has come to the end of its useful life due to technological advancements and inability to purchase replacement components. Council approved an agreement in August 2009 with Mechanical Products BAS, Inc., to convert 12 City buildings to the new energy management system. All but 3 buildings have been completed. The Main Police Department, City Courts and 911 Center are scheduled to be completed by June 2011. Several reasons explain the delay in completing the project. The age of the existing infrastructure was underestimated and the contractor spent several months replacing inefficient parts at the Transportation and Development Building and Library buildings. Staff also asked for modifications to the software which would allow for ease in scheduling and monitoring. This request took several months to develop and implement. Those associated costs were covered under the scope of the original contract.

The extension will also allow for additional software upgrades at Tumbleweed Recreation Center, Chandler Heights Substation, Fire Administration and the Park and Facilities Service Center buildings, which will be completed by February 29, 2012. These upgrades will be a no-cost upgrade to the City.

20. AGREEMENT AMENDMENT: ESRI, Inc.

APPROVED Agreement Amendment No. 4 with ESRI, Inc., to extend the Enterprise License Agreement (ELA) for Citywide Geographic Information System (GIS) software in an amount not to exceed \$108,100.00. This is the first of two optional one-year extensions.

The City's GIS system is based on ESRI GIS products. Several years ago, the City expanded its use of these products in current and planned City applications. This expansion of GIS services

resulted in a need for additional product licenses. Rather than continue to purchase licenses and maintenance for each application, the City consolidated all GIS software needs citywide into an Enterprise License Agreement (ELA). Through this agreement, the City has incurred a lower cost-per-unit for licensed software. A City GIS Advisory Team recommended this purchase and the Information Technology Oversight Committee approved the recommendation in 2009. The ELA allows City departments to deploy software products from the GIS system as needed to support its growth.

21. AGREEMENT AMENDMENT: Piper Jaffray & Co.

APPROVED Agreement Amendment No. 4 with Piper Jaffray & Co., for financial advisory services for one year. This is the fourth and final optional one-year extension. Services include the development of issuance strategies, preparation of documents and the marketing of the City's general obligation, street and highway, water and sewer revenue, excise tax and other bonds to investors.

Financial advisory fees associated with bond sales and incidental expenses related to a bond issue will be paid from bond proceeds. Advisory fees for special projects that are not related to a specific bond transaction will be charged at an hourly fee per the agreement if the project requires four (4) or more hours of work/research.

22. OSTRICH FESTIVAL LICENSE AGREEMENT - moved to Action.

23. CONTRACT: ELS Construction

APPROVED Contract #PR1002-401 with ELS Construction for construction improvements to Hoopes Park in an amount not to exceed \$374,960.00.

24. CONTRACT: Standard Construction Company, Inc.

APPROVED Contract #ST0503-401 to Standard Construction Company, Inc., acceptance of Staff approved Change Order No. 5 and authorized Change Order No. 6 in the amount of \$891,447.01, for the Chandler Boulevard/Dobson Road Intersection Improvements, for a revised contract price of \$5,332,616.08.

On March 25, 2010, Council approved a construction contract with Standard Construction Company, Inc., to construct three auxiliary through lanes in each direction, right turn lanes in each direction, bus bays in each direction, queue jumper lanes for bus rapid transit on Chandler Boulevard, dual left turn lanes in each direction, bike lanes in each direction, curb and gutter, sidewalks, water line, storm water drainage/retention, traffic signals, street lights, landscape and irrigation, sewer manhole rehabilitation and utility relocations. This project also included the addition of two auxiliary lanes on Dobson Road, median modifications, street light improvement and a mill and overlay on Dobson Road from Chandler Boulevard to Frye Road. At the October 28, 2010, Council meeting, Council accepted Staff approved Change Order Nos. 1 through 3 and authorized Change Order No. 4 for the construction of the Chandler Boulevard/Dobson Road Intersection Improvements. The original contract total of \$4,369,967.15 after the October Council approval resulted in a revised contract total of \$4,486,343.02.

Staff approved Change Order No. 5 to compensate the contractor for water line realignment, relocation of fiber pull box, installation of additional SRP vaults and value

engineering/preparation. Through value engineering, Chandler Order No. 5 resulted in a project savings of \$45,173.95.

Change Order No. 6 is for the removal and addition of line item quantities needed to complete the design and minimize traffic restrictions, additional work caused by conflicts with SRP facilities and splice pits, additional costs to realign the storm drain to avoid SRP conflicts, additional subgrade and paving repair caused primarily by soil pumping conditions, adding additional ADA compliant facilities, driveways and drywells to the northwest corner not previously in the design intent, abandoning and removing a previously unidentified private irrigation pipe in the right-of-way. The change order also adds additional anticipated field quantities and pays for project general conditions and extended overhead for the time needed to complete the work. These additional improvements are valued at \$730,406.25. The change order also covers additional asbestos concrete pipe waterline removal and replacement and additional manhole rehabilitation to include structure inverts and bases, which are valued at \$161,040.76. The total value of Change Order No. 6 is \$891,447.01.

The change order also adds 60 days to the contract for a current completion date of April 15, 2011. The original contract, including all change orders, is now valued at \$5,332,616.08 and the original Engineer's Estimate for the project was \$8,680,308.00.

25. PURCHASE: Clean Harbors, Inc.

APPROVED the Purchase of hazardous waste support services from Clean Harbors, Inc., utilizing the City of Flagstaff contract, in an amount not to exceed \$75,000.00.

Chandler's household hazardous waste collection facility operates at the Recycling-Solid Waste Collection Center. This facility offers residents convenient service for proper and safe recycling and disposal of household products containing hazardous ingredients.

Over the last year, the household hazardous waste collection program diverted approximately 172,000 pounds of pesticides, flammables, oil-based paint, automotive fluids and other hazardous waste. Of this total, approximately 125,000 pounds was recycled or reused. For waste that cannot be recycled (approximately 37,000 pounds), Staff works closely with the contractor to ensure disposal is compliant with local, state and federal regulations. This professional service is required to ensure regulatory compliance at all levels.

Staff regularly assesses operations to seek ways to increase diversion through reuse and recycling and reduce costs associated with managing this service. The following is a summary of some sustainable measures implemented by Staff to increase efficiencies:

1. Reuse latex paint program offering latex paint to other City departments for community projects.
2. Recycling unusable paint at a reduced cost.
3. Recycling motor oil and antifreeze.
4. Recycling other items such as depleted propane tanks and cylinders, batteries, fire extinguishers, and cooking oil at no additional cost.
5. Reducing the quantity of 55 gallon drums and other storage containers as a result of bulk tanks designed by Staff and installed on site.
6. Reducing the need for contractor staff on site due to additional training acquired by staff.

The combined savings from these measures is estimated to be approximately \$64,000.00.

26. PURCHASE: Motorola, Inc.

APPROVED the Purchase of upgrades and programming of existing radios from Motorola, Inc., sole source, in an amount not to exceed \$129,666.89.

On October 22, 2009, Council approved expansion of the Regional Wireless Cooperative to allow the City of Chandler to become a member of the regional radio system. The Police Department is in the final stages of installing radio infrastructure equipment for operation on the regional radio system. As part of this upgrade, the Police Department discovered that a portion of their portable radios purchased in past years would require upgraded programming and hardware to operate on the new regional radio system. These upgrades need to be completed prior to the expected cut-over date of April 4, 2011, so police officers in the field can maintain radio communications. These radios can only be upgraded using vendor-specific components without the need to replace each radio. The cost of replacements would be approximately \$450,000.00. Upgrading existing radios will show a savings of approximately \$320,000.00.

27. PURCHASE: Oracle Licenses

APPROVED the Purchase of Oracle licenses from Oracle for the Oracle Release 12 upgrade project, utilizing the General Service Administration contract, in an amount not to exceed \$83,341.00.

The City originally selected and implemented the Oracle eBusiness Suite to serve as the citywide integrated system for managing financial and human resources processes in 1998. This included the purchase and implementation of the following modules: HRMS, Fixed Assets, Projects, Inventory, Purchasing, Accounts Payable, Accounts Receivable, Cash Management, Order Management, General Ledger and Payroll. Much of the system was highly customized to the City's business processes in existence at the time.

Oracle has announced that it will no longer support the software version that the City is currently running after November 2013, except for federally mandated requirements. Since the City depends on regular updates to the software for tax law changes and other system fixes and improvements, the City must remain current with a supported version of the software. The City plans to look at modifying business processes to conform to the processes built into the software wherever possible to reduce the amount of customization and make future software version upgrades much easier to implement. The City is also looking at implementing some of the modules that were not implemented during the original project but have become necessary as the City's organization has grown and transactions have become more complex.

In order to assure the processing of routine financial transactions, such as vendor payments and payroll, the upgrade must be completed by the end of November 2013, when the support for the current system ends.

Staff considered looking at solutions other than the current Oracle system. Considering the current economic climate, the cost to retrain all users in another system and potential loss of functionality, it was determined that it would not be practical nor cost effective. This contract covers the costs of the upgrade licenses as well as licenses for the addition of three new modules.

28. CONTINUED LIQUOR LICENSE: Royal Buffet

CONTINUED TO MARCH 24, 2011, a Series 12 Liquor License for Yin Ying Lu, Agent, Royal Seafood Buffet, Inc., dba Royal Buffet, 2530 W. Chandler Blvd., to allow the applicant time to complete the zoning requirements for their Use Permit.

29. LIQUOR LICENSE: Chandler Heights AM/PM

APPROVED a Series 10 Beer and Wine Store Liquor License (Chandler #133540 L10) for Jamal Essa Abdallan, Agent, AL-Hage, Inc., dba Chandler Heights AM/PM, 5050 S. Arizona Avenue. A recommendation for approval of State Liquor License #10076123 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

30. CONTINUED LIQUOR LICENSE: Iguana Mack's

CONTINUED TO APRIL 14, 2011, a Series 6 Liquor License for Michael Thomas Conrad, Agent, 3 Echo, Inc., dba Iguana Mack's, 1371 N. Alma School Road, to allow the applicant time to complete the zoning requirements for their Use Permit.

31. CONTINUED LIQUOR LICENSE: La Parrilla Garden Restaurant

CONTINUED TO MARCH 10, 2011, a Series 12 Liquor License for Irene Ramos, Agent, La Parrilla Garden Restaurant, 474 W. Ray Road, to allow the applicant time to complete the zoning requirements for their Use Permit.

32. SAMPLING PRIVILEGES LIQUOR LICENSE: Liquor Square

APPROVED Sampling Privileges for a Series 9 Liquor Store Liquor License (Chandler #50870 L09) held by 101 Liquor Square LLC, dba Liquor Square, 3029 N. Alma School Road. A recommendation for approval to add sampling privileges to State Liquor License No. 09070487s will be forwarded to the State Department of Liquor Licenses and Control. The Arizona State Legislature amended A.R.S. § 4-206.01(J), effective July 29, 2010, allowing an applicant or licensee of a liquor store liquor license to apply for sampling privileges. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

33. TEMPORARY EXTENSION OF PREMISES: McDuffy's Grill

APPROVED a Temporary Extension of Premises for a Series 12 Restaurant Liquor License (Chandler #130729 L12) held by Gamma Brothers LLC, dba McDuffy's Grille, 980 E. Pecos Road, for their St. Patrick's Day Celebration March 17, 2011. A recommendation for approval of a temporary extension of premises for State Liquor License #12078438 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department has no objections to this extension and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Resources.

34. TEMPORARY EXTENSION OF PREMISES: Fibber Magees

APPROVED a Temporary Extension of Premises for a Series 12 Restaurant Liquor License (Chandler #45077 L06) held by T.W. Steves LLC, dba Fibber Magees, 1989 W. Elliot Road, for their St. Patrick's Day Festival March 17, 2011. A recommendation for approval of a temporary extension of premises for State Liquor License #06070061 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department has no objections to this extension and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Resources.

ACTION:

22. LICENSE AGREEMENT: Chandler Chamber of Commerce

Background:

The Chandler Chamber of Commerce (CCC) organizes, sponsors and conducts the Ostrich Festival using Tumbleweed Park as its event venue. This year's event is proposed to take place March 11-13 with set up commencing on March 6th and cleanup to be completed by March 15th. As the event has grown in size, scope, duration and attendance, it becomes prudent to enter into a license agreement that clearly delineates the role of each entity and the City's expectations regarding planning, layout, operations and cleanup.

To that end, the Law Department prepared a license agreement with input from Police, Fire, Community Services, Risk Management and the CCC. Key elements in the agreement include:

- Designation of specific deadlines for the submittal of site plans, emergency plans, vendor requirements and necessary permits.
- Identification of allowable activities and events.
- Identification of contact personnel representing each entity involved in oversight of the event.
- Clarification of the authority of City personnel, specifically Public Safety Staff, in event oversight.
- Identification of event set up and clean up responsibilities.
- Specification of insurance requirements, limits and naming of the City as an additional insured.

Discussion:

Community Services Director MARK EYNATTEN told the Council that the Ostrich Festival was planned on March 11 to March 13, 2011. He stated that there was a signed License Agreement between the Chandler Chamber of Commerce, Universal Fairs and the City of Chandler. He stated that the vendor, Universal Fairs was having difficulty in obtaining the proper insurance that was being required by the City. He stated that the License Agreement requires that the vendor provide that to the City no later than February 28, 2011.

COUNCILMEMBER HEUMANN stated that the License Agreement was available but that there were issues with the insurance. He stated that the risks and liabilities to the citizens of Chandler would be considerable until the insurance was verified.

CITY ATTORNEY MARY WADE concurred.

MOTION MADE BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ORLANDO TO AMEND THE LICENSE AGREEMENT WITH THE CHANDLER CHAMBER OF COMMERCE FOR THE USE OF THE TUMBLEWEED PARK IN CONJUNCTION WITH THE OSTRICH FESTIVAL FROM MARCH 11 TO MARCH 13, 2011, WITH THE ADDITION OF SECTION 3.1 (D) TO THE AGREEMENT REQUIRING INSURANCE WITH A CERTIFICATE OF INSURANCE SATISFACTORY TO THE CITY ATTORNEY SHALL BE PROVIDED NO LATER THAN 5:00 P.M., WEDNESDAY, MARCH 2, 2011. FAILURE TO DO SO SHALL RESULT IN IMMEDIATE RESCISSION OF THE LICENSE AGREEMENT, WITH NO LIABILITY OR DAMAGES INCURRED BY THE CITY OF CHANDLER.

COUNCILMEMBER ORLANDO asked if the Ostrich Festival event could still be put on; however, the City of Chandler would have no liability.

CITY ATTORNEY WADE responded that the License Agreement would be rescinded and that they would be given 5 or 6 extra days to get the insurance that is required by the City to the satisfaction to the City. She added that failure to do so would result in the right to have the Ostrich Festival rescinded.

COUNCILMEMBER ORLANDO stated that with no License Agreement, there would not be damage or liability.

CITY ATTORNEY WADE stated that it was designed to protect anyone who would rely on the expectation that there would be an Ostrich Festival. She stated that someone would not be able to sue the City.

COUNCILMEMBER HEUMANN stated that the idea was to protect the City. He stated that the liability risks to the citizens of Chandler could run into millions of dollars without proper insurance. He added that the Chamber and the vendor would receive additional time to figure out new insurance contractors.

MOTION CARRIED UNANIMOUSLY (7-0).

*After the Mayor's Announcements occurred, CITY ATTORNEY WADE advised the members of Council they would need to approve the License Agreement as amended. She explained that this was due to the Council approving the amendment, but stated that there was need to approve the License Agreement as amended.

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER HARTKE TO APPROVE THE LICENSE AGREEMENT AS AMENDED WITH THE CHANDLER CHAMBER OF COMMERCE FOR THE USE OF THE TUMBLEWEED PARK IN CONJUNCTION WITH THE OSTRICH FESTIVAL FROM MARCH 11 TO MARCH 13, 2011, WITH THE ADDITION OF SECTION 3.1 (D) TO THE AGREEMENT REQUIRING INSURANCE WITH A CERTIFICATE OF INSURANCE SATISFACTORY TO THE CITY ATTORNEY SHALL BE PROVIDED NO LATER THAN 5:00 P.M., WEDNESDAY, MARCH 2, 2011. FAILURE TO DO SO SHALL RESULT IN IMMEDIATE RESCISSION OF THE LICENSE AGREEMENT, WITH NO LIABILITY OR DAMAGES INCURRED BY THE CITY OF CHANDLER.

MOTION CARRIED UNANIMOUSLY (7-0).

CURRENT EVENTS:

*A. Mayor's Announcements

Mayor Tibshraeny recognizing Robert Combs, the City's Purchasing Manager is retiring and noted his past accomplishments.

Mayor Tibshraeny announced Intel's \$5 billion dollar investment in Chandler. He stated that thousands of temporary construction jobs and over 1,000 permanent jobs would be added.

Mayor Tibshraeny announced a recent dedication at PayPal, which would bring more than 2,000 jobs in Chandler along the Price Corridor.

Mayor Tibshraeny announced the 21st Annual Senior Expo on Wednesday, March 9, 2011, from 9:00 a.m. to 12:00 p.m., at the Community Center.

Mayor Tibshraeny stated that a few members of the Council had met with members of the Legislature to express concerns over legislation that would have an adverse effect on the City and the citizens of the citizens.

B. Councilmembers' Announcements

COUNCILMEMBER HEUMANN announced that there would be a 5k race on March 5, 2011. Councilmember Heumann also announced the Desert Cancer Foundation's annual benefit at the San Marcos Hotel on April 10, 2011.

COUNCILMEMBER ORLANDO said he did talk to Phoenix Councilmember Sal DiCiccio who supports a bill that would severely restrict the City by requiring bids on all items of \$50,000. Councilmember Orlando said that Mr. DiCiccio indicated he would speak to Legislators to exempt smaller communities and Chandler.

COUNCILMEMBER WENINGER announced that there would be a Congress in our Community event being held on Friday, March 4, 2011, from 9:00 a.m. to 11:00 a.m., with Congressman David Schweikert, Mayor Tibshraeny and the Council at the West Chandler Police Substation. He stated that the event would allow residents to have the Council and the Congressman at the same event to answer questions regarding their issues.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:55 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: March 10, 2011

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of Chandler, Arizona, held on the 24th day of February 2011. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of March, 2011.

City Clerk