

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 9, 2012 at 7:04 p.m.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY.

The following members answered roll call:

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

\*Councilmember Matt Orlando participated in the meeting via telephone.

Also in attendance:

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

INVOCATION: Pastor Roger Geiger - Southeast Valley Baptist Church

PLEDGE OF ALLEGIANCE: Boy Scout Troop #489 led the Pledge of Allegiance.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY VICE MAYOR WENINGER, to approve the Consent Agenda as presented.

COUNCILMEMBER HEUMANN commented on Item No. 7 (REZONING: Air Products and Chemicals, Inc. - Ord. #4347). He said that Air Products is a great facility that is well run and he appreciates the company being here in Chandler. Its presence is beneficial to companies like Intel, Orbital, and others, citing that this is another new business in Chandler in part because of companies like Intel. COUNCILMEMBER HEUMANN advised that there will be an opportunity to tour the Air Products facility as part of the upcoming Sci-Tech Festival. Further details were provided during the Councilmember Announcements.

MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED the Minutes of the Council Regular and Special Meetings of January 26, 2012.

2. CITY INITIAL ZONING: Finisterra Ord. #4340

ADOPTED Ordinance No. 4340, DVR11-0049 Finisterra – City Initial Zoning, the establishment of initial City zoning of Single-family residential (SF-18) on approximately 40 acres located at the SWC of Ocotillo Road and the future 148<sup>th</sup> Street alignment.

3. REZONING: Hamilton Heights Ord. #4343

ADOPTED Ordinance No. 4343 DVR10-0023 Hamilton Heights, rezoning from PAD for multi-family residential to PAD for single-family residential for a 47-lot single-family residential subdivision on approximately 12 acres located west of the SWC of Arizona Avenue and Queen Creek Road.

4. PAD AMENDMENT: Western State Bank Ord. #4344

ADOPTED Ordinance No. 4344, DVR11-0041 Western State Bank, amendment of PAD zoning for modified signage on a new bank building at the NEC of Chandler Boulevard and Alma School Road.

5. LEASE AGREEMENT: Chandler Air Service Ord. #4346

ADOPTED Ordinance No. 4346 authorizing a new lease agreement with Chandler Air Service at Chandler Municipal Airport.

6. CABLE TELEVISION LICENSE AGREEMENT: Cox Ord. #4345

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4345 granting Cox Communications Arizona, LLC, a Cable Television License Agreement and Class 6 Cable Television and Related Services License for the City of Chandler.

The City issued a non-exclusive 15-year cable license agreement on May 15, 1980, to Dimension Cable Services (owned first by American Cable Services then, through a merger/acquisition, by Times Mirror Cable of Arizona). Dimension Cable Services renewed its license on My 15, 1995, and then the company was subsequently purchased by Cox Communications, Inc. (Cox) which assumed the license.

The most recent license expired on May 14, 2010, but a provision in the license allowed Cox (with a new organizational name of Cox Communications Arizona, LLC) to continue to operate under the existing license while the City and Cox finalized the negotiation of a renewal license. Before this could be completed, the City needed to update Chapter 46 of the City Code relating to Cable Television Licenses in order to reflect new State Statutes relating to such licenses. The City also finalized an audit of the License Fee payments and reviewed construction compliance of the system's aerial plant.

The new license incorporates all the changes made in the Chandler Code related to cable television licenses. It establishes a non-exclusive 15-year Cable Television License Agreement between the City of Chandler and Cox Communications Arizona, LLC, for the continuation of the construction and operation of a cable and fiber system to provide cable television-related services to the City of Chandler and satisfies the license requirements of a Class 6 Cable Television and Related Services License according to Chapter 46 of the Chandler City Code. Of note is that it

provides Customer Service provisions that are more detailed and designed to set the highest levels and standards of service to subscribers within the State of Arizona. The construction Standards in the Agreement also reflect City Code and Utility Development Manual changes that have occurred over the past 15 years.

Cox will continue to pay a license fee of five (5) percent of gross revenues as defined in the license. Cox is entitled to reductions in payments of License Fees as provided by Title 9 of the Arizona Revised Statutes which includes permit and inspection fees. Cox will continue to make available, at no cost to the City, four PEG cable channels. Cox will also continue to provide Basic Service to City buildings that are receiving Cable Service at the beginning of the term of this Agreement. Upon written request from the City Manager and at no charge to the City, Licensee shall provide Licensee's Basic Service tier to additional City buildings.

7. REZONING: Air Products and Chemicals, Inc.

Ord. #4347

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4347, DVR11-0043 Air Products and Chemicals, Inc., rezoning from Planned Industrial District (I-1) to PAD for underlying I-1 uses, with PDP, for the expansion of an ultra-high purity gaseous production facility that includes necessary mechanical structures exceeding 100 feet in height on approximately 13 acres located at the NEC of Price and Frye roads. (Applicant: Ralph Pew, Pew & Lake, PLC.)

The site is bordered to the west by the Loop 101 Price Freeway with the Chandler Fashion Center regional mall located west of the Loop 101. To the north is developed I-1 property formerly known as the Gould site. To the east is an office development originally developed by Countrywide Financial. Frye Road abuts the site's southern side, with an existing developed business park including a 6-story Hilton Hotel south of Frye Road.

The subject site received initial zoning back in 1979 when the City Council established Planned Industrial District (I-1) zoning accommodating the first phase of the Air Products campus. Air Products and Chemicals, Inc. produces and supplies the high-tech industry with ultra-high purity nitrogen, liquid oxygen and other gases. These gases are delivered either through under-ground piping systems or by truck. The existing Air Products campus includes several air separation systems that include "cold box" towers ranging in heights up to 130' tall, as well as storage tanks, vaporizers and piping networks. Air Products has gone through numerous expansions to meet the needs of their customers starting in 1986 and most recently in 2008. With the Intel Fab 42 construction currently underway, as well as other expansions in the industry, Air Products finds itself needing to expand yet again. While the underlying I-1 zoning allows for this type of land use, the previous zoning and variance approvals that granted ability to exceed the code's 100-foot maximum height for mechanical structures, have been exhausted. The Zoning Code limits necessary mechanical structures such as water tanks, silos and cooling towers to 100-feet in height by-right.

The request is to rezone the subject site to PAD for underlying I-1 uses with PDP approval for the Air Products campus that includes the existing facilities, proposed current expansion and future expansion areas as depicted in the Development Booklet. The existing facility currently contains three "cold box" structures ranging in height from 72' to 132' tall. As well, three storage tanks exist ranging in height from 58' to 62' tall. The currently proposed expansion includes 2 new air separation units (cold boxes) at approximately 131' and 143'6" (+/-5') in height. Additionally, the current proposed expansion includes a new 75' tall liquefier plant cold box, a new 53' diameter 99' tall flat bottom liquor nitrogen tank and eight new gaseous nitrogen ambient vaporizers. All new structures will remain aesthetically compatible (i.e. white cylindrical tanks or white

rectangular boxes) with the existing air separation units and other existing improvements on site. As indicated in the Development Booklet, a future expansion consisting of an additional air separation plant is contemplated and considered a part of this request.

Also as part of this request, Air Products proposed to enhance the ROW streetscape through substantial wall, entrance gate and landscaping improvements. The existing 4-foot slump block wall topped with chain link fence and razor wire will be replaced by an 8-foot tall full slump block wall. The western Frye Road chain link fence entrance gates will be replaced with rolling solid metal gates matching the eastern Frye Road entrance. Significant landscape improvements are proposed. Along the Frye and Price road frontages, an additional 56 36-inch box Sisso and Willow Acacia trees are proposed. While planted in a more natural layout, the effect is a double row of trees along nearly the entire Frye Road frontage. As well, significant amounts of shrubs and ground cover are proposed to bring the landscaping up to current requirements.

Finally, the request includes new monument signage to be located along Frye Road. One sign, proposed at 7'-10", includes routed push through internally lit lettering. The other 5' tall sign includes non-illuminated aluminum plate lettering. Both signs include a 3-dimensional curved design featuring aluminum construction, consistent with the surrounding business parks. The Development Booklet includes an exhibit showing signage on the proposed 99' tall liquid nitrogen tank. Signage is not permitted on mechanical structures. Staff has included a condition addressing this.

Staff supports the requested rezoning and PDP. Air Products and Chemicals, Inc. remains a significant partner in Chandler's high-tech industrial success. Although mostly isolated when initially constructed, Air Products has maintained compatibility as the years of growth occurred. Now surrounded by business parks, a mall and a hotel, Air Products remains committed evidenced by the significant improvements proposed such as the new 8' tall perimeter slump-block wall and landscaping. Staff supports the proposed structures' height finding the existing structures to demonstrate a lack of neither visual dominance nor an impediment to the surrounding area's growth and evolution.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held December 14, 2011. One neighboring property owner attended the meeting praising Air Products for being such a good neighbor. The attendee offered support for the project. Staff has received no correspondence in opposition to this request.

#### REZONING:

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval subject to the conditions listed in the ordinance.

#### PRELIMINARY DEVELOPMENT PLAN:

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Development shall be in substantial conformance with the Development Booklet entitled "Air Products and Chemicals, Inc." kept on file in the City of Chandler Planning Services Division, in File No. DVR11-0043, except as modified by condition herein.
2. The site shall be maintained in a clean and orderly manner.
3. Approval by the Director of Transportation and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls.

4. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
5. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
6. Business signage shall not be placed upon the mechanical structures.

8. REZONING: Warner Business Center

Ord. #4348

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4348, DVR11-0032 Warner Business Center, rezoning from PAD to PAD Amended to expand the list of permitted uses with PDP for modified parking layout within a 7-acre business park located at 430-480 E. Warner Road, approximately one-half mile east of the NEC of Warner Road and Arizona Avenue. (Applicant: PHM Ltd.; Owner: Falcon Airpark, LLC.)

The site is approximately ½ mile east of Arizona Avenue and just west of the Union Pacific Railroad. The existing zoning allows industrial, office and showroom uses, with showroom limited to 10% of floor area. "Showroom" is defined as a retail use that is directly associated with a light industrial (e.g. warehouse, manufacturing) user that occupies the same suite. A showroom use generally involves the display and/or sales of a product manufactured or stored in the industrial portion of the suite.

The subject site, which is part of the Westech Corporate Center, has been zoned PAD for employment uses since 1985. In 2005, it received PDP approval for an office/warehouse development with six multi-suite buildings arranged in three rows roughly parallel to Warner Road. Each row has a parking field in front and a small truck courtyard in back. The building fronts are oriented to customers, while the backs have grade-level roll-up doors for inventory access. The development has remained mainly vacant since its construction in 2006. Currently, 29 of the site's 31 suites are vacant.

Parking availability will control the ultimate land use split when the subject site's suites are built out. Zoning Code parking requirements are 1 space per 500 square feet (warehouse), 1 per 200 (office), and 1 per 250 (showroom). Assuming a simple example of only office and warehouse uses, the site currently provides enough parking for an approximate land use split of 30% office and 70% warehouse.

The application requests additional uses it calls "light retail" that Staff would characterize as showroom uses above and beyond 10% of floor area. As a matter of practice, any site in the City zoned for industrial uses is allowed a small amount of showroom area, up to 10% of total floor area. Essentially, the subject request is to remove the maximum allowed floor area for showroom uses, instead allowing available parking alone to control maximum floor area. Examples of "light retail" listed in the application include furniture, plumbing, carpeting or bakery businesses.

The application also requests the ability to modify its parking layout, especially including a reduction in the number of loading spaces. Given the difficulty in attracting warehouse tenants, the property owner would like to increase the number of parking spaces to accommodate increased retail and office square footage. This will most likely mean removal of one or two of the three provided (and required) loading spaces. Most of the details of the parking layout modifications will be worked out administratively, but a PDP amendment is required to allow relief from the Zoning Code requirements requiring the loading spaces.

The Planning Commission and Staff find the requested showroom (or "light retail") uses to be compatible with the existing zoning and surrounding uses. Unlike many other classes of retail, these uses are unlikely to compete with struggling area shopping centers for tenants. Rather, showroom uses are more uniquely suited to the quasi-industrial setting of the subject site. Also, the Planning Commission and Staff recognize that the subject site is unlikely to attract large warehouse users due to the relatively small truck courtyard and overhead doors. Similarly, the site does not have sufficient parking to support a more pure-office environment. The requested uses present a reasonable solution for what has become an outdated property in the modern local real estate market.

The Planning Commission and Staff support the PDP request to modify the parking layout, including a reduction in loading spaces. With overhead doors provided for each suite, there is not a great anticipated need for the loading spaces. Given the need to provide flexibility for this site, the loss of a couple of loading spaces will have little negative impact compared to the benefit.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held December 14, 2011. There were no citizens in attendance. Staff has received no correspondence in opposition to this request; however, a tenant in the subject development has contacted Staff with site maintenance concerns.

#### REZONING:

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval subject to the conditions listed in the ordinance.

#### PRELIMINARY DEVELOPMENT PLAN:

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval subject to the following condition:

1. Development shall be in substantial conformance with previous PDP approvals, except as modified by the subject application and conditions herein.

9. LAND PURCHASE: Ocotillo Road/Arizona Avenue Res. #4556

ADOPTED Resolution No. 4556 authorizing the purchase of two parcels of land for a future domestic well located south of Ocotillo Road, east of Arizona Avenue, Project #WA-1008, including Phase I Environmental, survey and associated costs; and authorizing condemnation proceedings, as needed, to acquire said real property and to obtain immediate possession thereof.

On August 28, 2008, City Council approved the alignment for the Ocotillo Road Improvement Project from Arizona Avenue to McQueen Road, intended to improve transportation and vehicular traffic movement within the City of Chandler.

A well site exists on the remainder property of one of the parcels required for the right-of-way for Ocotillo Road, and the owner has agreed to sell the property to the City at the appraised value. This parcel is located between Arizona Avenue and the railroad tracks to the east.

The City is proposing to acquire this parcel and a portion of an adjacent parcel to be used for a domestic well to maintain well system capacity and redundancy as recommended by the 2007 Water, Wastewater, and Reclaimed Water Master Plan Update. One parcel, which has

dimensions of 50' x 50', approximately 2,500 sq. ft., is an existing agricultural well. Acquisition and utilization of this parcel for a well site will enable the City to build a replacement well under a streamlined permitting process.

The other parcel, which is proposed to be approximately a 25' strip acquired from a larger parcel, would "wrap-around" the 50' x 50' parcel and create a final parcel of approximately 75' x 75'. In addition to the 25' strip, a temporary construction easement is proposed to be acquired from this parcel.

Upon approval, this resolution would authorize acquisition of the real property at fair market value by purchase or condemnation. A reasonable negotiation period will be allowed for property purchases, after which condemnation proceedings will be initiated as needed to acquire the real property and to obtain immediate possession.

Two parcels will be required for construction of the well site at a total cost of \$100,000.00.

10. PROPERTY ACQUISITION: 831 and 855 W. Ray Road Res. #4563

ADOPTED Resolution No. 4563 authorizing acquisition of the property located at 831 and 855 W. Ray Road in the amount of \$54,000.00, plus closing costs of approximately \$2,400.00 and relocation costs.

In November 2010, the City of Chandler established a land banking program with the goal of acquiring and demolishing foreclosed and blighted property in targeted areas of Chandler. A Land Bank is created to efficiently hold, manage and develop property. The goals of the program are to support and assist in the revitalization of neighborhoods, to serve as a catalyst for the development of affordable housing and to facilitate economic development through the elimination of blighting influences. A Land Bank can provide a new pathway for the use of land through demolition, property maintenance and land assembly.

The properties located at 831 and 855 W. Ray road are located within the City's Land Bank Program area and are owned by Community Services of Arizona (CSA), a local non-profit. Both properties have been deemed as blighted by the City's Chief Building Inspector. The duplex at 831 W. Ray Road was recently appraised at \$46,000.00 and the triplex at 855 W. Ray Road appraised for \$45,000.00. One unit is currently occupied.

The necessity of relocating the existing tenant will not be determined until after the acquisition is initiated. Upon Council approval of the acquisition of the properties, Staff will commence the process of interviewing the tenant to establish their eligibility for relocation benefits. Based on preliminary information regarding the amount of rent currently being paid by the tenant, Staff estimates that relocation costs, if required, will not exceed \$12,000.00.

11. MONEY-PURCHASE RETIREMENT PLAN BENEFIT Res. #4576

WITHDRAWN

12. PRELIMINARY DEVELOPMENT PLAN: Chandler Christian Church Signage

APPROVED Preliminary Development Plan PDP11-0013 Chandler Christian Church Signage, for a new monument sign and building signage associated with "The Bridge" youth recreation center

at 1825 S. Alma School Road, east of the NEC of Germann and Alma School roads. (Applicant: Chandler Christian Church.)

The application requests PDP approval for a new monument sign and building signage associated with “The Bridge” youth recreation center along Germann Road on the campus of the Chandler Christian Church. The recreation center is part of a campus expansion plan approved in 2008 that increased the campus size to approximately 26 acres and provided access to Germann Road. The campus forms an L-shape that wraps around a residential property and several commercial properties at the northeast corner of Germann and Alma School roads. East and southeast of the recreation center are several single-family residential properties.

The first part of the application is a request for a new 6'-high monument sign that includes an electronic message board. The sign is of the same design as an existing sign along Alma School Road that was approved in 2010, including aluminum construction drawn from the building architecture and an approximately 8'-5"-wide by 2'-2"-tall electronic message board. The nearest residential property lines are approximately 105' to the east and 220' to the west, with an approximately 8'-high block wall along each property line. Because the block wall to the east is not built all the way out to the sidewalk, the sign has been placed so that an existing Palo Verde tree is located directly on the sightline between the sign and the adjacent house, generally fulfilling the visual barrier function of the wall.

The sign can be programmed to dim automatically in response to nightfall or at pre-determined times. The Planning Commission and Staff recommend a condition that would require such programming to occur in a similar manner to the existing electronic monument sign along Alma School Road.

The second part of the application is a request for two building signs to be added to the recreation center. Both signs will be located near the recreation center's southwest portion which is farthest from the residential neighbors. One sign, referred to as Sign B in the application materials, is approximately 4'-9"-tall by 10'-10"-wide and is located on the western portion of the southern façade, which is the most recessed part of this multi-layer façade. The other sign, referred to as Sign C in the application materials, is approximately 6'-tall and 13'-11"-wide and is located on the western façade facing the parking lot. Both signs feature black and orange reverse pan-channel letters with white halo illumination.

The Planning Commission and Staff find the proposed monument sign with an electronic message board to be of quality design that is compatible with the surrounding land uses if the illumination is properly dimmed at night. The materials, forms and colors appropriately reflect the church architecture. Also, the Planning Commission and Staff find the proposed building signage to be compatible with both the building architecture and surrounding land uses. It is positive that the signage is reverse pan-channel with halo illumination, which is a design that produces a softer glow than regular pan-channel letters. The signs' letter size is appropriate and of proper scale with the large façades they are placed on.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held January 5, 2012. There were two neighbors in attendance with questions about existing parking lot lighting, but no opposition was expressed regarding the proposed signage. Staff has received no correspondence in opposition to the request.

Upon finding consistency with the General Plan and Planned Area Development (PAD) zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Development shall be in substantial conformance with the approved exhibits (Narrative, Site Plan, Sign Details), except as modified by condition herein.
  2. Compliance with the original stipulations adopted by the City Council as Ordinance No. 4117 in case DVR08-0017 CHANDLER CHRISTIAN CHURCH, except as modified by condition herein.
  3. The illumination of the monument sign shall be reduced to no greater than 1,000 nits (candela per square meter) from 10 p.m. to 6 a.m.
  4. The monument sign shall utilize photocell technology to sense ambient light levels and adjust the sign brightness accordingly so as to reduce the visual impact on residential neighbors during times of lesser daylight.
13. CONTINUED AREA PLAN AMENDMENT/ZONING/PRELIMINARY PLAT: Waters At Ocotillo

CONTINUED TO FEBRUARY 23, 2012, Area Plan Amendment APL11-0003 Waters At Ocotillo – Parcels 1 & 4, an amendment to the Ocotillo Area Plan from Multi-Family Residential to Single-Family Residential

CONTINUED TO FEBRUARY 23, 2012, Zoning DVR11-0035 Waters At Ocotillo – Parcels 1 & 4, rezoning from PAD for multi-family uses to PAD Amended for single-family uses along with PDP for two single-family residential subdivisions located near the intersection of Market Place and Jacaranda Parkway.

CONTINUED TO FEBRUARY 23, 2012, Preliminary Plat PPT11-0006 Waters At Ocotillo – Parcels 1 & 4, for two single-family residential subdivisions located near the intersection of Market Place and Jacaranda Parkway, at the NEC of the intersection of Dobson and Price roads.

The Planning Commission continued the item to their February 1, 2012, hearing to allow additional exhibit revisions in coordination with Staff. Accordingly, the Planning Commission and Staff recommend that City Council continue the item to their February 23, 2012 meeting.

14. ZONING EXTENSION: The Gates

APPROVED a three-year zoning extension for DVR11-0045 The Gates, on the existing PAD zoning designation for a commercial retail development on approximately 18 acres at the SEC of Gilbert and Ocotillo roads. (Applicant: Brennan Ray; Burch Cracchiolo, PLC.)

In 2008, the site was rezoned from AG-1 to PAD for a commercial retail development. The PAD zoning was conditioned to start construction above foundation walls within three (3) years of the ordinance effective date. This is the first zoning time extension requested for the property. The current application requests a three-year time extension; the timing condition expired on December 17, 2011. The proposed three-year time extension would be in effect until December 17, 2014, as the time limit is calculated from the previous zoning approval's expiration.

The subject site is located at the southeast corner of Gilbert and Ocotillo roads. North, across Ocotillo Road, is the Layton Lakes residential development. Bordering the east and south property boundaries is the RWCD (Roosevelt Water Conservation District) canal. East, beyond the canal, is the Quail Springs single-family residential neighborhood. South, beyond the canal, is a county island currently being utilized as farmland. West, across Gilbert Road, is vacant land. The subject site lies within the SECAP and is designated as a major entry gateway and commercial node. The request is consistent with the SECAP.

The request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 21, 2011. No neighbors were in attendance. Staff has received two phone calls from nearby residents with general questions and expressing support.

Upon finding consistency with the General Plan and the Southeast Chandler Area Plan, the Planning Commission and Staff recommend approval of extending the timing condition for an additional three (3) years with all of the conditions in the original approval remaining in effect.

15. CONTINUED ZONING/PRELIMINARY PLAT: North East Corner of Cooper and Riggs

CONTINUED TO MARCH 8, 2012, Zoning DVR10-0014 North East Corner of Cooper and Riggs, rezoning from AG-1 to PAD with PDP for an 84-lot single-family residential subdivision on 32 acres and PAD zoning for commercial development on 7.5 acres located at the NEC of Cooper and Riggs roads. The continuance is requested by the applicant in order to finalize some of the design details associated with the development booklet and to obtain the signed Proposition 207 waiver. The property owner is located out of the country and receiving the signed waiver is taking longer than expected.

16. BOARD AND COMMISSION APPOINTMENT

APPROVED the appointment of Janet Langley to the Merit Board.

17. AGREEMENT: Sunrise Engineering

APPROVED Agreement #WA0401-454 with Sunrise Engineering for construction management of the Phase III Water Main Replacement Project, including services to review and update existing plans previously prepared by another consultant, pursuant to annual contract #EN1003-105, in an amount not to exceed \$273,666.00. This is the first year of this annual agreement with the option of four one-year extensions.

18. AGREEMENT AMENDMENT: ACT Towing LLC dba All City Towing

APPROVED Agreement #PD6-968-2247, Amendment No. 11, with ACT Towing LLC, dba all City Towing for police towing services extending the contract through June 30, 2012.

The current contract for police towing was set to expire on August 31, 2011. In August of 2011, the City Council extended the contract for one month and authorized the City Manager to execute additional monthly extensions through February 29, 2012. The extension was intended to allow Staff to resolve issues with the bid evaluation. Those issues have not been resolved. Staff will conduct a new procurement process and expects to have an award before June 30, 2012.

19. AGREEMENT AMENDMENT: HVAC Replacement/Maintenance

APPROVED Agreement #CS1-910-2967, Amendment No. 1, with Frontier Mechanical, Inc., dba FMI Heating & Cooling, Inc. and Trane, Inc. for replacement of HVAC chillers at the Main Police station in an amount not to exceed \$310,000.00 and RENEWAL of agreement #CS1-910-2967 with Frontier Mechanical, Inc., dba FMI Heating and Cooling, Inc., Trane, Inc., and Chandler Air, Inc. for HVAC repairs, maintenance and service in an amount not to exceed \$225,000.00, for a total amount not to exceed \$535,000.00.

This amendment is for two actions: 1) purchase and installation of the HVAC chillers at the main Police Station and 2) extension of the annual agreement for HVAC repairs, maintenance and service. The main Police Station is currently in need of replacing the chillers that provide cooling to the building. One of the chillers has failed and is beyond repair. The second chiller is integrated into the first and also needs to be replaced. Both chillers are original equipment when the building was built in 1998. Two new Trane energy efficient chillers will be installed utilizing this contract. By utilizing this contract for purchase and installation of the chillers for PD, we insure they will be up and running when the weather starts getting hot. Total for equipment and installation is estimated to be \$310,000.00. APS rebates are also available for these new chillers in the total amount of \$17,500.00.

The term of the current agreements expires April 30, 2012. Due to the timing, it was advantageous to bring the renewal of the contracts at this time. The City frequently uses outside vendors for repairs and maintenance of HVAC equipment. These agreements provide the City with three (3) contractors for scheduled, preventative and emergency HVAC repairs throughout the City. Buildings and Facilities will specifically use these contracts for preventative and unscheduled maintenance on seven (7) water and air cooled chillers. Work on these chillers requires factory trained technicians for the servicing of the large compressors, pumps and chiller tubes and sophisticated control systems. The Municipal Utilities Department also utilizes these contracts for maintenance and repair of packaged and small HVAC units at various MUD operated buildings.

20. AGREEMENT AMENDMENT: Mechanical Products BAS, Inc.

APPROVED Agreement #BF9-220-2745, Amendment No. 2, with Mechanical Products BAS, Inc., for enhanced programming of the Energy Management System in an amount not to exceed \$35,000.00. The term of this extension is March 1, 2012 through February 28, 2013.

Council approved an agreement in August 2009 with Mechanical Products BAS, Inc. to convert twelve (12) City buildings to the new energy management system. The work on these buildings has been completed and the system is currently being commissioned by a third party agent. This extension for additional programming will allow for greater functionality of the enterprise system. This new programming will provide energy savings by utilizing the chilled water plants more efficiently by keeping the central plant from switching from economizer to chiller mode frequently. This change will reduce the spiking of electrical use during startup.

The City is also requesting additional training for the HVAC staff. This training will allow City technicians to troubleshoot and modify the software. By providing this training, staff is confident the service and maintenance of the system can be performed internally reducing the need for a service maintenance contract with the vendor after the warranty period is over.

21. AGREEMENT: Banner Occupational Health Services

APPROVED Agreement #RM2-948-3059 with Banner Occupational Health Services for occupational health services for City employees and volunteers for a three-year period in an amount not to exceed \$264,800.00.

22. AGREEMENT AMENDMENT: Heinfeld, Meech and Co., P.C.

APPROVED Agreement #AC8-946-2581, Amendment No. 4, with Heinfeld, Meech and Co., P.C. for professional auditing services for one year and adding audit services for the 2011 Chandler Health Care Benefits Trust (CHCBT) in an amount not to exceed \$98,997.00.

The City is required by City Charter and State Statute to issue an annual audited financial report. In addition, federal law requires the City to undergo an annual single audit of federal financial assistance. This extension will include auditing of the CHCBT Fund. This is the 4<sup>th</sup> and final extension. The scope of services includes audit work for the City, Chandler Cultural Foundation and CHCBT.

23. MEMORANDUM OF UNDERSTANDING: Cox

APPROVED a Memorandum of Understanding with Cox Communications Arizona LLC.

Over the past few months, the City and Cox Communications Arizona, LLC (Cox) have performed a citywide survey of the existing cable system aerial plant in order to determine the aerial plant's compliance with City Code and Construction Standards. The parties reached an understanding of what, if any, corrective actions Cox would take and outlined a schedule timeline for those actions. Annex A of the MOU shows all of the locations that were reviewed and Annex B shows what, if any, actions were agreed would resolve the concerns for that location. The actions by Cox will include undergrounding, relocating and other measures as set forth in Annex B.

Cox is responsible for the entire cost of any activities outlined in Annex B. Federal Cable law makes it permissible for Cox to pass these costs on to its customers in the City and Cox has expressed its intention to do so.

24. CONTRACT EXTENSION: Ritoch-Powell & Associates

APPROVED a one-year extension of Contract #EN1002-101 with Ritoch-Powell & Associates for civil design and platting services in an amount not to exceed \$100,000.00. City Staff anticipates needing a number of sites currently held by the City to be converted to plat subdivisions for HUD. The City also has at least three additional lot areas that have been purchased and would like to ultimately subdivide, plat and sell in order to establish future subdivisions. The City anticipates some other minor land divisions and general civil engineering services on an as-needed basis. This annual contract will provide for civil design and platting services.

25. CONTRACT EXTENSION: Sunrise Engineering

APPROVED a one-year extension of Contract #EN1004-101 with Sunrise Engineering for civil design and platting services in an amount not to exceed \$100,000.00. City Staff anticipates needing a number of sites currently held by the City to be converted to plat subdivisions for HUD. The City also has at least three additional lot areas that have been purchased and would like to ultimately subdivide, plat and sell in order to establish future subdivisions. The City anticipates some other minor land divisions and general civil engineering services on an as-needed basis. This annual contract will provide for civil design and platting services.

26. CONTINUED USE PERMIT: Chateau De Vie

CONTINUED TO FEBRUARY 23, 2012, Use Permit ZUP11-0012 Chateau De Vie, to allow an event facility with a bed & breakfast and a bistro on property zoned AG-1 with an existing single-family dwelling located at 1220 N. Kyrene Road, approximately one-quarter mile north of Ray

Road on the west side of Kyrene Road. The continuance is requested to allow for further discussion with area property owners in regards to their concerns with the proposed Use Permit.

27. LIQUOR LICENSE: Mikado Sushi

APPROVED a Series 12 Restaurant Liquor License (Chandler #138944 L12) for Seong Bong Kang, Agent, Jiha, Inc., dba Mikado Sushi, 3125 S. Alma School Road, Suite 3. Recommendation for approval of State Liquor License #12078970 will be forwarded to the State Department of Liquor Licenses and Control. This application reflects a change in ownership. Transportation and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as Mikado Sushi. 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.

28. LIQUOR LICENSE: Jolie's Place

APPROVED a Series 12 Restaurant Liquor License (Chandler #139148 L12) for Jolie Margaret Auburn, Agent, JOJO TENDER LLC, dba Jolie's Place, 140 W. Warner Road. Recommendation for approval of State Liquor License #12078958 will be forwarded to the State Department of Liquor Licenses and Control. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previously approved Use Permit for Club Bonanza. 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.

29. CONTINUED LIQUOR LICENSE: Yummy Grill Buffet

CONTINUED TO MARCH 8, 2012, Liquor License, Series 12, for Min Feng Lu, Agent, Yummy Buffet LLC dba Yummy Grill Buffet, 2100 S. Gilbert Road, Suite 1, to allow the applicant time to complete the requirements for a new Use Permit.

30. CONTINUED LIQUOR LICENSE: Szechwan Garden

CONTINUED TO MARCH 8, 2012, Liquor License, Series 12, for Ying Tao, Agent, Hong's USA LLC, dba Szechwan Garden, 5055 W. Ray Road, Suite 1, to allow the applicant time to complete the requirements for a new Use Permit.

31. CONTINUED LIQUOR LICENSE: Mama's House

CONTINUED TO FEBRUARY 23, 2012, Liquor License, Series 12, for Michael Vachon, Agent, Sun Valley Bistros LL, dba Mama's House, 2394 N. Alma School Road, to allow the applicant time to come into compliance with the Tax and License Division.

32. SPECIAL EVENT LIQUOR LICENSE: Chandler Fire Department Honor Guard Pipes and Drums

APPROVED a Special Event Liquor License for the Chandler Fire Department Honor Guard Pipes and Drums, a non-profit organization, for a St. Patrick's Day fundraising event, March 17, 2012 at 3 S. San Marcos Place. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the

organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

33. SPECIAL EVENT LIQUOR LICENSE: Chandler Chamber of Commerce

APPROVED a Special Event Liquor License for the Chandler Chamber of Commerce for the Ostrich Festival, March 9 – 11, 2012, at Tumbleweed Park, 2250 S. McQueen Road. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

34. SPECIAL EVENT LIQUOR LICENSE: Chandler Chamber of Commerce

APPROVED a Special Event Liquor License for the Chandler Chamber of Commerce for the Ostrich Festival Kick-off Chamber Mixer, March 8, 2012, at Thorobred Chevrolet, 2121 N. Arizona Avenue. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

35. SPECIAL EVENT LIQUOR LICENSE: Southwest Youth Ballet Theatre

APPROVED a Special Event Liquor License for the Southwest Youth Ballet Theatre for a Dance and Romance fundraising event on February 17, 2012, at Inspirador, 63 E. Boston Street. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

36. TEMPORARY EXTENSION OF PREMISES LIQUOR LICENSE: Fibber Magees

APPROVED a Temporary Extension of Premises for a Series 6 Bar Liquor License (Chandler #45077 L06) held by T. W. Steves LLC, dba Fibber Magees, 1989 W. Elliot Road, Suite 19, for a St. Patrick's Day Festival on March 17, 2012. Recommendation for approval of a Temporary Extension of Premises for State Liquor License #06070661 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 Services.

37. FINAL PLAT: Avian Meadows

APPROVED Final Plat FPT10-0007 Avian Meadows, in conjunction with a planned single-family residential subdivision located on 62 acres at the NWC of Lindsay and Chandler Heights roads.

(Applicant: Cardno WRG.) The plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way.

38. AGREEMENT: Intel Corporation

Res. #4578

ADOPTED Resolution No. 4578 authorizing an agreement with Intel Corporation for FAB 42.1.

39. SPECIAL EVENT LIQUOR LICENSE: Susan G. Komen Breast Cancer Foundation, Inc.

APPROVED a Special Event Liquor License for the Susan G. Komen Breast Cancer Foundation, Inc., for an Eccentric Café fundraising event on February 23, 2012, at the Hungry Monk, 1760 W. Chandler Boulevard. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. The applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Services.

#### CURRENT EVENTS:

##### A. Mayor's Announcements

MAYOR TIBSHRAENY announced that Chief Kiyler presented a jersey to him to wear during an upcoming fundraiser softball game, which takes place in March between Chandler police personnel and the U.S. Military Wounded Warrior Softball Team. The Mayor said he will throw out the first pitch during the game.

MAYOR TIBSHRAENY announced that there are a number of new University of Arizona (UofA) programs coming to Downtown Chandler including: Management Information Systems, Master IP and Translational Linguistics. He also mentioned that in November 2011, it was announced that Arizona State University (ASU) will join Rockefeller at its project at the 101 and Chandler Boulevard for its evening Executive MBA Program.

MAYOR TIBSHRAENY mentioned that on Tuesday, February 7, 2012, during his State of the City Address, he announced a new partnership with Arizona State University (ASU) to be called the Chandler Innovations Center. This engineering program will take place at the old Chandler Public Works yard on Chicago Street, in Downtown Chandler. This location is comprised of about 33,000 square feet, which will bring hundreds of students to Downtown. The Mayor said that it has been a goal of his to bring both ASU and UofA to Downtown Chandler.

MAYOR TIBSHRAENY thanked everyone who attended his State of the City Address earlier in the week and also thanked staff for all of their hard work, in particular, Communications And Public Affairs (CAPA).

MAYOR TIBSHRAENY announced that the State of the City Address will be replayed on Cox Cable, Channel 11, for the next four weeks.

MAYOR TIBSHRAENY mentioned that the Centennial Kick-Off also took place on Tuesday and advised that items are still being accepted for the time capsule. He also reminded residents that votes can still be cast for their favorite Bashas' Centennial cake on the City's Website

([www.chandler100th.com](http://www.chandler100th.com)). He thanked the Centennial Steering Committee and staff for a great event. The Mayor reminded everyone that the whiskerino beard growing contest has started.

MAYOR TIBSHRAENY announced the Chandler Sports Hall of Fame event at the Chandler Center for the Arts, Saturday, February 11, 2012 for this year's inductees from Chandler High and the City of Chandler Sports Hall of Fame. The Mayor thanked the Sports Hall of Fame Committee for their work.

B. Councilmembers' Announcements

COUNCILMEMBER HEUMANN commended City staff and Intel for the Fab 42.1 development agreement that was approved by Council tonight. He was pleased that a number of details were worked out and said he felt it is a great project.

COUNCILMEMBER HEUMANN announced a number of events for the Chandler Sci-Tech Festival scheduled for next Thursday, Friday and Saturday. The events are free to the public. He mentioned that on Thursday night, the Intel campus at Chandler Boulevard and Rural Road, the Microchip campus at Dobson Road and Chandler Boulevard, the Air Products campus at Price and Frye Road, and the Incubator project on McClintock, just south of Chandler Boulevard, will open for the public from 5:30-9:00 p.m.

COUNCILMEMBER HEUMANN also announced the Night of Art and Science on Friday from 6:00 p.m.-10:00 p.m. Chandler's Science Spectacular is scheduled for Saturday morning at the Chandler Center for the Arts and in Downtown Chandler along Commonwealth Avenue. The City's Website ([www.chandleraz.gov/science](http://www.chandleraz.gov/science)) has more information.

VICE MAYOR WENINGER congratulated Intel and Air Products for a couple of great projects. He also commended staff for helping to move the projects forward.

COUNCILMEMBER DONOVAN announced the Wine and Old Bags fundraiser through the Chandler Service Club being held on Sunday, February 12, 2012 at the San Marcos Resort from 1:00 p.m.-4:00 p.m. Tickets for admission are \$10. There will be a silent auction for gently used purses and there will also be jewelry and a variety of other items for sale. The money that is collected will go toward the Warm Feet, Warm Hearts Program, which provides Chandler youth with jackets, as well as scholarships in addition to supporting Chandler charities. For more information visit: [www.chandlerserviceclub.org](http://www.chandlerserviceclub.org).

COUNCILMEMBER HARTKE announced that he had a For Our City meeting earlier this morning and approximately 50 people met to discuss various opportunities to volunteer to serve and to address some problems in Chandler. He was pleased to see the level of expertise and the desire to serve and work together in our community. COUNCILMEMBER HARTKE said he believes that is one of the reasons Chandler is such an exemplary community. He also announced the Chandler Century Ride scheduled for March 31, 2012. He invited the Council and the community to participate.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:18 p.m.

ATTEST: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

Approved: February 23, 2012

#### 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 9<sup>th</sup> day of February 2012. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_\_ day of February, 2012.

\_\_\_\_\_  
City Clerk