

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 Monday, November 5, 2012 at 7:15 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
Trinity Donovan	Councilmember
Kevin Hartke	Councilmember
Rick Heumann	Councilmember
Matt Orlando	Councilmember
Jack Sellers	Councilmember

Also in attendance:

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

INVOCATION: Councilmember Kevin Hartke

PLEDGE OF ALLEGIANCE: Boy Scout Troop #77 led the Pledge of Allegiance.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ORLANDO, to approve the Consent Agenda as presented.

MAYOR TIBSHRAENY declared a conflict on Items 2 (Ord. 4380 Annexation), 3 (Ord. 4381 DVR12-0020), and 6 (Ord. 4401 Belmont Estates).

COUNCILMEMBER ORLANDO voted nay on Item 6 (Ord. 4401 Belmont Estates).

VICE-MAYOR WENINGER said that he would like to recognize the phenomenal direct hire staff including the City Manager, City Clerk, City Attorney, and Judge. He noted that a couple of their contracts were on the Consent Agenda.

MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED the following Chandler City Council meeting minutes:

- 1a. Special Meeting of October 22, 2012.
- 1b. Regular Meeting of October 22, 2012.
- 1c. Special Meeting of October 25, 2012.
- 1d. Regular Meeting of October 25, 2012.

2. ANNEXATION: Appleby and Gilbert Roads Ord. #4380

ADOPTED (6-0) Ordinance No. 4380, Annexation – Northwest and West of the SWC of Appleby and Gilbert roads of approximately 33.8 acres.

MAYOR TIBSHRAENY declared a conflict of interest on this item.

3. INITIAL CITY ZONING: Appleby and Gilbert Roads Ord. #4381

ADOPTED (6-0) Ordinance No. 4381, DVR12-0020 Northwest and West of the SWC of Appleby and Gilbert Roads, the establishment of initial City zoning of AG-1 on approximately 33.8 acres.

MAYOR TIBSHRAENY declared a conflict of interest on this item.

4. POWER DISTRIBUTION EASEMENT: SRP Ord.#4399

ADOPTED Ordinance No. 4399 granting a no-cost power distribution easement to Salt River Project (SRP) for the expansion of the OWRF/AWRF (Ocotillo Water Reclamation Facility/Airport Water Reclamation Facility) Lift Station located east of the Old Price Road and south of Queen Creek Road.

5. REZONING: Pecos and Dobson Apartments Ord. #4400

ADOPTED (5-1) Ordinance No. 4400, DVR12-0018 Pecos & Dobson Apartments, rezoning from PAD Townhomes to PAD Apartments for approximately 163 units on 6.8 acres at 2300 W. Pecos Road, ¼ mile west of Dobson Road.

6. REZONING: Belmont Estates Ord. #4401

ADOPTED Ordinance No. 4401, DVR12-0012/PPT12-0009 Belmont Estates, rezoning from AG-1 to PAD for a single-family residential subdivision on approximately 33.8 acres located at the NWC and west of the SWC of Appleby and Gilbert roads.

MAYOR TIBSHRAENY declared a conflict of interest on this item.

COUNCILMEMBER ORLANDO voted nay on this item.

7. REZONING: Maplewood Court Ord. #4402

REINTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4402, DVR12-0023 Maplewood Court, rezoning from PAD to PAD Amended for housing product for a 32-lot single-family residential subdivision located at the SWC of Maplewood and Vine streets. (Applicant: Greg Davis; Iplan Consulting.)

BACKGROUND

The subject site is located at the SWC of Maplewood and Vine streets, which is east of the SEC of Alma School and Willis roads. North is a portion of the Cornerstone Christian Church campus, a single-family home and a vacant lot that is currently in the process of being cleared of debris. Single-family homes surround the site's east, south and west sides. The General Plan designates the site as Low-Density Residential.

The subject site received zoning and PDP approval in early 2006 for a custom, 32-lot single-family residential home subdivision; the zoning was extended for an additional three years in 2009. The zoning technically expired in late August; however, due to the application on file, the request to rezone the property and the request moving forward without delay, any enforcement action has been stayed. Housing product was not approved with the initial case due to the development requiring all homes to be custom. The request seeks to remove the custom home requirement and desires Preliminary Development Plan approval for housing products. The number of lots, subdivision layout and design treatments, and previous conditions of approval will remain the same (notwithstanding eliminating the custom home requirement). The site is approximately 15-acres and provides 32 single-family lots. Typical lot size is 90'x140', with a minimum lot size of 12,430 sq. ft. The subdivision will be developed as a single phase.

HOUSING PRODUCT

Due to the fact that all lots are 10,000 sq. ft. or greater, with a minimum lot size of 12,430 sq. ft., the Residential Development Standards (RDS) for housing product do not apply; however, a number of the elements will be provided. Seven floor plans are provided with a square footage range of 2,800 to 4,600 sq. ft. Five single-story and two two-story homes are provided with an option for a second story on Plan 6011.

Architectural styles include Spanish, Ranch, Tuscan/Mediterranean, Craftsman, and Farmhouse; not all elevation types are provided for each home. Various architectural elements highlighting the prescribed style include window pop-outs, garage and front door detailing, window mullions, shutters, stone detailing, wing walls and siding elements. The RDS require that at least one elevation provide stone elements; the home builder is providing stone on four of the five elevations; Ranch, Tuscan/Mediterranean Craftsman and Farmhouse. Additionally, to address architectural style, various elements complementing the architecture are included in the design, such as; window mullions, front door treatments, garage doors consistent with the architecture of the home, arched windows, window pop-outs, etc.

Setbacks for the housing product were incorporated in the Initial Rezoning and PDP request for subdivision layout. Setbacks are typical of other subdivisions except that a rear-yard setback of 15-feet is provided; however, rear setbacks for all perimeter lots have been increased to 25 feet. Due to the large lot sizes, it is anticipated that homeowners may want the option for casitas. Casitas will meet all required building setbacks and lot coverage ratios, as well as be architecturally consistent with the design of the home.

The Planning Commission and Staff support the request citing that the housing product represents another quality addition to Chandler's housing stock. Furthermore, the Planning Commission and Staff are pleased with the strong design characteristics of the housing product, the variety of elevations provided and the larger lot sizes provided.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on August 16, 2012. Ten neighbors were in attendance and

generally supported the request. Staff has received no correspondence in opposition to the request.

PLANNING COMMISSION VOTE REPORT

The request was pulled to Action at the Planning Commission hearing due to some concerns expressed by the property owners directly east of the site. The neighbors were concerned with the potential of two-story homes looking into their front yards. The neighbors alluded that the homes were to be restricted to single-story homes as part of an agreement with the initial approval in 2005; Staff is unaware of any agreement. The concern was discussed by the Commission with the request being approved unanimously due to existing conditions already placed on the development. With the initial approval, the five lots on the east side were restricted based on the following conditions: the northern most lot will be restricted to a single-story (Condition No. 11 of Ord. 3764); the five lots will have deeper rear yard setbacks (Condition No. 14 of Ord. 3764); and two-story homes are restricted to no more than two in a row (Condition No. 13 of Ord. 3764), which would mean that of the five lots, three can be two-story homes. The Commission unanimously approved the item.

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 "Maplewood Court", kept on file in the City of Chandler Transportation & Development Services Department, Planning Division, in File No. DVR12-0023, except as modified by condition herein.
2. Compliance with original conditions adopted by the City Council as Ordinance No. 3764, case DVR05-0009 Maplewood Court, except as modified by condition herein.

8. REZONING: Jackson Place Ord. #4403

ADOPTED Ordinance No. 4403, DVR12-0029 Jackson Place, rezoning from PAD Commercial to PAD Single-Family Residential on approximately 6.5 acres at the SEC of Ray Road and Jackson Street, west of McQueen Road.

9. REZONING: Allred Chandler Airport Center II Ord. #4404

ADOPTED Ordinance No. 4404, DVR12-0033 Allred Chandler Airport Center II, rezoning from PAD to PAD Amended to allow for the additional uses of athletic training facilities and family recreational/instructional uses located at 2150 E. Germann Road, east of the NEC of Cooper and Germann roads.

10. LEASE AMENDMENTS: SMC II, L.L.C. Ord. #4408

ADOPTED Ordinance No. 4408 authorizing amendments to the three leases identified in the development agreement with SMC II, L.L.C., for the San Marcos Commons, Phase II project as

provided for and according to the terms stated in Amendment No. 1 to the development agreement adopted pursuant to resolution No. 4647.

11. CITY COUNCIL REGULAR MEETING SCHEDULE Res. #4648

ADOPTED Resolution No. 4648 setting the 2013 City Council Regular Meeting Schedule.

12. CITY CLERK CONTRACT

APPROVED the City Clerk Contract with Marla Paddock.

13. CITY ATTORNEY CONTRACT

APPROVED the City Attorney Contract with Mary Wade.

ACTION:

14. AGREEMENT: ACT Towing dba All City Towing

Agreement #PD2-968-3140 with ACT Towing dba All City Towing for Police Towing Services for two years with provisions to extend up to two additional two-year periods.

BACKGROUND

In December 1995, the City began utilizing a contract for towing service. Contract towing service has proven to be a successful alternative to the previous rotation program. Some of the benefits provided by contract service include lower cost to the citizens, fewer customer complaints and a streamlined workload for the Police Department. The Police Department utilizes the contract for vehicle towing, storage and impounding services including removal of wrecked vehicles, vehicles abandoned on City streets, vehicles left unattended in a traffic way, vehicles towed for evidentiary purposes, vehicles impounded, and vehicles towed due to an arrested driver.

DISCUSSION

MIKE MANDT, ACTING PURCHASING AND MATERIALS SUPERVISOR, came forward to present on this item. MR. MANDT stated that this is a recommendation to award the police towing contract. MR. MANDT said that the Police Department uses this contract to tow vehicles for a number of reasons including: accidents, abandoned vehicles, impounded vehicles, and vehicles towed for evidentiary purposes or due to an arrested driver.

MR. MANDT stated that it is recommended that the towing contract have a two-year term with provisions to extend two additional two-year terms, up to six years. MR. MANDT stated that in May 2012 an Invitation for Bid (IFB) was brought forward to Council to award a contract for police towing. At that time, Council rejected the bids and directed staff to issue a Request for Proposal (RFP) and Council asked that an emphasis be placed on quality. Following that meeting, staff met with the Police and Fire Subcommittee to review the upcoming RFP and shortly after that a RFP was issued.

MR. MANDT said that the RFP contained evaluation criteria that emphasized quality including: Experience at 45%, Resources of the proposer at 35%, and cost at 20%. MR. MANDT said that

after the RFP was issued, staff hosted a pre-proposal conference and noted that the RFP was due two weeks later. The City received three responses.

MR. MANDT stated that in September 2012, staff met with the evaluation committee to provide instructions on how to evaluate the responses. The committee included representatives from the Police Department, Purchasing, Traffic Engineering, and a Chandler citizen. He said later in September, the committee inspected the facilities of all the proposers including: storage facilities, office locations, customer service waiting areas, and dispatch centers.

MR. MANDT further explained that on another day, the committee spent more than five hours to review all the information from the site visits, review the information provided in the proposals, and check references.

MR. MANDT said that the committee ranked each proposer in each of the categories. Based on the evaluation criteria, the committee ranked the towing companies in the following highest score order: All-City Towing, Apache Sands Towing, and Valley Express.

MR. MANDT said that the City received a protest on the award and the City's response to the protest was included in the Council packet.

MR. MANDT summarized by saying that staff developed a RVP and evaluation criteria to emphasize quality. A committee of five members spent a considerable amount of time to review and inspect the facilities, and also to develop the scores. MR. MANDT said that based on the findings, the committee is recommending All-City Towing.

COUNCILMEMBER ORLANDO asked what rating scale was used.

MR. MANDT said that the committee was given instructions on how to assign points. He explained that 40-60 points were given if the company "meets standards", 60-80 points were given if the company "exceeds standards", and 80-100 points if the company was exceptional. MR. MANDT said, conversely, the points were lowered if the company did not meet standards.

COUNCILMEMBER ORLANDO asked for the final point total for the companies.

MR. MANDT said for all categories, All-City Towing had 76 points, Apache Sands had 72 points, and Valley Express had 71 points.

COUNCILMEMBER ORLANDO noted there was not a large difference in the scores.

MR. MANDT confirmed that the total number of points was close. He said that the company being recommended had the highest cost, but they had the highest points in the other categories based on experience and resources.

COUNCILMEMBER ORLANDO asked how many points are given for the cost.

MR. MANDT said that the winning bid received eight points for cost. He explained that the bid that provided the lowest cost received the maximum of 20 points and the company in the middle received 14 points.

COUNCILMEMBER ORLANDO asked what was included in the criteria for the first proposal (in May 2012).

MR. MANDT said the minimum criteria for the solicitation on the Invitation for Bid (IFB) included minimum experience and minimum resource criteria. Therefore, as long as the company met the minimum, staff would recommend the lowest offer.

JEFF DUNN, GENERAL MANAGER, ALL-CITY TOWING, 2031 W. 1st Street, Tempe, AZ came forward to address the Council.

MR. DUNN said he would like to address the eleventh hour disclosure from the Arizona Department of Insurance. MR. DUNN said that he received it for the first time on Thursday, November 1 at 5:25 p.m. from the City Clerk's Office. He said that this information was sent to the City only minutes after the posting of the award recommendation of All-City Towing. He believes that the timing of the disclosure is suspect. MR. DUNN said that this unsolicited disclosure completely derails the City's procurement process as it relates to towing.

MR. DUNN said he spent 12 years in the insurance industry investigating and managing thousands of claims and supervising a special investigations unit dealing with fraud. MR. DUNN said he sent hundreds of referrals to the National Insurance Crime Bureau (NICB). He explained that a good referral provided detailed and factual information. He compared a bad referral to that similar of the item being discussed during tonight's meeting.

MR. DUNN said that after he learned of this disclosure, he personally conducted an audit of the 23 perceived issues pertaining to this claim, the oldest of which he said dated back to April 17, 2010. MR. DUNN said that in that time more than 10,000 tows were performed in City of Chandler and more than 100,000 for other entities his company is privileged to serve.

MR. DUNN assured Council that his audit did not reveal one billing irregularity associated with the 22 referrals which resulted from Chandler Police calls and the one towing call from the Department of Public Safety. He said that each invoice was calculated in strict accordance with the contract terms and the pricing as set forward in the contracts. MR. DUNN said that the most compelling statement related to the issue that City staff still recommended All-City Towing for this award despite the protest and despite the eleventh hour disclosure of unfounded information. MR. DUNN further stated that the Arizona Department of Insurance disclosed to the City that they have no intention to follow-up on the investigation of these items.

MR. DUNN said he would be happy to answer any questions.

COUNCILMEMBER ORLANDO asked Mr. Dunn what the difference was between the first IFB in comparison with the second RFP.

MR. DUNN said that the first proposal was an Invitation for Bid (IFB), which is a much different methodology than the Request for Proposal (RFP). MR. DUNN deferred this question to MR. DEMASSEO.

TODD DEMASSEO, 2031 W. 1st Street, Tempe, AZ, came forward as the legal representative for All City Towing.

COUNCILMEMBER ORLANDO said that the proposal document was originally issued by the City as a statement of work with a statement of objectives, in which All-City Towing responded. COUNCILMEMBER ORLANDO asked Mr. Demasseo what the difference was between the IFB and RFP.

MR. DEMASSEO stated that the IFB focused on minimum qualifications. He said that the lowest common denominator was price. He said that the IFB did not take into consideration the quality of service, the level of experience, and the capacity and resources of the proposal. MR. DEMASSEO said there was no incentive in the IFB to exceed the minimum standards.

COUNCILMEMBER ORLANDO stated that the original bid had criteria to include that the yard is in close proximity, available 24 hours, etc.

MR. DEMASSEO reiterated that the IFB focused on the minimum requirements, while the RFP took into consideration other factors like capacity, experience, etc. MR. DEMASSEO said with the resources and experience, All City Towing arrives on scene approximately 13 minutes earlier than the 30 minute response time requirement. He said there are additional benefits that the RFP evaluates in the best interests of the City.

COUNCILMEMBER ORLANDO asked Mr. Demasseo to explain the value of experience because he struggles with how experience is a value that almost doubles the cost to the city.

MR. DEMASSEO said that the IFB did not provide for that item. MR. DEMASSEO said he believed that the IFB was flawed and it was not in the best interest of law enforcement, the City, or its citizens. MR. DEMASSEO said moving forward with the RFP it was illustrated relative to experience and resources, etc. to have a certain level of value. MR. DEMASSEO said the RFP allowed a contractor to bid a service he believed could be provided and to sustain it moving forward.

MR. DEMASSEO said that the current bid is a 3.8% increase from the contract 6 years ago. He stated that fuel has gone up, as have the costs of tow trucks, etc.

MR. DEMASSEO said he was not comfortable with the IFB.

COUNCILMEMBER ORLANDO asked what the difference was in the quality of service from the current contract in comparison to the new one.

MR. DEMASSEO said there was no difference in the quality of service between the current contract and the new one. He said that the company will continue to provide service at that level, continue to be early, and continue to have that saturation. MR. DEMASSEO noted that he believes that the company has newer fleet than that of its competitors, which means no down time. He also noted that if the city has a spike in call volume, there would not be difficulty in meeting that increase with no interruption of service to the City.

COUNCILMEMBER ORLANDO clarified by saying that the new contract would be only a 3.8% increase with the same quality of service.

MR. DEMASSEO said the cumulative total from 6 years ago to the current contract is a 3.8% increase.

COUNCILMEMBER ORLANDO asked what the current value of the last year of the contract.

MR. DEMASSEO was not sure.

COUNCILMEMBER ORLANDO stated that he would ask staff that question.

MR. GORDON BUELER, 12521 E. Villa Palmas, Chandler, AZ, came forward to represent Valley Express Towing. He said he is present as a Chandler resident. He stated that he believes Chandler is a well-run city, but he said that the handling of the police towing services contract looks bad. He said that a few months ago the Council rejected a bid of zero to a contractor that the Purchasing Department deemed as fully qualified to handle the work. That represents a zero cost to every resident in the City of Chandler who will have his/her vehicle towed. Since that time, the City has gone through a bid process where the scope of work has not changed at all and the recommended contractor went from a bid of \$170,000 to a bid of \$370,000 per year. He said that looks really bad, noting that the increased cost will be passed on to Chandler residents.

MR. BUELER said that the contractors that the City's Purchasing Department has evaluated have all been determined under the IFB and RFP to meet or exceed standards.

MR. BUELER said that under the three categories that were scored for the RFP, Valley Express Towing was found to exceed standards or were rated excellent in all three categories. He reiterated that the City's process does not look good.

MR. BUELER noted that the scope of work did not change in the IFB or RFP. MR. BUELER said that Valley Express Towing has been in business for 15 years with excellent ratings from the Better Business Bureau. He said that Valley Express Towing has towed for the City of Mesa for the last 8 years under contract and it has the fastest response time of 10.5 minutes. He said he believes this is the most important metric to measure effectiveness.

MR. BUELER said that the faster, smarter, more efficient, company cannot compete with a competitor that has been in business longer and he has concern for a bid that goes from 170k to 370k for the same scope of work.

MR. BUELER said he would be happy to answer any questions that Council might have.

COUNCILMEMBER ORLANDO said in terms of the statement of work and objectives what is the Valley Express price on two vehicles.

MR. BUELER said the price was zero because money is made on the sale of towed vehicles.

COUNCILMEMBER ORLANDO asked if there are any costs incurred as part of the process, he noted that both proposals were very similar.

MR. BUELER said that he thinks that companies should be evaluated fairly.

COUNCILMEMBER HARTKE asked if there is an apples to apples comparison that Mr. Bueler could share that could provide some insight to the towing business.

MR. BUELER stated that other companies may have a larger fleet, but Valley Express has faster and equal response times. He stated if money can be made without a cost to the residents of the City of Chandler, that's what should be done. He said that Mr. Stratton can elaborate further. He said that response time is the best statistical measurement.

COUNCILMEMBER HARTKE asked MR. BUELER if Valley Express Towing is the sole provider for the City of Mesa contract.

MR. BUELER said that the City of Mesa is divided into four areas and Valley Express has the first or second busiest area under the contract.

COUNCILMEMBER HARTKE asked if the same fleet will be used.

MR. BUELER said that Valley Express Towing has an adequate amount of trucks, though he is not sure of the number. He stated that the City's Purchasing Manager can confirm that Valley Express exceeds standards in every category in which they were rated.

COUNCILMEMBER ORLANDO told Mr. Bueler that he would be remiss if he did not question Mr. Bueler's previous comment about the City having a "flawed" proposal process. COUNCILMEMBER ORLANDO said he has been involved in the City's purchasing process for 17 years and believes it is one of the best in the Valley. He asked Mr. Bueler to provide details to explain his statement.

MR. BUELER said he agrees with Councilmember Orlando and that the City of Chandler's Purchasing Department does excellent work, better than some of the others in the Valley that he has seen. MR. BUELER said that City staff advised that Valley Express Towing satisfied them and that the job could be performed under the IFB. That is why he felt a bit of injustice when a zero bid was rejected. MR. BUELER said his statement is related to that. He further explained that it was not defined in the request for proposal how a company could gain points in terms of fleet size, efficiency, effectiveness, and the price component so an unsuccessful contractor would know what he/she had to do in order to be successful to obtain a police towing contract in the future. MR. BUELER said that the process should be more transparent. The criteria and scoring should be clearer.

COUNCILMEMBER ORLANDO asked if the client attended the contractor's orientation offered by the City and asked if his client looked at the packet as explained by the City in terms of criteria, point scale, etc. and asked questions during that meeting.

MR. BUELER said that his client attended the meeting and also asked questions. He said that his client was told that the price component would be scored proportionately. MR. BUELER said that a bid of \$370,000 compared to a zero bid would not result in a score of 8 points, or 12 points for the second place contractor. It would result in a score of zero points. If one were to follow proportionate scoring the result and recommended contract would be different.

COUNCILMEMBER ORLANDO explained that normally when there are questions or concerns it is recommended that those items be expressed in writing and the procurement agency is then obligated to respond in writing and adjust the proposal as appropriate. He asked if that was done.

MR. BUELER said that Mr. Stratton handled that portion and he was not sure.

MR. BRAD STRATTON, 3265 E. Bluebird Dr., Gilbert, AZ came forward to address the Council.

MR. STRATTON stated that he would like to address Councilmember Orlando's earlier question regarding the difference between the Invitation for Bid and Request for Proposal. He agreed that there was not much difference in the scope of work. He said that price did not change because the scope did not change. He said that the difference was the subjectivity versus objectivity.

MR. STRATTON said he felt that the IFB process was completely objective. He said that the City set such high standards that only three or four tow companies in the entire Valley could meet

them. MR. STRATTON recalled that one area in particular required that the tow company tow 300 vehicles last month and every month for the last 2.5 years for a police agency. He said the city's very specific criteria will lead to an excellent contractor without introducing subjectivity.

MR. STRATTON said he believes that dollars are the most objective way of measuring anything. He said that leaves no room for subjectivity and no opportunity for the appearance of impropriety. MR. STRATTON said that he found that the RFP was a bit troubling. MR. STRATTON said he attended the orientation. When he asked City staff about the formula for how many points will be given for the price he was told there would not be a formula until staff receives the bids and learns who bid and how much was bid.

MR. STRATTON said the city should avoid this type of statement and practice if it is trying to avoid the appearance of impropriety. He stated that he did follow up in writing and Mr. Mandt advised that the pricing would be proportionate to the bid. MR. STRATTON said he asked if that would continue in areas like acreage and tows and was told that it would.

MR. STRATTON said it was not difficult to determine that a \$50,000 bid is twice as good a \$100,000 bid and deserves to receive twice the points. He said since the proportional scoring wasn't enough to manufacture an award to All City Towing, it was necessary to abandon the guarantee of proportional scoring and go to a manufactured chart. He provided an example from that chart where Apache Sands bid \$120,000 and All City bid \$370,000, which is three times lower, yet the score was 8 points versus 14 points. He said 75% more points for Apache Sands for a bid that was 300% cheaper. He said that this cost would save the taxpayers \$1.5 million dollars over the proposed six years of the contract. MR. STRATTON said that type of subjectivity gets worse when bids are compared to his. MR. STRATTON said that making price only worth 20% of the bid is subjective and bias. He said that is what he views as the biggest difference between the IFB and RFP.

MR. STRATTON stated that his company has a great Better Business Bureau rating and said that his company had nothing to do with the 11th hour information that was received.

MR. STRATTON believed that it would be an unconscionable award. He said this is a leadership moment and he said he begs Council to take this opportunity.

RECESS: The Mayor briefly recessed the Council meeting due to technical difficulties.

BRYAN SANDLER, 2111 W. Highland Ave., Ste. B440, Phoenix, AZ, Attorney for All City Towing

MR. SANDLER said that he believes that the statement that Valley Express made saying that the IFB and RFP was a flawed process lacks credibility.

MR. SANDLER said that Valley Express received the total maximum points allowed in the area of cost with a zero bid.

MR. SANDLER stated that Mr. Mandt spoke of the committee working many hours for a period of several days to analyze the bids and proposals. MR. SANDLER reiterated that Mr. Mandt said that staff provided guidance on how to provide scoring in the three different areas. The experience of the proposer was to get 45 max points, the resources another 35, and cost 20.

MR. SANDLER said that while Valley Express received the maximum number of points for cost, All City Towing exceeded the other two bidders in the other two areas. He said the overall experience, equipment, and ability to service the residents of the City of Chandler far outweigh its competitors. MR. SANDLER said he felt this was a well thought out process where the procurement office had objective criteria that was used to make its recommendations.

COUNCILMEMBER DONOVAN asked Mike Mandt if he could provide information regarding the 8 or 23% increase.

MIKE MANDT said that the discrepancy might have occurred based on how the figure was calculated. He said that when he compares one price to another he takes the annual price based on historical annual usage and takes the estimated quantity for each of the line items and multiplies by the price unit. He then takes the sum of those extended prices.

MR. MANDT said he believes that All City Towing might be taking the sum of those unit prices without weighting them to the annual quantity. He further stated that Valley Express is saying the price more than doubled because they are comparing the annual price of the RFP that is being recommended tonight versus the price that was bid in May by the same company

COUNCILMEMBER DONOVAN asked if Mr. Mandt believes that the 23% increase was due to the projections on each of the items. She further stated that it would be helpful to have the recommended company speak about the 3.8% figure.

MR. DEMASSEO explained that the 3.8% increase was a result of the cumulative total of the bid from six years ago and a cumulative total of today's bid in gross numbers. MR. DEMASSEO said that his company does not believe that going line by line is a fair way to assess the amount.

COUNCILMEMBER HEUMANN said that he believes Council's direction was clear to evaluate price, service, and quality. He commended staff for their work on this process. COUNCILMEMBER HEUMANN said that the citizens of Chandler have come to expect the quality that has been achieved by All City Towing over the years.

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY VICE-MAYOR WENINGER TO APPROVE AGREEMENT #PD2-968-3140 WITH ACT TOWING DBA ALL CITY TOWING FOR POLICE TOWING SERVICES FOR TWO YEARS WITH PROVISIONS TO EXTEND UP TO TWO ADDITIONAL TWO-YEAR PERIODS.

THE MOTION WAS APPROVED BY MAJORITY (4-3). MAYOR TIBSHRAENY, COUNCILMEMBER ORLANDO, AND COUNCILMEMBER DONOVAN VOTED NAY.

CURRENT EVENTS:

A. Mayor's Announcements

MAYOR TIBSHRAENY acknowledged two Chandler High School students who were in attendance at the Council meeting as part of their Honors Government class.

B. Councilmembers' Announcements

