

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, January 24, 2013 at 7:00 p.m.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY.

The following members answered roll call:

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

*Councilmember Heumann participated by telephone as he was out of town.

Also in attendance:

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

INVOCATION: Pastor Roger Storms – Chandler Christian Church

PLEDGE OF ALLEGIANCE: Boy Scout Troup 283 led the Pledge of Allegiance.

SCHEDULED PUBLIC APPEARANCES:

1. Service Recognition

Stefanie Garcia was recognized by Management Services Director Dawn Lang for her 15 years of service with the City. Stefanie is currently the Environmental Program Specialist.

2. Richard Leon – Adesa Auto Auction Lighting

Mr. Leon was unable to attend the meeting.

3. Kris Durschmidt – Police Issues

Ms. Durschmidt was not in attendance.

UNSCHEDULED PUBLIC APPEARANCES:

MR. JOSH COTNER, 4834 E. Bellerive Drive, Chandler, told the Council he has been a resident for approximately 2 years. He stated one of his neighbors runs a metal shop out of his house and is welding and grinding metal in public view. He feels the welding flashes are a big issue for eye sight damage. He stated he could provide photos and paperwork and is in hopes of getting the

law changed. He stated he had called the police, but there was little they could do. He asked the Council to develop a law or add to the nuisance laws to prevent any issues.

Mayor Tibshraeny asked staff to work with Mr. Cotner on this issue.

CONSENT:

Mayor noted the recommendation on Item 37 was now a continuance to the February 14, 2013 Council meeting.

He asked that Items 43 and 44 be moved from the Action Agenda to the Consent Agenda as there is a request for continuance to the February 28, 2013 Council meeting.

MOVED BY COUNCILMEMBER DONOVAN, SECONDED BY COUNCILMEMBER WENINGER, TO APPROVE THE CONSENT AGENDA NOTING THE CONTINUANCE TO FEBRUARY 14, 2013 ON ITEM 37, AND PLACING ITEMS 43 AND 44 ON CONSENT FOR CONTINUANCE TO THE FEBRUARY 28 MEETING.

COUNCILMEMBER ELLEN DECLARED SHE WOULD ABSTAIN FROM VOTING ON ITEM 1A AS SHE WAS NOT A MEMBER OF THE COUNCIL FOR THAT PORTION OF THE MEETING.

COUNCILMEMBER HEUMANN STATED HE WOULD BE VOTING NAY ON ITEM 32.

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

COUNCILMEMBER HEUMANN commented on Item 27 as it is the design phase of the Veterans Memorial project. He stated this will help move forward the fundraising and the work former Councilmember Orlando is doing on this project.

VICE MAYOR SELLERS commented on Item 9 and the partnership between the School Districts and Police Department for School Resource Officers.

COUNCILMEMBER HARTKE added the recent Governor's address indicated they are looking at funding additional School Resource Officers as well. He commended the staff in pursuing the grants to assist this.

1. MINUTES:

APPROVED the following Chandler City Council Meeting Minutes:

1a. Regular Meeting of January 10, 2013 (former Council).
Councilmember Ellen abstained from voting on this set of minutes as she was not on the Council.

1b. Regular meeting of January 10, 2013 (new Council)

2. ANNEXATION: NWC Lindsay and Riggs Roads Ord. #4420

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4420, annexation of approximately 12.25 acres located west of the NWC of Lindsay and Riggs roads. (Applicant: Jeremy Ramsdell; Ashton Woods Homes.)

BACKGROUND:

The subject site is located west of the northwest corner of Lindsay and Riggs roads and is currently zoned RU-43 within the County. The Chandler Land Use Element of the General Plan and the Southeast Chandler Area Plan designates the area for low-density residential.

Directly north of the site are a number of residential properties located within the jurisdiction of the County. West is the undeveloped large-lot single-family residential subdivision Jacaranda; east is the single-family residential subdivision Shadow Ridge. South is an SRP substation with the Springfield Lakes single-family residential subdivision south of Riggs Road. The southern parcel of the annexation request is a remnant City parcel that was purchased for a future well.

Council held a public hearing for the subject site at their December 13, 2012 meeting. The request has been processed in compliance with State Statutes governing annexations. Staff has received the signed petition from the property owners and recommends approval of the annexation request.

3. ANNEXATION: SEC of McQueen and Willis Roads Ord. #4421

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4421, annexation of approximately 1.6 acres located east of the SEC of McQueen and Willis roads. (Applicant: Jalil Ahmad; Mars Enterprises.)

BACKGROUND:

The subject site is located east of the southeast corner of McQueen and Willis roads and is currently zoned RU-43 within the County. The Chandler Land Use Element of the General Plan designates the area for Low-Density Residential; the Chandler Airpark Area Plan further designates the site as supporting high-density residential development.

Directly north of the site are a number of residential properties located within the jurisdiction of the County. West is a SRP substation. East is vacant land currently zoned Agricultural (AG-1) with PAD zoning for multi-family development located east of the AG-1 parcel. South is the Santan 202 Freeway.

Council held a public hearing for the subject site at their December 13, 2012 meeting. The request has been processed in compliance with State Statutes governing annexations. Staff has received the signed petition from the property owner and recommends approval of the annexation.

4. No item.

5. EXEMPTION CONTINUATION: Industrial Commission of Arizona Res. #4656

ADOPTED Resolution No. 4656 authorizing the continuation of exemption from the Industrial Commission of Arizona (ICA) from the requirement to post security.

BACKGROUND/DISCUSSION:

The City of Chandler was approved to self-insure workers' compensation benefits on January 1, 2003. A requirement of self-insured programs is to post a security bond with the ICA in order to ensure performance in the event that a self-insured becomes insolvent.

On April 4, 2005, the ICA implemented new rules governing management of the workers' compensation self-insurance program. The new rule, R20-1114, includes an Exemption from Requirement to Post Security. "A public entity applicant or public entity self-insurer is exempt from the requirement under this Article to post or provide security if the public entity:

1. Has a fully funded risk management fund sufficient to cover actuarial liabilities for workers' compensation as determined by the self-insurer in accordance with Government Accounting Standards Board Statement #10; and
2. Provided funding to the risk management fund each year sufficient to cover actuarial liabilities for workers' compensation as determined by the self-insurer in accordance with Government Accounting Standards Board Statement #10."

FINANCIAL IMPLICATIONS:

Since the inception of the City's self-insured program in January 2003, a total of \$16,745.00 has been expended to purchase Security Bonds. The City's application for exemption to post security was accepted and expenditures for bonds are no longer incurred.

6. AGREEMENT: Worker's Compensation and Employer Liability Trust Res. #4658

ADOPTED Resolution No. 4658 authorizing the City of Chandler Worker's Compensation and Employer Liability Trust Agreement.

BACKGROUND:

The City of Chandler Worker's Compensation and Employer Liability Trust Agreement sets forth the definitions, establishes the trust, organization and operation of the trustees, responsibilities and powers of the trustees and contributions to and distribution from the trust.

Responsibilities and powers of the trustees would include, but are not limited to, the following:

1. Administer the Trust Fund pursuant to City of Chandler City Code Section 2-16.1 and the City of Chandler Health Care Benefits Trust Agreement.
2. Provide financial oversight of the Trust Fund by evaluating claim expenses and reserve amounts.
3. Review quarterly the Trust Fund to insure sufficient funds exist to pay outstanding and future benefits, to pay losses or claims or any combination of insurance and direct payment, and to pay for risk management consultation.
4. Comply with all requirements of State and Federal laws relating to self-insurance programs for the management and administration of worker's compensation and employer liability plans.

The Mayor and City Council approved Ordinance 4415 on December 13, 2012, that authorized the creation of the Worker's Compensation and Employer Liability Trust Board to administer this trust.

7. FUNDS TRANSFER: Worker's Compensation Res. #4659

ADOPTED Resolution No. 4659 authorizing a funds transfer from the existing Worker's Compensation Fund 736 to the City of Chandler Worker's Compensation and Employer Liability Trust.

BACKGROUND:

The City hires an actuary to complete a workers' compensation unpaid loss and allocated loss adjustment expense analysis in order to ensure the appropriate funding of the City's self-insured workers' compensation program. The existing Fund 736 Worker's Compensation Fund has been used to reserve the funds to support this program since the workers' compensation fund went self-insured in 2002.

In preparation for the establishment of the City of Chandler Worker's Compensation and Employer Liability Trust, the Human Resources Director and Management Services Director reviewed this analysis with consult from Gallagher Benefit Services, Inc. and have agreed that the City has the appropriate funding required to sustain the program.

These funds, which amount to approximately \$7,400,000.00, will need to be transferred from the existing Fund 735 Worker's Compensation Fund to the City's newly established Worker's Compensation and Employer Liability Trust.

8. No item.

9. INTERGOVERNMENTAL AGREEMENT AMENDMENTS: School Resource Officers Res. #4663

ADOPTED Resolution No. 4663 authorizing amendments to Intergovernmental Agreements (IGA) with Chandler Unified School District No. 80 and Kyrene School District No. 28 for the assignment of School Resource Officers (SRO) to schools located within the Chandler city limits; authorizing the Mayor to sign the IGA Amendments; and authorizing the Police Chief to administer, execute, and submit all documents and other necessary instruments in connection with said program.

SUMMARY:

Chandler Unified School District No. 80 (CUSD) wishes to extend the current IGA with the City for four School Resource Officers (SRO) and three School Safety Officers (SSO) and the Kyrene School District (KSD) wishes to update the current IGA with the City for two School Resource Officers.

FINANCIAL IMPLICATIONS:

The Safe Schools Program grant that the various school districts currently receive from the State sets funding allocations for each school district. The State cut funding for this program resulting in an overall reduction in the number of SROs allocated to each district. Of the nine SRO positions within Chandler city limits, six are funded by the Safe Schools Program and three are not. This reduction results in shortfalls between the allocation and total actual officer cost. The schools endeavor to split the shortfall 50% with the City, which is the result this year. The City's portion of all shortfalls totals \$186,850.00.

Actual costs, amount of school funding and the City's portion of the shortfalls of SRO salary and benefits are listed below by school district:

<u>School District</u>	<u>Actual Cost</u>	<u>Amount of School Funding</u>	<u>Shortfall - City's Portion</u>
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CUSD – 4 SROs	\$435,652	\$428,975	\$ 6,677
3 SSOs	318,698	159,349	159,349
KSD - 2 SROs	<u>\$224,859</u>	<u>\$204,035</u>	<u>\$ 20,824</u>
	\$979,209	\$792,359	\$186,850

10. TELECOMMUNICATION ENCROACHMENT: T-Mobile Tower West, LLC Res. #4664

ADOPTED Resolution No. 4664 consenting to the assignment of an existing Telecommunication Encroachment Permit for a site at the Police Property and Evidence Yard to T-Mobile Tower West LLC, and consenting to the management and operation of the site by Crown Castle International Corporation under a Master Agreement with T-Mobile USA, Inc.

BACKGROUND:

On November 24, 2003, Council granted VoiceStream PCS III Corporation, a subsidiary of T-Mobile USA, Inc., a use agreement and encroachment permit to house facilities to provide wireless telecommunication services at the City's Police Property and Evidence Yard at 576 W. Pecos Road in Chandler (site). Council consented to the transfer of the agreement and permit to T-Mobile USA, Inc. on October 26, 2006 by Resolution No. 4013 after a restructuring to reduce the total number of T-Mobile subsidiaries occurred. At this time, T-Mobile is requesting to transfer its interests in the agreement and permit to T-Mobile West Tower LLC as another corporate restricting move. This resolution also consents to Crown Castle International Corp. assuming the management and operation of the Site under a Master Agreement with T-Mobile USA, Inc. The consent of these transfers is allowed by Council resolution.

FINANCIAL IMPLICATIONS:

The same financial obligations remain in place.

11. WATER RIGHTS DOCUMENTS: White Mountain Apache Tribe Res. #4665

ADOPTED Resolution No. 4665 authorizing the Mayor to execute: 1) Amended and Restated White Mountain Apache Tribe (WMAT) Water Rights Quantification Agreement; 2) Lease Agreement among the City of Chandler, the White Mountain Apache Tribe and the United States; and 3) Waiver and Release of Claims by Parties Other than WMAT on Behalf of Itself and Its Members and the United States Acting In Its Capacity As Trustee for the WMAT and Its Members.

BACKGROUND:

The United States, on behalf of the White Mountain Apache Tribe (Tribe) has asserted claims in the Gila River Adjudication for up to 180,000 acre-feet of water annually. These claims conflict with the water rights claims asserted by the City of Chandler, as well as water rights claims of Salt River Project (SRP) and the Roosevelt Water Conservation District (RWCD), which both provide a portion of Chandler's water supplies.

In 2009, after extensive negotiations, the Tribe and the United States on behalf of the Tribe, reached an agreement with numerous parties to quantify the Tribe's water rights and resolve potential future litigation as to its water rights entitlements (2009 Agreement). In addition to the Tribe and the United States, other parties include Salt River Project, Roosevelt Water Conservation District, the Cities of Chandler, Avondale, Glendale, Mesa, Peoria, Phoenix, Scottsdale, Showlow, Tempe and the Town of Gilbert, the Buckeye Irrigation Company, the Buckeye Water Conservation District, and the Central Arizona Water Conservation District.

On January 26, 2009, Senator Kyle introduced the White Mountain Apache Water Rights Settlement Act which was to authorize and confirm the tribe's Quantification Agreement and authorize funding for a key drinking water project required by the Tribe for its reservation. The 2009 Agreement was approved by Chandler City Council through its Resolution No. 4262 on February 26, 2009. However, the proposed Federal 2009 Act was modified by the White Mountain Apache Tribe Water Rights Quantification Act of 2010 (2010 Act), which required that certain changes be made in the manner and timing of the federal funding set forth in the 2009 Act and 2009 Agreement. The parties have modified that earlier agreement so that it will comport with the 2010 Act. Now the parties, including Chandler, seek approval of this amended and restated agreement.

Through this settlement, the Tribe will receive an annual water budget of approximately 52,000 acre-feet per year, comprising 27,000 acre-feet per year of surface water and groundwater supplies, and 25,000 acre-feet per year of Central Arizona Project (CAP) water supplies. The Tribe will also receive federal funds to be used to construct a dam, treatment facilities and pipelines for its municipal water supply near Whiteriver and for certain other projects. In exchange, the Tribe will waive any other claims to water in the Gila River Adjudication that could have jeopardized the other parties' use of Gila River water supplies. Additionally, the Tribe has agreed to lease its CAP supplies for 100 years to several valley cities and the Central Arizona Water Conservation District. The annual quantity of water Chandler intends to lease from the Tribe offsets the Tribe's water use under the terms of the Agreement.

Chandler will lease: (1) 176 acre-feet of CAP water of M&I equivalent priority, (2) 1,085 acre-feet of CAP non-Indian Agricultural (NIA) priority water that will be firm to the equivalent of an M&I priority through December 31, 2017, and will be delivered as NIA priority water thereafter for the remainder of the lease; and (3) 3,336 acre-feet of CAP NIA priority water. In 2008 dollars, the one-time fee per acre-foot for the CAP M&I equivalent priority water is \$2,550.00 and the per-acre-foot fee for the non-Indian agricultural priority water is \$2,075.00. The leases will become effective after the Agreement becomes enforceable. The one-time fee for the water will be inflated from the 2008 price by the Consumer Price Index based on the date the lease becomes effective.

FINANCIAL IMPLICATIONS:

Resolving the outstanding claims of the White Mountain Apache Tribe enables the City of Chandler to avoid future costs and uncertainty of litigation as to these water rights.

Chandler's cost to lease 1,261 acre-feet CAP M&I equivalent priority and 3,336 acre-feet of non-Indian CAP priority water (a total of 4,597 acre-feet) in 2008 dollars is \$10,137,750.00. The one-time fee for the water will be inflated from the 2008 price by the Consumer Price Index based on the date the lease becomes effective. The lease will become effective thirty days after the enforceability date of the Agreement. Staff anticipates that the Agreement will become enforceable in mid-year 2014. Staff has estimated that if the lease payment occurs October 1, 2014, the lease payment will be \$11,750,000.00. Program funds for this expenditure are included in the current Capital Improvement Program.

12. PRELIMINARY DEVELOPMENT PLAN: Corona Del Sol Plaza

APPROVED Preliminary Development Plan PDP12-0015 Corona Del Sol Plaza, to allow for additional monument signs and monument sign panels located at the SEC of Ray and Rural roads. (Applicant: Andy Gibson; Bootz & Duke Sign Company.)

BACKGROUND:

The subject site is located at the southeast corner of Ray and Rural roads, and includes the entire Corona del Sol Plaza. The plaza is anchored by a Fry's grocery store and includes a number of smaller suites. Three pads are located at the intersection corner. Single-family residential subdivisions are located to the site's east and south.

The request is to remove the existing three monument signs along the arterial frontages and replace them with updated signs that include additional panels and increased heights. Currently, there is one monument sign along Ray Road and two monuments along Rural Road. The monument sign along Ray Road is 15'-6" tall and has two tenant panels. The new monument sign will be reduced by six inches in height and will increase the number of panels to a total of five. Two signs are located along Rural Road and are currently at 5'-6" with two tenant panels each. As shown on the Sign Location Plan, the northern most sign (Sign B) will be increased up to eight feet in height and provide five tenant panels. The southern monument sign (Sign C), will be increased up to eight feet in height and provide four tenant panels.

The design of the monument sign along Ray Road will remain virtually the same except for the inclusion of a planter box at the base and updating the tenant panels to include depth to the lettering and panels; the two signs along Rural Road will be updated to reflect the sign design of the primary monument sign as well as to add depth to the lettering and panels. The tenant panels will be raised two inches from the sign face; panel lettering will be routed, ½" push-thru. Staff is adding a condition addressing landscaping around the base of the monument signs.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on November 6, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed unanimously.

RECOMMENDED ACTION:

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

1. The monument sign's sign panels shall have an integrated or decorative cover panel until a tenant name is added to the sign.
2. Landscaping shall be in compliance with current Commercial Design Standards.
3. The applicant shall work with Staff to incorporate additional landscape materials at the base of the monument signs.
4. Monument 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.
5. The monument signs shall be in substantial conformance with the Site Plan and Sign Elevation exhibits, kept on file in the City of Chandler Current Planning Division, in File PDP12-0015 CORONA DEL SOL PLAZA, except as modified by condition herein.

13. WITHDREW ZONING: Allred Boardwalk

WITHDREW, as requested by the Applicant, Zoning DVR12-0009 Allred Boardwalk, from Agricultural District (AG-1) to Planned Area Development (PAD) with Preliminary Development Plan (PDP) for a business park on approximately 65 acres located at the SW and SEC of Price and Willis roads for the purpose of future re-advertisement.

14. ZONING EXTENSION: Price & Queen Creek LLC

APPROVED a three-year Zoning Extension for DVR12-0037 Price & Queen Creek LLC, for PAD zoning for an office/data center development on approximately 15 acres located north of the NWC of Price and Queen Creek roads. (Applicant: John Werstler, Price & Queen Creek LLC.)

EXTENSION OF THE TIMING CONDITION:

The application requests a time extension for an approximately 15-acre parcel located north of the northwest corner of Price and Queen Creek roads. The Planned Area Development (PAD) zoning approval was granted for a period of three (3) years, which expired on January 12, 2009. Council approved a three (3) year time extension in 2009 which expired in January 2012. This request seeks a second time extension calculated from the previous approval's expiration date, resulting in an extension to January 2015.

BACKGROUND:

The subject site is located on Price Road in south Chandler within the South Price Road Employment Corridor as designated in the General Plan. The property is bordered on the west by the Gila River Community, on the south by the Wells Fargo office campus and on the north by a vacant parcel. West, across Price Road, is the former Motorola campus. The approved PAD zoning and Preliminary Development Plan (PDP) included an approximately 100,000 square-foot data center with an approximately 90,000 square-foot office building on the subject 15-acre site.

Staff supports the requested time extension for the PAD office/data center zoning finding it to continue to represent an appropriate land use with the surrounding South Price Road Employment area.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on October 4, 2012. There were no neighboring property owners in attendance. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed 5-0 with Commissioners Baron and Ryan absent.

RECOMMENDED ACTION:

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

15. BOARD AND COMMISSION APPOINTMENTS

The following Board and Commission Appointments were approved:

Human Relations Commission: Akshay Deolika

Mayor's Youth Commission: Asha Devineni, Vip Sitoraman

Neighborhood Advisory Committee: Marc Young

Economic Development Advisory Board: Tim Bricker

16. CLAIMS REPORT

APPROVED the Claims Report for the quarter ended December 31, 2012.

17. CONTRACT: MGC

APPROVED a contract with MGC for "blower" repair, relocation and replacement at the Ocotillo Water Reclamation Facility (OWRF), Project #WW1310-401, in an amount not to exceed \$3,100,000.00.

BACKGROUND/DISCUSSION:

Blowers at the OWRF have failed. Blowers provide oxygen necessary to the biological process for treatment of wastewater at the facility. Providing oxygen in the treatment process is critical to maintaining regulatory water quality compliance.

Staff is in discussion with HIS, the blower manufacturer, regarding a permanent solution that would replace the current blowers with a more reliable model. Currently, portable diesel air compressors are being used to provide oxygen, but they are not able to reliably supply adequate oxygen to treat the incoming wastewater at the facility's design flows. Because the OWRF's effluent water quality is at risk of being found noncompliant with the Maricopa County blower redundancy requirement, the City Manager has authorized an emergency procurement in accordance with City Code Section 3-13.3.

Two blowers at the Airport Water Reclamation Facility (AWRF) are scheduled to be replaced in a current project. The City desires to undertake Project No. WW1310-401 and contract with MGC to repair the two blowers and relocate and install them at the OWRF at a cost not to exceed \$2,200,000.00 as replacements for the OWRF's failed blowers. Air compressor rental and diesel fuel to run four air compressors will cost an additional \$900,000.00 for three months until the project can be completed.

18. SUBORDINATION: 1512 W. Estrella Drive

APPROVED subordination of the Housing Rehabilitation Program Lien on Project No. RH08-0012 located at 1512 W. Estrella Drive in the amount of \$31,517.90. (Willwater)

BACKGROUND AND DISCUSSION:

In 2008, the owner of a single-family, owner-occupied home at 1512 W. Estrella Drive received a \$31,517.90 loan through the City's Moderate Rehabilitation Program. The City's lien against the

property is for \$31,517.90. The City loan is a 15-year forgivable loan secured by a Deed of Trust recorded as a lien against the home with the balance to be forgiven in 2023.

The owner is requesting a refinance of his home to lower the interest rate. The new loan of \$95,200.00 reduces the interest rate, lowers the mortgage payment and the owner will receive no cash out as required by the City's refinancing policy. In order to obtain the loan, a subordination of the City's lien is required by the lending institution and the City lien will remain in the same position.

FINANCIAL IMPLICATIONS:

The City will not be prejudiced by the refinancing or the subordination. The City's lien is currently in second position and will remain in second position after the refinancing is complete. The City's lien will not be released until the term of affordability expires in 2023.

19. **SUBORDINATION:** 665 W. Oakland Street

APPROVED the subordination of the Housing Rehabilitation Program Lien on Project No. RH07-0015 located at 665 W. Oakland Street in the amount of \$14,073.11. (Holtey)

BACKGROUND AND DISCUSSION:

In 2007, the owner of a single-family, owner-occupied home received a \$14,073.11 loan through the City's Moderate Rehabilitation Program. The City's lien against the property is for \$14,073.11. The City loan is a 7-year forgivable loan secured by a Deed of Trust recorded as a lien against the home with the balance to be forgiven in 2014.

The owner is requesting a refinance of the home to lower the interest rate. The new loan for \$102,500.00 reduces the interest rate, lowers the mortgage payment and the owner will receive less than \$100.00 in cash back as a result of the refinancing. The City's refinancing policy indicates that the owner should receive no cash back as a result of a refinancing, but in this case, Staff has determined that the benefit to the homeowner and the City's lien associated with the new mortgage outweighs the nominal amount to be received by the homeowner through this transaction. In order to obtain the loan, a subordination of the City's lien is required by the lending institution.

FINANCIAL IMPLICATIONS:

The City will not be prejudiced by the refinancing or the subordination. The City's lien is currently in second position and will remain in second position after the refinancing is complete. The City's lien will not be released until the term of affordability expires in 2014.

20. **AGREEMENT AMENDMENT:** Ammunition

APPROVED Agreement #PD0-680-2807, Amendment No. 3, with Adamson Police Products, San Diego Police Equipment Co, Inc., International Cartridge Corporation and Lawmen's & Shooters' Supply, Inc., for the purchase of ammunition in a combined total amount not to exceed \$130,000.00.

21. **AGREEMENT:** McCarthy Building Companies, Inc.

APPROVED Agreement #WW1013-401, GMP No. 4 for the Airport Water Reclamation Facility (AWRF) Expansion to 22 MGD, to McCarthy Building Companies, Inc., in an amount not to

exceed \$50,211,557.00 for a revised total contract amount not to exceed \$93,114,156.00, contingent upon written notification from Intel and appropriate funding.

BACKGROUND/DISCUSSION:

The AWRP is located on Queen Creek Road west of McQueen Road. Design and construction of new wastewater treatment capacity will accommodate Intel's plant expansion on Dobson Road. A public information meeting was held with residents neighboring the facility to discuss the expansion project and the measures taken to mitigate impact to the surrounding community. The expansion project began in June 2012 and will be completed in the summer of 2014. The facility's treatment capacity will increase from 15 MGD to 22 MGD. The overall project is being released for construction in phases with each phase of the project requiring Council approval.

22. AGREEMENT: Dibble Engineering

APPROVED Agreement #WW1305-201 with Dibble Engineering for Lone Butte Process Piping Improvements, pursuant to Contract #EN1003-102, in an amount not to exceed \$133,076.00.

23. AGREEMENT: Carollo Engineers

APPROVED Agreement #WW1302-101 with Carollo Engineers for professional services for Ocotillo Water Reclamation Facility Process Assessment in an amount not to exceed \$260,470.00.

BACKGROUND/DISCUSSION:

The Ocotillo Water Reclamation Facility (OWRF) was constructed in 1985 and expanded in 1995. The OWRF has undergone ongoing improvements to several unit processes, mechanical components and equipment nearing the end of useful life. The purpose of this assessment is to evaluate the condition and functionality of all key treatment processes and provide prioritized recommendations for additional improvements to maximize efficient operation of the facility. This assessment will also be utilized for programming of future projects to ensure OWRF meets the City's treatment needs and remains compliant with all Federal, State, County and City requirements.

24. AGREEMENT: Pipeline Services, Inc.

APPROVED Agreement #WD3-910-3144 with Pipeline Services, Inc. for Emergency Water Main (line stop parts and service) in an amount not to exceed \$400,000.00 for two years with options to extend up to two additional two-year periods.

25. AGREEMENT: Jim Brown and Sons Roofing

APPROVED Agreement #BF3-964-3200 with Jim Brown and Sons Roofing for roof replacement at the Fire Training Facility in an amount not to exceed \$76,500.05.

26. AGREEMENT AMENDMENT: Taylor Rymar Corporation

APPROVED Agreement #BF1203-201, Amendment No. 1, with Taylor Rymar Corporation for Transportation and Development Department HVAC upgrades in an amount not to exceed \$11,475.00 for a revised contract amount not to exceed \$53,625.00.

27. AGREEMENT & CONTINGENCY TRANSFER: Olsson Associates

APPROVED Agreement #PR1307-201 with Olsson Associates for design services for the Veterans' Memorial Project in an amount not to exceed \$129,081.00.

APPROVED a contingency appropriation transfer of \$129,081.00 to Veterans' Memorial Project design.

BACKGROUND/DISCUSSION:

The Veterans Memorial Fundraising Campaign has completed its second phase and is preparing to move into the donor cultivation and solicitation stage. One of the solicitation strategies is to look for the donation of construction related materials or services to maintain the integrity of the project's budget. To do so, it is necessary to convert the memorial's concept drawings into construction documents.

Olsson Associates has been involved in the preliminary stakeholder meetings with veterans and developed the concept from that input. Their familiarity with the concept and the stakeholders is a key component in maintaining continuity between the concept and design document development. Olsson Associates' design proposal includes a 24.6% discount of normal design costs.

FINANCIAL IMPLICATIONS:

Funds for this project will come from grant funding from the Gila River Indian Community (GRIC); however, no appropriation was budgeted in FY 2012-13. A General Fund contingency appropriation transfer will be required to appropriate spending authority of the GRIC grant for the Veterans' Memorial project design in the amount of \$129,081.00.

28. AGREEMENT & CONTINGENCY TRANSFER: VisionConnect LLC

APPROVED Agreement #CS1-946-3000 Phase III with VisionConnect, LLC, to provide Fundraising Consulting Services for a Veterans' Memorial in an amount not to exceed \$92,500.00.

APPROVED a contingency appropriation transfer of \$92,500.00 to Veterans' Memorial Project Fundraising Consulting Services.

BACKGROUND:

A Request for Statements of Qualifications and Experience for Consulting Services related to the development of a fundraising campaign for the memorial was issued in May 2011. The City Manager awarded a contract to VisionConnect, LLC, for the purpose of conducting a feasibility study regarding the potential of the City to successfully conduct a fundraising campaign for the project in the amount of \$7,000.00. VisionConnect reported the positive findings of that study to the City Council. As a result, Staff entered into negotiations with VisionConnect for consulting services to initiate and conduct the fundraising campaign for a Veterans Memorial. On July 26, 2012, the City Council approved Phase II of the project to include the initial structural improvements of the fundraising campaign in the amount of \$51,100.00.

The results of that phase include the recruitment and engagement of a Campaign Cabinet, Leadership Gifts Committee and Defense Industry Committee; the development of a campaign infrastructure including theme and promotional materials; the development of Leadership, Major and Corporate Gifts prospect lists; the identification of corporate and private foundation grants prospects; and the secured donations and commitments totaling \$525,000.00.

Phase III will move the campaign from the preparation phase into the cultivation and solicitation stage. Because the City does not have a designated development officer, the consultant will assume that leadership role in orchestrating activities and leading volunteer groups to successfully accomplish the fundraising goal of \$2,000,000.00.

The term of the contract is twelve (12) months and includes the tasks and duties described in the Agreement, Exhibit B – Scope of Work.

FINANCIAL IMPLICATIONS:

Funds for this project will come from funds donated and committed expressly for this project. However, no appropriation was budgeted in FY 2012-13. A General Fund contingency appropriation transfer will be required to appropriate spending authority of grant appropriation for the Veterans' Memorial project fundraising consulting services in the amount of \$92,500.00.

29. CONTRACT: Shasta Industries

APPROVED Contract #PR1301-402 with Shasta Industries for Desert Oasis Aquatic Facility Safety Improvements in an amount not to exceed \$206,500.00.

BACKGROUND:

Desert Oasis Aquatic Center completed construction in 1992 and was the first aquatic facility in the valley to feature a zero depth water entry and various toddler water features. This included a toddler tree stump/mushroom slide structure. That structure is 21 years old and is structurally unsound. Most of the welds and steel support forming the structure have completely rusted through and can no longer provide the structural integrity required. The scope of work for this project includes removal and replacement of the toddler slide structure, repair and replacement of interior surfaces, new mechanical and electrical associated with the new slide and requirements stipulated by the Maricopa County Health Department. Desert Oasis is currently closed and will reopen on Memorial Day weekend 2013.

30. AGREEMENT: CPC Construction, Inc.

APPROVED Agreement #WD3-745-3178 with CPC Construction, Inc., for right-of-way repairs in an amount not to exceed \$120,000.00 for one year with options to extend up to two additional one-year periods.

31. PURCHASE: Waxie Sanitary Supply

APPROVED the purchase of janitorial supplies from Waxie Sanitary Supply, utilizing the City of Tucson Contract #100489-01, in an amount not to exceed \$210,000.00.

32. USE PERMIT: EZ Smoke Shop

APPROVED (6-1) Use Permit LUP12-0032 EZ Smoke Shop, Series 10 Beer & Wine Store License, to allow liquor sales as permitted for off-premise consumption only located at 777 N. Arizona Avenue, Suite 8, within the DeLeon Plaza. (Applicant: Burch & Cracchiolo; Owner: Brokalakis Investments, LLC.)

BACKGROUND:

The request is for Use Permit approval to sell alcohol for off-premise consumption from a smoking-oriented convenience store in conjunction with a Series 10 Wine & Beer Store License.

The suite is located within the 1-acre DeLeon Plaza shopping center at the southeast corner of Arizona Avenue and Ivanhoe Street. The 60-square foot subject business will be open seven days a week from 9 a.m. to 11 p.m. A variety of retail tenants occupy the other suites. Commercial uses line both sides of Arizona Avenue in this area, including several involving alcohol sales. There is a single-family neighborhood east of the subject site separated by an alley.

Last year, a liquor use permit was approved for this same site and business under LUP11-0013, with a one (1) year time constraint for continued Staff evaluation. After correspondence with the Police Department and hearing no objections, Staff recommends approval of the request with the removal of the time constraint. Staff also recommends maintaining the standard condition regarding maintaining the site in a "clean and orderly manner" to ensure that no littering occurs near the store.

DISCUSSION:

The Planning Commission and Staff support this request for the Series 10 Beer and Wine Store License Use Permit finding that a liquor store is appropriate at this location and that the use has operated for the past year without incident.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on November 27, 2012. There were no citizens in attendance. Staff has received no correspondence in opposition. The Police Department has been informed of the application and has responded with no objections.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed 5-0 with Commissioners Baron and Ryan absent.

RECOMMENDED ACTION:

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

1. The Use Permit granted is for a Series 10 License only and any change of license shall require reapplication and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. Expansion beyond the approved Floor Plan and Narrative shall void the Use Permit and require new Use Permit application and approval.
4. The area adjacent to the store shall be maintained in a clean and orderly manner.

33. USE PERMIT: Centro De Alabanza Juda

APPROVED Use Permit ZUP11-0016 Centro De Alabanza Juda, for a temporary storage trailer to be located on-site at 450 S. Hamilton Street. (Applicant: Jesus Garza, Pastor.)

BACKGROUND:

The subject site is located south of the southwest corner of Frye Road and Hamilton Street. North, adjacent to the site, is The Door church; west, single-family homes, east, Folley Park; and south is vacant property designated as a future expansion area of Utility Vault for outdoor storage.

In late 2004, the subject site received Use Permit approval to locate the church in an SF-8.5 zoned district and was later constructed in 2006. The main sanctuary is approximately 5,500 square feet and, per code, would require 28 parking stalls; 135 stalls are provided.

The Use Permit request is for an approximately 10'x40' mobile-mini storage unit to occupy six parking stalls located at the northwest end of the parking lot. An existing approximately 180-square foot storage building and trash receptacle are located just north of the mobile-mini and do not displace any parking stalls. The existing mobile-mini has been at the sight for approximately eighteen months, and upon being cited by the City's Inspection Division, a Use Permit was submitted. The request is to allow for the storage of the mobile-mini for one year at its current location while a permanent solution is designed. The future permanent storage unit will require Use Permit approval and it is anticipated that it will be located within the vicinity of the existing storage unit. Additionally, in the narrative, a request is made to allow for the continued use of an outdoor tent located north of the sanctuary building; the applicant no longer requests the Use Permit for the tent as they are able to request the tent for temporary use through the Fire Department.

The Planning Commission and Staff recommend approval of the mobile-mini, with the understanding that a more permanent solution for outside storage will be forthcoming and due to the fact that the displacing of parking stalls has not let to any on-site issues pertaining to parking or circulation.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Due to the minor nature of the request, a neighborhood meeting was not held; however, notifications of the request and public hearing were mailed to surrounding property owners. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed 5-0 with commissioners Baron and Ryan absent.

RECOMMENDED ACTION:

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

1. Expansion or modification beyond the approved exhibits (Site Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
2. The Use Permit shall remain in effect for one (1) year from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require reapplication to and approval by the City of Chandler.
3. Use Permit approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Use Permit shall apply.
4. The site shall be maintained in a clean and orderly manner.

34. USE PERMIT: Michaels & Associates, Inc.

APPROVED Use Permit ZUP12-0034 Michaels & Associates, Inc., extension for the continued operation of an office located within a single-family residential zoned district located at 200 N. Nebraska Street. (Applicant: Kevin Michaels; Michaels and Associates, Inc.)

BACKGROUND:

The subject site is located at the northwest corner of Chandler Boulevard and Nebraska Street and is approximately 220 feet west of Chandler High School. The site is surrounded by residential homes to the north, east and west. Directly west, adjacent to the site and along Chandler Boulevard, are five residential homes that have been converted to commercial businesses with Use Permits. South, across Chandler Boulevard, is the San Marcos Golf course.

City Council approved a one-year Use Permit for the subject site in 2007 to allow for the conversion of a single-family residential home into a commercial business utilizing the Residential Conversion Policy. A second Use Permit was granted in 2008 with a one-year timing condition for the office due to a request to increase the number of allowed employees. A third request was approved in 2009 with a three-year timing condition. Due to the businesses successful track record, the Planning Commission and Staff are recommending approval without a timing condition.

The residential home is approximately 2,500 square feet on a 9,400 square foot lot. The site provides a parking area for four vehicles with an additional two parking spaces in the garage. In addition to the on-site parking, the applicant has arranged for a parking agreement with the property owner directly east across Nebraska Street for an additional four parking spaces. The home provides five offices and has a large conference room.

The hours of operation are generally 8 a.m. to 5 p.m. and closed on weekends. Approximately one to two clients visit the business per day, although the applicant generally visits clients at an off-site location. The business provides insurance, financial and legal services; customers are by appointment only with the occasional walk-in customer. Since the approval of the last extension, Staff is unaware of any concerns, opposition, or parking related issues. The Planning Commission and Staff continue to support the Use Permit.

The Residential Conversion Policy (RCP) was established in 1989 to allow single-family homes the opportunity to allow small commercial businesses to operate within a residential zoning district with the approval of a Use Permit. Such homes must have direct frontage or access to an arterial street and propose a business compatible with the existing neighborhood. Within this Policy, criteria were established to accommodate the conversion of homes into professional offices or like businesses. Such criteria include the requirement of an improved parking lot, preservation of front yard landscaping for the aesthetic streetscape setting of the home, and buffering from adjacent residences. The request meets the requirements of the RCP.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Due to the low-impact nature of the use, a neighborhood meeting was not held; however, notifications of the request, as well as for the public hearing, were mailed. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed 5-0 with Commissioners Baron and Ryan absent.

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, SF-8.5 zoning district and the Residential Conversion Policy, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Any expansion or modifications beyond the approved exhibits shall void the Use Permit.
2. The Use Permit is non-transferable to any other location.
3. Increases in on-site employment over that represented (6), or the expansion of the home to provide additional office space, shall require Use Permit amendment and approval by the City of Chandler.

35. USE PERMIT: React Defense

APPROVED Use Permit ZUP12-0038 React Defense, to allow adult education and physical fitness/training type uses in Building 4 of Westech Corporate Center located at the SEC of Arizona Avenue and Palomino Drive, north of Warner Road. (Applicant: CC Prop LLC, Sun State Builders – Mike Forst.)

BACKGROUND:

Westech Lot 34 is developed with industrial and office land uses including certain allowed commercial uses. Building 4 is approximately 14,250 square-feet in size and located at the northeast side of the development.

Building 4 is surrounded by similar buildings on the south and west. South of Westech Lot 34 is an existing auto dealership. Immediately east of the subject site is an industrial building with approximately 135,000 square feet of light industrial warehouse space. Arizona Avenue abuts the property's west side with multi-family residential uses zoned High Density Residential (MF-3) located west of Arizona Avenue.

Permitted uses include light-industrial by right in the Planned Industrial District (I-1), as well as Office and Office/Warehouse uses, in addition to limited commercial uses such as showroom/warehouse uses (e.g. flooring company), and auto-related accessory sales and installation. General retail uses are not permitted. Sufficient parking is provided to allow 100% office uses within Buildings 1-4, 9 and 10. Parking is provided to accommodate a 20% office build-out for Buildings 5-8.

The request seeks to allow adult education and physical fitness/training-type uses within Building 4, most specifically for REACT Defense to occupy approximately 5,730 square feet of Building 4. REACT Defense educates men, women, military and police personnel on self-defense tactics, fitness and fighting instructional tactics. The company utilizes reality-based training that simulates real life encounters and situations. The company will have 4 to 6 employees at this location. On average, 3 employees will be on site at any one time with class sizes ranging from 10 people or less. The suite will include approximately 1,273 square feet of office and showroom space, with the balance occupied by 2 fitness/training rooms. The building is parked at a 5/1000 square-foot ratio that provides more than sufficient parking.

Staff supports the request finding the proposed uses to represent a compatible addition to this business park. The adult education and physical fitness/training uses have proven compatible in hybrid business parks such as the subject site that include office, light industrial and limited commercial uses. These types of uses typically park at a lower rate than office uses as well typically operate during hours off-peak of the neighboring business park tenants. Staff is not recommending a time condition with this request. As mentioned, these uses have proven compatible throughout the City in similar situations.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed according to the provisions of the City of Chandler Zoning Code. In lieu of a neighborhood meeting, a neighborhood notice was sent out. A neighboring business requested the management company provide parking signs for the concerned adjacent business. The management company has agreed to provide such signage. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed unanimously.

RECOMMENDED ACTION:

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 exhibits and representations contained within this memo and in the Use Permit case entitled "REACT DEFENSE", kept on file in the City of Chandler Current Planning Division in file number ZUP12-0038 except as modified by condition herein.
2. Compliance with original conditions adopted by the City Council as Ordinance No. 3812 in case DVR06-0005, except as modified by condition herein.
3. Adult education and physical fitness/training uses are permitted in Building 4 only.

36. USE PERMIT: El Zacatecano

APPROVED Use Permit LUP12-0029 E. Zacatecano, Series 12 Restaurant License, to allow liquor sales as permitted for on-premise consumption indoors at an existing restaurant located at 474 W. Ray Road. (Applicant: Noelia Ortiz, Owner.)

BACKGROUND:

The subject site is located east of the northeast corner of Ray Road and Iowa Street, approximately 1/3 of a mile west of Arizona Avenue. The subject site is 2,400 square feet and is part of a larger 7,400 square foot inline shop space. West of the inline shops space is a convenience store; east of the center is a Sonic drive-thru restaurant; north of the commercial center is the Thunderbird Estates single-family residential neighborhood.

The previous restaurant was approved for Series 12 Restaurant liquor Use Permit with live entertainment in April 2010 with a one-year condition for Staff review. That restaurant has since vacated and El Zacatecano has taken over the site with a new restaurant with different owners. The restaurant is proposing to be open Monday through Wednesday from 9 a.m. to midnight and Thursday through Sunday from 9 a.m. to 2 a.m. The restaurant has seating for 40 or more patrons and will employ approximately 8-10 people. In addition to the sale of alcohol, the restaurant is also proposing to continue to have occasional live music on the weekends with all events taking place indoors. The live music area is located at the front of the building, furthest away from residential homes in the same location as the previously approved liquor Use Permit. Staff has added a condition to further address the live music/entertainment component.

The Planning Commission and Staff support the request finding that a restaurant is appropriate at this location. Staff supports the addition of the Series 12 Restaurant License with the stipulation for a one-year timing condition for Staff to monitor potential concerns regarding the live music/entertainment for the new owner.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on November 28, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed 5-0 with Commissioners Baron and Ryan absent.

RECOMMENDED ACTION:

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

1. The Use Permit is granted for a Series 12 license only and any change of license shall require reapplication and new Use Permit approval.
2. Expansion or modification beyond the approved exhibits (Site Plan and Floor Plan) shall void the Use Permit and require new Use Permit application and approval.
3. The Use Permit is non-transferable to other store locations.
4. The site shall be maintained in a clean and orderly manner.
5. No noise shall be emitted from music occurring indoors, that exceeds the general level of noise emitted by uses outside the premises of the business and further will not disturb adjacent businesses and residents
6. The Use Permit shall remain in effect for one (1) year from the date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require reapplication to and approval by the City of Chandler.

37. LIQUOR LICENSE: Restaurant El Zacatecano

CONTINUED TO FEBRUARY 14, 2013 - Series 7 Beer and Wine Bar Liquor License (Chandler #143505 L7) for Noelia Ortiz, Agent, Restaurant El Zacatecano, 474 W. Ray Road.

38. SAMPLING PRIVILEGES LIQUOR LICENSE: Sprouts Farmers Market #15

APPROVED the addition of Sampling Privileges to the existing Series 10 Beer and Wine Store Liquor License No. 134948 L10 held by Randy D. Nations, Agent, SF Markets LLC (FN), dba Sprouts Farmers Market #15, 2855 S. Alma School Road. A recommendation to add sampling privileges to State Liquor License No. 10076303s will be forwarded to the State Department of Liquor Licenses and Control. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

Sprouts Farmers Market has been in business at this location since January 1, 2007. However, there was an ownership change to SF Markets LLC (FN), dba Sprouts Farmers Market #15 on September 13, 2012, at which time Council approved a Series 10 Beer and Wine Store Liquor License. The applicant has submitted an application to add sampling privileges to their Series 10 State Liquor License. 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 license or a beer and wine store license to apply for sampling privileges.

39. LIQUOR LICENSE: Barrelhouse

APPROVED a Series 12 Restaurant Liquor License (Chandler #145163 L12) for Kenta Uzuzawa, Agent, Cavalier Concepts LLC, dba Barrelhouse, 2050 N. Alma School Road, Suite 8. A

recommendation for approval of State Liquor License #12079364 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. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as Frank and Charlie's Wood Fire Grill.

40. LIQUOR LICENSE: Espo's Mexican Food

APPROVED a Series 12 Restaurant Liquor License (Chandler #145063 L12) for Jayson Langdon Brightwell, Agent, Espo's Mexican Food, 3867 W. Chandler Boulevard. A recommendation for approval of State Liquor License #12079369 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. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as Espo's Mexican Food.

41. CONTINUED LIQUOR LICENSE: Pho Van

CONTINUED TO FEBRUARY 14, 2013 a Series 12 Restaurant Liquor License for Michael Lawrence Schall, Pho Van LLC, dba Pho Van, located at 2095 N. Dobson Road, Suite 3, to allow the applicant time to complete the requirements for a new Use Permit.

42. FINAL PLAT: East Valley Town Center II

APPROVED Final Plat FPT12-0023 East Valley Town Center II, for a re-plat of lots 1 through 5 inclusive and lot 13 of the East Valley Town Center commercial development for the NWC of Arizona Avenue and Warner Road. (Applicant: Sherri Koshiol, Bowman Consulting.) The plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way.

43. REZONING/PRELIMINARY DEVELOPMENT PLAN: Price Road Commerce Center
Ord. #4392

CONTINUED TO FEBRUARY 28, 2013 COUNCIL MEETING Ordinance No. 4392, DVR12-0006 Price Road Commerce Center, rezoning from Agricultural (AG-1) TO Planned Area Development (PAD).

CONTINUED TO THE FEBRUARY 28, 2013 COUNCIL MEETING a Preliminary Development Plan (PDP) for a business park on approximately 38 acres located south of the SWC of Germann and Price roads. (Applicant: Mike Withey; Withey Morris, PLC.)

44. DEVELOPMENT AGREEMENT: AZGL, LLC Res. #4662

ADOPTED Resolution No. 4662 authorizing a development agreement with AZGL, LLC, for property located south of the SWC of Germann and Price roads.

BACKGROUND/DISCUSSION:

Rezoning of the subject property is pending. If the property is rezoned to allow for single user enterprise data center use, then this development agreement would be appropriate to address

issues arising as a consequence of such use on the site. In particular, it addresses the infrastructure needs that such a use would have on the City. It also allows the City to initiate a rezoning to eliminate the single user enterprise data center use in the event that the owner and developer of the property is unable to secure an acceptable entity as the data center user. In addition, the City will receive up to \$1 million from the owner and/or developer if the property is used as a single user enterprise data center.

45. AUTHORIZATION TO SIGN: Innovations Technology Incubator subleases Res. #4666

ADOPTED Resolution No. 4666 authorizing the City Manager to sign all subleases and related documents for use of space at the Innovations Technology Incubator as approved by the City Attorney.

BACKGROUND/DISCUSSION:

The City of Chandler's Innovations Technology Incubator was opened in 2010 and currently houses 23 early-stage companies to sublease space. The original intention of the City establishing the Master Lease was to sublease space to start-up technology companies. As part of the subleasing process by Staff, subleases are reviewed by the City Attorney's office and executed with the tenant and then signed by an authorized representative for the City of Chandler. This Resolution identifies the authorized signature to be the City Manager as signer for the City of Chandler on all future subleases, amendments, renewals or licenses relating to Innovations Technology Incubator.

46. LIEN WAIVER: Healthtell Res. #4667

ADOPTED Resolution No. 4667 authorizing the City to partially waive its landlord lien over the premises subleased to Healthtell at Innovations Technology Incubator and authorize the Mayor to execute the related documents as approved by the City Attorney.

BACKGROUND/DISCUSSION:

Healthtell, a tenant at Innovations Technology Incubator, is in the process of purchasing two significant pieces of equipment related to their work at the incubator. Their bank is requesting that the City waive any landlord lien against this equipment so that it can go forward with financing. This will allow Healthtell to purchase the equipment and have it installed in their suite at the incubator. Healthtell's purchase of this equipment is anticipated to contribute to their continued vitality as a start-up company at the Incubator.

BRIEFING:

1. Recommendations of the Parking Task Force

BACKGROUND:

As part of the 2012 City Council Strategic Policy Goals for Neighborhoods, City Council requested that City Staff take steps to "implement a revised Parking Enforcement Policy", as Staff and Council are frequently called upon to address citizen concerns regarding parking issues in neighborhoods. As a starting point, Staff performed outreach to the community seeking input to determine key areas of concern regarding parking issues. Staff extended an invitation to resident leaders from broad geographical areas of Chandler to participate in focus group discussions on the topic of neighborhood parking. Staff also assembled a focus group that included

representation from various City divisions directly impacted by neighborhood parking issues, either through calls for service or resident complaints. In addition, the Neighborhood Advisory Committee participated in a third focus group. Each of these groups had the opportunity to rank and review the top parking concerns in neighborhoods.

After the top parking concerns were identified through the work of the focus groups, the Director of Neighborhood Resources convened a Parking Task Force comprised of six Chandler residents including a Chair. The selection of Task Force members included residents who expressed an interest in contributing to the City's discussion of its parking enforcement policies. The Parking Task Force met with internal Staff five times between June and September and reviewed the findings of the focus groups to formulate recommendations for a revised parking enforcement policy. The top six parking concerns that emerged from the three focus group discussions also became the key focus areas of discussion for the Task Force. In order of priority, they are:

1. Vehicles continually repaired on driveways
2. Vehicles stored on streets for extended times
3. Vehicles parked on sidewalks.
4. Recreational vehicles, boats and commercial vehicles parked on streets impeding visibility and traffic circulation
5. Vehicles parked on unimproved surfaces (grass, gravel, dirt)
6. Apparently abandoned vehicles backed into driveways as a means to evade enforcement of an inoperable vehicle.

After the first meeting of the Parking Task Force, the participants reviewed the top six parking concerns and deemed it prudent to include the following three concerns because of the negative visual affects they have on neighborhoods:

1. Too many cars parked at one residence
2. Oversized vehicles parked on private property
3. Parking of utility vehicles, cement mixers, landscape trailers with debris on private property

The Neighborhood Advisory Committee reviewed and approved the recommendations of the Parking Task Force at their meeting on October 9, 2012. In addition, Staff had the opportunity to brief the Community Services, Economic Development and Neighborhood Services Subcommittee twice during this process, on April 5, 2012 as the process began and again on November 7, 2012 after the recommendations were finalized.

The "Results of the Parking Task Force" chart details those recommendations that would include changes to City ordinance which require City Council action and those recommendations that can be implemented by City Staff. Any proposed ordinance change provided within this document is a general recommendation as to how the ordinance may be revised to address the specific parking condition. Should it be Council's desire to proceed with any ordinance changes recommended in the report, Staff will be charged with developing proposed ordinance language to bring forward to Council for additional discussion and subsequent action.

DISCUSSION:

MS. JENNIFER MORRISON, DIRECTOR, NEIGHBORHOOD RESOURCES DIVISION acknowledged the involvement of the members of the Parking Task Force, Neighborhood Advisory Committee and key staff throughout the City.

The idea to review the impact to parking in Chandler's neighborhoods was a Council Goal from 2011. She said several focus groups of residents were formed and a survey was developed for additional input.

She said that cross departmental discussions have increased to develop consistency in the information delivered during the enforcement process. Police will be working to revise the language in their violation warning stickers. Code Enforcement and Police are working on a process for joint saturated patrols and increased delivery of information to associations and neighborhoods.

Ms. Morrison reviewed the issues stated in the exhibit which outlined the recommendations and actions and noted they were listed in the order of importance of the residents who participated.

COUNCILMEMBER WENINGER thanked those involved in working on these issues. He said in regards to the item addressing the amount of vehicles per household, there are people during these times that might have people staying with them and he does not wish to tell residents how many vehicles they can have at their household.

He inquired about people who own golf carts and how that would be impacted if they park it in their driveway. He gave the example of the Sunbird community.

POLICE COMMANDER GREG JACQUIN said if the cart is going to be entirely within a privately controlled area that is not a public thoroughfare or public street, then they can drive it.

MR. MALCOLM HANKINS, Neighborhood Preservation Manager, said a golf cart, in the way the ordinance was reviewed, would not apply as a vehicle in the driveway.

COUNCILMEMBER WENINGER said in regards to commercial vehicles, he understands the concerns with larger vehicles such as cement trucks, but questioned an example of a truck or vehicle being used by a business that had company logos displayed. Mr. Hankins said he believed the concern was more with the size of the vehicle, significantly oversized vehicles.

COUNCILMEMBER HARTKE said he too appreciates the efforts. He asked how the nature of enforcement is enacted. MS. MORRISON replied typically enforcement has been reactive. She said that in traditional neighborhoods where there tends to be a continual problem, that there could be an opportunity to collaborate and do saturated enforcement efforts. She added not so much for issuing citations, but for educational purposes.

COUNCILMEMBER HARTKE asked if the issue of using parking as advertising came up for discussion. MS. MORRISON said it did not come up as much as the kind of vehicles parked at houses. Councilmember Hartke said he would like to see more discussion on oversize trucks parked in neighborhoods being used for advertising.

The Mayor asked if most of these issues arise in traditional neighborhoods. Ms. Morrison replied that is correct. In response to a question from the Mayor, Ms. Morrison said they will continue

collaboration and could be bringing some items forward to Council. They appreciated the opportunity to brief the Council.

COUNCILMEMBER HEUMANN thanked those involved. He echoed the concerns of Councilmember Weninger about limiting the number of vehicles at a residence. He also asked that further consideration be given to the "street legal" aspect of vehicles.

CURRENT EVENTS:

A. Mayor's Announcements

The Mayor announced the recent InfusionSoft Ribbon cutting and welcomed them to Chandler. Mayor announced the Volunteer Tax Assistance now available through mid-April. Free tax preparation services to help low and moderate residents. Additional volunteer tax preparers are still needed.

The Mayor's Listening Tour 2.0 will be held on February 12 along with a mini HOA Academy.

B. Councilmembers' Announcements

COUNCILMEMBER HARTKE thanked the Chandler Christian Community Center's partnership in a new program that will serve the homeless community.

The For Our City breakfast will be held on February 7th at the Boys and Girls Club.

Chandler Sports Hall of Fame on February 9th.

COUNCILMEMBER ELLEN thanked the 66 civilian volunteers that help with the Police Department and encouraged others to get involved.

Councilmember Heumann announced the Sci-Tech Festival would be held February 13, 15 & 16th.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:50 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: February 11, 2013

[Type text]

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 January 2013. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of February 2013.

City Clerk