

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, April 25, 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
Trinity Donovan	Councilmember
Nora Ellen	Councilmember
Kevin Hartke	Councilmember
Rick Heumann	Councilmember
Jeff Weninger	Councilmember

Also in attendance:

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

INVOCATION: Dr. Joel Orona, Bahai Faith Community

PLEDGE OF ALLEGIANCE: Mayor Tibshraeny led the Pledge of Allegiance

UNSCHEDULED PUBLIC APPEARANCES: None.

MAYOR TIBSHRAENY noted that Action Items 37 and 38 are being recommended for continuance to the May 9, 2013 Council meeting. With the continuation, those two items could be placed on the Consent Agenda.

CONSENT:

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER DONOVAN, TO APPROVE THE CONSENT AGENDA AS PRESENTED WITH THE ADDITION OF ITEMS 37 AND 38 FROM THE ACTION AGENDA.

Mayor Tibshraeny stated he would be voting nay on Item 7.

Mayor Tibshraeny noted the appointments being made to boards and commissions. He introduced Alex Braddock who is being appointed to the Youth Commission and was in attendance in the audience with his family.

MOTION CARRIED UNANIMOUSLY (7-0) with the exceptions noted.

1. MINUTES:

APPROVED the following Chandler City Council Meeting Minutes:

- 1a. Regular Meeting of April 11, 2013
- 1b. Special Meeting of April 11, 2013
- 1c. Special Meeting of April 15, 2013

2. ANNEXATION: Rights-of-Way Arizona Avenue Ord. #4407

ADOPTED Ordinance No. 4407 annexing approximately 3.09 acres of certain county rights-of-way on Arizona Avenue north and south of Riggs Road.

3. LEASE AGREEMENT: Maricopa County Ord. #4437

ADOPTED Ordinance No. 4437 authorizing a two-year lease agreement with Maricopa County for space in the recreation building at 660 S. Palm Lane for use as a Head Start facility.

4. LEASE AGREEMENT: Maricopa County Ord. #4438

ADOPTED Ordinance No. 4438 authorizing a two-year lease agreement with Maricopa County for space in the recreation building at 130 North Hamilton Street for use as a Head Start facility.

5. REZONING: Southshore Village Ord. #4442

ADOPTED Ordinance No. 4442, DVR12-0013 Southshore Village, rezoning from Planned Area Development (PAD) medium density residential to PAD low density residential for a single-family residential subdivision on approximately 45 acres located north and east of the NEC of Arizona Avenue and Chandler Heights Road.

6. REZONING: Park Place Ord. #4443

ADOPTED Ordinance No. 4443, DVR13-0002 Park Place, rezoning from Agricultural District (AG-1) to Planned Area Development (PAD) for a business park on approximately 29 acres located at the SEC of Price and Willis roads.

7. REZONING: 202 Cooper Place Ord. #4444

MAYOR TIBSHRAENY VOTED NAY ON THIS ITEM.

ADOPTED (6-1) Ordinance No. 4444, DVR12-0041, 202 Cooper Place, rezoning from Planned Area Development (PAD) for Commercial and Agricultural (AG-1) to PAD for multi-family residential on approximately 18.75 acres located at the NWC of Cooper Road and the Loop 202.

8. REZONING: Jacaranda Place Ord. #4445

ADOPTED Ordinance No. 4445, DVR12-0043 Jacaranda Place, rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for a single-family residential subdivision on approximately 25.55 acres located west of the NWC of Lindsay and Riggs roads.

9. REVISED LEASE AGREEMENT/ GENERAL FUND TRANSFER: Arizona State University Ord. #4448

ADOPTED Ordinance No. 4448 amending Ordinance No. 4356 to authorize a revised lease agreement with Arizona State University for City property at 249 E. Chicago Street, upon approval as to form by the City Attorney.

10. AGREEMENT: CyrusOne LLC Ord. #4446

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4446 authorizing an agreement with CyrusOne LLC, for the use of facilities in the City's rights-of-way and public places to establish a Class 5 Communication System.

BACKGROUND

CyrusOne, LLC, has filed an application with the City to install, operate and maintain a fiber communications system that requires use of 9,356 linear feet of Chandler Public Right-of-Way in order to connect to the CyrusOne Data Center on a site near Queen Creek and Price roads. This agreement provides terms and fees for the use of that right-of-way. This is a five-year, renewable, nonexclusive agreement.

FINANCIAL IMPLICATIONS: The City has received a \$3,000.00 application fee which should cover the City's cost for processing this application and 2.75% privilege tax that will be paid on any non-interstate telecommunication services. The company will also pay all permit, inspection and pavement damage fees. There will be an annual fee of \$1.96 per linear foot for infrastructure in the City right-of-way which includes a 3.8% escalator per year. It is estimated that the fee for the route outlined in the agreement will be \$18,337.76 for the first year.

11. POWER DISTRIBUTION EASEMENT: Salt River Project Ord. #4447

ADOPTED Ordinance No. 4447 granting a no-cost power distribution easement to Salt River Project (SRP) for the purpose of installing and maintaining electrical facilities for a cellular tower at the City's Fire Training Center and declaring the existence of an EMERGENCY.

BACKGROUND

In 2001, Crown Atlantic Company, LLC, a wireless telecommunications tower management company that uses pole-mounted antennas and other support equipment and devices, applied for and received an encroachment permit from the City to construct and operate a wireless communication facility at a site located upon the grounds of the Chandler Fire Training Center at 3350 S. Dobson Road. On April 15, 2011, Crown requested that the City enter into a telecommunication site lease to allow it to operate its wireless communications system at a new site location on the grounds of the Chandler Fire Training Center, which will replace Crown's current site location. The new site is designed to accommodate the co-location of multiple wireless carriers. So that Crown can use this site for the purpose intended in the lease agreement, it is necessary for Salt River Project (SRP) to provide electrical service to the site. To do so, SRP requires an easement from the City. This easement is being granted at no cost to SRP for Crown so that Crown can enjoy their rights under lease.

Staff recommends that this ordinance be handled on an emergency basis in order to expedite the easement and to meet the City's obligations to Crown under the lease.

12. REZONING: 900 E Chandler Boulevard Ord. #4451

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4451, DVR12-0040 900 E. Chandler Boulevard, rezoning from Single-Family Residential (SF-8.5) to Regional Commercial

(C-3) on approximately .15 acres located at 900 E. Chandler Boulevard, west of the NWC of Chandler Boulevard and McQueen Road. (Applicant: Payam Shahriari.)

BACKGROUND

The subject site is located west of the northwest corner of Chandler Boulevard and McQueen Road and is part of the parcel to the south, both of which are vacant. The entire property has been walled off adjacent to the residential properties to the north and east. The property is currently zoned SF-8.5 Residential. The SF-8.5 district allows for single-family residential lots having a minimum lot size of 8,500 square feet and a minimum lot width of 70 feet. The surrounding properties are zoned SF-8.5 to the east, C-3 to the south and west and a residential PAD to the north.

The southern portion of the site was rezoned C-3 under Z75-009 in 1975 to allow for a non-conforming service station and multi-family use. At the time, the parcel lines were consistent with the rezoning; however, it is believed that a survey error incorrectly described the project parcels and incorrectly rezoned part of the parcel to C-3 zoning. Since this initial rezone, the northern property has also been rezoned and parcel lines adjusted with updated surveys and legal descriptions, making this approximately .15-acre piece left as the outlying SF-8.5 zone on the northern 40' of this parcel. This application will correct the error and make the entire parcel zoned C-3.

The General Plan designates the site as being in the downtown revitalization/infill area and supports land assembly for commercial redevelopment.

Staff supports the request and finds that this application will make the site consistent with the surrounding development and existing commercial zoning of the southern portion of the parcel.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 21, 2013. There was one neighbor in attendance in support of the application. Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 6-0 with Commissioner Baron absent.

RECOMMENDED ACTION:

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

13. **IGA AMENDMENT:** RPTA – Fixed Route Bus Service Res. #4636

ADOPTED Resolution No. 4636 authorizing an amendment to the Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for fixed route bus service for FY 2012/13 in an estimated amount of \$81,488.00.

BACKGROUND/DISCUSSION

In 2008, Council approved a five-year agreement with the Regional Public Transportation Authority (RPTA), Valley Metro, for the provision of fixed route and express bus service through June 30, 2013. This is the fourth of four annual amendments to adjust for changes in operating costs and service levels. This amendment covers Chandler's share of operating costs for fixed route and express bus service for FY 2012/13. This agreement will provide fixed route transit

service in Chandler at a total net cost (gross cost less fare revenue) of \$4,217,733.00. A total of 890,639 miles will be funded by Proposition 400 at a net cost of \$4,136,245.00 and 17,600 miles will be funded by the City at an estimated net cost of \$81,488.00. This contract amendment is a cost-based contract where the City is obligated to pay for actual fixed route services provided.

FINANCIAL IMPLICATIONS

Net City Cost:	\$81,488.00
Savings:	\$4,136,245.00 in transit service funded by Proposition 400
Long Term Costs:	N/A

14. IGA: RPTA – Dial-A-Ride Res. #4637

ADOPTED Resolution No. 4637 authorizing an Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for Dial-A-Ride Services for senior citizens and persons with disabilities for FY 2012/13 in an estimated amount of \$193,268.00.

BACKGROUND/DISCUSSION

The East Valley Dial-A-Ride (EVDAR) provides door-to-door, shared-ride public transportation services for senior citizens and persons with disabilities. In an effort to reduce costs and provide enhanced service, the RPTA Board awarded the contract to Total Transit, the company that runs Discount Cab. The contract provides for one year of service with an option to extend service for one additional year and a second option to extend service for an additional three years, for a total maximum contract length of five years.

The new contract began on July 1, 2012, with Total Transit and EVDAR passengers continuing to experience high quality service. Although Total Transit operates primarily as a taxi cab organization (Discount Cab), non-ambulatory residents continue to be accommodated with larger passenger vans that are designed to provide ADA service.

This agreement will provide approximately 36,256 Dial-A-Ride passenger trips at a total net cost (gross cost less fare revenue) of \$1,073,135.00. As part of Proposition 400, RPTA will fund the cost of service for persons with disabilities in accordance with the Americans with Disabilities Act (ADA) in the amount of \$800,000.00, which is 79.8% of the total contract. Non-ADA service will be funded by the City in an estimated amount of \$193,268.00. This contract is a cost based contract where the City is obligated to pay for actual services provided.

FINANCIAL IMPLICATIONS

Net City Cost:	\$193,268.00
Savings:	\$800,000.00 for ADA Dial-A-Ride service funded by Proposition 400
Long Term Costs:	N/A

15. IGA: RPTA – Cab Coupon Program Res. #4638

ADOPTED Resolution N. 4638 authorizing and Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for Alternative Transportation Services (Cab Coupon Program) for senior citizens and persons with disabilities for FY 2012/13 in an estimated amount of \$66,717.00.

BACKGROUND/DISCUSSION

The City of Chandler initiated a subsidized taxicab coupon program with the RPTA in FY 2006/07. Staff recommends continuing that program through FY 2012/13.

This program provides subsidized taxi cab coupons for Chandler residents. The program is intended to provide additional transportation options for senior citizens and persons with disabilities at a lower cost than traditional Dial-A-Ride service. Under this program, participants purchase coupon booklets valued at \$10.00 at a nominal co-pay of \$2.50 for one book. The coupons can then be applied toward the fares of participating cab companies. Coupons are purchased from valley Metro.

In FY 2011/12, Chandler citizens utilized 6,531 cab trips providing an estimated savings to the City of approximately \$251,000.00 in the Dial-A-Ride program.

The total amount of this contract is \$130,102.00. A federal New Freedom grant provides \$43,385.00. The City funds \$66,717.00 and coupon revenue is \$20,000.00. This funding enables the city to provide more cab service and save on the Dial-A-Ride costs.

FINANCIAL IMPLICATIONS

Net City Cost:	\$66,717.00
Savings:	\$43,385.00 New Freedom Grant
Long Term Costs:	N/A

16. ISSUANCE AND POST-ISSUANCE COMPLIANCE: Bonds Res. #4679

ADOPTED Resolution No. 4679 adopting Issuance and Post-Issuance Compliance Procedures relating to Tax-Exempt Bonds, other Tax Exempt Financing, Build America Bonds (Direct Pay), Tax Credit Bonds and Tax Credit Bonds (Direct Pay) for the City of Chandler.

BACKGROUND

The City of Chandler follows post-issuance compliance procedures internally and works closely with externally contracted Bond Counsel (Gust Rosenfeld), Financial Advisor (Piper Jaffray) and Arbitrage Compliance Specialist (BLX) to ensure bonds remain in compliance with federal tax requirements from the time they are issued until they are no longer outstanding.

Although the procedures are in place, for some time the IRS has been urging issuers of tax-exempt bonds to adopt “*written procedures*” to help ensure their post-issuance compliance with the requirements of the Internal Revenue Code of 1986, as amended. Informal guidance from the IRS and questions on Form 8038-G have made it clear that detailed post-issuance compliance procedures should be an integral part of any government issuer’s bond program. The questions ask whether the issuer has established written procedures (i) to ensure that all nonqualified bonds are remediated according to the requirements of the federal tax regulations, and (ii) to monitor the requirements of the arbitrage and rebate regulations.

Additionally, the IRS has amended its Voluntary Closing Agreement Program (VCAP), which allows issuers that identify a post-issuance violation to enter into a settlement with the IRS to cure the violation, to give more favorable treatment to an issuer that has adopted post-issuance compliance procedures.

This Post-Issuance Compliance policy sets forth specific procedures for the City of Chandler that are designed to monitor post-issuance compliance of tax-exempt qualified obligations. The written procedures contain provisions for:

- Due diligence review at regular intervals;

- Identifying the official or employee responsible for review;
- Training of the responsible official/employee;
- Retention of adequate records to substantiate compliance (e.g. records related to expenditure of proceeds);
- Procedures reasonably expected to timely identify noncompliance;
- Procedures ensuring that the issuer will take steps to timely correct noncompliance.

The written procedures, attached as Exhibit A to the resolution, have been reviewed by the City's Bond Counsel, Scott Ruby, as well as the City's Financial Advisor, Bill Davis, and will document in writing what the City has actually been doing.

17. On Action Agenda – after Public Hearing 3.

18. CONTINUED/ HOUSING: Quantum, LLC

Res. #4683

CONTINUED TO THE MAY 9, 2013 CITY COUNCIL MEETING

Resolution No. 4683 authorizing the sale by Community Services of Arizona, Inc., of its interest in 831 W. Ray Road, 855 W. Ray Road., 394 N. McQueen Road and 298-392 N. McQueen Road, to Quantum, LLC, or designee; and AUTHORIZED the City to restructure and/or release deeds of trust, promissory notes and land use restrictions for affordability related thereto.

19. CONTINUED REZONING/PRELIMINARY DEVELOPMENT PLAN/PRELIMINARY PLAT:
Mumtaz Gated Community

CONTINUED TO MAY 9, 2013, Zoning, DVR12-0042 Mumtaz Gated Community, rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for a townhome development on approximately 6 acres.

CONTINUED TO MAY 9, 2013, Preliminary Development Plan for a 69-lot subdivision located east of the SEC of McQueen and Willis roads.

CONTINUED TO MAY 9, 2013, Preliminary Plat PPT13-0003 for a 69-lot subdivision located east of the SEC of McQueen and Willis roads.

Continuance is requested by the Planning Commission and Staff to allow additional time to finalize development details and to be heard by the Planning Commission.

20. BOARD AND COMMISSION APPOINTMENTS

APPROVED the following Board and Commission appointments:

Airport Commission

Sky McCorkle (Reappointment)
Chelle Daly (Reappointment)

Architectural Review Committee

Matthew Pridemore (Reappointment)
Peter Sciacca (Reappointment)

Board of Adjustment

Architectural Excellence

Carolyn Rhinehart (Reappointment)
Steve Venker (Reappointment)

Arts Commission

Carolyn Rhinehart (Reappointment)
Kathleen Escobedo (Reappointment)

Board of Appeals

Jeff Gorden (Reappointment)
Jim Ryan

Randy Hansen (Reappointment)
Marcella Peters (Reappointment)

Citizens Panel for Review of Police Complaints and Use of Force

Steve Greenhalgh (Reappointment)
Fred Pilon (Reappointment)
Chris Manzo (Reappointment)

Teri Ferguson (Reappointment)
Missy Palrang (Reappointment)
Lisa Askey

Cultural Foundation Board

Ernie Serrano, Jr. (Reappointment)
Linda Yarbrough (Reappointment)
Patricia Kruger (Reappointment)
Sergio Sanchez (Reappointment)
Jeanne Forbis
Kristen Torres
Deborah Hoogestraat
Julia Marreel

Domestic Violence Commission

Anthony Vidale (Reappointment)
Sara Youngblood (Reappointment)
Margaret Dudinyak (Reappointment)
Jeremy Franklin (Reappointment)

Economic Development Advisory Board (Representing a Major Utility)

Linda Lujan (Reappointment)
Spike Lawrence (Reappointment)
Brad Brown

David Shauer (Reappointment)
Jamie Natividad (Reappointment)

Health Benefits Trust Board

Bil Bruno (Reappointment)
Dee Ann Ferguson (Reappointment)

Housing and Human Services Commission

Kris Kylo (Reappointment)
Brigita Fody-Landstrom (Reappointment)
Judith Carroll
Jadine Bowens

Human Relations Commission

Kelly Vickrey (Reappointment)
Mary Poindexter (Reappointment)
Greg Rodriguez (Reappointment)
Chris Love

Industrial Development Authority

Edward Salanga (Reappointment)
Gary Weber (Reappointment)
Bill Noble

Library Board

Jessie Reed (Reappointment)
Clay Proulx (Reappointment)
Sara Sellards (Reappointment)

Mayor's Committee for the Aging

Heidi Ross (Reappointment)
Ann Marie McArthur (Reappointment)

Mayor's Committee for People with Disabilities

Lysa Fitzhugh (Reappointment)
Kim Foy (Reappointment)
William Parker (Reappointment)

Mayor's Youth Commission

Viputheshwar Sitoraman (Reappointment)
Christopher Hacnik (Reappointment)
Harold Carrigan
Chase Hettinger
Shivam Shah

Asha Devineni (Reappointment)
Andrew Yuwen (Reappointment)
Sammi Tam
Isabella Tassinari
Alex Braddock

Yingyu Sun

Merit Board

Bill Crawford (Reappointment)

Museum Advisory Board

Bob Caccamo (Reappointment)

Seth Graham

Josh Askey

Neighborhood Advisory Committee

Dorsha Hale (Reappointment)

Chris Teel (Reappointment)

Parks and Recreation Board

Joseph Guadagno (Reappointment)

Bill Staples (Reappointment)

Rene Lopez

Planning and Zoning Commission

Devon Wastchak

Public Housing Authority Commission

Judith Carroll

Transportation Commission

Jayne Lewis (Reappointment)

James Fordemwalt (Reappointment)

Jim Symonds

21. CLAIMS REPORT

APPROVED the Claims Report for the quarter ended March 31, 2013.

22. AGREEMENT: HD Supply Waterworks

APPROVED Agreement #WH3-890-3218 with HD Supply Waterworks for water works supplies in an amount not to exceed \$251,339.00.

23. AGREEMENT/CONTINGENCY TRANSFERS: Vehicle Purchases

APPROVED Agreement #FA3-071-3185 with Earnhardt Chrysler Jeep Dodge in the amount of \$36,735.44, Sanderson Ford in an amount of \$286,154.24, Berge Ford in an amount of \$81,413.83 and PFVT Motors in an amount of \$132,147.77, for a total amount of \$536,451.28 for the purchase of vehicles.

APPROVED a Contingency Transfer of \$57,790.00 from Vehicle Replacement Fund, Non-Departmental, Contingency Account to the Vehicle Replacement Fund, Buildings and Facilities, Motor Vehicles Account.

APPROVED a Contingency Transfer of \$3,303.00 from Vehicle Replacement Fund, Non-Departmental, Contingency Account to the Vehicle Replacement Fund, Airport, Motor Vehicles Account.

24. AGREEMENT AMENDMENT: APL Access & Security, Inc.

APPROVED Agreement #CS1-680-2830, Amendment No. 1, with APL Access & Security, Inc., for maintenance, testing, repair, licensing and purchase of Access Controls & Security Equipment in an amount not to exceed \$135,000.00. This is the first of three one-year optional extensions.

Building and Facilities has budgeted \$80,000.00 for on-going repairs, licensing and hardware for all facilities maintained by the department. Municipal Utilities has budgeted \$20,000.00 for the on-going repair and maintenance of the card access control system at all of their facilities. The

Police Department has budgeted \$35,000.00 for the repair and maintenance of existing security cameras along with the addition of new equipment where necessary.

25. CONTRACT: Dibble Engineers

APPROVED Contract #WA1307-201 with Dibble Engineers for various, miscellaneous water line improvements, pursuant to contract #EN1003-102 in an amount not to exceed \$96,613.00.

26. CONTRACT: Wilson Engineers

APPROVED Contract #WW1313-201 with Wilson Engineers for Ocotillo Water Reclamation Facility (OWRF) Mixer Installation, pursuant to contract #EN1003-101, in an amount not to exceed \$56,770.00.

27. CONTRACT: Wilson Engineers

APPROVED Contract #WW1314-101 to Wilson Engineers for Airport Water Reclamation Facility (AWRF) Process Modeling Assistance, pursuant to contract #EN1003-101, in an amount not to exceed \$48,500.00.

The City is partnering with Intel to conduct process modeling of the Airport Water Reclamation facility. Modeling will be conducted by Intel's consultant. The City will retain Wilson Engineers to provide input and validate the model. This joint use model will provide future operational assistance to the City.

28. CONTRACT: SDB, Inc.

APPROVED Contract #PD1303-401 to SDB, Inc., for the Police Shooting Range Improvements, pursuant to Job Order Contract #JOC1201-401, in an amount not to exceed \$349,116.22.

The Chandler Police Department has an indoor shooting range located in the lower level of the main station. The range is utilized to conduct department firearms training and annual qualifications. The mandatory annual qualifications and trainings are set by Arizona Police Officer Standards and Training Board (POST) and department policy. The police shooting range has been in continuous use since its inception and has not received any acoustical or maintenance upgrades since built in 1998. The indoor shooting range is built of concrete, block and steel construction material causing the sound decibels, reverberation levels and pressure wave exposure to exceed current OSHA safety standards for maximum daily exposure limits and maximum allowable sound level limits. A few years ago, the range staff implemented a practice of officers wearing double hearing protection while shooting in the range to lessen the excessive sound caused by discharging a firearm; however, that practice does not address the reverberation and sound wave pressure issues that have been identified. It is the intent of the Police Department to take reasonable steps to minimize the health risks related to excessive sound and reverberation by utilizing the services of a qualified vendor. By absorbing the current sound levels, it will also reduce the amount of hearing protection required to operate the range. This will make instructing and learning much easier and range time more productive. All work is guaranteed to meet all OSHA and government noise standards, regulations and ordinances.

29. CONTRACT: August Building Company

APPROVED Contract #PD1203-402 with August Building Company for the Chandler Heights Police Substation K9 Expansion in an amount not to exceed \$77,551.00.

The Chandler Heights Police Sub-Station currently has three outside chain-link kennels which are open to the elements and fail to provide a year round safe environment for the rehab of police K9s. This project will create a climate controlled area where the police K9 dogs can rehab and be cared for when handlers are in the station or on vacation. This contract will enclose approximately 326 square feet of the K9 area which is located at the north east corner of the Chandler Heights Police Sub-Station facility.

30. CONTRACT: T&T Construction, Inc.

APPROVED Contract #WW1012-401 with T&T Construction, Inc., for the West Chandler/Santan Freeway Wastewater Forcemain construction project in an amount not to exceed \$6,838,974.45.

The 2008 Wastewater Master Plan recommended installing a force main and pumping system to pump wastewater from west Chandler to the Ocotillo Water Reclamation Facility. This pumping alternative adds flexibility to divert wastewater flows back to City treatment facilities for reuse and recharge. This pumping system will also be required when the Lone Butte WWTP lease expires.

31. CONTRACT AMENDMENT: Aztec Engineering Group, Inc.

APPROVED Contract #WW1012-201, Amendment No. 1, with Aztec Engineering Group, Inc., for the West Chandler/Santan Freeway Wastewater Forcemain, in an amount not to exceed \$818,975.00, for a revised total contract amount not to exceed \$2,183,089.00.

The 2008 Wastewater Master Plan recommended installing a force main and pumping system to pump wastewater from west Chandler to the Ocotillo Water Reclamation Facility. This pumping alternative adds flexibility to divert wastewater flows back to City treatment facilities for reuse and recharge. This pumping system will also be required when the Lone Butte WWTP lease expires.

32. CONTINUED USE PERMIT: Eva's Mi Amore

CONTINUED TO JUNE 27, 2013, Use Permit ZUP12-0035 Eva's Mi Amore, to operate a wedding planning and bridal service office in a converted residence in the SF-8.5 Single-Family Residence zoning district located at 598 W. Chandler Boulevard. This item was continued by the Planning Commission to their June 5, 2013, meeting to allow the applicant additional time to complete landscape/site improvements. Accordingly, the Planning Commission and Staff recommend continuation to the June 27, 2013, City Council meeting.

33. LIQUOR LICENSE: Teakwoods

APPROVED a Series 12 Restaurant Liquor License (Chandler #143773 L12) for George Krotonsky, Agent, Teakray LLC, dba Teakwoods Tavern and Grill, 5965 W. Ray Road, Suite 20. A recommendation for approval of State Liquor License #1207434 will be forwarded to the State Department of Liquor Licenses and Control. This application reflects a change in ownership. Transportation and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as Teakwoods Tavern and Grill. 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.

34. LIQUOR LICENSE: My Big Fat Greek Restaurant

APPROVED a Series 12 Restaurant Liquor License (Chandler #147123 L12) for Lauren Kay Merrett, Agent, MBFGR Chandler LLC, dba My Big Fat Greek Restaurant, 2920 E. Germann Road. A recommendation for approval of State Liquor License No. 12079431 will be forwarded to the State Department of Liquor Licenses and Control. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as TGI Friday's. 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.

35. SPECIAL EVENT LIQUOR LICENSE: Matthew's Crossing

APPROVED a Special Event Liquor License for Matthew's Crossing for the Matthew's Crossing Fundraising Event, April 30, 2013, at AJ's Fine Food, 7131 W. Ray Road. A recommendation for approval will be sent to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event period. The Police Department reports no objections to the issuance of this license. The special event liquor fee has been paid; however, as this applicant is a non-profit organization, no sales tax license is required.

36. SAMPLING PRIVILEGES LIQUOR LICENSE: Whole Foods Markets

APPROVED the addition of sampling privileges for a Series 10 Beer and Wine Store Liquor License (Chandler #112239 L10) held by Jeffrey Howard Roff, Agent, Mrs. Gooch's Natural Food Markets, Inc., dba Whole Foods Markets, 2955 W. Ray Road. A recommendation for approval of adding sampling privileges to State Liquor License #10076146s 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.

Mrs. Gooch's Natural Food Markets, Inc., dba Whole Foods Markets, has been in business at this location since April 12, 2007, at which time Council approved a Series 7 Beer and Wine Bar Liquor License. On March 3, 2011, the State of Arizona Department of Liquor Licenses and Control approved a Series 10 Beer and Wine Store Liquor License under Section 20, Laws 2010, Chapter 85, Section 4-C amend. 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.

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

CONTINUED TO MAY 9, 2013 CITY COUNCIL MEETING Ordinance No. 4392, DVR12-0006 Price Road Commerce Center, rezoning from Agricultural (AG-1) to Planned Area Development (PAD). (Applicant: Mike Withey; Withey Morris, PLC.)

Preliminary Development Plan (PDP) for a business park on approximately 38 acres located south of the SWC of Germann and Price roads.

The request has been continued a number of times to allow the applicant additional time to finalize development details. As of the time of this writing, Staff is unaware of the final development details.

38. DEVELOPMENT AGREEMENT: AZGL, LLC

Res. #4662

CONTINUED TO THE MAY 9, 2013 CITY COUNCIL MEETING Resolution No. 4662 authorizing a development agreement with AZGL, LLC for property located south of the SWC of Germann and Price roads.

PUBLIC HEARINGS:

PH1. Community Development Grant (CDBG Block) Fiscal Year 2013-2014 Annual Action Plan

The Mayor opened the public hearing at 7:08 p.m.

COUNCILMEMBER DONOVAN DECLARED A CONFLICT OF INTEREST AND LEFT THE DAIS.

Memo Background:

The Department of Housing and Urban Development (HUD) requires that all local governments receiving Community Development Block Grant (CDBG) funding submit an Annual Action Plan that will guide HUD-funded housing, homeless and community development activities in the City of Chandler for the period beginning July 1, 2013, through June 30, 2014. Chandler will receive an estimated \$1,170,191.00 in CDBG funds for Fiscal Year 2013-2014.

To comply with the City of Chandler's Public Participation Plan, the City is holding a public comment period that began Thursday, March 28, 2013, and will remain open for 30 days

Non-profit organizations applying for Fiscal Year 2013-2014 CDBG funding, submitted applications in November 2012. A total of 21 applications were received requesting a total of \$1,870,736.00. The Housing and Human Services Commission (HHSC) reviewed and evaluated the applications and made initial CDBG funding recommendations to City Council for approval. Initial CDBG funding recommendations were finalized by the HHSC on Wednesday, April 3, 2013, and are summarized on page 14 of the Plan.

HUD requires submittal of the Plan by May 15, 2013.

DISCUSSION:

MS. BARBARA BELLAMY, CDBG Supervisor for the Neighborhood Resources office said the public hearing was required by HUD and necessary for Chandler to receive continued funding. She noted that CDBG funds are allocated using a formula that considers the community's population, poverty and age of housing. Staff anticipates a five percent (5%) reduction in Fiscal Year 2013-2014 CDBG entitlement funds compared to Fiscal Year 2012-2013 due to federal budget sequestration.

She explained CDBG public service funds can fund a wide variety of services but can never exceed 15% of the annual allocation grant. CDBG public facilities, which is the capital fund, is the greatest share of the annual allocation.

Public comments were obtained through a community needs survey of key neighborhood leaders in Chandler's low and moderate income neighborhoods. A Public Hearing on the Annual Plan was held Wednesday, April 3, 2013, at the Housing and Human Services Commission meeting and at tonight's City Council meeting to ensure opportunities for input from the community.

She said public feedback will be accepted through April 26, either online or by calling the Neighborhood Resources office. The Plan and allocations will be presented to Council on May 9, 2013.

She displayed a slide showing the HHSC recommendations for 2013-14 and noted all funding recommendations are in the Plan.

MAYOR TIBSHRAENY asked the amount of the total requests. Ms. Bellamy said requests totaled over \$1 million for public services.

Ms. Bellamy noted that 36 assessments have been completed and 14 chronic homeless individuals have been successfully housed.

She commented on the next slide which contained funding recommendations for public facilities, capital and housing rehab and reviewed a few of the items.

Mayor Tibshraeny asked what the total amount requested on the capital projects. Ms. Bellamy said she believed it was at least \$1.5 million.

COUNCILMEMBER HEUMANN thanked staff and the committee for their work. He asked how many meals are averaged a week for the meal program. Ms. Bellamy said they could find out and provide the information. Councilmember Heumann asked how compliance is tracked. Ms. Bellamy said a real property lien is placed on the facility for up to 15 years. It has a declining loan balance. It is a grant, so there is no repayment, but if the nonprofit sold or transferred the property to another nonprofit, the City would need to evaluate and approve that.

Councilmember Heumann asked about the funding application and process. Ms. Bellamy explained that they provide a great amount of technical support up front as HUD funds are unique. She said the Housing & Human Commission (HHSC) reviews the applications for certain criteria and develops the funding recommendations for Council. The members can ask for site visits; however, this year that was not asked for. Staff does perform site visits through the year with funding recipients.

There were no comments received from the audience.

The Mayor closed the public hearing at 7:23 p.m.

PH2. Home Investment Partnerships Program (HOME) Fiscal Year 2013-2014 Allocations

The Mayor opened the public hearing at 7:23 p.m.

Chandler will receive an estimated \$273,684.00 for Fiscal Year 2013-2014 in HOME funds. As a part of the Fiscal Year 2013-2014 social service allocations process, Staff announced the availability of HOME funding to area non-profit housing organizations. Two applications for HOME funding were received totaling \$575,000.00. The Housing and Human Services Commission (HHSC) reviewed and evaluated the applications and have made funding recommendations. These funding recommendations were made by the HHSC at their meeting on April 3, 2013, and are summarized in Attachment A. In addition, the proposed funding amounts for Chandler's Fiscal Year 2013-2014 HOME program have been incorporated as a part of the City's Fiscal Year 2013-2014 Annual Action Plan and are summarized on page 14 of the Plan.

Federal regulations and Chandler's Public Participation Plan requires the City Council to hold a public hearing to collect input regarding Chandler's proposed allocation of Fiscal Year 2013-2014 HOME funds. The final recommendations will be made as an action item at the May 9, 2013 City Council meeting.

MS. JENNIFER MORRISON, Neighborhood Resources Director, stated HOME funds are administered by the U.S. Department of Housing and Urban Development (HUD). The City of Chandler receives federal HOME Investment partnership (HOME) funds annually through the Maricopa HOME Consortium.

The City's allocation of HOME funds for Fiscal Year 2013-2014 was reduced by five percent (5%) from Fiscal Year 2012-2013 funding levels due to the federal budget sequestration. Eligible activities utilizing HOME funds include: homeowner rehabilitation, homebuyer activities, rental housing and tenant-based rental assistance.

Ms. Morrison said two nonprofits with proven track records of developed housing applied and received funding. Habitat for Humanity applied for funds to continue its housing reconstruction program in the amount of \$150,000. The recommendation award is for \$71,138 to assist one homeowner. She noted this is a continuation of program first funded last year. In addition to Habitat, Newtown applied for \$425,000 and is recommended to receive \$185,441. These funds will assist with the acquisition and rehab of up to 3 housing units to be sold to low and moderate income first time home buyers in Chandler. In both programs the cities investment in HOME funds is secured by a deed of trust and promissory note against the property.

The other proposed use of 2013-14 HOME funds is the allocation of very limited program administrative costs.

MAYOR TIBSHRAENY asked for the differentiation between the HOME and CDBG funds. Ms. Morrison said the CDBG program originated in 1974. In 1988, the HOME funds became available under the Cranston Gonzalez affordable housing act. The focus of HOME at that time was for more affordable housing and focuses on first time homebuyer and rental activities. CDBG can be used for a variety of things.

There were no comments received from the audience.

The Mayor closed the public hearing at 7:27 p.m.

The Mayor opened the Public Hearing at 7:28 p.m.

MS. TERI KILLGORE, Downtown Redevelopment Manager, explained the District is a taxation program that was initiated by the property owners in which they agree to a voluntary assessment on their property with the intent to better and beautifying the area in downtown Chandler. Private residences are not assessed as part of this program even though some residential lies within the program boundaries. The assessment is based on a calculated formula.

Ms. Killgore explained the City Council acts as the oversight body for this district. There is no change in the assessment rate for this year.

On March 28, 2013, City Council approved Resolution No. 4676 which authorized modification of the Assessment Diagram, making a statement and estimate of expenses for the Downtown Chandler Enhanced Municipal Services District, completing the assessment and setting the date for the Public Hearing on the assessments for the April 25, 2013 City Council meeting.

Subsequent to the April meeting, Staff published notice of the date of the Public Hearing for five consecutive days in the *Arizona Republic* as required by Arizona Revised Statutes. Staff also sent a notice of the Public Hearing to all property owners in the District. The letter advised the property owners that they could file an objection with the City Clerk should they desire to do so. To date, no objections have been received in the City Clerk's office.

Ms. Killgore added that the District covers 61.4 acres and includes over a 1 million s.f. of commercial space. She highlighted a few of the marketing efforts and businesses that had occurred. She said that next year goals are producing new events, finalizing a proposed stage concept, and exploring a potential District expansion down to Pecos Road or the Loop 202.

COUNCILMEMBER HARTKE asked the process for expansion. Ms. Killgore replied that there would be an outreach campaign, to develop a work plan and identify benefits.

Mayor Tibshraeny asked when the District was first formed, if there were a percentage of owners that had to agree. Ms. Killgore said she did not know, but she would report back to Council. Mayor asked if the definition was commercially zoned property or if it is property with buildings on it. Ms. Killgore said is how the property is actively used. She gave the example of some properties that are commercially zoned but contain single family residences. She noted that multifamily over four units, is considered a commercial property.

No comments were received from the audience.

The Mayor closed the Public Hearing at 7:35 p.m.

17. ANNUAL ASSESSMENT: Downtown Chandler Enhanced Municipal Services District
Res. #4682

Resolution No. 4682 authorizing the 2013-2014 Annual Assessment for the Downtown Chandler Enhanced Municipal Services District.

Upon completion of the Public Hearing and approval of this item, Staff will forward the calculated Assessment Roll to the Maricopa County Assessor's Office. The first assessments for the District will be mailed to property owners with their tax bill in the fall of this year.

FINANCIAL IMPLICATIONS

Assessments in the District are based on three factors including assessed value (one-third of the assessment), building square footage (one-third of the assessment) and land square footage (one-third of the assessment). All properties will be assessed at the same rate with the exception of buildings along the Historic Square which will be assessed double the building square footage rate.

The total of all assessments is \$249,764.00, of which privately owned property in the District contributes \$130,960.00 (52%). In addition, the assessment for City owned property is \$118,804.00, which is the same as the prior year's contribution and represents 48% of the total District operating funds for FY 2013/14. Funds to provide for the City's contribution to the District have been requested in the Downtown Redevelopment's operating budget for 2013-14.

MOVED BY COUNCILMEMBER DONOVAN, SECONDED BY COUNCILMEMBER HARTKE TO APPROVE RESOLUTION NO. 4682 AUTHORIZING THE 2013-14 ANNUAL ASSESSMENT FOR THE DOWNTOWN CHANDLER ENHANCED MUNICIPAL SERVICES DISTRICT.

THE MOTION CARRIED UNANIMOUSLY (7-0).

CURRENT EVENTS:

A. Mayor's Announcements

The Mayor commented he had attended a few volunteer dinners the past few weeks and highlighted a few recognitions. William Brewer was the Police Volunteer of the Year. Joyce Davis was recognized through her work at the Chandler Center for the Arts for reaching the 5,000 volunteer hour mark.

The Mayor invited all to the 16th Annual Cinco de Mayo Celebration on May 4th.

Mayor Tibshraeny announced the Community Drug Turn In Event on Saturday, April 27, that allows residents with unused prescription and over-the-counter medications to dispose of them properly.

Mayor reminded the Council of the budget briefing on the following Friday.

B. Councilmembers' Announcements

Councilmember Hartke encouraged residents to attend an open breakfast for community leaders at 8:30 a.m. on Thursday, May 2 at Santé of Chandler.

He invited residents to join him at 6 p.m. Friday, May 3 at Basha High for the all-night Relay for Life event to raise money for cancer research.

Councilmember Donovan encouraged residents to participate in a CPS-3 Study, a cancer research study to help learn how to prevent cancer in the future. Residents will sign up

and volunteer to fill out a short survey once every two years for the next 30 years.

Vice Mayor Sellers stated he recently traveled to Washington D.C. with the Greater Phoenix Economic Council (GPEC), on the international track. He attended meetings with the International Trade Administration, the US Department of Commerce and the Mexican, China, German and Canadian embassies. The group also attended a reception with the Arizona Congressional delegation.

Councilmember Heumann announced the upcoming Intel International Science and Technology Festival competition.

He stated that he serves on the Desert Cancer Foundation Board with Councilmember Hartke and the annual wine tasting fundraiser will be held on May 19th.

Councilmember Heumann also noted the dedication of the George W. Bush Library and the significance of the attendance of five American Presidents.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:45 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: May 9, 2013

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 25th day of April 2013. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of May, 2013.

City Clerk