

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, June 13, 2013 at 7:04 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
Marsha Reed	Assistant City Manager
Mary Wade	City Attorney
Marla Paddock	City Clerk

INVOCATION: Rev. Jon McHatton

PLEDGE OF ALLEGIANCE: Members of Boy Scout Troop 613

CONSENT:

MOVED BY VICE MAYOR SELLERS TO APPROVE THE CONSENT AGENDA AS PRESENTED, SECONDED BY COUNCILMEMBER HARTKE.

Councilmember Heumann declared a potential Conflict of Interest on Item 4. Councilmember Donovan declared a Conflict of Interest on Item 8. Councilmember Ellen recused herself from Item 14.

Councilmember Weninger stated his no vote on Item 4. He commented on the employment agreements contained on the agenda. He said while most cities are now beginning to restore furloughs, Chandler did not have to realize furloughs. He gave his appreciation.

MS. JENNIFER REYNOLDS, 5321 W. Saragosa Street, spoke on Item 6. She said the new codes go beyond the realm of health and safety and deep in to the realm of controlling lifestyles. She said most of the International Building Codes are related to energy efficiency and asked the Council to investigate the further. She gave examples of a few items and stated these items should be decided by the homeowner and not mandated by these new codes.

MR. SCOTT RAY, 2662 E. Elgin Street, Chandler stated his opposition to the adoption of the 2012 Building Codes. He said he is a custom home builder and believes the building codes are now excessive and intrusive on private property rights. The codes originally began to protect safety and health and have now gone far beyond that.

THE MOTION TO APPROVE THE CONSENT AGENDA CARRIED UNANIMOUSLY (7-0) with the exceptions noted.

1. MINUTES:

APPROVED the following Chandler City Council Meeting Minutes:

- 1a. Budget Briefing of May 3, 2013
- 1b. Special Meeting (Budget Amend.) of May 20, 2013
- 1c. Regular Meeting of May 23, 2013

2. PROPERTY VACATION: Pecos Road Ord. #4453

ADOPTED Ordinance No. 4453 authorizing the vacation of a portion of the north right-of-way of Pecos Road east of Alma School Road.

3. EASEMENT: SRP Ord. #4458

ADOPTED Ordinance No. 4458 granting a no-cost power distribution easement to Salt River Project (SRP) to upgrade electrical service to the Dobson South Water Production Booster Pump Facility.

4. LEASE AGREEMENT: Zoolikins LLC Ord. #4460

COUNCILMEMBER HEUMANN ABSTAINED DUE TO A POTENTIAL CONFLICT OF INTEREST. COUNCILMEMBER WENINGER VOTED NAY.

ADOPTED (5-1) Ordinance No. 4460 authorizing a lease agreement with Zoolikins LLC at 51 E. Boston Street for a term of 5 years.

5. REZONING: McQueen Commons Ord. #4461

ADOPTED Ordinance No. 4461, DVR12-0044 McQueen Commons, rezoning from Planned Area Development (PAD) Mini-Storage to PAD Townhomes for a 20-unit townhouse development on approximately 1.5 acres located south of the SEC of Ray and McQueen roads.

6. CITY CODE AMENDMENT: Chapter 29 Ord. #4452

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4452 amending Chapter 28, Building Regulations, of the Code of the City of Chandler, adopting the 2012 editions of the International Code Council series of codes and the 2011 National Electrical Code.

BACKGROUND/DISCUSSION

The 2012 editions of the International Code Council series of codes are being adopted in lieu of the current 2009 editions. The 2012 International Building Code, International Residential Code, International Mechanical Code, International Plumbing Code, International Energy Conservation Code, International Fuel Gas Code and International Existing Building Code are replacing the older editions. In addition, this ordinance adopts the 2011 National Electrical Code.

The 2012 versions of the International Codes allow for more flexibility in design and construction (e.g. gray water systems) and address safety concerns for newer or growing technology such as photovoltaic solar power systems. The new International Energy Conservation Code has been reported to result in a 15% increase in energy efficiency when compared to the 2009 version of the energy code. Amendments are being proposed within the ordinance to create more flexibility for the builder or designer in complying with this code.

Chapter 29 of the City Code contains the building safety provisions. This chapter is being restructured and renumbered in addition to adopting the current 2012 codes.

Chapter 51 of the City Code addresses pretreatment of wastes prior to entering the wastewater system. It is being revised by referencing the most current version of the International Plumbing Code, the 2012 edition.

As with past code adoptions, these codes were sent to the Board of Appeals for review and comment at four public Board of Appeals meeting held this year. Participation and input has been received throughout the process by key stakeholder groups such as the Homebuilders of Central Arizona (HBACA), Arizona Multihousing Association and the Salt River Project (SRP). The Board approved the adoption of these codes, with amendments, on May 17, 2013. Several Valley cities have already adopted the 2012 International Code Council series. In addition, there has been a comprehensive review of the changes by Staff.

FINANCIAL IMPLICATIONS

It is difficult to assess the financial impact associated with the adoption of the new building codes because there are so many different types of construction, occupancies, design choices and code compliance paths. However, the 2012 International Energy Code will result in increases in construction costs averaging \$1,500-2,000 per home (for average new home construction) according to a 2012 study by the Pacific Northwest National Laboratory. The same study shows that the additional costs associated with the new code will be offset by annual savings in energy consumption with a simple payback period of three years for a typical case in the study.

7. CITY CODE AMENDMENT: Chapter 28 Ord. #4466

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4466 amending Chapter 28, Fire Prevention, of the Code of the City of Chandler, adopting the 2012 International Fire Code, as amended.

BACKGROUND

The City of Chandler previously adopted the 2009 International Fire Code, as amended, pursuant to Chapter 28 of the Code of the City of Chandler. A key for maintaining Fire Department accreditation through the Commission on Fire Accreditation International, is to remain current with a nationally recognized Fire Code.

The International Fire and Building Codes have become the standard for design and construction. The Transportation and Development Department is requesting adoption of the 2012 International Building Code through another ordinance. The International Codes are a set of comprehensive, coordinated, national model codes for fire safety and construction. The amendments to the 2012 International Fire Code set forth in Ordinance No. 4466 are consistent with those amendments to the 2009 International Fire Code previously adopted by Council in Ordinance No. 4308. Ordinance No. 4466 restates those amendments previously adopted with minor modifications to

clarify and re-align the amended sections with the 2012 International Fire Code. The modifications were approved by the City's Board of Appeals.

8. GENERAL FUND ALLOCATION: FY 2013/2014 Res. #4693

COUNCILMEMBER DONOVAN DECLARED A CONFLICT OF INTEREST ON THIS ITEM.

ADOPTED (6-0) Resolution No. 4693 authorizing the allocation of FY 2013/2014 General Fund dollars in the amount of \$1,125,659.00 in accordance with the recommendations of the Chandler Housing and Human Services Commission (HHSC) and Staff, and authorizing the City Manager or designee to enter into agreements and suspend or terminate as needed pursuant to the resolution.

BACKGROUND

The City of Chandler annually allocates General Fund dollars from the Social Services Fund (SSF) and the Youth Enhancement Program (YEP). In addition, funds from the utility bill donations are allocated from the Acts of Kindness (A-OK) program. These and Veterans Transportation Services funds are granted to qualifying non-profit agencies and programs for the purpose of providing human services to Chandler residents.

The following funds are available for allocation in FY 2013/2014:

FY 2013/2014 GENERAL FUND HUMAN SERVICES ALLOCATION FUNDING			
	TOTAL FUNDS	ADMIN	AVAILABLE
PROGRAM	AVAILABLE	FEE	FOR ALLOCATION
SSF	\$ 434,500	Approx 2.4%	\$ 424,043
YEP (ongoing)	\$ 584,060	Approx 3%	\$ 566,538
YEP (ongoing			
Decision pack)	\$ 64,900	N/A	\$ 64,900
A-OK	\$ 60,178	N/A	\$ 60,178
Veterans Trans	\$ 10,000	N/A	\$ 10,000
TOTAL	\$ 1,153,638		\$ 1,125,659

In the past, \$648,960 was available annually for Youth Enhancement Program funding. In FY 2010/2011, this fund experienced an ongoing 10% reduction in the amount of \$64,900. For FY 2013/2014, this decrease will be reinstated on a permanent basis utilizing ongoing funding in the City's budget.

Funding from the General Fund will be allocated to the following three groups: Families in Crisis, Special Populations (including Veterans Transportation) and Youth.

For SSF, YEP, AOK and Veterans Transportation Services Funding, the City received 69 applications totaling \$2,224,505. Each application received through the Human Services Funding Allocation Process was assigned to a subcommittee review team of the HHSC. Each team met at least three times to review and discuss the applications. Comments were captured during these review sessions that will be sent at a later date to the agencies along with the application scores.

Following the March 20, 2013 HHSC meeting, the initial funding recommendations from the HHSC were sent to the non-profit organizations that applied for funding. These recommendations were then finalized at the April 6, 2013 HHSC Public Hearing.

9. IGA AMENDMENT: Superior Court of Arizona in Maricopa County Res. #4694

ADOPTED Resolution No. 4694 authorizing Amendment No. 1 to the Intergovernmental Agreement (IGA) with the Superior Court of Arizona in Maricopa County for jury services.

BACKGROUND

The Chandler Municipal Court presently utilizes the services of the Maricopa County Superior Court Jury Commissioner to summon citizens of the City of Chandler for jury service. In addition to selecting the names of potential jurors, the contract also provides for the cost of mailing the summons/questionnaires, letters of excuse, postponement and failure to respond cards. The contract also provides a separate payroll service to pay jurors serving on a jury panel.

The initial term of the agreement was through June 30, 2010, with five one-year renewals. This amendment renews the jury services IGA for an additional one-year term from July 1, 2013 until June 30, 2014.

FINANCIAL IMPLICATIONS

The fees paid to the Jury Commissioner for FY 2013/2014 will be approximately \$7,000.00. This figure includes the \$89.00 basic setup fee for computer maintenance, programming time, administrative costs and documentation incurred plus \$1.25 per person summoned.

10. AGREEMENT: Downtown Chandler Community Partnership Res. #4698

ADOPTED Resolution No. 4698 authorizing the Enhanced Municipal Services Agreement for FY 2013/2014 with the Downtown Chandler Community Partnership in the amount of \$118,804.00.

BACKGROUND

At the City Council meetings of March 28, 2013 and April 25, 2013, the Mayor and City Council took all actions necessary to renew the Downtown Chandler Enhanced Municipal Services District (EMSD). Currently, Staff is requesting approval of an Enhanced Municipal Services Agreement with the Downtown Chandler Community Partnership (DCCP). Through its action, the DCCP is designated as the entity that will manage and operate programs in the District.

Based on negotiations with the DCCP, the only significant change made from the FY 2012/2013 agreement was to clarify how funds are classified and managed as restricted and non-restricted. The primary functions of representing District rate payers, developing the annual District budget and work plan, and monitoring the performance and provision of District services have been retained. The working committees continue and the agreement outlines the general responsibilities of each committee.

This agreement also details the City's participation in the District. From a financial perspective, the \$118,804 represents the amount the City voluntarily contributes to the District. The contract also identifies how payments will be made from the City to the DCCP, both for City funds and for funds obtained through the assessment of private property owners through the Maricopa County Assessor's Office. Finally, the agreement outlines the baseline of City provided services that will be delivered during the term of the agreement.

The DCCP participated in the development of the agreement, including providing a budget and developing a work plan for the coming year. The DCCP Executive Board has officially approved the content of this agreement and looks forward to continuing as the administrator of the District.

Upon approval, Staff will proceed to process a check for the DCCP in order to provide them with the first \$59,402 payment prior to July 15, 2013, as specified by the contract.

FINANCIAL IMPLICATIONS

Assessments for privately owned property in the District total \$130,960. Staff will forward the assessment roll to Maricopa County for inclusion in the fall property tax bills. The City's voluntary contribution of \$118,804 has been included in the Downtown Redevelopment budget for FY 2013/014. The total amount of the District budget for FY 2013/2014 is \$249,764, a decrease of 2.6% from the prior fiscal year which hopefully represents the final year of reduced assessed valuations related to the economic downturn.

11. MOU: Association of Chandler Employees

APPROVED the Memorandum of Understanding (MOU) with the Association of Chandler Employees (ACE) for FY 2013/2014 through FY 2015/2016.

BACKGROUND

ACE represents the administrative, technical and clerical employees that were previously represented by SEIU Local 48. This is a new contract for this association. The City and ACE have been engaged in negotiations since late February 2013. An agreement has been reached on a two-year contract that will be in effect from July 1, 2013 through June 30, 2015. Both parties agreed to reopen the contract in the second year of the MOU to discuss wages and holiday pay.

Substantive changes to the MOU include:

- ACE chooses to use the funds available for a 5% merit increase and divide them as outlined below:
 - 3.0% on-going merit increase for merit-eligible employees in FY 2013/2014 with a reopener to discuss wages in the second year of the contract;
 - 1% COLA for eligible employees in FY 2013/2014; and
 - Contract will be reopened to discuss wages and holiday pay in the second year of the contract.
- The City will make available 500 union hours in FY 2013/2014 and allow for any unused to be rolled over to FY 2014/2015. In addition, the City will provide 250 hours in FY 2014/2015. The City will no longer fund union hours on an on-going basis after this two-year transition to a vacation donation provision by its members to fund association hours.
- Increase maximum of compensatory bank from 55 to 60 in FY 2013/2014 and from 60 to 65 in FY 2014/2015.

There were also a significant amount of administrative issues such as grievance procedures, layoff and seniority rules as well as housekeeping issues agreed upon in order to streamline processes and improve understanding and consistency.

12. PRELIMINARY DEVELOPMENT PLAN: Sonic Drive-in Restaurant

APPROVED Preliminary Development Plan PDP12-0022 Sonic Drive-in Restaurant, for freestanding monument signage within the planned Olive Tree Plaza commercial center located

at the SWC of Arizona Avenue and Germann Road. (Applicant: Earl, Curley & Lagarde, LLC – Stephen Earl.)

BACKGROUND

The Olive Tree Plaza commercial center was zoned Planned Area Development (PAD) in 1999 along with a multi-family residential parcel. The commercial center was approved for community Commercial District (C-2) land uses. The apartments, receiving PDP approval as part of the 1999 zoning case, developed shortly thereafter. A PDP was approved in 2004 for a shopping center with approximately 83,700 square feet of retail space and two freestanding pads. In 2005, a rezoning case approved a gas station with convenience store use at the intersection corner replacing a retail shops pad. In 2009, the gas station pad received a zoning time extension and approval to construct the gas station pad prior to any other development in the commercial center. The gas station with convenience store is constructed and operating. A second pad in the center was presented as a bank with a single-lane drive-through which did not develop. In 2011, Planning Staff administratively approved this pad for another C-2 use, a Sonic restaurant with a drive-in and drive-through. The pad is designed per code and is in conformance with the development standards established for the entire commercial center including the gas station pad.

A comprehensive sign package was approved as part of the 2004 PDP case including building mounted signage, as well as two freestanding multi-tenant monument signs along both Arizona Avenue and Germann Road. The 2005 gas station PDP approval included freestanding fuel price monument signs utilizing one of the two freestanding multi-tenant monument signs along each arterial street frontage. The current application includes two requests related to freestanding monument signs that modify the comprehensive sign package.

The first request is to modify the two remaining multi-tenant freestanding monument signs for the shopping center that have not been constructed. The approved Olive Tree Plaza signage includes one 12-foot high multi-tenant sign along Arizona Avenue and one 6-foot high multi-tenant sign along Germann Road, each with two tenant panels. The recently adopted Sign Code amendment permits one arterial street sign at 14 feet in height and the remaining signs at 6 feet in height with opportunity to increase the number of tenant panels from two to a maximum of four. The proposed signage includes the following:

- Germann Road sign - increase height to 8 feet with 4 tenant panels
- Arizona Avenue sign - increase height to 14 feet with 5 tenant panels

The second request is to allow an interim freestanding monument sign specifically for the Sonic restaurant pad which does not meet the 300-foot separation Sign Code requirement. The proposed interim monument sign is as follows:

- Sonic restaurant sign – proposing a 6-foot high sign with one tenant panel, allow the Sonic sign to be less than 300 feet apart from the gas station monument sign along Arizona Avenue.

If and when the larger commercial center develops and the multi-tenant monument signs for the center are constructed, Sonic will remove their interim monument sign and instead utilize a tenant panel on the center's multi-tenant monument sign. The Germann Road and Arizona Avenue future multi-tenant signs are located at median break driveways and exceed minimum separation requirements of 300 feet from the existing gas station monument signs on each street frontage. The proposed Sonic sign is approximately 220 feet from the existing fuel station sign. Sonic's

parcel has limited street frontage making it difficult to meet the minimum 300-foot separation requirement.

The proposed signs are designed to be architecturally integrated with the approved building elevations for Olive Tree Plaza including the Quik Trip site. The signs incorporate a ledgestone base, pitched roof element, painted aluminum cabinet, and white trim elements. For all proposed tenant panels, the lettering and logos are routed-out, push-through to provide dimension to each panel. The lettering will project at least $\frac{3}{4}$ inch.

Planning Staff finds the request to increase monument sign heights and number of tenant panels appropriate for a 10.5-acre commercial center located at an arterial street intersection. The City's recently adopted Sign Code amendment allows consideration for additional sign height and tenant panels. The request exceeds what is allowable at an administrative review level due to one sign containing more than four tenant panels; however, the signs are high quality and consistent with signage approved for other commercial sites. While the Sonic restaurant building and covered parking structure may have signage, there currently is no opportunity for a tenant panel on a freestanding monument sign for better street visibility.

The main commercial center's owner, responsible for the two multi-tenant monument signs, and Sonic, have discussed an opportunity for Sonic to advertise on a multi-tenant sign upon the sign being built. If they are not constructed, then Sonic's monument sign will remain. In either case, only two monument signs will exist along Arizona Avenue. In the event Sonic wants to keep their sign in addition to the commercial center's multi-tenant sign, another PDP will be required to address permanently allowing a third sign along Arizona Avenue that does not meet distance requirements for other signs. Planning Staff finds this option to be an interim means to allow the restaurant pad its own sign until such time the main commercial center develops.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting notice letter was mailed providing information on the proposed request. Planning Staff has not received any inquiries regarding this request and is not aware of any opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7-0. The Commission recommended the modification of Condition No. 4 to further clarify that the sign to be removed for Sonic is a freestanding sign and not a tenant panel.

RECOMMENDATION

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet entitled "SONIC DRIVE-IN RESTAURANT", kept on file in the City of Chandler Planning Division in File No. PDP12-0022, except as modified by condition herein.
2. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planning 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.
3. Tenant panel lettering and logos shall be routed-out, push-through creating dimension from the face of the sign approximately $\frac{3}{4}$ -inch.

4. Upon construction of a free-standing, multi-tenant monument sign along Arizona Avenue as part of the larger center, the freestanding Sonic sign, Sign C, shall be removed.

13. PRELIMINARY DEVELOPMENT PLAN: Arizona-Elliot Center

APPROVED Preliminary Development Plan PDP12-0023 Arizona-Elliot Center, for freestanding monument signage and building signage within the planned Arizona-Elliot Center located at the SWC of Arizona Avenue and Elliot Road. (Applicant: Trademark Visual and MD Partners, LLC.)

BACKGROUND

In 2011, the Arizona-Elliot Center was approved Planned Area Development (PAD) zoning with PDP for a multi-use commercial parcel. The development includes a Circle K convenience store and gas station, a car wash, self-storage mini-warehouse and two retail/restaurant pads. While conceptual signage was represented, the approval did not include a comprehensive sign package. This request is for signage approval on all buildings/structures and freestanding monument signage.

The property is located at an arterial street intersection and includes five freestanding monument signs, one of which is an intersection corner center identification sign, two gas station signs, one car wash sign, and one sign for the clustered pads. Each building façade has wall signage except for walls facing residential property to the west and south elevations.

The property is divided into 3 parcels with a total of 6 buildings and structures. The center identification sign at the intersection includes two walls at varied heights. The taller wall includes the center name with cut-out lettering and will be illuminated by ground mounted lighting. Freestanding monument signs include the following:

- Parcel 1 Buildings A, B, and C – one monument sign, 14-feet high with three tenant panels.
- Parcel 2 Building D & structure E – two monument signs, 6-feet high with one tenant panel displaying digital gas prices, logo and product
- Parcel 3 Building F – one monument sign, 6-feet high with two tenant panels for car wash

Sign Code permits one arterial street sign at 14-feet in height and one at 6-feet in height with opportunity to increase the number of tenant panels to four. The request meets this requirement and signs have less than four tenant panels. Also, the request includes allowing two additional signs specifically for the gas station parcel for a total of two signs per arterial street frontage. Code allows one monument sign per street frontage. Through a PDP request, when the parcel has an excess of 300 feet of street frontage, one additional sign is permitted for each additional 300 feet not to exceed two signs per street. The property was granted additional pads along each street frontage through the initial zoning case, thus triggering the request for more signage. The property does not have an additional 300 feet of street frontage. Along Elliot Road, the property is under 600 feet of street frontage and under 500 feet along Arizona Avenue; however, the freestanding signs meet separation requirements.

Lettering and logos on multi-tenant signs are routed-out push-through projecting up to a ¼ inch which provides dimension to each panel. The gas station signs include digital gas pricing and panels with applied translucent vinyl. Building wall sign lettering and logos are pan channel from 3 to 5 feet in height depending on the building. The gas canopy has a Circle K logo on three sides.

Planning Staff finds the request for additional freestanding monument signage to be appropriate given the site was approved with an additional pad. Signage is architecturally integrated with the buildings through paint colors and materials. The site is a relatively small infill commercial parcel in an older, developed area. The proposed pan-channel lettering is consistent with existing building lettering in the surrounding area. Additional quality standards for signage are not fully applied due to the parcel being considered an infill site that would not develop as a traditional commercial shopping center. The comprehensive sign package represents signage that meets the intent for design techniques and quality signs that complement the arterial street frontages.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on May 13, 2013. There were no area property owners in attendance. Staff is aware of no opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7-0. The Commission recommended the addition of Condition No. 4 related to adding more stone on the 14-foot sign.

RECOMMENDATION

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "ARIZONA-ELLIOT CENTER", kept on file in the City of Chandler Planning Division in File No. PDP12-0023, except as modified by condition herein.
2. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
3. Multi-tenant panel lettering and logos shall be routed-out push-through creating dimension from the face of the sign approximately a ¼ inch.
4. Extend cultured stone element to base of 14-foot sign.

14. PRELIMINARY DEVELOPMENT PLAN: Alliance Bank

COUNCILMEMBER ELLEN DECLARED A CONFLICT OF INTEREST ON THIS ITEM.

APPROVED (6-0) Preliminary Development Plan PDP12-0025 Alliance Bank, for building architecture and site layout for a bank located at the SWC of Ray Road and the Loop 101 Price Freeway, within the Park at San Tan development. (Applicant: Mike Edwards; Davis Architecture.)

BACKGROUND

The subject site is located at the southwest corner of Ray Road and the Loop 101 Price Freeway, within the Park at San Tan development. The site is located at the eastern portion of the development and is adjacent to Ray Road. It is the last remaining pad for the development. West is a drive-thru restaurant with additional retail shops spaces further west of the drive-thru. South is a five-story office building; north and east are street frontages.

The subject site was zoned in mid-2004 for retail and office type uses and then amended to reduce building heights in late 2004; development has been consistent with the zoning. During

the 2004 approval process, the subject site was shown as having two pads. With the development of the site as proposed, a future pad would be unable to develop due to size constraints. At the time of approval, it was indicated that future pads would require PDP submittal and approval.

The bank is 25,000 square feet and includes three floors; two above ground and one basement floor. Various bank operations will occupy all of the ground floor, with additional office and storage areas occupying the basement and second-story floor. Based on office occupancy and public open space within the bank, 103 parking stalls are required. Per the site plan, 81 parking stalls are provided. The applicant is requesting the reduction in parking based primarily on business operations. The bank is not planning to have the office components of the building fully occupied for a number of years, but has designed the building to operate as a regional headquarters, at full occupancy, if necessary. Staff is supportive of the reduction in parking based on contingency plans for additional parking being presented. Two parking contingency plans are provided in the event additional parking is needed. The first contingency plan provides the 103 parking stalls by removing two of the three drive-thru lanes. This plan will be utilized if a different bank occupies the building. The second contingency plan provides enough parking stalls in the event the entire building converts strictly of office uses. The bank drive-thru lanes would be completely eliminated and replaced with parking.

The building architecture incorporates a number of design elements that are found on the office building. Rust and buff colored sandstone elements are a predominate feature that bisects the building. Horizontal Exterior Insulation Finishing System (E.I.F.S.), sandstone and glass elements along the east elevation present a look that relates the bank building to the office building. The incorporation of a cornice type detail as a floating element further ties the design to the existing office. Low-walls will screen the drive-thru lanes from Ray Road and will be consistent with the existing screen walls found in the development. Signage will be dictated by the previously approved sign package.

The Planning Commission and Planning Staff support the request finding that the use is consistent with the zoning and that the overall design presents a very attractive final addition to the larger Park at San Tan development.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on April 4, 2013. An adjoining business owner was the only attendee. Planning Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7-0.

RECOMMENDATION

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

1. Development shall be in substantial conformance with the attached exhibits, kept on file in the City of Chandler Planning Division, in File No. PDP12-0025 ALLIANCE BANK, except as modified by condition herein.
2. Compliance with original stipulation adopted by the City Council in Ordinance No. 3622, in case DVR04-0048 SANTAN MIXED USE AMENDED, except as modified by condition herein.

3. Landscaping shall be in compliance with current Commercial Design Standards.
4. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
5. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.
6. Preliminary Development Plan 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 Preliminary Development Plan shall apply.
7. The site shall be maintained in a clean and orderly manner.
8. The drive-thru pneumatic tubes shall be integrated into the design of the drive-thru columns.
9. At the discretion and by written notice of the Zoning Administrator, the applicant shall implement the 'contingency parking plan' as shown.

15. PRELIMINARY DEVELOPMENT PLAN: The Estates at Arboleda

APPROVED Preliminary Development Plan PDP13-0001 The Estates at Arboleda, for housing product for an eight-lot subdivision located west of the SWC of Alma School and Germann roads. (Applicant: Mario Mangiamele; Iplan Consulting.)

BACKGROUND

The subject site is located west of the southwest corner of Alma School and Germann roads and is the last remaining vacant residentially zoned property within the Clemente Ranch Area Plan. The site is surrounded by developed single-family homes within the Clemente Ranch community. North, adjacent to the site, is Germann Road; north of Germann Road are the Wildrose townhomes.

The subject site was initially zoned in early 2006 for a six-lot, custom single-family residential subdivision. In mid-2012, the subdivision was replatted to allow eight lots. Although development never occurred, in early 2012 the zoning was deemed vested based on various improvements made in relation to the site.

The request seeks PDP approval for housing product. In addition, minor modifications to the previously approved development standards are requested. As presented, one two-story and two single-story homes are proposed for the eight lots. Four elevations are provided; however, all four elevations are not for all of the plans, each plan provides three elevations. In addition, each floor plan offers a variety of options to further diversify the development. Specifically, plan 6011 offers front loaded, side loaded, split front and side loaded three, four and five car garages. Additionally, a two-story option is proposed. Plan 6022 offers options for five and six car garages; a four car garage is standard. Plan 6031 provides for a third car garage option. Square footages range from 3,100 up to 4,600. Due to all lot sizes exceeding 10,000 square feet, the Residential Development Standards (RDS) do not apply. Although the RDS do not apply, a number of elements are provided within the development that are consistent with the RDS such as four-sided architecture, differing architectural elevations, inclusion of single-story elements on two-story homes, stone materials as standard elements, etc.

With the original approval in 2006, development standards for the subdivision were outlined in the development booklet. As part of the original approval, it was represented that homes need to be custom built and have a minimum livable square footage of 3,000 square feet for the ground floor. None of the conditions were by ordinance thus allowing for modification through the PDP process.

As proposed, the housing product, while not custom, provides sufficient diversity so that the same floor plan elevations will not be built adjacent to or across the street from each other. Additionally, although the 3,000 square foot ground floor area requirement is not being met with all floor plans (Plan 6022 has a first floor footprint of 2,400 square feet), the two single-story homes exceed the 3,000 square foot requirement. Side setbacks originally required one side being 10' and the other being 20'; the request is to require both sides to be a minimum of 10'. An exception is requested for lots 1 and 8 to allow for a five-foot setback along the north property line. The reason for the request stems primarily from various jogs along the northern property line. Additionally, due to the lots being adjacent to large landscape tracts, this allows the home to be placed further from the lots to the south providing for deeper side setbacks along the southern property line. Rear setbacks are proposed at 15-feet for single-story and 20-feet for two-story homes.

The Planning Commission and Planning Staff support the request citing the high quality design of the homes, the additional housing options that will be provided in the area and the successful development of a small infill piece of vacant land.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on April 10, 2013. There were four neighbors in attendance with general questions. An adjacent neighbor to the south requested the wall height be increased. The applicant looked at the option, but had concerns due to the fact that additional engineering would be required and the ability to execute agreements with the six property owners would be difficult. Planning Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7-0.

RECOMMENDATION

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

1. Development shall be in substantial conformance with the Development Booklet entitled "THE ESTATES AT ARBOLEDA" and kept on file in the City of Chandler Planning Division in File No. PDP13-0001, modified by such conditions included at the time the Booklet was approved by the Chandler City Council and/or as thereafter amended, modified or supplemented by the Chandler City Council.
2. Compliance with original stipulation adopted by the City Council in Ordinance No. 3751, in case DVR05-0035 ARBOLEDA ESTATES, except as modified by condition herein.
3. The same elevation shall not be built side-by-side or directly across the street from one another.
4. Lots 1 and 8 shall be restricted to single-story homes.

16. ZONING EXTENSION: Mesquite Grove Mini Storage

APPROVED a three-year zoning timing extension for DVR13-0008 Mesquite Grove Mini Storage, for property located north and east of the NEC of Gilbert and Riggs roads. (Applicant: Paul Gilbert/Lindsay Schube, Beus Gilbert PLLC.)

BACKGROUND

This application requests a 3-year time extension for approximately 4.7 net acres of a larger 9.9 net acre parcel located north and east of the northeast corner of Gilbert Road and Riggs Road. City Council denied a zoning request in April 2009 for Planned Area Development (PAD) zoning to maintain the site's Neighborhood Commercial (C-1) uses and add a self-storage mini-warehouse use. The request included a Preliminary Development Plan (PDP) for a self-storage mini-warehouse facility with approximately 425 units and 72,208 square feet of building area. The applicant re-filed the rezoning request with PDP which City Council approved in 2010 for Neighborhood Commercial (C-1) uses and a self-storage mini-warehouse facility.

The PAD zoning became effective May 8, 2010. The zoning included a 3-year timing of development condition expiring on May 8, 2013. The proposed 3-year time extension would be in effect until May 8, 2016.

The General Plan designates this property as Residential and a Commercial Node. The Southeast Chandler Area Plan (SECAP) designates this property as Traditional Suburban Character for residential development and a Commercial Node. The PAD zoning is consistent with the General Plan and SECAP land use designations.

This time extension application does not seek to modify the previously approved land use, site or building design, but seeks to extend the PAD zoning timing condition for an additional three years. The property owner does not intend to develop the site at this time.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements in the Chandler Zoning Code with a neighborhood meeting being held on April 23, 2013. There were no area property owners in attendance. Planning Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7-0.

RECOMMENDATION

Upon finding consistency with the General Plan, the Planning Commission and Planning Staff recommend approval of a 3-year timing extension.

17. RENEWAL: Commercial Insurance and Services

APPROVED renewal of the commercial insurance and services with Starr Indemnity & Liability, Great American Assurance Co., Arch Insurance Co., Travelers Indemnity, Safety National, Ace American Insurance Co., National Union Fire Insurance Co. of Pittsburgh, PA, Ace Property and Casualty, and Ace Group – Illinois Union Insurance for FY 2013/2014 in a total amount not to exceed \$1,051,766.00.

The City self-insures and carries excess coverage in the areas and at the levels indicated below. The total premium cost of recommended coverage through commercial carriers for FY 2013-2014 is \$1,051,766 compared to FY 2012-2013 at \$913,109.

Excess liability coverage is carried at three levels:

- \$10 million excess of \$2 million Self-Insured Retention – Insurance is carried through Starr Indemnity & Liability. Premium for 2013-2014 is \$309,163. Premium last fiscal year was \$285,600.

- \$20 million excess of \$12 million – Insurance is through Great American Assurance Co. Premium for 2013-2014 is \$105,525. Premium for last fiscal year was \$100,500.
- \$20 million excess of \$32 million – insurance is through Arch Insurance Co. Premium for 2013-2014 is \$64,573.00. Premium for last fiscal year was \$63,000.

Property insurance is carried through Travelers Indemnity which provides broad coverage for buildings, contents, equipment, vehicles (valued in excess of \$50,000), as well as boilers and machinery. This policy has various deductibles including \$50,000 per occurrence for most losses, \$100,000 for earth movement, and \$50,000 for flood. High value vehicles have a \$25,000 deductible. Premium for 2013-2014 is \$351,636. Premium for last fiscal year was \$334,177.

Excess Workers' Compensation insurance is carried through Safety National. The City is self-insured for the first \$600,000 of loss for workers' compensation. Excess of the \$600,000 retention, the City purchases coverage to protect against catastrophic loss. Premium for 2013-2014 is \$150,125. Premium for last fiscal year was \$131,776.

Storage Tank Liability insurance is carried through Ace American Insurance Co. Policy limits remain at \$1,000,000 per tank, with a \$25,000 per incident deductible. Coverage complies with the financial responsibility mandates of the Environmental Protection Agency. Premium for 2013-2014 is \$24,580. Premium for last fiscal year was \$23,631.

Crime Insurance is carried through National Union Fire Insurance Co. of Pittsburgh, PA. Coverage included state required bonds for Management Services Director and Accounting Manager. Further, this policy provides coverage for members of the City's boards and commissions. Premium for 2013-2014 is \$5,656. Premium for last fiscal year was \$5,671.

Airport Liability insurance is carried through ACE Property & Casualty. Airport Owners and Operators Liability policy provides \$50,000,000 in coverage per occurrence. Premium for 2013-2014 is \$11,471. Premium for last fiscal year was \$11,216.

Privacy/Security Liability insurance, also known as Cyber insurance, is carried through Ace Group – Illinois Union Insurance Co. Privacy and Network Liability policy provides \$1,000,000 aggregate for Privacy, Network Security, Internet Media and Network Extortion coverage plus \$500,000 in breach fund. Premium for 2013-2014 is \$29,036.76. Premium for last fiscal year was \$20,538.

18. DEVELOPMENT AGREEMENT: Release and Cancellation

APPROVED the release and cancellation of a Development Agreement entered into with Venice & Main, L.L.C., dated November 16, 2006.

BACKGROUND/DISCUSSION

This development agreement encumbers the title of certain private, commercial property at the northeast corner of Chandler Boulevard and McClintock Drive. The development agreement was executed in conjunction with action taken by Council in November 2006 to grant a three-year extension of the existing PAD zoning and existing PDP, which allowed for development of a hotel and related commercial center collectively known as "Candlewood Center". Under the agreement, the developer agreed to comply with the City's Late Hour Business Compatibility Policy and to dedicate roadway so as to conform with the City's current Transportation Plan, even though both the Policy and the Transportation Plan requirements were established *after* the

original PAD zoning and PDP approval for the site and, therefore, would not have been binding on the property.

In 2009, ownership of the site changed. The new owner submitted and obtained approval for a new PDP. As a result, the matters covered under the development agreement with the previous owner are no longer at issue. The new owner's lender has requested that the City release the development agreement as an encumbrance on the property. Since the matters addressed in the development agreement are no longer an issue on the property, Legal Staff recommends that the development agreement be released. Planning is in agreement with the release of the development agreement.

19. SUBORDINATION: 457 W. Toledo Street

APPROVED the subordination of the Moderate Rehabilitation Program lien for project #RH07-0012 located at 457 W. Toledo Street in the amount of \$46,894.70. (Hernandez)

BACKGROUND/DISCUSSION

In 2007, the owner of a single-family, owner occupied home at 457 W. Toledo Street received a \$46,894.70 loan through the City's Moderate Rehabilitation Program. The City's lien against the property is for \$46,894.70. The City's 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 2022.

The owner is requesting a refinance of the home to lower the interest rate. The new loan of \$62,296.00 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 loan term expires in 2022.

20. BOARD AND COMMISSION APPOINTMENTS

APPROVED the following Board and Commission Appointments:

Museums Advisory Board
Roger Lidman

Industrial Development Authority
Kurt Johnson

21. MOU: Service Employees International Union (SEIU)

APPROVED the Memorandum of Understanding (MOU) with the Service Employees International Union (SEIU) Local 48 for FY 2013/2014 through FY 2015/2016.

BACKGROUND

The City and SEIU have been engaged in negotiations since late February of 2013. Through a collaborative effort, an agreement has been reached on a 2-year contract that will be in effect from July 1, 2013 through June 30, 2015. Both parties agreed to reopen the contract in the second year of the MOU to discuss wages and holiday pay.

Substantive changes to the MOU include:

- SEIU chose to use the funds available for a 5% merit increase and divide them as outlined below:
 - 1.7% on-going merit increase for merit-eligible employees in FY 2013/2014 with a reopener to discuss wages in the second year of the contract;
 - 1.75% COLA for eligible employees in FY 2013/2014; and
 - Contract will be reopened to discuss wages and holiday pay in the second year of the contract.
- The City will make available 905 union hours (reduced from 2,175 annually) to be allocated over the term of this 2-year contract. The City will no longer fund union hours on an on-going basis after this 2-year transition.
- Increase vacation cash out from 20 hours to 25 hours in FY 2013/2014.

There were also a significant amount of administrative issues such as grievance procedures, layoff and seniority rules as well as housekeeping issues agreed upon in order to streamline processes and improve understanding and consistency.

22. MOU AMENDMENT: International Association of Firefighters Chandler (IAFF)

APPROVED the Memorandum of Understanding (MOU) amendment with the International Association of Firefighters Chandler (IAFF) Local 493 for FY 2013/2014.

BACKGROUND

The City and Fire have been engaged in negotiations since early March to discuss the wage reopener for the second year of the 2-year contract. Through a collaborative effort, an agreement has been reached.

The City and Fire have agreed to reinstate on-going merit increases of up to 5% for eligible employees for FY 2013/2014. It was also agreed that with the reinstatement of merits in FY 2013/2014, a provision will be added that merit pay and special merit pay cannot exceed a total of 5%.

In addition, as a matter of housekeeping, the City and Fire agreed to open Section 5-3 (Health Insurance Trust Fund) of the MOU in order to remove non-negotiated provisions from the Memorandum of Understanding to the trust document. The revised trust will be presented for Council approval on June 27, 2013.

23. MOU: Chandler Law Enforcement Association (CLEA)

APPROVED the Memorandum of Understanding (MOU) with the Chandler Law Enforcement Association (CLEA) for FY 2013/2014 through FY 2014/2015.

BACKGROUND

The City and CLEA have been engaged in negotiations since late February of 2013. Through a collaborative effort, an agreement has been reached on a 2-year contract that will be in effect from July 1, 2013 through June 30, 2015. Both parties agreed to reopen the contract in the second year of the MOU to discuss wages and vacation donation for the purposes of association hours.

Substantive changes to the MOU include:

- Fund up to a 5% on-going merit increase for merit-eligible employees in FY 2013/2014 with a reopener to discuss wages in the second year of the contract.
- With the reinstatement of merits in FY 2013/2014, a provision was added that merit pay and longevity pay cannot exceed a total of 5%.
- The methodology of 4th position was revised to “total cash compensation” effective July 1, 2013. In addition to comparing the maximum of the salary range to the 7 comparative cities, City-paid deferred compensation, City-paid Retirement Health Savings and Supervisory Incentive pay will also be included in the ranking to maintain at least 4th position in the market. This methodology also included reducing the number of annual surveys to one per fiscal year.
- Increase longevity pay from 1.7% to 2.0%.
- Increase uniform allowance by \$50 and change to pay one time annually in July of each year.
- Reduce City-paid association hours by 250 in FY 2013/2014 and start vacation donation to fund association hours to allow bank to build. City will eliminate funding of all association hours in FY 2014/2015 and will make a one-time allocation of 4 vacation hours per officer into each officer’s vacation bank.
- Change eligibility of longevity pay to include 8 years as a Chandler Police Officer or at top of range, whichever is sooner. This provision currently exists in the Fire and Police Sergeants’ contracts.
- In FY 2014/2015, increase vacation accrual to match Police Sergeant’s current accrual.

There were also a significant amount of housekeeping issues agreed upon in order to improve the readability, understanding and consistency.

24. MOU: Chandler Lieutenants and Sergeants Association (CLASA)

APPROVED the Memorandum of Understanding (MOU) with the Chandler Lieutenants and Sergeants Association (CLASA) for FY 2013/2014 through FY 2014/2015.

BACKGROUND

The City and CLASA have been engaged in negotiations since late February of 2013. An agreement on a 2-year Memorandum of Understanding (MOU) that will be in effect from July 1, 2013 through June 30, 2015 has been reached. Both parties agreed to reopen the contract in the second year to discuss wages and vacation leave.

Substantive changes to the MOU include:

- Fund up to a 5% on-going merit increase for merit-eligible employees in FY 2013/2014 with a reopener to discuss wages in the second year of the contract.
- With the reinstatement of merits in FY 2013/2014, a provision was added that merit pay and Supervisory Incentive Pay cannot exceed a total of 5%.
- The methodology of 4th position was revised to “total cash compensation” effective July 1, 2013. In addition to comparing the maximum of the salary range to the 7 comparative cities, City-paid deferred compensation, City-paid Retirement Health Savings and Supervisory Incentive pay will also be included in the ranking to maintain at least 4th position in the market. This methodology also included reducing the number of annual surveys to one per fiscal year.

- Since moving to the “total cash compensation” changed CLASA’s position in the market, the City and CLASA agreed to a .69% general salary adjustment for all Sergeants effective July 14, 2013 to offset the known impact of the transition to the new methodology.
- Increase current vacation buy back from 30 hours to 40 hours in FY 2013/2014 and from 40 to 50 in FY 2014/2015.
- In FY 2014/2015, shift differential was increased to match the non-represented group.
- In FY 2014/2015, the annual uniform allowance was increased from \$1,200 to \$1,300.

There were also a significant amount of housekeeping issues agreed upon in order to improve the readability, understanding and consistency.

25. AGREEMENT: Greater Phoenix Economic Council (GPEC)

APPROVED an Agreement with the Greater Phoenix Economic Council (GPEC) for FY 2013/2014 in an amount not to exceed \$94,001.00.

BACKGROUND/DISCUSSION

The City of Chandler and other communities in Maricopa County contract with the Greater Phoenix Economic Council (GPEC) on an annual basis to provide regional economic development services. The City of Chandler and other major cities have contracted with GPEC since 1989 to conduct marketing and business lead generation activities for the Greater Phoenix market.

City Economic Development Staff participates with GPEC on regional economic development activities including formulating GPEC’s Action Plan for FY 2013/2014. Staff participates on the Economic Development Director’s Team (EDDT) comprised of economic development professionals from each member organization (19 communities, Arizona State University, Maricopa Community College District, Arizona Department of Commerce, Arizona Public Service and Salt River Project).

The EDDT works with GPEC to market and attract new quality employers to the market and to develop and implement competitive strategies for the region. With input from the EDDT, GPEC’s performance measures have evolved over the past several years to focus less on quantity and more on quality indicators, such as targeting companies that create higher average salary jobs and higher capital investment.

As part of the City’s contract with GPEC, Chandler receives two GPEC Board of Director’s appointments (Mayor Jay Tibshraeny and Jason Bagley with Intel).

The annual contract amount for GPEC is determined by 2012 Office of Employment and Population Statistics, Arizona Department of Administration population estimate multiplied by a fixed amount per capita of approximately \$.39. Chandler’s proportionate share, based on the 2012 population estimate, is \$94,001.

GPEC and the City of Chandler have partnered on five locate projects this fiscal year (GM Innovation Center, AKO Engineering and Phacil), as well as two that are in the pipeline currently for announcements, bringing the total projects to 25 since 2002.

The proposed FY 2013/2014 contract has identifiable and measurable performance targets for GPEC, with monthly and quarterly reporting mechanisms built in. Exhibits to the contract include a scope of work with specific activities identified, performance targets, community industry targets, reporting mechanisms and insurance requirements.

Staff has reviewed the contract and recommends continued support of GPEC's regional economic development efforts.

26. PROJECT AGREEMENT: Dibble Engineering

APPROVED Project Agreement No. AI1305-201 with Dibble Engineering for the design of the Airport Runway/Taxiway Erosion Control project, pursuant to Annual Contract #EN1005-101, in an amount not to exceed \$104,719.28.

27. AGREEMENT AMENDMENT: Buck Consultants

APPROVED Agreement Amendment No. 3 with Buck Consultants for Employee Benefits Consulting Services in an amount not to exceed \$122,400.00. This will be the third of four additional one-year renewal options.

Buck Consultants began providing on-going professional employee benefit consulting services in 2010. They assist the City with administrative vendor management of all group and voluntary insurance plans including health, dental, vision, life, flexible spending and employee assistance programs offered to employees and their dependents for both self-funded and fully insured plans respectively.

Buck's plan management process enables the City to define and continuously validate long-term benefit strategies that align its needs and those of the participants as demonstrated by the City's current health plan design and wellness initiative. In addition, they assist the City with plan design review, claims/utilization analysis and review, plan performance and most significantly the employer shared responsibility requirements associated with the Patient Affordable Care Act.

28. AGREEMENT AMENDMENT: JC Printing

APPROVED Agreement No. CP1-966-2986, Amendment No. 2, with JC Printing for Overflow Photo Copying and Printing Services in an amount not to exceed \$95,000.00.

29. AGREEMENT EXTENSION: American Telephone

APPROVED a one-year agreement extension with American Telephone for NEC telephone system maintenance and support, equipment and services for a total contract amount not to exceed \$132,105.00. This is the fifth of six optional one-year extensions.

Service will be provided seven days a week, twenty-four hours a day with a maximum two-hour response time for emergency and twenty-four hour response time for non-emergency outages. The agreement amount of \$132,105 is comprised of \$112,105 for basic maintenance and support functions and \$20,000 for unforeseen repairs billed at a cost of \$75.00 per hour. The agreement also includes a purchasing provision that enables the City to acquire equipment for upgrades and additions.

30. PROJECT AGREEMENT: CH2M Hill Engineers, Inc.

APPROVED Project Agreement No. WA1302-201 with CH2M Hill Engineers, Inc. for well equipping design for the Railroad Well and Iris Well, pursuant to Annual Contract #EN1003-104, in an amount not to exceed \$224,712.00.

31. OFFSITE LUMP SUM AGREEMENT: Ryland Homes of Arizona, Inc.

APPROVED Offsite Lump Sum Agreement No. OA12-001 with Ryland Homes of Arizona, Inc., deferring the construction of the median on Ocotillo Road as a condition of their development and accepting a lump sum payment of \$50,500.00.

BACKGROUND/DISCUSSION

As a condition of development of Finisterra Subdivision located east of the southeast corner of Ocotillo and Lindsay roads, the developer deferred construction of a median on Ocotillo Road adjacent to their property in lieu of a lump sum payment of \$50,500 made to the City.

This agreement is intended to cover the cost for the work. A lump sum agreement was used to secure the developer's financial obligation to the City for the deferred work as well as release the developer from any future obligations. These improvements are being deferred for the future coordination and construction with the Town of Gilbert.

FINANCIAL IMPLICATIONS

Funds in the amount of \$50,500 have been received from the developer and are being held in an interest bearing account to use for the future construction of Ocotillo Road.

32. CONTRACT AMENDMENT: CDM Smith, Inc.

APPROVED Contract No. ST0708-201, Amendment No. 3, with CDM Smith, Inc., for engineering services for the Pump Station at Thude Park in the amount of \$25,010.00 for a revised contract total of \$146,985.00.

33. PURCHASE: MorphoTrak

APPROVED the purchase of MorphoDent mobile fingerprint identification devices from MorphoTrak, sole source, utilizing the State of Arizona Contract #ADSP013-038750, in the amount of \$73,778.40.

The Chandler Police Department's Field Operations Division and Criminal Investigation Bureau are often responsible for the processing and identification of individuals who frequently do not possess proper identification. MorphoDent is a small, rugged, state of the art mobile fingerprint identification device capable of capturing fingerprints in the field and searching local, state or Federal Automated fingerprint identification/system (AFIS) databases for matches. The Chandler Police Department wishes to purchase 36 MorphoDent devices because providing officers with this tool will minimize the time taken when contacting unidentified individuals and enhance officer safety by providing fast access to crime solving information like names, photographs, probationary status and the criminal history of scanned individuals.

Per AZ Revised Statute §42-2413, DPS is the Manager of AFIS and the MorphoTrak system is the only system utilized by the state.

34. PURCHASE: Western Environmental Equipment Company

APPROVED the sole source purchase of Severn Trent/Clortec parts from Western Environmental Equipment Company in an amount not to exceed \$85,000.00. Western Environmental Equipment Company is the only authorized distributor for Severn Trent/Clortec replacement parts in Arizona.

35. PURCHASE: Guidesoft, Inc.

APPROVED the purchase of Information Technology consulting and staffing services from Guidesoft, Inc., dba Knowledge Services, utilizing the State of Arizona Contract #ADSP12-031581, in an amount not to exceed \$319,965.00.

Information Technology has historically hired temporary employees to assist in special projects or backfill vacant positions by utilizing competitively bid temporary staffing agreements. These temporary employees have specialized skills in specific technical areas which complement Information Technology Staff and are intended to work on a temporary basis for a specific assignment. The Information Technology field is becoming increasingly more competitive for specialized resources; assistance is needed to find qualified resources in a timely manner.

The State has contracted with Knowledge Services to provide contract technical support resources. Knowledge Services is a "consolidator" of contract resource providers. They represent a wide range of contract staffing firms. The City provides the requirements, Knowledge Services poll their providers for resources, and the City interviews the resources and makes a selection. The City then enters into an agreement with Knowledge Services to provide the necessary resource from the most qualified resource provider. The Information Technology Division has an immediate need for the following consulting services:

Enterprise Service Bus Interface Developer: This resource will develop new technology system interfaces for the new Utility Billing and Electronic Payment Processing Portal systems that are currently being implemented. Total cost is \$159,965 for 1,391 hours at \$115/hour.

Electronic Document Management Storage (EDMS) Analyst: This resource will provide interim support of the City's numerous EDMS applications. This resource is needed to backfill for an employee who recently left the City. Total cost is \$80,000 for 1,000 hours at \$80/hour.

ITOC Project Manager: This resource will provide assistance managing multiple ITOC prioritized projects. There are numerous major ITOC projects being worked on simultaneously. This resource will help ensure these projects will continue to be delivered on time and on schedule. Total cost is \$80,000 for 1,000 hours at \$80/hour.

36. LIQUOR LICENSE: Restaurant El Herradero

APPROVED a Series 12 Restaurant Liquor License (Chandler #147103 L12) for Amanda Adams, Agent, El Herradero LLC, dba Restaurant El Herradero, 474 W. Ray Road. A recommendation for approval of State Liquor License #12079485 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 Zacatecano.

39. EMPLOYMENT CONTRACT: City Manager

APPROVED an Employment Contract with Rich Dlugas as City Manager for an annual base salary of \$193,417 effective July 1, 2013.

ACTION:

The Mayor announced that Item 38 would be heard next, followed by Item 37.

38. REZONING/PRELIMINARY DEVELOPMENT PLAN: Fry's 69 Fuel Center Ord. #4455

Ordinance No. 4455, DVR13-0007 Fry's 69 Fuel Center, rezoning from Planned Area Development (PAD) Commercial to PAD Amended to allow for a fuel station.

Preliminary Development Plan (PDP) for site layout and building architecture for the fuel station located at the SWC of Alma School and Germann roads.

MR. ERIK SWANSON, City Planner, explained at the May 9 Council meeting the applicant had requested a continuance. At that meeting, the Council requested the applicant make additional notification to the property owners in the area. Mr. Swanson reported the applicant sent letters out and relocated the notification signs. The applicant has now requested a withdrawal.

COUNCILMEMBER HEUMANN said he was rather appalled that the applicant is asking for a withdrawal after a year.

COUNCILMEMBER HEUMANN MADE A MOTION TO DENY THE REQUEST FOR REZONING FRY'S 69 FUEL CENTER, FROM PAD COMMERCIAL TO PAD AMENDED TO ALLOW FOR A FUEL STATION AND PRELIMINARY DEVELOPMENT PLAN FOR SITE LAYOUT AND BUILDING ARCHITECTURE FOR THE FUEL STATION. THE MOTION WAS SECONDED BY COUNCILMEMBER WENINGER.

MAYOR TIBSHRAENY asked the applicant to make a presentation. Mr. Swanson stated the applicant was not present.

MAYOR TIBSHRAENY said he had received a few speaker and comment cards.

MR. MIKE CAHILL, representing Cobblestone Auto Spa, 3739 E. Bell Road, Phoenix, said this application has been occurring for a year and asked for Council's support in denying the request.

MR. STEPHEN ANDERSON, 2 N. Central, Phoenix, representing Cobblestone, said he appreciates the motion on the floor.

Mayor Tibshraeny said he has received cards from Michelle Volk and Eddie Brown in opposition to the case; however they don't wish to speak.

COUNCILMEMBER WENINGER said he is very much for property rights, and normally would have had a tougher decision on this if Fry's had not agreed years ago to not put in a fuel center. He said people made multimillion dollar investments in their business based on their agreement, and neighbors also took them at their word.

MAYOR TIBSHRAENY read the Comment Cards submitted in opposition to the case:
Jaddish Badwal, Paramdit Badwal, Manmohan Singh, Satpal Sing, Tejvir Saran, Jagdeep Saran,
Chad Ellis, Tuck Bettin, Leslie Pitts, Ahmad Khan.

THE MOTION FOR DENIAL WAS APPROVED UNANIMOUSLY. (7-0)

37. REZONING/PRELIMINARY DEVELOPMENT PLAN: Mumtaz Gated Community
Ord. #4454

Ordinance No. 4454, DVR12-0042 Mumtaz Gated Community, rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for a single-family residential townhome development. (Applicant: Jalil Ahmad; Mars Enterprises, LLC)
Preliminary Development Plan (PDP) for a 66-unit single-family townhome development located east of the SEC of McQueen and Willis roads.

BACKGROUND - POST MAY 6, 2013 COUNCIL HEARING

Following the May 6, 2013, Council meeting, the applicant requested a continuance to address the concerns expressed by the Council. Based on concerns expressed, the design team has reconfigured the community amenity area and shifted the main gathering area of the center to the west, eliminated three dwelling units (one block of units) and replaced with an indoor gymnasium with basketball court, modified the architectural motif of the community building to be more consistent with the rest of the development, eliminated the architectural symbol on the community center, doubled the amount of parking from 17 to 35 guest spaces, modified the color palette and reduced the area of the prayer hall from 2,295 square feet to 1,490 square feet.

Following the City Council meeting, City Council and Planning Staff have received a number of emails and phone calls in opposition to the request.

BACKGROUND

The subject site is located east of the southeast corner of McQueen and Willis roads and was recently annexed and granted a City initial zoning designation of AG-1. The site is located within the nine-square-mile Chandler Airpark Area Plan and designated as supporting high-density residential allowing for residential density up to 18 units per acre. West of the site is an existing Arizona Department of Transportation (ADOT) facility located within the jurisdiction of the County. North are single-family homes with agricultural privileges also located within the County. East is vacant land zoned PAD for multi-family residential development. The subject site abuts the Santan Loop 202 freeway and is a remnant piece from the development of the Santan Loop 202 freeway.

SITE LAYOUT/BUILDING ARCHITECTURE

The development is proposed as a gated single-family townhome development with 22 three-unit townhomes for a total of 66 units at an overall density of 11 dwelling units per acre. One main point of entry is provided along Willis Road with a secondary emergency access point located at the site's east end. The entry terminates at the community center, which serves as the main amenity area and focal point of the community. The community center provides a centralized gathering area/prayer room, library, multi-purpose room, kitchen area, fitness areas and basketball court. A children's amenity area is provided at the southeast corner of the site.

While townhome development is considered single-family residential, the residential development standards to not directly apply; similarly multi-family development standards do not apply.

Although residential design standards do not apply, the development provides sufficient outdoor areas and community amenities that meet the intent of the guidelines from a design standpoint.

Three building types are provided with three units per building. Square footage of the units range from 1,803 square feet up to 1,881 square feet, and all include three bedrooms. Each unit is two-story. With each building type, a number of color schemes are provided ensuring variation of the street scene. Additionally, each unit has a modest rear yard area of ten feet, typical of recent similar approvals. Building type three presents a unique opportunity for multi-generational living. The design team has incorporated a second-story stand-alone unit that allows for flexibility in living arrangements allowing for multi-generational families to have individual areas. Rental of the units will be restricted through covenant, conditions and restrictions (CC&R's). It should be noted that for building type three, the garage shows one separate parking stall per unit, the interior demising wall was inadvertently left in the design; the wall will be removed as each unit is required to provide two covered parking stalls.

Due to the site limitations in depth and width, the layout presents unique development opportunities. Implementation of addressing the limitations has produced a minimized front setback and reduced internal roadway width from typical roadway standards. Typical residential development produces typical front yard setbacks of 10 to 20 feet from single-family detached housing. As proposed, the front setback varies from 2 to 6 feet. While this type of design eliminates the ability of parking in a driveway, ample guest parking is provided at the community center. Due to the proposed reduced right-of-way widths of the internal drives of the community, the development is designated as a "private" roadway allowing for a reduced width from typical public street standards. While concerns generally arise when street widths are reduced requiring the elimination of on-street parking, due to the providing of guest parking, concerns are remediated. Additionally, the development team has worked with the City to ensure that all utilities can be accommodated within the reduced street.

AIRPORT COMMISSION

The Airport Commission found that there were no conflicts between airport operations and the proposed development, but wanted to ensure that disclosure statements would be provided to future residents that there may be aircraft noise. Staff has added Condition No. 10 addressing disclosure of airport operations in the vicinity.

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 11, 2013. Five neighbors were in attendance. All five are adjacent to the development along the north side of Willis Road. No direct opposition to the proposed land use was stated; however, there were strong concerns expressed over traffic patterns and general circulation along Willis Road and how the neighbor's parcels may be impacted. Due to Willis Road being a dead-end street, solutions to providing multiple access points are limited and may best be examined once development occurs north of Willis Road. In light of this, the Traffic Division has reviewed traffic volumes along McQueen Road and currently reports that McQueen Road has not yet approached maximum volume, nor is it anticipated to approach volumes until 2030. If traffic patterns pose a concern for both the existing and future residents of the area, the Traffic Division has the ability to review signal timing to off-set any continuous traffic flows. Concerns were also expressed regarding annexation and connections to City utilities in the future.

As mentioned, following the City Council meeting on May 6th, Planning Staff has received a number of emails opposed to the request.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 3-1. Commissioners Baron, Donaldson and Pridemore were absent.

The request was placed on the Action Agenda due to Planning Staff being aware of traffic concerns expressed by the neighbors to the north and their interest in attending the meeting. One neighbor planned on speaking, but was unable to make the meeting; however, the neighbor has emailed Planning Staff expressing concerns.

The Planning Commission discussed the item with particular concerns regarding circulation, freeway noise and the color palette. At the meeting, the applicant explained that the colors did not clearly translate from the elevations to the paint palette exhibit; the colors have been updated for the Council development booklets. Regarding freeway noise, Planning Staff ensured the Commission that the development underwent a sound study and that if a noise attenuation wall is required, the wall will be built. Condition No. 11 was added to satisfy any remaining concerns. Lastly, the Commission discussed traffic concerns with Willis Road and ultimately came to the conclusion that traffic will be generated with any type of development and that with the ability of the City to offset signal times, traffic concerns could be sufficiently addressed.

RECOMMENDATIONS

Rezoning

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

Preliminary Development Plan

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

1. Development shall be in substantial conformance with the Development Booklet entitled "MUMTAZ GATED COMMUNITY", kept on file in the City of Chandler Planning Services Division, in File No. DVR12-0042, except as modified by condition herein.
2. Approval by the Director of Transportation & Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Transportation & Development for arterial street median landscaping.
3. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
4. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.

DISCUSSION:

MR. ERIK SWANSON reviewed the background and stated this item was continued by the Council at their May 9, 2013 Council meeting. He reported since then, the applicant has made modifications based on comments received by Council.

Mr. Swanson noted that during that time, Staff also started receiving a number of e-mails and petitions against the project. A legal protest has been officially triggered for the site. A three-fourths Council vote will be required.

Mr. Swanson said all the buildings are 3 unit developments and there are 22 building, for a total of 66 units. This is a reduction from 69 units. He explained the additional parking was then added and an indoor basketball court. While the Community Center has increased from 7200 s.f. to almost 12000 s.f., some of the other areas are smaller.

Mr. Swanson said it is the central gathering area that has raised the most concern. He said the previous development booklet labeled the area as a mosque. He said it had always been the understanding of the Planning staff and the applicant that a mosque would not be allowed at this site as it poses different questions and concerns than a town home development. He said that particular area has been reduced in size from 2300 s.f. down to 1500 s.f.

Mr. Swanson said the parking was at 17 and has been increased to 35. He said concerns were made regarding a symbol that has ultimately been removed. The height of the dome has been reduced by roughly 7 ft. because of it. Some of the other architectural motif of that particular building has been modified. The color palette has been modified. A color chip sheet has been added to the development booklet and would be most accurate representation of the colors.

He reviewed the concerns documented at the February 11, 2013 public hearing. Mr. Swanson noted that the City's Transportation Engineer, Mike Mah, will address the traffic issue. He said property owners within 600' and registered neighborhood organizations within ¼ mile were notified of this project.

COUNCILMEMBER HARTKE inquired about the neighboring site that is currently zoned for multi-housing. He asked what that would mean in terms of traffic.

COUNCILMEMBER HEUMANN asked about the rental restriction and asked if the State passed legislation that a jurisdiction could not limit rentals. Mr. Swanson and City Attorney Wade said they did not know.

COUNCILMEMBER HEUMANN asked about an annexation that went in January. MR. SWANSON said there was an annexation to the west of this site. The 1.6 acre site was rezoned to its initial annexation zoning designation of agricultural.

COUNCILMEMBER HEUMANN asked if the utilities would be underground. Mr. Swanson said Condition No. 4 addresses that and requires undergrounding. Mr. Heumann asked about the ADOT parcel. Mr. Swanson said they would work on that.

In response to the Mayor, Mr. Swanson said it would require 6 votes for passage of the project. The legal protest is triggered by a buffer from the subject property that goes out 150'. If 20% of the property owners on one side oppose the request, it will trigger the legal protest.

MR. JALIL AHMAD, 2652 E. Scorpio Place, Chandler, said they previously bought a piece of land by the airport and the same plan was presented but they were told it would not be allowed next to the airport due to the residence component. They began looking for land to be able to include the residences. He commented this project will generate to close to \$14 million dollars in revenue and provide jobs with the contractors and subcontractors. Mr. Ahmad said to alleviate some concerns about water and sewer hookups, he agreed to stub out his line at the neighboring

property so that in the future, they could have the option. In addition, he said he has heard concerns about the traffic, but is certain the City can take care of that.

COUNCILMEMBER HEUMANN said one of the concerns is the traffic on Willis Road. He asked if the City has met with ADOT. MR. MIKE MAH agreed this is a very challenging site. They talked to ADOT regarding this intersection as it is entirely under ADOT control. Mr. Mah said ADOT was asked if they would consider removing a portion of the median to allow left turns in and out of Willis Road. They have declined for reasons of safety and liability. He said if ADOT were to give that portion of the right of way to the City, staff would be comfortable with cutting back the median to allow left turns to alleviate the amount of U-turns taking place. He said the movement they would still like to continue to prohibit would be the north bound left turn.

COUNCILMEMBER HEUMANN asked about the accident count on McQueen. Mr. Mike Mah said they checked the records to include ¼ mile north of the freeway including Willis, Wildhorse and Hawken Way for the years 2011, 2012, and 2013. He said there was only one accident along that quarter mile stretch. Mr. Zeder added that ADOT feels the intersection is too close to the freeway, so they have denied the request by the city to take over the intersection. Mr. Zeder has asked them to review the denial, but he is not optimistic.

VICE MAYOR SELLERS asked if this increase in density could be handled without adding additional concern for traffic safety. Mr. Mah said he believes it could be accommodate. Mr. Mah said a count was done on the amount of U-turns done at the area just north of Willis. He said the morning recorded 6 U-turns per hour. In the afternoon, 13 U-turns were recorded in the afternoon peak hour. With the addition of the development, they are expecting 19 additional U-turns in the morning, and an additional 8 in the afternoon. He said they are not expecting this to cause a safety problem, although very inconvenient. He agreed with Vice Mayor Sellers it would not be an idea situation.

COUNCILMEMBER DONOVAN asked if the same analysis was done with the PAD zoning that has been approved to the residential parcel to the east of this parcel. Mr. Mah said it was not specifically done, but he did total up the vacant land in the area and assuming it gets developed to 18 units per acre, there would be an excess of 100 U-turns. At that stage, something would need to be done to rectify it. Councilmember Donovan asked what the other parcels density per acre are. Mr. Swanson replied that there is not a site plan, that parcel was given a range of 12-18 units per acre. The likelihood of it hitting the 18 would be difficult.

COUNCILMEMBER HARTKE asked how the number of U-turns was determined. Mr. Mah said it is determined typically by the number of trips generated by a development. Townhouses and apartments generate roughly 6-7 trips per day. Two thirds of the trips coming from the residential area would be going to the freeway. He explained 66 units multiplied by the 6-7 trips per day, and 8% of that will represent the morning and afternoon traffic volume.

Councilmember Hartke clarified that there is no other ingress or egress except from McQueen. Mr. Mah stated that is correct. Mr. Hartke asked if there were any other viable suggestions to mitigate traffic concerns.

POLICE CHIEF KIYLER addressed the Council and asked to clarify the discussion on the numbers. She stated there has been one accident in the intersection of Willis and McQueen during the time period being discussed tonight. There have been additional accidents that occurred right at the freeway or north of the freeway on McQueen Road but not related to the properties up north. In response to a question from the Mayor, Chief Kiyler said she did not have

the direction of travel on the accidents. She clarified there were 14 accidents in 2011, 5 in 2012 and 5 to date in 2013.

COUNCILMEMBER WENINGER clarified that there will be 18 additional morning U-turns and that represents about two-thirds of the traffic coming out. Mr. Mah said that was correct and clarified that was for the one hour peak morning hour. Currently there are 6 in the morning peak hour and 13 in the afternoon peak hour.

In response to a question from Councilmember Heumann, Mr. Swanson said the zoning designation on the property to the east of the proposed development is expiring. He explained the zoning would have to be extended or reverted by council action.

The Mayor called up the speakers.

MS. KAREN GOREY, 1041 E. Hawken Way, Chandler, cited her concern with increased traffic and an increase in accidents.

MR. GLENN HAMP, 1123 E. Longhorn Place, thanked Councilmember Hartke for meeting with the neighbors. Mr. Hamp asked who on the Council had met with the developer. The Mayor stated he had not met with the developer, but told Mr. Hamp to continue with his presentation as he would not allow him to question the Council. Mr. Hamp cited concerns with the dome featured mosque. He said the City and the planners seem to be an advocate for the developers. He reiterated the concerns with traffic.

COUNCILMEMBER DONOVAN commented she had read e-mails and has responded to people that are interested in this case including residents and the developer.

MR. RUDY MONNIA, 1141 E. Hawken Way, Chandler cited his concerns with the density and traffic flow.

MR. MIKE HAMPSHIRE, 1040 E. Hawken Way, Chandler stated he is concerned about congestion in Chandler in general. He asked Council's consideration when approving high density projects that add to the congestion. He felt allowing a left turn from Willis would not be a good idea. He said Willis is an access point to the Paseo Trail. He asked the Council to consider the bike and foot access to the Paseo Trail. He commented the Mumtaz website states the site as something substantially different and is concerned the developer's vision for this site is much different than what is being presented to the Council.

MS. CHRISTAL BEISTY, 961 E. Wildhorse Drive, Chandler, echoed those concerns mentioned. She cited concerns with the density and traffic flow. She said there have been questions on whether this development will have a mosque. She questioned what the city could do if it was a community center and eventually turned into a house of worship.

MS. TERESA HODGE SMITH, 964 E. Wildhorse Drive, Chandler, echoed the concerns of U-turns. She added the concern of many horse owners using Willis to access the Paseo trail and the concern of traffic safety getting to the Paseo trail.

MR. RON RABER, 945 E. Wildhorse Drive, Chandler, stated his opposition for the reasons mentioned previously. He commented while he appreciates the changes the developer made, it still looks like a house of worship and a mosque.

MS. ANN HUBERTY, 1183 E. Longhorn Place, Chandler, echoed the concerns stated. She distributed copies of information contained on the Mumtaz website on May 15th that this community has its own mosque. She urged Council to vote no.

MR. JARRELL WOOD, 12140 E. Willis Road, echoed the traffic concerns. He asked clarification if the City was going to pay for water and sewer hookup.

MR. ZEDER addressed the question from Mr. Wood and said the developer would be required to extend water and sewer to serve the property. If there were adjoining properties those new utility lines they could connect, but the city nor the developer would pay for the connections.

MS. TERRI WOOD, 10220 E. Willis Road, agreed that the traffic flow is an issue, the density and the improvements needed to Willis Road. She said if she would have heard something to alleviate these issues, she might feel differently. She said she doesn't wasn't to say whether she is opposed or supportive, but is still concerned with the density.

MAYOR TIBSHRAENY acknowledged the people who had submitted comment cards in opposition:

Kenon and Marvin King, Rob Crandell, Tom McClure, Thomas Hahn, T. Gorey, Karen Gorey, Deniene Gory, Bhaskaer Ravikanti, Scott and Vicki Szczepkowski, Mitchell and Louise Jones, and Ann Huberty (also spoke).

In response to a question from COUNCILMEMBER HEUMANN, Mr. Zeder said staff would look for the infrastructure to be sized appropriately so that additional property owners could tie into it. They would have to pay impact fees and the cost to extend to their own properties. The City would not immediately require the properties to connect, but if there is a property currently on a septic system and that system failed and they applied to the County for a new permit, it is possible then that the County would require them to connect as the service would be available to them. The City would not take an active position to require connection.

MAYOR TIBSHRAENY asked where the primary access point to the Water Treatment Plant is. Municipal Utilities Director Dave Siegel said the primary access is off Pecos Road, although a few employees will use the access from Willis Road.

VICE MAYOR SELLERS asked if this project met the codes and requirements for this planning area. Mr. Swanson said that was true from land use. They have looked at some modifications for the internal street system. It is a gated community, so the streets are private so there is flexibility for the road ways. Vice Mayor said his biggest concern is traffic flow with the increased density.

COUNCILMEMBER WENINGER said his concern was with traffic.

COUNCILMEMBER HEUMANN asked about the size of a clubhouse when a 200-300 unit multi-family project develops. Mr. Swanson said around 3,000-4,500 s.f. He noted there are requirements on amenities for single family detached subdivision and multi-family projects, but there is not a "middle ground" requirement for town home amenities. He noted there is not a project like this in the city that is providing this many amenities.

In response to a question from COUNCILMEMBER DONOVAN, Mr. Swanson said when the application was first made and the development booklet submitted, the applicant was informed he

could not have a mosque. The applicant agreed with them even though the labeling did not get corrected.

If there is a direct change to make this an operational mosque and allow public access, similar to the one on Alma School, that would require rezoning and a PDP.

Councilmember Donovan asked about the west side of McQueen Road and the number of houses. Mr. Swanson displayed the area map. In regards to traffic flow, Mr. Mah added that when residents exit the freeway and head north on McQueen, they make a U-turn to go west on Willis. Councilmember Donovan asked what road improvements would happen on Willis as part of the project and what could happen in front of the site and the pump house site. Mr. Swanson said the developer would be responsible for a 25' half street right of way that includes the street, sidewalk and an 8' public utility easement. It would allow for on street parking. He noted the pumphouse property is within the County. She questioned whether the road would be made as big as it needs to in light of that.

VICE MAYOR SELLERS questioned what could be done with the property that would not create a traffic situation. Mr. Swanson agreed it was difficult as the Area Plan allows up to 18 du acre and it is on a dead end street and has some difficulties with interaction on the arterial. He explained it was not an idea location for commercial or industrial. He said while low density residential could go there, it is up against the freeway.

Vice Mayor Sellers asked if every avenue was exhausted to look at improving traffic flow. Mr. Mah agreed it was a difficult situation and there would always be U-turns as long as the median is there.

COUNCILMEMBER HEUMANN asked about the use of the community room at the project. Mr. Swanson confirmed that the project is a gated community and primarily for residents use.

MOVED BY COUNCILMEMBER HARTKE TO DENY ORDINANCE NO. 4454, DVR12-0042 MUMTAZ GATED COMMUNITY, REZONING FROM AG-1 TO PAD FOR SINGLE FAMILY RESIDENTIAL TOWNHOUSE, AND PRELIMINARY DEVELOPMENT PLAN FOR A 66 UNIT SINGLE FAMILY TOWNHOUSE DEVELOPMENT LOCATED EAST OF THE SOUTHEAST CORNER OF MCQUEEN AND WILLIS ROADS. THE MOTION WAS SECONDED BY COUNCILMEMBER WENINGER.

COUNCILMEMBER HARTKE said his concern was traffic.

COUNCILMEMBER WENINGER said he also had concerns about traffic with this case and in the future with the adjoining property.

MR. JALIL AHMAD said he feels this is the best use of the land and will enhance the properties surrounding. They have extended the courtesy of the water and sewer line as to be of a benefit to the other properties. They have worked to mitigate concerns. He said the 12,000 s.f. facility is really due to the basketball court otherwise it would be 4-5,000 s.f. He said the traffic issue will continue to be an issue with or without the approval of this project. He said if there were to be a traffic light there, he would bear the expense. He said the project has been worked on for a year.

VICE MAYOR SELLERS said he believed the applicant has gone to extremes to try to resolve the issues that have come up on this property. He hoped that staff will be working toward resolving traffic flow issues in the future.

THE MOTION TO DENY CARRIED UNANIMOUSLY (7-0).

PUBLIC HEARING:

PH1. 2013-14 FINAL BUDGET, 2014-23 CAPITAL IMPROVEMENT PROGRAM AND 2013-14 PROPERTY TAX LEVY

MAYOR TIBSHRAENY opened the public hearing at 9:14 p.m.

MR. GREG WESTRUM, Budget Manager reviewed the overview of the budget as outlined in the memo presented to Council. Mr. Westrum said the primary property tax is .3292 per \$100 of assess value and those funds are placed in the operating budgets. The secondary property tax is .9422 per \$100 of assessed value which is paid to retire debt service on bonds. For FY13-14, the primary is down 4% and secondary down at 3.5% which means Chandler will receive fewer dollars on the property tax levy. As less is being brought in, the Truth in Taxation hearing will not need to be held. The 2013/14 the City is expected to receive \$28.1 million. Due to decrease in values, the number will slightly decrease the following year by approximately \$1 million in property tax revenues. Mr. Westrum noted roughly 12% of the tax bill is for city taxes.

BACKGROUND – 2013/2014 BUDGET/PROPERTY TAX LEVY

Resolution No. 4685 adopted the Tentative Budget in the amount of \$803,931,786 on May 23, 2013, and scheduled the public hearing for the Council meeting of June 13, 2013. Notification was made through public notices in the Arizona Republic on June 6 and June 11, 2013. Arizona Revised Statutes provide that the total amount proposed to be spent in the final budget shall not exceed the total amounts that were proposed for expenditure in the published tentative estimates.

The revised budget, with amendments, totals \$803,931,786 and includes funding for departmental operating budgets of \$319,184,824; funding for debt service of \$61,641,699; budget for equipment, technology and vehicle replacement purchases of \$8,677,845; and contingencies and reserves in the amount of \$81,285,747 in various funds. The capital budget includes \$77,907,246 in new appropriation, \$252,994,425 in capital carry forward and contingency and reserve funding of \$2,240,000.

Included in the projected operating revenues of \$499,322,003 is a property tax levy of \$7,077,298 based on a rate of \$1.2714 per \$100 of assessed property value plus \$518,072 for Salt River Project's payment to the City in lieu of property tax for a total of \$27,595,370. Arizona Revised Statutes Truth in Taxation requirements were not required for FY 2013-2014 since the Primary property tax levy of a home valued at \$100,000 decreased from the prior year.

BACKGROUND – 2014-2023 CAPITAL IMPROVEMENT PROGRAM

City Charter requires the City Manager to present a (minimum) 5-Year Capital Improvement Program (CIP) for the City of Chandler to the City Council before June 15 of the current fiscal year. The proposed CIP is a 10-year Capital Improvement Program. Information regarding the various capital scenarios, cost estimates, methods of financing, recommended time schedules and estimated annual operating cost were presented at the Budget Briefing on May 3, 2013. The 2014-2023 Capital Improvement Program, which totals \$935,735,507, was amended from the proposed with direction from Council. Three parks were accelerated in the process.

As required, a Notice of Public Hearing for hearing taxpayers on the proposed property tax levies was published in The Arizona Republic on June 6 and 11, 2013. Also as required, a Notice of Public Hearing for final adoption of the 2013-2014 Annual Budget and Ten Year Capital Improvement Program (CIP), as well as budget schedules and general summary of the forecasted 2014-2023 Capital Improvement Program was posted on the official City website www.chandleraz.gov and published in The Arizona Republic on June 6 and 11, 2013.

Copies of the tentative budget and Capital Improvement Program are available for public review at the offices of the City Clerk and Management Services Budget Division.

MAYOR TIBSHRAENY closed the public hearing at 9:28 p.m.

The Mayor reminded the Council of the Special meeting following the adjournment of this meeting.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CURRENT EVENTS:

A. Mayor's Announcements

Mayor thanked members of the Housing and Human Services Commission and Jennifer Morrison and her staff for their work on the human service funding distribution.

Mayor announced the expansion of Garmin to Chandler by building 60,000 s.f. at the Chandler Corporate Center. This will include the addition of approximate 140 new software and product development jobs and \$11 million in capital investment.

The Mayor said the first major tenant for the Continuum site is Nationstar Mortgage and will add 1200 new jobs to its 160,000 s.f. space.

Mayor thanked the Water Conservation staff. Last year about 200 audit participants saved more than 10 million gallons of water after following staff tips on water savings. Water audits are free.

Mayor Tibshraeny commented that the East Valley Partnership finished their branding exercise. Chandler has a very high rated name ID.

Mayor Tibshraeny wished everyone a Happy Father's Day.

B. Councilmembers' Announcements

Councilmember Heumann announced Flag Day on June 14th and also gave wishes for a Happy Father's Day.

Councilmember Weninger gave kudos to the Parks Program for the affordable swim lessons. He

