

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 12, 2014.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY AT 7:02 p.m.

The following members answered roll call:

Jay Tibshraeny	Mayor
Rick Heumann	Vice-Mayor
Trinity Donovan	Councilmember*
Kevin Hartke	Councilmember
Jack Sellers	Councilmember*
Jeff Weninger	Councilmember
Nora Ellen	Councilmember – arrived after roll call

* Councilmember Donovan and Sellers participated by phone.

Also in attendance:

Rich Dlugas	City Manager
Nachie Marquez	Assistant City Manager
Kay Bigelow	City Attorney
Marla Paddock	City Clerk

INVOCATION: Pastor Michael Collier - Calvary Chapel Church of Chandler

PLEDGE OF ALLEGIANCE: Vice Mayor Heumann led the Pledge of Allegiance.

CONSENT:

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

COUNCILMEMBER DONOVAN DELCLARED A CONFLICT OF INTEREST ON ITEM 12 AND COUNCILMEMBER ELLEN DECLARED SHE WOULD BE VOTING NO ON ITEM 4.

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

1. MINUTES:

APPROVED the following Chandler City Council Meeting Minutes:

- 1a. Study Session of May 19, 2014.
- 1b. Special Meeting of May 19, 2014.
- 1c. Regular Meeting of May 22, 2014.

2. POWER DISTRIBUTION EASEMENT: Salt River Project

Ord. #4530

ADOPTED Ordinance No. 4530 granting a no-cost power distribution easement to Salt River Project (SRP) along portions of the west side of McQueen between Ocotillo to Chandler Heights roads.

3. POWER DISTRIBUTION EASEMENTS: Salt River Project Ord. #4542

ADOPTED Ordinance No. 4542 granting two no-cost power distribution easements to Salt River Project (SRP) for the new North Terminal Parking Lot located on the north side of Ryan Road at the Chandler Municipal Airport for Project AI-1301.

4. REZONING: Willis Gated Community Ord. #4545

Councilmember Ellen voted nay on this item.

ADOPTED (6-1) Ordinance No. 4545, DVR14-0004, Willis Gated Community, rezoning from agricultural (AG-1) to Planned Area Development for detached 35-lot single-family residential subdivision located east of the SEC of McQueen and Willis roads.

5. REZONING: Ray Road Apartment Homes Ord. #4533

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4533, DVR13-0050, Ray Road Apartment Homes, rezoning from Planned Industrial District with a Planned Area Development (PAD) overlay to PAD for multi-family residential with a Preliminary Development Plan for a 192-unit multi-family residential development on approximately 7 acres located east of the NEC of Arizona Avenue and Ray Road. (Applicant: Mike Badner, Palm Communities.)

BACKGROUND

The 7-acre site is located east of the northeast corner of Arizona Avenue and Ray Road and is bounded by a shopping center on the west, Union Pacific Railroad to the east and undeveloped residentially zoned land to the north. Food City, Burger King, Walgreens and other retail businesses are on the four corners of the arterial intersection. Palm Trails Condominiums multi-family residential development is on the south side of Ray Road. Industrial uses are east of the railroad tracks including Monterrey Tile and Hudson-Baylor Recycling.

In 1987, the C-3/PAD rezoning was approved for automotive related commercial services and then amended in 1988 to add industrial uses and reduce the amount of automotive services. In 1999, the site was rezoned with PDP from C-3/PAD to I-1/PAD for a three building, office and warehouse development. Zoning time extensions occurred in 2002, 2005 and 2008. The last zoning time extension expired in 2011.

ARCHITECTURE AND SITE DESIGN

The multi-family residential development includes 192 apartments with a mix of one-bedroom, two-bedroom and three-bedroom units. There are five, three-story apartment buildings designed in a contemporary style. The urban nature of the development is carried out with careful placement of horizontal and vertical bundling elements. The building elements include modern and geometric designs with parapet rooflines, rectangular and square shaped fenestration, covered patios and balconies, varied window sizes, reveal lines and color placement. One color scheme is proposed for all buildings featuring light beige with medium and dark gray and brown accents. Building materials include stucco and metal. Paint color application along with vertical and horizontal elements around windows and patios/balconies breaks up massing.

The building height is a maximum of forty feet. The clubhouse and fitness building are one-story with an approximate height of 21 feet. Garages are both attached and detached. Buildings One and Two along Ray Road do not provide attached garages. Buildings Three through Five contain attached garages providing direct access to select units.

The site's primary entrance and exit is off of Ray Road. The entry is designed with a raised landscaped median. Visitors and potential future tenants have direct access to the leasing office and do not require entry through the security gates located on each side of the entrance. The driveway is enhanced with Date Palms, decorative pavers and an entry monument sign. A gated emergency driveway is located at the west end of the Ray Road frontage. The clubhouse/leasing building and amenities are in the middle of the site and create a focal point. Buildings are sited along a loop drive with separate drives to access garages. Pedestrian walkways are provided throughout the site, including a connection to the public sidewalk on Ray Road. Covered and uncovered parking is located around the perimeter of the site to further provide a buffer from the Union Pacific Railroad tracks and from Food City's service area and truck dock.

Parking calculations are based on unit type and require 354 parking spaces. The development provides 358 parking spaces that are open, under a carport and in individual garages. Each unit will be assigned one parking space. Several ground-level apartments have direct access to their garage. The remaining garages are available for rent at an additional fee.

A swimming pool, jacuzzi, play structure, cyber café, fitness room and covered car wash are several of the amenities. Common open space provides 26,800 square feet of area. Date Palms, Palo Verde, Sissoo and Southern Live Oak trees and a variety of shrubs and groundcover provide a complementary landscape palette. Pavers are used to enhance the main entry and highlight pedestrian walkways.

Perimeter walls of solid concrete masonry units will be constructed along the north, west and east property lines at six feet in height. The Ray Road frontage will have a combination of solid walls and view fence at six feet in height with decorative columns. An entry monument sign is integrated with the view fence at the Ray Road driveway.

WAIVERS

The urban theme of this higher density multi-family residential development is heightened through modifying the Zoning Code and Multi-Family Residential Standards. Several waivers are requested, as outlined below, and further detailed in the Development Booklet:

1. Reduce the building setback requirement of 50 feet to 20 feet along Ray Road and to exceed the 25-foot building height to 40 feet at the building setback line.
2. Reduce the landscape setback from 20 feet to 10 feet along Ray Road.
3. The required dimensions for balconies and patios of 12-foot and 8-foot diameters are not in full compliance due to the configuration of each unit's balcony or patio. However, each unit is provided with a balcony or a patio that is sized to accommodate a small table and chairs. The total private space proposed is 14,500 square feet which exceeds the requirement of 12,859 square feet.
4. Landscape islands are required after every ten parking spaces and in three instances, this will not occur as depicted on the site plan.
5. Allow additional height for the perimeter wall, decorative view fencing, and monument sign. The perimeter site walls and view fencing along the street frontage are increased to six feet where three feet is required. A combination of solid masonry, view fence and partial view fencing are proposed along the street frontage which allows visibility. The monument sign

increases from six feet to almost nine feet in height. The top two feet of the sign is a stucco band designed to complement the architectural elements of the building elevations.

6. Reduce common open space from 48,000 square feet to 26,800 square feet. Site amenities above the required five are provided to compensate for the reduction and include a swimming pool, jacuzzi, cyber café, fitness center, clubhouse, two outdoor ramadas, barbeque area, resident car wash and a canopied children's play structure.
7. Allow parking to encroach into the 20-foot parking setback by four feet. The parking spaces near the west side of the site at the emergency gate encroach into the setback. Adequate backup space is provided for vehicles at this location.

Planning Staff supports the requested waivers due to the location of the site within a Revitalization/Infill Growth Area, the quality of the project including urban architecture, amenities and site design that projects an urban residential environment.

GENERAL PLAN CONFORMANCE

The subject site is designated as a Revitalization/Infill Growth Area in the Residential Land Use Element of the General Plan. The General Plan states urban residential densities exceeding 18 dwelling units per acre can be considered public use. The proposed density of 17.42 dwelling units per acre establishes a high density urban residential development to further support existing and future commercial, retail and employment uses along Arizona Avenue and the surrounding area.

Arizona Avenue is identified as a transit corridor for light-rail or other higher capacity transit mode. Currently, Valley Metro provides a bus service route along the Arizona Avenue corridor. Designated bus stops, with shelters, exist at the northeast and southwest corners of Ray Road and Arizona Avenue. These bus stops are within a reasonable walking distance of the subject site.

Planning Staff supports the request for a 192-unit, multi-family development and associated waivers from the Zoning Code. The density increase above 18 dwelling units per acre to 27.42, furthers the goals of the General Plan and the land use designation. Building architecture and site layout complement the area with a quality residential development to further create sustainability of existing businesses and transit available in the area.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on March 11, 2014. There was one citizen in attendance inquiring about school bus stops for pick-up and drop-off on Ray Road. Planning Staff has received one phone call and one letter. The phone call was from the same resident who attended the neighborhood meeting. There has been no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 4-0 with Commissioners Donaldson and Pridemore absent and Commissioner Ryan abstaining.

RECOMMENDED ACTIONS

Rezoning

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

Preliminary Development Plan

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "Ray Road Apartment Homes", kept on file in the City of Chandler Planning Services Division, in File No. DVR13-0050, except as modified by condition herein.
2. Approval by the Planning Administrator 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. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner.
5. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
6. The applicant shall work with Planning Staff to incorporate additional architectural elements, building materials, and/or paint colors to further break up flat wall planes.
7. The applicant shall work with Planning Staff to incorporate additional window treatments.
8. The applicant shall work with Planning Staff to add plant materials within the curbed islands along the driveway between Buildings 4 and 5.

6. DEDICATION IN FEE: NEC of McQueen Road and Via De Palmas Road Ord. #4543

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4543 authorizing the dedication in fee of a portion of City-owned property located at the NEC of McQueen Road and Via De Palmas Road for public roadway purposes.

BACKGROUND

The City of Chandler owns property located at the northeast corner of McQueen Road and Via De Palmas Road that is currently used for a fire station. In order to accommodate the construction of McQueen Road from Ocotillo Road to Riggs Road, a portion of the property is required for the widening of McQueen Road at this location. It is necessary for the City to dedicate a twenty-two (22) foot wide portion of its property, along with a sight visibility triangle at the corner of McQueen Road and Via De Palmas Road, to the public for roadway purposes.

By way of a separate instrument in the form of a deed, the City will grant to the public, in trust, the required roadway. The document will be in a form approved by the City Attorney

7. CITY CODE AMENDMENT: Chapter 27 Ord. #4544

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4544 amending Chapter 27, Sections 27-1 through 27-8 of the Chandler City Code relating to the name of the Chandler Fire Department and Department Responsibilities.

BACKGROUND

On June 22, 1937, the first meeting of the Chandler Fire Department was held. Since that time, the Department has been moving forward. The Department was first staffed by all volunteers. In 1953, the first paid Chief was hired and the Department ran fire and first aid calls.

In the early 1970's, the Department became fully staffed and in 1975 added advanced emergency medical care by training three firefighters as paramedics. Chandler was one of the first departments in the state and the first in the east valley to take advantage of the new State Paramedic Certification Program. From that time forward, paramedicine has become an integral part of the Department. The Department has come a long way since 1937 and now delivers advanced life support to the citizens of Chandler from 12 front line apparatus and 136 paramedics. The Department is equipped and trained to respond to health emergencies, provide preventive health education and participate in community health clinics. As the demand for services has evolved, the name "Fire" by itself no longer fully describes the services provided. Adoption of Ordinance No. 4544 changes the Department's name to the Chandler Fire, Health and Medical Department to better reflect the services provided.

FINANCIAL IMPLICATIONS

There are no significant financial implications. The Department currently has annual uniform funds; stationary/brochures will be updated as needed and vehicle lettering is estimated at under \$10,000. Existing automotive line items will be used for the lettering.

8. INTERGOVERNMENTAL AGREEMENT: ADOT Res. #4710

ADOPTED Resolution No. 4710 authorizing an Intergovernmental Agreement (IGA) with the State of Arizona Department of Transportation (ADOT) to be eligible for federal funds to develop the Crash XML interface for the Chandler Police Department (CPD) Records Management System (RMS) and ensure the Crash XML output generated by the CPD conforms to the ADOT Crash XML Schema.

BACKGROUND/DISCUSSION

In accordance with the Moving Ahead for Progress in the 21st Century Act (MAP-21), Highway Safety Improvement Program funds have been approved by the Federal Highway Administration for the statewide crash data improvement effort for Arizona. This effort will consist of the installation of the XML Schema to electronically send crash data from the Chandler Police Department's existing Records Management System to ADOT's Accident Location, Identification and Surveillance System using the Arizona Criminal Justice Information System. The state will acquire federal funds for this effort. This funding does not allow for the purchasing of any hardware.

ADOT will reimburse the CPD for eligible costs incurred, up to and not to exceed \$50,000, within thirty (30) days of receipt of proper documentation of payment for services and/or equipment.

The benefit to ADOT is that the export of information sent from accidents will be sent to ADOT in the desired XML format.

9. INTERGOVERNMENTAL AGREEMENT: City of Phoenix Res. #4741

ADOPTED Resolution No. 4741 authorizing an Intergovernmental Agreement (IGA) with the City of Phoenix to accept Federal Transit Administration (FTA) Grant No. AZ-90-S124, in an amount not to exceed \$53,114.00, for Route 56 (Priest Drive/56th Street) extension and bus shelter procurement and installation in the City of Chandler.

BACKGROUND/DISCUSSION

In 2013, Chandler applied for and was awarded a Federal Transit Administration grant to fund the purchase and installation of bus shelters at four bus stops on Route 56 on Priest Drive/56th Street

and Ray Road in Chandler. The federal grant awarded is in the amount of \$53,114.00 with a 20% City match of \$13,278.00 for a total project cost of \$66,392.00. The City will have 30 months to complete this project. There will be no maintenance costs as the City has an advertising agreement that provides for the maintenance of bus shelters citywide at no cost to the City.

10. INTERGOVERNMENTAL AGREEMENT: Maricopa County Res. #4755

ADOPTED Resolution No. 4755 authorizing an Intergovernmental Agreement (IGA) with Maricopa County to facilitate wireless communication facility co-location for public safety and related government purposes at a wireless support tower located at 911 S. Hamilton Street.

BACKGROUND/DISCUSSION

Since 1998, Chandler and Maricopa County have co-located their respective public safety wireless communication facilities at the site of what has been Fire Station No. 1 (now No. 281) at 911 S. Hamilton Street. This involved the shared use of the wireless support tower structure at the site and some building space for equipment. When the City began participation in the multi-city Regional Wireless Cooperative, the original tower was replaced, but co-location with the County continued.

The County now needs to replace its aging wireless antennae and equipment with upgrades as part of the enhancement of the County's public safety, wireless communication infrastructure. Once the new items are in place, the County will remove the outdated items. The County's facility will not interfere with the City's facility or impede the use of the site. This is not an activity that involves substantial numbers of personnel.

The benefit to the County, to persons that live in the unincorporated areas just outside Chandler's City limits, and to Chandler citizens who live at or near City boundaries, is more effective communication coverage and better public safety services. The IGA itself is very similar to the previous 1998 agreement. The County pays a nominal fee and its share of electrical power needed for the operation of its facility at the site.

11. PROJECT AGREEMENT: Maricopa Association of Governments Res. #4760

ADOPTED (6-0) Resolution No. 4760 authorizing a Project Agreement with the Maricopa Association of Governments (MAG) for regional reimbursement for design, right-of-way and construction for Queen Creek Road (McQueen Road to Gilbert Road), in the amount of \$7,447,603.60.

BACKGROUND/DISCUSSION

This Project Agreement is for reimbursement of \$7,447,603.60 of Arterial Life Cycle Program funds for improvements to Queen Creek Road (McQueen Road to Gilbert Road) in Fiscal Year 2013 (\$1,514,800.00), Fiscal Year 2019 (\$786,630.67), Fiscal Year 2020 (\$2,282,261.00) and Fiscal Year 2021 (\$2,863,911.93). Reimbursements will be adjusted annually for inflation in accordance with MAG policies.

This project will construct Queen Creek Road from McQueen Road to Gilbert Road as a six-lane arterial roadway with curb and gutter, sidewalks, streetlights, traffic signals, landscaping and storm drainage. Queen Creek Road will have bus service as part of the transit elements of the Regional Transportation Plan. This project includes bus pullouts at the intersections and bus stops at the ¼ mile. The Queen Creek Road improvements include bike lanes in each direction. Sidewalks and ramps will be ADA compliant.

These proposed improvements are based on the City's Transportation Master Plan Update (April 2010) for a 20-year design life.

TRANSPORTATION COMMISSION RECOMMENDATION

The Transportation Commission reviewed the Project Agreement on May 15, 2014, and recommended approval.

12. ALLOCATION: FY 2014-15 General Fund Dollars Res. #4771

Councilmember Donovan declared a conflict of interest on this item.

ADOPTED Resolution No. 4771 authorizing the allocation of FY 2014-2015 General Fund Dollars in the amount of \$1,120,392.00 in accordance with the recommendations of the Chandler Housing and Human Services Commission (HHSC) and Staff, and authorizing the City Manager or his designee to enter into agreements and suspend or terminate as needed pursuant to this 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 proving human services to Chandler residents.

Included in the FY 2014-2015 available funding is \$5,000 of YEP carry forward from the La Mesita Family Shelter Childcare Center. Construction on the new childcare center was delayed and the funds, which were allocated for operation of the center, were not utilized.

For FY 2014-2015, allocations are divided into four funding population groups. Funding from the General Fund is used for three of these groups: Families in Crisis, Special Populations and Youth. The fourth group is comprised of CDBG and HOME requests, which have already been approved.

New for FY 2014-2015, is the inclusion of a Collaborative Partner Grant opportunity. Collaborative programs, where multiple agencies bring forward resources and provide services, were able to apply for additional bonus points if they met the criteria and completed a supplemental application. Three programs applied for the Collaborative Partner Grant, yet only two were determined to have met the criteria.

The City received 60 applications totaling \$1,951,427.00 for the FY 2014-2015 General Fund Allocation. 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 twice to review and discuss the applications. Comments were captured during these review sessions that will be sent to the agencies at a later date along with the application scores.

Based on the above stated funding amounts for FY 2014-2015 Human Services General Funding, initial allocations have been made for each funding population and source. On April 30, the initial funding recommendations from HHSC were sent to the non-profit organizations that applied for funding. These recommendations were then finalized by the HHSC on May 14, 2014, following a public hearing.

A list of recommendations is available for the general fund allocations and a brief description of the program for which funding was recommended. The HHSC and Staff believe these funding recommendations will grant financial support to organizations that provide valuable services to Chandler residents and reflect a response to the current needs of the community.

FINANCIAL IMPLICATIONS

All costs associated with the General Fund Human Services allocations will be paid by the City of Chandler General Funds as part of the FY 2014-2015 Operating Budget and the City Manager or his designee is authorized to enter into the agreements pursuant to this resolution

13. ENHANCED MUNICIPAL SERVICES DISTRICT AGREEMENT

Res. #4775

ADOPTED Resolution No. 4775 authorizing the Enhanced Municipal Services District (EMSD) Agreement for FY 2014-2015 with the Downtown Chandler Community Partnership (DCCP) and the City's voluntary contribution to the EMSD in the amount of \$83,804.00 (\$118,804.00 minus \$35,000.00 for Stage Contribution).

BACKGROUND

At the City Council meetings on April 24, 2014, and May 22, 2014, the Mayor and City Council took all actions necessary to renew the Downtown Chandler Enhanced Municipal Services District. Currently, Staff is requesting approval of an Enhanced Municipal Services District Agreement with the Downtown Chandler Community Partnership (DCCP). Through this action, the DCCP is designated as the entity that will manage and operate programs in the District.

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 \$118,804.00 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.

Staff will proceed to process a check to the DCCP in order to provide them with the first \$41,902.00 City voluntary payment prior to July 15, 2014, as specified by the contract.

FINANCIAL IMPLICATIONS

Assessments for privately owned property in the District total \$124,990.00. Staff has forwarded the Assessment Roll to Maricopa County for inclusion in the fall property tax bills. The City's voluntary contribution of \$83,804.00 plus \$35,000.00 for Stage Construction Contribution have been included in the Downtown Redevelopment budget for FY 2014-2015. The total amount of the District budget for FY 2014-2015 is \$243,794.00.

14. SETTLEMENT: Chandler Heights McQueen Lender

APPROVED settlement with the landowner in a condemnation entitled *City of Chandler v. Chandler Heights McQueen Lender, LLC*, CV2014-005431, in the amount of \$240,000.00.

BACKGROUND/DISCUSSION

This condemnation action was filed to acquire approximately 31,471 square feet of land required for roadway for the McQueen Road (Ocotillo Road to Riggs Road) Improvement Project ST-0810. In addition, 22,310 square feet of land is needed for a temporary drainage easement and 1,307 square feet total for two temporary construction easements. The City made an offer of \$213,500.00 based upon its appraisal of \$250,000.00 per acre to purchase the required property rights.

The property owner rejected the offer and countered back at \$295,000.00 per acre or \$251,800.00 total for the purchase of the property rights. In support of their opinion of value, the property owner provided additional information regarding offers to purchase their land from two different developers for a price of \$305,000.00 to \$316,000.00 per acre, as well as other supporting information. Upon further review of this information by Staff and the City's appraiser, a settlement in the amount of \$240,000.00 was reached with the property owner subject to Council approval. This settlement represents an increase of \$26,500.00 (12%) over the original offer price of \$213,500.00. As part of the settlement, it was agreed that the property owner transfer title to their underlying fee interest in McQueen Road and Chandler Heights Road to the City. This additional land contains approximately 86,368 square feet.

Staff recommends the settlement with Chandler Heights McQueen Lender, LLC, as a fair and reasonable compromise and is in the best interest of the public.

FINANCIAL IMPLICATIONS

Funding for this land acquisition will come from money set aside in the project budget for acquisition of real estate required for the McQueen Road (Ocotillo Road to Riggs Road) Improvement Project ST-0810.

15. SETTLEMENT: Scotland Yard Properties, LLC

APPROVED a settlement with the landowner in a condemnation entitled *City of Chandler v. Scotland Yard Properties, LLC*, CV2014-000177, in the amount of \$10,000.00.

BACKGROUND/DISCUSSION

This condemnation action was filed to acquire approximately 160 square feet of land required for the Ocotillo Road (Arizona Avenue to McQueen Road) Improvement Project ST-0808. In addition, 4,204 square feet of land was needed for a temporary drainage easement. The City made an offer of \$3,733.00 based upon its appraisal of \$3.00 per square foot to purchase the required property rights.

The property owner rejected the offer and did not formally counter back at any amount. Staff was required to refer the file for condemnation in order to meet project deadlines. The City obtained immediate possession February 10, 2014, for the appraised value of \$3,733.00. Prior to City Council proceeding to further litigation, an offer for \$10,000.00 was made in hopes of settling the case and avoid further condemnation costs, which would far exceed the additional \$6,267.00 amount required to settle the case. The property owner has accepted this offer. As part of the settlement, the property owner will be transferring title to their underlying fee interest in Ocotillo

Road that is contiguous with their property. The additional land contains approximately 13, 249 square feet.

Staff recommends the settlement with Scotland Yard Properties, LLC, as a fair and reasonable compromise and is in the best interest of the public.

FINANCIAL IMPLICATIONS

Funding for this land acquisition will come from money set aside in the project budget for acquisition of real estate required for Ocotillo Road (Arizona Avenue to McQueen Road) Improvement Project ST-0808.

16. MEMORANDUM OF UNDERSTANDING: IAFF Local 493

APPROVED a Memorandum of Understanding for two years with the United Phoenix Firefighters Association IAFF Local 493 Chandler Chapter, for July 2, 2014, through June 30, 2016.

BACKGROUND

There were two primary issues discussed between the parties; methodology used to determine the fourth position placement and the City's desire to have the same formula and language as the other two public safety contracts, and; IAFF's desire to have language in the contract that would allow them to opt out of the City benefit plans if they chose to do so.

Both parties agreed to include the City's total cash compensation methodology language in FY 2014/15 renaming it "market comparison". To off-set the impact of the inclusion of the fourth position methodology in FY 2014/15, IAFF members will receive a 1.50% market adjustment in FY 2014/15 and a minimum of 1.50% market adjustment in FY 2015/16. For FY 2015/16, the annual survey will be completed in August, 2015, and if there is a need for additional monies to bring IAFF into fourth position above the 1.50%, the City will do so. This is not anticipated to occur with the FY 2014/15 upfront increase. Coupled with this agreement, the City will also fund a 5% merit increase for all eligible members for both FY 2014/15 and FY 2015/16.

The City and IAFF agreed to include language to facilitate Labor-Management meetings to discuss the possibility of IAFF opting out of the City's benefit (medical, dental and vision) plans. IAFF has expressed interest in exploring this possibility and the City is interested in fully vetting the process to ensure the well-being of the City-wide benefit plans. Staff feels the language included and the meetings will facilitate this; meetings will begin at the request of IAFF. As with other MOU's, language was added in the health insurance section to allow for more flexibility in the premium/contribution structure in anticipation of the City's high deductible health plan implementation in 2015.

In FY 2014/15, holiday hours paid to eligible members will be paid at the member's base rate of pay and will not include all assignment pays the individual member receives as part of the payment calculation.

IAFF has agreed to transition their current release hour process to an association vacation bank. The City will deposit 1,000 hours, a reduction of 500, in FY 2014/15 into the existing bank. All unused hours from the City deposit will expire on June 30, 2015, and no future deposits will be made. This is consistent with the transition process used with three other employee groups. IAFF will begin a vacation donation program on July 1, 2014, with all members contributing 2.6 hours of vacation to the bank. These hours will not expire.

The City agreed to increase each vacation tier for IAFF members by .2 in FY 2014/15 and .8 in FY 2015/16.

The remaining changes are not substantive and are housekeeping in nature

This agreement contains no reopener clauses unless it is mutually agreed to reopen the Benefits Section to discuss inclusion of language regarding IAFF's ability to opt out of the City benefit plans.

17. MEMORANDUM OF UNDERSTANDING AMENDMENT: CLEA

APPROVED a Memorandum of Understanding amendment with the Chandler Law Enforcement Association (CLEA) for FY 2014/15 – FY 2015/16.

BACKGROUND

The City and CLEA commenced negotiations in late February to discuss the wage reopener, release time, vacation and language changes for the upcoming health plan additions for the second year of the two-year Memorandum of Understanding (MOU). After six negotiation meetings, the City and CLEA were able to reach a complete agreement. The agreement includes an extension of the current MOU by one additional year which will now expire on June 30, 2016.

The City agreed to fund a merit increase of 5% for both FY 2014/15 and FY 2015/16 for all eligible unit members. In FY 2014/15, the City agreed to increase the swing-shift shift differential to fifty cents (\$.50) and the grave-yard shift differential to seventy cents (\$.70). This increase will provide parity to all groups receiving shift differential.

In FY 2015/16, the City agreed to increase the guarantee of overtime payment for court appearances outside the Officers' normal work hours to three (3) hours or the actual number of hours worked, whichever is greater. This agreement will ensure both CLEA and CLASA are receiving the same benefit for court appearances. Language to provide for a re-open option in FY 2015/16 regarding the total annual cash compensation survey adjustment was agreed to with criteria. This is the only section with a re-open provision and may or may not need to be exercised.

Vacation leave will be increased per pay period in FY 2014/15 in each tier except the less than 5-year tier. CLEA was able to choose where the increase was applied in tiers with some parameters. In FY 2015/16, all vacation accrual tiers that do not already match the current general vacation accrual schedule, will be increased to do so. The general vacation schedule is currently in place for all exempt, non-sworn non-exempt, SEIU and ACE employees. This agreement, as well as the CLASA agreement, will bring each group equivalent.

Housekeeping changes were made to language in the health insurance section to allow for more flexibility in the premium/contribution structure in anticipation of the high deductible health plan implementation in 2015. Additional language was added to the release hours section to provide the CLEA Executive Board more flexibility in changing their vacation donation amounts that fund the release hours bank.

As noted, the City and CLEA mutually agreed to extend the term of the current MOU by one year. The new agreement will expire on June 30, 2016.

18. MEMORANDUM OF UNDERSTANDING AMENDMENT: CLASA

APPROVED a Memorandum of Understanding Amendment with the Police Sergeants Bargaining Unit (CLASA) for FY 2014/15 - FY 2015/16.

BACKGROUND

The City and CLASA commenced negotiations in late February to discuss the wage reopener, vacation and language changes for the upcoming health plan additions for the second year of the two-year Memorandum of Understanding (MOU). After five negotiation meetings, the City and CLASA were able to reach a complete agreement. The agreement includes an extension of the current MOU by one additional year which will now expire on June 30, 2016.

The City agreed to fund a merit increase of 5% for both FY 2014/15 and FY 2015/16 for all eligible Sergeants. In FY 2015/16, the City agreed to increase the guarantee of overtime payment for court appearances outside the Sergeants' normal work hours to three (3) hours or the actual number of hours worked, whichever is greater. This agreement will ensure both CLEA and CLASA are receiving the same benefit for court appearances.

Vacation leave will be increased per pay period in FY 2014/15 by .8 for those Sergeants in the 15- >20 year accrual tier and by .2 for those Sergeants in the 20+ years accrual tier. In FY 2015/16, all vacation accrual tiers that do not already match the current general vacation accrual schedule will be increased to do so. The general vacation schedule is in place for all exempt, non-sworn non-exempt, SEIU and ACE employees. This agreement, as well as the CLEA agreement, will bring each group equivalent.

Housekeeping changes were made to the language in the health insurance section to allow for more flexibility in the premium/contribution structure in anticipation of the high deductible health plan implementation in 2015.

As noted, the City and CLASA mutually agreed to extend the term of the current MOU by one year. The new agreement will expire on June 30, 2016.

19. MEMORANDUM OF UNDERSTANDING AMENDMENT: ACE

APPROVED the Memorandum of Understanding Amendment with the Association of Chandler Employees (ACE) for FY 2014/15.

BACKGROUND

The City and ACE commenced negotiations in late February to discuss the wage reopener, tuition and language changes for the upcoming health plan additions for the second year of the two-year Memorandum of Understanding (MOU). After five negotiation meetings, the City and ACE were able to reach a complete agreement.

ACE utilized the amount of money offered by the City to fund up to a 1.15% merit for all merit eligible represented employees, as well as a 2.25% across the board wage and salary range adjustment for all ACE-represented employees for FY 2014/15. The City agreed to additional language in the overtime section regarding advanced notification, when possible, of schedule changes for employees required to attend mandatory training or meetings.

Housekeeping changes were made to the language in the tuition reimbursement section based on the City-wide policy changing effective July 1, 2014. Additional language in the health insurance

section was included to allow for more flexibility in the premium/contribution structure in anticipation of the high deductible health plan implementation in 2015.

20. MEMORANDUM OF UNDERSTANDING: SEIU

APPROVED a Memorandum of Understanding Amendment with the Service Employees International Union Local 48 (SEIU) for FY 2014/15.

BACKGROUND

The City and SEIU commenced negotiations in late February to discuss the wage reopener, tuition and language changes for the upcoming health plan additions for the second year of the two-year Memorandum of Understanding (MOU). After four negotiation meetings, the City and SEIU were able to reach a complete agreement.

SEIU utilized the amount of money offered by the City to fund up to a 3.75% merit for all merit eligible represented employees, as well as a 1.33% across the board wage and salary range adjustment for all SEIU represented employees for FY 2014/15. The City agreed to the removal of a 10-year service requirement for those employees participating in the deferred compensation program who are contributing \$15.00 or more per pay period. The removal of the language allows any SEIU-represented employee making this contribution to receive a match of \$15.00 by the City.

Housekeeping changes were made to the language in the tuition reimbursement section based on the City-wide policy changing effective July 1, 2014. Additional language in the health insurance section was included to allow for more flexibility in the premium/contribution structure in anticipation of the high deductible health plan implementation in 2015.

21. PROFESSIONAL SERVICES AGREEMENT: Jeff Martin Consulting, LLC

APPROVED a professional services agreement with Jeff Martin Consulting, L.L.C., for Transportation Consulting services in an amount not to exceed \$45,000.00 for the period June 16, 2014 through June 15, 2015.

The City first entered into an agreement with the Consultant in 2009 and has continued each year for the purpose of representing the City of Chandler in various regional transportation issues. These issues included the Valley Metro Transit Life Cycle Program (TLCP), reviewing and coordinating the City's Five (5) Year Transit Operating and Capital Budget with the TLCP, representing the City on various transit committees at Valley Metro and the Maricopa Association of Governments (MAG), intergovernmental coordination on transit issues and other transit functions as assigned by the Transportation & Development Director. The consultant will assist and attend meetings for the City regarding the following projects:

- Facilitating further study of the Arizona Avenue corridor as a high capacity transit corridor
- Valley Metro Transit Standards and Performance Measures technical advisory working group
- Southeast Valley Transit System Study project advisory committee
- Other transit issues under consideration at Valley Metro, METRO and MAG, including collaborating with other cities in the MAG region on such issues

22. COST SHARING AGREEMENT: Downtown Chandler Community Partnership

APPROVED a cost sharing agreement with the downtown Chandler Community Partnership (DCCP) relating to the construction and management of an outdoor stage on Commonwealth Street east of Arizona Place; authorized the City Manager, or his designee, to sign the agreement and related documents as approved by the City Attorney; and authorized a contribution amount not to exceed \$250,000.00.

BACKGROUND

Staff began discussions with the DCCP a number of years ago relating to the construction of a stage in Downtown that could be a signature draw to bring more events and traffic into the area. As the discussions progressed, it was decided that a number of events should take place to determine the best location for the potential stage including stakeholder meetings and a design charrette with both the City and the DCCP. J2 Engineering & Environmental Design, the firm that designed the Arizona Avenue improvements, offered to create conceptual designs and presentation pro bono for the DCCP. Once these were done, the DCCP hosted three stakeholder meetings to present the concept locations for potential stage sites. These stakeholder meetings were noticed to DCCP membership and Downtown stakeholders and were held on April 2, April 11 and April 16, 2013, to ensure that ample opportunity was given for input. Further, the DCCP created a web site that allowed for those unable to attend a public meeting to view the presentation at their convenience. At the end of this process, it was determined that Zone "E", located on the north side of Commonwealth Street east of Arizona Place, was the best location for a stage of the magnitude being discussed. The site provides for easy access, significant parking on the east side of Arizona Avenue, and provides for a space large enough for 20,000 plus attended events. Further, the surrounding grass area creates a cohesive area for attendees to view the performances. Staff at Chandler Center for the Arts provided input on the production needs for the stage, including the sound requirements, to make certain that the venue would be adequate for national performers.

The stage will be constructed, scheduled and managed by the City and events will be required to make application to the City's Special Events Committee per the agreement, to ensure that all aspects of the event are covered. Except for City events and DCCP produced events, a rental rate as adopted by City Council will be charged for the use of the Stage area. This fee will become part of the Citywide Fee Schedule beginning in FY 2015/16.

Design of the Stage will take place in partnership with the DCCP. The City will contribute a not to exceed amount of \$250,000.00. The DCCP will contribute up to \$100,000.00 of the total design and construction costs, with a lump sum of \$35,000.00 to be paid in FY 2013/14 and an additional lump sum of \$35,000.00 will be withheld from the City's \$118,804.00 voluntary contribution to the Enhanced Municipal Services District in July 2014. The balance of the DCCP's contribution will be paid back to the City over a five-year period through future City voluntary contributions to the District. If the total project costs are in excess of the amounts identified in the agreement, the City and the DCCP will work together to review the overall project to identify cost savings to complete the project within the identified budget. If cost savings cannot be reached, the DCCP will pay 100% of the costs over the estimated cost, with the payback time to the City to be negotiated, but not to exceed an additional five years. Further, either party can cancel the agreement if the construction bid costs from the design come back higher than the estimated cost with the design costs split 75% to the City and 25% to the DCCP.

In return for the DCCP investment, the City will pay 25% of all Stage rental fees back to the DCCP for a period of 10 years. This revenue stream will assist the DCCP in marketing the Stage and bringing in new festivals.

23. PUBLIC ENTITY INSURANCE AND SERVICES RENEWAL

AUTHORIZED the renewal of public entity insurance and services through Arthur J. Gallagher for FY 2014/15 for protection against financial loss in an amount not to exceed \$972,010.00, utilizing service providers: Staff Indemnity & Liability, Great American Assurance Co., Arch Insurance Co., Travelers Indemnity, Ace American Insurance Co., National Union Fire Insurance Co. of Pittsburgh, PA, ACE Property & Casualty, and Ace Group – Illinois Union Insurance Co.

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 2014/15 is \$972,010.00 compared to FY 2013/14 at \$901,641.00. The requested dollar amount for 2014/15 does not include Excess Workers' Compensation coverage. Workers' Compensation insurance renewal will come before the Council at the June 26, 2014, meeting.

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 2014/15 is \$326,298; premium last fiscal year was \$309,163.

\$20 million excess of \$12 million - Insurance is through Great American Assurance Co. Premium for 2014/15 is \$107,000; premium for last fiscal year was \$105,525.

\$20 million excess of \$32 million – Insurance is through Arch Insurance Co. Premium for 2014/15 is \$65,768; premium for last fiscal year was \$64,573.

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 2014/15 is \$363,253; premium for last fiscal year was \$351,636.

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 2014/15 is \$25,161; premium for last fiscal year was \$24,580.

Crime Insurance is carried through National Union Fire Insurance Co of Pittsburgh, PA. Coverage includes 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 2014/15 is \$5,656; premium for last fiscal year was \$5,656.

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 2014/15 is \$11,471; premium for last fiscal year was \$11,471.

Privacy/Security Liability Insurance, also known as Cyber Insurance, is carried through Ace Group – Illinois Union Insurance Co. Privacy and Network Liability policy provides \$5,000,000 aggregate for Privacy, Network Security, Internet Media and Network Extortion coverage plus \$2,500,000 in breach fund.

Premium for 2014/15 is \$67,402.53; premium for last fiscal year was \$29,036.76 but was only for \$1,000,000 coverage.

24. AGREEMENT AMENDMENT: Buck Consultants

APPROVED Agreement Amendment No. 4 with Buck Consultants for Human Resources and Employee Benefits Consulting Services in an amount not to exceed \$126,000.00. This is the fourth and final renewal option.

Buck Consultants began providing ongoing professional employee benefit consulting services in 2010. They assist the City with administrative vendor management of all group and voluntary insurance plans including 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/financial strategies that align its needs and those of the participants as demonstrated by the City's current health and benefit plan designs and wellness initiative. In addition, they will provide actuarial services to include claims/utilization analysis and review and overall plan performance. Most significantly, their compliance division assists the City with the employer shared responsibility requirements associated with the Patient Affordable Care Act.

Arizona State Statute §11-981.B3 requires the City to conduct an annual financial audit of the Chandler Health Care Benefits Trust Fund. Buck Consultants are certified as Fellowship Society of Actuaries, which financially guarantees their financial attestations and have provided assistance during the audit conducted by the City's outside auditing firm.

25. AGREEMENT: Greater Phoenix Economic Council

APPROVED an agreement with the Greater Phoenix Economic Council (GPEC) for fiscal year 2013/14 for regional economic development services in an amount not to exceed \$108,253.00.

BACKGROUND

The City of Chandler and other communities in Maricopa County, contract with 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 Greater Phoenix.

City Economic Development Staff participates with GPEC in regional economic development activities, including formulating GPEC's Action Plan for Fiscal Year 2014/15. Staff participates on the Economic Development Director's Team (EDDT), made up of economic development professionals from each member organization (23 communities, Maricopa County, 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 2013 Office of Employment and Population Statistics, Arizona Department of Administration population estimate multiplied by a

fixed amount per capita of approximately \$.4397 per capita. Chandler's proportionate share, based on the 2013 population estimate, is \$108,253.

GPEC and the City of Chandler have partnered on two locate projects this fiscal year (Federal Express and the expansion of Arizona Nutritional Supplements), bringing the total located projects to 27 since 2002. The Community Benefits Report shows a Return on Investment 5-year trend of \$64 of direct revenue for every \$1 invested by Chandler in GPEC.

The proposed Fiscal Year 2014/15 contract has identifiable and measurable performance targets for GPEC, with monthly and quarterly reporting mechanisms built in.

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

26. AGREEMENT AMENDMENT: JC Printing

APPROVED Agreement No. CP1-966-2986, Amendment No. 3, with JC Printing for overflow photo copying and printing services in an amount not to exceed \$95,000.00. This is the third of four optional extensions.

27. INTERGOVERNMENTAL AGREEMENT: Maricopa County Superior Court Jury Commissioner's Office

APPROVED an Intergovernmental Agreement (IGA) with the Maricopa County Superior Court Jury Commissioner's Office for jury services in an amount not to exceed \$10,000.00.

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 this agreement is July 1, 2014 through June 30, 2016 with the option to renew in writing for four additional two-year terms, to expire no later than June 30, 2024.

FINANCIAL IMPLICATIONS

The fees paid to the Jury Commissioner for FY 2014/15 will be approximately \$10,000. This figure includes reimbursement to the Superior Court for the daily attendance fees and mileage reimbursement the Superior Court pays to jurors on behalf of the Chandler Municipal Court plus \$2.09 per person summoned.

28. PROJECT AGREEMENT: J2 Engineering and Environmental Design

APPROVED Project Agreement No. PR1405-201 with J2 Engineering and Environmental Design for Downtown Stage, pursuant to Annual Contract No. EN1305-101 for park design services, in an amount not to exceed \$39,697.29.

Over the last several years, discussions have taken place between the City and the Downtown Chandler Community Partnership (DCCP) regarding the construction of a stage in the downtown area to facilitate large special events. With the removal of the old museum building, both the City

and the DCCP agreed that the construction of a stage could create a prime event location for a wide variety of events and festivals. As conceived, the stage would be a concrete, stand alone, self-contained facility able to accommodate small scale local events while also possessing electrical capabilities sufficient enough to power the lighting and sound requirements of larger scale musical festivals.

Under a separate agreement, pending Mayor and Council approval, the DCCP will also be contributing toward the ultimate construction of the stage.

29. AGREEMENT AMENDMENT: VIP Roofing

APPROVED Agreement No. BF3-910-3249, Amendment No. 1, with VIP Roofing for roofing repair & maintenance in an amount not to exceed \$90,000.00 for a total contract amount not to exceed \$139,000.00 for a two-year period.

30. AGREEMENT: ASSI Security of Arizona

APPROVED Agreement No. CM4-840-3368 with ASSI Security of Arizona for CCTV and video security cameras in an amount not to exceed \$145,000.00 for a two-year period, with options to renew for up to three (3) additional one-year periods.

31. AGREEMENT: ASSI Security of Arizona

APPROVED Agreement No. CM4-680-3355 with ASSI Security of Arizona for access controls & security equipment: maintenance, repair & purchase, in an amount not to exceed \$285,000.00 for a two-year period with options to renew for up to three (3) additional one-year periods. The contract also includes the installation of new access readers at all facilities maintained by Building and Facilities as identified during an audit for added security.

32. AGREEMENT: Group Mobile International, LLC

APPROVED Agreement No. IT4-204-3385 with Group Mobile International, LLC, for the purchase of 29 Motion Computing Tablet Computers in an amount not to exceed \$129,954.00.

The City has made great efforts in standardizing computer equipment purchases to ensure compatibility and supportability which reduce maintenance and repair costs. The City brought in ruggedized tablet computers from various manufacturers, and City Staff in multiple departments tested these devices in the field. The result of this field testing was the selection of Motion tablet PCs as the City standard for ruggedized tablets. With this selection, the Police Department and Municipal Utilities Department have a need to purchase these devices for their department operations.

The City of Chandler Police Department purchased the Versaterm Computer Automated Dispatch (CAD) and Records Management System (RMS) in 2010 which is utilized by almost all Police Officers with the exception of Motorcycle Officers. Motorcycle Officers currently must utilize paper reports, citations and forms or drive to a station and enter reports on a Mobile Data Computer (MDC) inside the building, taking the motorcycle unit off the street. The purchase of 23 Motion Tablets will allow Motorcycle Officers the ability to:

- Access computer aided dispatch features
- Communicate with dispatchers, emergency call takers and supervisors

- Access to law enforcement information systems
- Ability to write reports and input RMS data
- Issue electronic citations
- Utilize electronic accident scene entry
- Access City GIS information and maps
- Utilize automatic vehicle location systems for emergency response
- Provide emergency notification systems for officer in trouble/backup assistance situations

The Municipal Utilities Department, partnering with Information Technology and Management Services, is implementing a new Utility Billing System, which enables efficiencies for Meter Services. With the new Utility Billing solution, Meter Services will have enhanced mobile field capabilities including Service Order Management and real-time updates into the Utility system. Field testing of the ruggedized tablets has proven that they are a better fit for field operations than traditional ruggedized laptops. This purchase includes 6 devices.

33. AGREEMENT: Piper Jaffray & Co.

APPROVED Agreement No. MS4-946-3357 with Piper Jaffray & Co. for professional financial advisor services for a period of two years allowing for two, two-year extensions.

It has been seven years since the City of Chandler has issued a Request for Proposal (RFP) for financial advisor services. To ensure the City is receiving the most comprehensive financial advisor services at the best value, Staff felt it prudent to issue a RFP. A financial advisor is used for their expertise on all items of financing necessary to the City's operations, which include General Obligation Bonds, Street and Highway User Revenue Bonds, Water and Sewer Revenue Bonds, Municipal Property Corporation and Improvement District Bonds, Excise Tax Revenue Obligations, Refunding Bonds, and other related financial services. In addition, a financial advisor assists the City in developing a bond issuance strategy, preparing bond documents, marketing bonds to investors, arranging and preparing materials for rating agency presentations, and monitoring the market for refunding opportunities to reduce the City's overall debt service costs when possible.

The finance professional is relied on to proactively identify creative solutions to meet the City's financing needs and goals and understand innovative debt financing methods which can reduce costs, always focusing on the City's best interest.

Financial advisory fees associated with bond sales and incidental expenses related to each bond issue will be paid from individual bond proceeds and are priced based on the type of issue. Advisory fees for special projects that are not related to a specific bond transaction and require four hours or more of work and the preparation of written responses will be charged a competitive hourly fee based on the team member providing the services and will be paid from the appropriate related fund.

34. AGREEMENT AMENDMENT: Safeway Sign Company and Zumar of Arizona

APPROVED Agreement No. TE0-801-2859, Amendment No. 4, with Safeway Sign Company and Zumar of Arizona for the purchase of traffic signs and related items for one year in a combined total amount not to exceed \$100,000.00. This is the fourth and final optional one-year extension.

35. AGREEMENT AMENDMENT: Cleanview Video Inspections, LLC

APPROVED Agreement No. WW2-962-3128, Amendment No. 1, with Cleanview Video Inspections, LLC, for video inspection of sewer lines for a two-year period in a total amount not to exceed \$344,000.00. This is the final optional two-year extension.

36. CONSTRUCTION CONTRACT: Achen-Gardner Construction, LLC

APPROVED Construction Contract No. WW1415-401 with Achen-Gardner Construction, LLC, for Frye Road Sewer Manhole Rehabilitation in an amount not to exceed \$723,850.00.

37. CONSTRUCTION CONTRACT: Danson Construction, LLC

APPROVED Construction Contract No. FI0902-401RB to Danson Construction, LLC, for Fire Station 281 Construction at 1491 E. Pecos Road in an amount not to exceed \$3,744,216.54.

This new station is the result of relocating existing Fire Station No. 281 to address response needs of a growing area and to meet the need for an additional southeast fire station. The Fire Station No. 281 relocation project was the result of recommendations from a new Fire Department Standards of Response Coverage study completed during the Fire Department's Accreditation process and the Department Director's committee evaluating overall Capital Improvement Projects (CIP) for the City during the budget process. In the 2009 Standard of Response Coverage study, the Department expanded the scope of planning to include the National Fire Protection Association's Standard 1710. This standard has changed the response parameters for the Department, resulting in a change of fire station locations. This proposal relocates the current Fire Station No. 281 and eliminates one of the planned growth fire stations that was projected for the southeast portion of the City. The Department Director's CIP budget committee also came to the conclusion that if Fire Station No. 281 was relocated, the existing station could be used for other City purposes, thus benefiting several City departments.

38. PURCHASE: Nexus IS, Inc.

APPROVED the purchase of Cisco network equipment and professional services for the Redundant Internet Connectivity Project from Nexus IS, Inc., utilizing Arizona State Contract #ADSP012-024622, in an amount not to exceed \$140,450.00.

City services are becoming increasingly dependent on 24//7/365 connectivity to the Internet to provide expected citizen service results. Several applications are already totally hosted over the Internet with several more planned in the near future. Currently, the City has a single Internet connection through one provider, creating a risk for loss of service. During the FY 2013/14 budget process, a decision package was approved and funded to install a second Internet connection into City Hall which will provide a second entry into the City via a third party carrier for Internet connectivity. This request is to purchase the network equipment for the second Internet connection. This connection will increase the Internet connectivity bandwidth available for providing City services and will allow for continued service in the event of failure of either of the City's two Internet connections.

This purchase was originally approved by Council in February 2014 utilizing a City of Tempe contract through NEC. NEC is unable to fulfill the order and no longer has network engineers employed locally, so Staff is now recommending the purchase to be made from Nexus IS, Inc., via a State contract. IT Staff have met with technical staff from Nexus to review the design. IT feels that Nexus has the technical expertise locally to perform the installation.

39. PURCHASE: SHI International Corporation

APPROVED the purchase of Lotus Notes annual support and maintenance renewal from SHI International Corporation, utilizing the WSCA Contract AZ #ADSPO11-007500, in an amount not to exceed \$98,068.00.

The City uses IBM Lotus Notes software for Citywide email and calendaring as well as Domino document storage for the Police Department. The Lotus Notes environment includes email and calendaring licenses supporting City full time and temporary staff including onsite contract staff. In addition, there are several City applications tightly integrated into Lotus Notes including various report applications for the Municipal Utilities Department. The annual maintenance includes Lotus Notes Domino servers (processor maintenance renewal), Lotus Notes client (license maintenance renewal & upgrades) and Lotus Enterprise Integrator.

Lotus Notes support provides access to technical assistance resources to resolve software application issues as well as providing software fixes. The maintenance provides application upgrades necessary to operate keeping the systems current.

The City performs an annual audit of licenses in use. This audit indicates that all licenses are in use and no reduction to the number of licenses can be made at this time.

The annual maintenance renewal last year was \$100,040.00. This year's renewal represents a 1.96% decrease due to a license structure change. The effective term is July 1, 2014, through June 30, 2015.

IBM Corporation is the actual provider of the support and maintenance support services and only allows a small group of resellers to sell these services on their behalf. A comparative price inquiry verified that the City will save 2% by purchasing support and maintenance through the WSCA volume discount contract vs. purchasing directly from IBM.

40. SOLE SOURCE PURCHASE: Lucity, Inc.

APPROVED the sole source purchase of annual maintenance for the Enterprise Asset Management (EAM) system from Lucity, Inc., in an amount not to exceed \$83,096.00.

Lucity's EAM application is the system that manages the City's service and work requests, coordinates preventative maintenance programs and tracks City asset maintenance throughout the asset's life cycle. This enterprise asset management application is vital to City operations. The City continues to expand the use of the application for other City work management functions. This system also handles citizen service requests and includes a web based service request system. A mobile device application for citizen service requests has also been integrated into this system.

Lucity support provides access to technical assistance resources to resolve application issues as well as providing software fixes. The maintenance provides application upgrades necessary to operate keeping the systems current.

The annual maintenance renewal last year was \$80,325.00. This year's renewal represents an approximate 3.45% increase. The effective term is July 1, 2014, through June 30, 2015.

Because the system is proprietary, the ongoing maintenance service is available only from Lucity. No other vendors are authorized to provide these maintenance services.

41. PURCHASE: SHI International Corporation

APPROVED the purchase of Oracle annual support and maintenance services from SHI International Corporation, utilizing the WSCA Contract #ADSP011-007500, in an amount not to exceed \$282,770.00.

The City utilizes Oracle database products to store data for the following major systems: Financial, Payroll/HR, Sales Tax, Work Order Management, Permits and Inspections, Utility Billing, Geographic Information and numerous other departmental systems. The City utilizes Oracle Applications, which include Self Service Human Resources, Financial, Project Billing, iExpense, User Productivity Kit and iProcurement application modules.

Oracle support provides access to technical assistance resources to resolve system issues as well as provide software fixes. The maintenance provides system and application upgrades necessary to operate keeping the systems current.

The City purchases maintenance and support based on the number of servers and processors on which the software is running on an annual basis. The City has audited the number of licenses being used and found that no licenses can be reduced at this time.

Oracle Corporation sets the cost of ongoing support and maintenance as a fixed percentage of the software license cost at the time of initial purchase. The maintenance costs are the same regardless of the reseller.

The annual maintenance renewal last year was \$274,801.00. The 2.9% increase in cost for this renewal period is based on an Adjustment Rate built into the original software license purchase contract. The effective term is August 1, 2014, through July 31, 2015.

Oracle only utilizes resellers for their support and maintenance services. A comparative price inquiry verified that the WSCA volume discount contract with SHI International offered the lowest price.

42. PURCHASE: Guidesoft, Inc., dba Knowledge Services

APPROVED the purchase of Information Technology consulting and staffing services from Guidesoft, Inc., dba Knowledge Services, utilizing State Contract #ADSP012-031581, in an amount not to exceed \$56,760.00.

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 and 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.

Information Technology is seeking a temporary technical resource to implement the final configuration and set-up of the citywide technology project management solution and related training to complete the roll-out. This resource will help ensure this productivity tool will be delivered to enhance citywide visibility and collaboration for projects. Total cost is \$56,760.00 for 516 hours at \$110/hour. This project was originally approved in the FY 2012/13 one-time decision package.

43. USE PERMIT: ICEV Parking Lot

APPROVED use Permit ZUP13-0016 ICEV Parking Lot, extension for a temporary parking lot on approximately 2.10 acres located at 411 N. Alma School Road. (Applicant: Wahid Alam; Board of Trustees, ICEV.)

BACKGROUND

The request is for an extension of a parking lot that includes two parcels that are connected and currently serving as temporary parking lots. The subject lots are located north of the northeast corner of Alma School Road and Erie Street, and at the northwest corner of Erie Street and Pleasant Drive. Both lots received Use Permit approval for a temporary parking lot at separate times. This request is to join the two Use Permits to allow the parking lots to be approved under a single request. This request represents the first Use Permit extension for both lots.

Directly north of the subject sites are an existing church, the Mosque which the parking lot serves, and single-family homes. East, across Pleasant Drive, are single-family homes. South is a commercial complex, small apartment complex and Erie Street. South of Erie Street is St. Matthew's Episcopal Church that also utilizes the parking lot.

The larger parking area adjacent to Alma School Road was initially approved in 2011 with a two-year timing condition. The second parking lot, located at the northwest corner of Erie Street and Pleasant Drive, was approved in early 2012 with a two-year timing condition. Once the application was submitted at the end of 2013 for the larger parking lot, it was realized that the second parking lot would expire in early 2014. At that time, the applicant requested that both Use Permits be combined into a single Use Permit. The parking lots are primarily used during the Friday services at the Mosque and during the holiday season, but also allow for overflow parking of St. Matthew's Episcopal Church on Sundays.

The larger lot was rezoned in early 2011 for an office building allowing for shared access and parking with the Mosque.

Recently, the commercial site was acquired by the Mosque with the intention of improving the site. Construction timelines for complete improvements are currently being reviewed by the Board of Directors.

The larger parking lot is designed to provide 172 parking stalls with the smaller parking lot providing 66 spaces. Ingress and egress is provided both along Alma School Road and on Erie Street. A point of access is not provided along Pleasant Drive in an effort to keep traffic from entering into the subdivision at a minimum.

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 3, 2014. There were two neighbors in attendance with general questions, but were in support of the request. Planning Staff has received a few phone calls in support of the request. Planning Staff has not received any correspondence in opposition from residents; however, the commercial property owner to the south wanted to make sure that the parking lot would continue to be watered down.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 5-0 with Commissioners Donaldson and Pridemore absent.

RECOMMENDED ACTION

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

1. The Use Permit shall remain in effect for two (2) years from the effective date of City Council approval. Continuation of the use of such parking lot beyond the expiration date shall require re-application to and approval by the City of Chandler.
2. The temporary parking lot shall be surfaced with gravel or other suitable material and type of dust palliative in accordance with current Maricopa County regulations. The parking lot shall be maintained at all times in a dust-free and weed-free manner.
3. The expansion or modification beyond the approved site plan shall void the Use Permit and require new Use Permit application and approval.

44. USE PERMIT: AOK Property Assets, LLC

APPROVED Use Permit ZUP14-0007 AOK Property Assets, LLC, for a time extension on the residential conversion for office use located at 542 W. Chandler Boulevard. (Applicant: Niels Kreipke, AOK Property Assets, LLC.)

BACKGROUND

The subject site is located on the north side of Chandler Boulevard east of Hartford Street. The property is surrounded by single-family residential homes to the north, west and east. South, across Chandler Boulevard, is the Focus Corporate Plaza office development. The house immediately to the west has Use Permit approval for an insurance office. In addition, along Chandler Boulevard, there are several other residential homes that were converted to commercial businesses with Use Permits.

The property has been used as a single-family residence since approximately 1950. The property is 18,720 square feet with the home developed over two lots, which were consolidated into one lot. In 2013, a Use Permit was approved with a one-year time limit allowing the conversion of a 2,613 square foot home to a general office. The office specializes in a full service real estate development firm that focuses on redevelopment, urban infill, construction, brokerage agency, and property management under a single company. The company operates as two separate entities, Desert Viking and Venture REI (the real estate agency). The application requests re-approval of the Use Permit with a five-year time limit.

The Residential Conversion Policy allows for one tenant/company for each 1,000 square feet of floor area with a maximum of three users. Based on the size of the home, 2.6 tenants are permitted. There is one tenant operating as two entities as discussed above. There are four offices, two conference rooms, a file room, reception area and lobby. There is no residential component. The office includes 7 employees with some working off-site.

The Residential Conversion Policy requires one parking space for each employee plus one parking space for each 500 square feet of floor area. Seven employees and a 2,613 square foot home (5 parking spaces) require a total of 12 parking spaces. The development provides 10 parking spaces including the two-car carport. The prior Use Permit granted a waiver to allow 10 parking spaces since some staff work off-site. Planning Staff supports the waiver understanding that employees may come and go from the office during the workday or not be on-site at all. The new parking area will be located on the north side of the home.

Access to the parking area is provided from a converted garage to an open carport area. The office does not intend to use the alley for vehicular access other than for emergency purposes. There are no proposed changes to existing landscaping or perimeter walls. Trash containment will remain a residential type pickup as currently occurs.

DISCUSSION

Typically, Use Permits are approved on a 1, 3, 5-year and unlimited basis or other time frame based on the nature of a request. The initial application was granted for a one-year time limit; however, construction was occurring and the office use has occurred less than one year. Planning Staff recommends a five-year time limit finding the office use has been compatible and provides sufficient parking operating similarly to existing residential conversion offices.

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 12, 2014. There were no neighbors in attendance.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 5-0 with Commissioners Donaldson and Pridemore absent.

RECOMMENDED ACTION

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

1. The Use Permit shall be effective for five (5) years from the date of Council approval. Use Permit extensions, for similar or greater time periods, shall be subject to re-application to and approval by the City of Chandler.
2. Expansion or modification beyond the approved exhibits (Narrative, Site Plan, Floor Plan) shall void the Use Permit and require new Use Permit application and approval by the City of Chandler.
3. The Use Permit is non-transferable to any other property.
4. Increases in on-site employment over that represented, seven (7), or the expansion of the home to provide additional office space, shall require a new Use Permit application and approval by the City of Chandler.
5. The property shall be maintained in a clean and orderly manner.
6. The landscaping shall be maintained at a level consistent with or better than at the time of planting in accordance with City approved construction plans.

45. USE PERMIT: AZ Realty Network

APPROVED Use Permit ZUP14-0008 AZ Realty Network, to allow an office use within a residential conversion located at 598 W. Chandler Boulevard. (Applicant: Chuck Redding, property owner.)

BACKGROUND

The subject site is located on the northeast corner of Chandler Boulevard and Hartford Street. It is surrounded by single-family residential homes to the north, west and east. South, across Chandler Boulevard, is the Focus Corporate Plaza office development. Homes immediately to the west and east have Use Permit approval for office. In addition, along Chandler Boulevard, there are several other residential homes that were converted to commercial businesses with Use Permits.

The subject property was initially converted and received Use Permit approval in 1993 to allow a travel agency office. There have been several Use Permit approvals for time extensions and new office uses since 1993. The latest Use Permit approval was in 2013 allowing a wedding planning and bridal service use with a three-year time limit extension. This business no longer occupies this home. The property owners are requesting approval to allow their real estate office to occupy the site. The real estate office is primarily off-site in which the office manager and real estate agents work mostly from their homes. The primary use of the home is office space and a meeting place for agents and clients. The home is approximately 2,000 square feet with three offices which will be used on a part-time basis. There is a real estate broker, office manager and three real estate agents. The business is mostly a virtual, paperless company thus limiting staff hours at the property.

The Residential Conversion Policy requires one parking space for each employee plus one parking space for each 500 square feet of floor area. The site has four parking spaces, one of which is for people with disabilities. With limited use of the home for employees, four parking spaces are appropriate. In prior Use Permit cases having more than three employees, zoning conditions were included to prohibit tandem parking in the parking lot, no parking along Hartford Street, and no parking in the front yard other than on the concrete driveway. Planning Staff is including these conditions with this request.

There were prior landscape maintenance issues with the last tenant. The property owner, who will be occupying the site, has conveyed they will maintain landscaping.

Typically, Use Permits are approved on a 1, 3, 5-year and unlimited basis or other time frame based on the nature of a request. The prior Use Permit application for a wedding planning and bridal service was granted for a three-year time limit. Given past Use Permit approvals for office and the recent wedding business, Planning Staff supports a five-year approval for the real estate office given its limited hours on-site for the employees and clients as well as a history of compatibility.

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 5, 2014. One area resident attended expressing a concern for the site's landscape maintenance. The property owner conveyed he was aware of the prior tenant's lack of site maintenance and stated the site will be maintained now that they are occupying it again.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 5-0 with Commissioners Donaldson and Pridemore absent.

RECOMMENDED ACTION

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

1. The Use Permit shall be effective for five (5) years from the date of Council approval. Use Permit extensions, for similar or greater time periods, shall be subject to re-application to and approval by the City of Chandler.
2. Expansion or modification beyond the approved exhibits (Narrative, Site plan, Floor Plan) shall void the Use Permit and require new Use Permit application and approval by the City of Chandler.
3. The Use Permit is non-transferable to any other property.
4. There shall be no tandem parking in the designated parking spaces at the rear of the property.
5. Parking along Hartford Street is not permitted for either employees or clients.
6. Parking shall not be permitted in the front yard other than on the existing concrete driveway.
7. The site shall be maintained in a clean and orderly manner.
8. The landscaping shall be maintained at a level consistent with or better than at the time of planting.

46. USE PERMIT: Zoe's Kitchen

APPROVED Use Permit LUP14-0006 Zoe's Kitchen, series 12 Restaurant License, to sell and serve liquor as permitted for on-premise consumption in a new restaurant located at 7131 W. Ray Road, Suite 7, SEC of Ray Road and 54th Street. (Applicant: Andrea Lewkowitz Law Office, PLC.)

BACKGROUND

The subject site is located at 7131 W. Ray Road, Suite 7, southeast corner of Ray Road and 54th Street in The Shoppes at Casa Paloma. The commercial center includes a mix of restaurants and retailers. Adjacent to Zoe's Kitchen is Nektar Juice, Elements Massage and Pei Wei. The request is for Liquor Use Permit approval to sell and serve liquor as permitted under a Series 12 Restaurant License for on-premise consumption in a new restaurant. Zoe's Kitchen is currently undergoing renovation with an estimated opening in late May. Floor area is approximately 2,934 square feet and can accommodate approximately 94 customer seats.

The applicant originally requested a patio; however, the colonnade and sidewalk are designed for shoppers to easily access each business without going around an outdoor patio. The pedestrian walkway in front of Zoe's Kitchen is not conducive to an outdoor patio. Planning Staff agreed to a few bistro tables located adjacent to the storefront for dining without liquor. Signage will be posted outside of the restaurant stating alcohol is not permitted.

The restaurant anticipates 14 employees with two full-time and 14 part-time staff. Hours of operation are proposed from 11 a.m. until 9 p.m., seven days a week. Background music will be provided by a house speaker system located inside the restaurant.

PUBLIC/NEIGHBORHOOD NOTIFICATION

The request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on April 22, 2014. There were no neighbors in attendance. Planning Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 5-0 with Commissioners Donaldson and Pridemore absent.

RECOMMENDED ACTION

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

1. The Liquor Use Permit granted is for a Series 12 license only and any change of license shall require reapplication and new Use Permit approval.
2. The Liquor Use Permit is non-transferable to any other location.
3. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Liquor Use Permit and require a new Liquor Use Permit application and approval.
4. The site shall be maintained in a clean and orderly manner.

47. LIQUOR LICENSE: Zoe's Kitchen

APPROVED a Series 12 Restaurant Liquor License (Chandler #152490 L12) for Andrea Dahlman Lewkowitz, Agent, Zoe's Arizona LLC, dba Zoe's Kitchen, 7131 W. Ray Road, Suite 7. A recommendation for approval of State Liquor License #12079843 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.

48. LIQUOR LICENSE: Pizza on 87

APPROVED a Series 12 Restaurant Liquor License (Chandler #152927 L12) for Jared Michael Repinski, Agent, Pizza on 87 LLC, dba Pizza on 87, 1368 N. Arizona Avenue, Suite 101. A recommendation for approval of State Liquor License #2079898 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. The applicant's Use Permit through Transportation and Development was approved on May 8, 2014.

49. LIQUOR LICENSE: Rancho Mexican Grill 2

APPROVED a Series 12 Restaurant Liquor License (Chandler #152474 L12) for Elizabeth Albuja, Agent, Byliel Inc., dba Rancho Mexican Grill 2, 757 E. Chandler Boulevard. A recommendation for approval of State Liquor License #12079850 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 locations' previous use as La Victoria Mexican Grill.

50. SPECIAL EVENT LIQUOR LICENSE: Rugby Arizona

APPROVED a Special Event Liquor License for Rugby Arizona for the Sizzling 7's Rugby Tournament on June 14, 2014 at Beef O'Brady's, 6045 W. Chandler Boulevard. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. The special event liquor fee has been paid; however, as this applicant is a non-profit organization, no sales tax license is required.

51. SPECIAL EVENT LIQUOR LICENSE: Chandler Lions Club Foundation

APPROVED a Special Event Liquor License for the Chandler Lions Club Foundation for the 4th of July Festival & Fundraiser on July 4, 2014, at Tumbleweed Park, 2250 S. McQueen Road. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. The special event liquor fee has been paid; however, as this applicant is a non-profit organization, no sales tax license is required.

52. SPECIAL EVENT LIQUOR LICENSE: The Leukemia & Lymphoma Society

APPROVED a Special Event Liquor License for The Leukemia & Lymphoma Society for the Summer of Love Fundraiser on June 14, 2014, at Mark Taylor San Palacia, 2255 W. Germann Road. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department has no objections to this event and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Resources.

53. FINAL PLAT: Layton Lakes Parcel 17 Amended

APPROVED Final Plat FPT14-0004 Layton Lakes Parcel 17 Amended, for a 61-lot residential subdivision at the SWC of Lindsay and Queen Creek roads. (Applicant: Larry Sullivan, Coe & Van Loo Consultants, Inc.) The plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way.

RECOMMENDED ACTION

Upon finding the request to be consistent with the General Plan and PAD zoning, Planning Staff recommends approval.

54. FINAL PLAT: The Met at Fashion Center

APPROVED Final Plat FPT14-0003 The Met at Fashion Center, for a multi-family residential development and a future mixed use parcel located at the SEC of Chandler Boulevard and Hearthstone Way. (Applicant: Hubbard Engineering.) The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

RECOMMENDED ACTION

Upon finding the request to be consistent with the General Plan and PAD zoning, Planning Staff recommends approval.

ACTION

55. CITYWIDE FEE SCHEDULE AMENDMENT

Res. #4773

DAWN LANG, Management Services Director highlighted some of the changes to the Fee Schedule.

Ms. Lang addressed changes to the following:

- Minor changes/updates to the Community Services, Fire and Police Fee sections
- New processes implemented in 2013 were followed for updating these fees which included:

- Posting on city website for more than 60 days
- A notice of intention to amend the fees was published in the Arizona Republic and through use of social media

To date the City has not received any comments regarding the proposed changes.

BACKGROUND

Each year, departments review their fees to determine if any updates are necessary that require changing, eliminating, or adding a new fee. In 2013, the City Code was amended to add several new requirements to establish or change City fees. In keeping with these new procedures, the fees were posted on the City's web site on April 4, 2014, in accordance with requirements of the City Code and Arizona Revised Statutes, a Notice of Intention to Amend the Citywide Fee Schedule has been published in the Arizona Republic as well as through social media to alert the public of the proposed changes.

The proposed changes to the Citywide Fee Schedule were included in the materials presented at the Council Budget Briefing on May 2, 2014. Additionally, the City Code now requires that the resolution to revise the Citywide Fee Schedule be an action item on the date specified on the Notice of Intention to allow for Council discussion and public comment.

The proposed changes to the Citywide Fee Schedule include:

- Eliminate the Fire Department hazardous materials fee when there are less than 550 pounds of hazardous materials onsite;
- Revise the Fire Department permit fee for motor vehicle fuel-dispensing stations to a fee for only the initial inspection or subsequent change in ownership;
- Revise the Fire Department open burn permit fee descriptions;
- Eliminate the Fire Department firefighter breathing air replenishment system fee;
- Increase the Fire Department hourly standby rates for emergency medical and fire prevention personnel;
- Establish a Community Services Department museum banner exhibit rental fee;
- Establish a Community Services Department museum school truck education resource rental fee;
- Revise the Community Services Department Environmental Education exploration fee;
- Revise the Community Services Department description for the rental of Dr. A.J. Chandler Park;
- Establish Community Services Department personal and group training session rates at the Tumbleweed Recreation Center; and
- Increase the Police Department hourly rate charged for workers compensation on extra duty fees.

FINANCIAL IMPLICATIONS

The amendments to the Citywide Fee Schedule are a combination of eliminating fees, revising descriptions and minor increases. The anticipated overall impact to citywide revenues is negligible.

MOVED BY VICE MAYOR HEUMANN, SECONDED BY COUNCILMEMBER WENINGER TO ADOPT RESOLUTION NO. 4773 AMENDING THE CITYWIDE FEE SCHEDULE RELATING TO THE FIRE DEPARTMENT, COMMUNITY SERVICES DEPARTMENT AND POLICE DEPARTMENT WITH THE CHANGES TO BECOME EFFECTIVE JULY 1, 2014.

MOTION CARRIED UNANIMOUSLY (7-0).

PUBLIC HEARING:

PH1. 2014-15 FINAL BUDGET, 2015-2024 CAPITAL IMPROVEMENT PROGRAM AND 2014-2015 PROPERTY TAX LEVY

MAYOR TIBSHRAENY opened the public hearing at 7:10 p.m.

DAWN LANG, Management Services Director recapped the Tentative Budget amounts for the 2014-2015 Fiscal Year Budgets: City General Operating Budget of \$783,474,647, 2015-2024 Capital Improvement Program budget of \$918,401,732 and property tax levy. She summarized the steps taken by Council and Staff related to the publications, public meetings, and adoption of resolutions, all part of the open and public process.

She highlighted a few items in the Capital Improvement Budget:

- In 2014-2015 – the budget includes the construction of Citrus Vista Park
- Improvements to the final segment of McQueen and Riggs Rds.
- Purchase of Fire/Rescue vehicles
- Design of a joint water treatment plant
- Continued City infrastructure maintenance
- The property tax rate reflects a 9.22 cent reduction which translates to approximately \$1.18 per \$100 of assessed value residents pay to the City of Chandler

BACKGROUND:

On May 22, 2014, Council adopted Resolution No. 4763 which adopted the 2014-15 Tentative Budget in the amount of \$783,474,647 and set June 12, 2014, as the date for a public hearing to allow taxpayers to comment and provide input on the budget, capital improvement program and tax levy. A Notice of Public Hearing for "Adoption of the 2014-15 Annual Budget and 2015-24 Capital Improvement Program and Setting of Property Tax Levies" has been posted on the official City website since May 27, 2014 and published in the Arizona Republic on June 4 and June 11, 2014, as required by State Statute. The notice includes a summary of the Tentative Budget, with State Auditor General Budget Forms attached, and provides a general description of the ten-year Capital Improvement Program.

Council action on the budget and capital improvement program is scheduled immediately following the public hearing. Action on the tax levy is scheduled for June 26, 2014.

FY 2014-15 BUDGET AND PROPERTY TAX LEVY

Arizona Revised Statutes provide that the total amounts 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 tentative Budget of \$783,474,647 includes funding for departmental operating budgets of \$330,831,480; funding for debt service of \$64,891,189; budget for equipment, technology, and vehicle replacement purchases of \$10,190,061; and contingencies and reserves in the amount of \$95,013,718 in various funds. The capital budget includes \$99,977,319 in new appropriation; \$181,220,880 in capital carry forward and contingency and reserve funding of \$2,350,000.

Included in the projected operating revenues of \$478,435,469 is a property tax levy of \$27,283,365 based on a rate of \$1.1792 per \$100 of assessed property value (a 9.22 cent decrease from the existing rate) plus \$488,535 for Salt River Project's payment to the City in lieu of property tax for a total of \$27,771,900. Arizona Revised Statutes Truth in Taxation requirements are not required for FY 2014-15 since the Primary Property Tax Levy is decreasing as a result of the reduction to the Primary Property Tax Rate from \$0.3292 per \$100 of Assessed Value to \$0.2992 per \$100 of Assessed Value.

FY 2015-2024 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 Program. Information regarding the various capital projects, cost estimates, methods of financing, recommended time schedules and estimated annual operating cost were presented at the Budget Briefing May 2, 2014. The 2015-2024 Capital Improvement Program totals \$918,401,732.

In response to a question from the Mayor, MS. LANG said the city portion of the property tax rate will reduce from \$1.2714 to \$1.1792 per \$100 of assessed value, primary and secondary total.

VICE MAYOR HEUMANN thanked staff for their work on the budget. He noted the city is able to do many projects due to the conservative nature.

Councilmember Hartke said it was good to see the aggressiveness in lowering the property tax in Chandler and speaks to the fiscal soundness of the city.

MAYOR TIBSHRAENY closed the public hearing at 7:18 p.m.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CURRENT EVENTS:

A. Mayor's Announcements

The Mayor congratulated Councilmember Donovan and her husband on the birth of their baby.

He mentioned several road projects underway or soon to be started within Chandler. These projects are tied to federal funds which follow strict requirements and asked residents for their continued patience during the construction.

The Mayor announced he would deliver his annual State of the Downtown address next week during the annual meeting of the Downtown Chandler Community Partnership (DCCP).

Mayor Tibshraeny and the City Council extended their appreciation and thanks to DCCP Executive Director Jennifer Lindley for her outstanding work with the organization and the City. They wished her all their best as she has accepted a new position with the Town of Queen Creek.

He wished Vice Mayor Heumann a belated birthday, and wished all Dad's a Happy Father's Day.

B. Councilmembers' Announcements

VICE MAYOR HEUMANN reminded everyone to watch their kids and be safe around water this summer. He mentioned agenda item 13, approved earlier, and how he looks forward to the benefit the project will contribute to the downtown area. He congratulated Michelle Mitchel from the Arizona Republic on her new job with the Drug Enforcement Agency.

COUNCILMEMBER KEVIN HARTKE encouraged the public to support the Stuff the Bus campaign to collect school supplies and clothing for Chandler students, now through July 14 inside Chandler Fashion Center.

Congratulations were extended by all to Councilmember Trinity Donovan and her husband Ray Bolkan on the birth of their daughter Micah Rae who was born on May 27.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:25 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: June 26, 2014

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of Chandler, Arizona, held on the 12th day of June 2014. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of June, 2014.

City Clerk