

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, July 9, 2015.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY at 7:07 p.m.

The following members answered roll call:

Jay Tibshraeny	Mayor
Kevin Hartke	Vice-Mayor
Nora Ellen	Councilmember
* Rick Heumann	Councilmember
* René Lopez	Councilmember
Terry Roe	Councilmember
Jack Sellers	Councilmember

* Councilmembers Heumann and Lopez participated by phone.

Also in attendance:

Marsha Reed	Acting City Manager
Nachie Marquez	Assistant City Manager
Kay Bigelow	City Attorney
Marla Paddock	City Clerk

INVOCATION: Pastor Mike Tucker of Faith Community Church provided the invocation.

PLEDGE OF ALLEGIANCE: Councilmember Terry Roe led the Pledge of Allegiance.

CONSENT:

COUNCILMEMBER HEUMANN requested Item No. 14 be placed on the Action Agenda.

MOVED BY COUNCILMEMBER SELLERS, SECONDED BY VICE MAYOR HARTKE, to approve the Consent Agenda as presented, and moving Item 14 to the Action Agenda. THE MOTION CARRIED UNANIMOUSLY (7-0).

COUNCILMEMBER ROE stated he would abstain from voting on Item 16 as he was in the Kiwanis Club.

MAYOR TIBSHRAENY asked Ms. Dawn Lang to address the comment card inquiring on the cost of conducting the Census. Comments are under Item No. 33.

1. REAL PROPERTY EXCHANGE: Chandler Blvd. & Hartford Street Ord. #4649

ADOPTED Ordinance No. 4649 declaring certain real property as no longer necessary for use as public roadway; authorizing the exchange of said real property to an abutting property owner for new public roadway and authorizing the execution of all documents necessary to complete the roadway exchange.

2. No item.

3. ZONING AMENDMENT/PRELIMINARY DEVELOPMENT PLAN: Maderas Ord. #4647

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4647, DVR15-0016 Maderas, amendment to the Planned Area Development (PAD) zoning.

APPROVED a Preliminary Development Plan (PDP) for a low-density, single-family residential development located west of the NWC of Cooper Road and Markwood Drive, south of Queen Creek Road. (Applicant: Ed Bull, Burch & Cracchiolo, P.A.)

BACKGROUND

In March 2006, the subject property was annexed and zoned Planned Area Development (PAD) for single-family residential with PDP approval for a 22-lot custom home subdivision. The development standards served as guidelines for one- and two-story custom homes with optional basements.

The property is surrounded by rural agrarian single-family residential homes on large lots to the west and south. East of the property is land zoned for a Catholic church. To the north is an office condominium development.

The request is to amend the existing PAD zoning conditions in Ordinance No. 3780 as well as elements of the existing PDP regarding housing and site design. The ordinance includes conditions relating to vesting of zoning, the location of one- and two-story homes, floor plan and elevation placement, replication of roof slopes on adjacent lots, and design of entry pavement and tot lot location. The new ordinance reflects the deletion of conditions that have been met, deletion of conditions that are modified through other conditions, and modified conditions as follows:

- Condition No. 11 limits the entire subdivision to one-story homes. The proposed modification allows two-story homes except for Lots 7, 12, 13, 18 and 19 located along the west property line.
- Condition No. 12 prohibits no more than two identical side-by-side roof slopes on adjacent lots. This condition is deleted and instead represented by a modified Condition No. 13.
- The new Condition 13 reads no homes that are side-by-side or directly across the street from each other, shall have the exact same floor plan and exterior building elevation.
- Conditions 23 and 25 have been met by the developer regarding design of pavement edge and tot lot relocation; therefore, the conditions are deleted.
- All other conditions in the original ordinance remain.

Planning Staff is working with the developer to update components of the landscape plan and wall plan. Landscaping species and materials are better applied to the development to meet City standards. Some existing walls and planned walls are being updated with materials while maintaining conformance with the approved plans.

In addition, the request includes modifications to development guidelines including building height, building setbacks, maximum lot coverage and housing product architectural design standards. The original PDP was approved for custom homes which included development architectural guidelines. The proposal requests to allow custom, semi-custom, or production home development. Housing plans would be reviewed by Planning Staff as an administrative review and approval upon meeting the new development guidelines.

Development criteria includes a 30-foot rear yard building setback for two-story homes, front yard setbacks accommodating all housing plans and a greater maximum lot coverage. Additional standards are proposed to accommodate production housing product. The standards are further represented in the Development Booklet.

With the lots being greater than 12,000 square feet, Residential Development Standards for housing design are not required. However, the development's design guidelines incorporate several diversity elements including four-sided architecture, a variety of roofing styles, break-up main roof ridgelines, durable exterior materials, recess garage doors, standard rear yard covered patios, and a variety of architectural styles.

DISCUSSION

Planning Staff finds the proposed changes to be consistent with development standards occurring in other developments with similar lot sizes. The administrative review process for housing plans is appropriate given the specific development guidelines established in the Development Booklet which incorporate many Residential Development Standards for architectural diversity.

There are a series of conditions being deleted or modified from the prior Ordinance No. 3780. Some of these conditions are PDP related; therefore, new conditions are added in the PDP recommended action.

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 21, 2015. One area resident, who lives immediately south of Markwood Drive, attended the meeting. The resident is not opposed to the project but had concerns about storm water ponding adjacent to his property. The developer and the property owner will work together to address what is occurring and come to a resolution.

Planning Staff has received no correspondence in opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 6 – 0 with Commissioner Ryan absent.

RECOMMENDED ACTIONS

Rezoning

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "MADERAS", kept on file in the City of Chandler Planning Division, in File No. DVR15-0016, except as modified by condition herein.
2. Compliance with original conditions adopted by the City Council as Ordinance No. 3780 (DVR05-0050 Maderas), except as modified by condition herein.

3. All homes along the west property line of this development (Lots 7, 12, 13, 18 and 19) are limited to one-story homes, a maximum of 24-feet in building height.
 4. No homes that are side-by-side or directly across the street from each other shall have the exact same floor plan and exterior building elevation.
4. CONTINUED REZONING / PRELIMINARY DEVELOPMENT PLAN / PRELIMINARY PLAT: Rhythm Ord. #4648

CONTINUED TO AUGUST 13, 2015, Introduction of Ordinance No. 4648, DVR14-0031 Rhythm, rezoning from Agricultural District (AG-1) to Planned Area Development (AD) for Residential.
CONTINUED TO AUGUST 13, 2015, Preliminary Development Plan (PDP), for subdivision layout and housing product.

CONTINUED TO AUGUST 13, 2015, Preliminary Plat (PPT), PPT14-0014 Rhythm, approval on approximately 30 acres located at the northwest corner of 56th Street (Priest Drive) and Orchid Lane, north of Ray Road. (Applicant: AndersonBaron Landscape Architecture.)

Planning Staff has received correspondence from a nearby automotive dealership that has expressed concerns with the proposed development request. The Planning Commission and Planning Staff recommend a continuance to the August 13, 2015, Council meeting to allow time to address the concerns. The Planning Commission continued this item to their July 15, 2015 meeting.

5. WITHDREW AREA PLAN AMENDMENT / REZONING/ PRELIMINARY DEVELOPMENT PLAN: Carino Estates & Serenade Res. #4861 & Ord. #4631

WITHDREW Resolution No. 4861, APL14-0009 Carino Estates Area Plan Amendment, Area Plan Amendment to the Carino Estates Area Plan from Rural Ranchette to Medium-Density Residential.

WITHDREW Introduction of Ordinance No. 4631, DVR14-0029 Serenade, rezoning from Agricultural to Planned Area Development for single-family residential.

WITHDREW Preliminary Development Plan (PDP), for subdivision layout and housing product for a 6.7-acre, 26-lot single-family residential subdivision located east of the SEC of Alma School and Germann roads. (Applicant: Earl, Curley & Lagarde, P.C.)

The Planning Commission and Planning Staff recommend a withdrawal for the purpose of re-advertising. The development team has been working on design alternatives resulting in a plan that substantially reduces the number of lots from what was previously advertised. An updated application and development plan will be submitted in the near future.

6. INTERGOVERNMENTAL AGREEMENT: City of Mesa Res #4874

ADOPTED Resolution No. 4874 authorizing the City of Chandler, in conjunction with the City of Chandler Public Housing Authority, to execute an Intergovernmental Agreement (IGA) with the City of Mesa, through the City of Mesa Housing Authority, to allow the use of Mesa's Housing Choice Voucher Veteran Affairs Supportive Housing Program participants within the jurisdictional boundaries of the City of Chandler.

BACKGROUND

The City of Mesa Housing Authority was awarded and administers 191 Housing Choice Veteran Affairs Supportive Housing Program (VASH) Vouchers provided by the U.S. Department of Housing and Urban Development (HUD). VASH applicants are referred to the Mesa Housing Authority from the Department of Veteran Affairs (VA) for housing assistance and are required to be engaged in supportive services with VA staff while using the VASH Voucher.

The City of Mesa wishes to expand the cities where VASH participants may live to include other East Valley cities. This includes the Town of Gilbert, the Town of Queen Creek and the City of Chandler. The City of Mesa is working to execute individual IGAs with each of these communities in order to allow VASH participants to look for housing in their communities.

DISCUSSION

The City of Chandler Housing and Redevelopment Division acts as the Public Housing Authority for the City of Chandler. Housing Division Staff support the IGA request as it will expand housing location options for Veterans from Mesa, Chandler and other Valley cities. Under the IGA, the MHA will administer all aspects of the VASH program including certifications and inspections. The VA will continue to provide the ongoing case management. Chandler will have no direct responsibility for implementation for participants of Mesa's VASH program. Chandler is only being asked to allow VASH participants to have the opportunity to lease housing within Chandler's jurisdictional boundaries. The IGA has an initial term of two years with an option to extend the IGA term for two additional one-year periods.

7. COUNTY FLOODPLAIN MANAGEMENT

Res. #4876

ADOPTED Resolution No. 4876 adopting by reference, the revised flood insurance study, flood insurance maps, and floodplain management regulations consistent with and pursuant to Section 43-5 of the Code of the City of Chandler as part of the delegation for responsibility for floodplain management to the Maricopa County Flood Control District.

BACKGROUND / DISCUSSION

The National Flood Insurance Program (NFIP) is developing a revised countywide digital Flood Insurance Rate Map for Maricopa County and all of the incorporated cities and towns within the county. The Federal Emergency Management Agency (FEMA), U.S. Department of Homeland Security, has determined that the City of Chandler is in need of a floodplain management resolution that adopts the new revised Flood Insurance Rate Maps. The revised Flood Insurance Study and Flood Insurance Rate Maps must be formally adopted by the City of Chandler in a floodplain management resolution in order to continue its participation in the NFIP.

Resolution No. 4876 will allow continued participation in the NFIP by this adoption of floodplain management regulations consistent with federal criteria.

In the next few months, the Maricopa County Flood Control District, in conjunction with FEMA, will be conducting regional public informational meetings regarding the National Flood Insurance Program and the new digital Flood Insurance Rate Map for Maricopa County. When these meetings are scheduled, Staff will publish this information in various City resources. The digital Flood Insurance Rate Map for Maricopa County will be available in the next several weeks for viewing on the Flood Control District's web site <http://gis.fed.maricopa.gov/floodplainviewer>.

8. AGREEMENT: DUI Abatement Council

Res. #4877

ADOPTED Resolution No. 4877 authorizing an Agreement with the DUI Abatement Council; authorizing the Acting City Manager and Chief of Police, as designee, to execute the Agreement; and authorizing the Chief of Police to sign, administer, execute and submit the Agreement and all documents and other necessary instruments in connection with such Agreement.

BACKGROUND

The DUI Abatement Council has notified the Police Department that it is eligible to receive a contract in the form of a grant agreement for the purpose of DUI Enforcement overtime. The Traffic Unit will use grant funds to perform additional DUI Enforcement activities throughout the year and especially on and near holidays when drinking and driving increases. The Agreement will be effective through June 30, 2016. The DUI Abatement Council will reimburse Chandler up to \$45,000 for DUI overtime costs performed under this agreement.

9. **GRANT AGREEMENT:** AZ Criminal Justice Commission Res. #4878

ADOPTED Resolution No. 4878 authorizing a Crime Victim Assistance Program Grant Agreement with the Arizona Criminal Justice Commission for the provision of crime victim services; authoring the Mayor to sign the Agreement; authorizing the Chief of Police to administer, execute and submit all documents and other necessary instruments in connection with such Agreement; and authorizing the City Manager or designee to approve and execute any future extensions to this contract.

BACKGROUND

The Police Department has been awarded a grant through the Arizona Criminal Justice Commission's Victim Assistance Grant Program. The Police Department has been the recipient of an award through this program since FY 2006-07. The grant covers 20% of actual expenses for a Victim Services Specialist position and includes other operating expenses such as training and registration. This position interacts with victims of actual or threatened crime in the Chandler community to assist in their recovery as quickly and fully as possible. This agreement is for \$20,168 for the period July 1, 2015, through June 30, 2016.

FINANCIAL IMPLICATIONS

This grant covers 20% of the position's expenses and a matching grant through the Arizona Department of Public Safety covers the remaining 80%.

10. **INTERGOVERNMENTAL AGREEMENT:** City of Phoenix Res. #4879

ADOPTED Resolution No. 4879 authorizing the City of Chandler, in conjunction with the City of Chandler Public Housing Authority, to execute an Intergovernmental Agreement (IGA) with the City of Phoenix, through the City of Phoenix Housing Department, to allow the use of Phoenix's Housing Choice Voucher Veteran Affairs Supportive Housing Program participants within the jurisdictional boundaries of the City of Chandler.

BACKGROUND

The City of Phoenix Housing Department was awarded and administers the Housing Choice Veteran Affairs Supportive Housing Program (VASH) Vouchers provided by the U.S. Department of Housing and Urban Development (HUD). VASH applicants are referred to the Phoenix Housing Department from the Department of Veteran Affairs (VA) for housing assistance and are required to be engaged in supportive services with VA staff while using the VASH Voucher.

The City of Phoenix (COP) wishes to expand the cities where VASH participants may live to include other Valley cities. This principally includes cities that abut the City of Phoenix borders. The City of Phoenix is working to execute individual IGAs with each of these communities in order to allow VASH participants to look for housing in communities close to Phoenix.

DISCUSSION

The City of Chandler Housing and Redevelopment Division acts as the Public Housing Authority for the City of Chandler. Housing Division Staff support the IGA request as it will expand housing location options for Veterans for Phoenix, Chandler and other Valley cities. Under the IGA, the COP will administer all aspects of the VASH program, including certifications and inspections. The VA will continue to provide the ongoing case management. Chandler will have no direct responsibility for implementation for participants of Phoenix's VASH program. Chandler is only being asked to allow VASH participants to have the opportunity to lease housing within Chandler's jurisdictional boundaries. The IGA has an initial term of two years with an option to extend the term for two additional one-year periods.

11. EASEMENT EXTINGUISHMENT: Lot 6, The Park Development Res. #4880

ADOPTED Resolution No. 4880 authorizing the extinguishment of easements no longer needed for Lot 6 of The Park Development located just south of the SWC of Chandler Boulevard and Alma School Road.

BACKGROUND/DISCUSSION

Lot 6 of The Park Development is currently encumbered by easements recorded in Nos. 1984-354010, 1992-729368, 1992-729369 and as dedicated on the Final Plat of The Park Development recorded in Book 475 on Page 24, all in the official records of the Maricopa County Recorder.

A Minor Land Division (MLD) of Lot 6 of The Park Development will incorporate the required easement dedications to account for the proposed easement extinguishments and utility relocations. The property owner has requested the extinguishments in order to clear the MLD of the easements no longer needed by the City for the future residential condominium development known as The Place on Alma School. Staff reviewed the property owner's request and has confirmed that the easements are no longer needed.

Utility companies notified of the proposed easement extinguishments expressed no objections.

12. AGREEMENT: Federal Aviation Administration Res. #4882

ADOPTED Resolution No. 4882 authorizing an agreement with the Federal Aviation Administration (FAA) to accept an Airport Improvement Program (AIP) grant in an amount not to exceed \$1,784,776 for the Airport Safety Area Drainage Project (A11401); and authorizing the Acting City Manager, or designee, to execute the grant agreement.

BACKGROUND/DISCUSSION

The City anticipates receiving a Federal Airport Improvement Program (AIP) grant for drainage improvements and associated soft costs for work on the Chandler Municipal Airport, under Queen Creek Road, and on the City-owned Lantana Basin at the southeast corner of Queen Creek Road and the Consolidated Canal. The Airport Safety Area Drainage Project work will transfer and improve the percolation of storm water from the southwest portion of the airfield, thereby eliminating a wildlife attractant near the Runway Safety Areas.

The project design is approved and is currently being advertised for public bid; however, the FAA is requiring the grant offer be signed before July 31, 2015. Once the City identifies the responsible low bidder, the formal contract and final amount will be brought to Council for approval. The anticipated grant amount in this request is a not to exceed amount based upon original project estimates and represents the Federal share of the project.

FINANCIAL IMPLICATIONS

This project is in the current 5-year Capital Improvement Program (CIP). Federal grants represent 91.06% of total project costs. An Arizona Department of Transportation (ADOT) grant is anticipated for 4.47% of the project costs. The remaining 4.47% local matching share is in the Airport Operating Fund.

13. **INTERGOVERNMENTAL AGREEMENT AMENDMENT:** Town of Gilbert Res. #4883

ADOPTED Resolution No. 4883 authorizing Amendment No. 1 to an Intergovernmental Agreement (IGA) with the Town of Gilbert for the construction and operation of the Santan Vista Water Treatment Plant.

BACKGROUND/DISCUSSION

The Santan Vista Water Treatment Plant is jointly owned by the City of Chandler and the Town of Gilbert. The first phase of this facility was completed in 2009 and provided 12 million gallons per day (MGD) to each community. Amendment No. 1 incorporates the Phase II Improvements into the Intergovernmental Agreement. The Phase II Improvements will supply an additional 12 MGD to the City for a total of 24 MGD by early 2018. This partnership allows Chandler and Gilbert to bolster water delivery and treatment capabilities for greater system redundancy and reliability, while realizing significant capital and operating savings.

Under the Agreement, the real property, plant infrastructure and raw water pipelines are jointly owned with each party entitled to 50% of the plant capacity and paying 50% of the construction costs. The Town of Gilbert acts as the Lead Agent, overseeing construction activities and operations at the plant.

FINANCIAL IMPLICATIONS

Costs:	Phase 2 Treatment Plant Design	\$ 3,901,578
	Phase 2 Construction	<u>37,755,059</u>
	Total Costs	\$41,656,637

14. **PRELIMINARY DEVELOPMENT PLAN:** Express Car Wash

MOVED TO ACTION

15. **CLAIMS REPORT**

APPROVED the Claims Report for the Accounts Payable payments for the quarter ended June 30, 2015.

16. **2015 CELEBRATION PLAZA HONOREE**

COUNCILMEMBER ROE abstained as he was a member of the Kiwanis Club.

APPROVED (6-0) the 2015 Celebration Plaza Honoree recommendations by the Museums Advisory Board: Chandler Kiwanis Club and Officer David Payne.

BACKGROUND/DISCUSSION

Each year, the City of Chandler accepts nominations from the public for inductees to Celebration Plaza, a permanent monument at Tumbleweed Park.

Constructed in 2006, Celebration Plaza features a fountain and a decorative wall with brass plaques honoring Chandler residents, living or deceased, who have displayed outstanding civic commitment, leadership, innovation, public outreach and service to the City. Individuals holding an elected City of Chandler office or serving on the Parks and Recreation Board are not eligible for nomination.

Staff received eight nominations during this year's nomination process. The subcommittee evaluated the nominations based on the following criteria:

- Community leader(s) whose outstanding personal service has resulted in significant and enduring contributions to the community.
- An individual or individuals who have made exceptional contributions to the City of Chandler.
- An individual or individuals who have added to the quality of life for Chandler residents through their involvement or financial contribution to short-term or long-term City projects or activities.
- An individual who has demonstrated leadership, innovation and creativity, which have made Chandler a better place to live and work.
- City of Chandler employees killed in the line of duty and local heroes.

The subcommittee recommendations for 2015 were presented to the Museums Advisory Board at their June 10, 2015, meeting. The Board endorsed the recommendations and unanimously voted to recommend them to the City Council for approval.

The 2015 nominees will be honored at an induction ceremony this fall.

RECOMMENDATION

The Museums Advisory Board recommends approval of the following Celebration Plaza honorees:

Officer David Payne – Officer David Payne began his law enforcement career with the Chandler Police Department in 2007, and in 2013 was assigned to the Traffic Section DUI Enforcement Team. David had a passion for removing impaired drivers from the roadways and during his career he arrested hundreds of intoxicated motorists to help make a safer community. David truly made a difference. On October 31, 2014, Officer Payne made the ultimate sacrifice while working DUI Enforcement when he was struck and killed by an impaired driver. David was killed in the line of duty performing the work he loved. David lived a life of service. In addition to being a police officer, he was a Staff Sergeant in the United States Army National Guard where he received numerous awards and commendations. He served his country honorably in Iraq and during the Hurricane Katrina Natural Disaster. David assisted the Police Department each year with fundraisers to help support Special Olympics and spent his spare time teaching traffic safety classes with his father. In 2015, David was honored posthumously by the Chandler Chamber of

Commerce with the James R. Snedigar Community Service Award in recognition of his service to the citizens of Chandler.

Chandler Kiwanis Club – The Chandler Kiwanis Club has roots in the community that go back nearly 60 years. The main focus of Kiwanis is children. To this end, the club annually donates thousands of dollars for scholarship grants to high school seniors, as well as funding for youth programs at the YMCA, Boys and Girls Club and Salvation Army. The Club has adopted Ryan Park, volunteering dozens of hours annually. It has been a major funding source for the Reading is Fundamental literacy program and is now the main outside funding source for the annual Battle of the Books program, both held at Chandler Public Library locations. In recent years, the Club has paid for copies of the U.S. Constitution to be placed in classrooms of newly opened Chandler Unified School District schools. In 2015, the Club sponsored expenses of the inaugural Teen Leadership Academy, an initiative of Mayor Jay Tibshraeny. Over the years, members have routinely been seen throughout the community ringing bells for the Salvation Army, painting houses and building ramps for the poor and elderly, donating blood and performing many other acts of kindness that add to Chandler’s great quality of life.

17. BOARD AND COMMISSION APPOINTMENTS

APPROVED the following Board and Commission appointments:

Parks and Recreation Board
Stephanie Jarnagan

Neighborhood Advisory Committee
Marvin Martinez

18. APPROPRIATION: Emergency Dispatch Services

APPROVED an appropriation in the amount of \$1,055,433.60 for fire and emergency medical dispatch services in accordance with the current Intergovernmental Agreement with the City of Phoenix.

BACKGROUND/DISCUSSION

The current IGA with the Phoenix Fire Department has been in effect since 2003. This IGA provides dispatch services, technical services, and equipment maintenance. In Fiscal Year 2008-09, a full cost recovery approach was instituted by the Regional Dispatch Consortium. This full cost recovery is based on recovery of operating budget which includes personnel, equipment and upgrades to current equipment.

The contract that the Fire, Health & Medical Department has with PMT Ambulance provides for dispatch services for ambulances through the Department’s IGA with the Phoenix Fire Department. PMT Ambulance pays \$224,121.64 of the total Chandler cost to Phoenix. In accordance with the contract, this money is collected and deposited on a monthly basis into the City’s Ambulance Revenue Account.

19. APPROPRIATION: Firefighter Physical Examinations

APPROVED an appropriation in the amount of \$163,058 for firefighter physical examinations in accordance with the Intergovernmental Agreement with the City of Phoenix.

BACKGROUND/DISCUSSION

Annual medical exams are required by OSHA for Firefighters who wear breathing apparatus in order to enter hazardous atmospheres.

The City of Chandler entered into an IGA with the Phoenix Fire Department Health Center in 2002 to perform these exams. This IGA provides Chandler Fire, Health & Medical Department personnel with required annual medical and physical fitness examinations. These exams are performed by Occupational Physicians whose primary focus is firefighter health and wellness. The annual exam cost is remaining the same as last year, \$743 per firefighter. All exams are done in accordance with the recognized national standard, NFPA 1582.

FINANCIAL IMPLICATIONS

The total cost of \$163,058 is derived from 206 exams at \$743 per firefighter, \$10,000 for miscellaneous lab tests and back to work examinations.

20. RFP AWARD: Blue Cross Blue Shield of Arizona

AWARDED RFP No. HR5-948-3502 to Blue Cross Blue Shield of Arizona and authorized Staff to conclude negotiations for the final agreement for medical and prescription drug coverage and COBRA administration to be approved by the City Council.

BACKGROUND/DISCUSSION

The City is proud to offer comprehensive medical and prescription drug plans to meet the needs of employees, retirees and their dependents. The City will continue to contract with Blue Cross Blue Shield of Arizona to provide the administration of the City's group medical and pharmacy program, to include customer service support, administrative services, network contracts, clinical programs, pharmacy benefit management service and stop-loss coverage. This benefit is paid by the City and Employees.

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) is a federal law which allows employees separating from employment and losing medical coverage, the ability to continue certain benefits at a full cost rate (does not include City subsidy). This administration is an option within this contract for Blue Cross Blue Shield of Arizona for compliance with COBRA.

EVALUATION

On February 5, 2015, City Staff issued a Request for Proposal for medical and prescription drug coverage and COBRA administration. Notification was sent to all registered vendors. Four proposals were received from the following offerors:

- Aetna
- Blue Cross Blue Shield of Arizona (current provider)
- Cigna
- United Healthcare

The Evaluation Committee reviewed the proposals and recommend award to Blue Cross Blue Shield of Arizona. The proposal allows the City to retain its current plan offerings with no provider network disruption, continue its efforts to promote fiscal responsibility through consumer-driven healthcare plan design offerings and intensify its health awareness and wellness program through a significant increase in the wellness program funding. Staff is currently negotiating the final agreement with Blue Cross Blue Shield of Arizona. The final contract will be presented to Council for approval in September as part of the 2016 Employee Benefits renewals.

21. RFP AWARD: e4Health

AWARDED RFP No. HR5-948-3528 to e4Health and authorized Staff to conclude negotiations for the final agreement for the Employee Assistance Program to be approved by the City Council.

BACKGROUND/DISCUSSION

An Employee Assistance Program (EAP) provides employees a no cost, confidential counseling and referral service that is available 24 hours a day, 365 days a year. The EAP provides numerous resources and can help employees and their dependents with a wide range of personal challenges and issues. This benefit is paid by the City.

EVALUATION

On March 30, 2015, City staff issued a Request for Proposal for an employee assistance program. Notification was sent to all registered vendors. Ten proposals were received from the following offerors:

- Aetna
- Cigna
- CSA/American Behavioral
- Humana
- MHN
- APS Healthcare (current provider)
- ComPsych
- E4Health
- Interface EAP
- Reach EAP

The Evaluation Committee reviewed the proposals and recommended award to e4Health. Staff is currently negotiating the final agreement with e4Health. The final contract will be presented to Council for approval in September as part of the 2016 Employee Benefits renewals.

22. RFP AWARD: Flexible Benefit Administrators, Inc.

AWARDED RFP No. HR5-953-3517 to Flexible Benefit Administrators, Inc., and authorized Staff to conclude negotiations for the final agreement for Flexible Spending Account Administration to be approved by the City Council.

BACKGROUND/DISCUSSION

A Flexible Spending Account (FSA) enables employees to put aside a portion of their gross income on a pre-tax basis in a FSA to pay for qualified health care and/or dependent care expenses. This benefit is paid by the City.

EVALUATION

On March 23, 2015, City Staff issued a Request for Proposal for flexible spending account administration. Notification was sent to all registered vendors. Eight proposals were received from the following offerors:

- BASIC Corp.
- Chard Snyder
- Payflex Systems (current provider)
- USBA Flex
- Flexible Benefit Administrators, Inc.
- PNC Bank
- Blue Cross Blue Shield
- Connect Your car

The Evaluation Committee reviewed the proposals and recommended award to Flexible Benefit Administrators, Inc. Notable features of the proposal include a 39% reduction in per employee per month fees, a 5-year rate guarantee, no annual set up fee, enhanced employee and employer service portals and expanded reporting capabilities. Staff is currently negotiating the final agreement with Flexible Benefit Administrators, Inc. The final contract will be presented to Council for approval in September as part of the 2016 Employee Benefits renewals.

23. EMPLOYMENT AGREEMENT: City Attorney

APPROVED the employment agreement with the City Attorney for the period July 1, 2015, through June 30, 2016, in an amount of \$177,244.00.

24. SUBORDINATION: 1858 W. Calle Del Norte

APPROVED subordination of the Moderate Rehabilitation Program Lien on Project Number RH07-0001 located at 1858 W. Calle Del Norte in the amount of \$31,286.05. (Phelps)

BACKGROUND/DISCUSSION

In 2007, the owner of a single-family, owner-occupied home located at 1858 W. Calle Del Norte, received a \$31,286.05 loan through the City's Moderate Rehabilitation Program. The City's lien against the property is for \$31,286.05. The City's loan is a 15-year forgivable loan secured by a Deed of Trust recorded as a lien against the home with the balance to be forgiven in 2022.

The owner is requesting to refinance the home to lower the interest rate. The new loan of \$142,597.00 reduces the interest rate, lowers the mortgage payment and the owner will receive no cash out as required by the City's refinancing policy. In order to obtain the loan, a subordination of the City's lien is required by the lending institution and the City lien will remain in the same position.

FINANCIAL IMPLICATIONS

The City will not be prejudiced by the refinancing or the subordination. The City's lien is currently in second position and will remain in second position after the refinancing is complete. The City's lien will not be released until the loan term expires in 2022.

25. AGREEMENT: Public Defender

APPROVED the Public Defender agreement with Lynn R. Arouh. The agreement provides indigent defendants with access to a law office with demonstrated experience and expertise in the field of criminal defense with an office in the East Valley.

26. AGREEMENT: Balar Equipment Corporation

APPROVED Agreement No. FD-060-3485 with Balar Holding Corporation dba Balar Equipment Corporation, for Schwarze street sweeper parts and service in an amount not to exceed \$125,000.00 for one year with the option of four additional one-year extensions. As Balar Equipment Corporation is the only authorized source for Schwarze street sweeper original manufacturer's equipment parts and service in Arizona, the agreement is approved as a sole source.

27. AGREEMENT AMENDMENT: Brown Wholesale Electric

APPROVED Agreement No. WH1-914-3005, Amendment No. 4, with Wesco Distribution, dba Brown Wholesale Electric for the purchase of electrical supplies in an amount not to exceed \$175,000.00 for one year. This is the fourth and final optional one-year extension.

28. AGREEMENT AMENDMENT: Ready Mix Concrete Materials

APPROVED Agreement No. ST3-750-3270. Amendment No. 1, for ready mix concrete materials with Arizona Metro Mix and Arizona Materials, LLC, in a total combined amount not to exceed \$80,000.00 for one year. This is the first of two optional one-year extensions.

29. No item.

30. AGREEMENT: Utility Construction Company, Inc.

APPROVED Agreement No. TD4-968-3404 with Utility Construction Company, Inc., for streetlight pole replacement, increasing the annual spending limit amount by \$62,185.00 for a revised not to exceed amount of \$200,000.00 for the term ending September 30, 2015.

31. PROJECT AGREEMENT: Kimley-Horn and Associates

APPROVED Project Agreement No. PR1307-202 with Kimley-Horn and Associates for Veteran's Memorial Phase One design services in an amount not to exceed \$39,286.00.

Veteran's Oasis Park is located on the northeast corner of Chandler Heights and Lindsey roads. It is a 113-acre community park featuring an Environmental Education Center, a lake, an extensive network of trails, a Police Substation as well as numerous recharge basins.

Shortly after the completion of the park in 2008, City Staff began meeting with several local Veterans' groups to develop a conceptual plan for a Veterans' Memorial that would complement the park's existing amenities. This unique memorial will be located in the southwest corner of the park and will honor the men and women who have answered the call to duty. The memorial will offer a space for reflection by individuals and groups through a design that provides privacy from the surrounding land uses and roadways.

A feasibility study of a capital campaign to raise funds for the memorial was completed in 2011. Consequently, a Veterans' Memorial Fundraising Campaign Committee was developed. Over the past three years, the capital campaign has raised of \$650,000.00 in funds and pledges from individuals and businesses (including a generous donation of \$500,000.00 from the Gila River Indian Community) for the design, construction and maintenance of the memorial.

The design will feature a Family Plaza Overlook. This elevated plaza replicates the Arizona State Flag design and includes flags and a star-shaped overlook area with low walls including inscriptions recognizing the core values of Freedom, Recognition, Reflection, Sacrifice, Memories and Family. The memorial will also include recognition for donors. The dedication of the memorial is planned for late spring of 2016.

32. AGREEMENT: The Shannon S. Martin Company

APPROVED Agreement No. MU5-910-3538 with The Shannon S. Martin Company for janitorial services for the period of August 1, 2015, through July 31, 2016, in an amount not to exceed \$196,381.00 with the option of four additional one-year extensions.

33. AGREEMENT: Devau Human Resources

Dawn Lang, Management Services Director, explained the City is conducting a special census to update the City's information because of the significant gain the City would receive over the next 5 years with the updated information. There are various costs the City must pay for in order to conduct the census, which include hiring persons and resources to go door to door, for the mailings, for the supplies, and to set up an office location specific for conducting the census.

Ms. Lang stated that while the cost to conduct this census is estimated around \$4.1 million, the City would gain a significant increase of State Shared Revenue over the next 5 years.

APPROVED Agreement No. HR5-964-3570 with Devau Human Resources for payroll services for special census workers in an amount not to exceed \$2,700,000.00 for a term of up to seven months.

The process for the recruitment of the workers required to conduct the 2015 Special Census is underway. City Staff is responsible for collecting approximately 2,000 applications in order to yield the 400 to 500 workers required for the Special Census. The Census Bureau will be responsible for testing and selecting these workers. All Special Census workers are employees of the Federal government. The City is responsible for paying the workers for the duration of the project. Given the temporary nature of this project and the volume of workers, City Staff recommends outsourcing the payroll for this project. Payroll services need to be in place no later than August 3, 2015. Devau Human Resources will be responsible for payroll services, mileage reimbursement and year-end W2 processing for the Special Census workers.

Devau Human Resources has a current contract with the City for temporary staffing services and has a long history of delivering these services to the City. Devau has agreed to provide payroll services at a reduced markup rate of 16% commensurate with the narrow scope of this project.

34. AGREEMENT: SA Recycling, LLC

APPROVED Agreement No. SW5-926-3549 with SA Recycling, LLC, for scrap metal recycling for a two-year term, with the option of two additional two-year terms.

In 1995, Solid Waste Services implemented a recycling program for scrap metal. Over the last twenty years, the City has incorporated other recycling programs to increase waste diversion from landfill disposal. Currently, the market offers revenue for recycling materials that include cardboard, electronics, carpet and foam padding, tires and plastic. These materials, typically self-

hailed by customers, are dropped off at the City's Recycling Solid Waste Collection Center (RSWCC), 955 E. Queen Creek Road.

Recyclables with market value generate revenue that offset costs associated with landfill disposal.

For this reason, customers who bring materials to the RSWCC for recycling are required to separate those materials. To increase diversion of materials from landfill disposal, scrap metal collected through curbside bulk collection is also dropped off at the RSWCC for recycling.

Due to the high volume of scrap metal generated, and the desire to have the material loaded onsite for transporting to market, the City maintains a formal agreement for scrap metal recycling. The City currently sells other recyclables based on local spot market values. Nearly 83% of revenue received from the RSWCC is generated from scrap metal recycling.

35. AGREEMENT AMENDMENT: HVAC Repairs, Maintenance and Service

APPROVED Agreement No. CS3-910-3208, Amendment No. 1, with Frontier Mechanical AZ, Inc., dba FMI Heating & Cooling, TD Industries, and United Technologies, Inc., dba Uni-tech, for HVAC repairs, maintenance and service in a total combined amount not to exceed \$600,000.00 for one year. This is the first of three optional one-year renewals.

36. CONTRACT: McClaren, Wilson & Lawrie, Inc.

APPROVED Contract No. PD1302.202 with McClaren, Wilson & Lawrie, Inc., for design of the Public Safety Training Center in an amount not to exceed \$2,090,936.33.

The 2014 Police Department Facilities Master Plan identified the need for additional police training facilities. This contract is for design of both phases one and two of a Public Safety Training Center incorporated into the existing Fire Training Facility at 3550 W. Dobson Road on a parcel donated to the City by Intel. The approximately 76,000 square foot center will be used by the Police and Fire, Health & Medical Departments.

37. PURCHASE: Electronic Library Materials

APPROVED the purchase of electronic library materials from 3M Library Systems, sole source, in an amount not to exceed \$300,000.00.

In October 2014, the Chandler Public Library transitioned to the 3M Cloud Library for the provision of electronic books and electronic audio books. The 3M Cloud Library allows staff to select materials expressly for Chandler cardholders and reduce the wait time for popular titles. Customers can download eBooks or eAudio Books directly from the Library's catalog or via the 3M Cloud Library application.

The 3M Cloud Library is the only eBook platform that is fully integrated with the Integrated Library Database which includes all materials and cardholder information. Having the eBooks in the catalog shows that Staff is responsive to the needs of customers regardless of what format they checkout. All digital checkouts, via the library's catalog or the 3M Cloud Library application, can be accessed through one customer library account without having to go to a separate website or use a separate account name and password,

38. PURCHASE: Creative Paving Solutions

APPROVED the purchase of decorative pavement maintenance from Creative Paving Solutions, utilizing City of Scottsdale Contract No. 15PB009, in an amount not to exceed \$133,422.00.

The sidewalk pavement under the colonnade in the Downtown Historic Square is in need of maintenance and repair. The colonnade was last resurfaced and stained in 2008.

Since 2008, Park Staff has used a scrubbing machine to keep the surface of the walks clean. This machine does not allow for a deep cleaning to remove grime and dirt that builds up around the outdoor eating areas. A contractor was hired to clean these areas using heated pressurized water. This process removed the dirt, but also has caused the stain to chip in places. The practice of using this power washing has ceased since 2012; however, the appearance of the walks has continued to degrade.

Staff researched a product that would be visually appealing, yet withstand heavily-trafficked areas, as well as routine cleaning. Staff visited areas in the Valley that have used Creative Paving Solutions product. This product is expected to have a 10+ year's lifespan and can be touched up on an annual basis as needed.

Staff, along with Creative Paving Solutions, has met with the Downtown Chandler Community Partnership (DCCP) and held a special merchants meeting for input, suggestions and description of the project with approximate timelines for the project.

39. PURCHASE: Crafc0, Inc.

APPROVED the purchase of asphalt rubber crack sealant material from Crafc0, Inc., utilizing the Arizona State Procurement Office contract, in an amount not to exceed \$200,000.00.

40. PURCHASE: Tata Consultancy Services, Ltd.

APPROVED the purchase of annual maintenance for the Tax Mantra system from Tata Consultancy Services, Ltd., sole source, in an amount not to exceed \$167,948.00. No other vendors are authorized to provide these maintenance services.

The Tax Mantra system is the City's Transaction Privilege Tax (TPT), commonly referred to as Sales Tax, collection and licensing software system, providing the administration and processing functionality necessary for collection of nearly 50% of the City's General Fund revenues. The original five-year maintenance agreement ended July 31, 2010.

Tata Consultancy Services, Ltd., offers a new version but the City determined to maintain the existing software and not go through the time requirements and expense of upgrading the system. This was determined based on the impending transition to State collection which will completely change the City's tax related system needs. The client-based version continued to be used by the City, is outdated and the vendor will not enter into a long-term maintenance agreement. Therefore, Tax Mantra system maintenance agreements will be renewed on an annual basis.

41. PURCHASE: Waxie Sanitary Supply

APPROVED the purchase of janitorial and sanitation supplies from Waxie Sanitary Supply, utilizing City of Tucson Contract No. 151148, in an amount not to exceed \$200,000.00 for one year.

42. PURCHASE: Air Filter Products

APPROVED the purchase of HVAC filters from Air filter Products, utilizing State of Arizona Contract No. ADSPO14-064765, in an amount not to exceed \$100,000.00.

43. USE PERMIT: Juan Jaime's Tacos and Tequila

APPROVED Use Permit LUP15-0011 Juan Jaime's Tacos and Tequila, Series 12 Restaurant License, to allow liquor sales as permitted within an existing restaurant including an expanded outdoor patio located at 2510 W. Chandler Boulevard, Suite 1. (Applicant: John James III, Owner.)

BACKGROUND

The subject site is located along the southern end of an inline shops building within the Chandler Festival shopping center located at the northwest corner of Chandler Boulevard and Ellis Street. The space was originally occupied by the Asian Bistro restaurant Chopstix. The current restaurant, Juan Jaime's Tacos and Tequila, has been in operation for approximately 8 years. The existing restaurant is operating under a Series 12 Restaurant License. The restaurant is open seven days a week from 11 a.m. to 2 a.m.

The 3,000 square-foot restaurant includes an approximately 800-square foot outdoor patio along the southern side, adjacent to Chandler Boulevard. The business is underway with a 6-foot patio expansion along the southern edge. The patio expansion will utilize the same brick column and fence design expanded to 6 feet further from the building. The request is for Liquor Use Permit approval to sell liquor within the expanded patio area. The applicant intends to redesign the interior seating arrangement at a future date.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood notice letter was sent in lieu of a neighborhood meeting. Planning Staff has received no correspondence regarding this application and is not aware of any opposition.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 5 – 0 with Commissioners Baron and Wastchak absent.

RECOMMENDED ACTION

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

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

4. Liquor Use Permit approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Liquor Use Permit shall apply.
5. The site shall be maintained in a clean and orderly manner.

44. PERMANENT EXTENSION OF PREMISES: Juan Jaime's Tacos and Tequila

APPROVED a Permanent Extension of Premises for a Series 12 Restaurant License (Chandler #113974L12) held by Juan Jaime's LLC, dba Juan Jaime's Tacos ad Tequila, 2520 W. Chandler Boulevard, Suite 1, to include outside seating. A recommendation for approval of a Permanent Extension of Premises for State Liquor License #12077121 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department has no objections to the permanent extension of premises. All fees have been paid and the business is in compliance with the City's Tax Code.

45. USE PERMIT: The Wild Vine Uncorked

APPROVED Use Permit LUP15-0012 The Wild Vine Uncorked, Series 12 Restaurant License and Series 7 Beer and Wine Bar License, to allow liquor sales as permitted for on-premise consumption indoors and outdoor consumption on two patios at a new restaurant located at 4920 S. Gilbert Road, Suites 1-3. (Applicant: Kimberly Rubens, Owner.)

BACKGROUND

The subject site is located along the north end of an inline shops space adjacent to the site's Major Anchor, Bashas'. Various restaurants have operated in the subject suite since 2005. Inline shops are adjacent to the suites south side. A drive aisle is along the north side of the suite that provides access to the rear of the center.

The Wild Vine Uncorked is a new restaurant that anticipates opening within the next couple of months. While the restaurant is able to utilize the previous restaurant Liquor Use Permit for the Series 12, the applicant is adding an outdoor patio along the north side of the suite, requiring a new Liquor Use Permit. In addition to the request for a Series 12, the applicant is also requesting a Series 7 Beer and Wine Bar license. The combination of the two licenses provides the applicant the convenience of not having to worry about the requirement to have 40% of sales be food and non-alcoholic beverage related.

The 3,646 square foot suite provides capacity for approximately 128 patrons. An existing patio is provided to the south of the entrance that is approximately 300 square feet. The proposed patio is located along the north side of the suite and is adjacent to the drive aisle that leads to the rear of the commercial center. The patio is approximately 280 square feet. The patio will displace some gravel and small shrubs. There are no trees or sidewalks within the proposed area. Pedestrian access to the rear of the center was not provided during the design and construction of the center.

Piped music and five televisions are provided. In addition to the piped music, the applicant is requesting the ability to have live music on a limited basis within the restaurant. The music may include a soloist or small three-person group. The intent is to not draw patrons strictly seeking a live entertainment venue, but rather to provide background music ambient to the environment of the restaurant. The nearest residence is approximately 700 feet to the west.

The restaurant will be open Monday through Thursday from 2 p.m. to 10 p.m., Friday from 2 p.m. to 1 a.m., Saturday from 11 a.m. to 1 a.m. and Sunday 11 a.m. to 10 p.m. The restaurant will employ 7-12 persons.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on June 18, 2015. 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 Baron and Wastchak absent.

RECOMMENDED ACTION

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

1. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit application and approval.
2. The Liquor Use Permit is granted for a Series 12 Restaurant and Series 7 Beer and Wine Bar license only and any change of license shall require reapplication and new Liquor Use Permit approval.
3. The Liquor Use Permit is non-transferable to other store location.
4. Liquor Use Permit approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Liquor Use Permit shall apply.
5. Any substantial change in the floor plan to include such items as, but not limited to, additional bar service area or the addition of entertainment related uses shall require re-application and approval of a Liquor Use Permit.
6. The site shall be maintained in a clean and orderly manner.
7. Noise shall be controlled so as to not unreasonably disturb area residents and shall not exceed the ambient noise level as measured at the commercial property line.

46. LIQUOR LICENSE: The Wild Vine Uncorked

APPROVED a Series 7 Beer and Wine Bar Liquor License (Chandler #158659L07) for Kimberly Rae Rubens, Agent, K&R Rubens Enterprises LLC, dba The Wild Vine Uncorked, 4920 S. Gilbert Road, Suites A1-A3. A recommendation for approval of State Liquor License #07070550 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.

In addition to the request for a Series 7 Beer and Wine Bar Liquor License, the applicant is also requesting a Series 12 Restaurant Liquor License. The combination of the two licenses provides the applicant the benefit of excluding beer and wine sales from the calculation of the 40% food requirement for the Series 12 Restaurant Liquor License.

47. LIQUOR LICENSE: The Wild Vine Uncorked

APPROVED a Series 12 Restaurant Liquor License (Chandler #158659L12) for Kimberly Rae Rubens, Agent, &R Rubens Enterprises LLC, dba The Wild Vine Uncorked, 4920 S. Gilbert Road, Suites A1-A3. A recommendation for approval of State Liquor License #1207A240 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.

In addition to the request for a Series 12 Restaurant Liquor License, the applicant is also requesting a Series 7 Beer and Wine Bar Liquor License. The combination of the two licenses provides the applicant the benefit of excluding beer and wine sales from the calculation of the 40% food requirement for the Series 12 Restaurant Liquor License.

48. PRELIMINARY PLAT: Metro Chandler Airport Center

APPROVED Preliminary Plat PPT15-0004 Metro Chandler Airport Center, for a business park development located at the SWC of Cooper and Germann roads. (Applicant: Nate Cottrell; CEG.)

BACKGROUND

This Preliminary Plat is for an approximately 25-acre business park located at the southwest corner of Cooper and Germann roads that was approved by Council in October 2014. The plat creates the lots and tracts, establishes the necessary easement, and dedicates the required rights-of-way.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 3 - 0 with Commissioners Baron and Wastchak absent and Commissioners Foley and Ryan abstaining.

RECOMMENDED ACTION

Upon finding the request to be consistent with the General Plan, the Chandler Airpark Area Plan and Planned Area Development zoning, the Planning Commission and Planning Staff recommend approval of the Preliminary Plat subject to the following condition:

1. Approval by the City Engineer and Planning Administrator with regard to the details of all submittals required by code or condition.

49. FINAL PLAT: Pescara

APPROVED Final Plat FPT15-0004 Pescara, for a 46-lot, single-family residential subdivision on 19 acres located east of the NEC of Gilbert and Riggs roads. (Applicant: Troy Peterson; Bowman Consulting Group, Ltd.)

BACKGROUND

This Final Plat is for a 46-lot gated, single-family residential subdivision located on 19 acres that was approved by Council in May 2014. The subdivision is located east of the northeast corner of Gilbert and Riggs roads. 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, Southeast Chandler Area Plan and Planned Area Development zoning, Planning Staff recommends approval.

50. FINAL PLAT: Re-Plat Bogle Business Park (Foothills Community Church)

APPROVED Final Plat FPT15-0007 Re-Plat Bogle Business Park (Foothills Community Church), for a church located north of the NWC of Hamilton Street and Pecos Road. (Applicant: James Ellis; JG Ellis Land Surveying Services.)

BACKGROUND

This Final Plat is for a re-plat of the Bogle Business Park. The property had previously been platted with the establishment of the business park. The re-plat is for a church that was approved by Council in June 2014. The plat creates the lots and tracts, establishes the necessary easement and dedicates the required rights-of-way.

RECOMMENDED ACTION

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

51. FINAL PLAT: Noria Mixed-Use

APPROVED Final Plat FPT15-0010 Noria Mixed-Use, for a multi-family and commercial mixed-use development located at the SEC of McQueen and Germann roads. (Applicant: David Soltysik; Terrascape Consulting.)

BACKGROUND

This Final Plat is for a multi-family residential and commercial mixed-use development located at the southeast corner of McQueen and Germann roads that was approved by Council in late 2013. 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 Planned Area Development zoning, Planning Staff recommends approval.

ACTION:

14. PRELIMINARY DEVELOPMENT PLAN: Express Car Wash

BACKGROUND

The approximate 1-acre site is located at the southeast corner of Ray Road and McClintock Drive (within the Ray and McClintock Plaza). Circle K, O'Reilly Auto Parts, Tutor Time and other retail uses are within the shopping center. Commercial developments are north and northeast of the site. The Golden Keys East single-family subdivision is approximately 300 feet south.

The Ray and McClintock development received Planned Area Development (PAD) zoning approval in December 1987, for commercial retail uses.

The site is a vacant parcel created through a minor land division approved in July, 2013. A portion of the site is used as a retention basin that serves the shopping center. This project provides drainage through a combination of underground tanks and existing basins.

The request is for Preliminary Development Plan (PDP) approval of site layout and building architecture for a new car wash facility. The request includes a 5,392 square foot car wash building, 16 vacuum stalls and a pay station.

The site is almost three times longer than its width, with dimensions approximately 131 feet by 317 feet which is analogous to the linear form of a car wash building. On-site circulation is designed to distance the car wash driveway entrance from the existing driveway from Ray Road. Adequate queue length is provided to the pay station.

Building architecture respects the shopping center's design through use of concrete masonry bases at each vacuum canopy, selected colors and paint banding. The shed-like design of the metal tower element further characterizes the "Hog Wash" theme. Two designs of fabric canopies are proposed. Vacuum stall canopy structures include vacuum equipment and a trash container. A steel channel canopy design covers the pay station and car wash tunnel entrance.

Planning Staff worked extensively with the applicant to identify a color palette complementary to the center combined with select new colors. The color palette of the shopping center includes earth-toned colors ranging in intensity from beige to brown. The car wash building's color palette takes cues from the shopping center by intermingling blue and a subtle yellow. Blue fabric-canopied stalls match the blue shade structures located within the center. A subtle yellow is placed on the blue metal tower element.

Car wash and vacuum equipment is contained within the building. Roof-mounted mechanical equipment is fully screened by the parapet. Screening of the tunnel exit is addressed by installing a 50-inch tall woven mesh green screen along the south side of the existing parking screen walls for approximately 36 linear feet. Landscape on both sides of the tunnel exit further screens associated equipment. Existing landscaping along Ray Road remains and is enhanced with additional plantings to fill in gaps. Several existing trees on the site remain with new landscape.

Signage will comply with the City of Chandler sign code for shopping centers. Due to the narrow width of the building, the west elevation length is utilized to calculate signage allowances. Wall-mounted signage is on the tower feature utilizing internally illuminated pan channel letters and a cabinet sign for the "Hog Wash" logo. Glass-enclosed lifestyle imagery displays are located on the west elevation as part of the wall-mounted signage allowance.

Additional details can be found in the Development Booklet.

Planning Staff finds the request to represent a compatible completion to the shopping center. Site layout and building architecture take into consideration the existing shopping center and nearby developments through building location, vehicular circulation, access and scale.

Due to ownership complexities, Planning Staff has not received the Agreement For Waiver of Claim form to date. Planning Staff recommends the item remain for consideration by City Council and Condition No. 12 is added to provide four weeks from City Council approval for the owner to submit the Proposition 207 consent to conditions waiver form.

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 18, 2015. The seller of the land attended the meeting.

Planning Staff is not aware of any opposition; however, an inquiry was received from a resident of Golden Keys East subdivision regarding noise generation, the number of cars per day and building design.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 6 – 0 with Commissioner Ryan absent.

During Study Session, the Commissioners discussed the proposed tree species and sizes. Concerns related to replacing the Texas Mountain Laurel with another species and upsizing several trees from 24-inch box to 36- inch box were expressed. Condition No. 11 is added to address modifying the landscape palette and upsizing some trees to 36- inch box.

RECOMMENDED ACTION

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 "EXPRESS WASH" kept in file in the City of Chandler Planning Division in File No. PDP15-0001, except as modified by condition herein.
2. Compliance with original conditions adopted by the City Council as Ordinance No. 1909 in case Z87-156 RAY & MCCLINTOCK, except as modified by condition herein.
3. Landscaping shall be in compliance with current Commercial Design Standards.
4. Raceway signage shall be prohibited within the development.
5. The fabric canopy structures shall be maintained in a manner similar to that the time of installation.
6. The site shall be maintained in a clean and orderly manner.
7. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
8. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.
9. 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.
10. Preliminary Development Plan approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Preliminary Development Plan shall apply.
11. The Applicant shall work with Planning Staff to modify the landscape palette including upsizing some trees to 36-inch box.
12. In order for the PDP to be valid, a signed and completed Agreement For Waiver of Claim form under A.R.S. §12-1134 shall be provided to Planning Staff within four (4) weeks of City Council approval.

COUNCIL DISCUSSION

CITY PLANNER SUSAN FIALA stated that after Monday night's Council meeting, the applicant wished to proceed with the application subject to the Planning Commission and Staff

recommendation subject to the conditions listed in the Planning report, but no change to the color choice for the car wash.

COUNCILMEMBER HEUMANN wished to hear from the applicant as to their choice in remaining with the current selection of the bold blue color, and whether a different shade of blue or a blue that is not so vibrant could not have been selected.

MR. ED BULL, 702 E Osborn, attorney for the applicant, stated that while the site is compatible for this car wash, the lot is small and narrow and the building will be set back from the street approximately 100 feet. They have added a significant amount of landscape material throughout the property, in addition to the mature landscape that is already there. They have added a green screen along Ray Road, and because of all this additional "screening" it would hide the building too much, especially since they were choosing neutral colors for most of the building. The color blue was selected to represent water, which is a symbolic color well known to represent water. They met with the Planning department to try and adjust the blue, but it only distorted the visual aspects of the building. The color pallet was modified throughout the initial planning, and they are asking Council to approve with the recommendations from Staff and the Planning Commission the Preliminary Development Plan for Express Car Wash.

MOVED BY COUNCILMEMBER ELLEN, SECONDED BY COUNCILMEMBER SELLERS TO APPROVE THE PRELIMINARY DEVELOPMENT PLAN (PDP), PDP15-0001 EXPRESS CAR WASH FOR SITE LAYOUT AND BUILDING ARCHITECTURE FOR A NEW CAR WASH FACILITY LOCATED EAST OF THE SEC OF RAY ROAD AND MCCLINTOCK DRIVE SUBJECT TO THE CONDITIONS RECOMMENDED BY THE PLANNING COMMISSION AND STAFF.

Councilmember Ellen stated she lives nearby and is excited to see a carwash in the area, since there is not one close by.

Councilmember Heumann stated he too is appreciative of the business in Chandler, but is not supportive of the bold blue color.

MOTION CARRIED BY MAJORITY (6-1) with Councilmember Heumann voting nay.

PUBLIC HEARINGS:

PH1. CHANGES TO CERTAIN WATER, WASTEWATER, RECLAIMED WATER AND SOLID WASTE FEES.

OPEN PUBLIC HEARING

The Mayor opened the public hearing at 7:24 p.m.

STAFF PRESENTATION

Management Services Director Dawn Lang reviewed the findings for the proposed increases through a Powerpoint presentation. She stated as required by the City's Financial Policies, a review of current utility rates was conducted as part of the FY 2015-16 Budget process. A review was completed for the Water, Wastewater and Solid Waste Enterprise Funds, as well as Reclaimed Water operations. In addition, the City engaged the consulting firm of Raftelis Financial Consultants, Inc., to provide a more extensive review of the City's current and future revenue requirements for the Water, Wastewater, and Reclaimed Water systems. (The consultant did not participate in the review of the Solid Waste Enterprise.)

There is no Council vote associated with this public hearing. The proposed changes will be introduced as an ordinance at the August 10, 2015, meeting with final adoption planned for August 13, 2015. Rate changes would go into effect on October 1, 2015.

The proposed changes are summarized below:

Water: The review of the Water Enterprise determined that no rate increase was required at this time. The review does recommend converting the Water rate structure from a seasonal rate to a year-round rate. The changes to year-round rates are proposed to go into effect on October 1, 2015, and are cost neutral.

Wastewater: The review of the Wastewater Enterprise determined that a rate increase of 9% (\$3.4 million) is required for Single-Family Residential, Multi-Family and all Non-Residential customers in order to generate sufficient revenues for anticipated increases in operating costs and for additional debt service costs due to the anticipated sale of bonds for capital expansions and upgrades. Ms. Lang noted the largest reason for the change is the new capital – the Ocotillo Water Reclamation Facility and its \$160 million expansion.

Reclaimed Water: As part of the FY 2015-16 reviews of utility rates, the consultant conducted a full financial evaluation of the City's Reclaimed Water operations. As part of this process, the consultant (with the City's assistance) identified operating and debt services costs in the Water and Wastewater Funds that can be directly attributable to the Reclaimed Water operations. The review determined that a rate increase of 18% (\$216,000) is required for FY 2015-16. The review does recommend converting the rate structure from a seasonal rate to a year-round rate. Both Wastewater and Reclaimed Water changes are proposed to go into effect on October 1, 2015.

Solid Waste: The review of the solid waste enterprise determined that a 6% rate increase is required for all covered residences. The increase is needed to keep pace with the annual Consumer Price Index (CPI) increases that are a part of the existing solid waste contract and is the first solid waste increase since 2005. The rate increase is proposed to be effective on October 1, 2015.

Note: Outside City rates will continue to be calculated using the current differentials of 1.4 times the Inside City rates for Reclaimed Water and 1.6 times the Inside City rates for Wastewater.

PUBLIC NOTIFICATION

In accordance with State Statutes, the "Official Notice of Intention to Increase Certain Wastewater, Reclaimed Water and Solid Waste Rates and to Modify Certain Water and Reclaimed Water Rates from Seasonal Rates to Year-Round Rates" was posted on the City's web site and published in the Arizona Republic newspaper showing the date, time and place of the public hearing. Also as required by State Statutes, a copy of the documents supporting the revised Wastewater and Reclaimed Water rate was filed with the City Clerk for public review for 30 days prior to the hearing. In addition, social media was used to advertise the date of the public hearing.

FINANCIAL IMPLICATIONS

The financial plan reflects rate increases up to a maximum 9% for Wastewater, 18% for Reclaimed Water and 6% for Solid Waste to generate needed revenues. These increases will cover additional debt service costs due to infrastructure needs and maintain the financial integrity

of the Water, Wastewater and Solid Waste Enterprise Funds, including debt service coverage and cash reserve policy requirements over the next fiscal year.

DISCUSSION:

MAYOR TIBSHRAENY said one of the comment cards submitted by a member of the public, questioned why the proposed rate is higher than the rate of inflation. Ms. Lang stated in the case of the solid waste fees, there has not been an increase in that since 2005. In the other areas, it is due to growth and the addition of infrastructure. It is more than just maintaining the operations, it is expanding the operations.

COUNCILMEMBER HEUMANN inquired on the average increase on reclaimed water for the resident. Ms. Lang stated she does not have an individual breakdown, but the cost per 1,000 gallons for year round is under \$0.60, so it is a \$0.07 increase during the summer or \$0.11 over the winter rate.

Ms. Lang stated they had received questions regarding Chandler's partial year residents and she reviewed two scenarios of low volume water usage during the summer and an increased usage during the winter months within the different tiers.

Those with an active account are linked to solid waste and wastewater rates. So the increased amounts will be reflected on their monthly bill.

Again, the usage is tied to tiers of usage, and there could be several variables.

COUNCILMEMBER SELLERS expressed his appreciation for the work on the rates. He inquired if there is a way to base the wastewater charge on actual usage. For those who only live here during the winter months, he would like to see the waste water charge more accurately reflect the usage amount.

Ms. Lang stated they will add it to the list for when they meet in the future with the consultants.

COUNCILMEMBER HARTKE added his appreciation and inquired as to when they might see more accurate charges by other cities.

Ms. Lang stated they should have information in late fall, and the information can be posted to the City's website.

COUNCILMEMBER ROE commended Ms. Lang on her work and presentation.

COUNCILMEMBER ELLEN also commended Staff on the long term availability of water and the changes to non-potable water for more landscaping areas.

DISCUSSION FROM THE AUDIENCE

1. Digvijay Raorane (Jay), Chandler Arizona, said he feels the increase in solid waste fees is significantly high, why was 6% chosen. His second question is about the wastewater facility.

Ms. Lang addressed his question related to the new build of a waste water facility. She stated the cost of building one of these treatment plants is significant and the City has to plan far in advance for these. A 1% rate increase in the waste water fund only generates roughly \$300,000. There is past debt associated with this fund and the City has requirements to maintain a certain amount in reserves, so being able to support those payments and provide additional infrastructure, the ongoing rate increase will help pay the 20 year debt. The City has to build the facility before there is enough residents to support that facility. So the cost is an upfront cost.

In regards to the solid waste increase, the 6% increase is more than 1 years CPI. The city has not had an increase since 2005. The 6% is making up more than one year of CPI, this also reflects a fuel adjustment, the City is in a 10 year contract for solid waste services, and there is an automatic fuel adjustment in that contract. There are over 80,000 utility customers mostly residential. She would need to respond to Council later on how many commercial accounts that numbers include.

COUNCILMEMBER SELLERS stated the cost of providing potable water is increasing significantly, and by making the capital investment to use reclaimed water, the City is trying to keep the potable water cost down.

CLOSE PUBLIC HEARING

The Mayor closed the public hearing at 8:00 p.m.

PH2. PUBLIC HEARING TO TAKE ADMINISTRATIVE ACTION ON DVR05-0036 TSYS WESTERN OPERATIONS CENTER TO EXTEND, REMOVE OR DETERMINE COMPLIANCE WITH THE SCHEDULE FOR DEVELOPMENT OR TAKE LEGISLATIVE ACTION INTRODUCING ORDINANCE NO. 4641, CAUSING THE ZONING OF A PARCEL OF LAND ON THE WEST SIDE OF SOUTH PRICE ROAD ONE-HALF MILE NORTH OF QUEEN CREEK ROAD TO REVERT FROM PAD TO AG-1 AGRICULTURE DISTRICT.

THE MAYOR STATED HE WOULD INCORPORATE THE PUBLIC HEARING AND ITEM 52 TOGETHER. (SEE ITEM 52 FOR DISCUSSION)

BACKGROUND:

The subject 15.6-acre site received zoning approval from Agricultural District (AG-1) to Planned Area Development (PAD) in November 2005 under Ordinance No. 3740. The current PAD zoning and subsequent Preliminary Development Plan (PDP) permits a single-user campus that includes an approximate 102,000 sq. ft. data center and an approximately 60,000 sq. ft. 2-story office building.

Ordinance No. 3740 included the three-year time limit condition no. 6 which expired on January 12, 2009. Council approved a three (3) year time extension in 2009 which expired in January 2012, and again in January 2013 which expired in January 2015.

From the initial zoning approval in 2005 through the present, there have not been any applications requesting the City approve any building plans, site design plans or any other submittal evidencing intent to comply with the Conditions of Approval contained in Ordinance No. 3740.

Notice of time, place and date of the public hearing has been sent by certified mail to the owners and applicants of the property in accordance with Arizona Revised Statutes §9-462.01 and Article XXVI of the Chandler Zoning Code.

Following the most recent time extension approval, the City of Chandler commissioned The Maguire Company to study the South Price Road Employment Corridor. A final report was issued in October 2013 which outlined the historical development policies, identified a basic inventory of available land for development within the corridor and provided a series of recommendations to guide future policy decisions.

A key theme found within the recommendations was the 'high value employment' reputation and employment density within the Corridor should be actively preserved and enhanced. As an example, data centers were identified as not generating the desired employment density or high value employment environment envisioned for the Corridor and that the inclusion of future data centers should be limited within the Corridor.

The City has the following options when a zoning district's timing condition expires. The City could, by administrative action, extend the timing condition for another period of time, eliminate or determine compliance with the schedule for development, or by legislative action, revert the zoning to its former zoning classification. If an additional time extension is granted, all other conditions in the original approval would remain in effect.

52. ADMINISTRATIVE ACTION ON DVR05-0036 TSYS WESTERN OPERATIONS CENTER, TO EXTEND, REMOVE OR DETERMINE COMPLIANCE WITH THE SCHEDULE FOR DEVELOPMENT OR TAKE LEGISLATIVE ACTION INTRODUCING ORDINANCE NO. 4641, CAUSING THE ZONING OF A PARCEL OF LAND ON THE WEST SIDE OF SOUTH PRICE ROAD ONE-HALF MILE NORTH OF QUEEN CREEK ROAD TO REVERT FROM PAD TO AG-1 AGRICULTURE DISTRICT.

PLANNING ADMINISTRATOR JEFF KURTZ stated there has been discussion between Staff and the applicant to delay this item, however staff is prepared to present the case if Council wishes.

MS. WENDY RIDELL, 6750 E Camelback representing the applicant. Ms. Ridell stated they have met with Staff and recently the City Attorney and while they believe they have come to an agreement over the property, they are requesting a 90 day continuance, to pursue that solution.

MOVED BY VICE MAYOR HARTKE, SECONDED BY COUNCILMEMBER ELLEN TO CONTINUE THE PUBLIC HEARING AND POSSIBLE ACTION TO OCTOBER 22, 2015 SO THE OWNER AND CITY CAN WORK ON AN ACCEPTABLE RESOLUTION.

MOTION CARRIED UNANIMOUSLY (7-0).

UNSCHEDULED PUBLIC APPEARANCES:

Karthic Thallikar, 2370 W. Thompson Way, Chandler, AZ recently sent email to the Council so he can continue to live at his residence. A company called CyrusOne Data Center recently started operations in the area, but the noise generated from the businesses is loud and intrusive, and runs 24 hours a day, seven days a week. He filed a complaint and recently spoke with Chandler

PD and that while they can hear the noise, they also commented they thought it was similar to the noise from the 202 Freeway. He disagrees. The noise generated from the facility is heard all night long.

He would like Council to start a task force and look into a solution and ask the business to dedicate resources to abate the noise.

CURRENT EVENTS:

A. Mayor's Announcements

The Mayor announced the City has a new tool to engage residents on a number of projects and topics called "My Sidewalk". Visitors can weigh in on issues like the General Plan update, City facilities and more. Beginning next week, residents can even go to "My Sidewalk" and vote on sidewalks, new sidewalks, and concrete coatings for the downtown colonnades. To register, simply visit mysidewalk.com.

He announced the City still needs workers for the 2015 Special Census. He stated that an accurate Census count is critical for the community because of the direct correlation between population and the funding the City receives through state-shared revenue sources.

Workers can earn \$16.25 an hour plus mileage and paid training. For all the details, go to www.chandleraz.gov/census.

The City Council is moving into its summer schedule and the next meeting will be Monday, August 10th.

He reminded people to watch all children around water.

He recognized the passing of Mike Curley a well-known zoning Attorney in the valley. He was able to attend the service and it reflected much on his personal life, which was dedicated to serving the community in many capacities.

B. Councilmembers' Announcements

COUNCILMEMBER HEUMANN stated he knew Mike Curley for more than 15 years. He was very well known and liked around the valley and impacted many lives.

COUNCILMEMBER SELLERS recognized Michelle Chang who was recently recognized by Taiwan President Ma Ying-jeou as an outstanding Chinese Entrepreneur. She serves on Chandler's Human Relations Commission and is a member of the General Plan Update Committee.

VICE MAYOR HARTKE commented on the loss of Attorney Mike Curley and how much he will be missed.

He reminded everyone the City's water collection/challenge is still ongoing. The City is still collecting water and monetary donations for water relief this summer. The challenge ends Friday, July 31st.

