

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, November 19, 2015.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY at 7:01 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

Also in attendance:	Marsha Reed	Acting City Manager
	Nachie Marquez	Assistant City Manager
	Kay Bigelow	City Attorney
	Marla Paddock	City Clerk

INVOCATION: Vice Mayor Hartke gave the invocation.

PLEDGE OF ALLEGIANCE: Pledge of Allegiance: Cub Scout Den 9, Pack 584.

CONSENT:

The Mayor moved item 14 to the Action agenda.

MOVED BY VICE MAYOR HARTKE, SECONDED BY COUNCILMEMBER LOPEZ, TO APPROVE THE CONSENT AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY (7-0).

CONSENT:

- 1. TRANSIENT MERCHANTS, PEDDLERS, CANVASSERS, AND SOLICITORS Ord. #4636

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4636, amending the Chandler City Code Section 20-1 and 20-3, and amending the Chandler City Code by adding a new Chapter 21, Mobile Food Units, all relating to City of Chandler regulations specifically encompassing the licensing and allowable operations of mobile foot units.

BACKGROUND/DISCUSSION

Over the last few years, there has been a major shift in the business model of mobile food units. The industry has changed to the point that they do not fit the mold of transient businesses as defined in years past and governed by Chapter 20 of the City Code. In an effort to create rules and regulations to govern this changing business model, a new Code chapter was created that related specifically to mobile food units.

Chapter 20 of the City code is for the licensing of peddlers, solicitors, canvassers, and transient merchants. This code chapter governs everything from a mobile tool truck that makes sales at a mechanic's shop, to an alarm monitoring company's salesperson that goes door to door to sell goods and services to the general public. Historically mobile food units are licensed following the provisions of this chapter. The proposed changes to Chapter 20 remove mobile food units from the definitions in Section 20-1, and specifically exclude any mobile food unit who is licensed under the proposed Chapter 21 in Section 20-3 (E) from the requirements of Chapter 20. This allows for a specific set of rules for mobile food unit businesses, and keeps the provisions related to peddlers and other transient business intact.

As Chapter 21 is a new chapter of code, we included all the standard items you find in a regular City Code chapter, and will discuss the major highlights of each of the chapter sections that will pertain to the businesses licensed under Chapter 21 to allow for an overview of how this chapter will be administered.

Section 21-1 includes definitions that are germane to the mobile food unit industry, including a distinction of what a promotional event is, the concept of a responsible party, and what is considered "temporary" under this chapter's sections.

Section 21-2 includes the requirement to obtain a permit under this chapter for businesses engaged in mobile food vending.

Section 21-3 lays out the required information needed to be provided to the City in order to obtain the permit. Standard information is required such as business name, location, vehicle information, food safety certification, and fire inspection approval. If the mobile food unit will be on City owned public property, they must also provide a certificate of liability insurance with the City listed as additional insured (21-3.2).

Section 21-4 discusses the provisions required during the review and approval process. Section 21-5 discusses requirements once a permit is approved, such as the need that the permit be displayed in a location that is visible to the public. It also requires that the mobile food unit have in the vehicle at all times, documentation of written permission from the private property owner, or owner's authorized representative, indicating that the mobile food unit is authorized to be at a specific location. This includes a requirement to have specific dates or date ranges identified for which the location has been authorized.

Section 21-6 provides for revocation, suspension, or denial of permits, and the allowable hearing or appeal process. A revocation, suspension or denial is allowable for a variety of reasons, for example; failure to comply with any provision of Chapter 21 or other City Code chapters, falsifying information on the application, conviction of certain felonies, civil judgments involving fraud, conducting business in an unlawful manner, or the location of the mobile food unit endangers the public, and the responsible party is unwilling to move the vehicle. Should the permit be revoked, this section allows for a hearing should the business request it. All hearings will follow the provisions of Chapter 1 of the City Code.

Section 21-7 denotes that the term of the permit shall be for a calendar year.

Section 21-8 describes what fees are associated with the permit, contains a schedule for proration of the permit fee, discusses responsible party fees, and indicates that a non-profit group (501-C) will need a permit but will not be charged the applicable fees.

Section 21-9 discusses the provisions for permit renewal including the updated information required each year from the applicant. There is also a provision for a late renewal penalty of 50% of the permit cost; the penalty would currently be \$25.00.

In Section 21-10, the allowable locations for mobile food units are identified. This section went through many iterations and changes based on the stakeholder feedback City staff gathered from various meetings held to determine the best solutions to the location issues we heard. City staff met with the Chandler Chamber of Commerce twice, the Downtown Chandler Community Partnership twice, held individual and group stakeholder meetings, an open public meeting for all interested parties, email and phone communications, and a variety of meetings with City departments. Based on the feedback staff received at these meetings, mobile food units will be allowed under this chapter to be on private property at corporate plazas, schools, and churches or places of worship with permission from the private property owner or their designee. Note that the allowable locations do not include retail shopping plazas, vacant land, or other non-corporate plaza commercial locations, but through a special event permit applied for under Chapter 32, they may be allowed at certain special events in these locations. The allowable locations of corporate plazas, schools, and churches are only allowable if the event is non-promotional in nature, and it must be for the sole benefit of the private property owner to provide an amenity to an existing function or event. The mobile food unit is not to promote the location via social media or any other means, nor invite outside patronage to the location.

A mobile food unit may also function as a mobile conveyance, i.e. moving quickly and readily every 15 minutes, as is currently allowed in Chapter 20. For example, lunch wagons or ice-cream trucks that are currently licensed will still be able to maintain their business operations in the current fashion they do now. Mobile food units may also be located up against the envelope of a commercial building, as is also currently allowed in Chapter 20, but Section 21-10.2 does place additional restrictions on these types of mobile food units by limiting the number operating at a commercial location to no more than two (2) per parcel, and they now must be non-motorized units.

The locations listed above are the only allowable locations under the provisions of this chapter, unless a property owner has received a use permit from planning and zoning for a specific location for mobile food unit operations, or the mobile food unit is attending an event that has been issued a Special Event permit or Temporary Sales and Promotional Event (TSPE) permit under Chapter 32. While the changes to Chapter 20 and 21 are not directly affected by any changes to Chapter 32, we do want to point out that the City Council agenda also includes modifications to Chapter 32 in Ordinance 4672 that will affect mobile food units. The provisions found in Chapter 32 will outline where special events can take place, the frequency of events, and any additional requirements surrounding events whether mobile food units are involved or not.

Section 21-11 defines some additional operational requirements. Some of these requirements include; mobile food unit operations in the Entertainment District are not allowed unless under a permit for a Special Event or TSPE, no sales in public parks unless direct permission is received from the City, no sales from the street side of the mobile food unit, no sales from a single family residential location, and it also clarifies that mobile food units who are engaged in catering activities are not governed by the proposed Chapter 21.

In Section 21-12, the enforcement of this chapter is discussed. The lawful means to enforce this chapter are defined, as well as how and when inspections are handled. It also allows for reimbursement if the City expends resources to remove a mobile food unit from a location should the need arise.

Section 21-13 clarifies some other miscellaneous items that mobile food units must comply with, for example; hours of operation, the use of amplified sounds or music, litter and waste removal, and the requirement to have a responsible party present at all times that the mobile food unit is in operation.

The final Section 21-14, discusses the provisions of penalties, should the need arise to enforce this chapter through judicial means. Any person who violates, disobeys, omits, neglects, refuses to comply with, or who resists the enforcement of any provisions of this chapter may be deemed guilty of a class 1 misdemeanor, which is punishable by a fine not to exceed \$2,500, imprisonment for a term not exceeding six (6) months, by probation for a term not longer than three (3) years, or any combination thereof.

Due to the complexity and the interest level in this chapter, the City has held multiple feedback meetings mentioned above, and posted a public notice of the proposed changes on the City website beginning on, September 4, 2015, and updated October 14, 2015. This public notification included information on public meetings, Council sub-committee meeting dates, as well as contact information to have comments or questions heard. Through our outreach efforts, we have received valuable feedback that has been incorporated into the code language that is presented in this item. We are also required by ARS 9-499.15 to post any item that will contain a new or increased fee on our website for 60 days prior to adoption and this has been accomplished.

2. ANNEXATION/INITIAL CITY ZONING: Arizona Avenue and Queen Creek Rd Ord # 4661

INTRODUCED AND TENTATIVELY APPROVED ORDINANCE NO. 4661, annexation and initial City zoning of approximately 7.83 acres located at the SEC of Arizona Avenue and Queen Creek Road.

BACKGROUND/DISCUSSION: The property is located at the southeast corner of Arizona Avenue and Queen Creek Road.

The subject site is zoned General Commercial (C-3) and Rural-43 (RU-43) within the county, but is currently being used for agricultural uses and contains a single-family home with ancillary structures. The site is bordered by Arizona Avenue to the west and Queen Creek Road to the north. The land adjacent to the east is zoned as Agricultural. The land adjacent to the south is vacant and zoned as Planned Area Development (PAD) for professional offices.

The Chandler Land Use Element of the General Plan designates the site as Employment, a Commercial Node, and located within a Large Tract Growth Area. The Chandler Airpark Area Plan designates a more specific land use category of Neighborhood Commercial and it is within the Light Rail Corridor Overlay Planning Area. After annexation the initial City zoning will be Agricultural (AG-1) district. Subsequently a rezoning and preliminary development plan application will be submitted to rezone the subject site for a medical facility.

3. SPECIAL EVENTS Ord. # 4672

INTRODUCED AND TENTATIVELY APPROVED ordinance No. 4672 amending Chapter 32 of the City Code to adopt the changes and updates relating to Special Events.

BACKGROUND/DISCUSSION:

Staff has reviewed Chapter 32 of the City Code of Ordinances to ensure that the content of the Code and departmental operations are aligned. The proposed changes to Chapter 32 result from a variety of intents, the majority of which are housekeeping in nature, as is the case where the existing language references the Community Services Department.

In such cases, the language has been corrected and simplified to read Community and Neighborhood Services Department. Additional updates are necessary to support the proposed Chapter 21, Mobile Food Unit Code, and to reflect the current business practices of the Special Events and Temporary Sales and Promotional Event (TSPE) Committees.

A concentrated effort has been made to make the document more inclusive of the items users would need to know in order to host or produce an event. Clarifications of items that will be required for an application have been stated for prospective applicants. Definitions were added and expanded to give meaning to terms, phrases and their derivations used throughout Chapter 32. Changes within the document range from describing the Committees and their duties, to defining the requirements for a thorough review of the impact of potential events relating to nearby businesses, residents, public safety, licensing, etc.

In addition, proposed changes to the Code include the definition of the term Temporary Sales and Promotion Event, which is commonly referred to as a TSPE. A TSPE is an event or events requested to be held on private property. These types of events generally include activities promoting an event, product or merchandise such as a grand opening, business anniversary event, etc.

4. GROUND LEASE: WINGSPAN BUSINESS INVESTMENTS, LLC Ord # 4673

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4673 to enter into an amended and restated ground lease with WingSpan Business Investments, LLC, and authorize the Mayor to sign the lease and authorize the City Manager to sign all related documents needed to implement this Ordinance.

BACKGROUND/DISCUSSION:

In February 2015, City Council adopted Ordinance No. 4609 authorizing a ground lease at the Chandler Municipal Airport with WingSpan Business Investments, LLC, ("Lessee").

On April 1, 2015, Lease Agreement No. 17 was executed by both parties. Per the Lease, the Lessee will develop a master-planned high-end hangar/office development on 16 acres of Airport land with an estimated project value of ±\$50 million.

Since the lease execution, the Lessee and Airport staff received market feedback that the timeline for plan submittals and construction was too aggressive to address the planning and decision processes for prospective subtenants. The Lease requires the Lessee to submit plans to the City within 150 calendar days after the lease execution date and to start construction within nine months after the lease execution date.

Staff and the Lessee agreed to amend and restate the lease to clarify minimum improvements and to amend certain performance dates to provide additional flexibility for the planned improvements. The major changes to the agreement include:

- a minimum requirement of 70,000 square feet of new development in the first phase. The current ground lease does not specify a minimum development requirement;
- the new buildings to be designed to accommodate a second story;
- extending the plan submittal deadline for first phase development to no later than February 2, 2018.
- setting a start date for vertical building shell construction for the first phase development to no later than August 1, 2018.

These changes clarify project requirements and performance deadlines for the City while providing flexibility for the Lessee to respond to market conditions.

5. On action.

6. ARIZONA DEPARTMENT OF TRANSPORTATION GRANT Res. # 4900

ADOPTED Resolution No. 4900 authorizing the City to enter into a grant agreement with the Arizona Department of Transportation (ADOT) accepting grant number E6S2E in the amount of \$1,842,300 as the State's share for drainage and grading improvements in the Airport's Runway Safety Areas and Taxiway Safety Areas.

BACKGROUND/DISCUSSION:

The City was notified of a State grant offer (ADOT Grant Number E6S2E) in the amount of \$1,842,300. This represents the State's share of the cost to design and construct drainage improvements in the Runway and Taxiway Safety Areas at the Chandler Municipal Airport.

This project is the second of three phases of an Airport-wide storm water mitigation program. The first phase of this program is underway and is completing grading improvements and constructing outflows to the regional basin south of the Airport. The second phase will grade the entire Airport infield to improve drainage connecting to the first phase improvements. The last phase of this program will improve the retention basin and connections to the west of Airport Boulevard.

This project will remove standing water from the adjacent areas of the runway and taxiway surfaces. Standing water is an attractant to water fowl and other birds and can create a hazard to operating aircraft.

FINANCIAL IMPLICATIONS: This project is in the current 5-year Capital Improvement Program (CIP) and the total project cost is \$2,047,000. The grant represents the State's share of 90% of total project costs, or \$1,842,300. The remaining balance of \$204,700 is the local match (10% of project cost) paid through the Airport Operating Fund.

On September 9, 2015, the Airport Commission voted unanimously to recommend City Council authorization to enter into an agreement with ADOT accepting grant number E6S2E in the amount of \$1,842,300 as the State's share for drainage and grading improvements in the Airport's Runway Safety Areas and Taxiway Safety Areas.

7. CITY OF CHANDLER TITLE VI IMPLEMENTATION PLAN FOR TRANSIT SERVICES
Res. # 4901

ADOPTED Resolution No. 4901 approving the City of Chandler Title VI Implementation Plan for Transit Services.

BACKGROUND/DISCUSSION:

The City of Chandler is a sub-recipient (City of Phoenix is the designated recipient) of federal funding from the Federal Transit Administration (FTA). As a sub-recipient of FTA funding, the City is required to update its Title VI Implementation Plan every three (3) years. The City's last Title VI Implementation Plan update was done in 2012.

This year, a new requirement is that each sub-recipient's Title VI Implementation Plan must be approved by its governing body.

Previous Title VI updates were done administratively. This year's update provides a completely new Title VI Implementation Plan that meets all City of Phoenix and FTA requirements.

As a sub-recipient of FTA funding, the City must assure full compliance with Title VI of the Civil Rights act of 1964, the Restoration Act of 1987, section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (ADA), and related statutes and regulations in all programs and activities. Title VI states that "no person shall on the grounds of race, color, national origin, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination" under any program receiving federal funds. Since the City's transit program is partially federally funded, all Chandler transit services must comply with Title VI regulations.

TITLE VI IMPLEMENTATION PLAN COMPONENTS: The City's Title VI Implementation Plan for Transit Services complies with federal regulations and includes all the necessary components as specified by the region's designated recipient (City of Phoenix).

The Title VI Implementation Plan for Transit Services includes the following components:

Title VI Policy Statement - States that Chandler will comply with Title VI and assure that Chandler sponsored programs and activities do not discriminate on the basis of race, ethnicity, income, or disability status. The Policy Statement also designates Jason Crampton, Transit Services Coordinator, as the City's Title VI Coordinator.

Title VI Notice to the Public -After Council approval, this notice will be posted on the Chandler Transit website, at the Transportation & Development building, the Chandler Park and Ride, and the Chandler Transit Center.

Title VI Complaints - A Title VI Complaint Form is included in the Title VI Implementation Plan and will be made available on the Chandler Transit website. Additionally, the Program lays out the process for investigating and addressing Title VI complaints. Over the past three years, there have been seven Title VI complaints received from passengers on transit service in Chandler. All seven of the complaints claimed discrimination on the part of the bus operator or fare vendor. A detailed list of these complaints is included on Page 11 of the Title VI Implementation Plan.

Public Participation Plan - Outlines Chandler's efforts to reach out to the public and include the public in transit planning. Both past efforts and future outreach efforts are listed.

Limited English Proficiency (LEP) Plan - Includes measures taken to ensure that the LEP population has meaningful access to Chandler transit services and communications regarding these services. These measures include making sure that notices posted at bus stops are in both English and Spanish, advertising for public meetings in both English and Spanish language periodicals, and having Spanish-speaking staff available.

Non-Elected Committees - Provides a table of the racial composition of the Transportation Commission and summarizes administrative procedures that ensure that minorities are included in outreach and recruitment for filling vacancies on the Transportation Commission.

While many of the above components directly correspond to City of Chandler policies and practices, portions of the Chandler Title VI Implementation Plan for Transit Services rely on Valley Metro policies and practices. Valley Metro is the operator of all transit service in Chandler.

Chandler relies on Valley Metro to operate its bus service and also provide customer service and conduct some public outreach. As a result, many parts of the Chandler Title VI Implementation Plan for Transit Services reference the Valley Metro Title VI Program and the procedures and policies established relating to transit service at the regional level.

8. DRAINAGE EASEMENT EXTINGUISHMENT: Res No. 4905

Adopted Resolution No. 4905 authorizing the extinguishment of a drainage easement no longer needed for public use at the northwest corner of Cooper Road and the Santan 202 Freeway and authorizing the Mayor to execute and deliver all documents necessary to effect the extinguishment of the drainage easement.

BACKGROUND/DISCUSSION:

In 2008, the City obtained a drainage easement (the "Easement") on a parcel of land located at the northwest corner of Cooper Road and the Santan 202 Freeway to accommodate road improvements associated with the Cooper Road and Pecos Road Improvement Project. The Easement encumbers land that is in the process of being improved as a multi-family development known as 202 Cooper Place. 202 Cooper Place is incorporating the required retention provided by this Easement into their development. As a result, the Easement is no longer required and can be extinguished. The property owner has requested that the City extinguish this Easement in order to clear up their title.

9. INTERGOVERNMENTAL AGREEMENT: Maricopa County Res. # 4911

ADOPTED Resolution No. 4911, authorizing an Intergovernmental Agreement (IGA) with Maricopa County, on behalf of the Maricopa County Consortium, to receive federal Home Investment Partnership Program (HOME) funds in the amount of \$273,223.00.

BACKGROUND/DISCUSSION:

The City of Chandler receives federal HOME Investment Partnership funds annually through the Maricopa HOME Consortium, which is comprised of the cities/town of Avondale, Chandler, Gilbert, Glendale, Peoria, Scottsdale, Surprise and Tempe.

For the fiscal year beginning July 1, 2015, the City is authorized to receive \$273,223 through an IGA with the Maricopa County HOME Consortium.

The City Council conducted a public hearing on the allocation of 2015-2016 HOME funds on April 16, 2015, and finalized the City's allocation at their meeting on April 30, 2015. Newtown Community Development Corporation's Chandler Land Trust Program (Newtown) and Habitat for Humanity (Habitat) will be the beneficiaries of this allocation.

Newtown will receive \$196,147 for the costs associated with the development of two housing units for first-time homebuyers in Chandler. Habitat will receive \$60,000 to reconstruct on owner-occupied home that requires repairs beyond the scope and maximum dollar limits for the City's housing rehabilitation programs.

This will be the fourth reconstruction project provided by Habitat in Chandler utilizing HOME funds. In addition, the City will receive \$17,076 in funds to administer the 2015-2016 allocation of HOME funds.

10. AIRPORT DRAINAGE IMPROVEMENT PROJECT: Arizona Department of Transportation
Res. # 4912

ADOPTED Resolution No. 4912 authorizing the City to enter into an agreement with the Arizona Department of Transportation (ADOT) accepting grant number E6F20 in the amount of \$61,971 as the State's share for an Airport drainage improvement project.

BACKGROUND/DISCUSSION:

The City was notified of a State grant offer (ADOT Grant Number E6F20) in the amount of \$61,971. This represents the State's share of the cost to design and construct drainage improvements at the Chandler Municipal Airport.

This project is currently underway and is 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 project work will transfer storm water and improve the percolation of storm water from the southwest portion of the airfield, thereby eliminating a wildlife attractant near the Runway Protection Zones. Work is scheduled to be completed by the end of November 2015.

11. No item.

12. PRELIMINARY DEVELOPMENT PLAN: Sharp Contracting

APPROVED Preliminary Development Plan PDP15-0005 Sharp Contracting, for site layout and building design of a new light industrial building located at the southeast corner of Corporate Place and Delaware court east of Arizona Avenue and north of Warner Road, subject to conditions. (Applicant: Bob Long, Design Profile, Inc.)

BACKGROUND/DISUCSSION:

The subject site is an undeveloped property located at the southeast corner of Corporate Place and Delaware Court, east of Arizona Avenue and north of Warner Road. The property is part of the larger Westech Corporate Center business park. The property is zoned Planned Area Development (PAD) for light industrial. The parcel is under one acre and located within a cul- de-sac with two of four parcels developed. One building recently received Use Permit approval for office use. The other building is a light industrial business related to the wireless communication tower industry. The subject site received PDP approval in 2004 for Burr Ridge Wood Products to develop an industrial building with manufacturing, warehousing, and a showroom. Construction never occurred.

The request includes a 5,576 square foot two-story light industrial building accommodating showroom retail, general office, storage, and warehousing for a contracting business, Sharp Contracting. The business provides concrete work, curbing, paver surfaces, pool decking surfaces, and block wall fencing. The new corporate location provides the company's general office space, a product showroom, warehousing, and a storage area on the second floor. Outdoor storage of trailers, equipment, and construction materials will occur in a secured and fully screened yard behind the building. Areas of outdoor storage will be designed to meet site development and dust-proof requirements. Vehicular access to storage areas will be concrete.

Building architecture focuses on the use of exposed scored and colored concrete masonry. The tower and pier elements use these materials along with stucco surfaces.

The building's main entrance is enhanced with a cantilevered iron shade awning. Additional iron work accents occur over second-story windows. The building's projecting tower element sits within a landscape setting at the intersection corner. The landscape intersection corner and street frontages incorporate desert landscaping trees and shrubs. Parking screen walls are provided in addition to decorative iron gates.

The proposal includes building mounted signage and a freestanding monument sign utilizing individual raised letters and indirect illumination. The monument sign is designed as a landscape planter with raised planter beds.

Planning Staff finds the proposed light industrial building with general office and showroom to be compatible with surrounding uses and the larger light industrial business park. A minor parking setback waiver of five feet for one parking space is requested along Corporate Place. Staff finds this waiver minor and not affecting the overall site design. The site layout and building design meet the intent of the City's design standards.

13. AGREEMENT AMENDMENT: Vincon Engineering Construction, LLC

APPROVED Agreement No. ST5-745-3435, Amendment No. 2, with Vincon Engineering Construction, LLC, for concrete repair and maintenance, in an amount not to exceed \$3,600,000.00 for one year.

BACKGROUND/DISCUSSION:

This agreement is necessary to cover essential concrete work performed prior to any required street rehabilitation projects within the City of Chandler.

Street rehabilitation projects are selected based on a pavement rating system and are typically a minimum of 20 years old. Necessary concrete work includes standard maintenance and repair of damaged existing concrete sidewalks, curb and gutters, valley gutters, and the upgrading of existing handicap ramps, and driveways, to satisfy the Americans with Disability Act Accessibility Guidelines (ADAAG). Additionally, current ADAAG requirements mandate two-directional handicap ramps at all intersections and various crossing locations, increasing the construction cost of each intersection corner exponentially.

14. Moved to Action Agenda

15. AGREEMENT: Lacor Streetscape, LLC

APPROVED Agreement No. TD6-155-3617 with Lacor Streetscape, LLC, for the purchase of transit shelters in the amount of \$64,408.00.

BACKGROUND/DISCUSSION:

In 2013, Chandler applied for and was awarded a Federal Transit Administration grant to fund the one-time purchase of shelters at four (4) bus stops on Route 56 on Priest Drive/56th Street and Ray Road in Chandler. The federal grant awarded will provide funding in the amount of \$51,526 with a required minimum 20% local match. The four (4) new shelters are for the following locations:

- Southwest corner of Priest Drive and Orchid Lane
- Northwest corner of Ray Road and Priest Drive/ 56th Street
- Northeast corner of Ray Road and 54th Street
- Southeast corner of Ray Road and 54th Street

These four (4) shelters will match the design of medium-sized City of Chandler bus shelters. Attachment 1 shows a diagram of this shelter type.

16. AGREEMENT: Southwest Fabrication, LLC

APPROVED Agreement No. TD6-155-3626 with Southwest Fabrication, LLC, for transit shelters and related services, for an initial three-year term, with the option of four additional two-year extensions, in an amount not to exceed \$628,071.00.

BACKGROUND/DISCUSSION:

Currently, there are approximately 300 bus stops throughout the City, of which 196 have shelters and an additional 20 have benches. This agreement will enable the City to install additional shelters and maintain existing shelters and benches. The work in this Agreement requires the vendor to have an Arizona Contractor's License through the Registrar of Contractors (ROC).

New Shelters: This agreement includes the purchase and installation of 9 small shelters, 22 medium shelters, and 4 large shelters. Attachment 1 shows the shelter design for each of these shelter types. Each shelter includes solar lighting, seating, trash receptacle and advertising kiosk. Large shelters will be installed at high ridership bus stops. Small shelters will be installed where right-of-way or physical limitations prevent the installation of a medium shelter. Medium shelters will be installed at other bus stops that do not currently have shade. Planned locations for new shelters are shown in Attachment 2.

Maintenance: The maintenance portion of this agreement consists of the construction work necessary to maintain the City's existing shelter and bench inventory, including shelter repainting, lighting repairs, roof repairs and replacements, shade screen repairs, shelter relocations, and shelter refurbishments. This contract does not include cleaning or minor paint touchups, which are included in the City's transit advertising contract.

17. PROJECT AGREEMENT: Southwest Ground-water Consultants

APPROVED Project Agreement No. WA1521.451, to Southwest Ground-water Consultants, for the Fire Station Well design and construction management services, pursuant to Annual Hydrogeological Services Contract No. EN1203.101, in an amount not to exceed \$105,449.00.

BACKGROUND/DISCUSSION:

The 2008 Water Master Plan recommends 74.5 million gallon per day (MGD) build-out capacity for groundwater wells. As the City's wells age, well production will decrease over time. To maintain the recommended build-out capacity, new replacement wells are needed. The new well, known as the Fire Station Well, will be located at 5211 S. McQueen Road, adjacent to Fire Station No. 10.

The project scope of work consists of: well spacing analysis, permitting, preparing specifications, bid assistance and construction management for installation, testing, and reporting.

18. CONSTRUCTION CONTRACT: G&G Specialty Contractors, Inc.

APPROVED construction contract to G&G Specialty Contractors, Inc., for Chandler Heights Community Facilities- Police and Environmental Education Center Exterior Refurbishment, Project No. BF1504.401, in an amount not to exceed \$92,208.

BACKGROUND/DISCUSSION:

This project includes work at the South Police Substation located at 4040 East Chandler Heights Road and the Environmental Education Center located at 4050 East Chandler Heights Road. The project consists of replacing the deteriorated siding on both facilities.

The scope of work for this project consists of removal of the existing lap wood siding and trim and replacement with HardiePlank Lap Siding and trim. The new siding is engineered to endure harsh weather conditions. The existing wood siding cracked, warped and dry rotted from the south and west exposure to the sun. The existing weather resistant barrier and related items will also be removed and replaced. The existing glazing and aluminum storefront framing system may be required to be removed and stored and then reinstalled. The construction contract time is 90 calendar days following Notice to Proceed.

19. CONSTRUCTION CONTRACT: Spectra Electric Services Inc.

APPROVED CONSTRUCTION CONTRACT PROJECT NO. BF1601.401, to Spectra Electric Services Inc., for Desert Breeze Ballfield Lights Improvement, in an amount not to exceed \$236,800.00.

BACKGROUND/DISCUSSION:

Desert Breeze Park is located at 660 N. Desert Breeze Boulevard East. The park was opened in 1990 with the ballfield lights installed soon after in 1991. The ballfield lights currently provide sports field lighting to two (2) baseball/softball fields and one (1) multi-purpose field. Light technology has improved immensely since 1991. The new lights will reduce light spillage into the surrounding neighborhood while directing the light towards the playing surface.

The scope of work under this contract includes: removal and replacement of existing sports lighting fixtures on existing poles, as well as the removal and replacement of two existing poles and sports lighting fixtures. The project also includes removing the existing electrical panel and control equipment, extending the conduit and conductors to a new location, and the installation of a new electrical panel and control equipment.

The base bid of the project includes all the sports lighting poles, electrical panels, control equipment, conduit and conductors with an alternate to install energy efficient metal halide fixtures. Construction contract time for the project is 150 days following Notice to Proceed

20. AGREEMENT: Valley Rain Construction Corporation

APPROVED Construction Manager At Risk Contract No. PR1307.401 to Valley Rain Construction Corporation, for Veterans Memorial – Phase 1, in an amount not to exceed \$716,865.00.

BACKGROUND/DISCUSSION:

Veterans 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 Veteran's 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 Veteran's Memorial Fundraising Campaign Committee was developed. Over the past three years, the capital campaign has raised over \$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 and construction of the memorial.

This project scope of work consists of construction of the Phase 1 Family Plaza Overlook, donor recognition area, and additional parking. The elevated plaza replicates the Arizona State Flag and will include low walls with inscriptions recognizing the core values of Freedom, Recognition, Reflection, Sacrifice, Memories, and Family. The memorial will also include recognition for donors. The construction phase will be completed for a formal dedication on Memorial Day in 2016.

A Professional Services Contract, Project No. PR1307.451, to Kimley-Horn and Associates, for Veteran's Memorial- Phase 1, is also scheduled for this Council meeting.

21. CONTRACT: Kimley-Horn and Associates

APPROVED Professional Services Contract No. PR1307.451 to Kimley-Horn and Associates, for Veterans Memorial – Phase 1, in an amount not to exceed \$31,961.00.

BACKGROUND/DISCUSSION:

Veterans 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 Veteran's 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.

The scope of work consists of construction management services to perform project management, submittal review, response to contractor's requests for information, and preparation of record drawing. A Construction Manager at Risk Contract, Project No. PR1307.401, to Valley Rain Construction Corporation, for Veteran's Memorial - Phase 1, is also scheduled for this Council meeting.

22. CONSTRUCTION CONTRACT NO. CS1404.401 to DNG Construction, LLC, for Aquatic Facilities Air Quality and HVAC Repairs in an amount not to exceed \$219,673.27.

APPROVED construction contract No. CS1404.401 to DNG Construction, LLC, for Aquatic Facilities Air Quality and HVAC Repairs, Project No. CS1404.401, in an amount not to exceed \$219,673.27.

BACKGROUND/DISCUSSION:

This project includes work at Mesquite Groves Aquatic Center at 5901 S. Hillcrest Drive and Hamilton Aquatic Center at 3838 S. Arizona Avenue. The project upgrades the current evaporative cooling systems to central air conditioning systems.

In the fall of 2014, DLR Group completed an air quality study at Hamilton and Mesquite Groves Aquatic Centers and recommended repair options with cost analysis. The report found various states of in- operability at both facilities. In the women's restroom at Hamilton Aquatic Center the report stated the supply actually measured the air volume at 20% below the design value. At Mesquite Groves Aquatic Center the measured air volume was 15% below design value in the men's restroom and 46% in the women's restroom. The report also stated that the supply air in the women's restroom was so low it was less than the exhaust volume resulting in the space experiencing a negative pressure.

The report provided three repair and cost recommendations for each location. Option 1 recommended replacing each system with "like" evaporate cooling units and heat pumps. This option did not resolve the interior comfort level or increase air volume. Cost estimate for Option 1 was \$195,000.00. Option 2 recommended replacing the systems with evaporative cooling units, but installing separate gas duct heaters for the heat pumps, replacing a portion of the gas piping, ceiling diffusers and new electrical conductors and disconnects. While this option created greater air volume, it did not address the interior air comfort. Cost estimate for Option 2 was \$234,000.00. Option 3, which was the option selected, recommended replacing the evaporative cooling systems with 100% outside air conditioning units. This option corrects all the issues found in the Air Quality Study. Cost estimate from the study for Option 3 was \$275,000.00.

The scope of work for this project consists of demolition and disposal of existing evaporative cooling units, exhaust fan(s) and controls, and replacing them with new packaged direct expansion units and exhaust fans. Scope of work includes all necessary electrical, control and architectural work for a complete, operational building.

23. **CONTRACT:** Sundt Construction Inc.

APPROVED Amendment No.2 to Contract No. MUS- 913-3446, with Sundt Construction, Inc., for maintenance and repair of the Ocotillo Brine Reduction Facility, in an amount not to exceed \$1,000,000.

BACKGROUND/DISCUSSION:

Sundt Construction, Inc., was under contract with Intel for the expansion of the Ocotillo Brine Reduction Facility (OBRF), formerly known as the Reverse Osmosis Facility. Sundt Construction, Inc., coordinated the installation of specialized processes and equipment during the expansion project. To maintain warranty compliance on this equipment, Sundt Construction, Inc., was contracted to continue the maintenance and repair of this specialized equipment at the facility.

Additional funding is being requested by Intel to replace filter media, filter heads, and under-drains, as well as process modifications in order to treat a new industrial water source being added to the existing treatment process.

The cost of this amendment has been approved and will be reimbursed entirely by Intel.

24. PURCHASE: WESCO Distribution, Inc.

APPROVED the utilization of The Cooperative Purchasing Network Contract No. R142106, with WESCO Distribution, Inc., for MRO supplies and related services, in an amount not to exceed \$587,500, through the remainder of the contract term, ending on March 31, 2018.

BACKGROUND/DISCUSSION:

Municipal Utilities' Water and Wastewater divisions require an ongoing contract for the purchase and repair of circuit breakers, programmable logic controllers, pump starters and variable frequency drives that are used extensively within the City's water and wastewater facilities. WESCO Distribution, Inc., is a distributor for Eaton Corporation equipment and other electrical products and services, which are used throughout the City.

EVALUATION:

The Cooperative Purchasing Network (TCPN) competitively solicited and awarded a contract for MRO supplies and related services. The City has a current Intergovernmental Agreement with TCPN, allowing for the cooperative use of TCPN's contracts.

Staff recommends cooperative use of this contract because it allows the City to purchase original equipment manufacturer supplies and service directly from the authorized distributor when needed. The term of TCPN contract is from April 1, 2015 through March 31, 2018, with the option of two (2) additional one-year extensions. The requested amount is the estimated requirements for the cost centers listed, through the end of the contract term.

25. PURCHASE: Graybar Electric Company

APPROVED the utilization of the U.S. Communities Contract No. MA-IS-1230234, with Graybar Electric Company, for electrical products, in an amount not to exceed \$245,000, through the remainder of the contract term, ending on March 31, 2016.

BACKGROUND/DISCUSSION:

Municipal Utilities' Water and Wastewater Divisions require an ongoing contract for the purchase and repair of circuit breakers, programmable logic controllers, pump starters, and variable frequency drives that are used extensively within the City's water and wastewater facilities. Graybar Electric Company is a distributor of Schneider Electric equipment and other electrical products and services, which are used throughout the City.

EVALUATION:

The County of Los Angeles competitively solicited and awarded a contract for electrical products as the lead agency for U.S. Communities. The City is an eligible user of the U.S. Communities Contract No. MA-IS-1230234.

Staff recommends cooperative use of this contract because it allows the City to purchase original equipment manufacturer supplies and services directly from the authorized distributor when needed.

The term of the U.S. Communities contract is from April 1, 2013 through March 31, 2016, with the option of two (2) additional one-year extensions. The requested amount is the estimated requirements for the cost centers listed, through the end of the contract term.

26. PURCHASE: GOAZ Motorcycles

APPROVED the use of the State of Arizona Contract for the purchase of Police motorcycles from GOAZ Motorcycles in an amount of \$53,929.34.

BACKGROUND/DISCUSSION:

The Fleet Advisory Committee has evaluated replacement requests for two Police motorcycles and recommends replacement of both. On September 15, 2015 Police motorcycle fleet identification number 13255 was being towed when it separated and fell from the service provider's tow truck while underway. The damage amounts to a total loss. The City is pursuing damages for this replacement. The second motorcycle has an identification number of 09171 and has been evaluated as to having high mileage and is six years old resulting in frequent maintenance and poor reliability. The cost of the two motorcycles is \$48,167.34 and the up-fitting cost of the emergency response equipment is \$5,762.

EVALUATION PROCESS:

The State of Arizona competitively solicited and awarded contracts for Police Motorcycles in January 2013. The City has a current Intergovernmental Agreement with the State of Arizona allowing for the cooperative use of State of Arizona's contracts.

27. USE PERMIT: PLAZA (HG THERAPIES, LLC)

APPROVED the Use Permit ZUP15-0014 PLAZA (HG THERAPIES, LLC) to allow a therapeutic massage and aesthetics/skin care business within the Planned Industrial District (I-1) zoning with a Planned Area Development (PAD) overlay, I-1/PAD located at 3130 N. Arizona Avenue, Suite 108, west of Arizona Avenue and north of Elliot Road. Subject to conditions. (Applicant: Heather Gerken)

BACKGROUND:

The subject property is located within an industrial and commercial development zoned Planned Industrial District (1-1) with a Planned Area Development (PAD) overlay, I-1/PAD. The Palm Plaza development consists of seven buildings in which five buildings are for light industrial/office uses and two buildings fronting Arizona Avenue are for commercial use. The property was zoned I-1/PAD in 1986 to allow additional light industrial, repair type services, and office uses deemed compatible with I-1 uses and the existing Community Commercial (C-2) uses permitted in two buildings.

The request is to allow a therapeutic massage and aesthetics/skin care business within a building zoned for light industrial/office use occupying approximately 653 square feet. The suite includes two treatment rooms to accommodate one client at a time for therapeutic massage and aesthetic therapies interchangeably. A maximum of four people will be on-site at any one time; two employees and two clients. Services offered include, but not limited to, massage of multiple modalities, stretching sessions, facials, and eyelash extensions. The hours of operation are seven days a week from 8 a.m. to 9 p.m. on an appointment only basis.

The development includes shared parking spaces and appropriate parking IS provided to accommodate the proposed and existing businesses.

DISCUSSION:

Planning Staff finds the proposed therapeutic massage and aesthetics/skin care business to be a compatible use within the existing light industrial/office and commercial uses in Palm Plaza. The location provides adequate parking and access for the proposed use.

A one-year time limit is conditioned to ensure the proposed use operates compatibly since a personal service type use has not been approved before in this development.

PUBLIC | NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code.

A neighborhood meeting was held on October 7, 2015. No one attended other than the applicant.

As of the writing of this memo, Planning Staff is not aware of any concerns or opposition.

PLANNING COMMISSION VOTE REPORT:

Motion to Approve.

In Favor: 7 Opposed: 0

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve Use Permit ZUP15-0014 PALM PLAZA CHG THERAPIES, LLC), subject to the following conditions:

Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.

The site shall be maintained in a clean and orderly manner.

The Use Permit is non-transferable to any other property.

Use Permit approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Use Permit shall apply.

28. **USE PERMIT:** El Herradero

APPROVED Use Permit, LUP15-0017 El Herradero, Series 12 Restaurant License, to continue to sell liquor as permitted for on-premise consumption in an existing restaurant and continue live entertainment indoors, located at 474 W. Ray Road, east of the NEC of Ray Road and Iowa Street.

BACKGROUND:

El Herradero is an existing restaurant located east of the northeast corner of Ray Road and Iowa Street, within Thunderbird Plaza. Thunderbird Estates single-family subdivision is north, commercial retail uses on the east and west.

The request is for Liquor Use Permit approval to continue to sell and serve liquor as permitted under a Series 12 Restaurant License for on-premise consumption indoors and continue indoor live entertainment. Council approved the previous Liquor Use Permit on August 14, 2014, with a time condition of one year. A new Liquor Use Permit is prompted due to the expiration of the one-year time limit.

The restaurant's operational plan remains the same. Hours of operation are 9 a.m. until 8 p.m., Monday through Thursday, and from 9 a.m. until midnight, Friday through Sunday.

Live entertainment, including live music and dances, occurs between the hours of 1 p.m. to 4 p.m. on the weekend, and dances with live music, occurs on Friday and Saturday, from 9 p.m. until midnight. Conditions of approval addressing potential noise concerns due to the proximity to the single-family subdivision remain.

A Series 12 Restaurant License allows the on-site sale of beer, wine, and spirits for on-premise consumption. Under a typical Series 12 license the establishment must derive at least 40 percent of its gross revenue from the sale of food and non- alcoholic beverages.

PUBLIC NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting was held on October 1, 2015. One resident attended the meeting and inquired about the restaurant's operation and if there were noise complaints. Planning Staff received a phone call from a resident stating their opposition to the request and voiced concerns related to serving liquor by their home, liquor and live entertainment brings unwanted people into their neighborhood, and loud music. Neither Planning Staff nor the Police were contacted concerning the loud music/noise issue. The time of day and days of the week, when loud music occurred, cannot be verified since there is no record or correspondence of the incident(s).

PLANNING COMMISSION VOTE REPORT

Motion to Approve.

In Favor: 7 Opposed: 0

During Study Session, several Planning Commissioners discussed placing a time condition on this Liquor Use Permit. The discussion referenced the mid-block location of the restaurant and the proximity to single-family residential. Additionally, the previous Liquor Use Permit had several Thunderbird Estates residents attend the public hearing with concerns related to liquor, noise, and entertainment by their homes, and these residents may not be aware of the ability to make complaints. Planning Commission requested that a time condition of three (3) years be added for ongoing evaluation of the compatibility of live entertainment with the surrounding residential developments. Planning Commission and Planning Staff recommend the additional time stipulation listed as Condition No. 8.

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP15-0017 EL HERRADERO, subject to the following conditions:

Expansion or modification beyond the approved exhibits (Floor Plan, and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit application and approval.

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.

The Liquor Use Permit is non-transferable to any other location.

29. LIQUOR LICENSE: El Herradero De Mi Mama Maria

APPROVED a Series 10, Beer and Wine Store Liquor License (Chandler license # 160421) for Amanda Adams, Agent, El Herradero #3 LLC, dba El Herradero De Mi Mama Maria, located at 731 S. Arizona Avenue. A recommendation for approval of State Liquor License No. 10076709 will be forwarded to the State Department of Liquor Licenses and Control. The Planning Division advises a new Use Permit is not required since this will be a continuation of the location's previous use as AZ et LLC, dba AZ Market.

The Police Department reports no objections to the issuance of this license, and no written protests, pursuant to A.R.S. 4-201(B), have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code.

30. USE PERMIT: Vinum 55 Chandler

APPROVED a Series 7 Beer and Wine Bar License for liquor sampling and Series 10 Beer and Wine Store License case LUP15-0018, Vinum 55 Chandler, a new wine tasting and wine storage facility located at 2577 W. Queen Creek Road, the SWC of Dobson and Queen Creek roads in Downtown Ocotillo, subject to the conditions as recommended by Planning Commission and Planning Staff. (Applicant: John Finn.)

BACKGROUND

Vinum 55 Chandler is a new wine tasting and wine storage business to be located at 2577 West Queen Creek Road, the southwest corner of Dobson and Queen Creek roads in Downtown Ocotillo. The business will lease approximately 3,000 sq. ft. of tenant space in a new building with an anticipated opening in November, 2015.

The request is for Liquor Use Permit approval for liquor sampling under a Series 7 Beer and Wine Bar License and to sell liquor under a Series 10 Beer and Wine Store License in a new wine tasting and wine storage facility.

The approximately 500 sq. ft. tasting room is located on the ground level with a 2,500 sq. ft. climate-controlled wine storage area in the basement. Hours of operation are proposed from 9 a.m. until 6 p.m., Monday through Saturday, with wine tasting events to occur from 5 p.m. until 7 p.m. Wine storage lockers, located in the basement, will be accessible only during normal business hours. Two employees, a Cellar Manager and an Assistant Cellar Manager will staff the business.

PUBLIC | NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting was held on October 7, 2015. No one other than the applicant attended. As of the writing of this memo, Planning Staff is not aware of any opposition to the request.

PLANNING COMMISSION VOTE REPORT

Motion to Approve.

In Favor: 6 Opposed: 0 Abstain: 1 (Ryan)

RECOMMENDED ACTION

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP15-0018 VINUM 55 CHANDLER, subject to the following conditions:

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.

The Liquor Use Permit is granted for a Series 7 Beer and Wine Bar license and a Series 10 Beer and Wine Store license, and any change of licenses shall require reapplication and new Liquor Use Permit approval.

The Liquor Use Permit is non-transferable to any other location. The site shall be maintained in a clean and orderly manner.

31. LIQUOR LICENSE: Vinum 55 Chandler LLC

APPROVED a Series 7, Beer and Wine Bar Liquor License No. 159823 L7, for John Robert Finn, Agent, Vinum 55 Chandler LLC, dba Vinum 55 Chandler, located at 2577 W. Queen Creek Road. A recommendation for approval of State Liquor License No. 07070658 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 pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 7, Beer and Wine Bar Liquor License, the business may sell beer and wine only for on- or off-premise consumption.

32. USE PERMIT: Eklectic Pie

APPROVED Use Permit, LUP15-0020 EKLECTIC PIE, Series 12 Restaurant License, to sell and serve liquor for on-premise consumption indoors and within a new outside patio at a restaurant located at 2990 E. Germann Rd., Suite 1, the NWC of Gilbert and Germann roads; subject to the conditions as recommended by Planning Commission and Planning Staff. (Applicant: Charlie Harmon.)

RECOMMENDATION:

Upon finding the request to be consistent with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit subject to conditions.

BACKGROUND:

The subject site is located within the Crossroads Towne Center within the Harkins Theater portion of the center. Eklectic Pie is locally owned and the second location within Arizona, offering custom pizza combinations, and including beer and wine.

The subject site will be open Monday through Sunday 10 a.m. to 10 p.m. The restaurant will have approximately 25 employees. The restaurant is approximately 2,625 square feet with an additional proposed 355 square foot new patio along the building's west side. The indoor dining area will provide seating for 68 patrons and the new outdoor patio will provide seating for 26 patrons.

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 indoors and within a new outdoor patio. Under a typical Series 12 license the establishment must derive at least 40 percent of its gross revenue from the sale of food and non-alcoholic beverages.

PUBLIC/NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood notice was mailed in lieu of a neighborhood meeting. As of the writing of this memo, Planning Staff has not received any phone calls or letters in opposition to the request.

PLANNING COMMISSION VOTE REPORT:

Motion to Approve.
In Favor: 7 Opposed: 0 Absent: 0

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit LUP15-0020 EKLECTIC PIE, subject to the following conditions:

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.

The addition of entertainment related uses shall require re-application and approval of a Liquor Use Permit.

The Liquor Use Permit is granted for a Series 12 license only, and any change of license shall require reapplication and new Liquor Use Permit approval.

The Liquor Use Permit is non-transferable to any other store locations.

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.

All pedestrian walkways shall be A.D.A. accessible and shall not be interrupted by any obstacles preventing circulation (i.e. persons with disabilities shall have direct access to all indoor and outdoor pedestrian spaces).

The site and patio shall be maintained in a clean and orderly manner.

33. LIQUOR LICENSE: Eklectic Pie

APPROVED a series 12, Restaurant Liquor License (Chandler # 160228 L12) for Jay Lawrence Johnson, Agent, FX4Success LLC, dba Eklectic Pie, located at 2990 E. Germann Road. A recommendation for approval of State Liquor License # 1207A369 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.

34. LIQUOR LICENSE: El Coyote Sports Bar

CONTINUED TO JANUARY 28, 2016, a Series 6 Bar Liquor License for Emanuela Watt, Agent, El Coyote Sports Bar, located at 481 N. Arizona Avenue, to allow the Chandler Police Department time to complete the requirements for approval.

35. LIQUOR LICENSE: Sprouts Farmers Market #33

APPROVED a series 10, Beer and Wine Store Liquor License (Chandler # 160351 L10) for Randy D. Nations, Agent, SF Markets LLC, dba Sprouts Farmers Market #33, located at 4065 S. Gilbert Road. A recommendation for approval of State Liquor License # 110076704 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.

36. LIQUOR LICENSE: Starbucks Coffee #15746

CONTINUED TO JANUARY 14, 2016, a Series 12 restaurant Liquor License for Andrea Dahlman Lewkowitz, Agent, Coffee House Holdings Inc., dba Starbucks Coffee #15746, located at 4985 W. Ray Road. Applicant requests continuance to allow them time to complete the requirements for a new Use Permit.

37. SAMPLING PRIVILEGES, LIQUOR LICENSE: Sprouts Farmers Market #33

APPROVED the addition of sampling privileges to the City of Chandler liquor license # 160351 L10, State Liquor License Series 10 Beer and Wine, for Randy D. Nations, Agent, SF Markets LLC, dba Sprouts Farmers Market #33, located at 4065 S. Gilbert Road. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

38. SPECIAL EVENT LIQUOR LICENSE: Scott Detherage Foundation

APPROVED a Special Event Liquor License, for the Scott Detherage Foundation, for the Chandler Classic Car Show on Saturday, February 27, 2016, located at Dr. A.J. Chandler Park, 3 S. Arizona Avenue. 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 period. The Police Department reports no objections to the issuance of the license.

39. TEMPORARY EXTENSION OF PREMISES: The Perch

APPROVED a Temporary Extension Of Premises for a Series 6) and Series 3, (State Liquor License #06070316 and 03073070) (Chandler # 145511 L6 and L3) held by The Perch LLC, dba The Perch, for a 2nd Annual Anniversary Party, on Sunday, February 7, 2016, located at 232 S. Wall Street. A recommendation will be forwarded to the State Department of Liquor Licenses and Control. The Police Department reports no objections to the issuance of the license.

40. FINAL PLAT: Willis Gated Community

APPROVED Final Plat FPT15-0002 Willis Gated Community for a 35-lot gated, single-family residential subdivision located east of the southeast corner of McQueen and Willis roads. (Applicant: David Llein; Superior Surveying Services, Inc.,) The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

41. FINAL PLAT: RESEDA

APPROVED Final Plat, FPT15-0017 Reseda, a 32 lot single-family residential subdivision located at the northwest corner of Germann Road and Arrowhead Drive. (Applicant: Bowman Consulting). The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

42. FINAL PLAT: RHYTHM

APPROVED Final Plat, FPT15-0018 Rhythm, a 281 residential unit subdivision located at the northwest corner of 56th Street (Priest Drive) and Orchid Lane. (Applicant: Bowman Consulting). The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

ACTION:

5. FEE SCHEDULE:

Res. No. 4899

APPROVED Resolution No. 4899 amending the Citywide Fee Schedule related to Mobile Food Units as addressed in Ordinance 4636.

Management Services Director Dawn Lang noted the net impact of these fees is a reduction to anyone who pulls a permit for a mobile food unit as it is now a separate chapter in the City Code.

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ELLEN TO APPROVE RESOLUTION NO. 4899 AMENDING THE CITYWIDE FEE SCHEDULE RELATED TO MOBILE FOOD UNITS AS ADDRESSED IN ORDINANCE 4636.

Councilmember Heumann stated this change to the City Code has been discussed over the last several months. There was significant input from the stakeholders, and he thanked everyone involved in this process.

MOTION CARRIED UNANIMOUSLY (7-0).

14. AGREEMENT: StreetMediaGroup, LLC

AGREEMENT No. TD6-915-3571 with StreetMediaGroup, LLC, for transit shelter advertising and maintenance services for an initial five-year term, with the option of two additional three-year extensions.

BACKGROUND/DISCUSSION: The City provides bus shelters and transit furniture for the comfort of passengers using the public transit system. Of the City's stops, approximately 181 feature shelters with advertising kiosks. Historically, the City has engaged the services of a contractor for the sale of advertising and the installation and maintenance of the shelters and furniture. OutFront Media, formerly CBS Outdoor, provides services under the existing contract in exchange for the right to sell advertising at bus shelters. The existing contract will expire on December 31, 2015. The City has exhausted all available extension options. The new agreement includes cleaning, advertising and minor maintenance, but does not include heavy maintenance or any other work that would require the vendor to have an Arizona Contractor's License through the Registrar of Contractors (ROC).

EVALUATION: On August 21, 2015, City staff issued a Request for Proposal (RFP) for transit shelter advertising and maintenance services. Under the scope of the agreement, the successful offeror will sell advertising at City-owned transit shelters, share advertising revenue with the City, and perform cleaning and basic maintenance services of City-owned transit shelters and furniture at no cost to the City. Notification was sent to all registered vendors. Two proposals were received from StreetMediaGroup (SMG) and OutFront Media.

The Evaluation Committee reviewed the proposals in accordance with the evaluation criteria which were revenue proposal, qualifications and experience, and method of approach. Interviews were then conducted with the two (2) offerors and references for the offerors were contacted. Following the proposal review, reference review and interviews, the Evaluation Committee recommends award to SMG, who submitted the most advantageous offer to the City in accordance with the evaluation criteria.

Revenue Proposal: SMG's proposal offered minimum guaranteed revenues roughly equivalent to OutFront Media's proposal, however, the SMG proposal provides the possibility of higher revenue for the City during positive economic climates. The minimum guaranteed revenue is estimated to be approximately \$680,000 in the initial term.

Qualifications and Experience: SMG and its staff are highly qualified in transit shelter advertising, as it is the primary focus of the business. Additionally, SMG's public agency and transit references provided overwhelmingly positive recommendations. SMG currently operates in a number of other cities similar to Chandler's size and has been very successful in generating revenue and maintaining clean and attractive shelters.

Method of Approach: The SMG approach will result in enhanced amenities for Chandler's transit passengers, better communication with Chandler staff, and higher potential for revenue generation. In addition to the advertising revenue provided to the City, SMG will provide funding for new bus shelters and lighting for existing advertising shelters. SMG's software will provide the City with the ability to track real-time maintenance, cleaning and advertising sales locations, enabling City staff to better oversee the work required in the agreement. Finally, SMG's willingness to invest in improving Chandler's advertising amenities, the in-house cleaning program, attention to detail, and the localized approach to advertising sales will result in higher long-term revenue potential for the City.

The term of this agreement is January 1, 2016, through December 31, 2020, with the option of two (2) additional three-year extensions.

Financial Implications: Over the course of the initial five-year term, SMG will provide the City with minimum advertising revenues of approximately \$680,000, with anticipated revenue shares being considerably higher. Additionally, the City will be provided with an estimated \$1.45 million in bus stop cleaning and maintenance services, including the Transit Center and Park and Ride, and \$350,000 for bus shelter improvements. The total value of this agreement is estimated to be \$2.48 million or \$496,000 per year.

JOHN CLEMENTS, 3150 S 48TH St, Phoenix, representing Out Front Media. He asked Council to award the bid to Out Front Media. He stated they did miss a few details in the Staff report and the competitor has offered more money, but feel the risk does not outweigh the cost. They are the successor to a locally founded company which has been here for 30 years and employees 85 people, 8 of which live in Chandler. They have other franchises in the City, and have the financial stability to pay the City. Our Front has never defaulted on a contract, whereas their competitor has recently defaulted on a contract. They have never renegotiated a contract, whereas their competitor has. He said his company provides added value such as Amber Alerts, FBI Alerts, Silent Witness and Community Awareness alerts, all at their own additional expense. He cited they have partnered with the City for over a decade, and help build this business. They have provided most of the shelters at bus stops and a significant revenue stream for Chandler. They would appreciate reconsideration and be a partner with Chandler for the years to come.

MOVED BY COUNCILMEMBER ROE, SECONDED BY COUNCILMEMBER LOPEZ TO APPROVE AGREEMENT NO. TD6-915-3571 WITH STREETMEDIAGROUP, LLC. FOR TRANSIT SHELTER ADVERTISING AND MAINTENANCE SERVICES FOR AN INITIAL FIVE-YEAR TERM, WITH THE OPTION OF TWO ADDITIONAL THREE-YEAR EXTENSIONS.

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

UNSCHEDULED PUBLIC APPEARANCES:

NONE.

CURRENT EVENTS:

A. Mayor's Announcements

WoofStock will be Saturday, November 21st from 9 a.m. to 1:30 p.m. at Tumbleweed Park. The free, family event offers a number of demonstrations, lots of vendors and more. For details visit chandleraz.gov

The Mayor encouraged all residents to complete the annual online budget survey at chandleraz.gov/budget. The survey will be up and available through the end of December.

Celebration Plaza induction ceremony was held this past Saturday. They honored Officer David Payne Who lost his life to a drunk driver last year. Chandler Kiwanis Club was inducted this year for all their work they have done over the years to make Chandler a better place.

He announced Chandler will be the host of the East Valley Mayor's Prayer Breakfast on March 16, 2016. It will be held at the Coyote Center at Chandler-Gilbert Community College. This is a wonderful annual event with this year's theme being, "Strong Partnerships, Strong Communities." Seats, tables and other sponsorship opportunities are available now by going to the website: www.evmpb.org

He announced Chandler just received verification on its bond rating, Chandler received a Triple A bond rating.

The Mayor recognized Marian Norris' retirement from the City Manager's office. He announced the retirement of Chandler's Intergovernmental Liaison, Patrice Kraus. He stated Patrice has been exemplary in serving the City and thank her for her 21 years of excellent service.

He wished everyone a Happy Thanksgiving.

B. Councilmembers' Announcements

COUNCILMEMBER LOPEZ wished everyone a Happy Thanksgiving and to keep those less fortunate in mind and to help out.

VICE MAYOR HARTKE recognized all the Government class students in attendance from Chandler High School.

In regards to Thanksgiving, he noted several organizations will be offering free dinners; Chandler Christian Community Center, the Boys and Girls Club, and The Salvation Army.

He announced Saturday, November 21st is National Adoption Day.

COUNCILMEMBER HEUMANN announced the Tumbleweed Tree Lighting will take place Saturday, December 5th from 4:30 – 9:00 p.m.

Councilmember Heumann said he attended the Arizona Town Hall meeting last week where a major topic of discussion was on water. He stated in February Chandler will hold its 5th Annual Science Spectacular.

COUNCILMEMBER ELLEN thanked the many Board and Commission members who take their time and serve the City.

COUNCILMEMBER ROE wished the best to all those individuals who have and will be retiring soon.. They are the epitome of professionalism and they will be greatly missed.

C. City Manager's Announcements

Acting City Manager Marsha Reed thanked the Mayor and Council for their kind words about Patrice Kraus. Patrice has worked for the City for 21 years and over the years has been instrumental in several projects including the South Price Road Corridor study, chairing the Smoking Regulations Policy Committee, and most recently the mid-decade census, General Plan update and Adaptive Re-Use. She announced Patrice will be taking on a new role at the League of Arizona Cities and Towns.

ADJOURNMENT: The Mayor adjourned the meeting at 7:25 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: February 11, 2016

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 19th day of November 2015. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of February, 2016.

City Clerk