

MINUTES OF 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, May 26, 2016.

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

The following members answered roll call:

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

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

INVOCATION: The invocation was given by Pastor Lori Tapia – Alas de Salvacion

PLEDGE OF ALLEGIANCE: Boy Scout Troop 280 led the Pledge of Allegiance.

Mayor Tibshraeny also noted that Boy Scout Troop #7 was in attendance.

CONSENT:

MOVED BY COUNCILMEMBER LOPEZ, seconded by COUNCILMEMBER ELLEN, TO APPROVE THE CONSENT AGENDA AS PRESENTED.

Mayor Tibshraeny stated he received a comment card from Evelyn Ellsworth, 254 N. Hartford St., Chandler, opposing item #31, the rezoning of the Planned Area Development (PDP) of the Alta San Marcos Golf Course to Multi-Family residential. He stated that item has been continued to the June 23, 2016 City Council meeting.

MOTION CARRIED UNANIMOUSLY (7-0).

CONSENT:

- 1a. MINUTES of the Chandler City Council Special Meeting (Exec Session) of May 9, 2016
- 1b. MINUTES of the Chandler City Council Regular Meeting of May 12, 2016
- 1c. MINUTES of the Chandler City Council Study Session of May 9, 2016
- 1d. MINUTES of the Chandler City Council Special Meeting (Budget Amendments) of May 12, 2016

2. REZONING: RMB Business Park Ord. 4653

FINAL ADOPTION OF ORDINANCE NO. 4653, DVR15-0010 RMB BUSINESS PARK, rezoning from Agricultural District (AG-1) to Planned Area Development (PAD) for Light Industrial and Commercial.

3. CITY CODE AMENDMENT: Architectural Excellence Award Committee Ord. 4701

FINAL ADOPTION OF ORDINANCE NO. 4701 repealing Part VI, Article 41 of the Code of the City of Chandler; abolishing the architectural excellence award committee; and repealing code sections, ordinances or resolutions in conflict herewith.

4. GRANT OF EASEMENT: Lot 186 – Artesian Ranch Ord. 4702

FINAL ADOPTION OF ORDINANCE NO. 4702 granting an Easement, Maintenance and Access Agreement, at no cost, to the property owner of the Artesian Ranch subdivision Lot 186, over a portion of the City wellsite located at the northwest corner of Gilbert Road and Iris Drive.

5. AGREEMENT: Salt River Project Res. 4947

ADOPT Resolution No. 4947 consenting to enter into an irrigation pipeline cooperative maintenance agreement with Salt River Project (SRP) for the City's Alma School Road and Chandler Boulevard Intersection Improvements Project, and authorizing the City Manager or designee to execute the necessary documents.

BACKGROUND: The City has a capital project to be constructed in January 2017 to improve the intersection of Alma School Road and Chandler Boulevard. In order to accommodate the planned improvements, it has become necessary to leave 1,200 feet of existing 42-inch irrigation pipeline and 900 feet of exiting 33-inch irrigation pipeline, owned by Salt River Valley Water Users' Association (SRP), within future City roadway. The existing pipeline will remain under pavement as a result of the capital improvement project.

As a requirement for the existing irrigation pipeline to remain under pavement, the City must enter into a cooperative maintenance agreement with SRP for restoration above the irrigation pipeline, in the event that Salt River Valley Water Users' Association shall need to repair and or replace the pipeline. Under the terms of such an agreement, the City agrees to accept responsibility for barricading, temporary steel plating material, temporary asphalt patch material, ABC backfill material, and permanent replacement of asphalt or concrete that may be damaged during the construction of the pipeline repair or pipe replacement.

FINANCIAL IMPLICATIONS: In the short term, there will be a cost savings for the Alma School Road and Chandler Boulevard Intersection Improvements Project, as a result of the pipeline remaining in place. The estimated cost saving with the irrigation pipeline section remaining in place is \$188,000.00. Additional right-of-way will not need to be acquired by avoiding the relocation of the pipeline. During the Alma School Road and Chandler Boulevard Intersection Improvements Project, lane restrictions and intersection road closures will be reduced with the pipe remaining in place.

6. FY2016-17 BUDGET AND FY2017-2026 CAPITAL IMPROVEMENT PROGRAM

ADOPT Resolution No. 4954 adopting the FY 2016-17 Tentative Budget and 2017-2026 Tentative Capital Improvement Program and giving notice of the dates and times for hearing taxpayers, for final adoption of the budget, and for setting the tax levies and tax rates.

BACKGROUND: Resolution No. 4954, adopting the FY 2016-17 Tentative Budget and the State Auditor General forms (Budget forms) is submitted as prescribed by Arizona Revised Statutes 42-17101 and 42-17102. The Resolution and Budget forms have been revised to incorporate the amendments approved at the May 12th Council meeting.

As required, the Budget forms will be published in the Arizona Republic newspaper, as will a notice that the City Council will meet on June 9, 2016, at 7:00 p.m. for the purpose of a public hearing and for final adoption of the 2016-17 Budget, and will further meet for the purpose of setting the tax levies on June 23, 2016, at 7:00 p.m.

In summary, the FY 2016-17 revised budget (with amendments approved on May 12th) totals \$971,250,607 and includes funding for departmental operating budgets of \$349,567,696; funding for debt service of \$59,454,061; budget for equipment, technology, and vehicle replacement purchases of \$8,858,918; and contingencies and reserves in the amount of \$102,020,708 in various funds. The capital budget includes \$139,328,539 in new appropriation, capital carry forward of \$310,470,685 and contingency and reserve funding of \$1,550,000.

Included in the projected operating revenues of \$452,065,390 is a property tax levy of \$29,165,484 based on a rate of \$1.1600 per \$100 assessed property, plus \$460,536 for SRP's payment to the City in lieu of property tax for a total of \$29,626,020.

The Tentative Budget and Resolution, including the Budget forms, as well as the 2017-2026 Tentative Capital Improvement Program will be available for public review and inspection May 27, 2016, on the City's official website www.chandleraz.gov and at the City of Chandler Libraries, City Clerk's office and the Management Services Administration office located in the Chandler City Hall.

As in past years, Section 4 of the Resolution includes certain delegations to the City Manager or designee to transfer funds for specific administrative purposes such as year-end encumbrances, capital project carry forward, and allocation of personnel budgets following final negotiation of memorandums of understanding (MOU).

7. AGREEMENT: Enhanced Municipal Services District

Res. 4956

ADOPT Resolution No. 4956, authorizing the Enhanced Municipal Services District (EMSD) Agreement for Fiscal Year 2016-2017, between the City of Chandler and the Downtown Chandler Community Partnership, and the City's voluntary contribution to the EMSD in the amount of \$118,804.

BACKGROUND: At the City Council meetings on March 17, 2016, and April 14, 2016, the Mayor and City Council took all actions necessary to renew the Downtown Chandler Enhanced Municipal Services District (District). Staff is requesting approval of an EMSD Agreement with the Downtown Chandler Community Partnership (DCCP). Through this action, the DCCP is designated as the entity that will manage and operate programs in the District.

The primary functions of representing District rate payers, developing the annual District budget and work plan, and items outlined in Exhibit B of the contract have remained the same.

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

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

8. PROJECT AGREEMENT: Snedigar Sportsplex Improvements

APPROVE award of a project agreement to Gavan & Barker, Inc., for Snedigar Sportsplex Improvements, Project No. PR1612.201 pursuant to the annual contract for park design services, EN1511.101 in an amount not to exceed \$123,501.00.

Snedigar Sportsplex, located south of Ocotillo Road east of Alma School Road, is approximately 91-acres in size. Originally constructed in 1991, the park was expanded in 2006 to ensure the recreational needs of the community were being met. Existing amenities include lighted baseball and softball fields, lighted soccer fields, skate park, dog park, and satellite recreation center.

The FY 2015-16 Capital Budget allocates funding for the design of various improvements to this facility. Last fall, the City purchased approximately 28,120 square feet of land within the Snedigar Sportsplex. In the past, this property was improved with a well site and a water tower. The well site was abandoned in 2007 and the water tower was removed in 2014. This project agreement will provide design and construction documents for additional amenities on this site that could include pavilions, lighting, playground and sidewalks. The development of this site will begin in early spring 2017.

Also included in this project agreement, is the design of improvements that respond to complaints the City has received regarding dust associated with the existing gravel parking lot and granite walkways adjacent to the six ballfields. These improvements will include asphalt and concrete paving as well as the addition of parking lot lighting. In an effort to minimize disruption to the various youth/adult athletic leagues taking place at the Snedigar Sportsplex, these improvements will occur in summer 2017.

The term of this design services contract is 320 days from the Notice to Proceed. Allowing consideration for scheduled activities at the Sportsplex, two separate design packages will be developed and bid separately.

9. PROJECT AGREEMENT: Hillcrest Recovery Well Equipping

APPROVED award of a Project Agreement to Stantec Consulting, Inc., for construction management services, for the Hillcrest Recovery Well Equipping, pursuant to Annual Water and Wastewater Services Contract No. EN1521.101, Project No. WW1412.451, in an amount not to exceed \$109,210.

The Hillcrest Recovery Well is located at 5899 S. Hillcrest Drive. The well was originally drilled in February 2005 for water production purposes, but was never equipped for potable use due to high arsenic levels. The well has been repurposed as a recovery well to supplement the reclaimed water system during peak demand periods. The recovery well will be connected to the existing reclaimed water distribution system. This project includes construction management services for the installation of well pumping equipment and associated site development.

The project scope of work consists of: project meetings, inspection services, schedule review, utility coordination, submittal and shop drawing reviews, contractor payment review, materials testing, instrumentation and controls programming, and record drawings.

10. No item

11. AGREEMENT: Right of Way Repairs

APPROVED Agreement No. MU6-745-3676, for Right-of-Way Repairs, to Vincon Engineering Construction, LLC, in an amount not to exceed \$120,000, per year, with the option of four (4) additional one-year extensions. Repair and maintenance of water distribution mains, service connections, valves, and hydrants often require removal of existing concrete and asphalt within the right-of-way. The Water Distribution Division will use this Agreement to repair damage to City's right-of-way as a result of water main break repairs or maintenance of the water distribution system. Municipal Utilities is requesting approval of an amount not to exceed \$120,000. This amount is based on historic usage of the services provided under this Agreement.

12. AGREEMENT AMENDMENT: Accela – Online Plan Review

APPROVED Amendment No. 1 to Master Services Agreement (MSA) No. 3547 for an electronic document review system with Accela for a revised not to exceed contract amount of \$262,026 and authorize the transfer of General Fund appropriation from the Transportation & Development Department to the Information Technology Oversight Committee in the amount of \$29,717. The City utilizes the Accela Civic Platform for processing permits and inspections as well as code enforcement. Currently, the City's plan review process is manual and requires multiple paper copies of construction plans. The existing process does not take advantage of today's electronic plan review technology and does not offer on-line plan submittal options for customers.

Providing an option for on-line plan submission and plan review will reduce the need for paper plans, lower overall submission costs, provide for receiving comments from City staff electronically, and help to streamline the overall plan review process. An electronic document

review module will be added to the existing Accela Civic Platform, which will integrate with the electronic plan review solution (ePlanCheck). Likewise this will also integrate with the existing Electronic Document Management System (EDMS), where all plans and supporting documents will be stored. Modifications to the interactive voice response (IVR) system will be needed to schedule inspections by telephone along with the existing option to schedule inspections on-line.

An internal work team from Transportation & Development, Planning, and Information Technology has been working since the Summer of 2015 on the framework of this project. Additionally, external stakeholders were identified and surveyed to provide feedback on their experience with electronic document submittals. The external stakeholders have also been asked to participate in a pre-launch pilot program in the Fall of 2016, prior to full implementation. The project plan calls for a public launch in December 2016.

During initial discovery performed as part of the development of the business requirements document, several issues and opportunities were identified that would impact the overall success of the project. For example, consolidating the number of plan submittal types will allow the permitting process to be streamlined to better meet the needs of the customer as well as the City. In addition, it was discovered that the existing programming custom to the City's implementation of the Accela Civic Platform needed to be converted to the new version to provide better support and make it easier to make changes in the future. The programming conversion cost is included in this additional scope of work and all Accela Civic Platform modules used by the City will benefit from this conversion, including electronic document review.

Working closely with Accela, staff identified the specific tasks and deliverables that needed to be added to the original scope of work under the MSA to ensure the success of the project. These tasks are referred to as "Scenario 3."

The amount of the original MSA is \$162,675. This included professional services in the amount of \$108,045. The purchase of ePlanCheck software in the amount of \$45,680 with annual support and maintenance in the amount of \$8,950 was also included in the original scope of work and remains unchanged. The cost associated with the additional scope of work required is \$153,981 including \$50,000 for the programming conversion used by all Citywide Accela Civic Platform Modules. The total project cost is \$316,656.

13. AGREEMENT AMENDMENT: Simpleview, LLC

APPROVED Amendment No. 2 to Agreement No. ED4-915-3296, for search engine optimization (SEO), management of pay per click (PPC) advertising services, customer relationship management (CRM), Simple Support, responsive design, on-line advertising, maintenance, and reporting, with Simpleview LLC, in an amount not to exceed \$87,600, for a one-year period, July 1, 2016, through June 30, 2017. Proposition 302 Maricopa County Grant (Prop 302) is available to destination marketing organizations (DMO) within Maricopa County and is administered by the Arizona Office of Tourism. The purpose of this grant program is to provide funding for new and expanded tourism marketing activities such as advertising, website development, public relations and travel industry marketing that focus on marketing the

community as a destination. The City of Chandler has utilized Prop 302 to fund the development, maintenance and support of the City's tourism website, www.VisitChandler.com to varying degrees since 2003.

The website features essential Chandler tourism information including, but not limited to, hotel accommodations, attractions, a calendar of events, and a dining guide. It is a key marketing tool to reach potential visitors. VisitChandler.com is featured on all promotional materials and advertisements, and is also used to measure the success of advertisements and general promotions. The website is a key source of information for people researching travel to Chandler and continues to drive traffic. Year to date growth through March for FY16 has seen a total of 201,817 visits as compared to 170,580 for the same period last year, representing an 18% increase in web traffic.

In FY16, the website was moved to a responsive platform which will allow all VisitChandler.com content to be viewable either by desktop, tablet or mobile device. In addition, a Customer Relationship Management (CRM) program was integrated with the website to facilitate communications, data management and reporting mechanisms.

PPC ads are strategically placed website advertisements which appear on the right and on top of natural search engine results for specific keywords and phrases. PPC is typically a strong marketing strategy when trying to rank with highly competitive keywords and phrases with more immediate results. SEO is an organic method of increasing the likelihood that a website is found by a user when searching for a keyword or phrase through a search engine. Thereby connecting the user with the content that they are seeking. SEO is a strong, long-term strategy which requires a continual investment of time, but provides lasting website growth. It is anticipated that with additional website growth, more visitors will be drawn to Chandler thereby increasing revenue to Chandler businesses.

Simple Support is a basic, flat monthly support plan for routine maintenance and development of the site.

For the extension term, fees for PPC are \$25,200 and PPC management fees are \$4,800. SEO fees are \$24,000. The responsive design license fees are \$23,200. The CRM and data reporting annual hosting fees are \$4,400. The Simple Support fees are \$6,000.

14. AGREEMENT AMENDMENT: Lin-Cum, Inc.

APPROVED Amendment No.4 to Agreement No. TD2-915-3097 with Lin-Cum, Inc., for microfilming services, in an amount not to exceed \$85,000, for a one-year term, May 1, 2016 through April 30, 2017. The City has an existing agreement with Lin-Cum, Inc., for microfilming services. This agreement is used on an as-needed basis, and quantities are estimated based on past history. The agreement amount was amended in December of 2015 to allow historical building permit records to be converted from existing microfiche to digital format, which will make retrieval of information for public records requests much more efficient. Once digitized, some records may be made accessible directly to the public over the Internet.

This item was originally discussed at the City Council Study Session of May 9, 2016. At that time, Councilmember Heumann asked for more information regarding the schedule and total cost of the microfilming and digitizing project.

From May 1, 2012 through April 30, 2016, \$183,570 was spent on these services, which included digitizing historical records in addition to the ongoing microfilming and digitizing of new records.

Staff estimates we will need approximately \$85,000 to complete the following: copy the remaining rolls of microfilm (\$17,000), microfilm and digitize new permit records over the next year (\$40,000), and digitize approximately 36,000 aperture cards currently stored by the Transportation and Development Department (\$28,000). These cards, once digitized, will then be destroyed.

Beginning in 2017, when permit applicants will have the option of submitting their applications and plans electronically, the need for this service should decline, but will not be eliminated as the City will still accept paper plans. Unfortunately, we do not know how many applications will go from paper to electronic, which makes it difficult to estimate a cost at this time.

15. CONTRACT: RAK Development, Inc.

APPROVED award of a Professional Services Contract to RAK Development, Inc., dba Kreuzer Consulting Group, for Design Consultant Services for Arizona Avenue Improvements, Frye Road to Pecos Road, Contract No. ST1607.201, in an amount not to exceed \$749,947.

The Arizona Avenue Improvements, Frye Road to Pecos Road, is part of a comprehensive plan to improve Downtown Chandler streets and Infrastructure for further development and to improve traffic circulation in the downtown area. The project will include analysis and design for Americans with Disabilities Act (ADA) compliance, pedestrian safety, and maintaining business access; analysis and design of raised landscaped medians vs. flush medians and possible driveway consolidation; landscape; analysis and design for landscape, hardscape, pedestrian lighting, street furniture; traffic signal at Fairview Street; dry utility relocations; and pavement mill and overlay.

The scope of work also includes stakeholder coordination with the various high profile stakeholder groups within the project location; The Kreuzer Consulting Group shall maintain a significant presence and coordination with City staff, City Public Relations Consultant, Stakeholders, and Downtown Redevelopment necessary to complete the design and permitting for the project.

16. CONSTRUCTION CONTRACT: Redpoint Contracting

APPROVED award of Construction Contract to Redpoint Contracting, for the Hillcrest Recovery Well Equipping, Project No. WW1412.401, in an amount not to exceed \$934,563. The Hillcrest Recovery Well is located at 5899 S. Hillcrest Drive. The well was originally drilled in February 2005 for water production purposes, but was never equipped for potable use due to high arsenic levels. The well has been repurposed as a recovery well to supplement the reclaimed water system during peak demand periods. The recovery well will be connected to the existing reclaimed water distribution system. This project includes the installation of well pumping equipment and associated site development. Staff coordinated with Basha High School and the Parks Division during project design.

The project scope of work consists of: a new well pump and motor, new electrical power feed, motor control system, instrumentation and controls, and various valves and appurtenances.

17. CONTRACT: Mak Pro Services

APPROVED a Professional Services Contract to Mak Pro Services, LLC, for Public Outreach, Phase 1 for Arizona Avenue Improvements, Frye Road to Pecos Road, Contract No. ST1607.101, in an amount not to exceed \$49,965.00. The Arizona Avenue Improvements, Frye Road to Pecos Road, is part of a comprehensive plan to improve Downtown Chandler streets and Infrastructure for further development and to improve traffic circulation in the downtown area. The project includes stakeholder coordination with the various high profile stakeholder groups within the project location.

The scope of services will include regular email updates to downtown businesses, including personal visits with businesses as appropriate to address concerns or issues related to design. Coordination will be necessary with all stakeholders, including the Design Consultant, City staff, Chamber of Commerce and Downtown Chandler Community Partnership (DCCP) to mitigate concerns and issues as they arise.

18. No Item

19. CONTRACT: Salt River Project / Ocotillo Water Reclamation Facility Expansion

APPROVED Design and Construction Contract to Salt River Project, for the Ocotillo Water Reclamation Facility Expansion, Project No. WW1301.504, in an amount not to exceed \$60,470.16.

To accommodate the Ocotillo Water Reclamation Facility (OWRF) expansion for present and future services, Salt River Project (SRP) will install new electrical facilities to serve the OWRF. The construction will be located within the project site at 3333 S. Old Price Road.

On February 25, 2016, City Council awarded a Design and Construction Contract, Project No. WW1301.503, to SRP, in an amount not to exceed \$80,914. That contract included the installation of two automatic transfer switches to provide automated switching between two primary metered non-dedicated distribution circuits. SRP required that this work be completed under a separate contract and is now requesting a new contract for additional work.

The project scope of work for this contract includes the installation of a three phase pad mounted transformer and underground primary conductor to replace an overhead power feed to an existing sewer pump station.

20. CONTRACT AMENDMENT: Gavan and Barker, Inc.

APPROVED Contract Amendment No.1 to Gavan and Barker, Inc., pursuant to Annual Contract EN1511.101, to increase the annual limit of the contract from \$150,000 to \$350,000.

On September 11, 2014, City Council awarded an annual contract for Landscape Design Consulting Services to Gavin and Barker, Inc., in the amount of \$150,000 per year for two years. Design projects included in the original annual contract were Valencia, Harris, Apache and Folley Parks. Staff anticipates needing additional services related to landscape design

consulting services in support of the Department's Capital Improvement Program. Projects include, but are not limited, to Snedigar Sportsplex improvements and the Layton Lakes Park design.

Under this contract, individual project agreements will be prepared for execution and approval as needed. Project agreements over \$30,000 will be submitted for Council approval up to the annual aggregate of \$350,000.

21. LIQUOR USE PERMIT: Fry's Marketplace – 2929 E. Ocotillo Road

APPROVED LUP16-0011 FRY'S MARKETPLACE, Liquor Use Permit to sell and serve liquor as permitted under a Series 9 Liquor Store License and Series 7 Beer and Wine Bar License within a new grocery store at 2929 E. Ocotillo Road at the southwest corner of Ocotillo and Gilbert roads, subject to the conditions as recommended by Planning Commission and Planning Staff. (Applicant: Lauren Merrett; Mereco Inc.)

BACKGROUND

The subject site is located at the southwest corner of Ocotillo and Gilbert roads within the new Artesian Marketplace commercial development and will be the main anchor. Artesian Marketplace is border on the west by Norman Way and Fonte Al Sol, a single-family residential subdivision. South of the property are the Intel Brine Ponds, which are part of a groundwater recharging facility. To the east is Gilbert Road with the Plant commercial development beyond. Ocotillo Road is located north of Artesian Marketplace.

The request is for a Liquor Use Permit approval to sell beer, wine, and liquor for off-premise consumption as permitted under a Series 9 Liquor Store License, in addition to approval to sell and serve beer and wine to dine-in patrons as permitted under a Series 7 Beer and Wine Bar License.

Fry's Food Stores have operated in the Valley since 1960, and currently have 119 stores in Arizona. The newest addition to Chandler will be a Fry's Marketplace, which are larger and feature household goods, a coffee shop, and dine-in options. The approximately 123,000 square foot grocery has represented the store's hours of operation are 5 a.m. to 12 a.m. daily, and will sell spirituous liquors seven days a week, during the hours allowed by state law. Fry's Marketplace will offer a dine-in area that serves fresh prepared food, beer, and wine. The dine-in area will be fenced off from the grocery store and patrons are not allowed to leave the dine-in area with alcohol.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on April 28, 2016. No one but the applicant attended; however, Staff received one phone call from a Fonte Al Sol resident requesting information.

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

PLANNING COMMISSION VOTE REPORT

Motion to Approve.

In Favor: 5 Opposed: 0 Absent: 2 (Baron, Wastchak)

RECOMMENDED ACTION

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP16-0011 FRY'S MARKETPLACE, subject to the following conditions:

1. The Liquor Use Permit is granted for a Series 9 Liquor Store License and Series 7 Beer and Wine Bar License only, and any change of license shall require reapplication and new Liquor Use Permit approval.
2. The Liquor Use Permit is non-transferable to other store locations.
3. 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.
4. The site shall be maintained in a clean and orderly manner.

22. LIQUOR LICENSE: Fry's Marketplace – 2929 E. Ocotillo Road

APPROVED forwarding a recommendation for approval of State Liquor License No. 07070235, and further, that approval be given for the City of Chandler Series 7, Beer and Wine Bar Liquor License No. 161620 L7, for Lauren Kay Merrett, Agent, Smith's Food & Drug Centers Inc., dba Fry's Marketplace #681, located at 2929 E. Ocotillo Road.

The application for a liquor license was posted for hearing on May 12, 2016, at which time it was continued until May 26, 2016.

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.

23. LIQUOR LICENSE: Fry's Marketplace – 2929 E. Ocotillo Road

APPROVED forwarding a recommendation for approval of State Liquor License No. 09070120, and further, that approval be given for the City of Chandler Series 9, Liquor Store Liquor License No. 161620 L9, for Lauren Kay Merrett, Agent, Smith's Food & Drug Centers Inc., dba Fry's Marketplace #681, located at 2929 E. Ocotillo Road.

The application for a liquor license was posted for hearing on May 12, 2016, at which time it was continued until May 26, 2016.

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 9, Liquor

Store Liquor License, the business may sell all alcoholic beverages for off-premise consumption only.

24. LIQUOR LICENSE: The Casual Pint

APPROVED CONTINUANCE TO THE JUNE 24, 2016 CITY COUNCIL MEETING for the Series 7 Beer and Wine Bar Liquor License for Theresa June Morse, Agent, E-Z Enterprises Ocotillo LLC, dba The Casual Pint, located at 1095 W. Queen Creek Road, Suite 8 until June 23, 2016.

The application for a liquor license was posted for hearing on April 14, 2016, at which time it was continued to May 26, 2016, where it will be continued again until June 23, 2016 to allow the applicant time to complete the requirements for a new Use Permit.

25. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED forwarding a recommendation for approval of a Special Event Liquor License for Chandler Cultural Foundation, and further, that approval be given for the City of Chandler Special Event Liquor License.

DISCUSSION

An application for a Special Event Liquor License has been submitted by Chandler Cultural Foundation for the Los Lonely Boys on Sunday, June 12, 2016, from 6:00 p.m. until 9:00 p.m., located at Chandler Center For The Arts, 250 N. Arizona Avenue.

With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods.

The Police Department reports no objections to the issuance of this license. The special event liquor fee has been paid; however, as this applicant is a non-profit organization, no sales tax license is required.

26. PRELIMINARY DEVELOPMENT PLAN/PRELIMINARY PLAT: Stellar Airpark Estates II

APPROVED PDP16-0001/PPT16-0004 STELLAR AIRPARK ESTATES II, Preliminary Development Plan (PDP) approval for subdivision layout and development standards for a 14-lot custom home subdivision on approximately 10 acres with aviation-related uses and Preliminary Plat (PPT) located southeast corner of Chandler Boulevard and Galaxy Drive, west of McClintock Drive. Applicant: Brennan Ray; Burch & Cracchiolo, P.A.

RECOMMENDATION

Upon finding the request to be consistent with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Preliminary Development Plan (PDP) and Preliminary Plat subject to conditions.

BACKGROUND

The subject site is located approximately ¼ mile west of the southwest corner of Chandler Boulevard and McClintock Drive. The site is bounded by Chandler Boulevard to the north, the residential collector street Galaxy Drive to the west, and the residential subdivision Stellar City Airpark, zoned SF-10, adjacent to the south. East of the subject site is the Stellar Airpark runway. In January 2008, the property was rezoned from Planned Commercial Office (PCO) and Agricultural District (AG-1) to Planned Area Development (PAD) along with a Preliminary Development Plan (PDP) for a 9 lot single-family custom home residential development.

The request is to modify the PDP increasing the number of lots from 9 to 14. The prior approved subdivision included lots greater than 20,000 square feet in size, at least 132-feet wide and 162-feet deep. The proposed 14-lot subdivision includes lots approximately 18,119 square feet in size, at least 111.5 feet wide and 162.5 feet deep. The request also includes modifications to minimum building setbacks allowing 20 foot front yard setbacks instead of 25 feet, and rear yard setbacks of 20 feet instead of 25 feet for one-story homes and 35 feet for two-story homes. The minimum livable ground floor area is proposed at 2,800 square feet which is 800 square feet less than previously approved. The custom home design standards remain unchanged.

Planning Staff finds the proposed PDP modifications continues to maintain a larger lot custom homes subdivision that is compatible with the surrounding residential and airport properties.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on March 22, 2016. Approximately six area property owners attended asking general questions.
- As of the writing of this memo, Planning Staff is not aware of any opposition or concerns.

PLANNING COMMISSION VOTE REPORT

Motion to Approve.

In Favor: 5 Opposed: 0 Absent: 2 (Baron, Wastchak)

RECOMMENDED ACTIONS

Preliminary Development Plan

Planning Commission and Planning Staff recommend City Council approve the Preliminary Development Plan, subject to the following conditions:

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "STELLAR AIRPARK ESTATES II", kept on file in the City of Chandler Planning Division, in File No. PDP16-0001, except as modified by condition herein.
2. 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.

Preliminary Plat

Planning Commission and Planning Staff recommend City Council approve 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.

27. BOARD AND COMMISSION APPOINTMENTS:

Museums Board: Seth Graham
Domestic Violence Commission: Leslie Mar'Na
(Representing Catholic Charities)

28. BALLOT ARGUMENT SUBMITTAL: Proposition 493

AUTHORIZE the submittal of a ballot argument in support of Proposition 493 (General Plan Update) for inclusion in the election pamphlet for the August 30, 2016 election.

31. REZONING: Alta San Marcos

CONTINUED TO JUNE 23, 2016 CITY COUNCIL MEETING. DVR16-0003/PPT16-0006 ALTA SAN MARCOS. Introduction and Tentative Adoption of Ordinance No. 4706 rezoning from Planned Area Development (PAD) Golf Course to PAD (Multi-Family Residential) including a Mid-Rise Overlay for buildings up to 55 feet in height with Preliminary Development Plan (PDP) and Preliminary Plat (PPT) approval for site layout and building architecture at the southwest corner of Chandler Boulevard and Dakota Street, west of Arizona Avenue. Applicant: Nick Wood, Esq.; Snell & Wilmer, LLP

Planning Staff has received formal letters of opposition which triggered a legal protest. The applicant is aware of the legal protest and requests a continuance to the June 23, 2016, City Council meeting to allow additional time to meet with and address concerns from area property owners.

ACTION:

29. GPLET: Alta Steelyard

Ord. 4705

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ROE TO INTRODUCE ORDINANCE NO. 4705 AUTHORIZING A GOVERNMENT PROPERTY LEASE EXCISE TAX (GPLET) LEASE WITH PR III/WOOD CHANDLER APARTMENTS, LLC. MOTION CARRIED UNANIMOUSLY (7-0).

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4705, which enables the City to execute a GPLET Lease with the developer of the Alta Steelyard multi-family development,

as previously agreed upon in the development agreement entered into by and between the City of Chandler and PR III/Wood Chandler Apartments, LLC.

BACKGROUND/DISCUSSION: On July 10, 2014, the Chandler City Council, by Resolution No. 4785, approved a development agreement with PR III/Wood Chandler Apartments, LLC to further a multi-family residential development within the City's Central Business District on property generally located at the southeast corner of Frye Road and Washington Street, the site of a former steel yard. The development agreement was recorded as Instrument No. 2014-0559337. It included an agreement for a sale and leaseback arrangement in order to allow the developer to receive certain GPLET benefits allowed under state statute, and it included exhibits showing the form of the special warranty deed to the City from the developer, and the form of the GPLET lease back to the developer, which were to be completed once a certificate of occupancy had issued.

The improvements are near completion and a certificate of occupancy is ready to be issued. While the resolution did approve the GPLET leaseback arrangement, the Chandler City Charter requires that the approval of or authorization to lease city property for three or more years must be done by ordinance. Thus, approval of Ordinance No. 4705 is necessary for the City to fulfill one of the commitments stated in the development agreement.

30. REZONING/PRELIMINARY DEVELOPMENT PLAN: Allred Park Place

CONTINUED Introduction and Tentative Adoption of Ordinance No. 4704 DVR15-0037 ALLRED PARK PLACE rezoning from Planned Area Development (PAD) and Agricultural District (AG-1), to Planned Area Development (PAD) for an employment business park campus, including a Mid-Rise Overlay for buildings up to 150-feet in height, with Preliminary Development Plan (PDP) approval for site design and building architecture on property totaling approximately 62-acres located at the southwest and southeast corners of Price and Willis roads. Applicant: Stephen Earl - Earl, Curley & Lagarde P.C.

The MAYOR said there has been a request from the applicant to continue the case. The Mayor said the applicant may have asked for 30 days, but after meeting with staff and due to the amount of work that it may require, a 60 day continuance would be more appropriate.

MR. STEPHEN EARL, representing the applicant, said the applicant had offered 5 stipulations on Monday to address issues and offered them as a workable option as opposed to Stipulation No. 3 as part of the PDP. He stated it was by introducing this compromise they felt it would be better and allow the project to proceed while still addressing the concerns raised by the Council on maximizing intensity and building height along Price Road. He said he was surprised it created this much controversy. He felt if the added 5 stipulations caused that, it might be preferable to proceed without them. The Mayor asked if Mr. Earl would like the Council to hear the case tonight. Mr. Earl said he does not as the client is not present. He would like the opportunity to discuss this matter in the next couple of weeks if a compromise is agreed upon. He said the preference is a 30 day continuance.

COUNCILMEMBER HEUMANN stated that while he understands the importance of proceeding in an expeditious manner, staff does not believe a 30-day continuance provides them enough time to work through the issues.

MOVED BY COUNCILMEMBER LOPEZ, SECONDED BY COUNCILMEMBER ELLEN, FOR A 60-DAY CONTINUANCE OF ORDINANCE NO. 4704, DVR15-0037 ALLRED PARK PLACE, REZONING FROM PLANNED AREA DEVELOPMENT (PAD) AND AGRICULTURAL DISTRICT (AG-1), TO PLANNED AREA DEVELOPMENT (PAD) SETTING THE CONTINUANCE DATE TO JULY 28, 2016.

MOTION CARRIED UNANIMOUSLY (7-0).

UNSCHEDULED PUBLIC APPEARANCES:

Marion Butcher, 1357 E Carob place, requested the City Council adopt an ordinance to protect the bodily privacy and dignity of minor children in the Chandler School district related to the recent Presidential order regarding transgender bathrooms. The new order allows transgender students to use the bathroom, locker rooms, hotel room accommodations that match their gender identity; all of this without parental knowledge, without diagnosis, or accommodation to those who are uncomfortable sharing these facilities with someone who has differing biological organs.

She believes the new Presidential Order is now teaching children they do not have the right to be uncomfortable, to voice their discomfort, or have the right to feel uncomfortable in the presence of exposed opposite biological organs. No Administrator, no teacher, no security guard will be able to validate their concerns, and that is the wrong message to send children. Children should have their bodily privacy protected.

She stated that the Presidential Order states that the school district does not have to comply with the directive if the local jurisdiction has a law that would cause a conflict with the directive.

She asked the Council consider adopting an ordinance that creates a safe and respectful solution that would protect the dignity of all the children in Chandler. Her request asked the ordinance keep separate facilities, while finding an alternative solution for those children who are transitioning their gender so they feel safe and can maintain their dignity as well.

CURRENT EVENTS:

A. Mayor's Announcements

Mayor Tibshraeny announced Chandler has been honored with the prestigious "Playful City USA" designation for the 10th consecutive year. This accomplishment is shared by just 12 founding cities since - KaBoom!, a national nonprofit dedicated to healthy kids, initiated the program in 2007.

In celebration of this designation, we will host my annual Day of Play to bring attention to the many recreational opportunities available to families in the community. This year's event will be held from 9 a.m. to 1 p.m., Saturday, Oct. 22, at Tumbleweed Park.

The Mayor announced the upcoming dedication of phase one of the Field of Honor Veterans Memorial this Memorial Day. The memorial honors veterans and pays tribute to all branches of the U.S. military. Although located in Chandler, it stands as a regional memorial, honoring the dedication of all those patriots from the Southeast Valley who have served in the armed forces.

The ceremony will be Monday, May 30, at 8 a.m. Veterans Oasis Park is located on the northeast corner of Chandler Heights and Lindsay roads.

He congratulated Tom Dwiggin on his selection as Chandler's new Chief of the Fire, Health and Medical Department.

He wished everyone a happy and safe Memorial Day.

B. Councilmembers' Announcements

COUNCILMEMBER LOPEZ mentioned a fundraising event sponsored by Von Hanson's Meats for the two officers that were shot at the Walmart on Arizona Avenue a few weeks ago. The event will be held May 27th through the 29th from 10:00a.m. to 5:00 p.m. There is also two donation fund accounts set up at Wells Fargo Bank: one for Officer Daniel Colwell and one for Officer Joshua Pueblo.

As a veteran himself, he thanked everyone involved in the Field of Honor Veterans Memorial.

COUNCILMEMBER HARTKE asked everyone to take time this Memorial weekend to reflect, remember and be grateful for those who have served and died to preserve the rights and freedoms we all enjoy.

COUNCILMEMBER HEUMANN sent out his sympathy to the family of Phoenix Officer David Glasser who was buried today.

He took a moment to recognize a member of the Chandler Education Coalition, Conrad Lindo, who is also the Community Outreach Coordinator at First Things First. Conrad was headed back to the valley from Tucson when he came across a car fire along I-10. He stopped to lend assistance and pulled a 15 day old baby from the car.

COUNCILMEMBER ELLEN congratulated Chandler's new Fire Chief. She announced she had 7 members in the armed services and wished everyone a save and happy Memorial weekend.

COUNCILMEMBER ROE congratulated Tom Dwiggin as Chandler's new Fire, Health & Medical Chief, and thanked Boy Scout troop 280 and #7 for being present.

He extended his condolences to Officer Glasser's family and the Phoenix Police department.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:24 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: June 9, 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 26th day of May 2016. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of June, 2016

City Clerk