

Add info #65

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MEMORANDUM

City Manager – Council Memo MC07-007

DATE: JANUARY 11, 2007
TO: MAYOR AND COUNCIL
FROM: W. MARK PENTZ, CITY MANAGER
SUBJECT: REQUEST FOR CONTINUANCE OF ITEM #65 – ORDERING
AND CALLING A SPECIAL BOND ELECTION

Staff is recommending a continuance of tonight's Resolution ordering and calling a special bond election until the Council's January 25, 2007 meeting. Staff had two meetings yesterday with the Museum Consultant retained by the Historical Society to discuss cost estimates associated with the Museum project. Attached you will find a memo from Mark Eynatten, Director of Community Services, summarizing those discussions and our current cost estimates based upon data from the Museum Consultant. Because of questions that have been raised in reference to the costs associated with the Museum bond item, I feel that staff needs to do more research including a review of the cost estimates by RNL Architects.

Additionally, Mayor Dunn has requested more information from staff regarding funding for the Boys & Girls Club and the use of public and private funds for this project.

We look forward to discussing this recommendation with you in greater detail this evening.

WMP:jr

Attachment



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MEMORANDUM **Community Services Department Memo No. 06-121**

DATE: **JANUARY 11, 2007**

TO: **W. MARK PENTZ, CITY MANAGER**

THRU: **RICH DLUGAS, ASST. CITY MANAGER** RD

FROM: **MARK M. EYNATTEN, COMMUNITY SERVICES DIRECTOR** ME

SUBJECT: **MUSEUM**

During the past several days, we have received comments from a member of the Chandler Historical Society (CHS) questioning the validity of calculations used to determine the additional financial needs to construct the museum project approved by the voters in the May 2004 Bond Election.

As you will remember, \$8.5 million was approved in 2004 by the voters to build a new 20,000 square foot museum. Due to the escalation of construction costs, it became apparent that the \$8.5 million was no longer sufficient to construct the facility presented to the voters. In addition to that construction cost shortfall, suggestions of the need to increase the project's size from 20,000 square feet up to 30,000 square feet were raised by CHS members.

As part of the 2007 Bond Election analysis, the Parks/Libraries/Center for the Arts Subcommittee recommended that a question of approving \$4.5 million in additional funds be placed before the voters to mitigate the construction cost increases estimated for that project. The dollar amount recommended by the Subcommittee was the result of applying a costing methodology that considered relevant project elements such as site preparation, site improvements, building permits/fees, design supplemental services, municipal arts fund, contingency and cost of bond issuance in addition to construction, design and FFE (furniture, fixtures and equipment) costs to determine the total project budget. The starting point of those calculations was the cost information contained in a November 8, 2006 e-mail from the Chandler Historical Society's (CHS) museum consultant stating that the cost to build a 30,000 square foot facility would be \$12.8 million. A copy of that e-mail is attached.

Please be advised that on Wednesday, January 10, 2007 a meeting was held with Jim Patterson and the CHS consultant Steve Germann to review Mr. Germann's calculations and assumptions in an attempt to determine the basis of the purported discrepancies. As part of that meeting Mr. Germann stated that his \$12.8 million building estimate included cost factors such as site

preparation, site improvement, permit, and fees and contingency accounts that staff had added as part of their calculations. Further discussion led to the determination that the city's downtown exemption on parking standards would allow for a reduction in the cost of parking associated with the museum project. As a result of those discussions the following recalculations were conducted and favorably received by Mr. Germann:

30,000 Square Foot Facility

1.	Projected cost of building (to include construction, design, FFE site preparation, site improvement, permit and fees, contingencies)	\$12,800,000
2.	Supplemental services	220,887
3.	Required parking and design (one space/200 square feet x 65% downtown exception = 97 spaces @15,000/space plus 10% design fee)	1,600,500
4.	Municipal Arts Fund 1% of total project costs	146,214
5.	2007 construction cost increase @4%	590,704
6.	Cost of Bond Issuance @1.6%	245,733
	Total Estimated Project Cost	\$15,604,038
	2004 Approved Bond	<u>8,500,000</u>
	Project Funding Deficit	(\$7,104,038)

The 2004 Bond question on the Museum project was based on the plan to construct a 20,000 square foot facility. In order to determine the ability to build that facility according to Mr. Germann's recommended standard, the cost of his recommended building (\$12,800,000) was divided by the desired square footage (30,000) to arrive at a per square foot cost of \$426.67. Using that figure as the per square foot standard, the following calculations were performed to determine the current ability of the 2004 Bond funds to cover the cost of constructing a 20,000 square foot museum:

20,000 Square Foot Facility

1.	Projected cost of building (\$426.67/square foot x 20,000 square feet)	\$8,535,400
2.	Supplemental services	147,294

3.	Required parking and design (one space/200 square foot x 65%) downtown exception = 65 spaces @ 15,000/space + 10% design fee	1,072,500
4.	Municipal Arts Fund (1% of total project costs)	97,552
5.	2007 construction cost increase @ 4%	394,110
6.	Cost of Bond issuance @1.6%	<u>163,950</u>
	Total Project Costs	10,410,806
	2004 Approved Bond	8,500,000
	Project Funding Deficit	(\$1,910,806)

Having used the CHS consultant's project cost estimates to arrive at a current project cost to build the 20,000 square foot museum, (\$10,410,806) it can be determined that such a project has a gross per square cost of \$520.54 ($\$10,410,806 \div 20,000$).

If it were to be assumed that the \$4.5 million museum question was approved by the voters in May 2007 and then added to the 2004 approved amount of \$8.5 million, a total of \$13 million would be available to build a new Museum. Using the consultant's project cost estimates, \$13 million could fund the construction of as much as 24,974 square feet of total facility space ($\$13 \text{ million} \div 520.54/\text{square foot} = 24,974 \text{ square feet}$).

Hopefully, this information clarifies that:

- Constructing a 30,000 square foot museum would require an additional \$7,104,038 in bond funds,
- Construction of the 20,000 square foot museum approved by voters in May 2004 would require an additional \$1,910,806 to construct,
- Approval by the voters of the recommended \$4.5 million in additional funds for the previously approved museum should theoretically enable the construction of a facility up to 24,974 square feet based on the CHS museum consultant's figures.

Should you have any questions, please contact me.

Jim Patterson

From: Steven Germann [stevenjg@ameritech.net]
Sent: Wednesday, November 08, 2006 11:05 AM
To: djprevincs@cybertrails.com; chandlermuseum@aol.com
Subject: museum costs

Jim,

I have been tackling parts of my report, but I know this is critical, so I will give you what I have at this point.

Museum professional literature, especially two recent financial publications, both published in 2005, are based on statistics that run through 2003. The main reference book, entitled *Museum Financial Information, 2003*, published by the American Association of Museums, lists new construction costs for a median-sized museum (based on a budget like your projected figure) to be \$204 per sq.ft. This is a nationwide figure and it pertains to all manner of museums (science centers, childrens museums, art museums, history museums, zoos, arboreta, etc.) History museums generally cost less to build than the more specialized buildings such as science centers, so the number looks even better. Thus at the building sizes we discussed, the cost could be \$5.5 million (for 27,000 sq. ft.) to \$6.1 million (30,000 sq. ft.) By those standards, the numbers don't look too bad.

However the statistics are now a few years old, and much has happened in the construction business since 2003. According to my contacts in architectural firms and construction companies, steel costs particularly have driven up construction costs. The most recent number I have is from my colleagues at DesignGroup, an architectural firm in Columbus, Ohio. They confirm that a range of up to \$300 per square foot is closer to the current going cost. Given that the museum project will not break ground for at least another 12 months, it is prudent to use this figure.

Looking at this new picture, building costs could range from \$8.1million (27,000 sq.ft.) to \$9 million (30,000 sq.ft.).

Exhibit costs should be adjusted upward as well, but not as much. I would project that a good number for long-term exhibits, probably 5,000 to 6,000 sq.ft., would be \$350 per sq.ft., or \$1.75 million to \$2.1 million.

Temporary galleries exhibit furniture would be approximately half that much. So figure exhibit cases, walls, platforms, specialized lighting, etc.for 4,000 sq.ft. of temporary galleries at \$175 per sq.ft., for a total of \$700,000.

Costs for both long-term and temporary exhibit costs are *in addition* to building costs, but one budget or the other can be altered slightly depending on which subproject bears the expense of carpet, wall coverings, ceiling treatments, perhaps some specialized wiring, and light track and fixtures.

Then we should allow a round number of \$50 per sq.ft. for Furniture, Fixtures and Equipment for the rest of the building. That would be, at the largest size, 20,000 sq.ft.at \$50, or \$1 million. This is higher than the figure I would use for a normal (e.g. commercial office) building, but there will be some special costs in audiovisual equipment, collections storage furniture, cabinets, etc.

Totals then, assuming 30,000 sq.ft.building, would be:

Building design and construction	\$9,000,000
Long term exhibits (6,000 sq.ft.)	2,100,000
Temporary exhibit galleries (4,000 sq.ft.)	700,000
Remainder of building (offices, coll.storage,	

11/9/2006

museum store, lobby, classroom/theater space) 1,000,000

\$12,800,000

This is a large bump from the approved \$8.5 million, but it can be modified. First, the building can be reduced to 27,000 sq.ft. or less. Of course, you could spend less on permanent exhibits and temporary exhibit gallery furniture and not suffer great declines in quality, at least from cuts of perhaps 10 to 15 per cent. Some spaces can be left unfinished or partly finished for a short period (e.g. one of the temporary exhibit galleries, an audiovisual orientation theater).

Jim, these are high end figures for the biggest building your committee projected and they contain a built-in cushion to anticipate some cost increases in the next 12-18 months. But, as you can see, additional funds would certainly be useful.

The process we are going through fortunately gives us all reason and time to take the long view. The current plan to expand the museum operation dramatically is, in a way, "catching up" to what the museum operation has needed for a long while. This once-in-a-generation opportunity is the time to upgrade sufficiently for decades to come. We don't want the Community Services administration, Chandler Museum employees, the Chandler Historical Society and the Museum Advisory Board to be in the new facility for only a short time and be thinking that "if only we had more room."

"More room", however, has its limits. As museum planners, we need to be aware that it is possible to construct more building than we need and more building than we can afford to support. Given the allocation the City of Chandler has made to operations funding, and the capacity of the Chandler Historical Society to raise more money, the 30,000 square foot building will be "right-sized" for now and the first part of the 21st century. Reasonably projected revenues will be sufficient to fund professional and support staff, exhibits and programs, collections care and management and building operations.

Let me know if you need anything else. I plan to have first draft thoughts to you in most areas of concern by the end of next week.

Best regards,

Steve

Steve Germann, Principal
Germann & Associates, Museum Consultants
1136 Christi Circle
Dayton, OH 45434
937 231-0508
www.germann-museumconsultants.com

11/9/2006

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Revised Ballot Lang

JAN 11 2007



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MEMORANDUM

Management Services Memo No. 07-092

DATE: JANUARY 11, 2007

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
RICH DLUGAS, ASSISTANT CITY MANAGER *RD*

FROM: PAT WALKER, MANAGEMENT SERVICES DIRECTOR *Pat Walker*

SUBJECT: REVISED RESOLUTION – CALL FOR ELECTION

Attached is the revised resolution for the call of election. This is a result of three changes to the attached bond ballot language. The first is the museum question, where “parking improvements” was added. The next two changes were on the bond ballot language for the airport question. We added to the title “(EXTENSION OF SOUTH RUNWAY)”, and added “south” to the body of the language.

Attachment

Cc: Pat McDermott, Assistant City Manager

RESOLUTION NO. 4034

RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR THE CITY OF CHANDLER, ARIZONA ON MAY 15, 2007, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF THE QUESTIONS OF AUTHORIZING THE ISSUANCE AND SALE OF \$451,500,000 PRINCIPAL AMOUNT OF BONDS, CONSISTING OF GENERAL OBLIGATION BONDS, STREET AND HIGHWAY REVENUE BONDS AND UTILITY REVENUE BONDS, PROJECT OF 2007.

WHEREAS, the Mayor and Council of the City of Chandler, Arizona, have received the recommendations of the 2007 Citizens Bond Committee and believe it to be in the best interest of the City to authorize the issuance and sale of \$451,500,000 principal amount of bonds, which bonds would include general obligation, street and highway revenue bonds and utility revenue bonds, specifically for the following purposes:

<u>Description of Bonds</u>	<u>Principal Amount</u>
Parks and Recreation bonds	\$ 81,350,000
Public Safety/Fire bonds	14,265,000
Public Safety/Police bonds	15,745,000
Library bonds	11,255,000
Municipal buildings bonds (Center for the Arts)	4,200,000
Municipal buildings bonds (Museum)	4,500,000
Municipal buildings bonds (Expansion of Public Works Bldg)	9,960,000
Water and Sewer bonds	107,850,000
Street and Highway bonds	202,310,000
Airport bonds	65,000

WHEREAS, it is necessary that the Mayor and Council submit the questions of the issuance and sale of such bonds to the qualified electors of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF CHANDLER, ARIZONA:

Section 1. Order Election. Pursuant to Arizona Revised Statutes ("A.R.S."), Sections 35-453, 9-524 and 48-683, as amended, a special bond election in the City of Chandler, Arizona (the "City"), is hereby called to be held on May 15, 2007, to submit to the qualified electors of the City the questions as shown on the form of ballot attached hereto and marked *Exhibit A* which is a part of this resolution and the terms of which are incorporated by reference herein. Having completed its work, the 2007 Citizens Bond Committee is hereby dissolved.

Bonds issued pursuant to Title 35, Chapter 3, Article 3, A.R.S., which are expected to be the parks and recreation bonds, public safety bonds, library bonds and municipal building bonds, will be general obligation bonds payable from an ad valorem tax levied on all taxable property in the City (the "*general obligation bonds*").

Bonds issued pursuant to Title 9, Chapter 5, Articles 2 or 3, A.R.S., as amended (the "*utility revenue bonds*"), will be payable from the net revenues of the utility system, unless such utility revenue bonds are issued as tax secured bonds in which case the utility revenue bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the utility revenue bonds are to be issued, the maximum principal amount and the maximum rate of interest of the utility revenue bonds is set forth in Exhibit A attached hereto.

Bonds issued pursuant to Title 9, Chapter 5, Article 3, A.R.S., as amended (the "*airport revenue bonds*"), will be payable from the revenues of the airport, unless such airport revenue bonds are issued as tax secured bonds in which case the airport revenue bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the airport revenue bonds are to be issued, the maximum principal amount and the maximum rate of interest of the airport revenue bonds is set forth in Exhibit A attached hereto.

Bonds issued pursuant to Title 48, Chapter 4, Article 5, A.R.S., as amended (the "*street and highway improvements bonds*") will be payable from monies to be derived from highway user taxes and all other taxes, fees, charges and other monies collected by the State of Arizona and returned to the City for street and highway purposes, unless such street and highway improvement bonds are issued as tax secured in which case the street and highway improvement bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the street and highway improvement bonds are to be issued, the maximum principal amount and the maximum rate of interest of the street and highway improvement bonds is set forth in Exhibit A attached hereto.

Section 2. Information Pamphlet. The Clerk is hereby directed to cause the preparation and distribution of an information pamphlet and sample ballot for the City pursuant to A.R.S. § 35-454. The officers of the City are hereby authorized to do all things necessary or appropriate to conduct the election, including the preparation and distribution of an informational pamphlet. The Clerk is hereby authorized and directed to cause the information pamphlet to be prepared and mailed as required by law and in accordance with the provisions of this resolution and to cause a copy of the informational pamphlet to be submitted to the Arizona Department of Revenue within thirty (30) days after the election.

Section 3. Notice of Election. Notice of the special bond election is ordered to be given by causing the information pamphlet to be mailed not less than thirty-five (35) days before the date of election to the residence of each registered voter of the City as shown on the general county register. Notice of the special bond election pertaining to utility revenue bonds, airport revenue bonds and street and highway improvement bonds, is ordered to be given by causing publication of this resolution once in a newspaper published in Maricopa County, Arizona, and of general circulation within the City not less than fifteen (15) nor more than thirty (30) days before the date of election.

Section 4. Conduct of Election. The election will be conducted and the poll lists kept, and the votes cast thereat shall be counted and tabulated and the returns thereof will be made in the manner provided by law and only persons will be allowed to vote at the election who are qualified electors of the City. The polls will open at 6:00 a.m. and will close at 7:00 p.m.

The election may be consolidated with any other election conducted in the City on May 15, 2007.

Section 5. Early Voting. Early voting will be permitted at the election in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

Section 6. Compliance with Voting Rights Act. In order to comply with the Voting Rights Act of 1965, as amended, the following proceedings pertaining to this election will be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such proceedings are required, to-wit: ballot, voter information pamphlet, all early voting material and all instructions at the polls.

Section 7. Ballots; Contracts. The Clerk is hereby directed to cause ballots to be printed and delivered to the election boards to be furnished to the qualified electors offering to vote at the election. The special bond election may be conducted using either electromechanical or electronic vote recording and ballot counting equipment or paper ballots, as shall be determined to be in the best interests of the City by the County Elections Department and the Mayor and the Clerk or either of them. The Mayor and the Clerk or either of them is authorized and directed to enter into a contract with the Maricopa County Recorder to obtain precinct registers for the election and to enter into an agreement with the Maricopa County Elections Department to conduct the election for the City.

Section 8. Canvass of Election. As soon as the polls are closed, the election officials will forward the votes cast to the Mayor and Council of the City for canvassing. The Mayor and Council will meet at the Council Chambers on a day that is within twenty (20) days after the election date to canvass the returns of the election. The Mayor and Council will be governed by the vote of the majority on the question submitted.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Chandler, Arizona, on January 11, 2007.

ATTEST:

Mayor

Clerk

APPROVED AS TO FORM:

City Attorney

Bond Counsel

CERTIFICATION

I, Marla Paddock, the duly appointed and acting City Clerk of the City of Chandler, Arizona, do hereby certify that the above and foregoing Resolution No. 4034 was duly passed by the City Council of the City of Chandler, Arizona at a regular meeting held on January 11, 2007, and that the Mayor and ____ Council Members were present thereat.

Marla Paddock, City Clerk

EXHIBIT A

OFFICIAL BALLOT

**FOR SPECIAL BOND ELECTION IN AND FOR THE CITY OF CHANDLER,
ARIZONA ON MAY 15, 2007.**

General Provisions for all Bond Questions

The following provisions apply to all bonds to be voted on. Specific information for each authorized purpose is set out for each question.

- In addition to each specific authorized purpose, bond proceeds may be used to pay for bond insurance or other credit support for the bonds, all legal, accounting, financial, architectural, design, engineering and construction management costs and all other costs incurred in connection with the issuance of the bonds and the purposes set forth in each question. The City may contract for letters of credit, surety bonds, lines of credit or other credit or liquidity support in connection with any one or more series of bonds.
- The bonds may be issued in one or more series.
- The bonds may be issued in the denomination of \$5,000 each or multiples thereof.
- Interest rates may be fixed or variable but shall not exceed twelve percent (12%) per annum. Interest may be evidenced by separate certificates and will be paid on July 1 and January 1 or more frequently.
- The bonds, and any bonds issued to refund the City's bonds, may be sold at prices that include premiums not greater than permitted by law.
- Bonds will mature over a period not to exceed thirty (30) years from their date of issuance.
- Bonds will mature on the days of each year determined by the Mayor and Council.
- The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds, unless the governing body provides for payment from other sources.

THE VOTER MAY VOTE "FOR THE BONDS" OR "AGAINST THE BONDS" ON EACH SEPARATE BOND QUESTION.

Question 1

**PURPOSE: PARKS AND RECREATION BONDS
AMOUNT: \$81,350,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct, improve and acquire community, neighborhood, regional and aquatic parks, including recreational facilities, buildings and improvements; to acquire land for parks, recreational facilities, buildings and open spaces; to make improvements, additions and replacements to existing parks and recreational facilities and buildings; to landscape, furnish and equip existing and new parks and recreational facilities and buildings.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 2

PURPOSE: PUBLIC SAFETY/FIRE BONDS

AMOUNT: \$14,265,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire and construct fire stations and other fire safety related facilities; to furnish, equip and improve fire stations, fire safety related facilities and radio infrastructure; to acquire vehicles and land for fire and public safety purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 3

**PURPOSE: PUBLIC SAFETY/POLICE BONDS
AMOUNT: \$15,745,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire land and construct police facilities, to acquire radio infrastructure; and to furnish and equip such facilities.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 4

PURPOSE: LIBRARY BONDS

AMOUNT: \$11,255,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire, construct, improve, renovate or remodel library facilities; to furnish and equip such library facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 5

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(CENTER FOR THE ARTS)
AMOUNT: \$4,200,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To improve, renovate and remodel municipal buildings to be used as a center for the arts; to furnish and equip such facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 6

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(MUSEUM)
AMOUNT: \$4,500,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct and improve museum facilities and parking improvements; to landscape, furnish and equip museum facilities.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 7

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(EXPANSION OF PUBLIC WORKS BUILDING)
AMOUNT: \$9,960,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct, improve, renovate and remodel municipal buildings to be used as public works facilities and public parking garage; to furnish and equip such facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 8

PURPOSE: WATER AND SEWER BONDS

AMOUNT: \$107,850,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To improve, extend, replace and add to the existing water and sewer systems, both within and without the City limits, including joint facilities to be utilized with others; to design, or acquire water and sewer treatment, water reclamation, pumping, recharge, reuse, transmission and water storage facilities; to acquire land, rights-of-way, equipment, furnishings and other improvements for water, sewer and effluent purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council either as: (1) water and sewer utility revenue bonds payable solely from the revenues of the water and sewer utility systems of the City; (2) tax secured revenue bonds payable from such water and sewer revenues and, if such revenues prove insufficient, from the levy of an ad valorem tax against the taxable property located within the City; or (3) general obligation bonds of the City, payable from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 9

**PURPOSE: STREET AND HIGHWAY BONDS
AMOUNT: \$202,310,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To design, improve, construct, reconstruct and rehabilitate the streets, avenues, alleys and highways of or within the City; to design, acquire, install, construct and reconstruct street lighting, traffic signal/control systems, underground utility lines, landscape improvements and transit/bicycle program improvements; to acquire land and interests in land for transportation purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council either as: (1) street and highway user revenue bonds payable solely from revenues to be derived from highway user taxes and all other taxes, fees, charges and other monies collected by the State and returned to the City for street and highway purposes; or (2) general obligation bonds of the City, payable from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 10

**PURPOSE: AIRPORT BONDS
(EXTENSION OF SOUTH RUNWAY)
AMOUNT: \$65,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To extend the South runway and taxiways at the municipal airport.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as: (1) airport revenue bonds payable solely from the revenues of the airport of the City or (2) tax secured revenue bonds payable from such airport revenues and, if such revenues prove insufficient, from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Add info 65

JAN 11 2007



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MEMORANDUM

Management Services Memo No. 07-089

DATE: JANUARY 10, 2007

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
RICH DLUGAS, ASSISTANT CITY MANAGER

FROM: PAT WALKER, MANAGEMENT SERVICES DIRECTOR

SUBJECT: BOND BALLOT LANGUAGE

At Monday night's study session, questions were raised to our outside bond counsel, Scott Ruby, as to what the legal parameters were regarding inclusion of specific language in the bond ballot and/or voter informational pamphlet. Attached is a letter from Scott discussing these issues.

If you have any questions or need further clarification, Scott Ruby will be in attendance at the Thursday night Council meeting.

Cc: Pat McDermott, Assistant City Manager

INTEROFFICE

To Patricia Walker, Management Services Date January 10, 2007
Director

File No. 006719-00119 From Scott W. Ruby, Bond
Counsel

Subject Ballot Language

Question:

You have asked if the City could add to the ballot language of Question 6 (Museum Facilities) a requirement that the bond proceeds be used to build a 20,000 square foot facility, and to Question 10 (Extension of South Runway) a prohibition against using bond proceeds to extend the runway beyond 5,700 feet.

Analysis:

Any time a condition, requirement or qualification is added to a ballot question, the possibility exists that such a provision will prevent the issuance of the bonds because there may be no way to verify with certainty that the requirement has been or can be met. Consequently, bond counsel strongly recommends against such qualifications being placed in the ballot.

An example would be, if the ballot for the museum stated that bond proceeds are authorized to be used to "build museum facilities not greater than 20,000 square feet." A question arises on how "facilities" is defined. The developed law on ballot questions broadly defines "facilities" so as to include walkways, patios, adjacent sidewalks, etc. Presumably, the 20,000 square foot requirement is not intended to include all of these types of improvements, but bond counsel, in order to render an unqualified opinion, may have to include all of these improvements in determining whether the bonds will be used for no more than 20,000 square feet. I realize this is a harsh interpretation, but the bond counsel opinion may only be given if it would be unreasonable for a court to hold to the contrary, and given our research in this area it would not be unreasonable for a court to include any one of these nonstructure type of improvements. Consequently, if a condition of 20,000 square feet were added to the ballot, we would need to be much more detailed in the ballot as to what type of improvement is to be counted against the 20,000 square feet. We would need a definition, something like covered, enclosed spaces, measured from the inside walls.

January 10, 2007

If council believes it is necessary to inform the voters of the qualification and such qualification is intended to be interpreted in a less rigorous legal context than the ballot, I would recommend that the voter information pamphlet state something to the effect that "bond proceeds are intended to be used for a museum facility of approximately 20,000 square feet." Although there is no law on the legal enforceability of the language in a voter information pamphlet, I believe the courts would review the language to determine if the language fraudulently induced a voter.

The standard a court would apply in a fraudulent inducement suit would be, in my opinion, less rigid than the standard applied to ballot questions and the standard for bond counsel opinions. The court with a voter information question would be much more likely to apply a standard that reviews the language to see if it was correct in all material aspects. Thus, the statement in the pamphlet needs to be materially correct while the compliance with the ballot language has to be absolutely correct.

Likewise, in Question 10 adding a requirement that the bond proceeds be used for a runway extension "provided, however, the total length of the runway shall not exceed 5,700 feet" also creates some uncertainty in the use of proceeds. In this case, because, arguably, a runway is a definable improvement (it has a beginning and an end), it is probably more capable of being proven, thus the condition in the ballot is verifiable. The only question created by this qualification, is what happens if the runway is built to 5,705 feet. These extra feet would be a wrongful expenditure of bond proceeds, in this case the bonds are valid but there is personal liability for a wrongful expenditure, unless the extra feet are paid from other City funds.

Again, if such a qualification is needed I suggest it be placed in the voter information pamphlet. In that context I don't believe a court would hold that an extra five feet constituted fraud on the voters.



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JAN 11 2007

MEMORANDUM

Management Services Memo No. 07-081

DATE: JANUARY 11, 2007

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER 
RICH DLUGAS, ASSISTANT CITY MANAGER 

FROM: PAT WALKER, MANAGEMENT SERVICES DIRECTOR 

SUBJECT: RESOLUTION 4034 ORDERING AND CALLING A SPECIAL BOND ELECTION ON MAY 15, 2007

RECOMMENDATION

Staff recommends adoption of Resolution No. 4034 ordering and calling a special bond election on May 15, 2007, to submit to the qualified electors the question of authorizing the issuance and sale of not to exceed \$451,500,000 in General Obligation and/or Revenue Bonds.

BACKGROUND/DISCUSSION

On November 2, 2006, staff presented 10 bond issue proposals to the 2007 Citizen Bond Committee. The areas and anticipated capital needs identified by City departments included Parks and Recreation, Library, Center for the Arts, Public Safety/Fire and Police, Streets and Transportation, Water and Wastewater, Public Works, So. Arizona Avenue Corridor and the Airport.

Members of the 2007 Citizen Bond Committee were asked to form subcommittees and examine the proposals to develop final recommendations for presentation to City Council. The subcommittees met to review and discuss the issues presented for the 2007 Bond Election. On December 21, 2006, the Citizen Bond Committee met and the Chairperson of each subcommittee reported their recommendations.

The South Arizona Avenue Corridor Bond Subcommittee recommended \$60,170,000 for improvements to the Corridor to be paid with utility user fees and revenue generated by property taxes. This dollar amount is disbursed between Parks and Recreation, Streets and Transportation and Water/Wastewater on the ballot questions..

The Parks and Recreation Bond Subcommittee recommended \$72,680,000 for parks and recreational facilities, as well as \$8,670,000 for the South Arizona Avenue Corridor, to be paid with a combination of property taxes and impact fees generated by new growth;

The Parks and Recreation Bond Subcommittee recommended \$4,200,000 for Center for the Arts to be paid with revenue generated by property taxes;

The Parks and Recreation Bond Subcommittee recommended \$4,500,000 for the museum to be paid with revenue generated by property taxes;

The Parks and Recreation Bond Subcommittee recommended \$11,255,000 for the library to be paid with revenue generated by property taxes;

The Public Safety/Fire & Police Bond Subcommittee recommended \$14,265,000 for fire safety facilities to be paid with a combination of property taxes and impact fees generated by new growth;

The Public Safety/Fire & Police Bond Subcommittee recommended \$15,745,000 for police safety facilities to be paid with revenue generated by property taxes;

The Streets and Transportation Bond Subcommittee recommended \$153,380,000 for street and highway projects, as well as \$48,930,000 for the South Arizona Avenue Corridor, to be paid with a combination of impact fees generated by new growth, property taxes, or the City's State Shared Highway User revenues;

The Streets and Transportation Bond Subcommittee recommended \$9,960,000 for the public works facility and public parking garage to be paid with impact fees generated by new growth and revenue generated by property taxes;

The Water/Wastewater Bond Subcommittee recommended \$105,280,000 for water and sewer improvements, as well as \$2,570,000 for the South Arizona Avenue Corridor, to be paid with a combination of revenues generated by user and development fees generated by new growth;

The Airport Bond Subcommittee recommended \$65,000 for expansion of the runway to be paid with revenue generated by property taxes;

MS Memo No. 00-000
12/28/2006
Page 3

PROPOSED MOTION

Move for the adoption of Resolution No.4034 and calling a special bond election on May 15, 2007.

Attachments

cc: Pat McDermott, Assistant City Manager

RESOLUTION NO. 4034

RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR THE CITY OF CHANDLER, ARIZONA ON MAY 15, 2007, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF THE QUESTIONS OF AUTHORIZING THE ISSUANCE AND SALE OF \$451,500,000 PRINCIPAL AMOUNT OF BONDS, CONSISTING OF GENERAL OBLIGATION BONDS, STREET AND HIGHWAY REVENUE BONDS AND UTILITY REVENUE BONDS, PROJECT OF 2007.

WHEREAS, the Mayor and Council of the City of Chandler, Arizona, have received the recommendations of the 2007 Citizens Bond Committee and believe it to be in the best interest of the City to authorize the issuance and sale of \$451,500,000 principal amount of bonds, which bonds would include general obligation, street and highway revenue bonds and utility revenue bonds, specifically for the following purposes:

<u>Description of Bonds</u>	<u>Principal Amount</u>
Parks and Recreation bonds	\$ 81,350,000
Public Safety/Fire bonds	14,265,000
Public Safety/Police bonds	15,745,000
Library bonds	11,255,000
Municipal buildings bonds (Center for the Arts)	4,200,000
Municipal buildings bonds (Museum)	4,500,000
Municipal buildings bonds (Expansion of Public Works Bldg)	9,960,000
Water and Sewer bonds	107,850,000
Street and Highway bonds	202,310,000
Airport bonds	65,000

WHEREAS, it is necessary that the Mayor and Council submit the questions of the issuance and sale of such bonds to the qualified electors of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF CHANDLER, ARIZONA:

Section 1. Order Election. Pursuant to Arizona Revised Statutes ("A.R.S."), Sections 35-453, 9-524 and 48-683, as amended, a special bond election in the City of Chandler, Arizona (the "City"), is hereby called to be held on May 15, 2007, to submit to the qualified electors of the City the questions as shown on the form of ballot attached hereto and marked Exhibit A which is a part of this resolution and the terms of which are incorporated by reference herein. Having completed its work, the 2007 Citizens Bond Committee is hereby dissolved.

Bonds issued pursuant to Title 35, Chapter 3, Article 3, A.R.S., which are expected to be the parks and recreation bonds, public safety bonds, library bonds and municipal building bonds, will be general obligation bonds payable from an ad valorem tax levied on all taxable property in the City (the "*general obligation bonds*").

Bonds issued pursuant to Title 9, Chapter 5, Articles 2 or 3, A.R.S., as amended (the "*utility revenue bonds*"), will be payable from the net revenues of the utility system, unless such utility revenue bonds are issued as tax secured bonds in which case the utility revenue bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the utility revenue bonds are to be issued, the maximum principal amount and the maximum rate of interest of the utility revenue bonds is set forth in Exhibit A attached hereto.

Bonds issued pursuant to Title 9, Chapter 5, Article 3, A.R.S., as amended (the "*airport revenue bonds*"), will be payable from the revenues of the airport, unless such airport revenue bonds are issued as tax secured bonds in which case the airport revenue bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the airport revenue bonds are to be issued, the maximum principal amount and the maximum rate of interest of the airport revenue bonds is set forth in Exhibit A attached hereto.

Bonds issued pursuant to Title 48, Chapter 4, Article 5, A.R.S., as amended (the "*street and highway improvements bonds*") will be payable from monies to be derived from highway user taxes and all other taxes, fees, charges and other monies collected by the State of Arizona and returned to the City for street and highway purposes, unless such street and highway improvement bonds are issued as tax secured in which case the street and highway improvement bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the street and highway improvement bonds are to be issued, the maximum principal amount and the maximum rate of interest of the street and highway improvement bonds is set forth in Exhibit A attached hereto.

Section 2. Information Pamphlet. The Clerk is hereby directed to cause the preparation and distribution of an information pamphlet and sample ballot for the City pursuant to A.R.S. § 35-454. The officers of the City are hereby authorized to do all things necessary or appropriate to conduct the election, including the preparation and distribution of an informational pamphlet. The Clerk is hereby authorized and directed to cause the information pamphlet to be prepared and mailed as required by law and in accordance with the provisions of this resolution and to cause a copy of the informational pamphlet to be submitted to the Arizona Department of Revenue within thirty (30) days after the election.

Section 3. Notice of Election. Notice of the special bond election is ordered to be given by causing the information pamphlet to be mailed not less than thirty-five (35) days before the date of election to the residence of each registered voter of the City as shown on the general county register. Notice of the special bond election pertaining to utility revenue bonds, airport revenue bonds and street and highway improvement bonds, is ordered to be given by causing publication of this resolution once in a newspaper published in Maricopa County, Arizona, and of general circulation within the City not less than fifteen (15) nor more than thirty (30) days before the date of election.

Section 4. Conduct of Election. The election will be conducted and the poll lists kept, and the votes cast thereat shall be counted and tabulated and the returns thereof will be made in the manner provided by law and only persons will be allowed to vote at the election who are qualified electors of the City. The polls will open at 6:00 a.m. and will close at 7:00 p.m.

The election may be consolidated with any other election conducted in the City on May 15, 2007.

Section 5. Early Voting. Early voting will be permitted at the election in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

Section 6. Compliance with Voting Rights Act. In order to comply with the Voting Rights Act of 1965, as amended, the following proceedings pertaining to this election will be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such proceedings are required, to-wit: ballot, voter information pamphlet, all early voting material and all instructions at the polls.

Section 7. Ballots; Contracts. The Clerk is hereby directed to cause ballots to be printed and delivered to the election boards to be furnished to the qualified electors offering to vote at the election. The special bond election may be conducted using either electromechanical or electronic vote recording and ballot counting equipment or paper ballots, as shall be determined to be in the best interests of the City by the County Elections Department and the Mayor and the Clerk or either of them. The Mayor and the Clerk or either of them is authorized and directed to enter into a contract with the Maricopa County Recorder to obtain precinct registers for the election and to enter into an agreement with the Maricopa County Elections Department to conduct the election for the City.

Section 8. Canvass of Election. As soon as the polls are closed, the election officials will forward the votes cast to the Mayor and Council of the City for canvassing. The Mayor and Council will meet at the Council Chambers on a day that is within twenty (20) days after the election date to canvass the returns of the election. The Mayor and Council will be governed by the vote of the majority on the question submitted.

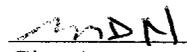
PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Chandler, Arizona, on January 11, 2007.

ATTEST:

Mayor

Clerk

APPROVED AS TO FORM:



City Attorney

Bond Counsel

CERTIFICATION

I, Marla Paddock, the duly appointed and acting City Clerk of the City of Chandler, Arizona, do hereby certify that the above and foregoing Resolution No. 4034 was duly passed by the City Council of the City of Chandler, Arizona, at a regular meeting held on January 11, 2007, and that the Mayor and _____ Council Members were present thereat.

Marla Paddock, City Clerk

EXHIBIT A

OFFICIAL BALLOT

**FOR SPECIAL BOND ELECTION IN AND FOR THE CITY OF CHANDLER,
ARIZONA ON MAY 15, 2007.**

General Provisions for all Bond Questions

The following provisions apply to all bonds to be voted on. Specific information for each authorized purpose is set out for each question.

- In addition to each specific authorized purpose, bond proceeds may be used to pay for bond insurance or other credit support for the bonds, all legal, accounting, financial, architectural, design, engineering and construction management costs and all other costs incurred in connection with the issuance of the bonds and the purposes set forth in each question. The City may contract for letters of credit, surety bonds, lines of credit or other credit or liquidity support in connection with any one or more series of bonds.
- The bonds may be issued in one or more series.
- The bonds may be issued in the denomination of \$5,000 each or multiples thereof.
- Interest rates may be fixed or variable but shall not exceed twelve percent (12%) per annum. Interest may be evidenced by separate certificates and will be paid on July 1 and January 1 or more frequently.
- The bonds, and any bonds issued to refund the City's bonds, may be sold at prices that include premiums not greater than permitted by law.
- Bonds will mature over a period not to exceed thirty (30) years from their date of issuance.
- Bonds will mature on the days of each year determined by the Mayor and Council.
- The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds, unless the governing body provides for payment from other sources.

THE VOTER MAY VOTE "FOR THE BONDS" OR "AGAINST THE BONDS" ON EACH SEPARATE BOND QUESTION.

Question 1

**PURPOSE: PARKS AND RECREATION BONDS
AMOUNT: \$81,350,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct, improve and acquire community, neighborhood, regional and aquatic parks, including recreational facilities, buildings and improvements; to acquire land for parks, recreational facilities, buildings and open spaces; to make improvements, additions and replacements to existing parks and recreational facilities and buildings; to landscape, furnish and equip existing and new parks and recreational facilities and buildings.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 2

PURPOSE: PUBLIC SAFETY/FIRE BONDS

AMOUNT: \$14,265,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire and construct fire stations and other fire safety related facilities; to furnish, equip and improve fire stations, fire safety related facilities and radio infrastructure; to acquire vehicles and land for fire and public safety purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 3

PURPOSE: PUBLIC SAFETY/POLICE BONDS
AMOUNT: \$15,745,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire land and construct police facilities, to acquire radio infrastructure; and to furnish and equip such facilities.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 4

PURPOSE: LIBRARY BONDS

AMOUNT: \$11,255,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire, construct, improve, renovate or remodel library facilities; to furnish and equip such library facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 5

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(CENTER FOR THE ARTS)
AMOUNT: \$4,200,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To improve, renovate and remodel municipal buildings to be used as a center for the arts; to furnish and equip such facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 6

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(MUSEUM)
AMOUNT: \$4,500,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct and improve museum facilities; to landscape, furnish and equip museum facilities.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 7

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(EXPANSION OF PUBLIC WORKS BUILDING)**

AMOUNT: \$9,960,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct, improve, renovate and remodel municipal buildings to be used as public works facilities and public parking garage; to furnish and equip such facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 8

**PURPOSE: WATER AND SEWER BONDS
AMOUNT: \$107,850,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To improve, extend, replace and add to the existing water and sewer systems, both within and without the City limits, including joint facilities to be utilized with others; to design, or acquire water and sewer treatment, water reclamation, pumping, recharge, reuse, transmission and water storage facilities; to acquire land, rights-of-way, equipment, furnishings and other improvements for water, sewer and effluent purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council either as: (1) water and sewer utility revenue bonds payable solely from the revenues of the water and sewer utility systems of the City; (2) tax secured revenue bonds payable from such water and sewer revenues and, if such revenues prove insufficient, from the levy of an ad valorem tax against the taxable property located within the City; or (3) general obligation bonds of the City, payable from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 9

**PURPOSE: STREET AND HIGHWAY BONDS
AMOUNT: \$202,310,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To design, improve, construct, reconstruct and rehabilitate the streets, avenues, alleys and highways of or within the City; to design, acquire, install, construct and reconstruct street lighting, traffic signal/control systems, underground utility lines, landscape improvements and transit/bicycle program improvements; to acquire land and interests in land for transportation purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council either as: (1) street and highway user revenue bonds payable solely from revenues to be derived from highway user taxes and all other taxes, fees, charges and other monies collected by the State and returned to the City for street and highway purposes; or (2) general obligation bonds of the City, payable from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 10

PURPOSE: AIRPORT BONDS

AMOUNT: \$65,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To extend the runway and taxiways at the municipal airport.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as: (1) airport revenue bonds payable solely from the revenues of the airport of the City or (2) tax secured revenue bonds payable from such airport revenues and, if such revenues prove insufficient, from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>