

MINUTES OF THE REGULAR MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Chambers in the Chandler Library, 22 S. Delaware, on Thursday, January 11, 2007 at 7:00 p.m.

THE MEETING WAS CALLED TO ORDER BY MAYOR BOYD W. DUNN.

The following members answered roll call:

Boyd W. Dunn	Mayor
Lowell Huggins	Vice-Mayor
Bob Caccamo	Councilmember
Trinity Donovan	Councilmember
Matt Orlando	Councilmember
Martin Sepulveda	Councilmember
Jeff Weninger	Councilmember

Also in attendance:

W. Mark Pentz	City Manager
Rich Dlugas	Assistant City Manager
Pat McDermott	Assistant City Manager
Michael D. House	City Attorney
Marla Paddock	City Clerk

INVOCATION: The invocation was given by Minister Greg Rodman – Cathedral of Praise Christian Church

PLEDGE OF ALLEGIANCE: VICE-MAYOR HUGGINS led the Pledge of Allegiance.

**THE ITEMS ON THE AGENDA WERE DISCUSSED OR ACTED UPON IN A DIFFERENT ORDER THAN REFLECTED ON THE PRINTED AGENDA.**

CONSENT:

MAYOR DUNN said that the status of Item No. 20 (Cooper Crossing Phase II) has been changed from continuance to a request for approval.

COUNCILMEMBER WENINGER requested that Item No. 17 (Fee Schedule Amendment) be moved to the Action Agenda.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY VICE-MAYOR HUGGINS, to approve the Consent Agenda as amended by approving Item No. 20 and moving Item No. 17 to the Action Agenda.

COUNCILMEMBER CACCAMO said that he would be voting nay on Item No. 13, Villas At Lone Tree.

COUNCILMEMBER WENINGER declared a conflict of interest on Items No. 31, 32, 33, 34 (Fulton Homes Agreements) and 64 (Fulton Ranch Parcel 4 Final Plat).

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

MAYOR DUNN announced that Item #65 on the Action Agenda would be discussed first as COUNCILMEMBER CACCAMO would be leaving the meeting at 8:30.

1. MINUTES:

APPROVED, as presented, minutes of the City Council Special and Regular meetings of December 14, 2006.

2. POWER DISTRIBUTION EASEMENT: SRP Ord. #3841

ADOPTED Ordinance No. 3841 granting a no-cost power distribution easement to Salt River Project (SRP) to provide service to Quantum Helicopters facilities at the Chandler Municipal Airport.

3. POWER DISTRIBUTION EASEMENT: SRP Ord. #3842

ADOPTED Ordinance No. 3842 granting a no-cost power distribution easement to Salt River Project (SRP) to provide service to new hangar facilities at Chandler Municipal Airport.

4. LEASE AGREEMENT: Chandler Historical Society Ord. #3860

ADOPTED Ordinance No. 3860 authorizing a lease agreement with the Chandler Historical Society for use of the building at 178 E. Commonwealth Avenue as a museum.

5. CITY CODE AMENDMENT: Chapter 50 Ord. #3861

ADOPTED Ordinance No. 3861 amending City Code Chapter 50, Section 50-5, relating to charges for returned checks for payment of a utility bill.

6. REZONING: Mammoth Commerce Center – Chandler II Ord. #3867

ADOPTED Ordinance No. 3867, DVR06-0030, Mammoth Commerce Center – Chandler II, rezoning from PAD Light Industrial to PAD Office and Light Industrial on approximately 6.24 acres for office buildings and an industrial warehouse located at the NWC of Stearman and Hughes drives.

7. REZONING: Pecan Trace Ord. #3868

ADOPTED Ordinance No. 3868, DVR06-0029, Pecan Trace, rezoning from County zoning district Rural-43 to Chandler zoning district PAD for a single-family home subdivision on approximately 17.5 acres.

8. WITHDREW REZONING: Chandler Airport Commerce Park Ord. #3869

WITHDREW, as requested by Staff, Final Adoption of Ordinance No. 3869, DVR06-0039, Chandler Airport Commerce Park, rezoning from AG-1 to PAD for a Commercial Office and Industrial business park development on approximately 80 acres south of the SEC of McQueen and Queen Creek roads.

The City of Chandler is currently processing an exchange agreement with the applicant to re-configure the existing ownership lines in order to allow the development of a regional retention

basin and City Park, as well as the requested business park development. A Development Agreement outlining the exchange agreement is required, but has not been finalized at this time. Once the Development Agreement is finalized and forwarded to the City Council, Staff will place the final adoption of Ordinance No. 3869 for the rezoning on the same agenda for consideration.

9. PAD AMENDMENT: Pollack Business Park North & South Ord. #3872

ADOPTED Ordinance No. 3872, DVR06-0053, Pollack Business Park North & South, amending the existing Planned Industrial District Area Development I-1 PAD zoning to I-1 PAD Amended to allow certain vehicle repair, customization and accessory sales; installation of retail products; sign sales, repair, and fabrication; repair and manufacturing of certain small-scale equipment or goods; and expansion of areas designated for retail showroom on approximately 30 acres at both the northeast and southeast corners of Arizona Avenue and Elliot Road.

10. POWER DISTRIBUTION EASEMENT: SRP Ord. #3870

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3870 granting a no-cost power distribution easement to Salt River Project (SRP) for electrical power service to City facilities, East Knox Well site, located northeast of the entrance to Espee Park on Knox Road between Arizona Avenue and McQueen Road.

11. POWER DISTRIBUTION EASEMENT: SRP Ord. #3873

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3873 granting a no-cost power distribution easement to Salt River Project to provide power to the new service entry section of the surface water treatment plant expansion at 1475 E. Pecos Road.

12. CITY CODE AMENDMENT: Chapter 43 Ord. #3874

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3874 amending Chapter 43 of the Chandler City Code, Section 43-5 relating to the adoption of Public Works Standards, Specifications and Regulations by revising the Standard Details and Specifications, Technical Design Manuals four through seven and Chapter 46, Subsection 46-2.7.E relating to Construction Signs Required for Work.

The City maintains and publishes Standard Details and Specifications and Technical Design Manuals, which are used to guide developers and City Staff on the design and construction of the City's infrastructure.

The revisions to the Standard Details and Specifications and Technical Design Manuals, consist primarily of clarifications and technical revisions to standards as a result of changes in legislation, technology, and process improvements. These revisions include requirement for temporary road detours; public information signs for each construction site; penalties for non-compliance with the Road Restrictions and Closures Permit; and barricade removal after work completion.

These changes were circulated to industry groups and other stakeholders by making them available on the City's website. Presentations were also made to the Associated General Contractors of Arizona, Homebuilders Association of Central Arizona, and various traffic engineering barricade companies, Salt River Project (SRP), and Arizona Public Service (APS), and changes were incorporated into the revisions.

At the Transportation Commission meeting of October 19, 2006, the Commission voted 7-0 to recommend approval of the proposed revisions to the Public Works Standards, Details and Design Manuals as noted herein.

13. REZONING: Villas At Lone Tree Ord. #3875

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3875, DVR06-0059, Villas at Lone Tree, rezoning from PAD to PAD amended, to eliminate a zoning condition requiring copper supply plumbing for a multi-family residential development on approximately 20 acres at the SWC of Lindsay and Riggs roads.

In August of 2006, the City Council approved a request for a Preliminary Development Plan (PDP) for this site to allow 'for-sale' condominiums. Currently, the site is vacant and in a weed-free manner. To the north of the subject site across Riggs Road are the Offices at Shadow Ridge. To the west and south of the site are the Lone Tree Golf Course and Solera adult residential community. Located directly to the south of the site is a Chandler well site. East of the site across Lindsay Road is the Riggs Ranch Marketplace and the Sun Groves community.

The application requests a zoning amendment to eliminate stipulation no. 6 of Ordinance No. 2879 that requires copper plumbing for those lines under water pressure. The homebuilder is requesting to eliminate the stipulation to allow the use of an alternative plumbing material, cross-linked polyethylene (pex).

On January 25, 2005, Council adopted the 2003 International Code (I-Code). Pex piping is specifically addressed in the I-Code and is a permitted material. Currently, the use of any other material other than copper for lines under water pressure is prohibited through a zoning stipulation. Even though pex piping is an approved material, it may not be used in a subdivision where copper plumbing has already been stipulated without the developer returning to Council to have the stipulation removed.

There are many positives that arise from the use of pex plumbing over copper plumbing. Pex plumbing is more flexible allowing for easier maneuverability and installation. Pex plumbing is freeze resistant and can withstand temperatures up to 180 degrees for plumbing uses. Pex plumbing is corrosive resistant and non-toxic.

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Staff has received one phone call from a resident requesting general information.

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

COUNCILMEMBER CACCAMO voted nay on this item.

14. ANNEXATION: Lindsay / Chandler Heights Roads Ord. #3876

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3876 annexation of approximately 64 acres north of the NWC of Lindsay and Chandler Heights roads.

The City Council held a public hearing on this requested annexation on November 16, 2006. Staff has received the original signed petition from the property owner. The request has been processed in compliance with State Statutes governing annexations.

The subject site is zoned R-43 Rural Residential within the County. The Southeast Chandler Area Plan designates the area for "Traditional Suburban Character". The applicant will be seeking rezoning to Planned Area Development (PAD) for single-family residential use.

The property is occupied by a dairy farm and is bordered on the north, east and west by existing and developing traditional single-family residential and on the south by rural residential. The property is not under an aircraft noise contour or within a designated flood plain.

15. INTERGOVERNMENTAL AGREEMENT: Maricopa County Res. #4032

ADOPTED Resolution No. 4032 authorizing an intergovernmental agreement with Maricopa County for improvements to Gilbert Road from Queen Creek Road to Germann Road, and Cooper Road from Germann Road to the Consolidated Canal, in the amount of \$790,000.00.

Each year the Maricopa County Transportation Advisory Board allocates \$1,000,000.00 as a Special Projects Fund for local road construction projects. All cities in the county can submit projects for possible funding from the Special Projects Fund.

This year, Staff submitted two Chandler projects for consideration by the board:

- \$710,000.00 for a County share of acquisition of necessary right-of-way and share of construction costs for Gilbert Road from Queen Creek Road to Germann Road.
- \$80,000.00 for a County share of acquisition of necessary right-of-way and share of construction for the Cooper Road from Germann Road to the Consolidated Canal.

Both applications were approved. In order to utilize this funding, an intergovernmental agreement between the City and the County is necessary. Construction on both projects is scheduled to start in the spring of 2007.

The intergovernmental agreement outlines the provisions for obtaining the funds and also establishes the City and County responsibilities for the acquisition of right-of-way in the County islands and annexing the property into the City when the road construction is completed.

16. INTERGOVERNMENTAL AGREEMENT: Maricopa County Res. #4033

ADOPTED Resolution No. 4033 authorizing an intergovernmental agreement with Maricopa County for County participation in the design, right-of-way acquisition and construction of Riggs Road from Gilbert Road to Val Vista Drive in an amount not to exceed \$6,750,000.00.

The City of Chandler is currently designing and acquiring right-of-way for the construction of road-widening improvements to Riggs Road from Gilbert Road to Val Vista Drive. This project extends the improvements previously constructed on Riggs Road from Arizona Avenue to Gilbert Road. Construction is scheduled for fiscal year 2007-08.

As was the case with the first Riggs Road project, Staff has negotiated a cost-share agreement with the Maricopa County Department of Transportation based upon the estimated construction cost and approximate percentage of county island frontage. The amount of Maricopa County contribution is \$6,250,000.00, but the agreement has a provision for additional costs caused by material cost escalation and for change orders. These contributions will cover approximately 50% of the total estimated project cost.

The City will invoice the County at the completion of the project for the County's share of design costs, right-of-way acquisition costs and construction costs.

17. Moved to Action.

18. CONTINUE PRELIMINARY DEVELOPMENT PLAN: Erickson Consulting

CONTINUED to FEBRUARY 8, 2007, Preliminary Development Plan PDP06-0020, Erickson Consulting, for site layout and building architecture for two industrial buildings at 2350 N. Nevada Street, Lots 11 and 12 of the Westech Corporate Center to allow for proper public notification.

19. PRELIMINARY DEVELOPMENT PLAN: Checker Auto/Jiffy Lube

APPROVED Preliminary Development Plan PDP06-0031, Checker Auto/Jiffy Lube, amendment for an auto retail and service center located on approximately 2 acres within Fulton Ranch Towne Center at the SWC of Arizona Avenue and Ocotillo Road. (Applicant: Phoenix Design Group / Park Gibbs Development Co., LLC.)

The Fulton Ranch mixed-use development received Planned Area Development (PAD) zoning and PDP approval in May 2004. The adopted PDP for the 540-acre site, bounded by Ocotillo Road, Arizona Avenue, Chandler Heights Road and Basha Road, features single-family and multi-family residential, church, school, park and commercial parcels.

The subject site was approved to allow C-2 Community Commercial District uses along with a gasoline service station use. The commercial center has a variety of retail stores and restaurants, with a majority of the buildings either under construction or already constructed. While the commercial center plan represented an automotive-related use (gas station) to the east of the subject parcel along Ocotillo, a restaurant (Old Chicago) was developed instead.

The subject parcel, located within the commercial center, is bordered by a restaurant (Old Chicago) to the east and a vacant parcel to the south planned for retail shops. A City well site and planned residential subdivision is located to the west, Hamilton High School recreation fields are located to the north, across Ocotillo Road and Fox Crossing residential subdivision to the northwest.

The amendment proposal includes the site layout and building architecture for an auto retail and service center. The two businesses are physically connected, with the Checker Auto store on the site's north end and the Jiffy Lube service center on the south portion. While both businesses operate independently, they are complimentary to each other with shared parking and pedestrian walkways. The building is placed in a landscaped setting along Ocotillo Road with parking provided on the building's east side. Adequate parking is provided for both auto retail and auto service components. Queuing for the Jiffy Lube can accommodate up to two vehicles in front of each service bay.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on November 1, 2006. There were no neighbors in attendance and Staff has received no correspondence in opposition.

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

1. Development shall be in substantial conformance with the Development Booklet entitled "Lots 8 / Parcel 12 Fulton Ranch Towne Center – Checker Auto / Jiffy Lube Building" kept on file in the City of Chandler Current Planning Division, in file number PDP06-0031, except as modified by condition herein.
2. Compliance with original stipulations adopted by the City Council as Ordinance No. 3560, in case DVR03-0044, Fulton Ranch, except as modified by condition herein.
3. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
4. All raceway signage shall be prohibited within the development.
5. All pedestrian walkways shall be ADA accessible and shall not be interrupted by any obstacles preventing circulation (i.e. handicap shall have direct access to all indoor and outdoor pedestrian spaces).
6. All ground-mounted equipment shall be screened from public view by landscaping or a concrete or masonry wall equal to or greater in height than the mechanical equipment.
7. All automotive servicing shall be limited to light duty general automotive servicing, such as oil changes, tune-ups, tires, brakes and wheel alignments. Automotive servicing, such as exhaust systems, radiator and engine repair, etc. on this property must be preceded with rezoning approval by the City of Chandler in accordance with all Zoning Code requirements.
8. Outdoor storage or display shall be prohibited.
9. There will be no public address, telephone or other amplified sound emitters outside the building.
10. All maintenance activity shall be performed inside the building.
11. The air compressors will be installed in an acoustically isolated area.
12. The compressor shall have a remote filter or air intake silencer to lower the compressor sound level.
13. The new trees along the building's west side shall be at 12 feet high at the time of planting.
14. The landscape planter located in front of the Jiffy Lube building entrance shall be widened by approximately 9 feet and include a screen wall device.
15. The applicant shall work with Staff to enhance the north elevation building architecture to provide a larger variety of façade and roof elements.

20. PRELIMINARY DEVELOPMENT PLAN: Cooper Crossing Phase II APPROVED Preliminary Development Plan PDP06-0040, Cooper Crossing Phase II, for an office and retail center with a bank and restaurant on approximately 6 acres of a 14-acre site at the NWC of Ray and Cooper roads. (Applicant: PHArchitecture, Paul Schmidt.)

The office buildings as part of Phase I are currently under construction. Cooper Crossing is bounded by single-family residential to the north and west. Directly to the east across Cooper Road at the intersection corner is an Arco gas station located in the Town of Gilbert. Directly south across Ray Road is a Basha's-anchored retail center with a Chevron gas station located directly at the corner. Located southeast of the site is a vacant Albertson's grocery store and fuel center. This site serves as a gateway entrance to the City.

The subject site was zoned PAD for commercial C-1 type uses as part of the 1984 Provinces Master Plan. A conceptual site plan was originally represented as a grocery-anchored center with freestanding pads but never developed. A Preliminary Development Plan (PDP) was approved in 2000 that included a retail and office development. In January of 2005, Council approved a PDP that changed the site layout to include two, 2-story office buildings and five, 1-

story garden offices on the site's west side. Phase II of the approved PDP included a major anchor with shops and a pad located at the intersection corner. The proposed amended PDP site layout is for Phase II.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on November 30, 2006. There were three neighbors in attendance that expressed concern with perimeter wall height, construction noise and vehicular traffic. A meeting was also held with the Provinces Architectural Review Board on December 21, 2006. The Board supports the project.

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

1. Development shall be in substantial conformance with the Development Booklet entitled "Cooper Crossing Phase II" kept on file in the City of Chandler Planning Services Division, in File No. PDP06-0040, Cooper Crossing, Phase II, except as modified by condition herein.
2. All conditions kept on file in the City of Chandler Planning Services Division, in File No. PDP04-0017 Cooper Crossing shall apply, except as modified by condition herein.
3. All raceway signage shall be prohibited within the development.
4. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
5. The applicant shall work with Staff to implement traffic calming measures at the rear service drive.
6. The applicant shall work with Staff in order to provide for an outdoor eating area for Building K.
7. The applicant shall work with Staff to provide landscaping around the bank foundation.

## 21. CELEBRATION PLAZA HONOREES

AUTHORIZED the following Parks and Recreation Board's recommendations for 2006 Celebration Plaza Honorees:

- ❑ **Lenford C. Calley** the Chandler Superintendent of Public Works from 1941-1959 was killed in an automobile accident on a return trip from a City of Chandler gravel pit. His responsibilities included street development and maintenance, the waterworks, parks, sewers, garbage collection and street sweeping. Lenford guided the infrastructure development of 20-25 subdivisions and saw water department connections increase from 324 to 21,000 during his time of service. He saw a small tumbleweed tree in the yard of Mr. Barnum and asked him to construct one in the downtown square for the entire town to enjoy. This year, Chandler celebrated the 50<sup>th</sup> anniversary of the Tumbleweed Tree tradition. The Chandler Arizonan Newspaper states, "Chandler is Calley's real hobby besides being his job". Being a prominent individual who made a significant mark on the City's future make him a deserving recipient of this award.
- ❑ **Officer Robert J. Nielsen**, Chandler Police Officer, gave his life in the line of duty while driving to a call for assistance on June 12, 2002. He was the second Chandler officer to be killed in the line of duty. Officer Nielsen deserves recognition on this wall of honor for his dedicated service to Chandler.
- ❑ **Henry Salinas**, founder of ICAN in 1991, he has created an institution for Chandler that addressed problems facing youth in the poorer areas of the City. His dedication and creativity have strengthened our efforts to improve the lives of all young people and

neighborhoods in Chandler through ICAN. He made a significant and lasting contribution to the community, which warrants recognition in Celebration Plaza.

The Parks and Recreation Board recommended changes to the park naming process in 2004. At that time, Celebration Plaza at Tumbleweed Park was embraced as a way to recognize individuals whose outstanding personal service has resulted in significant and enduring contributions to the community. In August of 2006, the Parks and Recreation Board appointed a subcommittee to evaluate and recommend nominations for recognition in 2006.

Staff received 13 individual and 2 civic organization nominations during this year's nomination process. These nominations were forwarded to the subcommittee for evaluation and recommendation. The subcommittee met and analyzed the nominees, then formulated their recommendations. The subcommittee made their selections based upon the approved criteria and focused on enduring, significant contributions to Chandler. The subcommittee recommendations were presented the Parks and Recreation Board at the December 5, 2006 meeting. The Board endorsed the recommendations and unanimously voted to recommend them to Council for approval.

## 22. CLAIMS REPORT

APPROVED the Claims Report for the Accounts Payable checks for the quarter ending December 31, 2006.

## 23. AGREEMENT AMENDMENT: Catholic Social Services

APPROVED Agreement Amendment No. 1 with Catholic Social Services of Center & Northern Arizona for emergency shelter enhancements, increasing the amount from \$252,800.00 to \$400,821.00.

In February 2004, Staff briefed the Mayor and City Council on their efforts to establish a Family Advocacy Center (FAC). Staff explained the challenges encountered while attempting to develop the FAC including the inability to secure the needed medical services. Staff recommended utilizing the existing FAC funds to improve shelter services within the City.

With City Council's concurrence, Staff issued a Request for Proposals (RFP) for the purpose of expanding the amount of bed (shelter) space in the community. The Mayor and Council approved an agreement with Catholic Social Services in the amount of \$252,800.00 at the July 28, 2005 meeting. The project enhancements include the addition of 2,128 square feet in living space and eight additional parking spaces. The expansion will increase the number of bedrooms from seven to ten, increasing the bed capacity from 17 to 25.

Due to an increase in construction costs since the issuance of the RFP, the original award amount will no longer cover the costs of the expansion. The total project budget is \$470,821.00. Catholic Social Services has agreed to fundraise \$70,000.00. This amendment modifies the contract as follows:

1. Section 1.1 is hereby amended to change the Contract Administrator to Brian Bosshardt.
2. A new Section 2.1 is hereby added to incorporate by reference Exhibits A-1, Project Plan; B-1, Project Budget and B-2, Project Schedule, which Exhibits are approved by the City and are in compliance with the requirements in the Contract scope of work. CSS agrees to comply with said Project Plan, Project Budget and Project Schedule.

3. Section 5 is hereby amended to change the grant award amount to \$400,821.00 and to delete the last sentence, which is a use permit requirement that has been satisfied.

Funds are currently available in the City Council reserve. During the 2004/05-budget process, the Mayor and Council approved the Citizen Support Coordinator position in the Fire Department. In order to fund needed equipment for the position, the Mayor and Council utilized \$14,561.00 of the available FAC funds. A total of \$162,582.00 in reserve funds are required to cover the increase in construction costs and the previously approved use of the FAC funds.

24. AGREEMENT: Compuware

APPROVED an Agreement with Compuware to upgrade the residential tracking program for Solid Waste Services, sole source, in an amount not to exceed \$81,476.00.

The Solid Waste Services Division utilizes RMS to track approximately 132,000 residential calls and customers that utilize the Recycling-Solid Waste Collection Center. The upgrade to RMS will allow Solid Waste Services staff to collect the document new business data, reduce data entry errors and decrease operation costs by improving application performance and usability. Staff can determine who is eligible to use the facility and efficiently document the number of tires and household hazardous waste brought in by residents. Customer Service will provide more proficient responses to residents that may call in regarding solid waste issues, such as illegal dumping, free bulk service, missed collection an alley issues. Management reports will be more effective in determining quality of service as well as assist in the budget process.

25. AGREEMENT: Desierto Verde, LLC

APPROVED an Agreement with Desierto Verde, LLC for native plant salvage, storage and replanting, utilizing the City of Scottsdale contract, in an amount not to exceed \$271,300.00.

This contract will provide all labor, materials and equipment necessary to salvage 272 native mesquite trees located at the Mesquite Groves park site. The trees are located where the future Mesquite Groves Aquatic Facility will be built. Construction of the new facility forced the need to salvage or destroy the mature trees. The size and maturity of the trees provides an opportunity for use in other parks currently being designed or constructed. Park Staff, during the public input process in new park designs, often receives requests for large mature trees to be incorporated in new parks. The cost of large trees often deters Staff from planting them in large numbers in a park. The average cost of a large 12-inch caliper tree with installation, is \$2,000.00. The price per tree for salvaging and re-planting based on this contract is \$994.00. The contract provides for 100% survival during the first year or the contractor will replace the trees. Thirty of the trees will be re-planted around the new Mesquite Groves Aquatic Facility. The other trees will be used at Veterans Oasis Park, Desert Breeze new expansion and various neighborhood parks planned for renovation.

26. AGREEMENT: Adamson Police Products, Davidson's and San Diego Police Equipment

APPROVED an Agreement with Adamson Police Products, Davison's and San Diego Police Equipment for the purchase of ammunition for a combined total not to exceed \$127,000.00.

Requirements for annual qualification and training are set in Arizona Peace Officer Standards and Training and Department policy. Specific duty ammunition has been identified and utilized after a testing and evaluation process. A variety of indoor lead-free frangible ammunition and outdoor

standard training ammunition must be comparable with the issued duty ammunition to be used for training. Firearms training Staff has tested and validated different manufacturers' products to identify those that meet this standard and depend on various distributors to provide this ammunition on an as needed basis.

27. AGREEMENT: Pacheco Brothers Gardening, Inc.

APPROVED an Agreement with Pacheco Brothers Gardening, Inc. for landscape maintenance service at the Municipal Utilities Reverse Osmosis Facility at 3737 S. Old Price Road and the Brine Evaporation Ponds at 22488 S. Gilbert Road, for one year with provisions for four one-year extensions, in an amount not to exceed \$35,000.00.

28. AGREEMENT: Pioneer Roofing Company

APPROVED an Agreement with Pioneer Roofing Company for roofing repair service at the Center for the Arts facility, utilizing the Maricopa County contract, in an amount not to exceed \$120,000.00.

The Center for the Arts was built in 1980 and the roof has been spray coated once, in 1997. This roof will carry a five-year labor and materials warranty and an additional five-year material only warranty. With proper maintenance and care, this roof should last in excess of ten years.

Per the Intergovernmental Agreement with Chandler Unified School District (CUSD), one half of capital costs will be paid by CUSD. At the present time, the City owes CUSD \$220,000.00 for parking lot improvements under that IGA. CUSD's share of this roof work (\$60,000.00) will go toward that debt. Center operations will continue as normal during the roof repair.

29. AGREEMENT: Pacheco Brothers Gardening, Inc.

APPROVED an Agreement with Pacheco Brothers Gardening, Inc. for parks and facilities landscape maintenance service for one year, with an option for four one-year extensions, in an amount not to exceed \$160,000.00.

30. AGREEMENT: Houston-Galveston Area Council

APPROVED an Agreement with Houston-Galveston Area Council (H-GAC) for an Interlocal Cooperative Purchasing Program. H-GAC is a cooperative purchasing program that establishes contracts for a wide variety of goods and services including law enforcement vehicles, general purpose vehicles, EMS and fire apparatus, medium and heavy duty trucks, emergency management equipment, public works and heavy equipment, security and electronic equipment, communication equipment and a variety of consulting and general services. All H-GAC contracts are established through a competitive bid or a competitive proposal process. There is no obligation to use H-GAC contracts; however they will provide an additional option to fulfill requirements of the City. There is a fee charged for each purchase, which averages less than one percent.

31. AGREEMENT: Fulton Homes Corporation

APPROVED Agreement #CP06-001, with Fulton Homes Corporation for installation of 24" reclaimed water mains in Chandler Heights and Alma School roads near the Fulton Ranch

subdivision in excess of their offsite improvement obligation, at a cost to the City not to exceed \$1,496,396.00.

Fulton Homes Corporation is constructing a residential subdivision, to be known as Fulton Ranch, in the area bounded by Arizona Avenue on the east, Ocotillo Road on the north, Chandler Heights Road on the south and Alma School and Basha roads on the west. One requirement associated with this development is the installation of a network of reclaimed water lines in the major arterial streets surrounding the perimeter of the development, plus the extension of one of these lines an additional  $\frac{3}{4}$  mile east along Chandler Heights Road to connect to the City's existing reclaimed water system.

A developer's obligation for installation of reclaimed water lines in major arterial streets is limited to 12" mains. Anything larger than that is the City's obligation. The design of the reclaimed water system in the area of this development required the installation of a 24" main along Chandler Heights Road and in Alma School Road between Chandler Heights Road and Basha Road. Because installation of a 24" main exceeds the developer's obligation, a City Participation Agreement has been prepared that would reimburse the developer for the cost of up-sizing the main from 12" to 24".

The work covered by this agreement has been completed. The cost of installing the 24" main along Chandler Heights and Alma School roads was \$2,516,995.00. If a 12" main had been installed instead, the estimated cost would have been \$1,020,599.00, resulting in a difference of \$1,496,396.00.

COUNCILMEMBER WENINGER declared a conflict of interest on this item and did not vote.

32. AGREEMENT: Fulton Homes Corporation

APPROVED Agreement #CP06-002, with Fulton Homes Corporation for installation of water lines in excess of their offsite improvement obligations to serve two City well sites in the Fulton Ranch area at a cost to the City not to exceed \$575,141.00.

Fulton Homes Corporation is constructing a residential subdivision, to be known as Fulton Ranch, in the area bounded by Arizona Avenue on the east, Ocotillo Road on the north, Chandler Heights Road on the south and Alma School and Basha roads on the west. There are two new City well sites within this development area. As part of the process for receiving approval of the subdivision from the City, the developer was required to include the installation of pipelines for transporting water from these well sites to a water storage tank along Basha Road and to also install purge water lines from the well sites to either a lake or retention basin within the development. The City was to provide reimbursement for the cost of installing these lines. A City Participation Agreement has been prepared that would provide for this reimbursement.

Under the proposed agreement, the City will reimburse the developer for the full cost of installing water lines from the new wells to the water storage tank and purge lines from the wells to the storm drain system. Since a portion of the storm drain system will serve the dual purpose of handling both storm water and purge water, the costs of those facilities are to be shared equally between the City and the developer.

The work covered by this agreement has been completed and the City's portion of the expenses, including design, construction and various overhead costs, comes to a total of \$575,141.00.

COUNCILMEMBER WENINGER declared a conflict of interest on this item and did not vote.

33. AGREEMENT: Fulton Homes Corporation

APPROVED Agreement #CP07-002 with Fulton Homes Corporation for the installation of traffic signalization at the intersection of Alma School Road and Fulton Ranch Boulevard in excess of their offsite improvement obligation at a cost to the City not to exceed \$38,321.00.

Fulton Homes Corporation is constructing a residential subdivision, to be known as Fulton Ranch, in the area bounded by Arizona Avenue on the east, Ocotillo Road on the north, Chandler Heights Road on the south and Alma School and Basha roads on the west. As part of this project, the developer had an obligation for the installation of traffic signals at the intersection of Alma School Road and Fulton Ranch Boulevard. However, the developer does not control the land on all four corners of this intersection. The City owns the northeast corner and has developed that area into Snedigar Park. Based on that, it was determined that it would be appropriate for the City to participate in 25 percent of the cost of the signalization.

The work covered by this agreement has been completed. The total cost for installing the signalization was \$153,284.00. The City's portion of this cost is \$38,321.00.

COUNCILMEMBER WENINGER declared a conflict of interest on this item and did not vote.

34. AGREEMENT: Fulton Homes Corporation

APPROVED Agreement #CP07-003, with Fulton Homes Corporation for removal of underground utilities from the Old Alma School Road alignment at Fulton Ranch in excess of their offsite improvement obligation at a cost to the City not to exceed \$34,923.00.

Fulton Homes Corporation is constructing a residential subdivision, to be known as Fulton Ranch, in the area bounded by Arizona Avenue on the east, Ocotillo Road on the north, Chandler Heights Road on the south and Alma School and Basha roads on the west. Within the boundaries of this development is an area of land that once contained a segment of Alma School Road prior to this road being re-routed in the last 1980's. As part of the abandonment of this road segment, there were underground utilities that needed to be removed at the City's expense. Two utilities, a telephone line and a force sewer main, still remained in place when plans for the Fulton Ranch development were being established.

An evaluation was made of the most cost effective approach for removing these utilities and it was determined that it would be best to have the developer's contractor do the work. Accordingly, a contractor that was already performing other work on site for the developer proceeded to perform these removals. The removals have now been completed at a total cost of \$34,923.00.

COUNCILMEMBER WENINGER declared a conflict of interest on this item and did not vote.

35. CONTRACT: Wilson and Company

APPROVED Contract #WA0711-202 with Wilson and Company for equipping design services for the McQueen Well, pursuant to the annual Contract No. EN407202, in an amount not to exceed \$210,818.00. The proposed well site is within the existing McQueen Reservoir facility located west of McQueen Road and one-quarter mile north of Chandler Boulevard.

36. CONTRACT: SDB, Inc.

APPROVED Contract #WA0713-401 with SDB, Inc. for the County Courts expansion waterline replacement at 201 E. Chicago Street, pursuant to Job Order Contract No. JOC03-12, in an amount not to exceed \$140,751.00.

37. CONTRACT: Achen-Gardner Engineering, LLC

APPROVED Contract #ST0602-402, to Achen-Gardner Engineering LLC, for Phase 2 of the Cooper/Pecos Road Improvements, in an amount not to exceed \$20,353,913.00.

Increasing residential and commercial development in south Chandler, combined with the projected traffic flows created by the Santan Freeway, prompted City Council to accelerate funding for arterial roadway improvement projects. Cooper Road from the Consolidated Canal south to the Santan Freeway and Pecos Road from McQueen Road east to Emmett Drive are both major traffic thoroughfares and need to be improved to City of Chandler arterial standards.

Some residents near the Cooper and Pecos intersection expressed concern with the inclusion of an eastbound right turn lane at Canyon Oaks Way. The City's Traffic Engineering Department has analyzed the vehicle counts at this collector street and recommends construction of the turn lane at this time.

Construction on the first phase of the project, the canal bridge widening on Cooper and Pecos roads, began in October 2006 and is substantially complete. This contract will initiate the second and final phase of the project, including full roadway and utility improvements, in February of 2007. Project completion is expected in late 2007.

38. CONTRACT: Entellus

APPROVED Contract #ST0625-201 with Entellus for the design of roadway and utility improvements for Gilbert Road from Germann to Queen Creek roads in an amount not to exceed \$480,010.00.

Gilbert Road from Germann to Queen Creek road is a major arterial corridor that carries high volumes of traffic between the Santan Freeway and southeast Chandler. Additionally, it serves as an access point for the ongoing commercial and industrial development near the Chandler Airport. The current roadway section is one lane northbound and southbound, with the exception of a short segment on the northbound side that was improved to two lanes by a developer. This project will design improvements to Gilbert Road between Germann and Queen Creek road including widening the section to six-lane arterial standards. Additionally, a developer shall install a traffic signal at Gilbert and Ryan roads.

39. CONTRACT CHANGE ORDER: FNF Construction, Inc.

APPROVED Contract #ST0244-401, Change Order No. 7, with FNF Construction, Inc. for Pecos Road Improvements – Dobson Road to McQueen Road, and McQueen Road Improvements – Pecos Road to Queen Creek Road, in an amount not to exceed \$342,250.00 for a revised contract amount of \$22,614,699.30. This change order is final compensation to the contractor for items of work that had been in dispute but were recently agreed to.

40. CONTRACT: M. R. Tanner Construction

APPROVED Contract #ST0709-401 to M. R. Tanner Construction for asphalt mill and inlay in an amount not to exceed \$994,300.00.

The Street Division Staff has field-evaluated in excess of three centerline miles of streets that were identified for rehabilitation by the City's pavement management system. The rehabilitation of these streets will use the mill and inlay process. The mill and inlay of a street becomes necessary when the existing pavement condition is such that the street can no longer be properly maintained with slurry seal or micro seal applications.

The rehabilitation will occur along eleven sections of residential and collector streets. This work is expected to start in February 2007 and be completed by summer 2007. Access to residences and businesses will be maintained at all times.

41. CONTRACTS: Jokake Construction Co. and SDB, Inc.

APPROVED Contracts with Jokake Construction Co., JOC07-08, in an amount not to exceed \$1,000,000.00 and to SDB, Inc., JOC07-04, in an amount not to exceed \$5,000,000.00 for general construction services for one year with the option of four one-year extensions.

The City has been utilizing the Job Order Contract delivery method since 2001. The most recent Job Order Contracts were awarded in 2004 and are currently in their third and final option year. Based on the success of these first general construction-type contracts, City Staff advertised for additional annual Job Order Contracts. This action awards five new Job Order Contracts for general construction, including major and minor construction projects, renovations and repairs, additions, demolition, re-constructions and alterations services to City facilities.

Project Agreements establishing the cost, time and scope of work, will be executed when individual projects or Job Orders are issued. If the project cost exceeds \$50,000.00, a Project Agreement will be submitted to Council for approval.

42. CONTRACTS: Environmental Resolutions, Inc. and Spray Systems Environmental

APPROVED Contracts with Environmental Resolutions, Inc., JOC07-01, and Spray Systems Environmental, JOC07-09, for environmental remediation services for one year in an amount not to exceed \$500,000.00 each, with the option of four one-year extensions.

The City has been utilizing the Job Order Contract delivery method since 2001. The most recent Job Order Contracts were awarded in 2004 and are currently in their third and final option year. Based on the success of these first general construction-type contracts, City Staff advertised for additional annual Job Order Contracts, including contracts specifically designed to address environmental remediation including removal and disposal of hazardous material and waste, soil sampling and removal, and asbestos abatement. This action awards two new Job Order Contracts for environmental remediation services.

Project Agreements establishing the cost, time and scope of work, will be executed when individual projects or Job Orders are issued. If the project exceeds \$50,000.00, a Project Agreement will be submitted to Council for approval.

43. CONTRACTS: Complete Decon, Inc., Phoenix Demolition Co., and Salvage, Inc.

APPROVED Contracts with Complete Decon, Inc., JOC07-10, and Phoenix Demolition Company and Salvage, Inc., JOC07-02, for demolition services for one year in an amount not to exceed \$200,000.00 each, with the option of four one-year extensions.

The City has been utilizing the Job Order Contract delivery method since 2001. The most recent Job Order Contracts were awarded in 2004 and are currently in their third and final option year. Based on the success of these first general construction-type contracts, City Staff advertised for additional annual Job Order Contracts, including contracts specifically designed to address demolition and site clearing. This action awards two new Job Order Contracts for demolition services.

Project Agreements establishing the cost, time and scope of work, will be executed when individual projects or Job Orders are issued. If the project cost exceeds \$50,000.00, a Project Agreement will be submitted to Council for approval.

44. CONTRACT RENEWAL: Rotonics Manufacturing

APPROVED Contract renewal (SW6-450-2223) with Rotonics Manufacturing for the purchase of 300-gallon plastic refuse containers in an amount not to exceed \$389,011.00.

In December 2004, a Solid Waste Advisory Committee (SWAC) was formed to review services provided by the Solid Waste Services Division. Based on cost and durability of the plastic containers, the SWAC recommended the conversion of metal to plastic containers for alley use. On June 23, 2005, Council approved Ordinance No. 3689 updating City Code Chapter 44 specifying 300-gallon plastic containers for alley refuse collection. In December 2005, Council approved Ordinance No. 3739 updating City Code Chapter 44 removing the references to the types of containers that would be supplied to residents by the City. The City completed the first phase of conversion of the 3-yard metal containers to 300-gallon plastic containers in December 2006. The conversion rate is one 300-gallon container for two housing units. This requested amount includes the educational mold-in graphics that are adhered to the containers through the manufacturing process.

45. CONTRACT RENEWAL: Arizona Pet Mortuary

APPROVED the third of four one-year contract renewals (SW4-962-2090) with Arizona Pet Mortuary for dead animal collection services in an amount not to exceed \$13,533.00. The contractor agreed to extend the contract with less than a one percent price increase.

46. PURCHASE: Police Motorcycle Equipment

APPROVED the Purchase of additional equipment and labor for radio wiring harness, lights and flashlight holders for Police motorcycles in an amount not to exceed \$12,240.27.

The Chandler Police Department motor officers have used Kawasaki motorcycles until Kawasaki decided to stop producing its Police motorcycle. The Honda Police motorcycle was chosen as the next motorcycle that Chandler Police officers would ride. Five Honda motorcycles were approved for purchase in January 2006 for \$95,260. The full cost of equipment and labor necessary to properly build this new model of motorcycles was not fully anticipated. The additional costs are due to many factors including accommodating new technology and public safety. The motorcycles needed a new wiring harness due to a new radio being utilized. The

new wiring harness required that the motorcycles be broken down twice, once for the initial wiring harness and a second time for the new wiring harness needed for the new radio. It was unforeseen that the new crash bars would cover up the taillights. For officer safety, new lights had to be installed. Also, for officer safety, a flashlight holder was installed. Due to warranty restrictions and training issues, the City service technicians could not install these items as they typically have in the past.

47. PURCHASE: Idexx Distribution, Inc.

APPROVED the Purchase of laboratory testing equipment from Idexx Distribution, Inc., sole source, in an amount not to exceed \$22,000.00.

The Environmental Protection Agency (EPA) and the Arizona Department of Environmental Quality (ADEQ) mandate tests for drinking water. Per the EPA's Total Coliform Rule, each public water provider is required to analyze samples for bacteria.

Idexx Distribution is the exclusive vendor for bacteriological testing agents and equipment used by the Water Quality Division to complete compliance analyses for drinking water. This proprietary equipment is specified by Arizona State Regulation R9-14-611 as the only equipment approved for use in bacteriological compliance testing. A purchase order will be used as the agreement to purchase this equipment.

48. PURCHASE: Vision Business Products

APPROVED the Purchase of laser printer cartridges, OEM/remanufactured, from Vision Business Products, utilizing the State of Arizona contract, in an amount not to exceed \$150,000.00.

During the past 12 months, the City has spent approximately \$120,000.00 for printer cartridges. In January 2006, Council approved use of the State of Arizona Contract for the purchase of laser printer cartridges, OEM/Remanufactured, in the amount of \$120,000.00. Whenever possible, remanufactured cartridges are purchased at a deeply discounted price over original manufacturer cartridge prices. However, remanufactured cartridges are not always available. As older printers are phased out, toner expenses have risen. In addition, the City has purchased more color printers/copier and the toner is more expensive. Laser printer cartridges are used in printers and fax machines throughout the City. Toner cartridges are stocked in Central Supply and distributed upon request.

49. PURCHASE: Ameripride Services, Inc.

APPROVED the Purchase of uniform rental and laundry service for a three-year period, from Ameripride Services, Inc., utilizing the Maricopa County contract, in an amount not to exceed \$60,000.00 per year for a total of \$180,000.00.

The number of citywide employees currently renting uniforms is approximately 180. In addition to renting uniforms, this contract also provides for the rental of entrance and hall mats and shop/print towels.

New hires are an added expense since there is a start up cost for initiating a new set of uniforms. Also, the number allotted to each employee varies by employee schedule and/or position. There are also additional charges for unusual sizes, lots or damaged garments charges, etc.

Based on current employee counts and the last three years usage, it is estimated that usage for this contract will be at \$60,000.00 per year for the next three years.

50. PURCHASE: Randstad, Staffmark and Corporate Job Bank

APPROVED the Purchase of temporary services from Randstad, Staffmark and Corporate Job Bank, utilizing the State of Arizona contract, in a combined amount not to exceed \$250,000.00.

Temporary services are used throughout the year primarily for short periods of time for vacancies, sick leave, vacations, special projects, etc. On an annual basis, departments do a cost/benefit analysis to determine if utilization of a full time or regular part time employee would be most beneficial. Review and analysis is done during the budget process by each department when considering personnel needs for the next fiscal year. Where applicable, volunteers, COE students and grants are used to defray some of the costs for temporary services. Last fiscal year, approximately \$320,000.00 was spent for temporary services. Staff provided an estimate of \$206,000.00 for FY 2006-07. A not to exceed amount of \$250,000.00 is requested to cover any unforeseen needs.

51. PURCHASE: Waxie Sanitary Supply

APPROVED a Purchase increase of \$30,000.00 for janitorial supplies from Waxie Sanitary Supply, utilizing the State of Arizona Veteran's Services contract, for a revised amount not to exceed \$150,000.00.

52. USE PERMIT: Chip Pro, Inc.

APPROVED Use Permit, UP06-0044, Chip Pro, Inc., to continue the operation of an automotive re-conditioning and collision repair business within an I-1 zoned district for property located at 7061 W. Galveston Street. (Applicant: Luman "Sonny" New, Chip Pro, Inc.)

A Use Permit was approved to operate the automotive reconditioning and collision repair business within the Planned Industrial (I-1) zoning district in February 2002. A Use Permit extension was approved in July 2003, for an additional three years. The company provides reconditioning services consisting of micro-spot/chip and dent repair on used automobiles primarily for factory accounts (GM and Ford) and wholesale dealers. The company also provides full-collision repair services.

The site has customer parking and a secured parking area located behind the facility and is not visible from Galveston Street. The business has a reconditioning repair volume of 30 cars per day with 20 cars on the property at any one time. Turn-around time for reconditioning is a few hours depending upon the type of work. Vehicles from the Adesa Phoenix Auto Auction are the business's major source of work. Vehicles remain at Adesa until Chip Pro, Inc. is ready to accept delivery. Upon completion of repairs, the vehicles are returned to the Adesa Property.

There will be a full-collision repair volume of 12 cars on site at any one time. The average turn-around time for collision is two weeks. This time includes the insurance adjuster review, ordering and delivery of parts and completion of repair work.

In compliance with the original Use Permit, the applicant has paved the property's rear portion to provide additional parking behind the gates. The front yard landscaping has been upgraded by adding additional shrubs and ground cover.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on December 6, 2006. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

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

1. Substantial conformance with the Site and Landscape Plans.
2. All automotive reconditioning, minor spot/chip, dent and full collision repair work shall occur within the building.
3. The overnight storage of customer vehicles and company service trucks shall be within the building or behind the block wall and gate.
4. The Use Permit is effective for a period of five (5) years from the date of City Council approval. Operation of the business beyond the five-year time period shall require re-application to and approval by the City.
5. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.

53. USE PERMIT: Blue Sky Manor

APPROVED a three-year Use Permit Extension, UP06-0067, Blue Sky Manor, of an existing use permit for an adult care home with up to 10 residents at 2202 N. Santa Anna Court. (Applicant: Michael T. Butler, Blue Sky Manor, Inc.)

This site is located on a cul-de-sac in a residential neighborhood just west of Dobson Road and immediately north of a commercial center anchored by a fitness club. The applicant originally received Use Permit approval in December 2005 for up to 10 residents with a one-year time limit. Previous to Use Permit approval, the applicant operated a five-bed facility at the same location beginning in early 2005. The property has been owned and occupied by the applicant's family for approximately two decades and used strictly as a single-family residence until 2005.

The home is 1,972 square feet, including a recent 800 square foot addition constructed to accommodate the 10 residents. It contains six bedrooms, two bathrooms, two indoor common areas, a kitchen and a two-car garage. The home is ADA compliant, is sprinklered, has smoke detectors in every room and the bedrooms and hallways meet State criteria for adult home care licensing.

There are generally four full-time employees at the home during the day. At night, two employees are on-site. No employees will reside at the home. The applicant is an ADHS certified adult care home manager and caregiver who lives locally and will oversee the daily operation of the home and occasionally provides assistance with resident care when needed. There are no bed-ridden residents and, in the past year, there have been three emergency calls from the residence. According to the applicant, transportation via Dial-A-Ride is generally limited to Tuesday and Thursday mornings and most of the residents have little or no family visiting. Overall, traffic to and from the site will be comparable to surrounding residences on a typical day.

The impact of the adult care business on the neighborhood is mitigated by a number of factors. For one, the property backs to a commercial center, not to other residences. Secondly, the home is located on a larger lot than many homes in the neighborhood and has a large backyard. Also,

the recent house addition, which is not visible from the front of the building, is on a scale that fits within the neighborhood context.

Blue Sky Manor, Inc. has successfully operated another adult care home in Chandler for ten residents at 1619 W. Colt Road since 2001. There are no outstanding violations on that property, which is located less than ½ mile east of the subject site. The applicant has also operated an adult care home in Mesa since 2003.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 13, 2006. There were no citizens in attendance. Staff has received no correspondence in opposition to this request.

Upon finding consistency with the General Plan and Single Family District (SF-8.5) zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Compliance with the City of Chandler's Zoning Code provisions regarding the operation of adult care homes.
2. Maximum resident capacity is ten (10).
3. The Use Permit is applicable to this address only and may not be transferred to another location.
4. The Use Permit shall remain in effect for three (3) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.

54. WITHDREW LIQUOR LICENSE: Villalpando's Mexican Restaurant LLC

WITHDREW, at the request of the Applicant, Liquor License, Series 12, for Mario Fernandez Villalpando, Agent, Villalpando's Mexican Restaurant LLC, dba Villalpando's Mexican Restaurant at 7450 W. Chandler Boulevard.

55. LIQUOR LICENSE: Mido Sushi

APPROVED a Series 12 Restaurant Liquor License (Chandler #111059 L12) for Bo Hyn Kim, Agent, Mido Sushi, Inc., dba Mido Sushi, 5965 W. Ray Road, Suite 18. A recommendation for approval of State Liquor License #12076887 will be forwarded to the State Liquor Department. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code. A new Use Permit is not required as this will be a continuation of the location's previous use as Gomo's Korean Restaurant.

56. CONTINUED LIQUOR LICENSE: Peking Garden Restaurant

CONTINUED to January 25, 2007, Liquor License, Series 12, for Jenny Yan Ying Zhen, Peking Garden Restaurant, Inc., dba Peking Garden Restaurant at 4055 S. Arizona Avenue, #8, to allow the applicant time to complete the requirements for a new Use Permit.

57. CONTINUED LIQUOR LICENSE: Ibiza Blue Restaurante

CONTINUED to February 8, 2007, Liquor License, Series 7, for Lori A. Tapia, Alas De Oro LLC, dba Ibiza Blue Restaurante at 1964 N. Alma School Road, Suites 1-4, to allow the applicant time to complete the requirements for a new Use Permit.

58. WITHDREW LIQUOR LICENSE: Ibiza Blue Restaurante

WITHDREW, at the request of the applicant, Liquor License, Series 12, for Lori A. Tapia, Alas De Oro LLC, dba Ibiza Blue Restaurante at 1964 N. Alma School Road, Suites 104.

59. LIQUOR LICENSE: Tom Ryans Lounge

APPROVED, a Series 6 Bar Liquor License (Chandler #110619 L06) for Anita Lynell Hobbs, Agent, Makk Enterprises LLC, dba Tom Ryans Lounge, 70 W. Warner Road, Ste. 105. A recommendation for approval of State Liquor License #06070623 will be forwarded to the State Liquor Department. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code. A new Use Permit is not required as this will be a continuation of the location's previous use as Tom Ryan's Lounge.

60. CONTINUED LIQUOR LICENSE: Jeepney Bistro

CONTINUED to February 8, 2007, Liquor License, Series 12, for Joselito Salazar Sydiongco, Jeepney Bistro, Inc., dba Jeepney Bistro at 2390 North Alma School Road, #103, to allow the applicant time to complete the requirements for a new Use Permit.

61. LIQUOR LICENSE: Sun Chinese Restaurant

APPROVED a Series 12 Restaurant Liquor License (Chandler #111060 L12) for Yeong Sil Kim, Agent, Song San Corporation, dba Sun Chinese Restaurant, 1381 N. Alma School Road. A recommendation for approval of State Liquor License #12076914 will be forwarded to the State Liquor Department. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

62. PRELIMINARY PLAT: Chandler Piazza

APPROVED Preliminary Plat, PPT06-0032, Chandler Piazza, for a mixed-use development including hotel, retail, restaurant and office uses on approximately 21 acres at the SEC of Frye Road and Ellis Street. (Applicant: Momentum Development Company.) The plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way.

63. PRELIMINARY PLAT: Lumiere Chandler Condominiums

APPROVED Preliminary Plat PPT06-0034, Lumiere Chandler Condominiums, for condominium conversion of an existing 300-unit multi-family community at the SWC of Priest Drive and Orchid Lane. (Applicant: Sierra Palms Condominiums, LLC.) This plat establishes the units to be sold as individual dwelling units and identifies the commonly owned spaces.

64. FINAL PLAT: Fulton Ranch Parcel 4

APPROVED Final Plat, FPT06-0030, Fulton Ranch Parcel 4, for a replat of lots 52, 53 and Tract I within Parcel 4 of an existing single-family residential subdivision in the Fulton Ranch master planned development located south of the SWC of Arizona Avenue and Ocotillo Road. The landscape tract will be slightly reduced in size to allow more street frontage on the adjacent residential lots for better vehicle maneuvering.

COUNCILMEMBER WENINGER declared a conflict of interest on this item and did not vote.

ACTION:

65. ORDERING AND CALLING A SPECIAL BOND ELECTION Res. #4034

CONTINUED TO JANUARY 25, 2007, Resolution No. 4034 Ordering and Calling a Special Bond Election on May 15, 2007, to submit to the qualified electors thereof the question of authorizing the issuance and sale of \$451,500,000.00 principal amount of bonds, consisting of General Obligation, Street and Highway Revenue Bonds and Utility Revenue Bonds, Project of 2007.

Memo background:

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, South 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 \$60,170,000.00 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 \$72,680,000.00 for parks and recreational facilities, as well as \$8,670,000.00 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 \$4,200,000.00 for the Center for the Arts to be paid with revenue generated by property taxes;
- ❑ The Parks and Recreation Bond Subcommittee recommended \$4,500,000.00 for the museum to be paid with revenue generated by property taxes;
- ❑ The Parks and Recreation Bond Subcommittee recommended \$11,255,000.00 for the library to be paid with revenue generated by property taxes;
- ❑ The Public Safety/Fire & Police Bond Subcommittee recommended \$14,265,000.00 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 \$15,745,000.00 for police safety facilities to be paid with revenue generated by property taxes;

- ❑ The Streets and Transportation Bond Subcommittee recommended \$153,380,000.00 for street and highway projects, as well as \$48,930,000.00 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 \$9,960,000.00 for the public works facility and public parking garage to be paid with impact fee generated by new growth and revenue generated by property taxes;
- ❑ The Water/Wastewater Bond Subcommittee recommended \$105,280,000.00 for water and sewer improvements, as well as \$2,570,000.00 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 \$65,000.00 for expansion of the runway to be paid with revenue generated by property taxes.

MAYOR DUNN said that a memo had been received requesting a 2-week continuance on this item to obtain additional information.

CITY MANAGER MARK PENTZ said the continuance is requested due to the fact that it was brought to Staff's attention that there may have been an over-estimation on additional funds for the museum. Staff met with the museum consultant and came to an agreement on methodology. He said the issue is whether Council is comfortable with that methodology or do they wish to have an architectural firm do a "reality check" on the numbers.

MAYOR DUNN added that he would like to address the amount of bond monies suggested for the Boys and Girls Club and the potential costs of building a new facility as discussed at their last retreat. He is considering requesting additional funding for the Boys and Girls Club, not from the museum fund, but from other potential sources, and would like Staff's input.

COUNCILMEMBER ORLANDO asked what methodology Mr. Pentz was referring to. MR. RICH DLUGAS explained that the methodology used for Staff to determine the need for the additional \$4.5 million was based on information received from the museum consultant hired by the Historical Society to do cost estimations and a program ability study for the new museum. Staff received information from the consultant that the cost to build a 30,000 square foot facility would be approximately \$12.8 million. Upon receiving that figure in November, Mr. Eynatten did some recalculations because they did not feel the consultant had included such things as site preparation, site improvement, permits, contingencies and parking. Mr. Eynatten was given the information and did calculations based on that information. Mr. Dlugas said that he, along with Pat Walker, Mark Eynatten, Jim Patterson, Becky Jackson and possibly Ernie Serrano, met and went over the calculations and assumptions used in putting together costs for constructing a 20,000, 25,000 and 30,000 square foot museum based on the information received from the consultant. That's where the \$4.5 million was derived as a museum question for the bond election. It was Staff's opinion that an additional \$4.5 million would be needed to be able to continue to build a 20,000 square foot facility as approved by the 2004 bond election for \$8.5 million. He reported that in a meeting several days ago, Staff was informed by members of the Historical Society that they felt those figures were too high and possibly an additional \$4.5 million was not necessary to build the entire 20,000 square foot facility. Mr. Dlugas and Mr. Eynatten met with Mr. Pentz, the consultant and Jim Patterson to go over the assumptions used by the consultant to try to correct any discrepancies. After that meeting, Mr. Dlugas and Mr. Eynatten reviewed the information and determined that the consultant did, in fact, include site preparation, site improvement, permits and contingency in his calculations and reworked the costs and met

again with the consultant to go over the new calculations. Based on those calculations and new assumptions, it was determined that about \$2 million would be needed to keep the museum at 20,000 square feet. A 30,000 square foot building would be about \$7 million and the consultant agreed with the assumptions used to come to those figures.

COUNCILMEMBER ORLANDO asked if the method used by Staff is what was used in preparing the total bond amounts for parks and recreation. MR. EYNATTEN explained that when they start looking at a building project, they run this methodology. It was run on this one because the information and methodology had been prepared for the previous bond issue. He wanted to make sure all of the bases were covered. Councilmember Orlando questioned that the methodology that was agreed to by the consultant, was that similar to the same methodology used on all of the other bond projects. Mr. Eynatten responded yes. Mr. Orlando asked if the other projects in the \$70 million needed review too.

MR. PENTZ said it was his understanding that the museum consultants started out with a figure including design and other factors that Staff was adding in separately. Mr. Eynatten concurred. MR. EYNATTEN said he started with a copy of an e-mail stating that the consultant felt a 30,000 square foot building would cost a total of \$12.8 million. Of that amount, \$9 million was included for building and design, \$2 million for a long-term exhibit design, \$700,000 for temporary design space and \$1 million for furniture, fixtures and equipment. Staff is comfortable with these numbers after speaking with the consultant. Mr. Dlugas added that he is also comfortable with the numbers in the sense that Staff and the consultant now understand each other's assumptions.

COUNCILMEMBER ORLANDO said he is still confused as to why there is a need to go over the numbers if Staff is comfortable with them. He said the only number that really counts is what comes in when the project is bid. MR. PENTZ said the time would allow for additional analysis and that tonight is not the deadline for taking action to call the election. It is Council's decision depending on their comfort level. COUNCILMEMBER ORLANDO said that he feels comfortable with the methodology and Staff's figures.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY COUNCILMEMBER SEPULVEDA, to ADOPT Resolution No. 4034 Ordering and Calling a Special Bond Election on May 15, 2007, to submit to the qualified electors thereof the question of authorizing the issuance and sale of \$451,500,000.00 principal amount of bonds, consisting of General Obligation, Street and Highway Revenue Bonds and Utility revenue Bonds, Project of 2007.

COUNCILMEMBER CACCAMO asked if continuing this item two weeks would still allow enough time for an election in May. CITY CLERK MARLA PADDOCK said that the ballot language is due to the county on January 30<sup>th</sup> so there would be time. COUNCILMEMBER CACCAMO said he would like more explanations and more answers and supports the continuance.

COUNCILMEMBER WENINGER asked for clarification as to why 30,000 square feet is being discussed for the museum when the information he has seen refers only to 20,000. He asked if it wouldn't be prudent to have an established size before it goes before the voters. MR. DLUGAS explained that the 30,000 square feet was a result of the e-mail sent by the consultant to members of the Historical Society. His cost estimates were also based on 30,000 square feet. When Staff met with the consultant, they needed to calculate what a project cost per square foot was based on his calculations for the 30,000 square feet so Staff could calculate the cost for a 20,000 square foot building. There was not a projected cost for a 20,000 square foot building from the museum consultant.

COUNCILMEMBER WENINGER said he would like a continuance to review the museum and the Boys and Girls Club issue. He noted according to the calculations in Mr. Eynatten's memo, there is a \$7.1 million shortfall for a 30,000 square foot facility if the bond passes. MR. DLUGAS clarified that the \$7.1 million would be what is needed in addition to the \$8.5 million approved in the 2004 bond election. If the requested \$4.5 million is approved and added to the \$8.5 million, there would be a shortfall of approximately \$2.5 million for a 30,000 square foot facility. There is a \$1.9 million deficit for a 20,000 square foot facility meaning the bond would be funded too much at \$4.5 million.

MAYOR DUNN clarified with the motion maker that the motion on the floor includes the revised resolution language adding parking improvements to the museum question and the two changes to the airport question. COUNCILMEMBER ORLANDO agreed.

THE MAYOR also clarified that the motion includes all projects recommended by the Bond Committee.

COUNCILMEMBER SEPULVEDA said that Staff is saying that their numbers have been reconciled with those of the consultant. He noted that there is a third option of a 25,000 square foot facility. If the bond passes at \$4.5 million, it would provide enough funds for the museum to build a 25,000 square foot facility. MR. DLUGAS concurred. COUNCILMEMBER SEPULVEDA continued that if more bonds were approved than are needed, they wouldn't be sold. He stated that as pointed out by Councilmember Orlando, the exact costs will not be known until bids are received and the longer the wait, the more expensive it will be. \$4.5 million represents 1% of the total bond question. Waiting two weeks falls just five days before the absolute final date the ballot language has to be submitted to the County.

In response to a question from THE MAYOR, MS. PADDOCK said that once the ballot language is submitted to the County, a draft is returned for approval in approximately a week. When the resolution is adopted, the ballot language is adopted.

COUNCILMEMBER CACCAMO said he would like to know the proposed size of the museum.

COUNCILMEMBER ORLANDO recalled that for the last bond election, there was nothing in the language regarding square footage. He said as stated by bond counsel, they try not to get too specific in the language in case something changes. The square footage does not matter as far as the ballot language goes. That would be presented in the publicity pamphlet.

VICE-MAYOR HUGGINS commented that he has seen a museum bond fail previously. Although it appears everything is moving forward now, he wants to see voter confidence and hear terms from Staff in reality and not concepts. It is important to present something to the voters that they are confident of.

MAYOR DUNN concurred, but added that the message to the voters should be clear as to what the costs would be. They hear from voters when they are not clear about what they are voting on and skeptical that something may change after they approve something. He had some questions on the Boys and Girls Club concerning potential costs and what is being recommended. This was a major goal of the Council to get a new club built in the downtown. The Mayor said he received a design scheme yesterday. He asked what the original recommendation was considered by the committee for providing bond-approved funds for the Boys and Girls Club. MR. EYNATTEN responded that the original number submitted for the subcommittee's consideration was a "plug

number” because, at that point, the Boys and Girls Club had not been able to complete the floor plan and elevations. Since that time, they have been able to complete it. It is an approximately 27,000 square-foot building. There was never a certain amount of money requested by the Boys and Girls Club to be included and, subsequently, no money was taken away. The subcommittee was attempting to consider the project on its merits, decided there were merits, and included \$4.3 million in the parks question on the bond as a “city contribution to a capital campaign” to build a new Boys and Girls Club.

MAYOR DUNN asked what the plug number was. MR. EYNATTEN responded that it was \$8.8 million for an approximately 30,000 square-foot facility. THE MAYOR asked if the requested \$4.3 million is sufficient to build a 27,000 square-foot facility. MR. DLUGAS said that based on the model used to determine costs for city projects, constructing a 30,000 square-foot facility and costing it out based on square-foot construction costs and various other costs, it would be \$8.8 million. Based on those same assumptions, costs for a 27,000 square-foot facility would be approximately \$7.9 million. The \$4.3 million would be a little over the City’s cost estimates would be to build the 27,000 square foot facility.

COUNCILMEMBER SEPULVEDA said that he served on the Board of the Boys and Girls Club and the last project they built in Gilbert cost less than \$5 million for the site and this is a comparable site. The Board decided to try to use as much of the same design for other facilities so they would be aware of what the costs would be. Councilmember Sepulveda noted that the City’s cost to build would be higher than the private sector and asked if the City is contemplating the building the facility for the Boys and Girls Club. MR. DLUGAS said the City would enter into a lease agreement with the Boys and Girls Club with funds raised by the Club going to the City who would oversee construction of the project. It would be a City facility leased to the Boys and Girls Club.

COUNCILMEMBER SEPULVEDA said that the City owns the land and there is an agreement with the Boys and Girls Club and the City. He said he didn’t know until recently, that the City would actually be doing the construction even though our costs are higher than those of the private sector. Mayor Dunn clarified that if the City gets authorization for the bonds, the City must be the one to utilize them.

RAMON ELIAS, 1111 E. Kent Place, President and CEO of the Boys and Girls Club of the East Valley, said that if they were to build a 27,000 square-foot facility with a ballpark figure of \$200 per square foot, it would be at least \$4.4 million. He said they would be very happy with \$5.4 million and they are planning some fundraisers to raise additional funds. He agreed that when they have been able to construct buildings on their own, they could do it cheaper with the help of donated or in-kind services. He said they would build a size based on the funding. Mayor asked how much of a capital campaign they envisioned. Mr. Elias said they could get a minimum of 10% to help. He expressed his gratefulness for the assistance the City has provided throughout the years and would be willing to supplement any funds provided to them.

COUNCILMEMBER ORLANDO asked how much it cost to build the Gilbert Boys and Girls Club. MR. ELIAS responded that the 29,000 square-foot facility was built for \$2.9 million two or three years ago. They were the construction managers and were able to get over half a million dollars of in-kind donations, which is an advantage they have. They ended up paying approximately \$100 per square foot. COUNCILMEMBER ORLANDO confirmed with Mr. Elias that they feel comfortable with raising the capital needed in addition to the \$4.3 million to ensure the building is built. Mr. Elias concurred.

GARRY HAYS, 1845 E. Locust Place, President of the Boys and Girls Club Board, said that the current facility has been in the same location for over 20 years, helping 250 children daily. By providing a safe place to go after school, kids don't have to worry about gangs. He also acknowledged the work of Councilmember Donovan and ICAN with their work with youth in the City. He cited the disrepair of the gym. He said it is important to remember that the City will own the facility and lease it to the Boys and Girls Club to operate. The Boys and Girls Club own the Gilbert facility, and the Tempe facility is owned by the City of Tempe. He said it does not make sense for a non-profit to raise funds for a building they have no ownership in.

MAYOR DUNN clarified that there would be additional costs in equipping the building that would be needed.

JIM RYAN, 669 N. Poplar Ct., Vice-President of the Chandler Historical Society, said that the members of the Historical Society deeply appreciate the support the Council and Staff has given to the museum over the years. He stated he was involved in the last bond election and there was no physical description of a 20,000 square-foot museum in any of the literature provided to the voters. As stated by bond counsel Scott Ruby, it is not advisable to get too specific because it could create a technicality that could invalidate the bond election. The 20,000 square-foot size was mentioned to try to bring the bond figures down to within the 6% constitutional limit constraint which the City does not have for this election. He commented that no one can object to the Council taking a closer look at financial items; however, when it is done on the eve of calling a bond election, any bond item singled out other than sewer, water or public safety, creates questions before the election is even called.

COUNCILMEMBER ORLANDO said that he shares Mr. Ryan's concern about singling the museum out. If one item is being singled out, there could be questions if there is something wrong with the other bond requests. It is important to reiterate that it is less than 1% of the entire bond question. Mr. Ryan added that, as in the last bond election, all of the amounts are estimates because costs will not be known until a project is completed.

COUNCILMEMBER WENINGER asked Mr. Ryan how large a facility the Historical Society would like. Mr. Ryan responded that they would build as big a facility as they can afford. The consultant said that a 30,000 square-foot facility would be ideal for Chandler, but if the bond money will only take them to 25,000 square-feet, that's what they will build.

BECKY JACKSON, 3481 S. Vine, Chair of the 2007 Citizen Bond Committee, said that she explained what process each subcommittee went through to come forward with recommendations. When discussing the museum, they did not want to limit it to a square footage. The challenge was that it was brought to their attention after the discussions were started. She stated her opinion that the recommendations should be approved this evening.

JIM PATTERSON said that the citizens have to "sell" the bond issue and they cannot start until after Council calls the election. If Council waits two weeks, it will only give approximately 77 days to convince the voters to vote on a \$451 million bond issue. He felt the square footage is not material. They have been working on this issue for a long time. He commented that early voting starts the 12<sup>th</sup> of April. He asked the Council not to wait for two weeks to make a decision.

COUNCILMEMBER SEPULVEDA confirmed with Mr. Patterson that whatever the amount is, if the bond passes, they intend to go forth and build a museum. Mr. Patterson concurred.

JIM FORDEMWALT, 613 W. Summit Place, Chairman of the Airport Commission, said that Chandler Municipal Airport is listed by the FAA as one of the busiest airports in the country. In comparing the runway lengths of the top 50 busiest airports, there is none with the longest runway shorter than 5,000 feet in comparison to Chandler's longest runway of 4,750 feet. He expressed his support in moving forward with the bond issue for the airport.

COUNCILMEMBER WENINGER made a SUBSTITUTE MOTION TO CONTINUE THIS ITEM TO JANUARY 25, 2007. THE MOTION WAS SECONDED BY COUNCILMEMBER CACCAMO.

COUNCILMEMBER CACCAMO said he is seconding the motion because of recent changes even though there appears to be some reconciliation on methodology.

SCOTT CLAPP, 672 E. Kent Ave., Chair of the Museums Advisory Board, spoke about their requests for additional funding for museum construction. The 20,000 square-foot size was changed based on information from the consultant and Historical Society that it may not be the ideal size for Chandler. He reported they got the numbers from the consultant at the eleventh hour and asked the bond committee to consider bonds for a larger facility. Because of increases in construction costs since the last bond election, there was still a shortage for a 20,000 square-foot facility. The consultant's budget did not include the line items used by Staff in their methodology. He stated the Museums Advisory Board supports a facility of a minimum of 25,000 square feet. Initially when it was proposed and trying to keep to the bond capacity, it was a \$10 million request for a 25,000 square-foot facility, which was reduced to \$8.5 for 20,000 square feet. Discussions, at that time, did not focus on the actual needs of the museum facility but rather trying to remain within the bond capacity.

BIL BRUNO, 481 W. Half Moon Way, said there is some concern with keeping the tax rate level even after selling the new bonds. The City does not run on an 87-cent tax rate, but on tax dollars. The bond proposal will raise taxes by 64% next year. He went back 5 years to see how much he paid the City in bond taxes. The amount from his 2002 statement was \$89.55. If the entire bond package goes on the ballot and if the money is spent as projected, he said his City bond taxes would be \$249.00, which is a 278% increase from 5 years ago. The value of his house has not doubled in size and comfort nor has his income increased and the City will need to prove that it is supplying 2 or 3 times the services it was 5 years ago. He believes the services are about the same and he questions why it is being proposed that his taxes should increase. If the Chandler Unified School District secondary taxes are added and if the proposed bond package is passed, his mortgage payments will go up \$22.00 per month next year. If all of the other taxing entities did the same thing the City is proposing, keeping their rate level, his mortgage payment will be going up \$50.00 per month.

COUNCILMEMBER WENINGER said that there has been good discussion and believes that it is prudent to let staff review the numbers. He stated he looked forward to supporting the bond package and called for the question.

COUNCILMEMBER ORLANDO suggested that Staff take a "sampling" from each of the categories to ensure that they are comfortable with their recommendations.

MR. PENTZ said that it would be difficult to complete that extensive of a review within two weeks. The reason this issue is coming forward, as it relates to the cost of the museum, is because it was specifically brought to Staff's attention that more money may have been included for the size facility planned. That was the trigger for the review, but has not been the case for any other project.

COUNCILMEMBER ORLANDO clarified with Mr. Pentz that he is comfortable with the methodology used by Staff for the museum calculations as well as others. MR. PENTZ said that, as stated earlier by Mr. Dlugas, the museum consultant included several items in his estimation that Staff had included separately. It is not a matter of saying the same methodology was used on different projects.

COUNCILMEMBER ORLANDO said he is still shocked that there appears to be agreement but there is a recommendation to wait two weeks for what he views as non issues.

MAYOR DUNN commented that he intends to continue anticipating a bond election and will contact those citizens he feels would be supportive. He asked Staff to advise him as to the transfer or addition of \$1.1 million to the Boys and Girls Club.

COUNCILMEMBER SEPULVEDA asked what would be accomplished with respect to the museum with the numbers that were reconciled. MR. PENTZ proposed having a third party review the figures that have been prepared in all the categories to assess the accuracy. If they need to be adjusted, Staff will come back with a recommendation.

MOTION ON THE SUBSTITUTE MOTION TO CONTINUE THIS ITEM TO JANUARY 25, 2007, CARRIED BY MAJORITY (4-3) WITH COUNCILMEMBERS SEPULVEDA, ORLANDO AND DONOVAN VOTING NAY.

The meeting recessed at 8:39 p.m. and reconvened at 8:47 p.m. COUNCILMEMBER CACCAMO left the meeting at this time.

SCHEDULED PUBLIC APPEARANCES:

1. Everyday Hero Awards:

MAYOR DUNN called on Battalion Chief Dan Couch to assist in the presentation. Chief Couch asked Kevin Lamoureux and Fire Chief Jim Roxburgh to come forward. B.C. Couch noted the other rescuer, Peter Ammescua, was not able to attend this meeting. On October 31, 2006, Kevin saw a car leave the roadway and plunge into a residential lake. There were several people standing on the shore indicating someone was in the car. Kevin jumped in the water and attempted to help the occupant. The occupant was unconscious and all of the windows and doors were closed and locked. Kevin used a rock to break a window and pull out the occupant. Kevin was then assisted by Mr. Ammescua in getting the victim to shore. According to the responding units, if not for Kevin, the victim probably would have died. Kevin risked personal injury to save this individual.

Mr. Lamoureux received a standing ovation.

2. Recognition: 2007 Bond Committee Chairs

MAYOR DUNN recognized the following Citizen Bond Committee Chair and Co-Chairs;

Chair , Becky Jackson  
Co-Chair's Patti Bruno and Rick Heumann (Mr. Heumann was not present)

3. Covance / Water Pretreatment – Tracey Sabiers

Ms. Sabiers was not present.

4. Covance – Michael Boerman

MIKE BOERMAN, 2255 W. Germann Rd., stated that he feels there is some deception with the rezoning of the new site for Covance. It was approved unanimously by the Council in August 2006. The Tribune stated that “The Chandler City Council voted unanimously, and without discussion, to approved rezoning property at the City’s airport in July without being informed by City Staff that controversial drug-tester Covance was looking at the site to avoid rezoning at another location”. He, as well as many others, would have preferred that this come before the voters. He asked whether or not Council knew at the time the vote was taken if they knew Covance would be locating there.

COUNCILMEMBER ORLANDO said that at the night of the rezoning he did not know that Covance would be purchasing the land.

5. Covance – Eleanor Weedon

ELEANOR WEEDON, 2749 E. Balsam Drive, described her experience at the neighborhood meeting sponsored by Covance. There were only two signs placed at the airport printed on 8x10 paper stating “neighborhood meeting” as if they did not want to advertise it as a Covance event. Upon arrival at the hangar, she was asked to sign up at a table in front of the building. She was then asked to provide her name, address and telephone number and mark whether she was for, against or undecided for Covance. She felt uneasy in having to provide this information and more so when she was required to sign a code of conduct statement. She also had to hand over her drivers license where it was reviewed and she was given a name tag. She felt attendees were given incomplete or erroneous information at the exhibits.

6. Covance – Patrick Jaeger

PATRICK JAEGER, 1608 E. Cindy St., expressed concerns with Covance locating in Chandler. He said he has studied documents from several government entities. He has sent e-mails to the Council and has received either form letter responses or none at all. He asked who would be willing to meet with him before the next Council meeting to address his concerns. Mayor Dunn said that many of the Councilmembers are willing to and have met with individuals. COUNCILMEMBERS SEPULVEDA, ORLANDO and DONOVAN stated they would.

MAYOR DUNN responded to Mr. Boerman’s earlier question about the rezoning of the Covance property. The Greater Phoenix Economic Council (GPEC) brought covance to the valley. They have been looking at sites for the past two years throughout the valley and had purchased land in the Price corridor. THE MAYOR said that he had been informed by the City Manager that there had been discussions with the landowner and Covance, but no decision had been made. He was surprised when Covance announced they would be locating there because he was aware of other more favorable sites.

COUNCILMEMBER WENINGER stated that he was told there had been a meeting between the developer and Covance and went forward from there. He was also told there were 30 sites around the valley being considered.

MR. PENTZ said that Staff knew a year ago that Covance was considering various sites in the valley and Chandler. At the end of May, an inquiry was made by First Industrial on how to contact Covance. Staff was not aware of any pending business relationship between First Industrial and Covance. When the property was rezoned, neither Council nor Staff knew that Covance had purchased the land.

COUNCILMEMBER SEPULVEDA asked Staff for a review on the rezoning process. MR. BALLARD responded that there is the Airpark Area Plan, which is an extension of the General Plan, that is a general guide for property development. This particular area was designated as Industrial Employment through the Airpark Area Plan. When a property owner requests rezoning, Staff looks at what the plans are and how the property should be utilized and categories of use.

COUNCILMEMBER SEPULVEDA asked if someone requesting a rezoning would identify who the end-user would be. MR. BALLARD said that there is no obligation to do so, but sometimes they do. Staff looks at the types of use and whether the uses conform to the vision of the City. Mr. Ballard continued that if the zoning allows for retail, the City could not dictate which retailer would go in that zoning.

COUNCILMEMBER SEPULVEDA clarified that the landowner, First Industrial, came to the City requested rezoning, but did not identify who the end user was. Mr. Ballard concurred. Staff's contact was with First Industrial. Staff was aware that Covance was considering various sites throughout the valley, but they were not aware until after the rezoning was approved that Covance may be the end user of this site.

VICE-MAYOR HUGGINS also said that he did not know that Covance was purchasing the property when the rezoning was approved. He added that, to his knowledge, this Council has never voted on anything for Covance.

COUNCILMEMBER ORLANDO asked if this property was treated any differently than any other property in the area. Mr. Ballard stated it was not.

COUNCILMEMBER SEPULVEDA asked that a Covance representative make a presentation regarding environmental issues.

TODD MEYER, Associate Director for Covance Laboratories Environmental Health and Safety, Madison, WI, stated he has been with Covance for 15 years. He stated there has been some miscommunication over the last few months relating to Covance's environmental reputation. Covance's approach to environmental integrity is one of excellence. Covance has many regulators and many inspections. As recently as 2004 and 2006, he said the Virginia facility was inspected for air compliance with no violations. The Madison facility was inspected for air compliance, which resulted in no violations. It was also noted during that inspection, that because the facility was so well prepared with regard to documentation, they recommended very minimal oversight of the facility in the future.

Covance's compliance is very strong, but not perfect. In 2004, there was an Environmental Protection Agency (EPA) and Wisconsin Department of Natural Resources inspection of the hazardous waste operations. The end result was an informal administrative notice of violation. That is the only thing Covance has on record and they take it very seriously. There were also a number of administrative items in the inspection that were immediately mitigated. Covance works with sound science, effective regulator expertise to come up with a strategy to effectively protect

their employees and the public and ensure environmental integrity. Mr. Meyer reviewed a graph from the EPA web site depicting Covance's inspection history.

COUNCILMEMBER WENINGER thanked the citizens for being patient and commended Staff for their detailed answers. He noted that Council receives packets every week and he reads everything, including e-mails that he receives.

MAYOR DUNN commented that if there are any water quality issues with Covance, it is the City's responsibility. There will be an opportunity to hold neighborhood meetings upon submission of an application.

17. AMENDMENT: City Fee Schedule

Res. #4035

ADOPTED Resolution No. 4035 amending the City Fee Schedule.

Background from memo:

**MANAGEMENT FEES:** The amendments are to the fees associated with escort or introductory service businesses and sexually orientated businesses in order to bring them in line with application and license fees for other licenses requiring a commensurate amount of processing and maintenance. Section 1.5(s) regarding Massage Therapist Application Fees was removed as it is now regulated by the State.

**AIRPORT FEES:** These fees are a source of revenue for the airport and are used in the operations budget of the airport.

A condition of federal grant assurances requires that the airport rates and fees remain fair and equitable and that those rates reflect the current market tendencies. Reflecting the current market tendencies is accomplished by adjusting the airport fees so as to keep pace with the inflationary costs of operating the airport. The adjustment factor used is the Consumer Price Index for all Urban Consumers (CPI-U) in the Western Region as published by the Department of Labor. The rate of change in the CPI-U during this analysis period was an increase of 4.08%. Another change incorporated into all lease rates includes 1.5% City Use Tax and a 0.5% County Use Tax, both related to the leasing of property. The last adjustment of the airport fees was approved on November 14, 2005.

Key changes in the recommended rates and fees relate to the fuel flowage fee and how the aviation fuel is priced for sale at the City fuel pumps. The fuel flow fee is recommended to be lowered from \$0.10/gallon to \$0.09/gallon. This brings the fuel flow fee more in line with that fee charged at similar airports in the Phoenix metropolitan area. The recommended calculation for pricing fuel insures recovery of the cost to provide this service, adds a 3% margin and the equivalent amount charged for fuel flow fee charged to private fuel vendors and then adds 1.5% to cover the City's sales tax related to aviation fuel sales.

Another fee recommended for amendment relates to Through-the-Fence fees for the Annual Access Privilege/Operations & Maintenance Fee. Currently, the fee addresses a cost of providing the operations and maintenance of the common areas of the airport on a per-acre basis. Discussion with the first planned Through-the-Fence operator has developed this fee into a cost per-square-foot of hangar basis.

Tenants of the airport were advised of the proposed fee structure and changes through a direct mailing to each registered tenant. An open tenant's meeting was held to receive tenant comments on December 16, 2006. Ten of the over 300 airport tenants attended the meeting. Those in attendance generally indicated that they did not want to see a rate increase. The Airport Commission voted unanimously to recommend approval of the amended airport fees.

Implementation of the recommended lease rate structure is estimated to bring an increase of approximately \$39,600.00 in annual revenue to the airport.

**PLANNING AND REDEVELOPMENT:** Section 6 was expanded to document most all of the different types of fees that are charged for the services provided from this department. With the exception of the fees listed in Section 6.4.4 – Miscellaneous Fees, all fees reflect the amount that is currently being charged. The fees listed in Section 6.4.4. are currently being charged but are being modified based on the current \$42.00 per hour plan review charge.

**POLICE:** The False Alarm Cost Recovery Fees were recently removed from the Fee Schedule and placed in the City Code. The Kennel Permit fees are paid directly to the County.

**COUNCILMEMBER WENINGER** said that he serves as an ex-officio member of the Airport Commission and the issue of airport fees was discussed at their last meeting. He has been looking at the minimum cost recovery price or the adding of the revenue margin and is not sure it is high enough. Currently, we are at the low end of how much is charge for self-serve fuel compared to other municipalities. He felt adding the requested 3% still keeps us in the lower end.

**AIRPORT MANAGER GREG CHENOWETH** said that the proposed pricing formula would have put us in the lower end of all of the fuel prices using the scenario presented to the Airport Commission.

**MOVED BY COUNCILMEMBER WENINGER, SECONDED BY VICE-MAYOR HUGGINS, TO ADOPT RESOLUTION NO. 4035 AMENDING THE CITY FEE SCHEDULE AND AMENDING SECTION 2.9 (C) TO READ "THE SUBTOTAL FUEL PRICE IS DETERMINED BY ADDING A REVENUE MARGIN (CALCULATED AT 7% OF THE MINIMUM COST RECOVERY PRICE) TO THE MINIMUM COST RECOVERY PRICE".**

**JOHN WALKUP**, 551 S. Evergreen St., Chandler Air Service, user of the fuel and he also sells fuel, stated that this proposed change makes the Chandler Airport more compatible with other airports. The price will provide a better return for the City of Chandler and the users go back and forth between the airport self-service and the City self-service. There is usually a wide discrepancy in the price with the City being much lower. As a result of the change, the airport will be able to compete.

**MOTION CARRIED UNANIMOUSLY (6-0).**

**PUBLIC HEARINGS:**

**PH #1.            ALLOCATION OF PROGRAM INCOME: CDBG**

**MAYOR DUNN** opened the public hearing at 9:35 p.m.

ALLOCATION of Program Income of \$1,020,240.00 in FY 2005/2006 Community Development Block Grant (CDBG) Program Income to the area of Public Facilities and Improvements and \$90,000.00 to the area of Administration and Planning.

MR. PAT TYRELL stated that the income funds were received in June 2006. The funding is the result of a disposition of property, which had been purchased with Community Development Block Grant funds. Rules governing the CDBG program require that any income received be used by the jurisdiction to benefit low to moderate-income citizens. The allocation will provide for the immediate funding of improvements to the City's Public Housing Inventory, assist in the construction of a new medical clinic for the San Marcos Family Wellness Center, provide a "pool" of funds to meet the current capital needs of local human service providers (i.e. renovations at the Boys and Girls Club), conduct a Human Services Needs Assessment and provide for program administration and project implementation.

During the past decade, CDBG funds were used to acquire certain parcels of land at what is now known as Site 6 in Downtown Chandler. This area is roughly bounded by Arizona Avenue to the east, Chicago Street to the south, Oregon Street to the west and the Downtown Square to the north. Since the acquisition of the property, the intended use of the property has changed and the use of the property will not meet the requirements of the federal regulations governing CDBG funds. As such, the value of the property for which the CDBG Program paid has been assessed and reimbursement made to the in the amount of \$1,110,240.00. That reimbursement took place at the end of FY 05/06 and is considered as Program Income by the federal government and must be allocated to eligible uses.

The Housing and Human Services Commission held a public hearing on December 13, 2006, and discussed various opportunities that these extra funds provide. After the public hearing, HHSC unanimously voted that a recommendation to Mayor and Council that the funds be used in the following manners:

**Public Housing Improvements:** A total of \$300,000.00 is recommended to be used in renovations to the City's Public Housing Development including window replacement in 18 houses; kitchen cabinets replacement in 19 houses; replacement of 6 commercial and 6 residential A/C units and replacement of siding, fascia and trim material on 16 buildings.

**San Marcos Health Clinic:** Funds are recommended to be "pooled" with other sources to construct a new medical clinic and community resource center at San Marcos Elementary School. The new center would allow the school to access classrooms currently used by the clinic, increase the capacity of the clinic to serve more children and provide space for local human service providers to conduct classes and provide services to the City's moderate income residents.

The Chandler Unified School District has set aside \$1,000,000.00 in bond funds for construction of the facility. In addition, the clinic currently has on hand \$250,000.00. Additionally, the Colangelo Foundation anticipates raising an additional \$350,000.00 in the next three to four months has sponsored this project. Staff recommends that \$500,000.00 in CDBG funds be used with the other sources to complete the new facility. This will greatly increase the provision of health care to children of low-income families and will make much needed space available for the provision of social services, particularly in the Redevelopment Area.

**Human Services Needs Assessment:** The Commission has discussed the necessity of an assessment of Human Service needs in our City. This assessment is planned for late spring and

summer of 2007. To this end, Staff recommends that up to \$40,000.00 be allocated to cover costs associated with facilitation of the study by a third party. The City's standard consultant procurement process could be undertaken by March of 2007 with the assessment conducted and results provided prior to Commission and Council review of allocations for FY 08/09.

**Misc. Non-Profit Capital Needs:** During the current fiscal year, Staff worked with local non-profit agencies on facility upgrades (Boys and Girls Club, Chandler Christian Community Center and South Chandler Self-Help Foundation). Although significant improvements to the facilities were made, there are upgrades that could not be considered due to funding limitations. Staff recommends that \$220,240.00 be used to enhance projects which are underway or have been completed this fiscal year. Examples would be roofing at the Boys and Girls Club, security gates at South Chandler Self-Help, expansion of the Salvation Army facility in south Chandler and further work needed at Chandler Christian Community Center.

**Program Administration:** Staff is requesting approximately 4.5% (\$50,000.00) of the funds be allocated for program administration expenses related to these new projects.

All costs associated with the CDBG Program will be paid for by the US Department of Housing and Urban Development and do not require repayment on the part of the City of Chandler.

The Mayor closed the public hearing at 9:41 p.m.

66. ALLOCATION: FY 2005/06 CDBG Program Income funds

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY COUNCILMEMBER DONOVAN to AUTHORIZE the allocation of \$1,110,240.00 in FY 2005/2006 CDBG Program Income to Public Facility Improvements, Program Administration and Planning in the amounts recommended by the Chandler Housing and Human Services Commission and City Staff.

MOTION CARRIED (6-0).

PH #2. AIRPORT MASTER PLAN UPDATE

Mayor Dunn opened the public hearing at 9:42 p.m.

AIRPORT MANAGER GREG CHENOWETH said that to qualify for federal and state aviation grants, a current Airport Layout Plan is required. These plans are compiled through an Airport Master Planning process prescribed by the Federal Aviation Administration (FAA). The last master planning effort for Chandler Municipal was completed in 1998. The current Airport Master Plan Update began in early 2006. Wilbur Smith Associates was contracted to conduct the study update.

PAM KIDEL-ADAMS, Director of Aviation with Wilbur Smith Associates and principal planner on the update, gave a briefing on the findings of the master plan.

The planning process is a standard FAA process starting with evaluation of the existing facilities; forecast demand and facility needs to meet the demand; evaluate alternative methods for developing the facilities; look at potential environmental impacts of those alternatives; develop the ALP (airport layout plan); evaluate the capital improvement needs and can the airport financially support the process. Two supplemental appendices were compiled with the Airport Master Plan

Update. These were an Airspace Conflict Analysis and an Economic Impact Analysis of Airport Infrastructure Improvements.

The Airspace Conflict Analysis determined there were potential airspace conflicts between Chandler Municipal Airport, Stellar Airpark and Memorial Airfield. The principal recommendation to improve upon these airspace conflicts was to have Memorial Airport utilize a traffic pattern to the southwest of the facility. The FAA also supported this recommendation.

As the plan was developed, they focused on what the vision of the airport was as the plan was being developed. There were six goals established:

- 1). Manage and develop the airport to provide maximum levels of aviation safety on the ground;
- 2). Work to develop airspace usage around the airport to maximize aviation safety;
- 3). Plan and develop airport facilities to meet the needs of smaller aircraft users;
- 4). Work to cultivate development potential on the airport to achieve self-sufficiency;
- 5). Seek to maximize economic development potential for the community around the airport;
- 6). Minimize the environmental impacts to Chandler residents through the planning and development of the airport.

They also looked at three airside (facilities where landings and takeoffs occur) alternatives. The first is a no action or no build; transferring aviation services to another facility and the actual runway alternative, which includes an extension of the runway 4R, 22L to 5700 feet, which is the maximum the runway can be extended within the existing infrastructure.

She commented that if the facilities are not changed, demand is not being accommodated which causes an impact to the region's aviation services and loss of corporate activities. If the corporate users do not use Chandler's airport, they may choose to locate to another area because they cannot operate near where their aircraft is stored.

Mesa Falcon Field has a long aircraft waiting list, which would preclude a transfer of services. Williams Gateway has some capacity, but their goal is to develop into more of a commercial service facility with airline activity and reduce the amount of general aviation. There are other airports, but none near Chandler.

MS. KIDEL-ADAMS reported on the third alternative - the action alternative. The key projects were extending the runway 600 feet to the northeast, 250 to the southwest for a total runway length of 5700 feet. There would be additional taxiway access for the extended runway so people on both sides of the field could access the entire runway. To build additional hangars as needed by demand and available capital and improve the entrance road to the airport from Cooper Road.

By doing the proposed development, four of the six goals identified are accomplished. It maximizes safety by having a longer runway to help provide additional safety margins especially in emergency situations. It meets the needs of smaller aircraft users. It cultivates self-sufficiency at the airport and it maximizes the economic development potential by allowing additional corporate users to use the facility.

There are also some potential negative impacts associated with the runway extension. With an increase in aircraft, there is a potential for more accidents at the airport. There will also be an increase in noise.

She stated that when looking at the projected demand, based aircraft parked at the airport on a daily basis was 457 in 2005. That number is projected to increased to 740. If the runway stays at 4750 feet, demand is projected to grow from about 235,000 operations to 393,000. With the extended runway, there could be an additional 2400 operations per year by the end of the 20-year planning period. The issue is not necessarily the numbers, but the types of aircraft. Corporate users spend more money as opposed to smaller aircraft users.

The Economic Impact Analysis of Airport Infrastructure Improvements determined that activity on the Chandler Municipal Airport in the year 2025 would generate approximately \$87.1 million in total economic impact if no runway extension were completed. If the runway were extended to the proposed 5,700 feet, the total economic impact increases to \$105.4 million representing an \$18.3 million increase. The \$18.3 million difference reflects the additional activity that can be expected from executive aircraft operations if the runway is extended. This figure incorporates fuel sales and other direct costs of operating aircraft, as well as new major aviation businesses locating at the airport. It is anticipated that one new major aviation business will locate at the airport every 5 years.

In comparing the 2005 Noise Exposure Contours, the closest being at 75, which is the noisiest, with the outer being 55. Fifty-five is a City regulation. The FAA only requires 65 DNL. These noise levels are average day/night noise levels as opposed to single-event levels.

MS. KIDEL-ADAMS continued by saying that if all of the projects are implemented, the total cost is approximately \$60 million. Approximately \$36.7 million would be eligible funding from the FAA. Currently, the FAA's share of those projects eligible for FAA funds is 95%. The State contributes 2 ½ % and the City would be responsible for 2 1/2 %. The State share is estimated at approximately \$16 million with the City's share approximately \$7.7 million. Of that share, approximately \$1.15 million is matching FAA/ADOT projects and approximately \$6.5 million are ADOT/City funded projects.

Still Ms. Kidel-Adams concluded that City approval of the plan is needed for the FAA to finalize its review and begin the review of the airport layout, which is required for future funding. Approval of the plan does not constitute acceptance of all of the projects identified as each project is still subject to funding and City approval.

The Airport Commission voted unanimously to recommend approval of the Update.

MAYOR DUNN asked if a shorter runway causes more noise in the summer because of the need for more power at take off. Ms. KIDEL-ADAMS responded that it would not necessarily cause an increase in noise, but the planes do require a longer runway because of density altitude issues.

MAYOR DUNN commented on the poor roadway conditions and having a new airport entrance off of Cooper Road. He asked Staff when the new entrance is scheduled for construction. Mr. Chenoweth responded that they would be adding a left turn at Airport Blvd. and Germann. City funding is being proposed in the next CIP for the completion of Airport Blvd. as depicted in the Master Plan, which would connect into Cooper Road and circle back down to Airport Blvd. creating a new entrance into the airport. MAYOR DUNN added that when the entrance is completed on Cooper Road, it should have a "wow factor" because of the proximity to the freeway.

COUNCILMEMBER ORLANDO asked about the various operations, including economic impact, at the airport today compared to future projections. Ms. Kidel-Adams responded that the data used for the Master Plan was compiled as of 2005 and noted that in 2006, activity spiked to over 269,000 operations. In 2005, it was estimated that 72% of the operations were local/regional with the majority being training activity by helicopters and fixed-wing aircraft. Approximately 28% was itinerant. The projections for 2025 included 289,000 local operations and itinerant of approximately 112,000. When the analysis was conducted based on 2005, activity had been very stagnant as a result of 9/11. The economic impact is based on an increase in business jets with an impact of approximately \$961 per business jet operation including airport activity, meals and hotel. A single-engine plane, depending on the operator and purpose, would generate approximately \$150 per operation. The existing \$53.8 million depicts the existing economic impact developed by an ADOT study and is comprised of the number of tenants at the airport including their employment, payroll and spending (capital investment). Indirect spending by visitors is added along with induce which is recirculation of spending.

LANCE RICHARDS, 4852 E. Baseline Rd. #105, Mesa, who owns property within the airport overlay district, expressed support for the updated Chandler Airpark Plan.

BEVERLY PARRIS, 12152 E. Bluebird Dr., spoke in opposition to the updated Airport Master Plan. She reported attending all of the committee and bond meetings and understands that the airport is not self-supporting and is being supported by 13% of City tax dollars. That is expected to turn around in approximately 5 years. She said there is a safety issue to consider for the entire community by increasing the runway length and commented that she had not spoken with anyone who supports the extension.

STEVE SMITH, 2466 E. Hazeltine Way, Assistant Chief Pilot for Chandler Air Services, spoke in support of updating the Airport Master Plan. The three most compelling reasons are solid planning for future needs, business development and safety.

JOHN POWERS, 3156 S. Diamond Dr., spoke in opposition to the updated Airport Master Plan for safety reasons. He said he is a pilot, was a Planning Commissioner and was a contractor at national airports. He lives in the area and has learned to accept the noise. He said that just since the airport committee met, there have been two accidents out there. In 25 years, the area around the airport will be densely populated and there would be devastating consequences if there were to be an accident on take-off.

Mr. Powers also spoke about the Boys and Girls Club. He suggested partnering with the high schools for before and after-school programs with a dollar-for-dollar matching by the City.

CURT LANGENHORST, 1750 E. Woodsman Place, employed by Chandler Air Service, spoke in support of the updated Airport Master Plan. In addition to working at the airport, he also lives in the area. He gave the opinion that the freeway traffic makes more noise. The runway extension will make it safer for pilots. The increase in air traffic will be from quieter planes than are flying in and out currently.

JIM ELLIOT, 1250 S. Remington Circle, spoke in opposition to the updated Airport Master Plan. He was a member of the Airport Commission, but resigned because he felt Council was not listening to what the citizen groups were asking them to do. He feels the need for larger planes has decreased because of the close proximity to Williams Gateway via the new freeway. He was also upset by the number of new homes approved so close to the centerline of the runway extensions. There are safety concerns for extending or not extending the runway.

COUNCILMEMBER SEPULVEDA said that Council is of the understanding that if the runway is extended, the type of aircraft that can use the airport will not change for what it currently accommodates. MR. ELLIOT said that the size of planes that are marginal might increase. His contention is that if an aircraft is marginal with a partial fuel load at 4700 feet and there is the extra 1000, it will be topped off and taking off with a heavier load making it more dangerous to those on the ground.

JOHN WALKUP, 551 S. Evergreen, spoke in support of the updated Airport Master Plan as presented. All of the safety issues mentioned by everyone are part of any airport. If the extension is approved, the airport will be built out. It can only be made safer within the confines of the airport.

VICE-MAYOR HUGGINS asked if lengthening the runway would allow for larger aircraft to land or take off there. Mr. Walkup said it would not. Weight bearing goes with the length of the runway and those are set standards.

GUY PEPOY, 3115 S. Diamond Dr., spoke in opposition to lengthening the runway. He gave the opinion that if it is longer, more jets will come, carrying more fuel, causing more noise and more safety risk to citizens. There are also litigation issues if something were to happen and a plane crashed into the Harkins Theater or Borders Books. He commented that he has to show ID and a recent copy of his utility bill at the transfer station to show he is entitled to use the services, but across the street, 60% of the pilots using the airport do not reside in Chandler even though the airport is financially subsidized by Chandler tax payers. The City provides police patrol and fire support, yet north of Queen Creek Road there is a different user accountability policy. He questioned why non-resident pilots pay the same rates as resident pilots. He noted the citizens have defeated airport bonds twice before and questioned why they would support it this time.

JAMES FORDEMWALT, 613 W. Summit Place, Chair of the Airport Commission, commended Wilber Smith Associates for their report. He responded to an earlier question and explained that during the cooler months, aircraft can fly out of the airport with a full fuel load; it is only during the months of July, August and September that they have to operate with a lower load necessitating the longer runway to allow them to operate year-round with the property amount of fuel.

ANDY QUIRK, 2186 E. San Carlos Place, spoke in opposition to the bond question, which would extend the runway. He said the extension would allow for more high-performance jets to use an already congested airport. He added the Chandler Airport is not profitable even though all of the airplane parking spaces are full. He expressed concerns that two out of three of those owners do not live in Chandler and do not pay property taxes and that fuel and tie-down rates are too low. In addition, he felt corporate jets could make this a 24-hour airport with no restrictions.

WILMA VERGESON, said she lives at Airport Road and Germann, and has lived there for many years and has seen the airport grow. She spoke in support of the expansion citing the need to have a good airport for small aircraft if Chandler is to grow. She commented that people should have concern over the airport on the reservation.

The Mayor closed the public hearing at 10:52 p.m.

ADOPTED Resolution No. 4036 authorizing the 2007 Airport Master Plan Update for the Chandler Municipal Airport.

MR. COOK explained that this item is for approval of the Airport Master Plan outlining what the City might do at the airport. There are various elements in the plan including the expansion of the runway to 5700 to meet projected needs. It also includes additional hangars, taxiways and safety improvements. The plan presents a guideline that the FAA and ADOT can look at in terms of what is needed at the Chandler airport when funds are requested. He explained that the projects are recommended and there is no guarantee that any will be built.

MOVED by COUNCILMEMBER WENINGER, SECONDED by VICE-MAYOR HUGGINS, to ADOPT Resolution No. 4034 authorizing the 2007 Airport Master Plan Update for the Chandler Municipal Airport.

MAYOR DUNN thanked Staff, the Airport Committee and the citizens for their input in this process.

MOTION CARRIED UNANIMOUSLY (6-0).

UNSCHEDULED PUBLIC APPEARANCES:

PAULINE SUTTON, P.O. Box 6536, Chandler, spoke in opposition to Covance citing groundwater contamination concerns.

SHAYNIE AERO, 221 N. MacDonald, Mesa, spoke in opposition to Covance citing animal abuse concerns.

SPECIAL ORDERS OF THE DAY

A. Mayor's Announcements:

MAYOR DUNN announced the upcoming Unity Events. A luncheon will be held on Friday with keynote speaker Chandler poet Alberto Rios. The Multi-Cultural Festival will be held Saturday, 11-4, in the Library park. He noted that Monday is Martin Luther King Day and will be a holiday for the City.

THE MAYOR said there was a ground breaking for the 9<sup>th</sup> Habitat for Humanity home in Chandler. He thanked Chandler Christian Church and Achen-Gardner for their participation.

THE MAYOR announced that the Leadership Center would be sponsoring a series of classes to help citizens work with their HOA's. HOA 101 will be held January 18<sup>th</sup>, 6:30 p.m., at Chandler-Gilbert Community College.

MAYOR DUNN announced a need for volunteers to help with taxes for Chandler-area residents.

B. Councilmembers' Announcements:

None.

C. City Manager's Announcement:

