

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, February 8, 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
(telephonically)	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 Pastor Jose Doñan – Trinity Christian fellowship.

PLEDGE OF ALLEGIANCE: Councilmember Caccamo led the Pledge of Allegiance.

SCHEDULED PUBLIC APPEARANCES:

1. Tony Dibonito – Restitution and Compensation:

Mr. Dibonito said that the City of Chandler, along with the police and his landlord, took his trailer causing him to live on the street for a year. He wants restitution and compensation and his trailer back.

UNSCHEDULED PUBLIC APPEARANCES:

SHARMAN HAGEMAN, 854 W. Oakland Street, expressed her concern about being cited for certain violations on her property, but named several area in Chandler that are in worse shape or in need of repair, some are city-owned sites. She reported that the mosque was approved in her neighborhood, but it is not finished and they are not proving to be good neighbors.

COUNCILMEMBER ORLANDO asked Staff to look into Ms. Hageman’s concerns.

CONSENT:

*(Note: Council discussion on Ordinance No. 3880, System Development Fees is reported under Item 5)

COUNCILMEMBER WENINGER asked who the contractor would be for items #24 & 25 (Monopalms). Staff relayed the response that the contract will not be bid out until after the use permits are approved.

COUNCILMEMBER CACCAMO requested a list of the downtown grants (item #11) approved so he could see how much the City has invested in the downtown.

COUNCILMEMBER CACCAMO said that Items #30 & 31 (Ibiza Blue Restaurante) are to be continued to February 22nd and he would like them to be on the Action Agenda at that time.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY COUNCILMEMBER CACCAMO, to approve the Consent Agenda as presented.

COUNCILMEMBER ORLANDO commented on Items #11 and 12 (DIF Grants) and redevelopment of the downtown area.

LAURIE FAGEN, owner of Art on Boston, thanked the Mayor and Council for establishing the DIF Grant Fund program.

MAYOR DUNN commented on item #19 (Fire Station No. 10).

TOM ABRAHAM, Fulton Homes Controller, relayed Mr. Nichols' apology for not being able to attend the meeting. He confirmed that Mr. Nichols had been very busy and hard to contact as Ms. Walker stated. He expressed appreciation to Council for considering their concerns.

COUNCILMEMBER ORLANDO confirmed with Mr. Abraham that Staff would meet with Mr. Nichols in the next few weeks.

COUNCILMEMBER SEPULVEDA stated he would be voting nay on item #5 (System Development Fees).

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

1. MINUTES:

APPROVED, as presented, Minutes of the City Council Special meeting of January 22, 2007 and the Regular meeting of January 25, 2007.

2. POWER DISTRIBUTION EASEMENT: SRP Ord. #3843

ADOPTED Ordinance No. 3843 granting a power distribution easement to salt river project at Tract A, located in Mastercraft East Subdivision, on the south side of Palomino Drive, east of Alma School Road between Elliot and Warner roads, with compensation to the City in the amount of \$750.00.

3. CITY CODE AMENDMENT: Chapter 30 Ord. #3879

ADOPTED Ordinance No. 3879 amending the City Code by repealing Chapter 30, Neighborhood Standards & Maintenance Nuisance Abatement and Code Enforcement and adopting a new Chapter 30, Neighborhood Preservation.

4. IRRIGATION EASEMENT: SRP Ord. #3862

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3862 granting a no-cost irrigation easement to Salt River Project (SRP) to accommodate underground construction of

irrigation facilities due to road improvements for Pecos Road from Dobson Road to Pennington Drive.

The City of Chandler has completed improvements and right-of-way acquisition on Pecos Road from Dobson Road to Pennington Drive and is now required to grant SRP a no-cost irrigation easement for the relocated underground construction of irrigation facilities.

At the time these improvements were constructed, the City had an Order of Immediate Possession, but did not have title to the property located on the northwest corner and the southwest corner of Dobson Road and Pecos Road. Title to the property is necessary to grant an irrigation easement to SRP at these locations. The Agreement for Acquisition of Rights-of-Way in Connection with Utility Facility Relocations signed by the City of Chandler and SRP states the City would grant an easement to SRP when the title to the property is received. Per this Agreement, SRP completed the construction to accommodate the underground irrigation facilities at the subject location. The City now has title to the property and needs to grant the easement.

5. CITY CODE AMENDMENT: Chapter 38

Ord. #3880

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3880 amending Chapter 30 of the City Code updating System Development Fees. COUNCILMEMBER SEPULVEDA voted nay on this item.

Council Discussion:

COUNCILMEMBER SEPULVEDA asked what Fulton Homes' comments were on Item #5 (System Development Fees). PAT WALKER replied that the of the three areas of concern, the one of the most concern was the way the City handled credits for street improvements made by Fulton. Mr. Nichols, CEO of Fulton Homes, also asked about phasing in the increases. Ms. Walker said that she recommended that the fees not be phased in because any time the fee increase is delayed, it will have to be increased the next time because the projects have to be built.

COUNCILMEMBER SEPULVEDA asked if there was another discussion with Mr. Nichols this week prior to this meeting. Ms. Walker responded that she was unable to reach Mr. Nichols, but did fax the information to him.

COUNCILMEMBER SEPULVEDA asked when the initial notification was made to the stakeholders. Ms. Walker said that it was done on November 16th. There was a meeting in December with the Homebuilder's Association. The first contact was made with Fulton (Homes) when Mr. Nichols sent a letter to Council. The City does not send individual letters to all homebuilders in Chandler. COUNCILMEMBER SEPULVEDA commented that Fulton Homes is not a member of the Homebuilders Association and did not receive the information until approximately 2 weeks ago. He suggested that since Fulton is such a large stakeholder in Chandler, Staff should have contacted Mr. Nichols when we did not hear from them. MS. WALKER said that she was not aware Fulton Homes was not a member of the Homebuilders Association and she tried to contact him as soon as she received his letter, but was unsuccessful. She has offered to have Staff meet with him, but has not been able to connect with him.

COUNCILMEMBER SEPULVEDA asked if it would have been reasonable to come up with some sort of resolution due to the impact of the 44% increase on such a large project. MS. WALKER replied that she does not know what type of resolution could have been reached. She agrees

that Staff needs to meet with Mr. Nichols and explain the methodology, but does not feel that having that discussion earlier would have affected Staff's recommendation.

COUNCILMEMBER SEPULVEDA suggested that this item be continued until discussion takes place with Mr. Nichols. There may not be any resolution and Fulton and the City may have to agree to disagree.

MAYOR DUNN added that this will have an impact on all homebuilders in Chandler, but it needs to be done. He noted that the item is being introduced and there will an opportunity for further discussion.

COUNCILMEMBER ORLANDO stated that all of Council has been contacted by various agencies and he supports moving forward as there is still time for discussion and changes can still be made. MR. HOUSE clarified that changes cannot be made at final adoption and the ordinance would have to be re-introduced.

COUNCILMEMBER CACCAMO agreed in moving forward.

Memo Background:

According to provisions of the Chandler City Code, System Development Fees are to be updated annually. It has been the City's practice to have consultants review the fees every other year and have City Staff make an inflationary adjustment in the interim years. The 2007 update is based on an adjustment by using the prior year consultant-prepared methodologies with updated capital improvement program costs. In this update, the City has included the cost of financing for utility and non-utility projects that require the sale of bonds to proceed. This is due to the priorities Council has chosen during the budget process where the projects need to be built prior to having all of the fee revenue available to pay for them.

On January 24, 2007, City Staff received another memorandum from the Home Builders Association of Central Arizona. Their concerns are focused on the reasons for the large percentage increases in the Community Parks and Neighborhood Parks fee categories.

For Community Parks, the majority of the change in project costs comes from the Mesquite Groves Park Site project. The increase in this project is due to an increase in construction costs as well as the addition of a 15,000 square foot satellite recreation center to accommodate the demands new growth has placed on the City's recreational facilities. For Neighborhood Parks, the majority of the change in project costs comes from neighborhood park land acquisition and future neighborhood park development. In the 2006 update, average parkland acquisition costs were \$135,154/acre. In the 2007 update, average parkland acquisition costs were \$240,228/acre. The City's Real Estate Division currently estimates land prices ranging from \$348,400/acre to \$653,400/acre.

One other item to consider when comparing the 2006 System Development Fee update and this year's update is that the number of residential dwelling units will continue to decline as the City moves closer to build-out. Last year, residential fees were calculated using 18,764 residential dwelling units. This year, residential fees were calculated using 14,789 residential dwelling units. Only developers of residential projects pay the Community Parks and Neighborhood Parks fees. Therefore, even if project costs remained the same from update to update, the fees in these categories would increase if the number of residential dwelling units anticipated through build-out declined.

Chandler has explored a number of options for the development of parks by residential home developers. In the early stages of the Ocotillo development, Staff met for almost a year in an attempt to work out a system to rebate or refund the Residential Development Tax (which was replaced with the Neighborhood Park System Development Fee as of February 1, 2006) to the developers in exchange for a completely developed park. Finally, it was mutually decided that the best approach would be for Ocotillo to build a series of private parks to serve their residents.

The City entered into an agreement with Shea Homes to build Dobson Park. Shea Homes provided the land and constructed the park and, in turn, they were refunded the Residential Development Tax equal to the cost of the park. The key to this agreement was that the City could only refund the Residential Development Tax from their development. It was able to work because of the size of their development and the number of homes in the development. It required the development of 1,289 homes to cover the cost of the park. Refunding the Residential Development Tax turned out to be a major accounting problem for the Planning and Development Staff.

The City explored a similar agreement in 2001 with Continental Homes for the development of Chuckwalla Park. Several meetings were held with the developer and City legal staff and it was determined the best approach was for the City to construct the park using the Residential Development Tax.

City Staff feels "city constructed parks" offer a greater degree of control over park elements and quality. They also insure that the desires of the neighborhood are met in the park design and construction.

In order to adequately notify interested parties of the 2007 update, letters were sent to the Associated General Contractors of America, Capitol Consulting (representing multi-family housing), Chandler Chamber of Commerce, Home Builders Association of Central Arizona and Valley Partnership informing them of the proposed update to the fees and the planned date of the public hearing. Staff made a brief presentation at the December 11, 2006, Chandler Builder Advisory meeting and has met individually with several of the above-mentioned groups to address their concerns.

The new fees will become effective June 1, 2007.

There are various factors contributing to the increase in many of the fee categories this year including:

- The declining number of residential dwelling units and nonresidential square feet each year until build-out;
- Additional growth-related projects added to the Capital Improvement Program, and
- Inflationary increases in construction and land costs.

Therefore, there cannot be a straight comparison of inflationary costs to the amount of the fee increases.

6. AGREEMENT AMENDMENT: LH-EH Layton Lakes Estates LLC

Res. #3047

ADOPTED Resolution No. 4037 authorizing the first amendment to the pre-annexation agreement between the City and LH-EH Layton Lakes Estates LLC to accept a payment of

\$1,500,000.00 for an offsite aquifer storage and recovery (ASR) well in lieu of construction a new ASR well within the subdivision and setting aside a potable water well site at a cost of \$67,500.00.

The Layton Lakes subdivision, located at the SEC of Gilbert and Queen Creek roads was annexed into the City by Council action on February 12, 2001. At that time, a pre-annexation development agreement was also approved as Resolution No. 3364.

The Layton Lakes subdivision is partially located in Chandler and partially in the Town of Gilbert. However, the subdivision is one development with a central lake system that will be used to irrigate all landscaping both in Chandler and Gilbert. The developer asked that Chandler reclaimed water be provided for irrigation of the entire subdivision as if it were all within the City of Chandler. In exchange for the water, the developer agreed to construct a reclaimed water aquifer storage and recovery (ASR) well within the subdivision as well as construction of approximately 1 mile of 36-inch diameter reclaimed water transmission main in Queen Creek Road, 0.5 mile of 24-inch diameter reclaimed water main in Lindsay Road, 1 mile of 12-inch reclaimed water line in Gilbert Road, and 0.25 mile of 12-inch reclaimed water line in Ocotillo Road. The agreement also included provisions that, in the event the ASR could not be located within the subdivision, the City would accept a payment of \$1,500,000.00 and would then construct the ASR well at another site. The \$1,500,000.00 payment was meant to cover acquisition of another ASR well site as well as design and construction of the ASR well.

After review of the initial investigations, City Staff met with the developer and agreed that it would be mutually beneficial for the City to accept the lump sum payment for the ASR well and construct it at one of the City's other recharge sites. Additionally, the City asked that the developer provide a site to accommodate a potable water well.

This amendment is the first amendment to the pre-annexation agreement and modifies the original agreement to allow the City to accept a payment of \$200,000.00 upon execution of this first amendment and a second payment of \$1,300,000.00 on or before the City commences delivery of reclaimed water to the development. The agreement also sets aside property for a potable water well at a cost to the City of \$67,500.00. The developer will still be required to install the reclaimed water mains as established in the original agreement. In exchange, the entire Layton Lakes subdivision will be treated as if it were an "in-City" reclaimed water user.

7. GENERAL OBLIGATION BONDS

Res. #4041

ADOPTED Resolution No. 4041 authorizing the issuance and sale of \$111,045,000.00 General Obligation Bonds, Series 2007, scheduled for February 22, 2007.

8. PRELIMINARY DEVELOPMENT PLAN: Erickson Consulting

APPROVED Preliminary Development Plan, PDP06-0020, Erickson Consulting, for site layout and building architecture for two industrial buildings on 1.83 acres at 2350 N. Nevada Street, Lots 11 and 12 of the Westech Corporate Center. (Applicant: Diemer Associates Architecture & Planning, Ltd.)

The Westech Corporate Center is part of the Westech PAD that received conceptual zoning in 1985. The conceptual zoning included industrial, commercial and multi-family. In 1998, the multi-family portion received PDP approval for the Biscayne Bay apartment development. The subject

property is bordered on the south by the Biscayne Bay apartments and on all other sides by industrially zoned property.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on November 7, 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 PAD zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Compliance with original stipulations adopted by the City Council as Ordinance No. 2858 in case PL98-0020 Westech PAD.
2. Development shall be in substantial conformance with the Development Booklet entitled "Erickson Consulting", kept on file in the City of Chandler Planning Services Division, in File No. PDP06-0020, except as modified by condition herein.
3. The landscaping in all open spaces and rights-of-way shall be maintained by the adjacent property owner or property owners association.
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. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Public Works for arterial street median landscaping.
6. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
7. No outside storage or display or any kind will be permitted for any business outside of the fenced yards behind buildings. Such storage shall not be taller than the perimeter fence and shall not reduce the amount of available parking spaces as required by Chandler Zoning Code.
8. Any monument or building signage shall be halo-illuminated or non-illuminated.
9. All raceway signage shall be prohibited within the development.
10. All roof drainage shall be internalized.
11. Landscaping along Nevada Street shall conform to the Commercial Design Standards.

9. CONTINUED PRELIMINARY DEVELOPMENT PLAN: Montage by Charlevoix Homes

CONTINUED to February 22, 2007, Preliminary Development Plan, PDP06-0050, Montage By Charlevoix Homes, for single-family housing product on 92 lots within a single-family residential subdivision on approximately 35 acres located north of the NEC of Chandler Heights and Lindsay roads to allow for submission of revised application materials. (Applicant: Perlman Architects, Bryan Celius.)

10. PRELIMINARY DEVELOPMENT PLAN: ParLand Crossing

APPROVED Preliminary Development Plan, PDP06-0056, ParLand Crossing, for a comprehensive sign package for a mixed-use development with Office, Commercial Retail and Residential Condominiums on approximately 40 acres at the NEC of Alma School and Willis roads. (Applicant: Withey, Anderson & Morris PLC, Jason Morris.)

On November 16, 2006, ParcLand Crossing was granted an Area Plan amendment and Rezoning with Preliminary Development Plan (PDP) approval for a mixed-use development including residential condominiums, office and commercial retail. The PDP included a comprehensive sign package for building signs, tenant monument signs, and a freeway pylon monument sign; however, the Planning and Zoning Commission recommended the sign package be reviewed through a separate PDP application because of concerns about the proposed building-mounted signage and freeway pylon monument sign. Council approval of the development included a zoning condition requiring a separate PDP application for signage.

During the rezoning case, the Planning Commission expressed concern that the proposed freeway pylon monument sign should be scaled down or removed as there were two other projects at Alma School and the Loop 202 Santan Freeway that were not approved freeway pylon signs. The Commission was not supportive of the location and height of the freeway pylon sign and the potential for office tenant names on it. Commission further expressed concerns with building-mounted signage on retail shop buildings in regards to the number of signs and variety of styles and colors.

The proposed sign package includes changes from the original proposal including a change in the freeway pylon monument sign height, the number of tenant panels on the freeway sign and a reduction in the number of multi-tenant monument signs. The varied building-mounted sign styles and colors remain the same. At the January 17, 2007, Planning Commission meeting, the Commission recommended the removal of the freeway pylon monument sign and the applicant agreed.

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 "ParcLand Crossing Comprehensive Sign Package," kept on file in the City of Chandler Planning Services Division, in File NO. PDP06-0056, except as modified by condition herein.
2. Compliance with the original stipulation adopted by the City Council as Ordinance 3858, case DVR05-0063 ParcLand Crossing, except as modified by condition herein.
3. The freeway pylon monument sign shall be prohibited on the site.

11. GRANT: Art on Boston

APPROVED a Downtown Improvement Fund (DIF) matching grant to F&F Designs, LLC dba Arts on Boston, 11 W. Boston Street, Suite 1, in an amount not to exceed \$50,000.00.

The City has created the Downtown Improvement Fund (DIF) for the purpose of encouraging investment by viable retail and restaurant businesses that will generate employment and complement the current business mix in Historic Downtown Chandler. Specifically, the aforementioned funds are to be used to reimburse the property or business owner for up to \$50,000 or half of the costs, whichever is less, associated with the necessary tenant improvements to renovate the space for the specified retail use in the Downtown Improvement Fund Target Area.

F&F Designs, LLC, dba Art on Boston, is leasing approximately 2,100 square feet of space at 11 W. Boston Street, Suite 1. The owners of Art on Boston propose a new concept of providing working studio space for professional artists to create artwork in a beautiful, bright, spacious and

energized surrounding with an area to exhibit their creations. The artists are also encouraged to teach classes in one of the two classrooms.

F&F Designs, LLC, dba Art on Boston, has requested City participation in the construction of tenant improvement using existing DIF matching grant funds. Staff recommends using existing DIR funds to accomplish the renovation of the interior of this building. Total costs for the tenant improvements are estimated at \$163,780.00.

Improvements to the space will include the installation of lighting fixtures, ceiling fans, retail display cases, two classrooms/meeting spaces, carpet and tile.

Staff recommends an amount not to exceed \$50,000.00 be granted for reimbursement of tenant improvement costs to the owners upon completion of the project, receipt of the Certificate of Occupancy, and confirmation by Staff of tenant improvement costs to meet requirements of the DIF program.

12. GRANT: The Urban Tea Loft

APPROVED a Downtown Improvement Fund (DIF) matching grant to Velvet Steel, LLC dba The Urban Tea Loft, 11 W. Boston Street, Suite 2, in an amount not to exceed \$50,000.00.

The City has created the Downtown Improvement Fund (DIF) for the purpose of encouraging investment by viable retail and restaurant businesses that will generate employment and complement the current business mix in Historic Downtown Chandler. Specifically, the aforementioned funds are to be used to reimburse the property or business owner for up to \$50,000 or half of the costs, whichever is less, associated with the necessary tenant improvements to renovate the space for the specified retail use in the Downtown Improvement Fund Target Area.

Velvet Steel, LLC, dba The Urban Tea Loft, is leasing approximately 1,900 square feet of space at 11 W. Boston Street, Suite 2. The owner of The Urban Tea Loft will provide an upscale chic tea retail shop offering gourmet and loose leaf teas from around the world, sipping chocolates, baked goods, lunch menu and rental space for small parties including chaperoned children's tea parties, bridal showers and corporate meetings.

Velvet Steel, LLC, dba The Urban Tea Loft, has requested City participation in the construction of tenant improvement using existing DIF matching grant funds. Staff recommends using existing DIF funds to accomplish the renovation of the interior of this building. Total costs for the tenant improvements are estimated at \$268,040.00.

Improvements to the space will include the installation of kitchen equipment, lighting fixtures, ceiling fans, retail display cases, social event rooms, carpet, tile and wood flooring and painting of the interior.

Staff is recommending that an amount not to exceed \$50,000.00 be granted for reimbursement of tenant improvement costs to the owners upon completion of the project and receipt of the Certificate of Occupancy and confirmation by Staff of tenant improvement costs to meet the requirement of the DIF program.

13. SUBORDINATION: 746 E. Tyson Street

APPROVED Subordination of the housing rehabilitation lien on Project #RH02-0006, 746 E. Tyson Street in the amount of \$24,140.00. (Jackson)

The single-family, owner-occupied home was rehabilitated under the City of Chandler's Housing Rehabilitation Program in 2003. The City has placed a lien against the property for \$24,140.00 in the form of a 10-year repayable loan whereby the owner repays 25% of the total and the balance is forgiven at the end of the term of the loan. The owner's balance was \$5,893.92 and has been paid to the City. The remaining balance is \$18,105.00 and will be forgiven in 2013 per the original loan agreement.

The owner is now requesting a refinance in order to lower her interest rate and is not receiving any cash out. The new loan is for \$155,333.18. In order to obtain the loan, a subordination of the City's lien is required by the lending institution.

The City's lien is currently in second position and would remain so after the new loan. The City's lien will not be released until the term of affordability expires in 2013. The property is currently valued at approximately \$205,000.00, which is more than the combined encumbrances of the City's lien and new first mortgage.

14. AGREEMENT: Geotechnical Environmental Consultants

APPROVED an Agreement with Geotechnical Environmental Consultants to perform environmental audits, utilizing the Maricopa County contract, in an amount not to exceed \$150,942.00.

The City operates seven major facilities, which are subject to extensive environmental regulations. Non-compliance with these regulations carries fines of \$32,500.00 per violation per day as well as criminal penalties. The complex nature of these compliance requirements necessitates detailed expertise in these fields to set up and conduct a thorough audit. The City has selected a firm competent in this field to set up an auditing program and conduct the first audit of the City's key facilities. This audit format will become the basis for future audits of these environmental requirements.

15. AGREEMENT: Corona Solutions

APPROVED an Agreement with Corona Solutions, extending service of CADMine and Public Access CADMine and the Staff Wizard program, sole source, for one year in an amount not to exceed \$21,279.37.

The Police Department is requesting to continue service of CADMine and Public Access CADMine, an on-line reporting and crime analysis tool and maintenance for Staff Wizard, a police workload analysis program. This service is specific to law enforcement and is available only through Corona Software.

CADMine allows police personnel to analyze the types of calls coming in to the Chandler Police Department. If it detects a pattern of crime occurring, it has been programmed to automatically notify designated police employees of the pattern so that patrol officers can be alerted of emerging crime trends. These notifications may occur within hours of the criminal occurrence. Public Access CADMine allows citizens to monitor police activity levels for their neighborhoods through the Chandler Police Department website. This service harnesses the large amounts of data acquired through the Police Department's computer-aided-dispatch (CAD) system. This

data can be used to conduct useful and timely analysis of officer activity as well as criminal activity throughout the City. Staff Wizard is an analysis tool used to evaluate employee workloads and is used monthly to report patrol staffing strengths and weaknesses.

16. AGREEMENT: Ancon Marine, Inc.

APPROVED an Agreement with Ancon Marine, Inc. for video inspection of new and existing sewer lines in an amount not to exceed \$129,500.00.

As sewer lines age, they slowly deteriorate from corrosion due to sewer gases. By using this contract, Wastewater Collection will be able to inspect older sewer lines, detect potential problems and determine necessary repairs prior to street overlays. In addition, the Maricopa Association of Governments, Uniform Standard Specifications recommends videotaping of all new sanitary sewer lines.

17. AGREEMENT EXTENSION: Artistic Land Management

APPROVED a one-year Agreement Extension with Artistic Land Management for City parks maintenance services in an amount not to exceed \$244,000.00. The extension includes an 8% increase due to labor increases and fuel costs.

18. AGREEMENT EXTENSION: Metering Services, Inc.

APPROVED a one-year Agreement Extension with Metering Services, Inc. for water meter calibration, maintenance and repair service in an amount not to exceed \$75,000.00.

19. AGREEMENT: Deutsch Associates Architects

APPROVED Agreement #FI0606-201 with Deutsch Associates Architects for architectural design services for Fire Station No. 10 located at 5211 S. McQueen Road in an amount not to exceed \$246,448.00.

A temporary fire station housing one engine and 15 personnel is currently in place on this site and is currently serving the community. This contract is to design the permanent station at this site. This station is answering the increasing demands for fire and emergency medical services created by explosive growth in this area of the City. A fire station planning study conducted by the Fire Department indicated that the area surrounding this location has a sufficient number of homes and volume of emergency calls to require this fire station.

20. CONTRACT EXTENSIONS: Hydrogeologic Services

APPROVED one-year Contract Extensions #EN0501-101 & #EN0502-101, with Southwest Ground-water Consultants, Inc. and Clear Creek Associates for hydrogeologic services in an amount not to exceed \$750,000.00 each for a total cost of \$1,500,000.00.

The development, design and permitting of new well sites is required to provide water to meet the City's future demand. Under these contracts, individual project agreements will be prepared for execution and approval for each specific project. Project agreements over \$30,000.00 will be submitted for Council approval up to the annual aggregate of \$750,000.00.

21. CONTRACT: Haydon Building Corp.

APPROVED Contract #ST0130-401 to Haydon Building Corp. for Ray Road Improvements from Hamilton to 680 feet westerly in an amount not to exceed \$163,771.00.

A stretch of sidewalk remains unpaved on the north side of Ray Road at Hamilton Street to approximately 680 feet to the west of Hamilton. This area has been developed and the installation of the sidewalk will not be covered by any new development in the area. In addition, the retention basin in City right-of-way needs to be landscaped and re-graded to maximize storage.

22. CONTRACT: Haydon Building Corp.

ACCEPTED Staff approved Change Order No. 2 in an amount of \$46,696.00 and AUTHORIZED Change Order No. 3 for \$207,129.00 for the Tumbleweed Recreation Center with Haydon Building Corporation for a revised contract total of \$13,217,570.18.

Change Order No. 2 was issued by Staff to address cost impacts resulting from the need to reissue construction documents and addendums upon contract award. The plan review process was conducted concurrent with the bidding process. The plan review resulting in upgrades to underground storm water pipe materials, installing a bypass water meter, an increase in structural detaining and concrete spandek changes.

Change Order No. 3 includes conduit installation for technology connectivity; utility service design; and miscellaneous improvements to that will reduce ongoing maintenance costs.

23. PURCHASE EXTENSION: Building Materials

APPROVED a Purchase Extension of building materials, supplies and equipment from Home Depot, Lowe's Home Improvement, Grainger and Ace Hardware, utilizing the Apache Junction Unified School District #43 contract, in an amount not to exceed \$280,000.00.

24. USE PERMIT: Warner/101 Monopalm

APPROVED Use Permit UP06-0056 Warner/101 Monopalm, to install a 50-foot monopalm wireless communication facility within an Agricultural (AG-1) zoning district north of the NEC of Price Road (Loop 101 Freeway) and Colt Road. (Applicant: Rulon Anderson, T-Mobile; Owner: Desert Communications Facilitators, LLC, Ronald Kilpatrick.)

The site is a freeway remnant parcel located adjacent to the eastern sound wall along Price Road (Loop 101 Freeway). North and south of the subject site are other remnant parcels also zoned AG-1. To the east is a large-lot single-family home subdivision with Rural-43 (R-43) zoning in unincorporated Maricopa County. The nearest home is located approximately 240 feet southeast of the proposed monopalm.

There are no suitable alternatives for co-location of the wireless communication facilities on existing poles or towers in the immediate area. According to information provided by the applicant as required by code, there are exactly eight sets of verticalities of a height equal to or greater than the proposed monopalm within one square mile; non of these eight verticalities are feasible options due to inability to support another wireless carrier or because the pole is located too far from the targeted service area.

The applicant has also explored other options in the area for a new wireless facility. The applicant attempted to gain approval for a new wireless facility on a nearby LDS church site, but the church was not willing to provide space. The applicant has also pursued locating a new facility across the freeway to the west at the Arizona State University Research Park, but ASU has refused to provide space for such a facility. Several other commercial and utility sites, including the Cathedral of Praise and Foundation for the Blind parcels east along Warner Road, and the SRP substation farther east, were eliminated from consideration because they are too far east of the targeted service area.

The 50' monopalm and associated mechanical equipment will occupy a 660-square foot area at the northwestern corner of the subject site, immediately adjacent to the freeway sound wall. The equipment will be completely screened from off-site view by CMU walls. Also, the applicant will install two live palm trees adjacent to the monopalm in order to provide a more natural "grove-like" appearance. The live palm trees will be 20' and 25' at planting.

Access will be provided to the site from Colt Road through the parcel to the south, which is under the same ownership, and through an ADOT parcel that is further south. The applicant has not yet provided evidence of legal access through the ADOT parcel, but would need to do so in order to be granted a building permit. The applicant indicates that, after construction, the site will only be accessed on foot. The Fire Marshall has reviewed the proposal, finding it to not be a significant fire hazard and finding that there is not fire-related necessity for providing a paved surface to the facility. Site Development Staff have found that there is no need for a paved surface to the facility provided that vehicles do not regularly access the site.

The site will be irrigated through the extension of existing SRP water lines from the east. It cannot be definitively determined at this time how SRP electricity will be provided to the site, but the most likely connection would be from a transformer along Colt Road immediately to the south. SRP will not declare how water and electricity will be provided without an application to respond to, and an application to SRP cannot be made without first receiving valid City approval.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on November 2, 2006. There were four citizens in attendance with one in support and three in opposition because of the cell tower appearance and location of the site. Staff has received two letters – one in support and one in opposition.

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

1. Expansion or modification of the use beyond approved exhibits shall void the Use Permit and require new Use Permit application and approval.
2. There shall be two live palm trees installed and maintained adjacent to the monopalm. The trees shall be of 20' and 25' heights at the time of planting and shall match the monopalm's appearance.
3. 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.

25. USE PERMIT: Chevron Monopalm

APPROVED Use Permit UP06-0072, Chevron Monopalm, to install a 65-foot monopalm wireless communication facility within a Community Commercial (C-2) zoning district at the SEC of Cooper

Road and Chandler Boulevard. (Applicant: Rulon Anderson, T-Mobile; Owner: Covina Arizona, LLC.)

The application requests a new 65' tall monopalm wireless cell tower located behind an existing Chevron fuel service station within a Community Commercial (C-2) zoning district.

The approximately 58,000 square foot subject site, which is currently utilized for a fuel service station, is located at the intersection of Chandler Boulevard and Cooper Road and is bordered on the southeast by the Consolidated Canal. Across the canal to the east is an approximately 11-acre parcel zoned C-2 and partially developed with a church on its eastern end. South across the canal is a multi-family development. The other corner parcels at this intersection are also zoned for commercial uses.

The canal area to the southeast is part of a planned Paseo that will provide equestrian, pedestrian, and bicycle access to the public along both sides of the canal. There is no master landscaping plan in place for the canal area or adjacent parcels, but recent and future developments that abut the canal are required to provide a 10' landscape strip of unspecified materials. The property to the north across Chandler Boulevard, approved in May 2006 for the Pollack Chandler Crossing retail development, plans to provide a combination of 36"-box Willow Acacia and a variety of ground shrubs within its 10'-wide landscape area along the canal.

In the immediate area, there are not suitable alternatives for co-location of the wireless communication facilities on existing poles or towers. According to information provided by the applicant as required by code, there are not verticalities of a height equal to or greater than the proposed monopalm within one mile. The applicant has also analyzed four co-location options in the area of slightly lesser heights and found them implausible. Two options are located too far away to provide coverage to the target area. Of the other options, an existing 50' tall stealth flag pole that contains a wireless facility at the southwest corner of Ray and Cooper roads cannot be modified to accommodate a second carrier and the 60' tall SRP power line towers along Cooper Road do not have leaseable space for the associated mechanical equipment.

The monopalm and associated mechanical equipment will occupy a 300-square foot area located behind the service station's main building and adjacent to the Consolidated Canal. The equipment will be completely screened from view by an 8' CMU wall. Any displaced landscaping will be replaced.

This request was noticed according to the provisions of the Chandler Zoning Code with a neighborhood meeting being held on November 29, 2006, with no citizens in attendance. 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. Expansion or modification of the use beyond approved exhibits shall void the Use Permit and require new Use Permit application and approval.
2. Landscaping shall be installed along the ground equipment screen wall nearest to the Consolidated Canal. As necessary, the ground equipment shall be moved away from the canal in order to accommodate the landscaping.
3. The wireless facility shall be limited to a height of 50'.
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.

26. USE PERMIT EXTENSION: Famous Sam's

APPROVED a 5-year Use Permit Extension, UP06-0083, Famous Sam's, Series 6, for the sale of liquor for on-premise consumption only within an existing restaurant and bar located at 940 N. Alma School Road, Suites #106-109. (Applicant: Tom Dickerson.)

The restaurant is located at the SEC of Alma School and Ray Roads, within the Alma Ray Plaza shopping. North, across Ray Road, are a Chinese Restaurant, Boston Market Restaurant and a vacant Albertson's grocery store. East, across Alma School Road is a variety of businesses located with the C-2 Community Commercial center.

Famous Sam's has been in operation since 1995 when they opened with a Series 12 Restaurant license and in 2004 requested a Use Permit to operate a Series 6 Bar license. Council approved the request with a two-year time condition.

The restaurant contributes free food for all Police Beat Meetings in the neighborhood, provides free lunches for participants in the March of Dimes "Jail & Bail" fundraisers, holds raffles for the Susan G. Komen Breast Cancer Foundation twice a month, provides food at the Chandler Police Open House and contributes to a variety of other fundraisers throughout the year.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 18, 2006. There were no neighbors in attendance. Staff has received no correspondence in opposition. The Police Department has been informed of the request and has no issues.

Upon finding consistency with the General Plan and C-2 zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The Use Permit is for a Series 6 liquor license only and any change in type of license shall require reapplication and new Use Permit approval.
2. Expansion or modification beyond the approved exhibits (Site Plan, Floor plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
3. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or the addition of entertainment related uses shall require reapplication and approval of a Use Permit.
4. The Use Permit is non-transferable to any other store location.
5. The Use Permit shall remain in effect for five (5) 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.

27. USE PERMIT: Villalpando's Mexican Restaurant

APPROVED Use Permit UP06-0080, Villalpando's Mexican restaurant, Series 12, for the sale of liquor for on-premise consumption only within a new restaurant at 7450 W. Chandler Boulevard. (Applicant: Mario Villalpando, Owner: National Retail Properties, Inc., Mark Opferman, Senior Property Manager.)

The restaurant is located within the Chandler Technology Center industrial business park and intends to open by the end of January. In 1989, the building was constructed for a Sizzler

restaurant and was then occupied by another restaurant, Damon's A Place for Ribs. JMX Clubhouse Grill, a planned tenant a few years ago, installed a building-mounted business sign but did not open for business. The proposed restaurant is located by a Denny's restaurant, Homewood Suites by Hilton, Hampton Inn hotel and an industrial/office building.

The applicant and property manager were notified regarding maintenance of the site's landscaping. Landscape material has died, been removed and/or cut down over time and there is no granite groundcover, only dirt in the planting areas. The applicant received a copy of the site's original landscape plan and intends to replace perimeter and building foundation landscaping within 30 days of Council's approval of the Use Permit. The building was recently repainted. The applicant has received approval of a building-mounted business sign replacing the existing sign.

The site tends to gather trash and debris due to its location near the freeway on-ramp. A condition has been added requiring the site to be maintained in a clean, weed and debris free manner. There have been motor homes parking in the restaurant's parking lot. The applicant has advised the persons in the motor homes not to park on the site.

The request was noticed in accordance with the requirements of the Chandler Zoning Code. Staff has received no correspondence in opposition to this request. The Police Department has been informed of the application and has responded with no issues or concerns.

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

1. Expansion, modification, or relocation beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit re-application and approval.
2. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or the addition of entertainment related uses shall require reapplication and approval of the Use Permit.
3. The Use Permit is granted for a Series 12 license only and any change of licenses shall require re-application and new Use Permit approval.
4. The Use Permit is non-transferable to other restaurant locations.
5. Landscaping throughout the site, including adjacent to the building, is required to be in compliance with the site's original landscape plan. Landscaping shall be installed within 30 days after City Council approval of the Use Permit. The applicant is responsible for contacting Site Development for a landscape inspection.
6. The site shall be maintained in a clean, weed and debris free manner.

28. USE PERMIT: Hong Kong Bistro

APPROVED Use Permit UP06-0078 Hong Kong Bistro, Series 12, for the sale of liquor for on-premise consumption only within a new restaurant at 4990 S. Gilbert Rd., Suite #8. (Applicant: David Gee.)

The subject site is located at the NWC of Chandler Heights and Gilbert roads within the Chandler Heights Marketplace shopping center. The center is anchored by a Basha's Grocery store. East, across Gilbert Road is the Reid's Ranch single-family subdivision. South, across Chandler Heights Road, are a CVS Pharmacy and M&I Bank.

The applicant is currently not requesting to allow for liquor sales on the outdoor patio and is therefore, not required to meet enclosure requirements. If the applicant would like to serve alcohol on the patio, the patio would have to be enclosed by a 42" permanent enclosure.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on January 4, 2007. There were no neighbors in attendance. The Police Department has been informed of the application and has not responded with any concerns.

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

1. The Use Permit is granted for a Series 12 license only and any change of license shall require reapplication and new Use Permit approval.
2. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
3. The Use Permit is non-transferable to other store locations.
4. In order to serve alcohol on the patio, the patio must meet enclosure requirements.

29. LIQUOR LICENSE: Hong Kong Bistro

APPROVED a Series 12 Restaurant Liquor License (Chandler #109530 L12) for Jing Yue Zhen, Agent, Jeff & David, Inc., dba Hong Kong Bistro, 4990 S. Gilbert Rd., Suite #8. A recommendation for approval of State Liquor License #12076952 will be forwarded to the State Liquor Department. The Police Department reports no objections to the issuance of the 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.

30. CONTINUED USE PERMIT: Ibiza Blue Restaurante

CONTINUED to FEBRUARY 22, 2007, Use Permit UP06-0085 Ibiza Blue Restaurante, Series 7, for the sale of wine & beer by individual portions for on-premise consumption or in the original container for off-premise consumption at 1964 N. Alma School Road, Suites #1-4. (Applicant: Alas de Oro, LLC, dba Ibiza Blue; Owner: Michael A. Pollack Investments.)

After the Planning Commission hearing, the business received a citation from the Chandler Police Department due to music inside the establishment causing a nuisance to neighboring residential properties. A court date has been scheduled to address the citation. The business owner is in the midst of a series of improvements that are intended to reduce noise emanating from the establishment. Staff recommends a continuance to allow more time to address and observe noise issues pertaining to the establishment and measures taken by the applicant to mitigate the noise. Though a neighboring property owner is opposition to the Use Permit has indicated that a continuance is not preferable, her main concern is eliminating the noise problem as soon as possible.

31. CONTINUED LIQUOR LICENSE: Ibiza Blue Restaurante

CONTINUED to FEBRUARY 22, 2007, Series 7, for Lori A. Tapia, Alas De Oro LLC, dba Ibiza Blue Restaurante at 1964 N. Alma School Road, Suites #104 to allow the applicant time to complete the Planning and Development requirements for their site and a new Use Permit.

32. CONTINUED LIQUOR LICENSE: Jeepney Bistro

CONTINUED to March 5, 2007, Liquor License, Series 12, for Joselito Salazar Sydiongco, Agent, Jeepney Bistro, Inc., dba Jeepney Bistro, 2390 N. Alma School Road, Suite #103 to allow the applicant time to complete the requirements for a new Use Permit.

33. SPECIAL EVENT LIQUOR LICENSE: South Chandler Self-Help Foundation

APPROVED a Special Event Liquor License for the South Chandler Self-Help Foundation, Inc. for a Black History Celebration Ball on February 16, 2007, at the City of Chandler Community Center at 125 E. Commonwealth Avenue #109. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control.

34. SPECIAL EVENT LIQUOR LICENSE: Chandler Chamber of Commerce

APPROVED a Special Event Liquor License for the Chandler Chamber of Commerce for a Chamber Mixer and Ostrich Festival Kickoff on March 8, 2007, at Thorebred Chevrolet, 2121 N. Arizona Avenue. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control.

35. SPECIAL EVENT LIQUOR LICENSE: Chandler Chamber of Commerce

APPROVED a Special Event Liquor License for the Chandler Chamber of Commerce for the 19th Annual Ostrich Festival on March 9-11, 2007, at Tumbleweed Park, 2250 S. McQueen Road. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid. Recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control.

36. FINAL PLAT: Maplewood Court

APPROVED Final Plat, FPT06-0042, Maplewood Court, for a residential development on approximately 15 acres at the SWC of Maplewood and Vine streets (south of Willis Road and east of Alma School Road). (Applicant: M. R. Tanner Development and Construction, Inc.) The plat creates the lots and tracts, construction-phasing lines, establishes the necessary easements and dedicates the required rights-of-way.

37. BOARD AND COMMISSION APPOINTMENTS

APPROVED the appointment of Jim Ryan and Andrew Szabo to the Museums Advisory Board.

SPECIAL ORDERS OF THE DAY

A. Mayor's Announcements:

MAYOR DUNN announced that the Volunteer Income Tax Assistance program (VITA) will be located in the First Credit Union building, 25 S. Arizona Place #111, Mondays and Wednesdays, 5-8 p.m. and Saturdays, 9 a.m. – 1 p.m. through April 14 to provide assistance to low and moderate-income families.

THE MAYOR also announced the Senior Expo, hosted by the Mayor's Committee for the Aging, will be held March 7, from 9 a.m. to noon at the Chandler Community Center. There will be representatives from various agencies providing information about their services for seniors.

THE MAYOR invited the public to attend a meeting on February 15, 6-8 p.m., for citizens to learn about future development plans within the Chandler Airpark Area including Covance.

MAYOR DUNN also invited residents to attend the annual State of the City address on Tuesday, February 20th, at the Chandler Center for the Arts beginning with a reception at 6:00 p.m. followed by the State of the City address at 6:30 p.m.

B. Councilmembers' Announcements:

C. City Manager's Announcement:

There were no City Manager announcements at this time.

Adjournment: The meeting was adjourned at approximately 7:37 p.m.

ATTEST: _____
City Clerk

MAYOR

Approved: _____

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of Chandler, Arizona, held on the 8th day of February 2007. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of _____, 2007.

City Clerk

DRAFT