

COUNCILMEMBER ORLANDO asked what we would be charging for citations. CMDR. CHRISTENSEN said the rates for the citations will not change from \$200 for a red light violation, speeding ranges from \$190 - \$495 depending on how much in excess of the limit the driver is going and defensive driving school is a flat fee of \$130. COUNCILMEMBER ORLANDO commented that the additional revenue is expected due to volume increase from additional intersections being added rather than an increase in fees. Cmdr. Christensen that there are three components leading to the increase in revenue – 1) the decreased fee to Redflex, 2) the increase to 12 intersections and 3) adding speed which significantly increases the number of citations. COUNCILMEMBER ORLANDO said that it is important to go forward, but does not want it to be viewed as a revenue-generating project and emphasized it is out of a concern for safety.

COUNCILMEMBER CACCAMO asked about the possibility of a decrease in revenue. Cmdr. Christensen said that if there are no activations, there is no cost to the City because we only pay for activations and not the equipment.

MAYOR DUNN reiterated that the safety issue is foremost rather than proposed revenue. The revenue may be designated for a specific use such as traffic safety. Cmdr. Christensen said that based on information provided by Scottsdale through the study on the 101, it is anticipated that after the first few months there will be a significant drop off in the number of activations which would drop any fees collected. Monetary consideration is not a component for the Police Department or Staff.

MAYOR DUNN asked what is trying to be accomplished by adding the speed element to the intersections where there is photo red light. Cmdr. Christensen showed a graph depicting the higher the speed, the higher the probability of an injury accident. Speed is the next phase of making the City safer and reducing injury accidents.

COUNCILMEMBER WENINGER asked if there has been a poll of just Chandler residents on this issue. Cmdr. Christensen said there was no formal poll taken, but they did attempt to get citizen input. COUNCILMEMBER WENINGER asked if the cameras could be relocated. Cmdr. Christensen responded that they are at fixed locations, but there is an ability to expand the program. COUNCILMEMBER WENINGER commented that four of the top five intersections in the City for accidents all have photo radar. Cmdr. Christensen said that there has been a 12% reduction in the City overall and a 14% reduction at these intersections.

COUNCILMEMBER WENINGER noted that the number six and seven intersections (Alma School/Chandler and Arizona/Chandler) for accidents are not scheduled to be equipped with photo radar. Cmdr. Christensen responded that those two intersections were not selected due to construction, which would make the intersection move. In addition, there was a reduction of accidents at those intersections in 2006. They also take into consideration the proximity of other photo-enforced intersections. COUNCILMEMBER WENINGER asked about placement at Hamilton High School and Gilbert/Riggs, which do not appear in the top 40 for accidents. Cmdr. Christensen responded that those intersections were chosen from information provided by the Chandler Police Traffic Unit. COUNCILMEMBER WENINGER asked about out of pocket funding. Cmdr. Christensen said there are no out-of pocket funds for this program.

COUNCILMEMBER ORLANDO said that he supports extra enforcement to keep Chandler safe and asked what it would take to monitor these intersections with all police officers rather than cameras. Cmdr. Christensen said that it would take 6 officers to staff one intersection 24/7. Councilmember Orlando commented and Cmdr. Christensen agreed that this use of technology helps to free up officers for other law enforcement activities.

**March 22 2007**

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 Monday, March 5, 2007 at 7:05 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 Christopher Clarke, Chandler Baha'i Faith

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

SCHEDULED PUBLIC APPEARANCES:

1. Proclamation – Ostrich Festival Week:

MAYOR DUNN was joined by Chandler Chamber of Commerce President and CEO Becky Jackson, Ostrich Festival Chair Karen Bredesen and Chamber Communications and Ostrich Festival Coordinator Dara Gibson as he read a proclamation proclaiming March 4-11, 2007 as Ostrich Festival Week.

Ms. Jackson said that the Fun Run held yesterday had approximately 170 participants at Tumbleweed Park. There will be a kickoff event Thursday night at Thorobred Chevrolet, parade sponsor, for the parade on Saturday at 10:00 a.m. The festival starts at 4:00 p.m. on Friday. Ms. Jackson thanked City Staff for their support.

2. Proclamation – Cesar Chavez Day:

MAYOR DUNN was joined by Marcos Garcia Acosta and Carmen Cornejo of the Si Se Puede Board as he read a proclamation proclaiming March 31, 2007, as César Chávez Day.

Marcos thanked the Mayor for the honor. He invited the Mayor and Council to attend the dinner on March 23<sup>rd</sup>. There will also a robotics competition in June. The Chandler High School Si Se Puede robotics team will be competing this weekend at the Veteran's Coliseum.

3. Proclamation – Disabilities Awareness Month:

MAYOR DUNN was joined by Mary Travis, member of the Mayor's Committee for People with Disabilities, who accepted the proclamation declaring the month of March as Disabilities Awareness Month.

4. Awards Presentations – Disabilities Recognition:

MAYOR DUNN was assisted by Ms. Travis in presenting the following awards:

Employee of the Year – Ryan Shea, a courtesy clerk at Basha's grocery store at Alma School and Queen Creek. Ryan has worked at Basha's for the past 3 years and is known to be a dependable and positive employee who loves his job.

Employer of the Year – Chris Watson, Chandler AMF Bowling Center Manager, hired an employee with Down Syndrome two years ago and has since hired another with a disability. Bryan and Leroy have a place to go where they are treated with respect and dignity and perform their jobs with pride.

Student of the Year – Anthony Guglielmo, a graduating senior at Hamilton High School is recognized as a very polite, kind, caring and excellent student.

Volunteer of the Year – Vicky Boudreau, a board member for Recreation and Athletics for the Disabled and serves as its Special Events Chairman. In 2006, she was responsible for hosting two major events in conjunction with Chandler's Therapeutic Recreation program including a Sock Hop and a Night at the Movies.

5. Tony DiBonito - Woman Supremacy is Not Hostility:

Mr. DiBonito spoke about women's supremacy.

UNSCHEDULED PUBLIC APPEARANCES:

BARBARA KNOX, 800 W. Tyson Street, thanked Council and Staff for recent action enforcing zoning ordinances. She reported that 460 N. Evergreen has a lot of chickens and cats and is not in good repair and she has notified staff. Another house has been under construction for a long time at 464 N. Pleasant and has a lot of trash. She learned that the house is a spec house and part of the Islamic Center of the East Valley subdivision. She noted a mosque was approved 10 years ago in her neighborhood and is still under construction.

COUNCILMEMBER ORLANDO directed Staff to provide status reports to Council and residents.

PAUL HASS, 486 N. Pleasant Drive, lives directly behind the mosque and has to deal with the trash. He is disappointed that the City is allowing construction to continue for such a long time. The builder is irresponsible with dust and weed control and has failed to build a fence on his property. He suggested that Staff and Council request a definitive time line for completion of the building or have it taken down.

MAYOR DUNN AND COUNCILMEMBER ORLANDO directed Staff to provide a status report to Council on this project.

STU SHIVKA, 1961 N. Hartford, near Arizona Avenue and Warner Road, spoke regarding noise from loud speakers in cars, which would seem to be in violation of the noise ordinance. He said the police told him that he should be giving them license plate numbers and vehicle descriptions; however, by the time he gets outside, the vehicle has passed.

SHARMAN HAGEMAN, showed pictures of two areas she complained about a week ago that have been resolved, but added only in that block. She showed a picture of the house Ms. Knox was referring to. Someone from the newspaper told her that a corporation owns the lot on Commonwealth and it is scheduled for demolition. Ms. Hageman also showed pictures of deteriorating curbs and sidewalks in the downtown area of Chandler Boulevard & Ray and Arizona Avenue to Alma School.

VICE-MAYOR HUGGINS directed Staff to provide a status report to Council and Ms. Knox and Ms. Hageman on what is being done.

COUNCILMEMBER ORLANDO directed Staff to provide a status report on sidewalk maintenance in the areas mentioned by Ms. Hageman.

COUNCILMEMBER WENINGER directed Staff to provide information on the process when there is a nuisance on private property.

VICKY ABRET, who lives behind Chandler High School, said that she complained to Council two weeks ago about standing water in her neighborhood and work has begun. She also expressed concern with the number of empty big box buildings in Chandler.

#### CONSENT:

COUNCILMEMBER WENINGER asked if the applicant on Item #19 (Purrfect Auto) would be willing to mitigate sight line impairments of existing buildings by keeping the same square footage but moving it back. PLANNER Bill Dermody said that Staff has been working with the applicant and neighboring property owner, but have not been successful. The options would be to flip the building, remove some parking on the west and put it between the buildings or to shrink the building, which is not agreeable to the applicant. Moving the building south would create a traffic-flow problem by reducing the driveway width on the southern end behind the buildings.

COUNCILMEMBER WENINGER said that applicants are not always aware of what they can or cannot do. PLANNING DIRECTOR MR. BALLARD said that the driveway planned for the rear of this center aligns with the driveways on the other portion of the center. Some electrical service panels, etc. are planned for the south of the building and moving the building farther south could hinder that.

AL CAPPELLO, Looker & Cappello Architects, 2070 E. Southern Ave., Tempe, showed a rendering of the current property. He explained they are on lot 2 with an existing drive across the front and an L-shaped parking area. The building was designed to fill the only undeveloped portion of the site. The access to the rear of the building is used for deliveries and other services as well as fire access to the entire complex. He reported their intention was to unify their buildings design with other retail in the area. Their main tenant is a body shop maintenance facility to the rear hidden by the store on the corner. Retail has been located in the front similar to that in the existing building. The building height is no higher than what exists.

COUNCILMEMBER ORLANDO asked about Item #15 (payment for additional CAP water) and whether or not we have options to buy additional water. ASSISTANT CITY ATTORNEY Cynthia Haglin said that this is a reallocation of additional CAP M&I water left in the CAP system and has been authorized as part of the Arizona Water Settlements Act. There will be some opportunities to pursue some non-Indian agricultural water, which is a lower priority than the M&I, water.

COUNCILMEMBER ORLANDO asked if we would need to buy additional water from CAP. Ms. Haglin responded that this would suffice to build-out. ASST. MUNICIPAL UTILITIES DIRECTOR Karen Barfoot added that there is non-Indian AG water available, but Chandler probably would probably not get any because we have the water for build out. This will be reviewed again with the Master Plan update which will be followed closely with the General Plan update. Staff is in the process of selecting a consultant and the update will be completed in approximately 18 – 24 months. The rate structure will be adopted prior to any knowledge of additional water supplies.

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

MAYOR DUNN stated he would be abstaining on Items #11 (Annexation NWC Ocotillo and McQueen) and #16 (Willis Road Property) due to a potential conflict of interest.

VICE-MAYOR HUGGINS stated he would be abstaining on Items #17 (201 N. Colorado Street) and #33 (La Familia Market) due to a conflict of interest.

Motion carried unanimously (7-0) with the exceptions noted.

1. MINUTES:

APPROVED, as presented, minutes of the City Council Special and Regular Meeting of February 22, 2007.

2. REZONING: Clemente Ranch Ord. #3881

ADOPTED Ordinance No. 3881, DVR06-0054, Clemente Ranch, rezoning from PAD to PAD amended to eliminate a zoning condition requiring that no homes be built within the 300-foot dairy buffer for 56 lots of a residential neighborhood south of the SEC of Germann and Dobson roads.

3. POWER DISTRIBUTION EASEMENT: SRP Ord. #3882

ADOPTED Ordinance No. 3882 granting a no-cost power distribution easement to Salt River Project (SRP) to energize the electrical facilities needed for the Fire Maintenance Facility expansion east of Price Road between Frye Road and Chandler Boulevard.

4. REZONING: Stonefield II Ord. #3883

ADOPTED Ordinance No. 3883, DVR06-0057 Stonefield II, rezoning from AG-1 to PAD for two single-family residential subdivisions on approximately 39 acres south of the SEC of Germann and Dobson roads.

5. CITY CODE AMENDMENT: Chapter 8 Ord. #3888

ADOPTED Ordinance No. 3888 amending City Code Chapter 8, Section 8-10 and adding Section 8-11 pertaining to the Chandler Municipal Airport runway extension, physical limitations and airport certification for scheduled and unscheduled air carrier service.

6. REZONING: Downtown Ocotillo Ord. #3889

ADOPTED Ordinance No. 3889 DVR06-0051 Downtown Ocotillo, rezoning from PAD to PAD amended for the commercial retail, office, hotel and multi-family residential development on approximately 30.5 acres at the SWC of Dobson and Queen Creek roads.

7. REZONING: The Waters At Ocotillo Ord. #3890

ADOPTED Ordinance No. 3890, DVR06-0052, The Waters At Ocotillo, rezoning from PAD to PAD amended for a commercial retail, office, single-family, and multi-family residential development on approximately 74 acres south of the SEC of Dobson and Queen Creek roads.

8. REZONING: Layton Lakes Parcel 16 & 16B Ord. #3891

ADOPTED Ordinance No. 3891, DVR06-0017, Layton Lakes Parcel 16 & 16B, rezoning from PAD to PAD amended on approximately 5 acres of an approximately 33-acre site for the development of a church facility with site layout and housing product for a single-family residential subdivision on the remainder of the 33-acre site at the NWC of Lindsay Road and Layton Lakes Boulevard.

9. REZONING: Portico Place Ord. #3893

ADOPTED Ordinance No. 3893, DVR06-0034 Portico Place, rezoning from Planned Industrial District (I-1) zoning to PAD for a commercial retail and office development on approximately 14 acres at the SWC of Chandler Boulevard and Dobson Road.

10. TRANSMISSION EASEMENT: SRP Ord. #3871

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3871 granting a transmission and aerial easement to Salt River Project, at no-cost, to accommodate the relocation of 69 kilovolt (kV) electrical facilities, at the intersection of Gilbert and Queen Creek roads.

As part of the development of Carmel Village Plaza, a commercial retail project, it is necessary for SRP to relocate their 69 kV power poles and lines at the southwest corner of Gilbert and Queen Creek roads. The relocation of the 69 kV line to the south will allow these poles to tie into the existing, previously relocated poles on the east and west parcels adjacent to this project. The relocation will also benefit the future widening of Queen Creek Road by the City. The poles and power lines to be relocated require that SRP request an offsite transmission easement plus an aerial easement on each side of the pole line. The new transmission and aerial easement areas will be contained in a legal description as approved by the Public Works Director. The new overhead aerial easement will cover the new pole locations and power lines. The easement will also grant access to SRP to maintenance of the electrical facilities.

11. ANNEXATION: SWC Appleby Road / Consolidated Canal Ord. #3894

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3894 annexation of approximately 35 acres at the SWC of Appleby Road and the Consolidated Canal. (Applicant: Farid Moradi, Manager, PBI Arizona L.P.)

The City Council held a public hearing on this requested annexation on January 25, 2007. Staff has received the original signed petition from the property owner. The request has been processed in compliance with State Statutes governing annexations.

The property is currently R-43 Rural Residential within the County. The Chandler Airpark Area Plan, a land use element of the Chandler General Plan, designates the area for Light Industrial. The applicant will be seeking rezoning consistent with that designation.

The property is vacant and undeveloped. Existing and/or approved land uses surrounding the site include one rural residence and a large industrial user to the north, City of Chandler Landfill to the east, a mini-storage and business park to the south and additional vacant property to the west. The property is within the 55 LDN aircraft noise contour but is not within the 100-year flood plain.

MAYOR DUNN declared a potential conflict of interest on this item and abstained from voting.

12. REZONING AMENDMENT: Southshore Town Center-Phase II Ord. #3896

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3896, DVR06-0060 Southshore Town Center – Phase II, rezoning amendment from PAD to PAD to allow the addition of a condominium storage business for items such as, but not limited to, recreational vehicles/motor coaches (RV's), cars, boats, file storage, off-road vehicles, office furniture, and business equipment with Preliminary Development Plan for a condo storage business, a self-storage warehouse business and a future pad on approximately 12 acres at the SWC of Ocotillo Road and the Union Pacific Railroad tracks. (Applicant: Robert Kubieck Architects & Associates.)

In July 2004, the property was zoned Planned Area Development (PAD) as part of the Southshore Town Center zoning case. The request included the existing Home Depot-anchored shopping center and approximately a 12-acre parcel east of the shopping center.

The 12-gross acres parcel proposed for Southshore Town Center – Phase II was zoned PAD to allow uses permitted by right in the Community Commercial District (C-2) zoning including nursery/kindergarten/daycare, research and educational facilities, self-storage rental warehouse facilities including motor vehicle, RV and boat storage as an accessory use, and trade and vocational schools. The proposed zoning amendment to allow a condominium warehouse facility includes for-sale condominium storage units large enough to accommodate RV's/motor coaches, boats, cars, jet skis and the like. Smaller units allow the storage of files/records and personal items.

North of the site is Ocotillo Road and vacant property recently zoned PAD for commercial and business park uses as part of Paseo Lindo a larger mixed-use commercial and residential development. The west side of the site is the Home Depot-anchored shopping center with an auto service center and the rear of Home Depot backing up to the subject site. East of the site are the Union Pacific railroad tracks. East of the railroad tracks is property zoned and planned for business park use. South of the site is vacant land planned for business park and light industrial use.

The condominium storage facility provides owner-occupied storage units in which each owner is a member of a Property Owners Association (POA). The units are for storage only and any business or enterprise operations are prohibited in the owners' Covenants, Conditions & Restrictions (CC&R's).

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 21, 2006. There were no residents 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 conditions listed in the ordinance.

13. REZONING: Food City Monument Sign Ord. #3897

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3897, DVR07-0004 Food City Monument Sign, rezoning from Regional Commercial (C-3) to Regional Commercial with a Planned Area Development overlay (C-3/PAD) and Preliminary Development Plan for new monument signage at the NEC of Ray Road and Arizona Avenue. (Applicant: Affiliated Property Management, Donna Powell; Owner: Mitten Limited Partnership.) Rezoning and PDP approval is necessary because the requested signage exceeds the maximum height and number of panels allowed by code and is not intended to affect the center's land use.

The application requests permission to construct on 16-foot high monument sign with three sign panels and center identification to replace the previous two monument signs. The request is prompted by the recent CIP work performed by the City of Chandler at the Ray Road and Arizona Avenue intersection. In the course of improving the intersection, the City removed the two shopping center monument signs along Arizona Avenue to allow for road widening. After the road widening, there will only be sufficient space to replace one of the monument signs.

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Staff has received no correspondence in opposition to this request.

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

14. REZONING: Magnum Medical Office Ord. #3898

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3898, DVR06-0026 Magnum Medical Office, rezoning from AG-1 to PAD with Preliminary Development Plan on approximately 4.22 acres for the construction of a general/medical office development located south of the SEC of Chandler Boulevard and Dobson Road. (Applicant: Michael P. Monroe, Archicon, L.C.)

The General Plan designates this parcel as Low Density Residential, while allowing the consideration of Office and Institutional uses along the frontages of arterial streets. The proposed development is consistent with the General Plan.

The subject site is surrounded to the north by a parcel zoned AG-1, owned by Salt River Project. North of the SRP parcel is the existing commercial development San Marcos Square. South and east of the site is the existing Madison/Parkhurst Apartment development. Dobson Road abuts the property's west side. Additionally, the site has direct access to the collector street, Boston Avenue.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on January 4, 2007. There were no neighbors 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 conditions listed in the ordinance.

15. PAYMENT: Water Allocation

Res. #4038

ADOPTED Resolution No. 4038 authorizing payment for an additional Central Arizona Project Municipal and Industrial (CAP M&I) water allocation in an amount not to exceed \$3,636,300.00 and approving and authorizing the Mayor of the City of Chandler to execute the subcontract among the United States, Central Arizona Water Conservation District and the City of Chandler providing for water service – Central Arizona Project and authority to transfer appropriation in the amount of \$247,000.00 from a contingency account to a capital account to make sufficient appropriations available for this payment. The reallocation of the water was authorized by the Arizona Water Settlements Act. The Act also requires that the Department of Interior offer amended contracts, including certain amended terms, to all CAB subcontractors. This resolution also approves the Chandler Amended CAP Subcontract, which includes these amended terms. The Chandler Amended CAP Subcontract also covers delivery, by CAWCD, of both Chandler's initial CAP M&I water allocation of 4,986 acre-feet.

On December 15, 2005, through Resolution No. 3921, the Chandler City Council approved the Gila River Indian Community Amended and Restated Water Rights Settlement Agreement. This Chandler Amended CAP Subcontract will become effective only upon completion of all steps required by the Arizona Water Settlements Act before that Settlement Agreement becomes enforceable. The Act also requires that the Enforceability Date for the settlement Agreement occur on or before December 31, 2007. We expect the Enforceability Date for the Settlement Agreement to occur shortly before that deadline. CAWCD and the City of Chandler both want the Chandler Amended CAP Subcontract to be fully executed and validated by the court before December 31, 2007, so that the amended subcontract's 100-year delivery term may begin on January 1, 2008.

As a result of the Arizona Water Settlements Act, and the resulting reallocation of CAP water by the Department of Interior, Chandler is entitled to an additional allocation of 4,986 acre-feet of CAP M&I water. The Chandler Amended CAP Subcontract, at Article 4.2, requires payment of past capital charges for any additional CAP M&I water allocation. Chandler wants to pay the required past capital charges so that it may use its additional 4,986 acre-feet of CAP M&I water. These past capital charges include accrued interest. Therefore, the required payment cannot be determined until Chandler is ready to finalize the Subcontract.

The Chandler Amended CAP Subcontract also requires court validation pursuant to A.R.S § 4-3731, et. seq. This Subcontract must also be executed by CAWCD and the United States before it will be effective. This year, numerous other CAP subcontractors will also be submitting their amended subcontracts to CAWCD and the United States for execution and to the court for validation. CAP and Chandler Staff recommend that this Subcontract be executed now so that the court validation may be completed well before the December 31, 2007, Enforceability Date deadline and intended January 1, 2008, effective date for this Subcontract.

The past capital charges for the Chandler Revised CAP Subcontract are estimated to be an amount not to exceed \$3,636,300.00. Since fiscal year 2001-2002, funds to pay the past capital

charges have been requested in the Capital Improvement Program (CIP) WA090 CAP Reallocation Project Water Capital Cost Center, and each year the requested funds have been set-aside in a liability account. The amount of money in the liability account is \$3,389,300.00. Therefore, a contingency fund transfer appropriation in the amount of \$247,000.00 is needed to ensure appropriation for the total amount is legally available in FY 2006-07 to allow approval of the Subcontract this fiscal year. Payment will actually be made in fiscal year 2007-08.

In addition to the past capital charges, each year beginning on the effective date of the Subcontract (anticipated to be January 1, 2008), Chandler will pay the annual capital charge associated with this new water supply until the CAP is repaid in full in 2043. This on-going annual charge is estimated to be \$105,000.00 (\$21.00 per acre foot) and has been reflected in the CIP since FY 2001-02. Additional water operating funds are being requested in the FY 2007-08 budget to increase the budget to include this charge.

16. AREA PLAN AMENDMENT / REZONING: Willis Road Property Res. #4048 & Ord. #3895

ADOPTED Resolution No. 4048, Area Plan AP06-0007, Willis Road Property, authorizing an Area Plan Amendment from Special Use Commercial to High Density Residential (HDR) on approximately 2 acres at the SWC of Willis Road and the Consolidated Canal.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3895, DVR06-0056, Willis Road Property, rezoning from AG-1 to PAD on approximately 6.4 acres to allow for future multi-family development at the SWC of Willis Road and the Consolidated Canal. (Applicant: Bruce Dunn, Paragon Development Group, LLC.)

The property is bounded by the Loop 202 Santan Freeway on the south. Willis Road is an unimproved street to the north. The City's Water Treatment Facility is on the north side of Willis Road. The Consolidated Paseo Canal is on the east. West of the site is vacant agricultural land. North and northwest of the property are County parcels including three existing single-family residences and agricultural parcels.

The property owner is currently working with prospective developers to purchase and develop the property. The intended development is planned for a high-density multi-family residential development with a density ranging from 12.1 to 18 dwelling units per acre. The multi-family development would be consistent with standards for MF-3 (High-Density Residential District) zoning and the High Density Residential (HDR) land use designation in the Airpark Area Plan.

MF-3 zoning permits up to 18 dwelling units per net acres, which is consistent with the high-density residential land use category in the Chandler Airpark Area Plan. The multi-family development will comply with the Multi-Family Residential Development Standards and all other codes, requirements and standards. The Development Booklet provides development designs standards and expectations for a multi-family development.

The General Plan designates this property as a part of the Chandler Airpark Area Plan and Santan Freeway Corridor Area Plan. The Airpark Area Plan is a mix of employment, commercial, residential densities, and open space in and around the Chandler Municipal Airport. The Airpark Area Plan designates the subject property as High Density Residential on approximately 4.4 acres and Special Use Commercial on approximately 2 acres. High density residential allows densities ranging from 12.1 to 18 dwelling units per acre for multi-family development, which include apartments and condominiums. Property to the west and south of the freeway are designated as High Density Residential, Medium Density Residential and Special Use

Commercial along the canal. The Santan Freeway Corridor Plan adopted the same land uses designated in the Airpark Area Plan.

The Airpark Area Plan designates the area bounded by McQueen Road, Willis Road, Germann Road and the Consolidated Paseo Canal as the airpark's "Urban Village". The Urban Village is along the west side of the canal and intended to provide a mix of medium and high-density residential developments and Special Use Commercial development, which includes retail, service, entertainment, and office commercial in conjunction with the Paseo Canal System and possible integration with medium to high-density residential. The area includes one existing medium-density development along Germann Road named La Paloma. All other parcels remain agricultural in nature. The five parcels designated Special Use Commercial south of the Loop 202 Santan Freeway are owned by the Episcopal Diocese of Arizona.

The parcel proposed for an amendment to the Airpark Area Plan is approximately 2 acres in size. The current land use designation is Special Use Commercial. This land use designation is no longer practical given the site's small size, location along a collector right-of-way that terminates at the Consolidated Paseo Canal and no arterial street frontage. A change in land use to High Density Residential is compatible and consistent with adjacent High Density Residential land use designations and provides a greater opportunity for this parcel to be incorporated into a larger multi-family development. There are two parcels west of the 6.4 acres proposed for rezoning, which are owned by the Arizona Department of Transportation (ADOT) and also designated for High Density Residential.

The Airport Commission reviewed the zoning request in accordance with the Airport Conflicts Evaluation Process. The Airport Manager has issued a conflicts evaluation report indicating that the Commission found the proposed development does not constitute a conflict with existing or planned airport uses on the 6.4 total acres. However, the Commission did determine there was a conflict on the approximate 2-acre parcel. The 2-acre portion was cited as a conflict in regards to the proposed change from the land use designation of Special Use Commercial to High Density Residential. The Commission determined the resolution to the conflict is to maintain the land use for the 2-acre parcel as Special Use Commercial as currently depicted in the Airpark Area Plan.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on January 16, 2007. There were approximately 10 in attendance. Staff has received no correspondence in opposition to this request.

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

MAYOR DUNN declared a potential conflict of interest on this item and abstained from voting.

17. PROPERTY ACQUISITION: 201 N. Colorado Street Res. #4049

ADOPTED Resolution No. 4049 authorizing the acquisition of real property at 201 N. Colorado Street needed for safe use and operation of the public roadway and to remove nonconforming structures and is a matter of public necessity; authorizing the purchase of said real property; authorizing condemnation proceedings as needed to acquire said real property and to obtain immediate possession thereof; and authorizing such relocation assistance as may be required by law.

On December 18, 2003, Council approved the alignment of Chandler Boulevard from Nebraska Street to Colorado Street and Arizona Avenue from Buffalo Street to Detroit Street and the project has not been completed. One adverse result is that motorists attempting to turn east onto Chandler Boulevard from Colorado Street on the north have their visibility reduced to the point that it has been deemed unsafe so that this portion of Colorado Street has been closed. To correct this problem, the City needs to acquire the real property at 201 N. Colorado Street, located at the NEC of the intersection of Chandler Boulevard and Colorado Street and remove the building and structures thereon, which are nonconforming to City setback and other development standards.

The City has been negotiating with the property owner for some time to acquire the site, but the negotiations have been unsuccessful. The site needs to be cleared so that Colorado Street is not closed indefinitely. Thus, Staff requests approval of this resolution in order to allow acquisition of the site to proceed, by purchase if possible, by condemnation if necessary, in which case, an order of immediate possession may also be sought to allow the expeditious removal of the structures on the site.

VICE-MAYOR HUGGINS declared a conflict of interest on this item and abstained from voting.

18. PRELIMINARY DEVELOPMENT PLAN: Amtrust Bank At Raintree Ranch Center

APPROVED Preliminary Development Plan, PDP06-0053 Amtrust Bank At Raintree Ranch Center for building architecture for a freestanding bank pad located at the SEC of Ray and Price roads/Loop 101 freeway. (Applicant: Ethos, Paul Rogers; Owner: Weingarten Realty Investors.)

The bank pad is a part of a larger planned commercial center that received PDP approval in December 2005. At the time of the original PDP approval, architectural building elevations were not provided for three freestanding pads. The approval included a condition stating, "Freestanding pads A, B and C shall be reviewed and approved through a separate Preliminary Development Plan. The freestanding pads shall carry an architectural level of detail similar to front facades of main buildings within the commercial center, architectural designs set forth in the Development Booklet and in accordance with the Commercial Design Standards".

This application includes architectural building elevations for the bank pad, Pad C, which is located east of the sewer lift station at the southeast corner of Ray and Price roads. The drive-through includes three lanes and a pass-through lane.

The request was noticed in accordance with the requirements of the Chandler Zoning Code. Staff has received no correspondence in opposition to this request.

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

1. Development shall be in substantial conformance with Development Booklet entitled "AmTrust Bank at Raintree Ranch Center" kept on file in the City of Chandler Planning Services Division in File No. PDP06-0053, except as modified by condition herein.
2. Compliance with the original stipulations adopted by the City Council as Ordinance 3744, case DVR05-0041, except as modified in condition herein.
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.

4. No raceways allowed for signage.

19. PRELIMINARY DEVELOPMENT PLAN: Purrfect Auto

APPROVED Preliminary Development Plan, PDP06-0055 Purrfect Auto, for a new retail and auto service building in an existing shopping center, Dene Retail Center, at 125 E. Ray Road. (Applicant: Looker & Cappello Architects; Owner: AMG Development of Arizona.)

The Dene Retail Center, previously known as the Evergreen Retail Center, received conceptual Planned Area Development (PAD) zoning approval for commercial uses in 1998 as part of a larger multi-use project. At the time of the 1998 rezoning, the subject site was conceptually shown as a fast-food restaurant, but all parts of the center were stipulated to require separate PDP approval. The eastern two-thirds of the Dene Retail Center received PDP approval in 2001 and has been developed as in-line retail shops. In 2004, the subject site, which occupies approximately the western third of the center, received PDP approval for a 2,812 square foot fast-food restaurant with a drive-through similar to the conceptual layout in the 1998 rezoning. The property is bordered on the west by a Walgreen's, on the east by the rest of the Dene Retail Center and on the south by an existing apartment complex. The Planning Commission and Staff are of the opinion that this request is an appropriate use of the final vacant parcel at this commercial location.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 7, 2007. Staff has received correspondence from two citizens 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. 2825 in case PL97-0177 Evergreen Retail Center.
2. Development shall be in substantial conformance with the Development Booklet entitled "Purrfect Auto" kept on file in the City of Chandler Planning Services Division in File No. PDP06-0055, 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 material, 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. All raceway signage shall be prohibited within the development.
8. All automobile services and associated equipment storage shall be conducted only inside the building.
9. In accordance with City Code, no vehicle shall be stored outdoors for more than one week.
10. There shall be no loudspeakers.

11. The screen wall along the western property line shall be 5 feet in height near the auto service bay doors and step down toward Ray Road.

20. AGREEMENT EXTENSION: Aquatic Consulting & Testing, Inc.

APPROVED an Agreement extension for an additional one-year term to Aquatic Consulting & Testing, Inc. for control of aquatic insects and odor at the Reverse Osmosis brine evaporation ponds in an amount not to exceed \$63,000.00.

The City of Chandler's Reverse Osmosis Facility maintains a 32-acre brine evaporation pond site near Gilbert and Ocotillo roads. Several housing developments are located in close proximity to the evaporation ponds. Residents of nearby development have expressed concern over midge fly nuisances. A midge fly is a small, non-biting insect that resembles a mosquito.

21. AGREEMENT: Willis of Arizona, Inc.

APPROVED an Agreement with Willis of Arizona, Inc. for brokerage services for three years in an amount not to exceed \$91,500.00.

22. AGREEMENT: Freightliner Sterling Western Star of Arizona

APPROVED an Agreement with Freightliner Sterling Western Star of Arizona for the purchase of six trucks in an amount not to exceed \$628,780.00.

The Streets Division has requested two 10-cubic yard dump trucks, one patch truck and one 2,200-gallon water truck. The trucks will be used for large street repairs and alley maintenance. The asphalt patch truck replaces the 15-year old patch truck and the water truck is an addition to the fleet for dust control on various projects.

The Parks Division has requested one 5-cubic yard dump truck and one 2,200-gallon water truck. The truck will be used in the maintenance of all City parks in the hauling of material and debris. The truck is also used in the delivery of the showmobile. The water truck was a GAP request approved by Council for FY 06/07. The truck will be used to control dust on undeveloped park sites and park improvement projects.

23. AGREEMENT: Presstek, Inc.

APPROVED an Agreement with Presstek, Inc. for the purchase of an offset printing press in an amount not to exceed \$47,083.80.

24. AGREEMENT: Water/Wastewater Equipment Repair and Maintenance

APPROVED Agreement #WA7-936-2409 with Weber Group, L.C., Gilbert Pump and Equipment Co., Layne Christensen Company and Foster Electric/Arizona Pump Company, Inc. for water/wastewater equipment repair and maintenance in a total amount not to exceed \$837,350.00. The Water and Wastewater Divisions require an ongoing contract for repair and maintenance of pumps and pumping equipment. Wastewater Collections requires an ongoing maintenance contract for the City's lift stations. The contract is also used to repair storm water pumps for the Streets Division.

25. AGREEMENT: Consultant Engineering, Inc.

APPROVED Agreement #ST0134-451 with Consultant Engineering, Inc. for supplemental construction management services during the construction of Alma School and Warner Roads Intersection Improvements, pursuant to Contract No. EN0602-101, in an amount not to exceed \$560,000.00.

The City's Construction Management Staff oversees the construction of the Capital Improvement Program (CIP) supplemented with outside consultants to address staffing needs during peak workloads. This contract is to engage the services of an on-call consultant to supplement City Staff for inspection and material testing for the Alma School and Warner Roads Improvements project. The consultant will be under the supervision of the City's CIP Construction Management Staff.

Improvements to the intersection of Alma School and Warner roads are partially funded with federal funds administered through an agreement with the Arizona Department of Transportation (ADOT). Part of the agreement with ADOT requires a higher level of administration and inspection during construction due to federal requirements. Current workloads limit City Staff's ability to administer and inspect to the required federal level.

This much anticipated project is planned to start construction in early April and be completed by the end of the year. A public meeting will be held prior to the start of construction. Also, regularly scheduled stakeholder meetings will be held to apprise them of progress throughout construction.

26. AGREEMENT: Kimley-Horn and Associates, Inc.

APPROVED Agreement #ST0607-201 to Kimley-Horn and Associates, Inc. for the design of Dynamic Message Sign and Emergency Service Connection in an amount not to exceed \$89,143.00.

A Dynamic Message Sign (DMS) is a large electronic display screen that can be installed near the roadway for the purpose of informing motorists about traffic conditions along their route. In particular, a DMS can be utilized to warn motorists of traffic accidents or freeway congestion, providing an opportunity for commuters to choose an alternate route in advance. This project will provide design services, technical specifications and coordination with private agencies and landowners for the future installation of one (1) new DMS and the relocation of one (1) existing DMS. The locations for the DMS are proposed as follows:

- ❑ Arizona Avenue northbound, south of the Loop 202 (relocated from Chandler Boulevard, east of Kyrene Road),
- ❑ Price Road northbound, south of the Loop 202

In addition, this project will include design and technical specifications for the communication equipment necessary to link the Traffic Management Center (TMC) to the Emergency Operations Center (EOC).

27. AGREEMENT AMENDMENT: Dennis L. Lopez & Associates, LLC

APPROVED Agreement #ST0605-201, Amendment No. 1, to Dennis L. Lopez & Associates, LLC, for appraisal services for the Germann Road – Dobson Road to Arizona Avenue Improvements, in the amount of \$15,000.00, for a revised contract total of \$63,000.00.

The original contract scope included appraisal work to value 32 parcels. Due to additional project requirements and the need to relocate irrigation and electric facilities, 8 new property rights have been added that were not part of the original scope of work. In addition, it has become necessary to revise 67 appraisals.

28. CONTRACT: Layton Construction

APPROVED Contract #FI0605-251 to Layton Construction for construction manager at risk pre-construction services for the Fire Administration building in an amount not to exceed \$58,246.00.

The pre-construction services contract award is the first step in the construction manager at risk process for construction. During the pre-construction services phase, the contractor will develop and manage the schedule, provide value analysis, constructability reviews, subcontractor coordination and prepare the guaranteed maximum price.

29. PURCHASE EXTENSION: Waxie Sanitary Supply

APPROVED a one-year Purchase Extension with Waxie Sanitary Supply for janitorial supplies, utilizing the State of Arizona contract, in an amount not to exceed \$150,000.00.

30. PURCHASE: Tymco International LTD

APPROVED the Purchase of a regenerative air street sweeper from Tymco International LTD, utilizing the Houston Galveston Area Cooperative, in an amount not to exceed \$156,621.91.

On October 25, 2006, the Maricopa Association of Governments (MAG) Regional Council approved the prioritized list of proposed PM-10 certified street sweeper purchases for fiscal year 2007. The City of Chandler was informed that our sweeper was authorized for grant funding. This sweeper meets all current MAG environmental requirements. The grant amount is for a maximum of \$164,464.00.

31. PURCHASE: Water Works Supplies

APPROVED the Purchase of water works supplies from Dana Kepner, Empire West, Inc. and Ferguson Water Works in an amount not to exceed \$250,000.00 for one year with provisions to extend for four additional one-year periods.

32. PURCHASE: RDO Equipment Company

APPROVED the Purchase of a backhoe from RDO Equipment Company, utilizing the Houston Galveston Area Cooperative, in an amount not to exceed \$95,388.00.

As Chandler continues to reach build-out, service requests are at an all time high. To provide residents and customers with timely repairs and service restoration where necessary, another backhoe is required. Two backhoes will allow repairs simultaneously to more areas of the City, maximizing Staff's productivity. A twenty-year old backhoe will be taken out of citywide service and used at the Water Distribution Yard to load fill dirt for offsite repairs.

33. USE PERMIT RENEWAL: La Familia Market

APPROVED a one-year Use Permit renewal, UP06-0075 La Familia Market, Series 10, for the sale of wine and beer only for off-premise consumption only at a convenience store at 545 N. Arizona Avenue. (Applicant: La Familia Market, Inc.; Owner: Tibshraeny Family Trust.)

The store's previous proprietors, Breaktimers, a convenience store more geared toward tobacco products, received Use Permit approval in December 2004 for a Series 10 License at this location for one year. Alcohol was not sold at this location prior to 2004.

The retail store is intended to serve the surrounding neighborhood and sells typical convenience store items. The business employs two people, with one to two employees on-site at a given time. Alcohol is stored in the cooler. There is ample parking on the property's north side to handle demand generated by the use. The store's only street access is from Arizona Avenue. The adjacent single-family neighborhood to the east is separated by an alley.

It is the Planning Commission and Staff's opinion that this use is compatible with the surrounding land uses. The Police Department reports no issues or concerns with the application. They received 13 calls for service from the subject location in the past year, comparable both in type and quantity to previous years.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 13, 2007. There were no citizens in attendance. Staff has received one letter in opposition citing an excess number of places selling beer and wine.

Upon finding consistency with the General Plan and Regional Commercial (C-3) zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The Use Permit granted is for a Series 10 license only and any change of license shall require reapplication and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. Expansion beyond the approved Floor Plan shall void the Use Permit and require new Use Permit application and approval.
4. Changes to the house of operation shall require new Use Permit application and approval.
5. 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.

VICE-MAYOR HUGGINS declared a conflict of interest on this item and abstained from voting.

34. USE PERMIT: Logan's Roadhouse

APPROVED Use Permit UP06-0076 Logan's Roadhouse, Series 12, for the sale of all spirituous liquor for on-premise consumption only within a new restaurant at 3481 W. Frye Road. (Applicant: Jennifer Maxey, Logan's Roadhouse.)

The site is located at the SEC of Frye Road and Chandler Village Drive, south of the Chandler Fashion Center. Directly east is a bank pad. To the site's south is a vacant pad and beyond that a Sports Authority and Bed, Bath and Beyond. West, across Chandler Village Drive is the historic Price House.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 12, 2007. There were no neighbors in attendance. The Police Department has been informed of the application and has responded with no concerns. Staff has received no correspondence in opposition.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval of the 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.

35. USE PERMIT: Jeepney Bistro

APPROVED Use Permit, UP06-0088 Jeepney Bistro, Series 12, for the sale of all spirituous liquor for on-premise consumption only within an existing restaurant at 2390 N. Alma School Road, Suites #103-105. (Applicant: Joselito Sydiogco.)

The site is located approximately ½ mile north of the NWC of Alma School and Warner roads within the Pollack Alma School Village Shoppe's center and is part of a section of in-line shops. Surrounding users include Von Hanson Meat Shop, Garcia's Mexican Restaurant and Fred Astaire Dance School. Directly west of the site is the College Park single-family residential neighborhood. East, across Alma School Road, is the Mastercraft single-family residential neighborhood. Directly south of the shopping center is the College Park Woods multi-family residential development.

The existing restaurant located in Suite #103 is currently in the process of being expanded to include Suite #105. The expansion will allow the restaurant to increase the patron seating area, provide a walk-in cooler, office and a karaoke platform for customers. The bar area depicted on the site plan is no longer being pursued and will be replaced with additional seating.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on January 23, 2007. There were no neighbors in attendance. Staff has received no correspondence in opposition. The Police Department has been informed of the application and has responded with no concerns.

Upon finding consistency with the General Plan, 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. The use of disc jockeys and live music shall be prohibited.

36. LIQUOR LICENSE: Jeepney Bistro

APPROVED a Series 12 Restaurant Liquor License (Chandler #50309 L12) for Joselito Salazar Sydiongco, Agent, Jeepney Bistro, Inc., dba Jeepney Bistro at 2390 N. Alma School Rd. #103. A recommendation for approval of State Liquor License #12076906 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.

37. PRELIMINARY PLAT: Pollack Chandler Crossing

APPROVED Preliminary Plat, PPT06-0050 Pollack Chandler Crossing, for a commercial development including retail, restaurant and office uses at the NEC of Chandler Boulevard and Cooper Road. (Applicant: Superior Surveying Services, Inc.) The plat creates the lots, tracts and easements necessary for the property's development.

The Planning Commission and Staff recommend approval subject to the following condition:

1. Approval by the City Engineer and Director of Planning and Development with regard to the details of all submittals required by code or condition.

38. PRELIMINARY PLAT: Canyon Rock Marketplace

APPROVED Preliminary Plat, PPT06-0026 Canyon Rock Marketplace, for a commercial development including retail, restaurant and hotel uses at the SWC of Alma School and Pecos roads. (Applicant: Site Consultants, Inc.) The plat creates the lots, tracts and easements necessary for the property's development.

The Planning Commission and Staff recommend approval subject to the following condition:

1. Approval by the City Engineer and Director of Planning and Development with regard to the details of all submittals required by code or condition.

39. PRELIMINARY PLAT: The Villas At Lone Tree

APPROVED Preliminary Plat, PPT06-0027 The Villas At Lone Tree, for "for-sale" condominiums at the SWC of Lindsay and Riggs roads. (Applicant: Carter-Burgess.) The plat creates the lots, establishes the necessary easements and dedicates the required rights-of-way.

40. FINAL PLAT: Southshore Village

APPROVED Final Plat, FPT07-0001 Southshore Village, for a residential subdivision in south Chandler north and east of the NEC of Arizona Avenue and Chandler Heights Road. (Applicant: Rick Engineering.) The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

ACTION:

41. CITY CODE AMENDMENT: Chapter 38

Ord. #3880

ADOPTED Ordinance No. 3880 amending Chapter 38, Section 38-13, of the City Code updating System Development Fees.

COUNCILMEMBER ORLANDO asked Staff for a brief overview of what has transpired since the last Council meeting. MS. WALKER said that on March 1<sup>st</sup>, a meeting was held between the Arizona Homebuilders Association, Capital Consulting representing the Multi-Family Housing Association and Norm Nichols and Tom Abraham with Fulton Homes. A memo was distributed to Council on March 2<sup>nd</sup>. There was discussion regarding the housing units as discussed at the February 22<sup>nd</sup> Council meeting. Ms. Gilstrap, with the Arizona Multihousing Association, asked Staff to look at an updated number, which Staff has done and distributed the alternatives. However, it is not recommended using either alternative because it would require updating the portion of the formula calculating what the fees will be.

Land prices were also mentioned for park development of \$150,540.00 per acre. Ms. Walker noted that it would be higher on smaller acreage. The amenities in the park are divided between a smaller amount of acreage and a large amount with a bigger park. Staff remains comfortable with \$150,540.00.

Ms. Walker said another topic discussed at the March 1<sup>st</sup> meeting was the Public Building fee category. Ms. Gilstrap feels that the growth-related percentage of the City Hall project is too high. Staff reviewed the information used to support the 50/50 split of the City Hall project from the 2005 consultant study and feels no adjustment is warranted.

Ms. Walker continued that there had been discussion over concerns with the newest residents having to pay for the parks. These projects have been in the impact fee calculations all along, so current residents have paid the fees. It's not just what is left to be built. She stated that people have paid it, we've used the balances, offset it against the cost and what is left is what needs to be collected to build the projects.

Ms. Walker said that Lauren Barnett and Russ Brockman of the Home Builders Association had mentioned some calculations regarding housing units per acre for neighborhood and community parks. Staff has worked with them and there have been some changes. The City has not looked strictly at the number of acres per housing unit in determining what parks. An alternative was considered if Mesquite Groves Park was reduced from 100 to 37 acres. However, the 100 acres covers two community parks. Staff still supports the original ordinance as submitted to Council.

COUNCILMEMBER ORLANDO asked if only the neighborhood park fees, community park fees and public building fees are being disputed. Ms. Walker said that it depends on which alternative is used. Alternative one or two, as suggested by Ms. Gilstrap adjusting the housing units, all of the fees are affected. She said that staff still feels comfortable using the July 1, 2006, figures.

MAYOR DUNN said that the goal of the study was to adjust the fees based on anticipated costs the City was facing to complete CIP projects. There is a comprehensive study of impact fees every other year. He asked when that would begin and how much time would be required to complete the study. MS. WALKER stated that they hope to have a consultant start the study in the summer working with the departments and various stakeholders for submission to Council in the fall. MAYOR DUNN asked if the process could be expedited. MR. PENTZ responded that it could be.

COUNCILMEMBER SEPULVEDA commented that over the last two years, the fees have increased by 100%. As he met with the private sector stakeholders, he looked at the numbers again. The increase in neighborhood parks is 192% over last year; community parks has increased 198%; public buildings has increased 95% and felt the numbers were fairly egregious.

COUNCILMEMBER DONOVAN asked Ms. Walker how the percentages were calculated referred to by COUNCILMEMBER SEPULVEDA. Ms. Walker responded that it is a combination of many things. The cost of land from the last update to this one increased approximately 78%. The cost of park development has increased about 38%. Because there are less units participating in the cost in the future is another 26%. Debt service for accelerated projects and having to sell bonds, interest for debt service has been included. Internal loans have been done to try to save on smaller amounts not requiring a bond sale and need to be repaid. A combination of all of these factors makes up the 198%.

COUNCILMEMBER DONOVAN asked if this were the first time debt service would be done for parks. Ms. Walker replied that it is.

COUNCILMEMBER DONOVAN referred to Ms. Walker's memo stating that 107 acres remain to be built with just fewer than 15,000 housing units. Ms. Walker said that these parks had been included in prior system development fee (impact fees) calculations. As everyone pulls a building permit and builds their home, they pay this fee, which goes into the impact fee funds specifically for neighborhood and community parks. When the study is updated, Staff takes into consideration the amount of funds on hand, subtracts it out and the balance is what is collected. COUNCILMEMBER DONOVAN commented that as we go through this process, it is important that we be fair to both new and future homeowners as well as those existing.

COUNCILMEMBER CACCAMO asked how current and projected impact fees compare with neighboring communities. Ms. Walker responded that Chandler is approximately fourth with the proposed increases. Every city has different service levels and fees and it is difficult to compare. In addition, Chandler's calculations are based on a 1" meter.

Upon request from COUNCILMEMBER ORLANDO, MS. WALKER reviewed her memo dated March 2<sup>nd</sup>.

MOVED BY COUNCILMEMBER CACCAMO, SECONDED BY VICE-MAYOR HUGGINS, to APPROVE FINAL ADOPTION OF ORDINANCE NO. 3880 AMENDING CHAPTER 38, SECTION 38-13, OF THE CITY CODE UPDATING SYSTEM DEVELOPMENT FEES.

LAUREN BARNETT, 3200 E. Camelback Rd., Phoenix, representing the Homebuilders Association of Central Arizona, thanked the Council for continuing this item to allow for the meeting of the stakeholders on March 1<sup>st</sup>. She stated the Homebuilders Association does not believe that this ordinance is an accurate representation of what impact fees should be and overcharge new growth. They believe that 14.5% of the last residents will be paying for 35.7% of the community parks and 24.9% of the neighborhood parks. Staff amended the growth portion of Mesquite Groves and they hope the Council will take that into consideration. This is a multi-million dollar business transaction that Council as policy makers plays an integral part in insuring the City's financial well-being. She said it is not fair to ask new residents to pay for more than their fair share.

COUNCILMEMBER SEPULVEDA asked what the percentage was before the adjustment was made on Friday. Ms. Barnett responded that their original numbers came in at about 50% meaning that 14% of the residents will be paying for approximately 50%. That number has decreased to approximately 35% as a result of the meeting on March 1<sup>st</sup>.

COUNCILMEMBER SEPULVEDA asked Mr. House that if Council were to approve the motion knowing that the methodology has been corrected, what the impact of the ordinance would be.

Staff has made an adjustment that is not reflected in this ordinance. CITY ATTORNEY HOUSE responded that Staff feels they can justify the inclusion of the entire Mesquite Groves Park for the 100 acres. CITY MANAGER PENTZ added that Mesquite Groves is approximately twice the size of a typical park and park facilities are lacking in that part of the City. Staff's position has been that the growth-related assessment pertaining to Mesquite Groves is justified and is not saying that previous calculations are incorrect. Ms. Walker indicated that this would be a preferable alternative to the substitute ordinance. MAYOR DUNN said that in Ms. Walker's memo of March 5<sup>th</sup>, she states that Staff suggests using this alternative only until the fee study is updated later this year by outside consultants. This would allow a determination of whether the entire 100 acres should be included in the calculation of the Community Parks fee since there is no other community park planned for that area at this time.

COUNCILMEMBER SEPULVEDA said that he understood from Ms. Walker's memo that there is a concession of doing one thing or the other. If Council chooses the concession as outlined in the memo, he questioned how the ordinance could be adopted as introduced because it does not include the concession. MR. PENTZ clarified that if Council wished to consider the concession, they would need to amend the substitute ordinance, which is the next item on the agenda. In order to do that, Ordinance No. 3880 would have to be denied and amendments made to substitute Ordinance No. 3901.

COUNCILMEMBER SEPULVEDA commented that a positive discussion was held at the March 1<sup>st</sup> meeting. He said the 50% number in the substitute ordinance is not scientific but rather a number to get the major stakeholders to come together with Staff for more information knowing that there was not enough time to adjust the numbers. He encouraged the study to be moved up and get the consultant on board sooner and make sure the stakeholders are at the table and involved.

MAYOR DUNN noted that in Ms. Walker's memo, if the alternative were approved, the City would be losing \$1.6 million next year. If the alternative suggested in Ordinance No. 3901 (agenda Item #42) was approved, it would cost the City \$4.5 million in the next year. COUNCILMEMBER SEPULVEDA said that if the methodology has not been agreed to moving forward, the City could be over charging by that same number. The Mesquite Groves discussion is a big delta. Part of the discussion with the stakeholders at the meeting with the consultant was that if that number is higher than the 50% number, they would pay whatever that number is because it would be enacted in an ordinance, plus whatever revenue not collected until the new ordinance went into effect.

COUNCILMEMBER CACCAMO asked Councilmember Sepulveda who would be repaying if the 50% estimate were not met. He questioned if the developer or the new homeowners would be paying. COUNCILMEMBER SEPULVEDA said that the City would be having a comprehensive study done including the developers, Staff and a consultant. If, at that time, the number for the community parks is larger than 50%, the City would adopt a new number through an ordinance and calculate whatever revenue was not collected into that number in the new ordinance to represent not only the new number based on the study, but capture any revenue not collected between the time the ordinance was adopted and the new ordinance. COUNCILMEMBER CACCAMO asked if the new ordinance would apply to System Development Fees for new homes and then charged to the homeowner or will the builders make up the difference. COUNCILMEMBER SEPULVEDA said the builders would be. MAYOR DUNN said that the issue would then be the fairness of whether or not to charge new buyers those fees during the period the study is being conducted.

COUNCILMEMBER CACCAMO asked the City Attorney if we could adopt an ordinance looking at System Development Fees that would apply additional fees to houses to make up for undercharging previous purchasers. CITY ATTORNEY HOUSE responded that any time impact fees are increased, new homebuyers will be paying more to make up a shortfall; however, it is not per se illegal. There are more parameters that he would need to research. COUNCILMEMBER CACCAMO questioned including in the ordinance wording that the fees are a payback from previous underestimations. Mr. House said that it ordinarily would not be mentioned, but it could be.

COUNCILMEMBER WENINGER said that he felt that growth should pay for itself, but there is also a sense of fairness. He feels that we are charging too much now because not enough was charged in the past. He said to not consider the alternate as suggested in Ms. Walker's memo of March 5<sup>th</sup> at this time, would seem like a tease. He urged Council to move forward on the second ordinance and amend it to include that part.

COUNCILMEMBER ORLANDO referred to the original memo distributed for this item and the comparison charts on pages 4 and 5 and asked which fee structure would pertain to a 37-acre park. ASST. CITY MANAGER DLUGAS said that it would be on page 5 under community parks reflecting \$3,350. That fee was calculated on the proposed alternative of changing the 100 acres to 37 acres for impact fee calculations. It decreases the community park for single-family from \$4,175 to \$3,350.

COUNCILMEMBER ORLANDO asked what would need to be done to make an alternative motion. CITY MANAGER PENTZ said it would need to be done by amending the following ordinance. There was discussion regarding losses to the City of \$1.6 million if the 100-acre park were to be built. ASST. CITY MANAGER DLUGAS clarified that the park will be built as 100 acres regardless of the status of the impact fees. If the ordinance were based on the information for 37 acres, there would be a \$1.6 million shortfall to develop the park that would have to be taken from general obligation bond money to continue to develop the park to 100 acres.

COUNCILMEMBER DONOVAN asked for clarification of a discrepancy in a statement made by Ms. Walker. She said that the 107 acres in neighborhood parks have partially been paid for by current homeowners when they first purchased their homes. Whereas the memo distributed in the packets reflects the 14,789 homes to build out will be paying for the entire 107 acres. ASST. CITY MANAGER DLUGAS responded that as stated by Ms. Walker, there have been fees collected for neighborhood and community parks in prior years that have gone toward construction costs for various amenities. It is not based on the remaining 14,789 units bearing the brunt of construction for those parks. The new units will be paying a portion of those acres.

MAYOR DUNN said that the City has decided on certain service levels of City parks based on the adoption of past budgets and CIP programs and that's what it will be staying with until it is decided otherwise.

SUZANNE GILSTRAP, with Capitol Consulting representing the Arizona Multihousing Association, said that they are willing to pay their fair share for the growth, but do not want to pay someone else's fair share. They strongly believe that with the adoption of Ordinance 3880, the Arizona Multihousing Association will be paying someone else's fair share. She added that Ms. Walker did not agree with their review of what construction costs should be for parks. The difference being that a 10-acre park costs less per acre to develop than a 5-acre park. They suggested the numbers should be closer to \$132,000 rather than \$150,000. When she looked

back at the remaining parks to be built, they are all 10 acres. To be fair, the cost should be \$126,000 per acre for these parks.

Ms. Gilstrap continued that their other concern is with public buildings. They were told the City began collecting development impact fees for public buildings on February 1, 2006, which is consistent with the last update of the Development Impact Fees. At that time, there was a population of 239,364. Total at build out is calculated at 286,300, which is only an increase of the current population by 19.6%. Under the current proposal, they are expected to pay 50% of the fees, which is not fair. She described the fee as a tax and said it would increase the cost of housing causing an increase valuation of properties.

COUNCILMEMBER ORLANDO asked Ms. Gilstrap what her concern was with the implementation of the impact fees on public buildings in February of this year. Ms. Gilstrap said that currently, the City is occupying 30,000 square feet and is looking to build 115,000 square feet. The additional square footage did not all come from the last 20% of the population that will be locating in Chandler.

MS. GILSTRAP also responded to a question asked earlier by COUNCILMEMBER SEPULVEDA regarding fees in other cities. Some of the cities in the west valley that are growing, such as Goodyear and Avondale, have no infrastructure so everything has to be built from scratch. The Association has seen a significant increase, but none this high that she recalls. The City of Phoenix recently agreed to adopt only 40% of the increase because the Association argued that their increases were excessive. Phoenix will do a review to make sure the Association is not paying for a higher level than they were getting last year or the years before. That was the fair thing to do and is similar to what COUNCILMEMBER SEPULVEDA is suggesting by adopting 50% of the new fees and conduct a study.

NORM NICHOLS, 9140 S. Kyrene, representing Fulton Homes, said that they agree with Councilmember Weninger's comment that development needs to pay its way. In response to Councilmember Caccamo's comment about who would be paying the difference if the fees were reduced tonight, he responded that they believe that what is being proposed will be asking new residents to pay the difference. He did not have the percentages that the Homebuilders Association had at the last Council meeting. He knew it was 198%, but he did not realize that it was the level of service that had changed and not an increase in material costs. There is a huge change in the level of service in the new parks as compared to the existing parks. If the City wants to increase the level of service, development should only pay for an equal level of service as has there been in the past and the City should find another way to increase that level of service for the balance of those parks. There is a trickle-down affect and it is ultimately a tax on the majority of the City when it is done.

Impact fees are there to increase the level of service in the City so development can pay its way. Developers have to raise the prices on their homes to accommodate raises in impact fees. As they raise the price of their homes, neighboring communities will see their taxes go up as well. A current situation exists at Fulton Ranch where the City has asked them to build 4 miles of arterial roads in and around Fulton Ranch. Impact fees that were collected for arterial streets were to pay for those fees. Many times the City asks them to build the roads and take a credit against the impact fees. In the case of Fulton Ranch, they are \$4.6 million short from the impact fees collected versus what it cost to build the roads. They were asked to build the roads in and around Snedigar Park, which they paid for, but did not get anything back from the Parks Department to pay for the roads around the park, yet is asked to increase his fees 198%. As the new fees go into effect, any credits only go back to the fee at the time permits were pulled. They do not get

credit for new fees. He is \$4.6 million in the hole on arterial fees, but is paying an impact fee for arterials streets to prevent another developer in the City from having the same shortfall.

He noted that Fulton Ranch will generate \$6 - \$7 million in construction sales tax and asked where does that go. He commented that it appears that development is paying for itself two or three times in a lot of the issues. He'll build 80% of the roads, but 80% of the credit goes to the commercial developer. If he does not make a private agreement with the commercial developer, he is left out in the cold. There are developers in the City currently that have millions of dollars on the line that did not understand the dynamics in Chandler and are left short millions of dollars. If the City built the roads, the current methodology would work, but when the private sector is asked to build the roads and take credit, but cannot get credit against what has been built, there is an inequity.

Mr. Nichols asked that Ordinance No. 3880 be denied and asked that an outside group look at the level of service. If the City wants to increase the level of service, do not put it on the backs of the last 14.5% of the people moving into the City.

MAYOR DUNN agreed with Mr. Nichols that if they have paid the impact fees, they should get credit for it. He said this process began this fall and was not intended to be the comprehensive review of impact fees that will begin soon. Staff is responding to the demands of the citizens regarding the level of services they expect. He agreed that many issues are being raised and we need to work with the consultants and make sure all parties are included from the beginning and, if necessary, make some significant adjustments.

VICE-MAYOR HUGGINS said that he recalls when it cost \$35 to build a house regardless of size and \$1,000 for an acre lot. The level of service has increased throughout the years and demands for those increases continue. Fees will have to continue to increase as a cost of growth.

MOTION TO ADOPT ORDINANCE NO. 3880 PASSED BY MAJORITY (4-3) WITH COUNCILMEMBERS SEPULVEDA, WENINGER AND ORLANDO VOTING NAY.

42. CITY CODE AMENDMENT: Chapter 38 Ord. #3901

Ordinance No. 3901 amending Chapter 38, Section 3813, of the City Code updating System Development Fees.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY VICE-MAYOR HUGGINS TO REMOVE THIS ITEM FROM THE AGENDA AS IT IS MOOT WITH THE ADOPTION OF ORDINANCE NO. 3880.

MOTION CARRIED UNANIMOUSLY (7-0).

RECESS: The meeting recessed at 9:17 p.m. and reconvened at 9:26 p.m.  
COUNCILMEMBER SEPULVEDA LEFT THE MEETING DURING THE RECESS.

43. AGREEMENT: Redflex Traffic Systems, Inc.

APPROVED an Agreement with Redflex Traffic Systems, Inc. for photo enforcement for a three-year term with the option to extend for two additional three-year terms, in an estimated amount of

\$3,537,000 along with a transfer of \$182,000 from General Fund Contingency. Additional stipulations were also added (see motion).

COMMANDER CHRISTENSEN said that this agreement would expand the City's current traffic enforcement program. Staff has reviewed the current photo red light program and the photo speed enforcement pilot program and believe that this type of enforcement will increase traffic safety. The agreement will expand photo enforcement from 8 to 12 intersections, add speed enforcement and provide for a written warning component.

Photo enforcement in Chandler started in 2001 and is one of red-light enforcement only. The data reviewed by Staff indicates that photo red light has contributed to a reduction of accidents and appears to have modified driver behavior at those intersections. There has been a 33% increase since the program started and traffic volume has increased by 21% and accidents have decreased 12% citywide. The 8 current photo enforcement intersections account for approximately 8% of all accidents occurring in Chandler. During this time frame at these locations, the accidents were reduced by 14%. There has also been a 38% decrease in citations issued at these intersections.

There was also a pilot program for speed enforcement at three locations based on a study showing them to be high, medium and low-speed violation locations. In each location, the number of violations decreased during the program. Ninety percent of all violations were for speeds between 11 and 16 miles per hour over the posted limit. The duration of the pilot program was not long enough to determine what affect the program had on accidents.

Another part of the program was to obtain public input regarding speed enforcement. There were 10 responses with 7 in support, 2 in opposition and one with concerns of distractions from the lights when activated.

The City of Scottsdale conducted a public opinion survey through the Behavior Research Center and the report states that 73% of the population supports the use of photo enforcement with 61% indicating that photo enforcement improved public safety.

Mesa, Tempe and Scottsdale all have some type of photo enforcement program. Mesa has 30 red light locations with one floating speed intersection and four speed vans. Tempe has two red light intersections and two speed vans and has issued a Request for Proposal for seven intersections including both speed and red light enforcement. Scottsdale has eight red light and speed intersections, one mid-block speed location and four speed vans.

In comparing the current and proposed contracts, Cmdr. Christensen said that there are currently eight intersections with twelve proposed. The current Redflex fee is \$60.06 per result citation and the proposed fee is \$19.00. In 2006, there were 8,057 red light activations of which approximately 50% resulted in either citations or traffic school. Under the proposed contract, because of the increase in number of intersections and including speed, approximately 12,086 red light activations and approximately 54,000 speed activations are being estimated of which approximately half will probably be issued citations.

Under the current program, the financial impact to the City in 2006, was a loss of \$95,000.00. Under the proposed contract, because of the twelve intersections and the inclusion of speed, it is estimated that the general fund will realize an increase of approximately \$1.5 million.

COUNCILMEMBER ORLANDO asked what we would be charging for citations. CMDR. CHRISTENSEN said the rates for the citations will not change from \$200 for a red light violation, speeding ranges from \$190 - \$495 depending on how much in excess of the limit the driver is going and defensive driving school is a flat fee of \$130. COUNCILMEMBER ORLANDO commented that the additional revenue is expected due to volume increase from additional intersections being added rather than an increase in fees. Cmdr. Christensen that there are three components leading to the increase in revenue – 1) the decreased fee to Redflex, 2) the increase to 12 intersections and 3) adding speed which significantly increases the number of citations. COUNCILMEMBER ORLANDO said that it is important to go forward, but does not want it to be viewed as a revenue-generating project.

COUNCILMEMBER CACCAMO asked about the possibility of a decrease in revenue. Cmdr. Christensen said that if there are no activations, there is no cost to the City because we only pay for activations and not the equipment.

MAYOR DUNN reiterated that the safety issue is foremost rather than proposed revenue. The revenue may be designated for a specific use such as traffic safety. Cmdr. Christensen said that based on information provided by Scottsdale through the study on the 101, it is anticipated that after the first few months there will be a significant drop off in the number of activations which would drop any fees collected. Monetary consideration is not a component for the Police Department or Staff.

MAYOR DUNN asked what is trying to be accomplished by adding the speed element to the intersections where there is photo red light. Cmdr. Christensen showed a graph depicting the higher the speed, the higher the probability of an injury accident. Speed is the next phase of making the City safer and reducing injury accidents.

COUNCILMEMBER WENINGER asked if there has been a poll of just Chandler residents on this issue. Cmdr. Christensen said there was no formal poll taken, but they did attempt to get citizen input. COUNCILMEMBER WENINGER asked if the cameras could be relocated. Cmdr. Christensen responded that they are at fixed locations, but there is an ability to expand the program. COUNCILMEMBER WENINGER commented that four of the top five intersections in the City for accidents all have photo radar. Cmdr. Christensen said that there has been a 12% reduction in the City overall and a 14% reduction at these intersections.

COUNCILMEMBER WENINGER noted that the number six and seven intersections (Alma School/Chandler and Arizona/Chandler) for accidents are not scheduled to be equipped with photo radar. Cmdr. Christensen responded that those two intersections were not selected due to construction, which would make the intersection move. In addition, there was a reduction of accidents at those intersections in 2006. They also take into consideration the proximity of other photo-enforced intersections. COUNCILMEMBER WENINGER asked about placement at Hamilton High School and Gilbert/Riggs, which do not appear in the top 40 for accidents. Cmdr. Christensen responded that those intersections were chosen from information provided by the Chandler Police Traffic Unit.

COUNCILMEMBER WENINGER asked about out of pocket funding. Cmdr. Christensen said there are no out-of pocket funds for this program.

COUNCILMEMBER ORLANDO said that he supports extra enforcement to keep Chandler safe and asked what would it take to monitor these intersections with all police officers rather than cameras. Cmdr. Christensen said that it would take 6 officers to staff one intersection 24/7.

COUNCILMEMBER ORLANDO asked about the current staffing of Police officers. Chief Kiyler responded that there are 12 vacancies with 6 to be filled by the end of this month and the others prior to the next budget year.

COUNCILMEMBER DONOVAN asked what constitutes a dangerous intersection. Cmdr. Christensen said that they currently do a count of the number of accidents on a yearly basis. COUNCILMEMBER DONOVAN asked why only 12 intersections were chosen of the top 25 to install cameras. CMDR. CHRISTENSEN explained that there were three elements in considering which intersections to monitor: Construction and road widening occurring in Chandler for the next three years over the length of the contract; if the intersection is one of the top 25, reviewing if the accidents are on the increase or decrease; and the appropriateness of photo enforcement at a particular intersection. He explained the intersection of Frye and Price is considered inappropriate because of its configuration.

COUNCILMEMBER DONOVAN asked if staff feels 12 intersections is sufficient for the community or will they be returning with an additional request. CMDR. CHRISTENSEN responded that the proposed contract could be expanded up to 25 intersections with both photo red light and photo speed based on needs.

COUNCILMEMBER WENINGER asked Transportation Engineer Mike Mah if the Institute of Transportation Engineers (ITE) was used or our own method in determining yellow light timing. MR. MAH responded that ITE method is used. COUNCILMEMBER WENINGER referred to a graph depicting Redflex citations at intersections by fiscal year. Of those eight intersections, the three with the highest number of citations only have 4 second yellow light intervals while the others have 4.5 seconds. He questioned why the intervals are not 4.5 seconds at all intersections. He said the Insurance Institute of Highway Safety conducted a study and it has been proven that lengthening the yellow light interval decreases accidents and speeding. He said he would like Staff to conduct a study in Chandler at the intersection of Alma School and Ray. MR. MAH replied that they intend to study that intersection and increase the yellow light interval from 4 to 4.5 seconds over a period of time to see if there is a change. Regarding the study conducted by the Insurance Institute of Highway Safety, they compared the yellow intervals relative to the ITE recommended values. They determined that those intersections having a shorter time than recommended by ITE created a situation where there was a higher collision rate. When the yellow was increased to the recommended ITE standard, the accident rate decreased. He noted that all intersections in Chandler currently meet or exceed the ITE standard. The study is scheduled to begin in the spring of 2008 after the widening of the intersection of Alma School and Ray is complete and will take one year.

COUNCILMEMBER CACCAMO asked Mr. Mah if he felt speed or the actual yellow light duration is the cause of violations at the shorter duration intersections. Mr. Mah responded that ITE calculates the yellow duration based on the speed of traffic. As people drive faster, they don't have the time to make the decision of whether to stop or go which is a major contributor to accidents. By increasing the yellow, drivers have more time to decide to stop.

COUNCILMEMBER ORLANDO asked if insurance companies rely on the ITE when looking at a city and what they are doing for traffic safety. Mr. Mah responded that they do. Most studies on clearance intervals often reference ITE as the standard or basis for comparison. The ITE method is currently the most used method for calculating yellow intervals in the United States and is recommended by the Federal Highway Administration, publishers of the manual to uniform traffic control devices. The courts look to this manual as a standard.

COUNCILMEMBER ORLANDO asked the City Attorney if the risk of lawsuits increases if we are not following these standards. MR. HOUSE said that he does not have that information. COUNCILMEMBER ORLANDO suggested that before any changes are made, we make sure we are "on safe ground from a legal standpoint".

MOVED BY COUNCILMEMBER WENINGER, SECONDED BY VICE-MAYOR HUGGINS, TO AWARD CONTRACT PD7-918-2382 FOR PHOTO ENFORCEMENT TO REDFLEX TRAFFIC SYSTEMS, INC. IN AN ESTIMATED AMOUNT OF \$3,537,000 AND TO TRANSFER APPROPRIATIONS FROM GENERAL FUND NON-DEPARTMENTAL CONTINGENCY (101.1290.0000.5911) IN THE AMOUNT OF \$182,000. IT IS THE COUNCIL'S INTENT THAT SUBJECT TO BUDGET AUTHORIZATION AND APPROPRIATION, NET REVENUE TO THE CITY UNDER THIS CONTRACT BE USED TO PURCHASE AND INSTALL SPEED READER BOARDS IN ALL DIRECTIONS AT THE TOP 10 ACCIDENT INTERSECTIONS IN THE CITY AS WELL AS AT ANY OTHER INTERSECTION WHERE THERE IS PHOTO ENFORCEMENT AND THAT ANY EXCESS NET REVENUE BE USED TO PURCHASE AND INSTALL SPEED READER BOARDS AT ADDITIONAL INTERSECTIONS OR TO BE USED FOR TRAFFIC SAFETY OR EDUCATION PROGRAMS WHICH COULD INCLUDE CROSSWALK COUNTDOWN TIMERS DISPLAYS AND EDUCATIONAL PROGRAMS RELATING TO THE DANGERS OF JAY WALKING. IN ADDITION, TWO SPEED LIMIT SIGNS SHALL BE POSTED WITHIN ONE-HALF MILE IN ALL DIRECTIONS OF INTERSECTIONS WHERE THERE IS PHOTO ENFORCEMENT. THE SPEED-READER BOARDS AND SPEED LIMIT SIGNS, SHALL BE INSTALLED SIMULTANEOUS WITH THE START OF THE NEW PHOTO ENFORCEMENT PROGRAM. FUNDS IN ACCOUNT 101.1290.0000.5263 PHOTO RED LIGHT SHALL BE USED TO PAY FOR INSTALLATION OF THE SPEED-READER BOARDS AND SPEED LIMIT SIGNS. IF THERE ARE NOT SUFFICIENT FUNDS IN THAT ACCOUNT, AN ITEM SHALL BE PLACED ON A CITY COUNCIL AGENDA TO TRANSFER ADDITIONAL FUNDS FROM BUDGET ACCOUNT 101.1290.0000.5911 WHICH SHALL BE CONSIDERED REIMBURSED AS NET REVENUES BECOMES AVAILABLE UNDER THIS CONTRACT.

MAYOR DUNN clarified that the motion includes using the anticipated revenue from the enforcement program to provide signage and speed signs, etc. to help people drive more carefully, provide safer intersections and give proper warnings traveling through Chandler. If there are not sufficient funds, an item could be placed on an agenda for Council consideration for supplemental funds.

COUNCILMEMBER ORLANDO expressed concern with relying on one safety feature and may be foregoing other safety features that may be more important in the future.

MAYOR DUNN said that this contract is for 3 years with optional extensions and Council would have the opportunity to redefine. Council could change how the funds would be used by amending the ordinance.

COUNCILMEMBER ORLANDO also expressed concern with speed-reader signs being a distraction. MR. MAH said he is not aware of any studies conducted on that issue. They will probably be installed over a period of time and not all at once.

COUNCILMEMBER ORLANDO said that he does not agree with the motion unless Council can be assured that the boards will not be a distraction. MAYOR DUNN said that where the boards are currently located does not pose a distraction because they are far enough away from the light to control speed before getting to the intersection. ACTING PUBLIC WORKS DIRECTOR DAN

