

MINUTES OF THE REGULAR MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Chambers in the Chandler Library, 22 S. Delaware, on Thursday, February 14, 2008 at 7:00 p.m.

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

The following members answered roll call:

| | |
|-----------------|---------------|
| Boyd W. Dunn | Mayor |
| Lowell Huggins | Vice-Mayor |
| Bob Caccamo | Councilmember |
| Trinity Donovan | Councilmember |
| Kevin Hartke | Councilmember |
| Jeff Weninger | Councilmember |

Absent and Excused: Matt Orlando Councilmember

Also in attendance:

| | |
|---------------|------------------------|
| W. Mark Pentz | City Manager |
| Rich Dlugas | Assistant City Manager |
| Pat McDermott | Assistant City Manager |
| Mary Wade | City Attorney |
| Marla Paddock | City Clerk |

INVOCATION: The invocation was given by Pastor Bill May – First Baptist Church of Sun Lakes

PLEDGE OF ALLEGIANCE: Cub Scout Pack 832 led the Pledge of Allegiance and recited the Preamble.

SCHEDULED PUBLIC APPEARANCES:

None

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

MAYOR DUNN announced that agenda items #10 (road vacation) and #13 (ground lease with F&G Enterprises) have been withdrawn by Staff.

MAYOR DUNN noted agenda items #27 & 28 are agreements for the design of Tumbleweed Park Phase 7 and for design services for the Boys and Girls and noted that many are looking forward to the progress of these items.

THE MAYOR commented on items #47, 48 & 49 involving reopening of certain labor agreements and a Memorandum of Understanding. He thanked City Manager Pentz, Greg (Fretz) and members of the unions for working through a successful meet and confer process. These amendments will allow the salaries of the police and fire employees to remain competitive and to help with retention of these employees.

RICK HEUMANN, 4310 W. Dublin, commended everyone involved in recognizing the need to bring Chandler's public safety officers up to a salary level commensurate with other cities. He cited the need to ensure policies are in place to that the men and women of the public safety departments have the tools and resources they need.

PAUL BABEU, 21936 N. Redfinch Drive, Queen Creek, complimented City management for listening to their concerns on pay. It is important to remain competitive not only for retention, but to be able to continue to recruit the best police and fire personnel. He stated the officers are proud to work for the City and consider it the finest police department with the best Police Chief in the state. He thanked the Mayor and Council for their support.

MOVED BY VICE-MAYOR HUGGINS, SECONDED BY COUNCILMEMBER WENINGER, to approve the Consent Agenda as amended with items #10 & 13 being withdrawn.

COUNCILMEMBER DONOVAN said she would not be voting on item #1c (Special Meeting of January 31, 2008), as she was not at the meeting.

COUNCILMEMBER HARTKE said he would not be voting on items #1a & #1c (Special Meetings of January 28, 2008), as he was not a member of Council at that time.

MOTION CARRIED UNANIMOUSLY WITH THE EXCEPTIONS NOTED (6-0).

1. MINUTES:

APPROVED, as presented, Minutes of the special meetings of January 28 & 31, 2008, and the Regular Meeting of January 31, 2008.

2. ANNEXATION: SEC Arizona Avenue and Germann Road Ord. #3856

ADOPTED Ordinance No. 3856 annexing approximately 4.9 acres on the SEC of Arizona Avenue and Germann Road.

3. VACATION: Dobson Road / Germann Road / Stonefield II Ord. #3969

ADOPTED Ordinance No. 3969 authorizing the vacation of a portion of right-of-way on the east side of Dobson Road, south of Germann road and adjacent to parcel "A" of the Stonefield II subdivision.

4. VACATION: Seagull Court Ord. #3993

ADOPTED Ordinance No. 3993 vacating a 4,525-square foot portion of road right-of-way on Seagull Court west of Brentwood Drive and extinguishing an adjacent 8-foot wide public utility easement of approximately 2,177 square feet near the SEC of Dobson and Germann roads in the Stonefield development.

5. POWER DISTRIBUTION EASEMENT: SRP Ord. #3999

ADOPTED Ordinance No. 3999 granting a no-cost power distribution easement to Salt River Project (SRP) for electrical power service to Snedigar Sportsplex (expansion) located at the NEC of Basha Road and Fulton Ranch Boulevard.

6. POWER DISTRIBUTION EASEMENT: SRP Ord. #4000
ADOPTED Ordinance No. 4000 granting a no-cost power distribution easement to Salt River Project for electrical power service to City facilities at the Germann Road lift station at the SEC of Germann Road and Hamilton Street.

7. REZONING: Chandler 101 Business Center Ord.#4018
ADOPTED Ordinance No. 4018, DVR07-0052, Chandler 101 Business Center, rezoning from I-1 to PAD on approximately 18 acres for two office buildings at the SWC of Frye Road and Ellis Street.

8. VACATION: 8 S. San Marcos Place Ord. #3839
INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3839 authorizing the vacation of a 50-square-foot segment of the south right-of-way for Commonwealth Avenue at 8 S. San Marcos Place at the NWC of Lot 14 of Chandler.

The City of Chandler previously vacated a 9.0-foot wide portion of the south right-of-way of Commonwealth Avenue to accommodate the construction of a bank. A 9.0-foot by 10.80-foot rectangular shaped portion of the right-of-way of Commonwealth Avenue running east of the alley was not vacated at that time. Desert Viking Holdings, LLC (Desert Viking) acquired the property at 8 S. San Marcos Place and is completing renovation and redevelopment of this property. In order to accommodate this redevelopment, Desert Viking has requested that the City vacate a 50-square foot portion of the remaining 9.0-foot by 10.80-foot segment of the south right-of-way for Commonwealth Avenue. Once vacated, this portion of the Commonwealth Avenue right-of-way would combine with the property currently owned by Desert Viking. Desert Viking has requested that the City vacate the parcel to no cost in consideration for Desert Viking agreeing to maintain the property and be responsible for its liability.

9. INITIAL CITY ZONING: SEC Arizona Avenue and Germann Road Ord. #3955
INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 3955, DVR07-0059, Southeast Corner of Arizona Avenue and Germann Road, establishing initial City zoning of C-3 on approximately 3.5 acres at the SEC of Arizona Avenue and Germann Road. (Applicant: City of Chandler; Owner: Interra-Vision Development, Inc., Mark Huey.)

Adoption of an annexation ordinance authorizes the City to initiate a zoning action as required by State Statutes to adopt and establish an initial City zoning classification upon the newly annexed property. This zoning is most comparable to the site's previous County zoning designation of C-3 and will insure that any future development on the site shall occur in conformance with City standards.

This request was noticed according to the provisions of the City of 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.

10. VACATION: NWC Gilbert Road and Chandler Boulevard Ord. #3996

WITHDREW, as requested by Staff, Ordinance No. 3996 authorizing the vacation of a portion of road right-of-way at the NWC of Gilbert Road and Chandler Boulevard containing approximately 14,563 square feet of land, conditioned upon receipt of an amount equal to the City's cost basis plus closing expenses, and accepting an easement for a future City monument sign.

11. POWER DISTRIBUTION EASEMENT: SRP Ord. #4013

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4013 authorizing the assignment to Salt River Project (SRP) of a certain power distribution easement acquired by the City of Chandler for the Arizona Avenue and Ray Road intersection improvement.

In connection with a City road project for the improvement of the Arizona Avenue and Ray Road intersection, the City acquired roadway and easements needed which also included acquisition of a power distribution easement ultimately intended for use by SRP. The project has been completed, however, the easement that was conveyed to the City through a Final Order of Condemnation took time to be processed through the court system and is now ready to be assigned. It was needed to assure clear space to accommodate SRP's facilities for the transmission and distribution of electricity that were relocated as a consequence of the project.

Upon recording the assignment, the City would have no further obligation, responsibility or liability and no further rights, pursuant to or because of the easement.

12. REZONING: SSB Price Road Ord. #4015

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4015, DVR07-0040, SSB Price Road, rezoning from AG-1 to PAD zoning with PDP for two office/industrial buildings on approximately 22 acres north and east of the NEC of Germann and Price roads. (Applicant: Balmer Architectural Group; Owner: Sun State Builders.)

The property is located near the NEC of Price and Germann roads within the South Price Road Campus Employment Corridor as designated in the General Plan. The subject site completes the approximately 40-acre contiguous development that commenced with the Americredit project on the corner of Price and Germann roads approved in 2002.

The adjacent Americredit project established the general site layout and circulation patterns, including a dramatic curved driveway from Price Road that terminates at a landscaped island in front of the subject request's Building One. Building Two, located in the southeastern portion of the site, completes the campus and is adjacent to the driveway from Germann Road. Ancillary site access is also provided through three driveways from Ellis Street to the east, each offset from existing streets across Ellis Street and a new driveway along the northern end of the Price Road frontage. Pedestrian connections via textured crosswalks are provided from the buildings out to the sidewalks along Price and Germann roads. The site meets Commercial Design Standards for site features and landscaping, including several pedestrian seating areas adjacent to the buildings.

Both buildings are intended for single-tenant research and development uses that will primarily occupy office spaces, but will also utilize some amount of light industrial space as market demand warrants. The flex nature of the uses is accounted for in the site plan with certain portions of the parking fields adjacent to the buildings designated for potential conversion to truck docking.

The project exceeds Code parking requirements with 1,292 spaces provided compared to a requirement of 1,274 spaces, assuming that the buildings are occupied as 100% office. Any change of office to light industrial uses would result in both a loss of spaces to accommodate truck docks and an associated reduction in parking need.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 4, 2007. Four neighbors were in attendance with several concerns including truck traffic/noise, light glare and building height. The neighbors were told that light fixtures would be shielded and that the buildings were two-story and not three. The developer also agreed to enhance the landscaping east of Building Two along Ellis Street as reflected in the Development Booklet. 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.

13. GROUND LEASE: F&G Enterprises, LLC Ord. #4020

WITHDREW Ordinance No. 4020 authorizing a 30-year ground lease agreement with two 10-year options with F&G Enterprises, LLC, for the purpose of constructing a hangar storage facility at the Chandler Municipal Airport for an annual amount of \$3,525.00 for the first year.

14. REZONING: TCF Bank Ord. #4028

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4028, DVR06-0013, TCF Bank, rezoning from MF-3 (High-density Residential District) and C-3 (Regional Commercial District) to PAD for a bank and a commercial building with PDP on approximately 2 acres at the SWC of Arizona Avenue and Willis Road. (Applicant: HTG Architects & Beus Gilbert PLLC.) The application does not request "late hour business" approval.

The property is at the intersection of an arterial and collector street. The intersection's northwest and northeast corners are developed with commercial retail, the southeast corner has a mix of County and City property with industrial and commercial zoning. Businesses on the southeast corner include Pioneer Landscape Center and Arizona Cactus Sales. Abutting the subject site's south and west property lines is an existing residential mobile home park, Hometown Sunshine Valley.

The development incorporates the minimum six additional quality standards for commercial developments. The development is over parked and provides 50 more parking spaces than required for the bank and retail/restaurant uses.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with two neighborhood meetings being held, one in December 2006 and another in August 2007. Six residents leasing space in the adjacent mobile home park attended. Residents were concerned that the mobile home park was going away. One adjacent resident was concerned with the trash container location for the in-line shops along the southern property line. The concern was odors coming from the restaurants trash. A resident asked that the shared perimeter wall be maintained since the mobile home park recently installed it. There was a question regarding the number of restaurant uses in the in-line shops building.

Staff also received two phone calls from a resident in the adjacent mobile home park expressing concerns with odors from the restaurant and stated they did not want restaurants in the in-line shops building.

Staff has received no correspondence in opposition to the proposed development. Upon finding the rezoning to be consistent with the General Plan, the Planning Commission and Staff recommend approval subject to conditions listed in the ordinance.

15. REZONING: Chandler Heights Retail

CONTINUED TO MARCH 13, 2008, Zoning DVR07-0014 Chandler Heights Retail, rezoning from PAD to PAD Amended with PDP for a retail shopping center to include a carwash and fuel station on approximately 19.5 acres at the NEC of Chandler Heights Road and Arizona Avenue, to allow additional time for the applicant to provide design alternatives and to be heard at the February 20, 2008, Planning Commission hearing. (Applicant: Paul Gilbert, Beus Gilbert, PLLC.)

16. EASEMENT RELEASE: Redrock Business Plaza Res. #4086

ADOPTED Resolution No. 4086 authorizing the release of a temporary drainage easement that is no longer needed for the Redrock Business Plaza at the Chandler Airport Center near the NEC of Cooper and Germann roads.

Germann Road Associates, LLC, has requested that the City of Chandler extinguish one drainage easement with a gross surface area of approximately 19,221 square feet for its portion of Germann Road. This site is currently being developed and this drainage easement is no longer required because the approved design plans for this development provides for adequate retention and drainage reconfigured under a new design. The planned onsite improvements provide for the half street runoff from Germann Road and will direct storm water to new underground tanks. The maintenance of these new underground facilities will be the responsibility of the property owner, not the City of Chandler.

The requestor has paid a \$500 processing fee. Staff has confirmed this drainage easement is no longer needed for the new civil design and will not impact any utilities.

17. PRELIMINARY DEVELOPMENT PLAN: Misty Mate

APPROVED Preliminary Development Plan PDP07-0027 Misty Mate, for an office/warehouse building on approximately 4.25 acres at 450 E. Elliot Road. (Applicant: Mike Forst, Sun State Builders.)

The site is located at the NEC of Colorado Street and Elliot Road, east of the NEC of Elliot Road and Arizona Avenue within the Arizona Corporate Park North industrial development. Directly north, east and west of the subject site are industrial-use buildings. South, across Elliot Road is the Arizona Corporate Park Unit Two industrial development.

The site and surrounding area was zoned I-1 with a PAD overlay in 1981. Permitted uses for the site are those found under the allowed uses for the Light Industrial (I-1) zoning district. The current proposal is consistent with the I-1/PAD zoning designation. The proposed building will serve as the main office headquarters and manufacturing/warehouse facility for Misty Mate. Misty Mate is a manufacturer of misters and misting systems. Misty Mate will receive already

manufactured materials and assemble the materials to complete the various products. The completed products will then be warehoused for distribution. There will be no processing of raw materials within the building.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held December 4, 2007. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

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

1. Development shall be in substantial conformance with the Development Booklet entitled "Misty Mate PDP07-0027" kept on file in the City of Chandler Planning Services Division, in File No. PDP07-0027, except as modified by condition herein.
2. The landscaping in all open spaces and rights-of-way shall be maintained by the adjacent property owner or property owners association.
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. 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.
5. The use of turf shall be limited to 10% of all landscapable areas.
6. In the landscape plan of the Development Booklet, where new palm trees are to be located, the palms used are to be Date Palms.
7. The signage shall require a separate Preliminary Development Plan submittal and approval by City Council.
8. All roof drainage shall be internalized.
9. Shade trees shall be provided at the southern entrance to the building.
10. The applicant shall work with Staff to provide additional horizontal banding through the use of materials and/or paint colors.

18. PRELIMINARY DEVELOPMENT AMENDMENT: The Cays at Downtown Ocotillo

APPROVED a Preliminary Development Plan, PDP07-0030 The Cays at Downtown Ocotillo, amendment for a mixed-use development on approximately 6.7 acres at the SWC of Dobson and Queen Creek roads. (Applicant: Whitneybell Perry, Inc.)

The application requests Preliminary Development Plan (PDP) amendment approval for an independent living, age-restricted condominium development with reduced parking. The independent living condominiums are part of the 74-acre mixed-use development for Downtown Ocotillo that includes retail shops and restaurants, offices, hotel and for-sale residential condominiums.

Queen Creek Road and vacant property planned for employment uses border the site to the north. An office development and apartment complex is located to the east across Dobson Road. An existing waterway surrounds the site to the south and west. Across the waterway are the planned Waters at Ocotillo single-family and multifamily residential development to the southeast, existing park and Orbital Sciences campus to the south and Aquila at Ocotillo office complex to the west.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on January 8, 2008. There were approximately 16 neighbors in attendance with none offering opposition. Staff has received no correspondence to this request.

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "The Cays at Ocotillo" kept on file in the City of Chandler Current Planning Division, in file number PDP07-0030 except as modified by condition herein.
2. Compliance with original stipulations adopted by the City Council as Ordinance No. 3889 in case DR07-0051 Downtown Ocotillo except as modified by condition herein.
3. The site shall be maintained in a clean and orderly manner.

19. REZONING: Santa Maria Village

CONTINUED TO FEBRUARY 28, 2008, Zoning DVR07-0034 Santa Maria Village, rezoning from PAD for conceptual commercial uses, to PAD Amended with PDP for the construction of a mixed-use development with commercial and residential uses on approximately 18 acres located north and east of the NEC of Chandler Boulevard and McQueen Road to allow the applicant additional time to investigate site plan modifications.

20. REZONING: Ocotillo Business Center

CONTINUED TO MARCH 13, 2008, Zoning DVR07-0038 Park Ocotillo Business Center, rezoning from PAD zoning for light industrial use and/or commercial uses to PAD zoning for office, light industrial, and retail uses with PDP for a business/industrial park development at the SWC of Price and Queen Creek roads to allow the applicant additional time to prepare the Development Booklet.

21. REZONING: Norton's Crossing

CONTINUED TO MARCH 27, 2008, Zoning DVR07-0042 Norton's Crossing, rezoning from PAD for commercial uses to PAD amended for an office, retail and multi-family development, with PDP for site layout and building architecture on approximately 23.5 acres at the NWC of Chandler Boulevard and Gilbert Road to allow additional time to evaluate development alternative and to be heard at the March 5, 2008, Planning Commission hearing.

22. TIME EXTENSION: Gateway Marketplace

APPROVED a 3-year time extension for Zoning, DVR07-0049 Gateway Marketplace, on the existing PAD zoning for a new Safeway store and commercial retail development on approximately 17 acres at the NWC of Gilbert and Riggs roads. (Applicant: Ed Bull, Burch & Cracchiolo, P.A.) The site received PAD zoning with Preliminary Development Plan (PDP) approval in October 2002 and later granted a three-year time extension in 2004.

The applicant's narrative stated their intention to begin construction on the commercial development by early 2009. Specifically, the proposal includes a Safeway grocery store, retail shops, restaurant, pad site and a gas station. The grocery store is placed diagonally at the site's

NWC with retail shops interconnected by pedestrian plaza spaces. The gas station is located at the site's SEC and a pad building is located along the property's southern boundary line.

The applicant has also included additional site design features that help maintain the area's rural character and which satisfy the southeast Chandler Plan requirements. The architecture and building material used will also conform to the Southeast Chandler Area Plan requirements.

Staff believes the land use is still appropriate at this location and supports a timing extension. The applicant's previous proposal has not changed from what was approved in October of 2002. Staff is not aware of any intention to begin construction in the near future.

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

1. Compliance with the original stipulations adopted by the City Council as Ordinance 3397, case DVR02-0019 Gateway Marketplace, except as modified by condition herein.

23. INITIAL CITY ZONING: NEC Arizona Avenue & Queen Creek Road

CONTINUED TO FEBRUARY 28, 2008, Zoning, DVR07-0060 NEC of Arizona Avenue and Queen Creek Road, establishing initial City zoning of AG-1 and C-3 on approximately 36 acres at the NEC of Arizona Avenue and Queen Creek Road to allow the annexation to be processed ahead of the initial City zoning.

24. INITIAL CITY ZONING: SWC of Willis & Hamilton Roads

CONTINUED TO FEBRUARY 28, 2008, Zoning, DVR07-0061 Southwest Corner of Willis and Hamilton roads establishing initial City zoning of AG-1 on approximately 2 acres at the SWC of Willis Road and the future Hamilton Road alignment to allow the annexation to be processed ahead of the initial City zoning.

25. AGREEMENT CHANGE ORDER: SDB, Inc.

APPROVED Agreement #SW0801-401 Change Order No. 1, with SDB, Inc. for landfill damage repair in an amount not to exceed \$50,000.00 for a revised contract total not to exceed \$150,000.00.

In 2006, the City officially closed the landfill in accordance with the Landfill Closure Plan submitted and accepted by the Arizona Department of Environmental Quality (ADEQ). The City awarded an on-call contract to SDB, Inc., on July 23, 2007, to maintain the site and expedite repairs required from natural settlement, erosion and other damages. Due to increased fall and winter rains, landfill erosion requires additional work. This change order will extend the contract through the end of the fiscal year.

26. AGREEMENT: Environmental Resolutions, Inc.

APPROVED Agreement #AI0803-401 with Environmental Resolutions, Inc. for airport fuel tank removal in an amount not to exceed \$83,667.00.

The Chandler Municipal Airport stores aviation fuel in four underground storage tanks (UST) located on the west side of Airport Boulevard, across from the aircraft parking ramp and fueling station. Currently, only Tank #4 is actively serving the fuel station. The remaining three UST's need to be removed in order to meet Arizona Department of Environmental Quality (ADEQ) regulations.

Under this project agreement, the contractor will rinse and remove the three UST's and fill the existing fuel supply lines with inert nitrogen gas. Any residual fuel in the tanks will be transferred to the remaining Tank #4 prior to excavation. Soil sampling, analytical results, and closure reports will be provided per ADEQ guidelines. The site will be kept secure by a temporary fence during excavation, which is expected to be complete within thirty days.

27. AGREEMENT: Gavan and Barker, Inc.

APPROVED Agreement #PR0814-201 with Gavan and Barker, Inc., for design services for Tumbleweed Park Phase 7, pursuant to annual contract #EN08723-101, in an amount not to exceed \$554,089.00. Phase 7 consists of improvements on approximately 28-acres adjacent to Ryan Road.

28. AGREEMENT: Bollinger and Cardenas Architects

APPROVED Agreement #PR0801-201 with Bollinger and Cardenas Architects for design services for the Boys and Girls Club in an amount not to exceed \$735,000.00.

In 1990, the City of Chandler purchased the old Seton High property at 300 W. Chandler Boulevard from the Jackson Living Trust. Since then, the East Valley Boys and Girls Club has leased the facility from the City and offers many community based, character building youth development programs for the residents of Chandler. The existing facility is in excess of 25 years old and in need of replacement. The FY 2007-08 budget currently allocates funding for the design and construction of a new Boys and Girls Club facility. This contract will facilitate the design of the new facility. In addition to coordinating the design with the Boys and Girls Club organization, public input meetings will be held during the initial programming and design phase of this project.

The City of Chandler provides \$83,600.00 in operations and maintenance funding or support services annually. Based on discussions with Boys and Girls Club officials, neither party projects a need to increase that level of service support.

29. PURCHASE: Waxie Sanitary Supplies

APPROVED the Purchase of janitorial supplies from Waxie Sanitary Supply, utilizing the State of Arizona contract, in an amount not to exceed \$175,000.00.

30. AGREEMENT EXTENSION: Century Graphics

APPROVED a one-year Agreement Extension with Century Graphics for printing/distribution of Break Time Magazine in an amount not to exceed \$175,000.00. This is the first of four optional one-year extensions.

31. AGREEMENT AMENDMENT: Wood, Patel & Associates, Inc.

APPROVED Agreement #DT0701-201, Amendment No. 2, with Wood, Patel & Associates, Inc., for the design of curb and gutter improvements on Commonwealth Avenue in an amount not to exceed \$6,100.00, for a revised contract total not to exceed \$32,170.00.

As part of a developer reimbursement agreement with Desert Viking, the City contracted with Wood, Patel & Associates, Inc., to design the sidewalk, curb and gutter improvements along Commonwealth Avenue, west of San Marcos Place. During construction, the contractor encountered several unforeseen field conditions, which dictated changes to the design.

32. PURCHASE: Playground Equipment

APPROVED the Purchase and Installation of playground equipment and shade structures at Windmills West Park from Game Time c/o Triple M Recreation, utilizing the City of Tucson contract, in an amount not to exceed \$96,348.02.

Windmills West Park is a 6.5-acre neighborhood park originally constructed in 1988. The playground equipment at the park is original. Over the past year, Community Services Staff has received requests to upgrade the playground equipment and to add playground shade structures at this park. Because of the age and limited playability of the playground, it has been determined that the existing playground equipment needs to be completely removed and replaced.

Parks Staff met with the neighborhood Home Owners Association on two separate occasions in order to find out what the residents wanted to see improved in the park and to help select the type of playground equipment.

33. USE PERMIT: Shane's Rib Shack

APPROVED Use Permit UP07-0095, Shane's Rib Shack, Series 12, for the sale of liquor for on-premise consumption only within a new restaurant at 7131 W. Ray Road, Suites 6 & 7, in Casa Paloma. (Applicant: Chris Mead.)

The new restaurant is a fast-casual barbeque restaurant that would like to serve beer and other bottled alcoholic beverages such as wine coolers and hard lemonade. It will be open for business at lunch and dinner seven days a week from approximately 10:30 a.m. to 9 p.m. There will be approximately 25 total employees with 5 employees per shift.

The restaurant will not have any live entertainment, pool tables, outdoor speakers, or the like. For the restaurant's grand opening and possibly anniversaries, a live blue grass band may occur which requires a City issued Special Events Permit. There is no defined outdoor patio area, as the landlord did not approve a railed-in area; however, the landlord is permitting some tables, chairs and umbrellas. There will be no alcohol service and consumption allowed outdoors.

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

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

1. Expansion, modification, or relocation beyond the approved exhibits (Site Plan, Floor Plan, and Narrative) shall void the Use Permit and require new Use Permit re-application and approval.
2. Any substantial change in the floor plan to include such items as, but not limited to, a bar serving area or the addition of entertainment-related uses shall require new Use Permit re-application and approval.
3. The Use Permit is granted for a Series 12 license only, and any change of licenses shall require re-application and new Use Permit approval.
4. The Use Permit is non-transferable to other restaurant locations.
5. The site and outdoor dining area shall be maintained in a clean and orderly manner.

34. USE PERMIT: Calvary Evangelical Lutheran Church

APPROVED Use Permit, UP07-0107 Calvary Evangelical Lutheran Church, for a modular building used by the church located at 1270 N. Dobson Road. (Applicant: Calvary Evangelical Lutheran Church.)

The property is approximately 2.26 acres and zoned AG-1. A Use Permit was approved in 1980 to allow a church use. In 1997, the church completed construction of a new sanctuary building fronting Dobson Road. The church property includes the sanctuary building, a fellowship building and an existing single-family residence for the pastor. The church represented a future building would be built west of the existing fellowship building.

This application requests approval of a modular constructed building for new classroom and office space. The modular building will be between the existing single-family home and the existing buildings along the site's south side. The church property is located between two existing single-family residential subdivisions and across the street from a public school along Dobson Road.

The existing buildings total approximately 10,285 square feet. The new modular classroom and office building with restrooms is approximately 2,886 square feet. The site's total building area is 13,171 square feet. The new building is one-story with a maximum height of 16 feet. The building's location is in alignment with existing buildings and meets building setbacks from adjacent single-family residential. A small storage shed occupied the space where the modular building is locating. The shed is being relocated just north of the existing residence.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 4, 2007. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

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

1. Expansion or modification beyond the approved exhibits and representations including a site plan and narrative shall void the Use Permit and require new Use Permit application and approval.
2. The modular buildings shall be used for offices and classroom use only. Events, regular meetings, and services are not allowed.
3. All pedestrian walkways to and from the modular building shall be A.D.A. accessible and shall not be interrupted by any obstacles preventing circulation (i.e. handicap shall have direct access to all indoor and outdoor pedestrian spaces.)

4. Use Permit approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Use Permit shall apply.
5. The applicant shall work with Staff to provide molding around windows and doors.

35. USE PERMIT: CVS Pharmacy (Corcovado Village)

APPROVED Use Permit UP07-0108 CVS Pharmacy (Corcovado Village) Series 9, for the sale of all spirituous liquors for off-premise consumption only in an existing CVS Pharmacy at 990 E. Warner Road. (Applicant: Jason Morris, Withey Morris, PLC.)

The subject site is located on the eastern border of the City of Chandler. East, across McQueen Road is a Goodwill-anchored shopping center in the Town of Gilbert, with a Remax sales office and tutoring facility directly on the corner. South, across Warner Road, and southeast of the site, are vacant parcels. Directly north of the site is a Weinerschnitzel. Surrounding the shopping center to the north and west is the Madeline Court single-family residential neighborhood.

The site received Use Permit approval in 2006 for a Series 9 liquor license. Prior to the current Use Permit, the CVS Pharmacy was operating with a Use Permit for a Series 10 liquor license. Because the CVS was requesting a change on licensure from a Series 10 to Series 9, the CVS was required by condition to obtain a new Use Permit. The Use Permit was approved with a timing condition of one-year. A Series 9 liquor license allows for the purchasing of all spirituous liquor for off-premise consumption, whereas a Series 10 allows for the sale of beer and wine only.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on January 3, 2008. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

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

1. 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.
2. The Use Permit is granted for a Series 9 liquor license only, and any change of license shall require reapplication and new Use Permit approval.
3. The Use Permit is non-transferable to another store location.

36. USE PERMIT: Cork

APPROVED Use Permit UP07-0112 Cork, Series 12, for the sale of liquor for on-premise consumption only indoors and outdoors within a new restaurant at 4991 S. Alma School Road in the Promenade at Fulton Ranch at the NEC of Alma School and Chandler Heights roads. (Applicant: Robert Morris, owner.)

The new restaurant is locating within the Promenade at Fulton Ranch shopping center and is surrounded by various retailers and restaurants. The restaurant includes an interior dining area with a bar and outdoor patio areas. There are two patios adjacent to the restaurant with one being on the west side by the entrance and the other on the restaurant's north side. The north

patio is located within a pedestrian corridor area and occupies the corridor's south half. The pedestrian corridor leads to the pedestrian gate behind the shopping center. The pedestrian access is for Cachet Homes' Serenity Shores Condominiums at Fulton Ranch. The two patios do not impact pedestrian access.

The restaurant will not have live entertainment or games. There will be background music through speakers. There are televisions in the bar.

37. LIQUOR LICENSE: Cork

APPROVED a Series 12 Restaurant Liquor License (Chandler #117951 L12) for Robert Stanley Morris III, Agent, Cork LLC, dba Cork, 4991 S. Alma School Rd., Ste 101. A request for approval of State Liquor License #12077466 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.

38. USE PERMIT: San Tan Brewing Company

APPROVED Use Permit UP08-0005 San Tan Brewing Company, Series 12, Restaurant License and Series 3 Domestic Microbrewery License to allow liquor sales for an extension of premises of an outdoor patio at an existing restaurant at 8 S. San Marcos Place in Historic Downtown Chandler. (Applicant: Anthony Canecchia, owner.)

The application request includes changing a temporary patio to a permanent patio and connecting two patios versus keeping them separate. San Tan Brewing Company received Use Permit approval for liquor sales in March 2007 with a condition that alcohol sales were prohibited on the patio. The liquor sales were permitted in the restaurant's interior only. The condition was required due to the patio's location within public right-of-way in which the City did not permit liquor sales in the public right-of-way at that time. Approval of this Use Permit required that an extension of premises through a new liquor Use Permit application is needed to allow alcohol sales on the patio.

In July 2007, a new Use Permit was filed for an extension of premises to allow liquor sales on the patios. Prior to this Use Permit for extension of premises, the City adopted a code amendment, which allows for the consideration of liquor sales in Historic Downtown Chandler public areas under a Use Permit. Two patios were approved which included a permanent patio on the restaurant's north side along Commonwealth Avenue and a temporary/special events patio on the restaurant's east side by the main entrance. Both patios were approved with 40" high perimeter fence railings; however, the eastern patio on San Marcos Place was approved with a fence railing that is removed when not in use.

The temporary/special events patio on the building's east side was approved for use during the initial business opening until the north patio and Commonwealth Avenue street improvements were completed. The temporary patio was anticipated for use on a limited basis up to 12 times per year for City-related events such as the Downtown Jazz Festival and Classic Car event. This application requests to change this patio to a permanent patio. The patio includes six tables accommodating 12 patrons.

The north patio is a permanent patio that was designed to be separate from the temporary patio. This application also requests approval to connect both patios. Railing has already been installed

connecting the patios. There are no tables at the connection point; this area allows patrons and servers to walk to and from the patios. The patio improvements comply with minimum pedestrian circulation clearances and other requirements from the code amendment.

The east patio is located under the existing colonnade adjacent to the building. This patio is located on either side of the restaurant's main entrance doors. A roll-up door adjacent to the north patio provides access from the restaurant. Occasional live music is proposed for the patio that is not intended to disrupt neighboring businesses.

Staff is of the opinion that changing the temporary patio to a permanent patio is consistent with the function of other patios located in the downtown area. The patios meet code requirements for location and providing for pedestrian passing space. The connection of the two patios does not affect the patios function, colonnade or sidewalk areas.

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

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

1. Expansion, modification, or relocation beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit re-application and approval.
2. Any substantial change in the floor plan to include such items as, but not limited to, a bar serving area or the addition of entertainment-related uses shall require new Use Permit re-application and approval.
3. The Use Permit is granted for a Series 12 and Series 3 license only, and any change of licenses shall require re-application and new Use Permit approval.
4. The Use Permit is non-transferable to other restaurant locations.
5. The site and outdoor dining areas shall be maintained in a clean and orderly manner.
6. Compliance with all building and fire code requirements, including fire sprinkling the colonnade, per approved plans.

39. LIQUOR LICENSE: San Tan Brewing Company

APPROVED a Permanent Extension of Premises for San Tan Brewing Company, LLC, dba San Tan Brewing Company on State Liquor License No. 03073045, a Series 3 Domestic Microbrewery and State Liquor License No. 12076999, a Series 12 Restaurant Liquor License, at 8 S. San Marcos Place and Chandler Liquor Licenses No. 11265 L03 and L12.

This applicant was previously approved for Series 3 and Series 12 Liquor Licenses by City Council on March 22, 2007. On July 26, 2007, the applicant was granted a permanent extension that included a permanent outdoor patio along Commonwealth Avenue and a patio in the front along San Marcos Place. The applicant has requested to extend the serving area by connecting the two patios.

The Police Department has no objections to the permanent extension of premises. All fees have been paid and the business is in compliance with the City's Sales and Use Tax Code.

40. LIQUOR LICENSE: Bear Creek Golf Course

CONTINUED TO FEBRUARY 28, 2008, Liquor License, Series 12, for Daniel Miles Strand, Las Corrientes Chandler LLC, dba Bear Creek Golf Course, 500 E. Riggs Road, to allow the applicant time to complete the requirements for their Use Permit.

41. CONTINUED LIQUOR LICENSE: Curry House

CONTINUED TO MARCH 13, 2008, Liquor License, Series 12, for Randy D. Nations, House of Curries, LLC, dba Curry House, 2051 W. Warner Road, Suite 7, to allow the applicant time to complete the requirements for their Use Permit.

42. LIQUOR LICENSE: Chevron

APPROVED a Series 10 Beer and Wine Store Liquor License (Chandler #117308 L10) for Sarwan Singh, Agent, C and G Petroleum, dba Chevron, 2025 E. Chandler Boulevard. A recommendation for approval of State Liquor License #10075537 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 application is in compliance with the City's Tax Code. As this application represents a change in ownership, Planning and Development advises that a Use Permit is not required since it will be a continuation of the location's previous use as Chevron.

43. LIQUOR LICENSE: Fibber Magees

APPROVED a Series 6, temporary extension of premises for Chandler Liquor License No. 45077 L06 held by T. W. Steves LLC, dba Fibber Magees, 1989 E. Elliot Road, Ste. 19. A recommendation for approval of temporary extension of premises for State Liquor License No. 06070661 will be forwarded to the State Liquor Department. The Police Department has no objections to this extension and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Services.

44. SPECIAL EVENT LIQUOR LICENSE: South Chandler Self Help Foundation, Inc.

APPROVED a Special Event Liquor License for the South Chandler Self Help Foundation for their "Black and White Ball" fundraiser and volunteer recognition, on February 16, 2008, at the Chandler Community Center, 125 E. Commonwealth Avenue. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

45. PRELIMINARY PLAT: Cottman Transmission

APPROVED Preliminary Plat PPT07-0048 Cottman Transmission, for a Planned Industrial and motor vehicle repair development on 3 acres north and east of the NEC of 56th Street and Chandler Boulevard. (Applicant: Cottrell Engineering.) The plat creates the lots, tracts and easements necessary for the property's development. The site is zoned Planned Industrial District (I-1) and has been granted Use Permits to also allow motor vehicle repair.

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.

46. FINAL PLAT: Warner Commerce Park

APPROVED Final Plat FPT07-0059 Warner Commerce Park, for a 16.89-acre business park development with commercial and industrial uses at the SEC of Warner Road and Delaware Street. (Applicant: Viawest WCPI, LLC.) The plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way.

47. MEMORANDUM OF UNDERSTANDING: Chandler Law Enforcement Association

APPROVED a reopening of the Memorandum of Understanding with the Chandler Law Enforcement Association (CLEA) as mutually agreed by the parties and approve a 9.21% market adjustment for police officers to be effective March 2, 2008.

The market adjustment recommendation was the result of a salary survey conducted by the City of Chandler and discussed with CLEA. The adjustment will keep police officer wages competitive with surrounding communities. Failure to approve the recommendation will result in Chandler falling further behind other communities and may risk Chandler not being able to attract and retain quality police officers.

The amount is \$648,622.00 from March 2, 2008, through June 30, 2008, and will be funded through anticipated salary savings from all general fund departments combined.

48. MEMORANDUM OF UNDERSTANDING: Chandler Law Enforcement Association

APPROVED a Memorandum of Understanding with the Chandler Law Enforcement Association (CLEA).

The membership of the Chandler Law Enforcement Association (CLEA) ratified the Memorandum of Understanding. The City and local bargaining teams jointly recommend that the City Council approve this M.O.U. The non-economic terms of the M.O.U. begin on July 1, 2008, and the economic go into effect the beginning on the 1st pay period in July (07/06/08). The M.O.U. will expire June 30, 2009.

As a result of Ordinance #3619 approved by City Council on October 28, 2004, the City of Chandler entered into meet and confer discussions in January of 2008 with the Chandler Law Enforcement Association (CLEA). The meet and confer process was concluded on February 4, 2008, and the membership of CLEA ratified the tentative meet and confer agreement.

1st year of the M.O.U.
Effective 07/06/08

Two percent (2%) wage increase

An additional six-tenths percent (0.6%) City contribution to deferred compensation plan, providing the employee contributes a minimum of twenty dollars (\$20) per pay period.

An employee who is at the top of the pay range for their classification and meets the additional

qualifications in the M.O.U. shall receive 1.7% of their base pay in two equal installments.

Add 1040 union release hours to M.O.U.

Delete \$100 per year police officer uniform allowance.

Effective July 1, 2008, the M.O.U. also maintains the following provisions:

- Health and Dental Insurance:
For the term of the M.O.U., the City will pay 90% and the employee will pay 10% of the cost of any health insurance increased costs each year. The City will pay 100% of the dental insurance premiums for employee only coverage, 70% for employee plus one and 50% for employee plus two.
- Labor-Management Committee:
The Labor-Management Committee is a standard labor relations process, which provides the employee organization and management an informal forum for the exchange of views and discussion of mutual concerns and problems during the term of the M.O.U. This process is distinguished from the formal meet and confer process, which takes place at the expiration of the M.O.U.

The mutual benefit to the parties of the labor-management process is the ability to solve problems as they arise throughout the term of the M.O.U. The process builds trust and commitment between labor and management and promotes future cooperation when the parties engage in the formal meet and confer process.

These provisions are also contained in all of the M.O.U.'s.

The total compensation increased costs are 3.1% the first year. This does not include retirement or merit increase costs. Each employee organization designed their economic package based on their organizations' needs within the overall total compensation parameters.

49. MEMORANDUM OF UNDERSTANDING: International Fire Fighters

APPROVED a reopening of the Memorandum of Understanding with the International Fire Fighters Association (I.A.F.F.) Local 493 Chandler Chapter and approve a 3.62% market adjustment to be effective March 2, 2008. The market adjustment recommendation was the result of a salary survey conducted by the City of Chandler and discussed with the International Association of Firefighters Local 493. Approving the recommendation will keep firefighter wages competitive with surrounding communities. Failure to approve the recommendation will result in Chandler falling further behind other communities and may risk Chandler not being able to attract and retain quality firefighters.

The amount will be \$175,905.00 from March 2, 2008, through June 30, 2008, and will be funded through anticipated salary savings from all general fund departments combined.

PUBLIC HEARINGS:

P.H. 1 ANNEXATION: NEC Arizona Avenue and Riggs Road

The Mayor opened the public hearing at 7:15 p.m.

ANNEXATION of approximately 35 acres of land located at the NEC of Arizona Avenue and Riggs Road. (Owner: CTW-Riggs Gateway, LLC.)

PLANNING DIRECTOR DOUG BALLARD said that the property is currently vacant with the exception of a small portion, which is occupied by several vacated industrial buildings that will be removed to make way for the owner's proposed development. The owner has submitted a companion application for the rezoning of the property from the current Maricopa County designations of I-1 and I-2 Industrial to City of Chandler PAD (Planned Area Development) for Retail Commercial.

The owner's rezoning application, along with this proposed site and building development representations, are under current review by the Planning and Development Staff. It is anticipated that the request for rezoning will be ready for the Planning Commission and City Council's consideration and action within a few weeks of the City's required granting of zoning comparable to the property's existing zoning within Maricopa County.

The property is zoned IND-2 Industrial within the County. Surrounding and/or adjacent parcel status is as follows: North – vacant and undeveloped within the County; East – City of Chandler Municipal Golf Course; South – County and City of Chandler I-1 and I-2 Industrial (County portion developed); West - County large lot single-family residential. The Chandler Land Use Element of the General Plan designates the area at this arterial street intersection as a Commercial Node.

JOSHUA POWERS, 5721 S. Crossbow Place, speaking on behalf of Riggs Residents for Retail Diversity, asked that his neighborhood (Riggs Residents) be kept in the loop for the development of this property. There were concerns about the choice of tenants in the past and want to ensure the neighborhoods in the area are consulted ahead of time.

MAYOR DUNN directed Staff to go back to any listing of citizens previously interested in this site and make an extra effort to ensure everyone is notified including HOA's in the area.

There being no further public comment, the Mayor closed the public hearing at 7:18 p.m.

P.H. 2 ANNEXATION: SEC of Arizona Avenue and Willis Road

The Mayor opened the public hearing at 7:18 p.m.

ANNEXATION of approximately 11 acres of land east of the SEC of Arizona Avenue and Willis Road. (Owner: Siebe & Eileen Hamstra.)

PLANNING DIRECTOR DOUG BALLARD said that the parcel is undeveloped with the exception of an existing vacated single-family home in it's northwest corner along the Willis Road frontage. The house will be removed when the property is developed. The owner proposes to develop the property for a business park.

The property is zoned RU-43 within the County. Surrounding and/or adjacent parcel status is as follows: North – City of Chandler existing PAD Retail Commercial Center; East – City of Chandler existing PAD Industrial; South – County RU-43 Agricultural; West – County RU-43 Agricultural and City of Chandler AG-1 Agricultural. The Chandler Airpark Area Plan, a Land Use Element of

