

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, August 14, 2008 at 7:06 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
Kevin Hartke	Councilmember
Jeff Weninger	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: Councilmember Orlando led the Pledge of Allegiance.

SCHEDULED PUBLIC APPEARANCES:

1. Proclamation – Drowning Impact Awareness Month

MAYOR DUNN was joined by Fire Public Education Officer Marty Dangel as he read a proclamation proclaiming the month of August 2008 as Drowning Impact Awareness Month.

Mr. Dangel reminded everyone that “eye to eye” supervision is the key to drowning prevention.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

MAYOR DUNN said that Agenda Item #9 (Riggs Gateway) would be moved to Action.

COUNCILMEMBER WENINGER thanked Staff for their work on the Agreement with the Chandler Historical Society (Item #10). Agreement Section 8 requires “reasonable open access to CHS books, financial records .....” which is defined in Exhibit A. He asked if the definition is clear? Community Services Director Mark Eynatten responded that he felt it was extremely clear and has been explained to the Historical Society. They have read the agreement and signed it. City Attorney Mary Wade said that the definitions were derived from meeting with the City Auditor and establishing what his needs would be. Staff then met with the Historical Society who agreed.

COUNCILMEMBER WENINGER asked that Council be notified if the information is not made available by Wednesday, August 20<sup>th</sup>.

COUNCILMEMBER ORLANDO asked about the intent of the audit. Mr. Eynatten said it is not to be punitive but rather to help the City gain the maximum understanding of what it costs to operate the museum. Staff has seen some documents such as year-end statements during the negotiation process. COUNCILMEMBER ORLANDO said that some members of the Historical Society feel that they have done something wrong and are being challenged. He said he has assured them that nothing punitive is being done and that the City is only attempting to get an estimate of costs for budget purposes.

VICE-MAYOR HUGGINS asked if there would be a distinction between what the Historical Society has spent and what has been spent by the Museum. Mr. Eynatten responded that Staff has discussed this with the Historical Society. It is Staff's goal that the audit will make that distinction and allow Staff to "get a better handle" on the costs. It will be very important to understand the ability of both groups to contribute to the long-term operation of the museum.

MAYOR DUNN emphasized that the personal information of donors will not be included or copied. This is a normal procedure when one business takes over another so all financial ramifications are understood.

COUNCILMEMBER HARTKE said that Historical Society members seem eager to move ahead with this transition and felt they should operate on good faith that the information would be provided rather than impart another deadline after the date. If, for some reason it does not happen, provisions have been put in place to deal with that.

COUNCILMEMBER WENINGER commented that he only asked for a memo from the City Manager that does not have to involve the entire Council. It could only be sent to him. He asked Mr. Eynatten when we originally asked for this information. Mr. Eynatten responded that consensus has been attempted for several months. The original intent was to be up and running on July 1<sup>st</sup>. COUNCILMEMBER WENINGER said he does not feel the request is being punitive. He is concerned because we are going to be spending a great deal of taxpayer money and this was only one small item.

MAYOR DUNN said that COUNCILMEMBER WENINGER'S request is not an official request from the entire Council, but only the request of one Councilmember who wants to know what and when the information was provided.

COUNCILMEMBER ORLANDO said that he would be amenable to allowing more time to have the records turned over as long as they are accurate.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY COUNCILMEMBER CACCAMO, to approve the Consent Agenda as amended with Item #9 being moved to Action.

COUNCILMEMBER CACCAMO stated that on Item #6 (Building Code Series) he would be voting yes on the adoption of the new building code, but nay on the Plumbing Code.

MOTION CARRIED UNANIMOUSLY (7-0) with the exceptions as noted.

1. MINUTES:

APPROVED, as presented, minutes of the City Council Special meeting of July 28, 2008, and Regular meetings of July 28 & 31, 2008.

2. VACATION: Galveston Street and Emmett Drive Ord. #4078

ADOPTED Ordinance No. 4078 authorizing the vacation of right-of-way on Galveston Street, west of Emmett Drive, adjacent to CTA Liberty Elementary School.

3. REZONING: Greywood Professional Offices Ord. #4083

ADOPTED Ordinance No. 4083, DVR08-0012 Greywood Professional Offices, rezoning from AG-1 to PAD to allow an office building on approximately 2 acres south of the SWC of Frye and Gilbert roads.

4. REZONING: My Extra Garage Storage Ord. #4085

ADOPTED Ordinance No. 4085, DVR08-0002 My Extra Garage Storage, rezoning from PAD to PAD Amended zoning for a condominium storage development on 3.1 acres south and west of the SWC of Queen Creek and Cooper roads.

5. REZONING: Palm Court Center Ord. #4089

ADOPTED Ordinance No. 4089, DVR08-0022 Palm Court Center, rezoning from PAD to PAD Amended zoning to expand the list of permitted uses for a building at 255 W. Warner Road.

6. CITY CODE AMENDMENT: Chapter 29 Ord. #4082

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4082, Adoption of New Building Code Series, amending the Chandler City Code Chapter 29, adopting the 2006 edition of the International Building Code, 2005 edition of the National Electrical Code, 2006 edition of the Plumbing Code, 2006 edition of the International Mechanical Code, 2006 edition of the International Residential Code, 2006 edition of the International Fuel Gas Code, adding the 2006 edition of the International Energy Conservation Code and Code of Federal Regulation Chapter 40, Part 60, Subpart AAA as in effect on July 1, 1990.

The 2006 editions of the International Code Council series of codes are being adopted in lieu of the current 2003 editions. Specifically, the 2006 International Building Code, International Residential Code, International Mechanical Code, International Plumbing Code and International Fuel Gas Code are replacing the other editions. In addition, this ordinance adopts the 2005 National Electrical Code, and for the first time, energy conservation is addressed with the adoption of the 2006 edition of the International Energy Conservation Code.

As with past code adoptions, these codes were sent to the Board of Appeals for review and comment at various public meetings. The Board approved the adoption of these codes with amendments. This code is updated to the 2006 edition as well as providing for a number of relocated regulations.

Chapter 29 of the City Code contains the Building Safety provisions. This chapter is being restructured and renumbered in several ways in addition to adopting the current codes.

- In Article I, Building Administration. The 1994 Uniform Administrative Code is deleted and is being replaced with an administrative code of our creation since this Code is no longer published and the language is old and will no longer mesh with the current code language. Specifically, the "Violation" section, as well as the "Appeals" section of the code has been moved in a common administrative section. The result is a common violation and appeals process with the remainder of the individual codes left in tact.
- Article IV, Plumbing Code. The major change to the Plumbing Code is the deletion of the "low flow" amendments, which have been a standard amendment to this code for at least the last 20 years. The reason for this deletion is the proposed code contains low flow requirements at least as restrictive as those required in the past; therefore, the old amendments have been dropped. The prohibition of polybutylene plastic piping remains in place. The issue of using the current generation of plastic tubing was a topic of discussion by the board during the hearing process. Staff supports the Board of Appeals' recommendation of the use of new plastic-tubing products that are listed as an approved material in this code adoption.
- Article VI, Uniform Swimming Pool and Spa is deleted. The requirements for pools and spas have been moved to the building code. Since the new building code has a comprehensive swimming pool barrier requirement section, the current "Swimming Pool, Spa and Hot Tub" code is deleted. Any requirement from the old code, not contained in the requirements of the new building code, were incorporated into the new code. Specifically, the barrier requirements of the building code have been amended to require that windows from the house into a pool enclosure must be wire mesh screen screwed-in-place, if it does not have the required latch.
- Article VII, Uniform Code for Abatement of Dangerous Buildings is deleted. The requirements of the dangerous building code have been moved to the Unsafe Buildings section in the Building Code.
- Article VIII, Uniform Housing Code is deleted. The Housing Code is deleted as these requirements are the purview of the Neighborhood Resources Department and they have adopted a different set of requirements.
- Article IX, Uniform Fireplace Code is deleted. The requirements for fireplaces have been moved to the Building Code as a new section "113 Fireplaces".
- Article III, National Electrical Code. There are no amendments or changes to the Electrical Code.
- Article V, International Mechanical Code. There are no amendments or changes to the Mechanical Code.
- Article VI, International Residential Code. There are no amendments or changes to the Residential Code.
- Article VII, International Fuel Gas Code. There are no amendments or changes to the Fuel Gas Code.
- Article VIII, International Energy Conservation Code. This is the first time we have adopted an Energy Conservation Code. This code is expected to form the basis of a minimum set of requirements for energy conservation in new and remodeled structures. It is also expected to play a part in the "green building" initiative the Long Range Planning Division has introduced.

COUNCILMEMBER CACCAMO VOTED NAY ON THE ADOPTION OF THE PLUMBING CODE.

7. No Item.

8. REZONING: Western State Bank

Ord. #4088

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4088, DVR08-0020 Western State Bank, rezoning from PAD to PAD Amended zoning with PDP for a new bank on 1.0 acre at the NEC of Chandler Boulevard and Alma School Road. (Applicant: Burch & Cracchiolo, P.A.; Owner: WSA Properties LLC.)

The subject site was developed as a fuel station in 1984 as part of the larger 8.7-acre Chandler Center development that surrounds the site to the north and east and otherwise consists of office uses. The fuel station buildings were recently demolished after having been vacated since early 2007.

The application proposes an L-shaped bank building placed in a landscaped setting adjacent to the arterial street intersection. Parking and a two-lane drive-through are located behind the building with access via existing driveway locations. The drive-through utilized underground tubes to avoid the need for overhead connections to the main building.

The application also requests relief from Code parking requirements. The applicant commissioned a parking study that shows parking need to less than 1 space per 200 square feet rather than 1 space per 150 square feet as normally provided for banks (24 spaces rather than 32). Staff has reviewed the parking study and found it satisfactory. The parking study uses Institute of Traffic Engineers (ITE) data in combination with ground research of a local personal banking facility to reach its conclusions, finding the parking need to fall under 1 space per 200 square feet. Western State Bank is oriented more toward business accounts than personal accounts and therefore is anticipated to generate even less peak traffic than the retail bank studied. As an additional measure, the building's north side could accommodate another one or two spaces west of the existing spaces if deemed necessary by the Zoning Administrator in the future.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 8, 2008. There were no citizens 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 conditions listed in the ordinance.

9. On Action.

10. AGREEMENT: Chandler Historical Society

APPROVED an Agreement with the Chandler Historical Society (CHS) for the transfer of museum operations. Key points of the agreement include:

- **Audit**: CHS shall provide the City's Internal Auditor reasonable open access to CHS books, financial records, Staff and officers so the Internal Auditor can perform a review of CHS operations during the last three years. CHS and the City Auditor shall discuss and reasonably agree upon those items and records necessary for the performance of the audit and those items and records appropriate for copying or reproduction. The City shall be responsible for all CHS costs associated with this initial audit. No less than on an

annual basis, the City has the right to request and CHS shall provide a certified independent audit and annual report for the City to review. To alleviate CHS concerns over privacy of individual donor information, the City's Internal Auditor provided a written methodology for conducting the audit of CHS financial records.

- **CHS Fund Support**: CHS agrees to pay \$44,000.00 from its operating budget to the City for the purpose of assisting in the operational support and staffing of the existing Museum. The \$44,000.00 shall be paid in three (3) payments. These payments will be due forty-five (45) days following CHS's main three fundraisers: the Annual Celebrate Chandler Charity Golf Tournament, the Chandler Sports Hall of Fame, and the Annual Pioneer Luncheon.
- **Daily Operation of the Existing Museum**: The City's Museum Administrator shall be responsible for all decisions and actions related to the daily operation of the existing Museum.
- **CHS Collection**: CHS shall retain ownership of the current objects in its collections until a formal transfer agreement for these collections is executed between the City and CHS. Both parties agree to actively pursue the transfer of ownership of the existing CHS collections to the City on terms that are mutually acceptable to both parties. Until this transfer is executed, the Museum Administrator is responsible for determining the extent and breadth of collections displayed in the Museum.
- **Term of Agreement**: The term of this Agreement commences on the Effective Date (August 15, 2008) and continues for one (1) year. Both parties agree to meet and review the terms of this Agreement no later than ninety (90) days prior to the end of one (1) year from the Effective Date, to determine if both parties agree to any extension of the term and any necessary amendments to the Agreement. If the parties agree to an extension and other amendments, this Agreement shall be amended in writing and approved by City Council prior to the effectiveness of such amendment.
- **Termination**: Either party may terminate this Agreement by giving the other party written notice of termination. Termination shall be effective ninety (90) days after receipt of such notice by the non-terminating party. During this ninety (90) day period, if necessary, both parties agree to submit to a mediation process regarding the termination of the Agreement by a mutually agreed upon third party. The Parties may jointly agree to terminate this Agreement and such a termination shall be effective immediately upon the execution of a written agreement to that effect by both parties.

11. **AGREEMENT**: H D Supply Waterworks LTD

APPROVED an Agreement with H D Supply Waterworks LTD for water meter installation, repair and consulting, in an amount not to exceed \$710,000.00.

APPROVED a Contingency Transfer in the amount of \$710,000.00 from the Water Operating Fund, Non Departmental Contingency account to the Water Operating Fund, Water Distribution Replacement Meters account.

Meters generally have a life expectancy of 20 years. As some meters in the City have been in place for over 40 years, a meter replacement program has been initiated requiring replacement of 27,000 meters over the next 3 years. The City is not staffed to complete this volume of meter replacements. This agreement is for the first phase, replacing 9,000 meters. It is anticipated that 9,000 meters will then be replaced in each of the following 2 years. The agreement also includes the option for large meter repair and installations, which historically are contracted out.

12. **SETTLEMENT AGREEMENT**: Pierce Manufacturing, Inc.

APPROVED a Settlement Agreement relating to liquidated damages for contract #FA7-065-2327 for the purchase of fire apparatus (engines) from Pierce Manufacturing, Inc., in the amount of \$51,543.00.

On October 26, 2006, Council approved contract #FA7-065-2327 for the purchase of one fire apparatus. On December 13, 2007, the Council approved an amendment to the contract to authorize the purchase of two additional fire engines. The fire engine ordered pursuant to the original agreement was delivered late and liquidated damages are \$53,400.00. Staff is recommending approval of the Settlement Agreement, which authorizes enhancements valued at \$51,543.00 to the three apparatus in lieu of actual damages. The difference will be assessed as liquidated damages.

13. DISPATCH SERVICES: Fire & Emergency Medical

AUTHORIZED the appropriation for fire and emergency medical dispatch services in accordance with the current Intergovernmental Agreement (IGA) with the City of Phoenix in an amount not to exceed \$1,293,753.24.

The current IGA with the Phoenix Fire Department has been in effect since 2003. This IGA provides dispatch services, technical services and equipment maintenance. There is a \$299,903.00 increase for Chandler Fire over the 2007/08 appropriations for dispatch services. This increase is attributed to a full cost recovery approach by the City of Phoenix, an increase in the number of dispatches, and anticipated annual increases due to additional equipment and/or upgrades to current equipment. This increase was accounted for and adopted in the Fire Department's annual budget requests that were approved by the City Council for the 2008/09 budget.

Southwest Ambulance and PMT Ambulance contract with the Fire Department to provide dispatch services for their ambulances through our IGA with the Phoenix Fire Department. Their combined portion of this \$1,293,753.00 is \$427,486.00. The two companies combined had an increase of \$127,583.00 over their FY 2007/08 amounts. In accordance with their contract, this money is deposited on a monthly basis into the City's Ambulance Revenue Account.

14. AGREEMENT: United Fire Equipment Company

APPROVED an Agreement with United Fire Equipment Company for firefighter uniforms in an amount not to exceed \$159,100.00.

The Fire Department provides members with an annual uniform allowance. This allowance is \$675/year for sworn personnel and \$300/year for non-sworn personnel. As uniforms are purchased throughout the year, amounts are deducted from each member's account. The vendor tracks the account balances and billing invoices are sent to Fire Administration monthly.

15. AGREEMENT: SDB, Inc.

APPROVED Agreement #PR0825-401 with SDB, Inc., for Paseo Trail electrical wire replacement, pursuant to Job Order Contract 07-04, in an amount not to exceed \$335,671.00.

The Paseo Trail is a multi-use path that stretches along the consolidated canal from Pecos Road on the north to Riggs Road to the south. From November 2007 to March 2008, electrical wire

was stolen from underground conduits that provided power to the pedestrian lighting. A total of three and a half miles of wire was stolen in three separate incidents. This project will replace the wire to the electrical system. Work will commence once electrical services along the trail are energized by Salt River Project. The wiring will be installed in one-mile segments. As each segment is completed, the lighting will become operational. It is anticipated to take approximately six months to re-light the entire trail.

In addition to the replacement, electrical surveillance systems are to be installed at five locations along the trail. The surveillance equipment will monitor breaks in the electrical current and notify City personnel in the event of an attempted theft.

16. AGREEMENT: H D Supply

APPROVED an Agreement with H D Supply Waterworks, LTD, for the purchase of water meter box lids in an amount not to exceed \$219,000.00.

The City is currently installing radio-read water meters, requiring the use of polymer concrete meter box lids to allow for radio transmission. Approximately ½ of the lids will be used for retrofitting steel lids in areas where radio-read meters are already installed. The remainder of the lids will be used to replace steel lids when older or malfunctioning meters are replaced. In addition, this year's contract will require 9,000 extra lid conversions as part of the meter change-out program to replace meters that have exceeded their service life expectancy.

17. AGREEMENT: Sewer Line Inspection

APPROVED an Agreement with Pipeline Video Inspection and Cleaning, Clear View Hydrovac Services and View Pipe for video inspection of sewer lines in an amount not to exceed \$160,000.00 for one year with provisions to extend for four additional one-year periods.

The City of Chandler has 755 miles of sewer lines. As sewer lines age, they slowly deteriorate due to corrosion from sewer gases. By using the recommended contracts, the Wastewater Collection Division will be able to inspect older sewer lines, detect potential problems and determine necessary repairs prior to street overlays. In addition, there is a Maricopa County requirement for videotaping all new sanitary sewers and lines.

18. AGREEMENT EXTENSION: H D Supply Waterworks, LTD

APPROVED a two-year Agreement Extension with H D Supply Waterworks, LTD, for the purchase of water meters and related equipment in an amount not to exceed \$4,720,000.00 over the next two years and assign the agreement from Hughes Supply, Inc., to H D Supply Waterworks, LTD.

APPROVED a Contingency Transfer in the amount of \$400,000.00 from the Water Operating Fund Non Departmental contingency account to the Water Operating Fund, Water Distribution, Replacement Meters account.

In September 2006, the City entered into an agreement with Hughes Supply, Inc., for the purchase of water meters and related equipment. The agreement was for a two-year term with provisions to extend for four additional two-year terms. The requested extension includes a 6.7% price increase, which is equal to the two-year change in the Consumer Price Index. This extension includes 9,000 additional meters, which are required as part of a meter change-out program to replace meters that have exceeded their service life expectancy. The extension also

includes a 3% discount for purchasing 9,000 meters for the replacement program. The requested amount is for the entire two-year term based on an estimated 3.5% increase after year one. Only the first year's contracted funding is identified in the financial implications due to the potential cost increase should the Consumer Price Index go above 3.5%. During the term of the contract, H D Supply Waterworks, LTD, purchased Hughes Supply, Inc.

19. CONTRACT: Nesbitt Contracting Co., Inc.

APPROVED Contract #ST0613-403 to Nesbitt Contracting Co., Inc., for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase III Guaranteed Maximum Price (GMP), in an amount not to exceed \$7,053,256.36. To minimize costs, City Staff is performing construction management services.

20. CONTRACT: Valley Rain Construction Company

APPROVED Contract #ST0601-404 construction manager at risk to Valley Rain Construction Company for Queen Creek Basin Phase II in an amount not to exceed \$1,712,122.00.

In 2003, the City of Chandler and the Flood Control District of Maricopa County (FCDMC) each purchased one-half of approximately 70 acres of land at the SEC of Queen Creek and McQueen roads. The property was purchased as a retention basin that is one part of the recommended regional drainage plan identified in the Higley Area Drainage Master Plan. The parcel purchased is known as the Queen Creek Road Basin and as intended to retain 154 acre-feet of storm water runoff from the 100-year storm.

In June 2008, Council approved the construction of the Paseo Vista Recreation Area. Paseo Vista, located across McQueen Road from the basin site, will accept the approximately 240,000 CY of dirt that will need to be excavated to create the Phase II portion of the basin. In addition to the excavation, the Phase II contract will also allow for trees to be salvaged on-site to be used in the Paseo Vista Recreation Area and the future Nozomi Park to be located at this site.

21. CONTRACT: Jacobs Engineering Group

APPROVED Contract #ST0501-451 to Jacobs Engineering Group for construction administration for the Chandler Park and Ride lot in an amount not to exceed \$260,630.00.

In 2001, the Maricopa Association of Governments (MAG) began the MAG Park and Ride site selection study to identify a regional system of park and ride lots to support regional express bus system, carpooling, and vanpooling. The need for a park and ride site in Chandler was determined from the following criteria:

- Recommendations from the 2001 MAG Park and Ride Site Selection Committee;
- Projected population growth both north and south of the park and ride target site selection area;
- Projected traffic volumes along the north-south arterials in the southern parts of Chandler;
- Proportion of Valley Metro express ridership in the Chandler area.

The Chandler Park and Ride Lot is located at the SEC of Germann Road and Hamilton Street. This project consists of a security building, a paved parking lot for 450 plus vehicles with shaded areas for approximately 200 vehicles, passenger platforms and bus shelters. In addition to the

security building, security cameras, monitoring, and recording station are included to allow continual supervision of the property, history recording, and accurate accounting of the vehicles on the property. There are several artistic features integral to the site plan. Traffic signals will be added to Germann Road and Hamilton Street to accommodate the addition of solar panels for potential future use. Installing solar panels at this time is beyond the current scope and budget for the project.

The Construction Administration contract is for the designer to oversee the construction of the Chandler Park and Ride Lot and complete the final closeout of the project.

22. CONTRACT: Dibble Engineering

APPROVED Contract #ST0808-202 to Dibble Engineering for design services for Railroad Crossing Upgrades in an amount not to exceed \$239,371.00.

This project will provide design for upgraded Union Pacific Railroad (UPRR) crossings to the ultimate six-lane configuration at Chandler Boulevard (between Arizona Avenue and McQueen Road) and Chandler Heights Road (between Arizona Avenue and McQueen Road). Due to long lead design and permitting requirements set forth by the UPRR and Arizona Corporation Commission (ACC), Staff recommends beginning the design process for the railroad crossing upgrades prior to awarding a design contract for the impacted CIP road project. Construction will begin with each CIP road project.

23. CONTRACT EXTENSION: Stantec Consulting

APPROVED a one-year extension for Contract #EN0721-101 with Stantec Consulting for the existing annual survey contract in an amount not to exceed \$200,000.00.

The City contracts with a consultant to provide land title surveys, rights-of-way easement surveys for acquisition and documentation boundary surveys, topographic and mapping surveys, satellite-based control surveys, miscellaneous property line location surveys and the preparation of legal descriptions and exhibits. Typically, the survey fees range from \$600.00 up to \$10,000.00 per project. The relatively small size of the projects and fees do not warrant the expense of a consultant selection for each project; therefore, City Staff selects a consultant for an annual on-call contract. The City has utilized the efficiency of this on-call survey contract for the past nine years.

24. No Item.

25. CONTRACT: Salt River Project (SRP)

APPROVED Contract #ST0625-301 to Salt River Project (SRP) for design and construction to remove and relocate electrical equipment for the Gilbert Road Improvements (Germann Road to Queen Creek Road), in an amount not to exceed \$219,129.00.

26. CONTRACT AMENDMENT: Black and Veatch

APPROVED Amendment No. 1 to Contract #WA0320-452 with Black & Veatch for construction management services for the Surface Water Treatment Plant expansion in an amount not to exceed \$520,000.00 for a contract total not to exceed \$3,618,852.00.

In November 2005, Council awarded the construction management services contract to Black & Veatch for inspection, testing, project administration and other necessary services related to the Surface Water Treatment Plant expansion. This expansion upgraded the Plant's capacity from 45 million gallons per day (MGD) to 60 MGD. In August 2007, Council approved Change Order 5 to the construction contract with Hunter Contracting. Change Order 5 included the purchase and installation of new finished water pumps to replace twenty-year old existing pumps and a time extension. Additional scope will be required for as-built drawings and operation and maintenance manual enhancements to ensure county acceptance and City compliance. A new Standard Operations Procedure (SOP) Manual will be required after the new pumps are installed and on line. An allowance will be added for any necessary programming required for system integration.

27. CONTRACT: Layton Construction

APPROVED Contract #FI0605-201 to Layton Construction for construction manager at risk for the Fire Administration Building in an amount not to exceed \$6,971,988.00.

The Fire Department Administration building was approved as a CIP project for design and construction in FY 2006/07. The new Fire Administration building will be located just to the west of the current Fire Administration building on Boston Street. The building will be three stories and a total of 18,420 square feet. The first two floors will be for Fire Department administrative and support Staff. The third floor will be the City's Emergency Operations Center (EOC). The EOC will serve as the City's "command center" for any major disaster occurring in the City. When the new building is complete, the Police Department will be utilizing the current Fire Administration building. The architectural theme of the building is that of an historic fire station. This conforms to the "Historic Downtown Chandler" theme and also brings some distinctive recognition to the building. This building will be one of the City's first buildings designed to the standards required for certification within the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED version 2.2) program. It is being built to achieve a "Silver" level certification.

This project also includes an IT/Phone utility duct originating at the City's IT Center and proceeding down Delaware and Boston streets. The fiber and wiring being laid will provide service to the Fire Administration building, the Museum and new City Hall.

A memorial plaza is also part of this project. This plaza will be centered around the Police and Fire Memorial artwork that was approved and designed by the Arts Commission in cooperation with members of the Police and Fire Departments.

28. PURCHASE: Econolite Control Products, Inc.

APPROVED the Purchase of Autoscope traffic signal video detection equipment from Econolite Control Products, Inc., sole source, for a total amount not to exceed \$595,000.00.

Traffic Engineering requires traffic signal detection cameras on each leg of a street intersection to detect the presence of vehicles thus allowing intelligent traffic signal timing. Signal head indications change based on traffic demand as detected by the Autoscope detection cameras and predetermined volume calculations. To enhance environmental efficiency, Traffic Engineering coordinates traffic signal timings based on actual vehicle arrivals at each intersection with real time reporting and the ability to make signal changes from the Traffic Management Center. Detection is accomplished by the Autoscope detection cameras and routing equipment placed in

the traffic signal cabinets. These cameras do not monitor speed or red light running. With this MAG grant funded project, the City will have video detection at all intersections.

29. PURCHASE: Tires

APPROVED the Purchase of tires, utilizing the State of Arizona contract, in an amount not to exceed \$375,000.00.

30. PURCHASE: SunGard THE, Inc.

APPROVED the Purchase of maintenance and support for Police Works field report writing software from SunGard HTE , Inc., sole source, in the amount of \$128,385.00.

The Police Works field report writing software is currently installed on Police Department patrol vehicle Mobile Data Computers (MDC) and LAN computers, which total 397 licenses. In addition, SunGard HTE, Inc., also provides database administrator (DBA) assistance for the database that stores the data from police reports. Department personnel who write reports for accidents, field interviews and all offense incident reports use Police Works field report writing software. This purchase will ensure the on-going maintenance, services and support. This service also includes upgrades to the Police Works field report writing software, services on the server and DBA services for the MS-SQL Server database that is currently used to store the data.

31. PURCHASE: Automotive and Equipment Parts

APPROVED the Purchase of aftermarket and original equipment manufacturer automotive and equipment parts from Carquest, T and T Napa, Arizona Brake and Clutch, Interstate Batteries, Norwood Equipment, Freightliner Sterling Western Star of Arizona, Frontier Equipment, Thorobred Chevrolet, Earnhardt Dodge, The Light House, United Fire, Earnhardt Ford and RDO Equipment, in a combined amount not to exceed \$390,000.00.

32. PURCHASE: Duct Cleaning Services

APPROVED the Purchase of duct cleaning services from HVAC, utilizing the Maricopa County contract, in an amount not to exceed \$60,000.00.

This service provides cleaning of air conditioning/heating ducts and equipment and the washing and repainting of return and air supply registers. This contract will be used solely to clean the 500 air registers in the Chandler Main Police Station. These ducts are insulated from the inside and require specialized equipment to clean without damaging the interior insulation.

33. PURCHASE: Tools, Parts and Accessories

APPROVED the Purchase of tools, parts and accessories for various air conditioning and heating units used in City buildings from HVAC, utilizing the Maricopa County contract, in an amount not to exceed \$150,000.00.

34. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED a Special Event Liquor License submitted by the Chandler Cultural Foundation for the Terry Fator Concert Fundraising Event on Thursday, October 2, 2008, at the Chandler Center for the Arts, 250 N. Arizona Avenue. A recommendation for approval of the Special Event Liquor

License will be forwarded to the State Liquor Department. 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.

35. SUBORDINATION: 805 E. Carla Vista Drive

APPROVED Subordination of the Housing Rehabilitation lien on project RH02-0002 located at 805 E. Carla Vista Drive in the amount of \$35,906.10. (Montes.)

The single-family, owner-occupied home was rehabilitated under the City of Chandler's Housing Rehabilitation Program in 2002. A lien has been placed against the property by the City for \$40,510.00. This lien is in the form of a 12-year repayable loan, whereby the owner repays 25% of the total and the balance is forgiven at the end of the term of the loan. The owners' balance is currently at \$35,906.10 and the forgivable amount is \$30,382.50.

The owners have applied for a loan to refinance their current first mortgage in order to reduce their monthly payments. There will be no cash out to the owners. The approximate total amount of the new loan would be \$53,000.00. In order to obtain the loan, a subordination of the City's lien is required by the lending institution.

The City's lien is currently in second position and would remain in second position after the new loan. The property is currently valued at approximately \$141,000.00, which is more than the combined encumbrances of the City's lien and the new first mortgage.

36. EMPLOYMENT CONTRACT: Presiding City Magistrate

APPROVED the Presiding City Magistrate's Contract for FY 2008/09 in an annual amount of \$161,659.00 and \$166,670.00 for FY 2009/2010.

ACTION:

9. REZONING: Riggs Gateway

Ord. #4091

Ordinance No. 4091, DVR07-0028 Riggs Gateway, rezoning from I-2 to PAD for a commercial retail center with PDP on approximately 30 acres at the NEC of Arizona Avenue and Riggs Road. (Applicant: CTW-Riggs Gateway, LLC.)

COUNCILMEMBER CACCAMO said that he requested this item be moved to Action because of the concerns brought up during the Study Session. He questioned the need to look at stipulations or remanding it back to the Planning Commission.

Background: The site is bounded by two arterial streets, Arizona Avenue and Riggs Road, and the Union Pacific Railroad to the east. Surrounding development includes County property with industrial zoning to the north, commercial and single-family residential zoning west of Arizona Avenue and commercial and industrial zoning to the south. The Bear Creek golf course is located east of the railroad track, which abuts the east side of the development. Beyond the golf course to the east is a single-family residential subdivision.

Property at the SEC of Riggs Road and Arizona Avenue is County zoned industrial IND-2 and City zoned industrial I-1 property. The Gold Canyon Candle company is zoned PAD for light

industrial use and located south of the intersection. The SWC of the intersection is County property zoned commercial C-2 adjacent to existing single-family residential.

The request to rezone to PAD includes Preliminary Development Plan for site layout and building architecture. The PAD zoning request proposes uses permitted in the Community Commercial District (C-2). The development does not include a large single-use retailer and is allowed late hour businesses as permitted under the Late Hour Business Compatibility Policy.

The proposed development is in conformance with the General Plan's Land Use Element and Southeast Chandler Area Plan. Both plans designate this property as a Commercial Node. Commercial Nodes enable consideration of neighborhood or community shopping facilities, commercial offices, commercial services and institutional uses. In addition, the corridor between Arizona Avenue and the railroad tracks is designated for Employment and a Major Entry Gateway. Employment is intended to accommodate a variety of light industrial/business parks in campus-like setting, including a compatible mix of higher density housing, commercial support uses, corporate offices and high-tech uses. The intersection of Arizona Avenue and Riggs Road is a Major Entry Gateway intended to create a sense of arrival using specialized treatments at the corner such as landscaping, signage, and high quality developments.

The Southeast Chandler Area Plan reinforces the General Plan's Land Use Element by specifically designating the intersection of Arizona Avenue and Riggs Road as a commercial Node. A community shopping facility is typically sized with a building area between 130,000 and 300,000 square feet that provides everyday goods and services for a number of neighborhoods. The Southeast Chandler Area Plan identifies the Arizona Avenue corridor, west of the Union Pacific Railroad and east of Arizona Avenue, for the most intense land use in Southeast Chandler thereby reserving the planning area east of the railroad tracks for less intense neighborhood oriented commercial uses.

The Southeast Chandler Area Plan does not have commercial design standards for development west of the Union Pacific Railroad and east of Arizona Avenue; however, the development meets the Zoning Code's Commercial Design Standards including architecture, site development, landscape and signage requirements.

This development request was filed prior to artwork being required, therefore, artwork is not provided. However, the character theme logo is a unique, one-of-a-kind symbol for this development meeting the required Commercial Design Standards to provide an overall character theme for the development.

This request was noticed in accordance with the City of Chandler Zoning Code requirements with a neighborhood meeting being held on September 20, 2007. There were 2 neighbors in attendance. During the annexation process in February 2008, Staff was advised by City Council to ensure all required property owners were notified of this zoning case including any other property owners, neighborhood contacts, and neighborhood groups who were involved in the previous zoning case processed for this site in 2005. City Staff coordinated with the applicant to ensure an expanded notification list was utilized to have a second neighborhood meeting and City notice of scheduled public hearings. City Registered Neighborhood Organizations, individual neighborhood contacts and property owners outside of the standard 600-foot notice and 1320-foot notice areas were notified.

One resident spoke at the February 14, 2008, Council meeting regarding the annexation of the property. The resident conveyed his neighborhood was not opposed to the commercial

development of the site but wanted to make sure they were notified of the zoning process so they could be involved. Following this meeting, the applicant spoke with a resident of the Paseo Crossings HOA and a member of Riggs Residents for Retail Diversity. Both individuals conveyed they are not opposed to the latest commercial development plan. The individuals conveyed they just want to be in contact with the applicant/developer as the project moves forward to the zoning process.

A second neighborhood meeting was held on March 31, 2008. There were 16 area residents in attendance. Staff received a phone call from the Sun Lakes Fire Chief who wanted information on the site's annexation into the City of Chandler. Staff has received no correspondence in opposition to this request.

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

MOVED BY COUNCILMEMBER CACCAMO, SECONDED BY COUNCILMEMBER ORLANDO, TO MOVE THIS ITEM - DVR07-0028 RIGGS GATEWAY, REZONING FROM I-2 TO PAD FOR A COMMERCIAL RETAIL CENTER WITH PDP ON APPROXIMATELY 30 ACRES AT THE NEC OF ARIZONA AVENUE AND RIGGS ROAD, BACK TO THE PLANNING & ZONING COMMISSION FOR FURTHER DESIGN CONSIDERATIONS.

DAVID CISIEWSKI, 11811 N. Tatum Blvd., Phoenix, representing Riggs Gateway, said that although his client understands Council's design concerns, they had hoped that the work over the last two years and most recently since the Study Session Monday night had addressed those concerns. Additional stipulations were added to increase landscaping and pedestrian connections and decreasing parking throughout the plan. The proposed plan has been reviewed for many months, received public comments and added stipulations from the Planning Commission.

They hoped Council would take under advisement the amount of time and effort that has been put into this plan based on his client's reputation in the community and past developments.

MAYOR DUNN commented that because this location is viewed as a gateway into south Chandler, design needs to be carefully considered. He asked if there are tenants committed to locating in the center. Mr. Cisiewski said that the intent is that they are trying to apply logic to real estate development by trying to seize an opportunity from a negative by taking this project and addressing neighborhood comments, Planning Commission comments and Council comments. Once there is an approved plan, his client will take that plan and market it to tenants. Tenants will not commit to a project that has not been zoned or approved.

KIRK SIBLEY, 5846 S. Robins Way, said that the group he represents was planning to request that more time be allowed to review the project, but Council has moved to do that. His group has a lot of concerns about the project and that those concerns are addressed. He thanked Council for remanding this item back to P & Z to address those design concerns. He commended Staff, specifically Planner Jodie Novak, for doing an excellent job of preparing the material and informing the community.

COUNCILMEMBER ORLANDO asked Staff if we normally have a zoning change first and then a development plan or is this typical. Ms. Novak explained that we typically have them coming together where a zoning request may be going before the Planning Commission for review while the beginning steps of an annexation are in process at Council, and by the time the end stages of

the annexation are occurring with Council, the zoning case is either on the same agenda or immediately following the annexation. If someone is annexing a property of this size at a commercial node, they usually have a committed project they want to work towards, get their zoning in place and come forward with the development plan. This is typical of that process.

COUNCILMEMBER ORLANDO said that typically, zoning is the key element in any sales to a potential applicant. Ms. Novak responded that when they deal with buyers in the land sale side, they want zoning in place and would also like to have the development plan in place. This project started earlier in the year with the annexation going quicker, but they have gone back to the drawing board following initial Council comments.

MOTION TO REFER THIS ITEM BACK TO THE PLANNING COMMISSION CARRIED UNANIMOUSLY (7-0).

Acting Planning Director Jeff Kurtz noted that this item would be scheduled on the Planning & Zoning Commission agenda for September 17, 2008.

MAYOR DUNN suggested the comments made at Monday's Study Session and at this meeting be forwarded to the Commission.

#### PUBLIC HEARINGS:

##### PH1. New and Modified Non-Utility System Development Fees

The Mayor opened the public hearing at 7:40 p.m.

Senior Financial Analyst Julie Buelt said that according to the provisions of the Chandler City Code, System Development Fees are to be updated annually. It has been the City's practice to have consultants review the fees every other year and have City Staff make an inflationary adjustment in the interim years. Duncan Associates prepared the System Development Fee Report for the 2008 new and modified non-utility system development fees.

The term "New and Modified" was chosen because, although there are no new fee categories, we are combining Community Park and Neighborhood Park fees categories into one called Park Fees.

In order to adequately notify interested parties of the 2008 update, emails were sent on March 7, 2008, to the Associated General Contractors of America, Capitol Consulting (representing the Arizona Multihousing Association), Chandler Chamber of Commerce, Fulton Homes Corporation, Home Builders Association of Central Arizona (HBACA) and Valley Partnership informing them of the proposed update to the System Development Fees and the planned date of the public hearing. Staff hosted a public meeting on April 29, 2008, attended by representatives from capitol Consulting, Fulton Homes Corporation, HBACA and Valley Partnership.

Since that time, Staff and the consultants have met several times with representatives from Capitol Consulting, HBACA and Valley Partnership regarding questions and concerns with the new methodologies used in the non-utility report. To clarify certain items and correct the arterial streets and public building calculations, the consultants revised both the non-utility report and the related infrastructure improvements plan. All stakeholders have now indicated they no longer have concerns with the contents in both the non-utility report and the related infrastructure improvements plan.

The Management Services Subcommittee was briefed on both the utility and non-utility reports on February 25, 2008, and August 6, 2008, to discuss the revisions made to the non-utility report.

The Advance Notice of Intent was published in the Arizona Republic on June 14, 2008, showing the date, time and place of the public hearing scheduled for August 14, 2008. In compliance with State Statutes, the Non-Utility System Development Fees report was filed with the City Clerk for public review beginning June 13, 2008, and is available on-line as agenda item number 56 on the June 12, 2008, Chandler City Council Regular Meeting agenda. The ordinance to adopt the new and modified non-utility system development fees is scheduled for introduction at the September 11, 2008, Council meeting for final adoption on September 25th. The new and modified non-utility system development fees will be effective December 29, 2008.

The consultants, Duncan and Associates, implemented several methodology changes in the fee study. They did an existing level of service calculation in all of the fee categories, took the replacement value of all of the assets in the system, combined it with the fund balance and then took outstanding bond and debt, inter-fund loans and arterial street fee improvement district credits and excluded them from the calculation. For each of the fee categories, they checked for outstanding debt by the City and calculated the debt credit to be subtracted from the fee because they can get service payments through property tax payments and did not want to double count it.

Modified demand factors were put in place in several categories. In Arterial Streets, it is still based on ITE peak-hour trips using the latest edition of the ITE Trip Generation Manual. For Parks and Libraries, the demand factor was changed from a usage survey that had been done previously to a household size, equivalent dwelling units. Those fees are only charged to the residential development.

For Fire, Police and Public Building categories, the demand factor was changed from square footage to functional population where functional population is a measure of relative demand by land use. It is the proportional use of people at the land 24-hours a day, 7 days a week. With a planned-based cost, it was measured against the existing level of service as a base line. They took the plan-base, what we will be spending in the future through build out and if it was lower than the existing level of service, it indicates the City did not need to collect the same amount of fee revenue in the future to complete the system and use the plan-based cost rather than the existing level of service.

Staff is also proposing to reinstate the Library Fee category, which is listed as zero in the City Code to accommodate the acquisition of the Sunset Library.

COUNCILMEMBER ORLANDO asked if we are currently providing any fee subsidies for Class A offices. Ms. Buelt responded that we are not, but it will be a 25% subsidy where the City will pay 25% of the fee and the developer would pay 75%. The Economic Development Division reviewed this subsidy and agreed that it is needed.

MAYOR DUNN said that we are more inclusive than neighboring cities in terms of industrial/commercial impact fees because we do the arterial streets. It could be challenging in terms of economic development. Ms. Buelt responded that the Economic Development Division provided feedback that, with this subsidy for the office category, they felt that overall we would be competitive with the 25% office subsidy.

ALISA LYONS with Valley Partnership representing the commercial development industry, 2817 E. Camelback Rd. #510, Phoenix, said that a number of months ago, Valley Partnership started a process of being involved in the General Plan development. They saw that there was a dramatic shift from all kinds of development to specifically commercial. It appeared, from the General Plan, that the reason was to insure a revenue source moving forward that only commercial development could provide. It is evident from this proposal, that policies being brought forward by Staff are in full support of the General Plan. The goals are to incent quality commercial development and they believe Staff's proposal to also incent retail and class A office will achieve that.

EMILY RYAN, 311 W. Lynwood Ave., Phoenix, representing the Arizona Multihousing Association, thanked Dennis Strachota and Julie Buelt for their open communication and willingness to consider new ideas during this process. The Multihousing Association has been speaking with the City regarding the implementation of a multi-family differential. She thanked Staff for hearing their concerns by including a multi-family differential in this study. This fairly allocates impact across all land-use categories. It also acknowledges proportionality and the fact that the smaller multi-family residences puts a lesser burden in City infrastructure.

The Mayor closed the public hearing at 7:51 p.m.

PH #2. Non-Utility Infrastructure Improvements Plan

The Mayor opened the public hearing at 7:52 p.m.

Senior Financial Analyst Julie Buelt said that Arizona Revised Statute §9-4673.05.D, requires the City to adopt an infrastructure improvement plan prior to assessing a new or modified system development fee. Duncan Associates prepared the Non-Utility Infrastructure Improvements Plan in conjunction with the preparation of 2008 new and modified non-utility system development fees.

The Advance Notice of Intent was published in the Arizona Republic on June 14, 2008, showing the date, time and place of the Public Hearing scheduled for August 14, 2008. In compliance with State Statutes, the Non-Utility Infrastructure Improvements Plan was filed with the City Clerk for public review beginning June 13, 2008, and is available on-line as agenda item number 56 on the June 12, 2008, Chandler City Council Regular Meeting Agenda. The adoption of the Non-Utility Infrastructure Improvements Plan is scheduled for the September 25, 2008, Council meeting.

The IIP is defined in State Statutes as one or more written plans that individually or collectively identify each public service proposed to be the subject of a development fee. It can be the same as our Capital Improvement Plan.

There were no questions from Council or the audience.

The Mayor closed the public hearing at 7:53 p.m.

#### SPECIAL ORDERS OF THE DAY

A. Mayor's Announcements:

MAYOR DUNN announced the official opening of the Mesquite Groves Aquatic Center, at 9:30 a.m. on Saturday, August 16, on Riggs Road and Val Vista Drive near Basha High School. Admission will be free Saturday from 9:00 a.m. to 11:00 a.m.

THE MAYOR also announced that several neighborhood meetings would be held next week to discuss the design of three new parks in Chandler. Staff encourages neighbors to provide their input into the design. Times and locations are available on the City's website [www.chandleraz.gov](http://www.chandleraz.gov).

B. Councilmembers' Announcements:

COUNCILMEMBER HARTKE offered condolences to the Duhaime family.

COUNCILMEMBER WENINGER announced the passing of John Rutledge a Chandler resident that participated in various Chandler activities and offered condolences to the family.

C. City Manager's Announcement:

None.

Adjournment: The meeting was adjourned at approximately 8:00 p.m.

ATTEST: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

Approved: August 28, 2008

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of Chandler, Arizona, held on the 14<sup>th</sup> day of August 2008. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
City Clerk