

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, April 23, 2009, at 7:00 p.m.

MAYOR BOYD W. DUNN Called THE MEETING TO ORDER.

The following members answered roll call:

Boyd W. Dunn	Mayor
Bob Caccamo	Vice-Mayor
Trinity Donovan	Councilmember
Rick Heumann	Councilmember
Matt Orlando	Councilmember (telephone)
Jack Sellers	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: Dr. Kelly Carr – Wellspring Church

PLEDGE OF ALLEGIANCE: Boy Scout Troop 898

SCHEDULED PUBLIC APPEARANCES:

1. Exceptional Merit Award

MAYOR DUNN was joined by Chris Mackay in recognizing Lori Quan and Rebecca Howe with Exceptional Merit Awards. Ms. Mackay explained that recently the OneCity marketing campaign was retired. Lori took the lead and conceptualized design and completed the layout of the new profile. Rebecca coordinated and obtained various amounts of data, charts and graphs. Lori completed complimentary marketing pieces. Once the profile was complete, the two worked on a redesign of the website to ensure a seamless transition between the printed and electronic materials. Ms. Mackay commended the team for coming up with new and innovative ways to showcase the City's information.

2. Recognition – Fire Department Volunteers

MAYOR DUNN was joined by Fire Chief Jeff Clark and Courtney Wood, Citizen Support Coordinator, in recognizing Crisis Response Volunteers. Chief Clark explained that Crisis Response Team 288 is a citizen volunteer team that provides crisis intervention services to the community. All share a commitment to serve the citizens. Chief Clark acknowledged the volunteer hours of individuals and thanked them for their commitment to the program.

Rosie Hollister:	500 hours	Jennifer Farrar:	700 Hours
Kristen Paquette:	600 hours	Amy Wilson:	800 Hours
Lily Bazargani:	900 Hours	Diane Orr:	1200 hours

3. Proclamation – Children’s Mental Health Awareness Day- May 2, 2009

MAYOR DUNN presented Kim Foy, member of the Mayor’s Committee for People with Disabilities, with the proclamation. Ms. Foy announced that the Committee would be having a picnic on May 2<sup>nd</sup> in celebration of the day.

4. Proclamation – National Police Week (May 10-16, 2009) & Peace Officer’s Memorial Day (May 15, 2009)

MAYOR DUNN presented a proclamation to Police Chief Sherry Kiyler with the proclamation. Chief Kiyler reported that in the United States this year, 133 law enforcement officers have lost their lives in the line of duty with 5 of those being in the State of Arizona. She displayed the antenna ribbons that are available as a show of support. She announced the State memorial service would be held on May 4<sup>th</sup> at the State Capitol and Chandler Police Department will hold its service at 9 a.m. on May 6<sup>th</sup>.

5. Ostrich Festival Report – Jerry Bustamante, Chandler Chamber of Commerce President

CHAMBER OF COMMERCE PRESIDENT JERRY BUSTAMANTE, reported on the 21<sup>st</sup> Annual Ostrich Festival held at Tumbleweed Park. He stated they had contracted with a new producer this year, Universal Fairs. The goal was to expand and bring more value to the event. He reviewed the new components such as a live ostrich display, demolition derby, sea lion show, new circus attraction and additional entertainment. He said attendance was up about 15% from previous years. He reported that they estimate total marketing value promoting the City of Chandler in this event was about \$510,000 not including the residual exposure. He noted that Animal Planet was present to do a segment on Ostriches that will air on May 16<sup>th</sup>. Mr. Bustamante recognized the partnership with the City of Chandler Police and Fire units in regards in ensuring the public’s safety during the events and acknowledged the occurrence of an isolated accident involving one of the performers. He stated the parade was held a week prior to the festival and included a Fun Run. He announced that next year, the current 3-day event may be expanded to a fourth day which would begin on a Thursday. Plans were to give the churches, schools and non-profits the opportunity to sell tickets for opening day while retaining a portion of the proceeds for opening night.

MAYOR DUNN acknowledged this as a signature event that draws visitors from everywhere.

6. Boy’s & Girls Club Building Update

MR. RAMON ELIAS noted that the groundbreaking for this building had occurred on January 27<sup>th</sup> and the kids have been very involved with learning the process. Mayor Dunn accepted a ceremonial shovel from the youth who were in attendance at the meeting from the Boys’ and Girls’ Club. Mayor Dunn thanked the youth and commended the youth for taking ownership of the project and noted it would be the first one in the country to be LEED certified.

7. Chandler Airport Daze Update

MR. JOHN WALKUP, Chandler Air Service owner and Chandler Airport Alliance member said that yearly the Commemorative Air Force visits Chandler Airport with the B-17 to promote and honor our country’s veterans by giving rides and attract people to the airport. This year, pilots and business owners at the airport organized “Airport Daze” as a way to attract residents in and

around the airport. He reported 2,500-3,000 people visited the airport, many from around the immediate area. His company was able to provide 55 rides in airplanes. Quantum helicopters was able to provide 120 people rides in helicopters. The Hangar Café reported the two biggest days in its history. Many other businesses in the Airpark had booths and displays along with participation from the Stellar Airpark tenants. He presented the City Council with a book containing 236 support letters, advertisements and Chandler Airport Alliance registration forms. MAYOR DUNN acknowledged the recent e-mails received from the event attendees.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

MAYOR DUNN complimented staff and the applicant on the design and landscaping for Item 9 (McClintock Village). He noted the corner lot, not part of this project, is in dire need of landscaping. He asked how that portion of existing landscaping could be addressed in order to match the future development. Acting Planning Manager KEVIN MAYO responded that if in the future, there is a request for a use permit or amendment to the zoning, that would be the time to require the parcel to comply with current code. He stated the owner of this current zoning case has worked with the owner of the corner lot to ensure a smooth design transition. Mayor Dunn asked Mr. Mayo to communicate to the corner parcel owner that as this new development occurs, this would be a great opportunity to voluntarily enhance the corner. In response to Mayor Dunn, Mr. Mayo said this is an intersection that will be widened in the future. Mayor Dunn said that unfortunately he often sees the lack of upkeep of all Mobil stations in the city and he would take that into consideration if any new Mobil station were proposed in the future.

COUNCILMEMBER WENINGER commented that in regards to Item 13 (Downtown Chandler Enhanced Municipal District) he would hope to see additional signage in the area to help locate different complexes and perhaps that would include some type of digital signage to help promote businesses and events in downtown.

COUNCILMEMBER HEUMANN declared he would abstain from voting on Item 9 (McClintock Village), as he was involved in the project many years ago through a neighborhood issue.

MOVED BY COUNCILMEMBER WENINGER, SECONDED BY COUNCILMEMBER SELLERS, to approve the Consent Agenda as presented. MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED, as presented, Minutes of the Chandler City Council Regular Meeting of April 6, 2009.

2. PROPERTY SALE: Estrella Well Site Ord. #4113

ADOPTED Ordinance No. 4113 authorizing the sale of approximately 7,000 square feet of City-owned land at the west side of 140<sup>th</sup> Street approximately one-quarter mile north of Ocotillo Road (known as the Estrella Well Site) at its appraised value of \$23,000.00 and dedicating a portion to Maricopa County for road right-of-way along with quit-claiming a parcel back for a shared driveway.

3. DEDICATION OF PROPERTY: Chandler Park and Ride Ord. #4126

ADOPTED Ordinance No. 4126 authorizing the dedication in fee of a portion of City-owned property for public roadway and dedication of a public utility easement adjacent to the Chandler Park and Ride located at the SWC of south Hamilton Street and Germann Road.

4. PAD ZONING AMENDMENT: Hewson Chandler Airport Center Ord. #4145

ADOPTED Ordinance No. 4145, DVR08-0026 Hewson Chandler Airport Center, to amend the PAD zoning to allow additional uses on 14.6 acres within the light industrial development located at 2440-2460 E. Germann Road.

5. POWER DISTRIBUTION EASEMENT: SRP Ord. #4140

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4140 granting a no-cost power distribution easement to Salt River Project (SRP) to provide new electrical power service to upgraded facilities at the existing Chandler Municipal Airport Water Reclamation Facility located near the SWC of McQueen and Queen Creek roads.

6. POWER DISTRIBUTION EASEMENT: SRP Ord. #4143

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4143 granting a no-cost power distribution easement to Salt River Project (SRP) for electrical service to the Arizona Railroad Museum, located at the Tumbleweed Park Recreational Facility.

7. UTILITY EASEMENT: APS Ord. #4146

ADOPTED Ordinance No. 4146 by Emergency granting a no-cost utility easement to Arizona Public Service Company (APS) for the purpose of providing electrical service to the new Fire Administration Building located at the SEC of Boston and Colorado streets.

8. REZONING: The Grove Bible Church Ord. #4150

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4150, DVR09-0003 The Grove Bible Church, rezoning from AG-1 to PAD for church related uses with PDP for monument signage located north of the NEC of Gilbert and Queen Creek roads. (Applicant: Matt Stowell, The Grove Bible Church.)

The subject site annexed into the City in late 2008 and received City initial zoning of AG-1. Directly north and east of the site is the Paseo Trails single-family residential subdivision. South, adjacent to the site, is approximately 20 acres of land located in the County. Gilbert Road is directly west adjacent to the site with vacant land zoned for commercial/office/industrial uses beyond that.

Currently, there are three structures on the site that hold the current operations of the church. All of the structures were built prior to annexation. There are no immediate plans for expansion of the site. Future expansion will require Preliminary Development Plan approval by City Council. Currently, there is a single means of ingress/egress on the site. However, the City of Chandler is underway with the Gilbert Road widening which will be completed by the end of the year. With the widening of Gilbert Road, a full access movement will be provided on the north end of the site and a curb cut will be provided on the south end of the site for access with future site

development. The existing means of ingress/egress will remain. Concerns were raised regarding the scarcity of the landscaping that is currently along the street frontage. Due to the road widening, a number of existing trees will be removed. With the completion of the road widening, the trees will be replaced and landscaping will comply with Commercial Design Standards; however, shrubs will need to be added.

The rezoning request also includes the request for two monument signs. The monument signs are wing-wall type signs similar in design to residential subdivision entry signs. The sign design is in three portions. The tallest portion of the sign is a six-foot column with slate veneer. The second portion of the sign is a sloping curved wall that starts at five-feet and slopes to a height of four-feet. The church logo and lettering is on this portion of the sign. The third portion of the sign is a large oval-shaped planter box with an overall height of two-feet six-inches. The length of the sign is approximately 32 feet. The sign lettering will only have the church logo and name and will be metal backlit lettering that will produce a halo effect. The logo and lettering is approximately four-feet in height and 14-feet in length. The monument entry signage will flank the main entrance into the site. No building mounted signage is proposed. Staff supports the monument signage citing the unique and attractive design.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on September 4, 2008. There was one neighbor in attendance in support of the request. Staff has received no correspondence in opposition.

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

9. REZONING: McClintock Village

Ord. #4151

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4151, DVR08-0023 McClintock Village, rezoning from Planned Area Development for Office and Commercial Retail to PAD Commercial Retail, along with Preliminary Development Plan for a commercial shopping center on approximately 26.4 acres located north and west of the NWC of Chandler Boulevard and McClintock Drive. (Applicant: Mike Withey, Withey Morris, PC.)

The subject site is located north and west of the NWC of Chandler Boulevard and McClintock Drive within the Chandler Corporate Center. At the immediate NWC of the intersection is an existing Mobil fuel station, which is not a part of this application. Directly north of the site is the corporate headquarters for Creative Leather. Surrounding the site to the northwest and west is vacant land zoned for industrial/office/warehouse type uses. South, across Chandler Boulevard, is Stellar Airport and Stellar Business Park.

The site has a long history of zoning actions with the most recent, and current operating Preliminary Development Plan, being established in 2000. The 2000 PDP was based upon zoning that was entitled in 1988. This rezoning seeks to modify the approved 1988 zoning and 2000 PDP by making minor modifications to both the 1988 and 2000 approvals. In 1988, the zoning on the subject site designated the northern portion of the subject for office uses only. The office uses were also represented in the approved 2000 PDP. This request seeks to modify the approved zoning of 1988 by rezoning the northern portion of the site by replacing office uses for commercial retail and to amend the approved 2000 PDP for a new site layout and building architecture.

The proposal also includes a Comprehensive Sign Package for a total of four monument signs, two along each arterial. There are two deviations from the Sign Code. The deviations include increasing the allowed number of tenant panels from two per monument sign to four tenant panels per sign and requests the second location of a 14-foot monument sign. Current Sign Code allows for monument signs to have two tenant panels per sign face. The current request is proposing four-tenant panels per monument sign face. The second request is for the additional location of a 14-foot monument sign per shopping center. Staff is in support of the additional tenant panels as well as the additional 14-foot monument sign. Staff supports the requests finding the monument signs design meritorious of the additional tenant panels. Furthermore, Staff supports the additional location of the 14-foot monument sign largely in part due to the relatively large size of the subject site and the amount of street frontage for the site tenant panels.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on September 4, 2008. There was one neighbor in attendance in support of the request. Staff has received no correspondence in opposition.

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

COUNCILMEMBER HEUMANN declared he would abstain from voting on Item 9 as he was involved in the project many years ago through a neighborhood issue.

10. PROPERTY PURCHASE: NEC McQueen and Ryan roads Res. #4255

ADOPTED Resolution No. 4255 authorizing the purchase of a parcel containing approximately 1,100 square feet of land located at the NEC of McQueen and Ryan roads at a cost of \$6,438.00 plus closing costs of approximately \$800.00.

The City's Municipal Utilities Department has determined that the old well site parcel located at the NEC of McQueen and Ryan roads is needed in order to close an old non-operating well that is on the property. The old well needs to be closed to prevent possible negative water quality impacts on the storage and recovery of recharged water at Tumbleweed Park. The proper owner is willing to sell to the City at the appraised value plus closing costs. Once acquired, the City will seal and abandon the well in accordance with State requirements.

11. AGREEMENT: Chandler Community Land Trust Res. #4271

ADOPTED Resolution No. 4271 authorizing an agreement with the Newtown Community Development Corporation to create the Chandler Community Land Trust.

In February 2009, the City was awarded an allocation of \$2.4 million from the Housing and Urban Development Department (HUD) to purchase and rehabilitate vacant/foreclosed properties in designated areas of the City. The goal of the Neighborhood Stabilization Program (NSP) is to mitigate the problems cities are encountering with the increasing numbers of foreclosures leading to vacant properties in otherwise thriving residential neighborhoods.

Chandler's NSP allocation was based, in part, on a proposal to create a community land trust that makes single-family homes permanently affordable to income-qualified homeowners. This is accomplished through the creation of a land trust – privately owned homes on land owned by a non-profit and held for the benefit of the community. Due to the purchase of homes in Chandler being historically difficult for many in the workforce, this program will enable new teachers,

nurses, firefighters, police officers, and others to purchase homes that might otherwise be purchased by investors and turned into rentals. It is widely accepted that the stability of a neighborhood comes from the commitment made to it by homeowners who have chosen to stay in the neighborhood over a period of time. The creation of the new Chandler Community Land Trust (CCLT) is one mechanism to encourage homeownership while helping to minimize vacant properties in neighborhoods.

The City will partner with the Newtown Community Development Corporation of Tempe (Newtown), the most successful land trust in Arizona. Formed in 1994, Newtown is a 501(c)(3) nonprofit corporation who's Board has been seeking a way to expand its success beyond Tempe. Partnering with its neighbor Chandler enabled the Board to consider a collaboration that would benefit those who want to live in Chandler as it has benefited those in the program who want to live in Tempe.

The mission of Newtown is to: "...increase the supply of permanently affordable housing while developing and supporting homebuyers through innovative programs and partnerships." In that regard, Newtown uses the following strategies in achieving that goal:

- Creating affordable homes
- Developing homeowners
- Providing Individual Development Accounts (savings accounts that can be matched to create down payments)
- Offering family-based child care
- Promoting community building activities

In its years of operation, Newtown has developed a highly respected reputation in the housing community and a program that is supported by a competent staff headed by Executive Director Allen Carlson, a Chandler resident.

The creation of the CCLT would not have been possible without the allocation of funds via the Neighborhood Stabilization Program. As a direct recipient, the City serves as a conduit of the Federal funds for use by non-profits. No City General Funds will be utilized in administering the program. Because of the collaboration with Newtown, it will be unnecessary to expend significant City staff time in finding and developing the potential homeowners or properties. The City will serve to accept the funds and monitor their expenditure as staff currently does with the receipt of other Federal funds. Staff will actively help to market and promote the program so that qualified homeowners are identified and signed up for the program before homes are actually purchased and rehabilitated. It is anticipated that \$1,468,500.00 of the NSP allocation will be expended over the next four years toward the purchase, rehabilitation and resale of approximately 15-17 single-family homes in the designated neighborhoods that include Ray Road to Chandler Boulevard and Alma School Road to Arizona Avenue.

12. PROPERTY PURCHASE: Hamilton Street Res. #4275

ADOPTED Resolution No. 4275 authorizing the purchase of a parcel containing approximately 7,800 square feet of land located adjacent to the Family Investment Center at 71 S. Hamilton Street to expand parking facilities at a cost of \$15,000.00 plus closing costs of \$1,500.00.

13. ASSESSMENT DIAGRAM: Downtown Chandler Enhanced Municipal Services District  
Res. #4276

ADOPTED Resolution No. 4276 authorizing modification of the assessment diagram; making a statement and estimate of expenses for the Downtown Chandler Enhanced Municipal Services District; completing the assessment; setting the date for the hearing on the assessment; and ordering the giving of notice of such hearing.

On May 25, 2006, the Mayor and Council approved Resolution No. 3971 creating the Downtown Chandler Enhanced Municipal Services District with the mission to provide marketing, promotion, enhanced security and district management. The City subsequently executed a contract with the Downtown Chandler Community Partnership (DCCP) to perform such services.

As part of the annual assessment procedures, each year the Assessment Diagram and Assessment Roll need to be updated due to changes in ownership, plats and land uses. Additionally, a public hearing must be held along with the opportunity for district property owners to file objections.

The hearing for the setting of the assessments will be held May 28, 2009, at 7:00 p.m. in the City Council Chambers. The District Staff will appropriately notify all property owners within the District boundary and will also publish the notice of the hearing in a daily newspaper for five days as required by State Statute.

Assessments in the District will be based on three weighted factors including assessed value, building square footage, and land square footage. All properties will be assessed at the same rate with the exception of buildings along the Historic Square which will be assessed double the building square footage rate.

In May, Staff will return with a resolution to approve the annual assessment roll that will detail the amount assessed each parcel and property owner. In June, Staff will present the Chandler Enhanced Municipal Services Agreement with the DCCP for fiscal year 2009-2010, which includes an Operating Plan and District Budget.

The assessments calculated by the DCCP total \$274,478.00 which is also the estimate for the operating budget for the District for 2009-2010. Of this amount, the City will pay 48% of the total budget, or \$132,004.00, in lieu of what would have been the amount assessed if the City were required to pay property taxes. Funds to provide for the assessment are currently provided for in the Downtown Redevelopment's budget request for fiscal year 2009-2010.

#### 14. BOARD & COMMISSION APPOINTMENTS/REAPPOINTMENTS

APPROVED the following Board & Commission Appointments/Reappointments:

AIRPORT COMMISSION:

Gary DeHoff (re-appt.)  
Stanley Olivier (re-appt.)

Architectural Excellence Award Committee:

Leo Mendez

Architectural Review Committee:

Patti Bruno  
Scott Clapp (re-appt.)  
Kim Clark (re-appt.)

Arts Commission:

Laurie Fagen (re-appt.)  
Michael Holland (re-appt.)

Board of Adjustment:

Board of Appeals-Building/Electric/Housing Codes:

James Malcolm  
Eli Sunshine (re-appt.)

Anthony Maturo (re-appt.)

Chandler Citizens' Panel for Review of Police Complaints and Use of Force:

Paul Campbell  
Scott Kooiman (re-appt.)  
Julie Krause (re-appt.)  
Greg Pitlock

Chandler Cultural Foundation Management Board:

Jerry Brooks (re-appt.)  
Tom Carr  
Lydia Gonzales (re-appt.)  
Harriet Rickert  
David Woodruff

Domestic Violence Commission:

Kathy Di Nolfi (re-appt.)  
Karyn Lathan  
Susan Stevens-Clarke (re-appt.)  
Tom VanHaaren, Jr.

Economic Development Advisory Board:

Steve Miller (re-appt.)  
Victor Napolitano (re-appt.)  
Michael Pollack (re-appt.)  
Farrell Quinlan  
Becky Smeraldo (re-appt.)

Housing and Human Services Commission:

Deborah Arteaga (re-appt.)  
Timothy Lewis  
Lenore Parker (re-appt.)

Human Relations Commission:

Litha Lamb-Lefkowitz  
Jimmy Li  
Steven Tepper (re-appt.)

Industrial Development Authority:

Doug Kimball  
Allen Leibowitz  
Dale Whiting  
Shannon Wilson (re-appt.)

Library Board:

Timothy Johnson (re-appt.)  
Judith McMullen (re-appt.)

Mayor's Committee for the Aging:

Judi Sefton (re-appt.)  
Larrestine Trimm (re-appt.)

Mayor's Committee for People with Disabilities:

Ted Maish (re-appt.)  
Nancy Pickrell (re-appt.)  
Janet Rosen (re-appt.)

Merit System Board:

Wendell Hollis (Alt. re-appt.)  
Allison Mayer (re-appt.)  
Joe McAuliffe (Alternate)

Museums Advisory Board:

Cecilia Boggs  
Scott Clapp (re-appt.)  
Corley Haggerton (re-appt.)

Neighborhood Advisory Committee:

Bill Donaldson (re-appt.)  
Gregg Pekau (re-appt.)

Parks and Recreation Board:

Lloyd Harrell (re-appt.)  
Damon Testa (re-appt.)  
Dean Visser (re-appt.)

Planning and Zoning Commission:

Michael Cason (re-appt.)

Transportation Commission:

Alex Gernert (re-appt.)

Kevin Hartke (re-appt.)  
Kristian Kelley (re-appt.)

David White (re-appt.)

15. REJECTED REQUEST FOR PROPOSALS: Tumbleweed

REJECTED all Requests for Proposal for Tumbleweed Commercial Recreation Venture.

In August 2007, the City issued a Request for Proposals for a commercial recreation venture to be located on 22 acres in Tumbleweed Park at the SWC of McQueen and Germann roads. That corner has always been targeted for potential development of a commercial recreation venture. Four responses were received with the proposal by Via West Properties, LLC (Via West) selected as the most promising and desirable. Two of the other three proposals were for products that could be incorporated into other proposals. They were deemed unsuited for the development goals of the project. The third proposal was based on the City financing and developing a facility that would be leased back to the proposer for operation. That proposal was also deemed to not fit with the project's development goals.

Over the next several months, City Staff and representatives of Via West met to discuss their proposal. The City hired Ernst and Young to review the proposal from a market viability standpoint. That report returned a positive viewpoint of the project but did cite that some level of City participation would be necessary for success.

Unfortunately, by the time that review was complete, the economy had begun to deteriorate and development had decreased substantially. Via West's preliminary discussions with potential tenants for their development concept matched the declining state of the economy. Finally, Via West notified the City Staff that they were no longer interested in pursuing their proposal to develop the SWC of McQueen and Germann roads due to the status of the current economic climate and reduced options for funding.

16. DEACTIVATION AGREEMENT: Salt River Valley Water Users' Association

APPROVED a Deactivation Agreement with Salt River Valley Water Users' Association for the removal of an irrigation delivery structure located north of the intersection of Cooper and Pecos roads to accommodate a planned roadway improvement project.

The City recently completed a capital project to improve Cooper Road between Chandler Boulevard and the Santan Freeway. The work on this project included the removal of an irrigation delivery structure owned by Salt River Valley Water Users' Association. This structure, which was no longer being used, was located on the west side of Cooper Road approximately 629 feet north of Pecos Road.

As a requirement for removal of any SRP irrigation facility, the City must enter into an agreement with SRP for deactivating that facility. Under terms of such an agreement, the City agrees to accept responsibility for replacing the facility if replacement should become necessary sometime in the future. This agreement has such a condition, but the likelihood of ever having to install a replacement is considered very low.

17. AGREEMENT: New Horizons Computer Learning Centers

APPROVED an Agreement with New Horizons Computer Learning Centers for on-site training services in an amount not to exceed \$83,000.00.

With the City's upcoming migration to Microsoft's Office 2007 suite of applications, City Staff will require training highlighting the differences between the current Office 2000 and new Office 2007 environments. The City is seeking a partnership with New Horizons Training Centers to assist in training Staff to ensure a seamless migration between versions. The goal is to utilize New Horizons Training Solutions to leverage their experience in all aspects of deploying training and post go-live support with the migration to Office 2007.

The City is also seeking New Horizons Training Centers to provide application support strategies to ensure productivity will not be impacted and help develop "superusers" throughout the City to answer Office questions rather than depending on the City's Help Desk resources to be Office subject matter experts.

The vendor will provide training classes for the 1700 City staff that use Microsoft Office

18. AGREEMENT AMENDMENT: Water/wastewater Equipment Repair and Maintenance

APPROVED Agreement Amendment No. 3 with Weber Group, L.C., Gilbert Pump and Equipment Co., Layne Christensen Company and Foster Electric/Arizona Pump Company, Inc., for water/wastewater equipment repair and maintenance in an amount not to exceed \$1,602,000.00. This is the second of four one-year optional extensions and does not include a price adjustment.

19. AGREEMENT: Proprietary Electrical Supplies

APPROVED an Agreement with Brown Wholesale Electric, Summit Electric Supply, Axiom Southwest, Border States Electric and SWABS-AZ for one year with provisions for four one-year extensions for the purchase of proprietary electrical supplies to be used by the Water and Wastewater Divisions in a combined total amount not to exceed \$815,000.00.

20. AGREEMENT AMENDMENT: Hill Brothers Chemical Company

APPROVED Agreement Amendment No. 2 with Hill Brothers Chemical Company for the purchase of sodium hypochlorite (bleach) for treatment of sewer odors in an amount not to exceed \$125,372.00. This is the second of four one-year optional extensions and does not include a price adjustment.

21. AGREEMENT: KC International

APPROVED an Agreement with KC International for anthracite coal filter media and related installation/removal services in water treatment plants to enhance the treatment process in an amount not to exceed \$132,999.00.

22. AGREEMENT: Gilbertson Associates

APPROVED Project Agreement #AI0807-201 with Gilbertson Associates for North Airport Apron Phase II, pursuant to annual contract #EN0707-101, in an amount not to exceed \$159,000.00.

The North Airport Apron Phase II project is the second of two additions to aircraft parking on the north side of the airport property. Since occupancy of existing tie-downs at the airport exceeds 90% for most of the year, construction of the new tie-downs will provide a consistent source of

revenue. In addition, due to the location of the new aprons, commercial and industrial development along the future Airport Boulevard will have direct access to the aircraft.

Phase I was finished in spring 2008 and added approximately 90 new parking spaces for small and large aircraft. Phase II will be constructed west of the Phase I apron and the future Curtis Way alignment.

23. AGREEMENT: Gilbertson Associates

APPROVED Project Agreement #AI0806-201 with Gilbertson Associates for Airport Storm Drain, pursuant to annual contract #EN0707-101, in an amount not to exceed \$44,000.00.

The 2005 Chandler Airport Storm Drain Master Plan identified major sources of storm water runoff for current and future land uses on the airport property and provided a framework for future improvements to manage the runoff effectively. The interest in commercial and industrial development with direct access to the airport, combined with the availability of grant funding, makes it essential to address the drainage issues in the near term.

One section of the airport's storm drain system was constructed in 1996 in coordination with the terminal building. In 2000, the City received a design grant from ADOT for further improvements to the storm drains, but construction money was not made available until recently. This agreement will update the original set of construction drawings in accordance with the 2005 Master Plan.

24. AGREEMENT: Red Oak Consulting

APPROVED an Agreement with Red Oak Consulting for a Rate Structure Design Analysis in an amount not to exceed \$49,759.00.

The Management Services and Municipal Utilities Council Subcommittees met on December 15, 2008, to review the resulting revenues and customer impacts one year after implementing new water rates and rate structures on October 1, 2007. Staff then started working with Red Oak Consulting on water rate design options for the increase needed for the 2009/2010 fiscal year.

25. CONTINUED USE PERMIT: Hudson Baylor Chandler

CONTINUED TO MAY 28, 2009, Use Permit UP08-0067 Hudson Baylor Chandler, for the expansion of a recycling facility located within a General Industrial (I-2) zoning district located north and west of the NWC of Ray Road and Hamilton Street to allow the applicant additional time to work through site details.

26. USE PERMIT: Barrio Fiesta of Manila

APPROVED Use Permit UP08-0069 Barrio Fiesta of Manila, Series 12, to continue to sell liquor for on-premise consumption only within a restaurant located at 941 W. Elliot Road, Suites 11-14, at the SEC of Elliot and Alma School roads. (Applicant: Nelson Reyes.)

The restaurant is approximately 4580 square feet including a bar and dance floor in the southern suite with recorded music to accompany the dancing on weekend evenings. The restaurant is open Tuesday through Thursday and Sunday from 11 a.m. to 9 p.m. and 11 a.m. to 2 a.m. on Friday and Saturday. The three northernmost suites function as a full-service restaurant. The

establishment received a one-year Use Permit approval in December 2007 in order to monitor any effects generated by the music and dancing.

The shopping center includes two active liquor Use Permits: a Series 9 Liquor Store Use Permit for Fry's Grocery Store and a Series 10 Beer Wine Store Use Permit for the Blue Diamond Fuel Station.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on March 16, 2009. There were no citizens in attendance. The Police Department has been informed of the application and has not responded with any issues or concerns. Staff has received no correspondence in opposition.

Upon finding consistency with the General Plan and Community Commercial (C-2) zoning, the Planning Commission and Staff recommend approval subject to the follow conditions:

1. The Use Permit granted is for a Series 12 license only and any change of license shall require reapplication and new Use Permit approval.
2. Music volume levels shall be controlled so as to not present a nuisance to area residences.
3. The Use Permit is non-transferable to any other location.
4. 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.
5. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or the addition of entertainment related uses shall require reapplication and approval of the Use Permit.
6. The Use Permit shall remain in effect for three (3) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require reapplication to and approval by the City of Chandler.

27. USE PERMIT: Eldercare At Western

APPROVED Use Permit UP08-0071 Eldercare At Western, to operate an assisted living home for up to eight residents within an existing single-family home located at 2004 W. Western Drive. (Applicant: Joe Carlos, Operator.)

The subject site is located north of the NWC of Dobson and Elliot Roads within the Knoell East single-family subdivision. Directly north of the subject site is a canal located in the City of Mesa. Single-family homes surround the property to the west, south and east.

Assisted living homes are required to obtain a use permit when there are more than five residents living together in a single dwelling unit, excluding staff. The maximum potential amount of residents allowed with a use permit is ten, excluding staff. Additionally, the number of residents allowed is based upon requirements provided by the State Health Department. The State Health Department requires that a single user bedroom shall be 80 sq. ft. and two residents may share a room if the room is 120 sq. ft. or more. On no occasion can a bedroom exceed more than two residents. The rooms for this application conform to these requirements.

The subject site received Use Permit approval for an assisted living home in 2003 for up to six residents for a single year and, in 2004, received an extension of the Use Permit for an additional three years. In 2007, the home received a new Use Permit allowing up to eight residents. As

part of the approval, a one-year timing condition was added. The applicant is requesting an extension of the Use Permit for an additional three years.

Employees do not park at the home; the applicant is responsible for driving the employees to and from the home. Visiting hours are from 9 a.m. to 7 p.m. and visitors are encouraged to call beforehand. The facility and property are well maintained.

The applicant has operated this facility as the owner/administrator for the past six years. In addition, the applicant is a Certified Manager and licensed by the Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers. Furthermore, the applicant is involved in continuing certification and training for the operation of Assisted Living Homes.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 27, 2009. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

Upon finding consistency with the General Plan and the SF-8.5 zoning district, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The assisted living home shall have no more than eight (8) residents at any time.
2. Should the applicant sell the property, this Use Permit to operate an assisted living home shall be null and void.
3. This Use Permit shall remain in effect for three (3) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require reapplication to and approval by the City of Chandler.

28. CONTINUED USE PERMIT: Valley Silver Bullets

CONTINUED TO MAY 14, 2009, Use Permit UP09-0001 Valley Silver Bullets, extension to allow up to 14 horses on-site in conjunction with a therapeutic and recreational horse-riding clinic located at 1991 S. Tumbleweed Lane to allow further investigation into allegations of dust problems.

29. LIQUOR LICENSE: Thai Dressing Fine Thai Cuisine

APPROVED a Series 12 Restaurant Liquor License (Chandler #123960 L12) for Yutt Chantananung, Agent, Thai Dressing LLC, dba Thai Dressing Fine Thai Cuisine, 2820 S. Alma School Road, Suite 15. A recommendation for approval of State Liquor License #12077920 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.

30. LIQUOR LICENSE: Indian Paradise

APPROVED a Series 12 Restaurant Liquor License (Chandler #123542 L12) for Hardeep Kaur Gupta, Agent, PHK Gupta LLC, dba Indian Paradise, 2051 W. Warner Road, Suite 7. A recommendation for approval of State Liquor License #12077914 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. This application represents a change in

ownership. Planning and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as Curry House.

31. LIQUOR LICENSE: Pepe's Mexican Grill

APPROVED a Series 12 Restaurant Liquor License (Chandler #121770 L12) for Susan Mary Lee, Agent, Solee, Inc., dba Pepe's Mexican Grill, 2040 S. Alma School Road, Suite 3. A recommendation for approval of State Liquor License #12077922 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. As this is a continuation of the previous use as Nothing But Noodles, Planning and Development advises that a Use Permit is not required.

32. LIQUOR LICENSE: Chandler Polar

APPROVED a Series 12 Restaurant Liquor License (Chandler #124228 L12) for Randy D. Nations, Agent, Chandler Polar LLC, dba Chandler Polar, 7225 W. Harrison Street. A recommendation for approval of State Liquor License #12077937 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. As this is a continuation of the locations previous use as Piccazzo's Gourmet Pizza & Salads, Planning and Development advises a new Use Permit is not required.

33. CONTINUED LIQUOR LICENSE: QuikTrip

CONTINUED TO MAY 14, 2009, a Series 10 Beer and Wine Store Liquor License Application for Kelly Paul Vaughn, Agent, QuikTrip Corporation, dba QuikTrip #442 at the SWC of Arizona Avenue and Germann Road to allow the applicant time to complete the requirements for a new Use Permit.

34. LIQUOR LICENSE TEMPORARY EXTENSION OF PREMISES: Majerle's Sports Grill

APPROVED a Temporary Extension of Premises for a Series 12 Restaurant Liquor License (Chandler #116027 L12) held by Majerles 9 LLC, dba Majerle's Sports Grill, 3095 W. Chandler Boulevard for a "Big Red Army Launch Party" on April 25, 2009. A recommendation for approval of a temporary extension of premises for State Liquor License #12077269 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.

35. LIQUOR LICENSE TEMPORARY EXTENSION OF PREMISES: Dos Gringos Grille

APPROVED a Temporary Extension of Premises for a Series 12 Restaurant Liquor License (Chandler #105853 L12) held by Dos Gringos Alma, Inc., 1361 N. Alma School Road for a Cinco de Mayo Celebration on May 5, 2009. A recommendation for approval of a temporary extension of premises for State Liquor License #12076997 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.

36. PRELIMINARY PLAT: The Gates

APPROVED Preliminary Plat PPT08-0018 The Gates, for a 121,582 sq. ft. commercial shopping center located at the SEC of Gilbert and Ocotillo roads. (Applicant: Site Consultants, Inc.). The plat creates the lots and tracts, construction phasing lines, establishes the necessary easements and dedicates the required right-of-way.

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.

ACTION:

37. NOTICE OF INTENTION – WATER, RECLAIMED WATER & SEWER FEES

Background:

Changes in both the water and sewer rates and rate structures went into effect October 1, 2007. Prior to that, the rates had remained unchanged since October 1994 and the rate structures had been in place since the early 1980s. At the time of the 2007 rate increase, the multi-year financial plan called for rate increases of 8% for water revenues and 13% for sewer revenues for FY 09/10. The current multi-year financial plan prepared by Staff indicates that rate increases of 6% for water revenues and 13% for sewer revenues are needed to maintain the financial integrity of the water and sewer enterprises, including debt service coverage and cash reserve policy requirements, over the next fiscal year. The plan currently forecasts annual water and wastewater rate increases for the foreseeable future due largely to significant increases in energy and chemical costs as well as the loss of impact fee revenues dedicated to construction of needed facilities and infrastructure.

Over the last few months, Red Oak Consulting has worked with Staff and the Council to address customers' reactions to the new water rates and rate structures. The net effect of the structural and other changes listed in the options below will be to reduce water charges for residential customers who use the most water and who experienced significant water bills with the 2007 water rate increase. Chandler's water charges will be within mid-low to mid-range of water rates charged by comparably sized cities within the Valley for single-family customers with any of the proposed options. Three water rate options were discussed at the April 10, 2009, Municipal Utilities and Management Services Subcommittee meetings; all three options will accomplish the 6% increase in water revenues.

OPTION A (Staff recommendation) is to alter the single-family water rate structure to accommodate an additional 20,000 gallons of water consumption in block 3. The remainder of the necessary increase will be accomplished by:

- Increasing the monthly base charge for all customer classes by 20%;
- Increasing the volume rates for the multi-family, industrial, landscape and non-residential customer classes by 6%;
- Altering the single-family block 3 water structure to accommodate 40,000 gallons of usage instead of 20,000 gallons of usage, which means that the single-family block 4 rate is over all usage in excess of 60,000 gallons instead of 40,000;

- Maintaining the existing volume rates for single-family block 4; and
- Increasing the volume rates for single-family blocks 1, 2 and 3 by approximately 9%.

OPTION B is to restructure the single-family customer class by decreasing the block differentials in the volume charges to approximately 1.25 times between each block with the exception of the summer block 2-volume charge. The remainder of the necessary increase will be accomplished by:

- Increasing the monthly base charge for all customer classes by 30%;
- Increasing the volume rates for the multi-family, industrial, landscape and non-residential customer classes by 5%;
- Altering the single-family block 3 water structure to accommodate 40,000 gallons of usage instead of 20,000 gallons of usage, which means that the single-family block 4 rate is over all usage in excess of 60,000 gallons instead of 40,000 gallons; and
- Changing the volume rates for single-family blocks by amounts ranging from a decrease of 61% to an increase of 20%.

Staff considers this option an acceptable alternative because it preserves cost of service principles. It will shift more of the financial burden to lower volume customers as well as dilute the conservation signal integral to the current water rate structure.

OPTION C is to shift \$1,500,000.00 of revenue support from the single-family customer class to the remaining customer classes. The remainder of the necessary increase will be accomplished by:

- Increasing the monthly base charge for all customer classes by 30%;
- Increasing the volume rates for the multi-family, industrial, landscape and non-residential customer classes by 15%;
- Altering the single-family block 3 water structure to accommodate 40,000 gallons of usage instead of 20,000 gallons of usage, which means that the single-family block 4 rate is over all usage in excess of 60,000 gallons instead of 40,000 gallons; and
- Changing the volume rates for single-family blocks by amounts ranging from a decrease of 64% to an increase of 10%.

Staff strongly opposes the adoption of this option as it does not preserve cost of service principles.

The 13% sewer revenue increase will be accomplished by increasing all components across-the-board by 13%. Reclaimed water rates will increase from 10% of the single-family block 2 rate to 20% of the single-family block 2 rate (in whatever option is selected for water), which is still less than the cost of providing this water. Special request recovered water will continue to be charged at 70% of the single-family block 2 rate (in whatever option is selected for water).

Outside City rates will continue to be calculated using the same differentials calculated in the 2007 rate study: 1.4 times the Inside City rates for water and reclaimed water, and 1.6 times the Inside City rates for sewer.

Staff will also be recommending other City Code changes related to the installation of water meters and the establishment of a late fee for unpaid account balances. Historically, meters

larger than two inches were purchased and installed by the developer based upon specifications provided by the City. To insure proper installation, Staff would like to have the City perform these large meter installations for a fee and be reimbursed for the cost of the meter depending on the type installed. Additionally, installation fees for all meter types will be updated to recover the cost of providing the service. The City does not currently charge a late fee on past due utility bills and proposes to implement a late fee of 2% of the bill.

The Notice of Intention will be published in the Arizona Republic newspaper showing the date, time and place of the public hearing on June 11, 2009. In compliance with State Statutes, a copy of the documents supporting the revised water, reclaimed water and sewer fees will be filed with the City Clerk for public review. In addition, a notice will be included in monthly utility bills and posted on the City's website regarding the proposed rate increases before the scheduled public hearing and final adoption.

The financial plan shows that rate increases of 6% for water revenues and 13% for sewer revenues are needed to maintain the financial integrity of the water and sewer enterprises, including debt service coverage and cash reserve policy requirements over the next fiscal year. Reclaimed water rates will increase to 20% of the block 2 single-family water rates.

Discussion:

CITY MANAGER PENTZ said that this process began after the new rates had been in effect for a year. Three options are being presented for consideration. Option A is the staff recommendation and maintains the cost of service structure and maintains the incentive for water conservation in the residential classes and it generates adequate revenue to fund the utilities operations for the coming year. One of the issues raised by the Council regarding the rates that went into effect in 2007 was the impact on the large single-family users, particularly in the category of 65,000 gallons of use or more a month. The staff recommendation significantly reduces the rates for the large single-family users. Out of the 9 valley cities surveyed, for this option, the 65,000-gallon user in Chandler would be 6% below the average of the customers in the other cities. Option B, that also is acceptable by staff as a recommendation, does generate enough revenue to operate the utility in the next fiscal year and maintains the cost of service structure that is in effect, and also provides some rate relief for the large single-family residential users which would set the average summer bill at 30% below the average of the valley cities. Option C is not supported by the staff and is not a cost of service based rate, does not incent conservation, it shifts cost from the single family user category to the non single family user category, shifts \$1.5 million of costs from the single family user category to the non single family user category. It provides even more significant reduction for the 65,000-gallon user by 36%.

MAYOR DUNN said the Council presently has three options that have been reviewed by the Council subcommittees and citizen committee and asked Councilmember Huemann if he was proposing an additional option.

COUNCILMEMBER HEUMANN proposed an Option D. MOVED BY COUNCILMEMBER HEUMANN, TO ADOPT THE NOTICE OF INTENTION TO INCREASE CERTAIN WATER, RECLAIMED WATER, AND SEWER FEES AND SET THE DATE FOR THAT TO BE JUNE 11, 2009 TO INCLUDE OPTIONS A, B, AND C AND ADDING OPTION D THAT INCLUDES KEEPING THE SINGLE FAMILY CLASS AT THAT SAME RATE AS OPTION B, ALONG WITH MULTI-FAMILY AND LOOK AT A PLUS OR MINUS 15% TO THE COST OF SERVICE TO THE NON-RESIDENTIAL, INDUSTRIAL AND IRRIGATION TO BE WORKED BY THE CONSULTANT. COUNCILMEMBER ORLANDO SECONDED THE MOTION.

CITY ATTORNEY MARY WADE confirmed with Councilmember Heumann that the sewer fees would remain as calculated in A, B and C.

MAYOR DUNN asked if the range is specific enough to proceed and conform to Arizona law. Ms. Wade stated it was as once the ceiling has been set, you could not go above it, although you could go below it.

COUNCILMEMBER WENINGER asked for clarification on intent. COUNCILMEMBER HEUMANN said that it is his understanding that this item is to set the hearing for the 3 options. In looking at cost of service and the disparities, the potential on this is why he wanted flexibility with a fourth option. He said this would give flexibility to the consultant to work within those numbers.

In response to a request for clarification on the motion from Councilmember Donovan and Sellers, COUNCILMEMBER HEUMANN said that using Option B, keeping the single family and multifamily class as stated, but allowing non-residential, industrial and irrigation to have a 15% variance that gives the consultant the leeway and the Council the option to discuss it. Single family would not be affected on the cost of service. The cost of service on Options A and B are very close in the Cost of Service level that residential generates.

COUNCILMEMBER HUEMANN clarified that single family is 58.43%, multi-family is 6.37% and the other three categories are based on the 15%+/-.

AT THIS TIME THE MAYOR ANNOUNCED TO ANY CITIZEN WAITING FOR ACTION ITEM 38 (Reconsideration of Mesquite Groves Marketplace) THAT THE APPLICANT HAS REQUESTED THAT THE ITEM BE WITHDRAWN.

COUNCILMEMBER DONOVAN said there have been charts and graphs and information on the other options and requested that information be generated comparing the new option.

CITY MANAGER PENTZ reiterated that the +/- 15% is from the percentages listed in the staff memo and identified as Column A Cost of Service. The new percentages for non-residential, industrial and irrigation would be based on +/- of 15% of the percentages stated currently in the Cost of Service column.

ANTHONY BRADLEY, 154 E FIFTH STREET, TEMPE on behalf of the Arizona Multi-housing Association, said the Association supports any thing that will go along with the cost of service analysis and would be more comfortable if Option C was off the table. As the motion stands they are comfortable with discussing the issues.

KEVIN MICHAELS, 2593 E. Teakwood, Chandler, said he is not supportive of the current inverted tiered water rate structure. It is unfair and abusive to the large lot owners would use 65,000 as needed to maintain their properties. He questioned what would be fair for a large lot owner. He stated if the primary objective is conservation, he asked if Chandler has a water shortage. From what he has been told, it doesn't. If the inverted tier structure is to force conservation, then he questioned how much is being conserved if only 3% of the owners are in the large lot category. He questioned if it would even help to raise revenue for the budget, if that were to be the goal. He noted the only time it penalizes the large lot owners is during the summer months. He asked the Council not to support an inverted tier structure.

COUNCILMEMBER HEUMANN said he has talked to staff and the consultant about a pilot program with the start of the new rates to help come up with a formula for greater conservation across the board.

MR. CHRIS SORENSEN, 12539 E. Queen Creek Road, said there have been many newspaper articles about impact fees and why the City needs the money. He questioned a letter he had from two developers – one a commercial developer and one a residential developer. He questioned how City staff could waive the buy-in fees or impact fees for the two developers for water and sewer. He asked Council to look into the matter. He said the residential developer was required to put in 1200' of sewer line in Cooper Road. MAYOR DUNN asked Public Works Director Zeder to follow-up with Mr. Sorensen.

MR. ROB BARNEY, 1617 E. Glacier Place, said he served on the Citizen Committee that reviewed the rate structure and said he would make himself available for any questions regarding the Committee's recommendation.

VICE MAYOR CACCAMO said that while he is one of the biggest critics of the new plan, he supports it because he feels it is better than what is in existence. He said he would be interested in the new pilot program that Councilmember Heumann is proposing.

COUNCILMEMBER WENINGER asked if the proposed pilot program would need a vote of the Council. CITY MANAGER PENTZ responded that staff is not entirely convinced that a pilot program is the best way to proceed on this, but would be happy to follow the direction that Council provides as it relates to the rate structures.

MAYOR DUNN said he would need to know how much staff time would be involved as well as cost and logistics. COUNCILMEMBER HEUMANN said that was his intent with his discussions with staff to bring forth a potential plan for discussion.

WHEN THE VOTE WAS TAKEN, THE MOTION CARRIED UNANIMOUSLY (7-0).

38. RECONSIDERATION OF COUNCIL'S ACTION ON APRIL 6, 2009 REGARDING MESQUITE GROVE MARKETPLACE REZONING

MAYOR DUNN confirmed that both the applicant and Councilmember Sellers request that this item be withdrawn.

SPECIAL ORDERS OF THE DAY

A. Mayor's Announcements:

The 12<sup>th</sup> Annual Cinco de Mayo Festival and Chihuahua races are to be held on May 2<sup>nd</sup> in Downtown Chandler.

The City has launched a new portion of it's website that focuses on the sustainability efforts in Chandler. The site offers tips and provides resources to residents.

The Holocaust Commemoration event will be held on April 27<sup>th</sup> at the Center for the Arts.

The Arizona Legion Auxiliary event occurred recently and the City received a Certificate of Appreciation from the Matthew B. Juan American Legion Auxiliary Unit 35. Mayor Dunn thanked Councilmember Orlando for accepting the certificate on behalf of the City.

The City Manager was acknowledged for his 5 years of service to the City.

B. Councilmembers' Announcements:

Councilmember Orlando noted that the Police Chief also received an award for the Police Department's activities in support of the American Legion and the veterans.

Councilmember Weninger said that ICAN's Christy McClendon is competing for the Goodman's Eye for the Good Guy Award as nominated by the Fire Department. He encouraged everyone to vote via the Goodman's website.

C. City Manager's Announcement:

MR. PENTZ said the Council should have received a notice regarding the Council's follow-up retreat on April 28<sup>th</sup>.

Adjournment: The meeting was adjourned at approximately 8:17 p.m.

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

\_\_\_\_\_  
Mayor

Approved: May 14, 2009

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 23<sup>rd</sup> day of April 2009. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_\_ day of May 2009.

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