

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, May 14, 2009, at 7:00 p.m.

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

The following members answered roll call:

Boyd W. Dunn	Mayor
Bob Caccamo	Vice-Mayor
Trinity Donovan	Councilmember
Rick Heumann	Councilmember
Matt Orlando	Councilmember
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: Mayor Dunn

PLEDGE OF ALLEGIANCE: Councilmember Matt Orlando

SCHEDULED PUBLIC APPEARANCES:

1. Recognition – Bio-Genius Competition Winner Shemonti Hasan

MAYOR DUNN stated that while recently on a recruiting trip for the Greater Phoenix Economic Council, he had the opportunity to meet Shemonti Hasan. Ms. Hasan was being recognized as one of the three regional competitors of the Bio-Genius Competition sponsored by Merck Corporation. Ms. Hasan was also one of five students recognized in the Governor's Council "Innovator of Tomorrow" category for performing cutting edge research at ASU's Biodesign Institute. He noted Ms. Hasan attends Hamilton High School in Chandler. Ms. Hasan said not only did she have the opportunity to speak with one of the judges who is from UC Davis, she had the opportunity to speak with many representatives from companies to learn how developed they have become with the use of biotechnology.

2. Presentation – Southwest Ambulance Pool Pack Donation 2009

MAYOR DUNN acknowledged representatives of Southwest Ambulance for their \$3,000 donation to the Pool Pack Program that helps provide free swim lessons in an effort to reduce the number of child drownings. He noted that \$19,000 has been donated since 2005 from Southwest Ambulance.

3. Proclamation – National Public Works Week

MAYOR DUNN was joined by Cathy Rymer, Water Conservation Coordinator from Municipal Utilities and Sheina Hughes, Asst. Public Works Director as he read the proclamation. He noted that Cathy is the Municipal Utilities' Employee of the Year.

4. Proclamation – Poppy Days

MAYOR DUNN was joined by Jasmine Gatti, Kelly Mahoney and members of the Mathew B. Juan Post 35 Auxiliary in proclaiming May 18-25, 2009 as Poppy Days.

5. Robert Rosette – Successor Tax Liability

Mr. Robert Rosette, 3371 Sagittarius Court, submitted to the Council a copy of a letter he had received regarding an assessment of a privilege tax in the amount of \$15,500. Mr. Rosette said that he called to receive clarification regarding the assessment and was told that his course of action would be to request a tax hearing. He referred to the Tax Code, Section 62-595(c). He stated that in the normal course of purchasing a house, one reviews the taxes that apply to real estate purchases. He would not have known to look at the Privilege Tax. He argued that this section is in the "business" part of the code. He is a resident who purchased a home and did his due diligence through title insurance. He stated he did not believe he owed this tax and said he would not have purchased a home knowing of this tax.

COUNCILMEMBER clarified if this house recently was a business and asked what the background was. Mr. Strachota said the tax on this home was not paid by the developer.

MR. LEE GRAFSTROM, Tax Audit Supervisor, explained that the developer of the property built a house and sold it to Mr. Rosette a year ago. The City assessed the developer in an approximate amount of \$13,000. The developer's CPA made an inquiry back to the City. A lien was then placed on the builder and further attempts were made to get the developer to pay. He explained at that point, Section 62-595(c), Successor Liability kicked in. The initial letter has been sent to Mr. Rosette, but an actual lien has not been filed.

MAYOR DUNN clarified that as a homebuyer, there was no information regarding this "owed tax". MR. GRAFSTROM stated that was correct. The action that triggered the taxable transaction was the purchase of the home by Mr. Rosette from the builder. MAYOR DUNN stated in his opinion that was a problem as an issue to fairness.

COUNCILMEMBER ORLANDO asked if this was a City ordinance. CITY ATTORNEY WADE replied it was part of the Model City Tax Code. Councilmember Orlando said he agreed that this is a problem. In response to further questions, Mr. Grafstrom said the lien was placed on the developer. This is not the first time this type of situation has come up. More commonly it is seen in foreclosures where the bank takes back the property due to the inability for the developer to pay, and in that case the City collects from the bank from their bid price at auction.

MAYOR DUNN asked how many times this has happened to a homebuyer. Mr. Grafstrom replied that in the 10 years he has been with the City, he has seen approximately 10-12 instances with homebuyers. Mayor Dunn asked the status of the developer. Mr. Grafstrom said that to their knowledge, the developer has no other property that they own, nor assets. He explained that this particular builder did this one house.

MANAGEMENT SERVICES DIRECTOR explained that the City Code adopted the Model City Tax Code and if there were to be a change, the change would have to occur with the Model Code, not solely with the City Code.

MAYOR DUNN asked about the hearing process. Mr. Grafstrom clarified that to date, the only item sent has been an informational letter to Mr. Rosette. The next step would be to send the actually audit assessment letter and then he would have 45 days to file a protest and request a hearing. The hearing would be before the Tax Hearing Officer and from that decision he could appeal to the Tax Court and so on.

MR. ROSETTE said he is not only liable for the tax, but the developer's failure not to pay as he is being assessed a penalty. He stated he sees the developer building additional houses everywhere. Mr. Rosette said he understands he can go through a hearing, but as a policy perspective, this assessment is not right.

COUNCILMEMBER ORLANDO asked if there was any power to waive these fees. CITY ATTORNEY WADE said she believed that in some cities they do. She clarified that her understanding is that the Model City Tax Code is reviewed by a valley wide commission and we enjoin that and agree to follow that. Councilmember Orlando said he was additionally concerned that the builder/organization is constructing houses and is unable to be located.

COUNCILMEMBER HEUMANN clarified with Mr. Grafstrom that this was a custom home development with many builders. MR. GRAFSTROM explained that it appears the entity has two separate pieces –the builder and a single purpose corporation established simply to make the sale of this house. A contracting arm and a marketing arm. Councilmember Heumann asked if the title company would know about the city's procedures on sales tax on a home sold. In addition he asked if there was a criminal code to deal with this. MS. WADE said she would need to have discussions with the tax auditors. Mr. Grafstrom added that while he cannot speak to the title companies' knowledge of the City's Tax Code, he places the responsibility on the developer who has the obligation to report the transaction to the City the month following the transaction based on their selling price at the close of escrow. He reiterated that it doesn't actually occur until the sale itself has ended. The sale is the taxable event. Councilmember Heumann said at the time of closing, there are funds that are normally placed aside to pay taxes.

MAYOR DUNN says he views this as a collection issue and does not understand why this developer is doing any further business in Chandler if he has avoided this tax in any capacity. Mayor Dunn suggested this matter be placed on hold to allow time to review any options. CITY MANAGER PENTZ stated Staff would follow-up on the matter. MR. GRAFSTROM said at this time the only letter that has been sent is a notification letter. As an assessment has not been made, therefore more time could be allowed to review the options.

MR. ROSETTE said that \$608 of interest has accrued and would request a hold. Mayor Dunn asked Mr. Rosette to assist the City in locating the developer to resolve this. Mr. Rosette replied that the developer is the builder and are the same people that helped him with the purchasing of this home.

COUNCILMEMBER SELLERS reported he had been through this process in a different city as he acted as a builder on a home. He explained that in that city, a Certificate of Occupancy was not issued until that tax was paid.

COUNCILMEMBER WENINGER asked if it was correct that the marketing arm and contracting arm are in essence the same person but different corporations. Mr. Grafstrom said that staff is aware of that and it is common practice of setting up business, particularly in Arizona. The Department of Revenue's interpretation allows for this scenario – allowing two separate legal entities. Mr. Grafstrom stated that they are aware of who they are, it's the case of staff not receiving any response from them in regards to the taxes that they owe. Mr. Weninger asked the name of the developer. Mr. Grafstrom stated the "selling" entity is Kortsen Pebler Home Sales, Inc. and there is a recorded lien of this tax liability. Mayor Dunn asked if contact has been made with the statutory agent. Mr. Grafstrom said they have not received a satisfactory response (payment). Mayor Dunn suggested proceeding to the Corporation Commission.

6. Stephanie Milam-Edwards – Solar Energy and Budgetary Savings

MAYOR DUNN said the appearance was timely as the City Council will be listening to a briefing tonight on solar energy and the subject has been a major topic of the City and the efforts to secure funding for it.

MS. MILAM-EDWARDS, 935 E. Calle del Norte, stated she is an Earth/Science Teacher at Tempe High School. She stated she had spoken with the City of Tempe's Recovery Committee, Senator Harry Mitchell's office, and a representative of the Governor's Office and has a call into Jeff Flake's office.

She explained that this comes from many ideas having taught Earth Sciences and Natural Resources. She presented a PowerPoint presentation outlining her Solar Energy Refit Project. She highlighted the benefits of this project that would include providing jobs to unemployed workers, providing monetary relief for families and government entities toward their utility costs; providing supplemental revenue for governmental agencies; reducing Arizona's dependence on non-renewable energy; and decreasing the cost of solar energy elsewhere in the United States.

Ms. Milam reviewed the cost of solar panels on houses. She said in certain times of the year when electricity consumption is lower, the electricity produced by the solar panels on individual houses would be sent to the grid and APS or SRP would give credit to the individual homeowner. She suggested the idea of using federal stimulus money to purchase solar panels in bulk. These could be put on school, businesses and primary residences and what would occur is that the user would have an immediate break on their utility cost. She said in that case where the government would place the solar panels on, the government would receive the credit from the electrical provider.

MAYOR DUNN said that government could certainly set the standard. His dream is to have solar panels on the new City Hall parking garage. Mayor Dunn said there have been developers indicating their desire to build neighborhoods with solar options.

MR. PENTZ suggested that Mr. McDermott meet with Ms. Milam-Edwards.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

The Mayor announced that Staff is requesting withdrawal of Item 22 (Agreement Amendment with Waste Management for Residential Refuse Collection).

MOVED BY COUNCILMEMBER ORLANDO, seconded by COUNCILMEMBER SELLERS, to approve the Consent Agenda as presented and with the noted withdrawal of Item 22.

VICE MAYOR CACCAMO voted nay on Items 9, 11 and 13. COUNCILMEMBER HUEMANN voted nay on Items 9, 11 and 13.

MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED, as presented, Minutes of the Chandler City Council Special and Regular meetings of April 23, 2009.

2. POWER DISTRIBUTION EASEMENT: SRP Ord. #4140

ADOPTED 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.

3. POWER DISTRIBUTION EASEMENT: SRP Ord. #4143

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

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

ADOPTED 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.

5. REZONING: McClintock Village Ord. #4151

ADOPTED Ordinance No. 4151, DVR08-0023 McClintock Village, rezoning with PDP for a commercial shopping center on approximately 26.4 acres located north and west of the NWC of Chandler Boulevard and McClintock Drive.

6. POWER DISTRIBUTION EASEMENT: SRP Ord. #4142

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4142 granting a no-cost power distribution easement to Salt River Project (SRP) for electrical power service to City facilities located at the Tumbleweed Park Recharge Facility.

7. DEDICATION IN FEE: City-owned Property Ord. #4149

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4149 authorizing the dedication in fee of portions of City-owned Fire/Parks/Police properties for three public roadways and the dedication of three public utility easements located at Desert Breeze Park.

Improvements have been made to a portion of three City-owned properties located within the Desert Breeze Park. By way of a separate instrument in the form of a deed, the City will grant to the public in trust, the three road rights-of-way. In addition, by way of a public utility easement, the City will grant to the public in trust three public utility easements. These documents will be in a form approved by the City Attorney.

8. AMENDMENT: FY 2008-09 Annual Action Plan Res. #4284

ADOPTED Resolution No. 4284 authorizing a substantial amendment to the FY 2008-09 Annual Action Plan and receipt of \$576,271.00 in Homelessness Prevention and Rapid Re-Housing Program funds in accordance with the recommendations of the Chandler Housing and Human Services Commission and City Staff.

On March 19, 2009, the City of Chandler was notified of a potential allocation from the Department of Housing and Urban Development's (HUD) Homelessness Prevention and Rapid Re-Housing Program (HPRP) of \$575,271.00 based on a formula including: the extent of poverty, population, housing overcrowding and age of housing and population growth as compared to the surrounding communities. The funds are part of \$1.5 billion designated for this purpose by Title XII of the 2009 American Recovery and Reinvestment Act (Recovery Act) that was signed by President Obama in February 2009.

The HPRP is intended to assist states, counties and municipalities in providing financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. Funds may be used for the following activities:

- Financial assistance;
- Housing relocation and stabilization services;
- Data collection and evaluation; and
- Administrative support.

Generally, the intent of HPRP assistance is to rapidly transition program participants to stability, either through their own means or through public assistance. This assistance is normally for three months, but it may be extended to a maximum of 18 months.

Furthermore, the funds cannot be used for expenses that are available through other Recovery Act programs, including:

- Child care;
- Mortgage or mortgage-related costs;
- Construction or rehabilitation;
- Credit card bills or other consumer debt;
- Car repair or other transportation costs;
- Travel costs;
- Food;
- Medical or dental care and medicines;

- Clothing and grooming;
- Home furnishings;
- Pet care;
- Entertainment activities;
- Work or education training or materials; and/or
- Cash assistance to program participants.

The Maricopa County Association of Governments' (MAG) Continuum of Care (CoC) Regional Committee is tasked with homelessness issues in the region. On March 23, 2009, City Staff met with the CoC to review current homeless issues and best practices for the use of HPRP funds, and has developed the following strategies to advance the 2005 Consolidated Plan as well as the 2008/09 Annual Action Plan to reduce homelessness:

1. Utilize previously designated programs and formulas for HPRP fund distribution - During the annual allocation process for Community Development Block Grant (CDBG) and General Fund Human Service funding, many programs responded to a Request for Proposals to provide human services. Of the programs that were shown to have the capacity and experience to execute the funds and address the needs of Chandler's homeless, 16 programs were recommended for funding by the Housing and Human Services Commission (HHSC). To expedite the expenditure of the HPRP funds and provision of services as required by the Recovery Act, these 16 previously selected programs have been designated for the HPRP funds. Six of these programs did not receive their full funding request and they will be given supplemental funds to meet their full funding request. The remaining money will be distributed so that each of the 16 programs will receive an additional 6.25% over their full funding request.
2. Continue activities outlined in the Consolidated Plan – In line with the two strategies for addressing the homeless needs outlined in the 2008 Consolidate Plan, HPRP funding will be used to assist these programs in 1) providing technical assistance and financial assistance to non-profits to better compete for limited federal supportive housing operating and rental assistance funding and 2) providing financial support to intermediate transitional shelters in a clean, secure environment that will promote independence and the stabilization of lifestyle, including an array or necessary supportive services. The City of Chandler's Human Service Needs Assessment identified the homeless population as the second highest priority population requiring additional financial and technical support. The HPRP funds will assist these programs in providing service gaps identified for this priority population.
3. Conduct regular evaluations – City Staff currently utilizes a team monitoring approach and checklist focusing on outcome accomplishments to oversee more than 70 programs in the CDBG and general fund dollar programs. Staff will use this same oversight method, with special attention to the expenditure deadlines required by the HPRP regulations, to monitor programs funded through the HPRP grant. Staff will require quarterly reports from HPRP sub-recipients for the purpose of reviewing accomplishment goals. Staff will also require reimbursement requests to be submitted quarterly to track timely expenditures and make sure that 50% of a program's total award it utilized during the first year. Finally, Staff will conduct a yearly on-site monitoring of every agency funded through HPRP funds.

4. Appropriate minimal funding for administrative support – No more than \$28,764.00 can be used for staff support of any of the programs initiated through the HPRP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

The funds have been set aside for City use pending HUD's approval of the substantial amendment; the HPRP is not a competitive process. The substantial amendment is to be submitted to HUD on May 18, 2009, with all homeless service provider contracts issued by September 30, 2009. Funds must be expended within two (2) years.

All of the one-time increases in homeless prevention program funding associated with the federal Homelessness Prevention and Rapid Re-Housing Program will be paid by the federal government and do not require repayment on the part of the City of Chandler.

9. AMENDMENT: Personnel Rule No. 15 Res. #4289

ADOPTED Resolution No. 4289 amending Personnel Rule 15, Sections 4.I, 5.A, 5.B, 9.F.5. and 20 relating to Leaves of Absence.

The following changes to Personnel Rule 15 are considered housekeeping issues adding clarifying language and result in no substantive changes to current policies or procedures:

- Personnel Rule 15 – Vacation Leave Accrual, Section 4.I

The current Personnel Rule provides that temporary employees who have worked for the City of Chandler are eligible to credit that service toward their vacation accrual rate if they obtain regular status. Clarifying language has been added to the rule to specify that the time the employee worked for the City and was paid directly by the City counts toward the vacation accrual.

- Personnel Rule 15 – Maximum Accrual of Vacation Credits, Sections 5.A & 5.B

Regular part-time employees currently receive vacation credits that are prorated based on their scheduled number of hours. The change adds clarifying language that the maximum hours allowed to accumulate in vacation credits for part-time regular employees is also prorated.

- Personnel Rule 15 – Use of Sick Leave, Section 9F5

Clarifying language was added to the sick leave rule that the use of sick leave for up to 80 hours for an approved family medical leave for the birth, placement, adoption, or foster care for a child of a regular employee who works less than full time but 1040 hours or more a year is prorated to the equivalent of 80 hours.

- Personnel Rule 15 – Payment of Sick Leave at Retirement, Disability or Death, Section 20

The City provides a Retirement Health Savings Plan (RHSP) to all regular employees. This plan provides that, at the time of retirement, employees are eligible to receive 50% of their accumulated sick leave hours at their current base rate of pay that is deposited into their accounts. In addition, any regular employee that retires from the City with 5 or more years of service is eligible to receive a Years of Service payout of \$800 for every year of City of Chandler service. The Years of Service payout is also deposited into the employee's Retirement Health

Savings Account. These provisions are already detailed in the Retirement Health Savings Plan document and have been approved by City Council.

City Staff recommends that the Personnel Rule be updated to include both payouts that employees are eligible to receive at retirement. As such, clarifying language has been added to include the 50% sick leave provision and years of service payout and to specify that those dollars will be deposited into the employee's RHSP and to add the Years of Service Payout provision to the Rule.

Historically, the City of Chandler provides City retirement benefits to beneficiaries of employees who die while employed. The Rule currently provides that a beneficiary of an employee who dies while employed by the City receive compensation of 50% of the employee's accumulated sick leave. The Rule does not include language on the Years of Service payout. City Staff recommends including language in the Personnel Rule to clarify that the beneficiary receive compensation for the Years of Service payout the employee would have been otherwise eligible to receive.

VICE MAYOR CACCAMO AND COUNCILMEMBER HUEMANN VOTED NAY ON THIS ITEM.

10. AMENDMENT: Personnel Rule No. 19 Res. #4294

ADOPTED Resolution No. 4294 amending Personnel Rule 19, Sections 2, 3, 7 and 14 relating to the Employee Council.

The Employee Council is a group of City employees voted into the Council by employees in their respective departments. This group meets on a regular basis to discuss mutual concerns among departments in the City and to make recommendations on personnel rules and procedures.

Over the last several months, the Employee Council has been working to clarify its purpose and develop a strategic plan. As a result, the Employee Council has requested changes to Personnel Rule 19 to be consistent with the results of their work.

The changes are summarized as follows:

#### Section 2 - Purpose

Clarifying language has been added to better define that the Employee Council provides a forum for employees that reside in a job class below mid-level manager and who are not otherwise covered by a Meet and Confer agreement. The specific goals of the Employee Council include:

- Fostering positive, open communication and cooperation between City Administration and employees.
- Working together with City Administration and employees to improve the services provided to all customers, internal and external.
- Making recommendations on personnel rules, policies and procedures.
- Addressing mutual concerns among departments in the City.
- Participating in Citywide committees and/or citywide focus groups that may recommend changes that may impact represented employees.

#### Section 3. Representation

- Departments up to 50 eligible employees: 2 representatives
- Departments from 51 to 100 eligible employees: 3 representatives
- Department with more than 100 eligible employees: 4 representatives

#### Section 7. Duties and Responsibilities of Employee Council Members

This section has been revised to clarify the duties and responsibilities of Employee Council Members.

- To attend Employee Council meetings.
- To solicit feedback from represented employees on relevant issues.
- To bring employee's concerns forward to the Employee Council for consideration.
- To provide timely communication to represented employees of topics discussed at Employee Council meetings.
- To serve on Employee Council committees.
- To promote and ensure that Employee Council's purpose is met.

#### Section 14. Employee Council Recommendations

Clarifying language was added which provides for the City to provide a redlined copy of the proposed Rule changes and a method of providing the City Manager with a written recommendation on those proposed changes.

The City Manger, the Department Directors, including the City Attorney, reviewed the changes to the Personnel Rule. In addition, a copy of the changes was sent to the Presidents of CLEA, Fire and SEIU employee groups for their information.

#### 11. DEFERRED COMPENSATION PLAN AND TRUST Res. #4290

ADOPTED Resolution No. 4290 authorizing, restating and adopting the ICMA 457 Governmental Deferred Compensation Plan and Trust (Plan #301601) to reflect and comply with recent amendments to the Internal Revenue Code of 1986.

VICE MAYOR CACCAMO AND COUNCILMEMBER HUEMANN VOTED NAY ON THIS ITEM.

#### 12. AMENDMENTS: Deferred Compensation Plan Res. #4291

ADOPTED Resolution No. 4291 authorizing four amendments to the ICMA 457 Governmental Deferred Compensation Plan and Trust to permit certain in-service distributions of rollover assets under the Plan; to permit non-spouse beneficiary rollovers to inherited IRAs; to permit tax-free withdrawals of up to \$3,000.00 annually for eligible retired public safety officers for the payment of qualifying insurance premiums; and to permit emergency withdrawals for certain events relating to participant's primary beneficiaries.

Recent amendments to the Internal Revenue Code of 1986 have authorized additional flexibility for participants' utilization of deferred compensation plans. The City's plan is amended as follows:

1. Addition of in-service distributions for rollover assets.

This provision enables participants who have assets in their account attributable to rollover contributions (money rolled-in from an eligible retirement plan) to elect to receive a distribution of all or any portion of the rollover assets.

2. Addition of rollovers by non-spouse beneficiaries to an inherited IRA.

This provision allows non-spouse beneficiaries such as a child or domestic partner to rollover their inherited account balance directly to an inherited IRA. Currently, non-spouse beneficiaries must receive payments directly from their inherited 457-plan account.

3. Addition of tax-free withdrawals of up to \$3,000 annually for the payment of qualifying insurance premiums for eligible retired public safety officers.

This provision allows eligible retired public safety officers to withdraw up to \$3,000 annually, tax-free, for the payment of qualifying insurance premiums. The payments will be sent directly from ICMA-RC to the participant's insurance carrier.

4. Addition of Emergency withdrawals for certain events relating to a participant's beneficiary.

This provision will enable a participant to receive emergency withdrawals in certain situations involving his or her primary beneficiary that result in a severe financial hardship. The participant may be eligible to take an emergency withdrawal if a severe financial hardship results from an illness or accident affecting his or her primary beneficiary. The need to pay for funeral expenses of a primary beneficiary may also constitute an unforeseeable emergency.

13. AGREEMENT: Managed Accounts Services

Res. #4292

ADOPTED Resolution No. 4292 authorizing the execution of a Managed Accounts Services agreement for the City of Chandler Deferred Compensation Plan participants.

With approval of this agreement, employees that participate in the City of Chandler's ICMA-RC 457 Deferred Compensation Plan will have the option to choose between three levels of investment advice and account management. In addition to the current guidance service, participants will have access to Advice and Managed Accounts, both more individualized services.

The following is a summary of each service:

"Guidance" is a free service that provides an asset allocation recommendation from which the employee can build his or her own mix of stocks, bonds and cash or stable value funds from the options available within the plan.

"Advice" is offered for a nominal fee and provides employees with a "point-in-time" fund specific investment portfolio recommendation from the funds available within the plan with the employee remaining responsible for monitoring their account and initiating any investment changes.

"Managed Accounts" is a new service offered to employees for an asset-based fee. The fees, assessed against account assets, are calculated based on an average daily balance and deducted from the account monthly. ICMA-RC professionals use planning and investment software, powered by Ibbotson Associates, a provider of asset allocation and investment

analytics services. This service offers a substantially higher level of service than Guidance or Advise. Professional managers design the portfolios to help individual employees reach their retirement goals and provide ongoing management to keep employees on track.

VICE MAYOR CACCAMO AND COUNCILMEMBER HUEMANN VOTED NAY ON THIS ITEM.

14. AGREEMENTS: Adoption Plan Res. #4293

ADOPTED Resolution No. 4293 authorizing and adopting three Adoption Plan agreements (Employee Retirement Health Savings, City Council Retirement Health Savings and the Retiree MERP Eligible Group Retirement Health Savings Adoption).

On February 23, 2006, City Council authorized the Mayor to execute three Administrative Services Agreements between the City of Chandler and ICMA Retirement Corporation. These agreements provided for administrative investment services for the City's Retirement Health Savings Plans for current employees, City Council members and a group of individuals in the Medical Expense Reimbursement Plan (MERP).

The restated Adoption Plan Agreement for Plan No. 801217, the Plan covering all full-time employees and eligible part-time employees will:

1. Clarify vesting requirements as follows:
  - that payment for 50% of accrued sick leave vests in conformity with the Personnel Rules;
  - that there is no vesting requirement for the excess vacation time contribution; and
  - that the funds previously contributed vest immediately upon the death of the employee.
2. clarify the contribution source for long-term disability; and
3. provide for reversion to Plan No. 801217 if forfeiture is required because of the lack of qualified beneficiaries upon the death of a plan participant.

The restated Adoption Plan Agreement for Plan No. 801218, the Plan covering all Council Members of the City of Chandler, will provide for reversion to Plan No. 801218 if forfeiture required because of the lack of qualified beneficiaries upon the death of a plan participant and will clarify the contributions/sources for retirement and long-term disability.

The restated Adoption Plan Agreement for Plan No. 801427, the Plan covering all City individuals who were eligible to participate in City of Chandler's medical expense reimbursement plan (MERP) as of March 1, 2006, will provide for reversion to Plan No. 801427 if forfeiture is required because of lack of qualified beneficiaries upon the death of a plan participant.

15. PRELIMINARY DEVELOPMENT PLAN: Mammoth Chandler I Professional Building

APPROVED Preliminary Development Plan PDP09-0002, Mammoth Chandler I Professional Building for building signage on an existing office building located on 4 acres at the NW of Price and Willis roads. (Applicant: Brett Files, Mammoth Equities LLC.)

The subject site is bounded by properties zoned and planned for light industrial and office. North of the property are two reception/event businesses by Ashley Manor. The site was rezoned PAD with PDP approval in March 2006 for the construction of an office building. In May 2008, the project completed construction of a three-story, multi-tenant office building at approximately 59,638 square feet in size on 4 acres.

The office building currently includes 48 individually built-out office suites ranging in size from 480 sq. ft. to 2,400 sq. ft. in size. The development allows general office uses, no medical or dental offices. Typical office hours of operation are Monday through Friday from 8 a.m. to 5 p.m.

The PDP approval only included a single, freestanding monument sign with the project name. There was no request or approval for individual tenant name signage on the monument sign or the building. The rezoning/PDP approval included a zoning condition (#14) that states, "Wall-mounted building signage shall be reviewed and approved through a separate Preliminary Development Plan application."

This application requests approval for building-mounted signage. The business name signs are proposed only on the 3<sup>rd</sup> floor of the office building. There is no signage proposed on the 1<sup>st</sup> and 2<sup>nd</sup> floors. The proposal includes a request to deviate from Sign Code to allow signage for tenants on a portion of the building façades that are not on the individual tenants' business frontage. Sign Code permits 2 sq. ft. of wall-mounted signage for each lineal foot of business frontage.

The office building has a unique, varied building footprint and wall angles that provide for each single office suite on all three building floors to have building frontage. This would amount to 48 individual business name signs. The proposal is to limit the maximum amount of business name signs on the entire building to 12 signs limited only to the 3<sup>rd</sup> floor. The signs will be located on the most visible building elevations and available to all tenants on a first come first serve basis. In doing so, a tenant could have signage located on a building façade that is not their lineal business frontage. For example, the request would allow a tenant with office space along Price Road signage on the building's northwest/west side providing business name sign visibility from the Loop 202 Santan Freeway.

The Development Booklet includes the specific locations for all 12 building signs along the buildings 3<sup>rd</sup> floor. The proposed Sign Code deviation to allow a tenant to have signage in a location other than their business frontage alleviates locating signage that could potentially be only facing the western parking with no street frontage or limit a 1<sup>st</sup> floor tenant to ground floor signage only. Signage on the 3<sup>rd</sup> floor provides more visibility. One of the building signs for immediate installation is the project name, Mammoth Professional Building. This sign will comply with proposed sign criteria.

The proposed building signage is in compliance with the Commercial Design Standards for signage in that all signage is halo-illuminated; all letters are reverse pan channel and less than 15% of the building height.

Staff supports the proposed sign package for building-mounted signs finding the signage provides greater flexibility for the future tenants while continuing to provide a high quality looking office building. Additionally, the proposed sign location limitation ensures that the future building-mounted signage will maintain appropriate proportions with the available sign area.

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

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

1. Development shall be in substantial conformance with the Development Booklet entitled "Mammoth Professional Building - Chandler, Arizona", kept on file in the City of Chandler Planning Services Division in File No. DVR05-0034, and Ordinance No. 3777, except as modified by condition herein.
2. All signage shall be in substantial conformance with the exhibits and representations entitled "Mammoth Chandler I Professional Building – Master Sign Program" kept on file in the City of Chandler Planning Services Division in File No. PDP09-0002, except as modified by condition herein.
3. All signage shall be consistent with the signage contained within the exhibits with regards to sign type, quality and quantity. Any deviations shall require separate Preliminary Development Plan approval.

16. PRELIMINARY DEVELOPMENT PLAN: Mammoth Chandler II Professional Building

APPROVED Preliminary Development Plan PDP09-0003, Mammoth Chandler II Professional Building for building signage on a planned office building located on 4 acres at the NWC of Stearman and Douglas drives, south of Germann Road and West of Gilbert Road. (Applicant: Brett Files, Mammoth Equities LLC.)

The site is bounded by properties zoned and developed with light industrial and office. It was rezoned to PAD with PDP approval in December 2006 for the construction of an office development. Initially, the project intended to commence construction in March 2009, which has since extended to June 2009. The project is a three-story, multi-tenant office building at approximately 64,318 sq. ft. in size on 4 acres.

The office building includes 50 individually built-out office suites ranging in size from 480 sq. ft. to 2,400 sq. ft. in size. The development allows general office uses, no medical or dental offices. Typical office hours of operation are Monday through Friday from 8 a.m. to 5 p.m.

The PDP approval only included a single-freestanding monument sign with the project name. There was no request or approval for individual tenant name signage on the monument sign or the building. The rezoning/PDP approval included a zoning condition (#13) that states, "Wall-mounted building signage shall be reviewed and approved through a separate Preliminary Development Plan application."

This application requests approval for building-mounted signage. The business name signs are proposed only on the 3<sup>rd</sup> floor of the office building. There is no signage proposed on the 1<sup>st</sup> and 2<sup>nd</sup> floors. The proposal includes a request to deviate from Sign Code to allow signage for tenants on a portion of the building façades that are not on the individual tenants' business frontage. Sign Code permits 2 sq. ft. of wall-mounted signage for each lineal foot of business frontage.

The office building has a unique, varied building footprint and wall angles that provide for each single office suite on all three building floors to have building frontage. This would amount to 50 individual business name signs. The proposal is to limit the maximum amount of business name

signs on the entire building to 17 signs limited only to the 3<sup>rd</sup> floor. The signs will be located on the most visible building elevations and available to all tenants on a first come first serve basis. In doing so, a tenant could have signage located on a building façade that is not their lineal business frontage. For example, the request would allow a tenant with office space along Douglas Drive to have signage along the building's north side providing business name sign visibility toward Germann Road.

The Development Booklet includes the specific locations for all 17 building signs along the building's 3<sup>rd</sup> floor. The proposed Sign Code deviation to allow a tenant to have signage in a location other than their business frontage alleviates locating signage that could potentially be only facing the western parking with no street frontage or limit a 1<sup>st</sup> floor tenant to ground floor signage only. Signage on the 3<sup>rd</sup> floor provides more visibility. One of the building signs for immediate installation is the project name, Mammoth Professional Building. This sign will comply with proposed sign criteria.

The proposed building signage is in compliance with the Commercial Design Standards for signage in that all signage is halo-illuminated, all letters are reverse pan channel and less than 15% of the building height.

Staff supports the proposed sign package for building signage finding the signage provides greater flexibility for the future tenants while continuing to provide a high quality office building. Additionally, the proposed sign location limitation ensures that the future building-mounted signage will maintain appropriate proportions with the available sign area.

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

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

1. Development shall be in substantial conformance with the Development Booklet entitled "Mammoth Commerce Center – Chandler II", kept on file in the City of Chandler Planning Services Division in File No. DVR06-0030, and Ordinance No. 3867, except as modified by condition herein.
2. All signage shall be in substantial conformance with the exhibits and representations entitled "Mammoth Chandler II Professional Building – Master Sign Program" kept on file in the City of Chandler Planning Services Division in File No. PDP09-0003, except as modified by condition herein.
3. All signage shall be consistent with the signage contained within the exhibits with regards to sign type, quality and quantity. Any deviations shall require separate Preliminary Development Plan approval.

17. CONTINUED PRELIMINARY DEVELOPMENT PLAN: Opus At Chandler Airport Center

CONTINUED TO JULY 30, 2009, Preliminary Development Plan, PDP09-0005 Opus At Chandler Airport Center, to allow a surface parking lot in conjunction with an existing office development located west of the NWC of Cooper Road and Northrop Boulevard in the Chandler Airport Center to allow the applicant additional time for property owners to finalize plans. (Applicant: Stephen Earl with Earl, Curley & Lagarde.)

18. SUBORDINATION: 3111 N. Sycamore Place

APPROVED the Subordination of the Housing Rehabilitation lien on Project RH07-0007 located at 3111 N. Sycamore Place in the amount of \$32,486.00 (Gillis).

The single-family, owner-occupied home was a recipient of the City of Chandler's Housing Rehabilitation Program in 2007. The City has placed a lien against the property for \$32,486.00. This lien is in the form of a 15-year forgivable loan whereby the balance is forgiven at the end of the term of the loan. The balance of \$32,486.00 will be forgiven in 2022 per the original loan agreement.

The owner is now requesting a refinance in order to lower their interest rate and is receiving zero cash out. The new loan is for \$133,688.00. 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 will remain in second position after the new loan. The City's lien will not be released until the term of affordability expires in 2022. The property is currently valued at approximately \$189,500.00, which is more than the combined encumbrances of the City's lien and the new first mortgage.

19. AGREEMENT: Selectron Technologies, Inc.

APPROVED an Agreement with Selectron Technologies, Inc., for an upgrade to the phone-based inspection-scheduling system, sole source, in an amount not to exceed \$42,750.00.

The Planning and Development Department is in the process of upgrading their computer system to Accela Automation, a web-based application, expanding functionality and use to include Code Enforcement, Public Works Engineer and MUD Water meter inspectors. With this upgrade and expansion of use, modifications to the current integrated phone based inspection scheduling system (Selectron) are required. These modifications include the programming of rules for the system to schedule new inspections, cancel inspections and obtain inspection results via the automated phone system. This request also includes the installation configuration and testing of one server for four voice ports.

Selectron Technologies is the original developer of the Inspectrack and Voicepermits Systems.

20. AGREEMENT AMENDMENT: JC Printing

APPROVED Agreement Amendment No. 1 with JC Printing for overflow copying, printing and bindery services for one year in an amount not to exceed \$100,000.00. This is the first of two one-year optional extensions.

21. AGREEMENT AMENDMENT: West Valley Uniforms, Inc. dba East Valley Uniforms

APPROVED Agreement Amendment No. 2 with West Valley Uniforms, Inc., dba East Valley Uniforms, for police uniforms for one year in an amount not to exceed \$132,600.00. This is the second of three one-year renewal options.

22. WITHDRAWN AGREEMENT AMENDMENT: Waste Management

WITHDRAWN Agreement No. 2 with Waste Management for residential refuse collection for one year in an estimated amount of \$6,459,000.00 which reflects a 2.5 percent collection increase and monthly fuel adjustments of 6.7 percent based on current fuel costs.

23. AGREEMENT: Somerset Landscape Maintenance

APPROVED an Agreement with Somerset Landscape Maintenance for parks and facilities landscape maintenance service for two years in an amount not to exceed \$130,000.00 per year with the option to renew for up to three additional one-year periods. Somerset Landscape is a Chandler business and in accordance with the City's sustainability efforts, they will be chipping and mulching all green waste generated under this contract.

24. AGREEMENT: Wilson Engineers

APPROVED Agreement #WW0701-452 with Wilson Engineers LLC, for Tumbleweed Aquifer Storage and Recovery (ASR) Wells 9 and 10 Construction Management Services, pursuant to annual contract #EN0712-101, in an amount not to exceed \$135,350.00.

ASR wells are needed to support the reclaimed water distribution system. ASR wells are used to inject reclaimed water in the upper aquifer when irrigation demands are low. When irrigation water demand is high, these wells are pumped to recover the stored affluent water for use in the reclaimed water distribution system.

25. CONTRACT: RDH Environmental Services

APPROVED Contract #WW0701-402 to RDH Environmental Services, LLC, for the equipping of Tumbleweed Aquifer Storage and Recovery (ASR) Wells 9 and 10 in an amount not to exceed \$1,355,197.00.

ASR wells are needed to support the reclaimed water distribution system. ASR wells are used to inject reclaimed water in the upper aquifer when the irrigation demands are low. When irrigation water demand is high, these wells are pumped to recover the stored effluent water for use in the reclaimed water distribution system.

26. CONTRACT: Brignall Construction

APPROVED Contract #CS0802-402 to Brignall Construction for Construction Manager at Risk for the Chandler Center for the Arts Renovation Phase II in an amount not to exceed \$4,098,916.00.

The City and Chandler Cultural Foundation commissioned a study in 2007 to review the current conditions of the Chandler Center for the Arts. The study examined the existing conditions of the facility's performance systems and identified a list of recommendations to maintain operability of the facility, bring existing conditions up to current codes, and replace worn stage equipment and other architectural improvements. Phase I of the project is currently underway and includes fire alarm, HVAC, and security improvements. Phase II scope of work includes the complete replacement of main stage rigging with new catwalk access, auditorium seat refurbishment, stage house lighting and controls, signage, new dressing rooms and offices, storage, telecom rooms, and improved ADA accessibility throughout the building and site. The team overseeing this project consists of representatives from the Chandler Cultural Foundation, City personnel, school personnel, and architect and theatre specialists.

The rationale for utilizing the Construction Manager at Risk (CMAR) procurement method is because the City was able to select a construction manager (CM) with theater renovations experience. In addition, the architect and CM were able to collaborate early in the project and utilize the study to identify which items would be most feasible given the budget constraints. As a result, much of the project work began earlier than if it was a traditional bid. This is important for a shared-use facility that is utilized 360+ days per year. Any delays resulting from a traditional bid may have led to extended closure of the main auditorium and a substantial loss of event revenue. Furthermore, this project's scope of work included very specialized systems such as the theatre rigging and light dimming equipment, which requires an understanding not generally available in the general contracting industry. The CMAR selection process allowed the City to choose the architect and CM with the most theatre experience. The CM has a theatre specialist on this team who has worked on several other theatre renovations.

Staff reviewed and examined the details of the CM's Guaranteed Maximum Price and bids for each scope of work to ensure there was competition amongst the bidders. In addition, the City examined the CM's General Conditions and made cost saving cuts such as eliminating CM's onsite trailer. The CM will now be housed within the Art Center saving trailer rental, utility fees, furniture rental and other miscellaneous costs.

Staff also negotiated the CM's fee from 7.5% down to 4.5% of the total project cost. Staff believes this percentage is consistent with market conditions. Furthermore, Staff anticipates zero construction change orders based on the ability to identify early all potential costs associated with the scope of work. These are identified as alternates the City may select if funding becomes available through project savings.

In terms of funding, in 2006 and 2007, the Chandler Unified School District (CUSD) and the City of Chandler held bond elections and voters approved \$2.5 and \$4.2 million respectively for Arts Center renovations. There are some aspects of the renovations, such as the capacity of the new rigging system and the telecom rooms that benefit the City more so than CUSD; hence, the larger amount of City bond funding for the Arts Center renovations. In the scope of work identified in Phase I, the City and CUSD will equally benefit. CUSD will reimburse the City for half of Phase I not to exceed cost of \$1,362,426.00. For the scope of work identified in Phase II, the remainder of CUSD's \$2.5 million, estimated at \$1,780,591.00, will be applied to Phase II. The City's share of Phase II will be \$2,318,325.00.

During Phase II work, the smaller theatres and foyer will remain open except for brief scheduled downtimes accommodating school, City and Foundation events. Phase II construction is estimated to take nine months with commissioning and training on new equipment requiring three months.

27. CITY CODE AMENDMENT: Chapter 3

Ord. #4154

ADOPTED by Emergency, Ordinance No. 4154 declaring Part 85 of Title 24 of the Code of Federal Regulation to be a public record and AMENDING Chapter 3 of the Code of the City of Chandler to add new Section 3-16 establishing the Capital Fund Stimulus Grant Procurement Policy.

The Housing and Redevelopment Division has received \$595,661.00 in capital funding from the Office of Capital Improvements through the American Recovery and Reinvestment Act (ARRA) award. The United States Department of Housing and Urban Development (HUD) is providing stimulus funds to public housing agencies for capital improvements and modernization of the

agency's public housing stock. The ARRA legislation has certain requirements and mandates associated with accepting and using these funds. The ARRA statute provides HUD the ability to supersede requirements relating to the procurement of goods and services arising under state and local laws and regulations. HUD has elected to invoke that provision and therefore, such state and local procurement laws and regulations shall not apply to the expenditure of ARRA Capital Fund Formula grants.

In order to comply with the procurement mandate, Staff is proposing that City Council amend Chapter 3, Section 3-16 of the Code of the City of Chandler and create a separate Capital Fund Stimulus Grant Procurement Policy for the use of HUD Capital ARRA funding. Staff will use this procurement policy when procuring goods and services using Capital Fund Stimulus Grants.

Some of the specific ARRA requirements include:

1. Priorities: PHAs (Public Housing Authority) shall give priority to Capital Fund Stimulus Grant projects that can award contracts based on bids within 120 days from February 17, 2009.
2. State and Local: Any requirements relating to the procurement of goods and services arising under state and local laws and regulations shall not apply to Capital Fund Stimulus Grants. PHAs shall instead follow the Part 85 requirements.
3. Part 85 Compliance: PHAs shall amend their procurement standards and policies as necessary in order to expedite and facilitate the use of the funds. This amended policy can be used only for procurements related to Capital Fund Stimulus Grants. This must be done in writing and consistent with PHA policies and procedures (such as Board approval) and labeled as Capital Fund Stimulus Grant Procurement Policy. Specifically, PHAs shall remove all procurement standards that are contrary to Part 85 of the Recovery Act. Where permitted by Part 85, PHAs may insert their own procedures provided that they are not contrary to the purposes of the Recovery Act.
  - For example, a PHA may use their existing protest procedures, written codes of standards for employees engaged in the award and administration of the contracts and other procedures as long as they are not contrary to Part 85.It is important to note that PHAs shall continue to follow all Part 85 requirements regarding conflicts of interest, contract cost and price.
4. HUD Handbook: PHAs may use the Procurement Handbook for Public Housing Agencies (7460.8 rev-2) for guidance. The handbook can be found at: <http://www.hud.gov/offices/adm/hudclips/handbooks/pihh/74609/index.cfm>.
5. Noncompetitive Proposals: According to 24 CFR 85.36(d)(4), if solicitation of a proposal is only from one source or if the PHA finds that after solicitation of a number of sources competition is inadequate, the PHA may award the contract noncompetitively where small purchase procedures, sealed bids or competitive proposals are infeasible and one of the circumstances in 85.36(d)(4)(i) applies. One such circumstance is public exigency that will not permit a delay resulting from competitive solicitation (85.36(d)(4)(i)(B)). If the PHA finds that other competitive methods of procurement are infeasible, HUD will support the PHA's use of the public exigency circumstance based on the purpose and requirements of the Recovery Act. Section 3 of the Recovery Act provides that these funds shall be managed and expended to achieve the purposes specified including commencing expenditures and activities as quickly as possible consistent with prudent management. Further, the Recovery Act has imposed expeditious obligation and expenditure requirements on the Capital Fund Stimulus Grants and directs HUD to assist PHAs as necessary to expedite and facilitate the use of these grants. PHAs may use the noncompetitive proposals method, but must do so on a contract-by-contract basis and in

compliance with all Part 85 requirements including the requirement for a cost analysis and the conflict of interest requirements. The PHA must ensure that the noncompetitive proposals process followed is clearly captured in their amended Capital Fund Stimulus Grant Procurement Policy. Further, the PHA must maintain records sufficient to detail the significant history of each contract's procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price (85.36(b)(9)). No HUD pre-award review is required for noncompetitive proposals as stated in Section 8.4(C), Chapter 8 of HUD Handbook No. 7460.8 Rev.2. However, all PHAs are reminded that they must make available upon HUD's request, the PHA Capital Fund Stimulus Grant Procurement Policy and any documents requested related to procurement activity as stated in 24 CFR 85.36(g).

6. Force Account: To the extent feasible, the PHA should consider employing existing or additional force account laborers on either a permanent or a temporary basis to perform Capital Fund stimulus grant work. See 24 CFR 968.105 and 968.120. No prior HUD approval is required specifically for force account labor, but such work must be incorporated into the Capital Fund planning, budgeting and reporting documents.
7. Buy American: PHAs shall follow Buy American requirements of Section 1605 of the Recovery Act and use only iron, steel and manufactured goods produced in the United States in their projects.
8. The ARRA imposes additional reporting requirements beyond the standard reporting requirements for Capital Fund grants. The reporting requirements will require contractors and suppliers to provide job creation and retention information to the PHAs that expend ARRA Capital Fund grants.

28. PURCHASE: Fire Turnouts

APPROVED the Purchase of fire turnouts from United Fire, utilizing the City of Tempe contract, in an amount not to exceed \$75,000.00.

Firefighters are provided with protective clothing that includes turnout pants, firefighting boots and a firefighting helmet. The Department has an inspection program in which turnouts are inspected twice a year to determine if the turnouts need to be repaired and/or replaced. This inspection insures firefighting protective clothing is safe and meets compliance with the NFPA guidelines.

29. PURCHASE: Asphalt Patchwork and Services

APPROVED the Purchase of asphalt patchwork and services from Sunland Asphalt for the parking areas at the Chandler Fire Training Facility, Fire Administration, Municipal Courts, and Planning & Development, utilizing the Dysart Unified School District contract, in the amount of \$98,822.54.

30. PURCHASE: Traffic Striping Paint

APPROVED the Purchase of traffic striping paint from Pervo Paint Co, utilizing the Arizona Department of Transportation (ADOT) contract, in an amount not to exceed \$100,000.00 for one year. This is the final renewal of four additional one-year periods.

31. USE PERMIT: Commercial Painting, Inc.

APPROVED Use Permit UP08-0062 Commercial Painting, Inc., to continue the operation of a motor vehicle and equipment paint and bodywork business within an I-2 zoned district for property located at 400 E. Ray Road. (Applicant: Loretta Walker, Commercial Painting, Inc.)

A Use Permit was approved in November 2004 to operate a motor vehicle and equipment paint and bodywork business within a General Industrial (I-2) zoned district. Council approved a time extension in December of 2005 for an additional three years. The business is operating in compliance with the Council-adopted conditions of approval. The request is for a five-year timing extension to continue operation of the business.

The property is surrounded to the north and west by property zoned I-2 consisting of a self-storage facility and a recycling facility. East of the site are three multi-tenant, light industrial buildings. East of Hamilton Street is the existing residential subdivision, The Provinces. To the south is residential property zoned Mobile Home District (MH-1).

The subject building is situated on the west side of an 8-acre site. Previously, the site was occupied by Redmond Homes, a manufactured-home builder. The business occupies only a portion of the site. A construction materials supply company currently occupies the balance of the site. The existing 50'x150' standing-seam metal building is located approximately 300 feet from Ray Road. The property owner has constructed a 6-foot high concrete block wall with solid rolling gates along the frontage to provide screening from arterial street views, as required by Condition 5 within the original Use Permit. Additionally, the approval contained Condition 6 requiring the landscaping along Ray Road be improved to comply with the current Code. The landscape enhancements have been completed in coordination with the City's Ray Road widening project.

Commercial Painting, Inc., specializes in providing larger scale paint services for large equipment, trucks, RV's and trailers, as well as private individual's recreational trailers, equestrian trailers and personal RV's including fiberglass repair. The business is open Monday through Friday from 7 a.m. to 5 p.m. and has a maximum of 10 employees.

The applicant represents that the majority of the work is done on an appointment basis due to the time constraints the customers have for equipment down time. This naturally limits the amount of customer vehicles and/or equipment storage on site. All work is completed entirely within the building.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on March 11, 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 compliance with the Council-adopted conditions of approval, the Planning Commission and staff recommend approval subject to the following conditions:

1. All vehicle and equipment paint and bodywork shall occur within the building.
2. All signage, whose text shall be limited to business name identification only, shall be in conformance with the Chandler Sign Code.
3. Failure to comply with these conditions, upon standard notice issued by the City, will constitute revocation of the Use Permit without further action.

4. The Use Permit is effective for a period of five (5) years from the date of City Council approval. Operation of the business beyond the five-year time period shall require re-application to and approval by the City.
5. The site shall be maintained in a clean and orderly manner.

32. USE PERMIT: Beverly Ann Carpenter

APPROVED Use Permit UP08-0070 Beverly Ann Carpenter, to allow horses to continue to be kept on two lots zoned AG-1 that are less than 35,000 square feet in size and to allow accessory structures to remain on lots that lack a principal structure located at the SEC of El Alba Way and the Loop 101 Price Freeway. (Applicant: Beverly Ann Carpenter/Sandra Carpenter.)

The site received initial Use Permit approval in December 2007 with a one (1) year time limit in order to allow evaluation of site maintenance and compliance with a prohibition on horse boarding or riding activities. The subject parcels are two of several freeway remnants located adjacent to the eastern sound wall along Price Road (Loop 101 freeway) that were sold by ADOT after freeway construction to neighboring property owners in the unincorporated Caballos Ranchitos subdivision. The surrounding Caballos Ranchitos rural residential subdivision includes several lots with horses or other animals such as chickens.

The subject parcels, which were annexed in 1974, are a combined 25,201 sq. ft. and are adjacent to a 78,277 sq. ft. unincorporated parcel at 2819 W. El Alba Way that includes a single-family house. The owner of the adjacent property at 2819 W. El Alba Way bought the subject parcels from ADOT. In turn, she sold the properties to a relative, but continues to lease them for her use. There are generally two (2) and up to six (6) horses on the subject parcels, as well as several shade structures and corral fencing. City Code allows two (2) horses to be kept on every 35,000 sq. ft. of land zoned AG-1; any amount of land under 35,000 sq. ft. does not allow horses without a Use Permit.

The shade structures and corral fencing are considered to be "accessory structures" as defined by Code. One accessory structure is allowed in the AG-1 district only if there is a primary residence on the property. In this case, there is no primary residence on the property. Therefore, Use Permit approval is required for the structures to remain. A variance was approved in December 2007 to allow the structures to encroach within the minimum setbacks from property lines.

The Planning Commission and Staff find the proposed uses to be in keeping with the established rural residential nature of the neighborhood. Based on occasional Staff inspections and a lack of complaints from neighbors, the conditions of approval seem to have been abided by over the past year.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on March 30, 2009. There were no neighbors in attendance. Staff is received no correspondence in opposition to this request.

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

1. Expansion or modification of the use beyond approved exhibits shall void the Use Permit and require new Use Permit application and approval.
2. The number of horses kept on the subject properties shall be limited to six (6).

3. There shall be no horse boarding or riding lessons unless and until first receiving separate Use Permit approval from the City of Chandler.
4. The Site shall be maintained in a clean and orderly manner.

33. USE PERMIT: Valley Silver Bullets

APPROVED Use Permit UP09-0001 Valley Silver Bullets to allow up to 14 horses on-site in conjunction with a therapeutic and recreational horse-riding clinic located at 1991 E. Tumbleweed Lane. (Applicant: Terri Chambers.)

In 2000, a Use Permit for Valley Silver Bullets was approved to allow a non-profit organization to provide free therapeutic and recreational horseback riding lessons to physically and/or mentally challenged individuals of all ages. After four years operating under the Use Permit, the organization added additional horses and classes to the program triggering the need for a new Use Permit in late 2004. A Use Permit was granted in January 2005 for one (1) year and extended for three (3) years in 2006.

The 2.5-acre site, located north of the NEC of Tumbleweed Lane and Germann Road, contains a single-family home, a barn, a number of pens, an arena, and two pastures. Rural residential properties border the site on all sides except to the east where it is bordered by Sienna Heights, a single-family subdivision.

The Tumbleweed Lane neighborhood includes 12 homes that have agricultural components such as pastures, barns and livestock and was annexed into the City in 1982. The subdivision lots are an average of 2.5 acres each and have septic and private wells. Tumbleweed Lane is an unimproved private dirt road in which each property fronting onto it owns half the right-of-way for the length that is adjacent to the property. The entire subdivision, including the subject property, is zoned Agricultural District (AG-1).

The applicant rotates 18 to 23 horses over various neighborhood pastures. The pasture rotation is deemed beneficial to the horses' health and well-being. Classes have a maximum of 14 individuals with an average class size of 8 to 10 students.

Following a complaint from a neighbor to the east about ongoing dust problems, Staff investigated the dust situation and found no evidence of a dust problem. More specifically, Maricopa County was called out to the site in March 2005 and June 2008 because of dust complaints and found no infraction either time. Notably, the riding was still being conducted during the second inspection. A couple of neighbors on Tumbleweed Lane, one of who claims to have emphysema, have also attested to Staff that they have not noticed any level of dust from riding over the last several years. Additionally, Staff conducted a site visit during the April 7 riding classes and found no visible dust from the site. The applicant reports that they added wood chips and a watering system several years ago to address the problem and that they water down the arena prior to every riding session.

The applicant requests no changes to the existing Use Permit conditions, including requirements to control dust, limit the number of horses on-site, limit the days and hours of operation and maintain parking on the site.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on March 26, 2009. There were no neighbors in attendance.

One neighbor living in the Sienna Heights subdivision to the east is opposed to the request because of dust created by riding activities.

Upon finding consistency with the General Plan and Agricultural (AG-1) zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The Use Permit is valid for five (5) years and may be extended upon application of a new Use Permit subject to review by the Planning and Zoning Commission and approval by the City Council.
2. Expansion beyond the Site Plan shall void the Use Permit and require new Use Permit application and approval.
3. The number of horses kept on the subject property may not exceed 14 horses on-site at class time.
4. All parking for equestrian classes must be on-site and out of the private roadway.
5. The property shall practice dust control measures.
6. Classes are limited to two days per week and must end by 8 p.m.

34. WITHDREW USE PERMIT: Pepe's Mexican Grill

WITHDREW Use Permit UP09-0009 Pepe's Mexican Grill, Series 12, for the sale of liquor for on-premise consumption only within an existing restaurant and outdoor patio located at 2040 S. Alma School Road, Suite #3.

The applicant is no longer pursuing the use of an outdoor patio. The Planning Commission and Staff, finding that the restaurant can utilize the previous restaurant's Use Permit to serve alcohol, recommend a withdrawal of the application.

35. WITHDREW LIQUOR LICENSE: QuikTrip #442

WITHDREW, as requested by the applicant, Liquor License, Series 10, for Kelly Paul Vaughn, Agent, QuikTrip Corporation, dba QuikTrip #442 located at the SWC of Arizona Avenue and Germann Road.

36. LIQUOR LICENSE: 98 S. San Marcos Place

APPROVED a Series 12 Restaurant Liquor License (Chandler #124280 L12) for Randy D. Nations, Agent, 98<sup>th</sup> Place LLC, dba 98 South located at 98 S. San Marcos Place. Recommendation for approval of State Liquor License #12077950 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. Planning and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as 98 South.

37. PRELIMINARY PLAT: Warner Business Center Office Condominiums

APPROVED Preliminary Plat, PPT09-0001 Warner Business Center Office Condominiums, for the Warner Business Center Office Condominiums at the NEC of Warner Road and Nevada Street. (Applicant: Falcon Airpark LLC.) The plat creates the lots and tracts, construction phasing lines, establishes the necessary easements, and dedicates the required right-of-way.

38. FINAL PLAT: The Waters at Ocotillo – Parcel 8

APPROVED Final Plat, FPT09-0002 the Waters at Ocotillo – Parcel 8, for an office and multi-family development located on 15.55 net acres at the NWC of Dobson Road and Price Road/Market Place. (Applicant: Superior Surveying Services, Inc.) The plat creates the lots, tracts, and easements necessary for the property's development.

39. CONDOMINIUM PLAT: The Village at San Tan - Replat

APPROVED Condominium Plat CPT09-0002 The Village at San Tan – Replat of Unit 106 for a medical/general office development on approximately 3.2 acres of an 18.2-acre development located at the SWC of Ray Road and the Loop 101 Price Freeway. (Applicant: John Kuhn, Evans, Kuhn & Associates, Inc.) The plat creates the units and tracts and establishes the necessary easements.

PUBLIC HEARINGS:

PH 1. FY 2009/2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

Background: The City of Chandler expects to be awarded \$1,409,771.00 in FY 2009/2010 Community Development Block Grant (CDBG) Entitlement and Program Income from the U.S. Department of Housing and Urban Development. Over the past two months, the Housing and Human Services Commission (HHSC) has met four times, twice in public hearings, to discuss recommendations to the Chandler City Council for the allocation of these funds. Per Federal Regulations, the City Council must hold a public hearing to gather input regarding the allocation of CDBG funds.

MAYOR DUNN DECLARED THE PUBLIC HEARING OPEN AT 8:01 P.M.

Mayor Dunn thanked the members of the Housing and Human Services Commission.

MS. JUDITH REGISTER, Director Neighborhood Resources Division, stated there were 77 applications totaling more than \$3 million in requests with the availability of \$1.4 million to allocate. The General Fund allocation for Social Services and Youth Enhancement Program and Acts of Kindness funds will be scheduled before Council at it's next meeting.

COUNCILMEMBER HEUMANN asked about the approval process. MS. STEFANIE GARCIA, Community Development Administrator said an RFP was issued and qualified non-profits applied. The HHSC then reviewed the applications and scored them based on a variety of criteria including capacity, number of Chandler residents served as opposed to their overall budget, as well as priority needs based on a needs assessment. Staff then reviewed the scoring and based on the eligibility criteria on that specific program, and funded them under that allocation pot.

COUNCILMEMBER HEUMANN asked if there was an appeal process. Ms. Garcia said that based on CDBG guidelines, there is a requirement to have a public hearing. They held two and at that time an organization could come forward.

COUNCILMEMBER ORLANDO asked how often a needs assessment is completed. Ms. Garcia responded that an assessment was completed approximately two years ago. Staff is currently looking at a re-assessment given the current economic conditions.

Councilmember Orlando asked how many Chandler residents are served by the groups that serve valley wide customers. Ms. Garcia said that quarterly reports are received from all 52 agencies that are funded. Staff monitors 100% of the CDBG funded agencies as well as 50% of the General Fund agencies. Last year, there were over 45,000 residents served.

COUNCILMEMBER HEUMANN asked if the same scoring information would be available for the remaining General Fund allocations. Ms. Garcia replied that it would be.

THE MAYOR CLOSED THE PUBLIC HEARING AT 8:10 P.M.

40. ALLOCATION: CDBG Funds

Res. #4282

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ORLANDO TO ADOPT RESOLUTION NO. 4282. MOTION CARRIED UNANIMOUSLY (7-0).

ADOPTED Resolution No. 4282 authorizing receipt and allocation of \$1,409,771.00 in FY 2009/2010 Community Development Block Grant (CDBG) funds in accordance with the recommendations of the Chandler Housing and Human Services Commission and City Staff.

The City of Chandler expects to be awarded approximately \$1,409,771.00 in FY 2009/2010 Community Development Block Grant (CDBG) Entitlement funds and Program Income from the U.S. Department of Housing and Urban Development (HUD). CDBG funds must be used for activities that benefit low-and moderate-income persons. In addition, each funded activity must meet one of the following national objectives for the program: benefit low-and moderate-income persons, prevention or elimination of slums or blight, and/or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Over the past two months, HHSC has met four times, twice in public hearings, to discuss recommendations to the Chandler City Council for the allocation of these funds. During the application process, HHSC reviewed a total of 77 applications requesting Chandler Human Service funding totaling over \$3 million in requests. HHSC scored each application based on a variety of factors including overall impact for Chandler residents in need, proposed services relative to the approved funding priorities, fiscal responsibility, overall capacity of the organization to carry out proposed activities and the level of partnerships, collaborations, and leveraged funds and services sought by the applicant to carry out the proposed services. At a public hearing on March 25, 2009, HHSC discussed the applications and reviewed combined average evaluation scores. Funding was then allocated based on average score and recommendations made from HHSC members.

In addition, HHSC allocates \$1,151,500.00 in general fund dollars through the Social Service Funds, Acts of Kindness utility bill donation program and Youth Enhancement funds. Additionally, it should be noted that beginning with FY 2009/10, HHSC determined funding recommendations that were previously made by the Mayor and Council through an outside process in which one-time and ongoing funding were awarded. This provided consistency and equitable monitoring among non-profit organizations receiving any funding from the City of Chandler for the purposes of providing human services. Staff will be coming forward in the month of June for approval of the general fund dollar recommendations.

During the months of February, March and April 2009, HHSC met to discuss applications by various public and private agencies for program funding during the coming fiscal year. HHSC

discussed these 77 applications at four different meetings, including two public hearings, during the aforementioned period. Although all of the programs considered were beneficial to the citizens of Chandler, requests for all funding sources, including CDBG funding, far exceeded available funds by \$865,787.00. As a result, HHSC was forced to recommend no funding in some cases and less than requested for many public service programs.

Priority was given during the recommendation process to programs that demonstrated a community need and whose services addressed those needs in an effective manner showing the benefits to Chandler residents. Earlier in the year, HHSC approved funding priorities based on recommendations from the Chandler Human Services Needs Assessment. Basic needs services, such as shelter/housing, food, clothing, transportation, medical assistance and emergency financial assistance were determined the top priority service. Additionally, HHSC prioritized population groups needing services, which included (ranked by priority): 1) Families in crisis, 2) Homeless, 3) Elderly, 4) Low-and moderate-income families, 5) Individuals with special needs, and 6) Youth.

All costs associated with the Federal Community Development Block Grant Program will be paid by the federal government and do not require repayment on the part of the City of Chandler.

#### PH 2. FY 2009/2010 HOME PROGRAM

THE MAYOR OPENED THE PUBLIC HEARING AT 8:10 P.M.

MS. REGISTER stated that the City of Chandler expects to be awarded \$442,386.00 in FY 2009/2010 HOME Program funds from the U.S. Department of Housing and Urban Development. These funds must be used exclusively for housing activities, i.e. housing rehabilitation.

COUNCILMEMBER HEUMANN asked how many homeowners this would help. Ms. Register replied that at an average of \$30,000 of rehab, there could be 10-15 homes. However, there are some situations that the rehabilitation can run more as the evaluation is done. She added there is a lien placed on the property and the owner must remain in the home for a maximum of 10 years. The loan is forgivable after 10 years. If they choose to refinance, they may do so without receiving money back. If money is taken out, the loan becomes due and payable in full.

MAYOR DUNN CLOSED THE PUBLIC HEARING AT 8:15 PM.

41. ALLOCATION: HOME Program Funds

Res. #4283

MOVED BY MAYOR DUNN, SECONDED BY COUNCILMEMBER HEUMANN TO ADOPT RESOLUTION NO. 4283. MOTION CARRIED UNANIMOUSLY (7-0).

COUNCILMEMBER ORLANDO commended Ms. Register for her leadership and the work of her staff. He thanked her for her innovation and creativity.

ADOPTED Resolution No. 4283 authorizing receipt and allocation of \$442,376.00 in FY 2009/2010 HOME Program funds for the purpose of providing Housing Rehabilitation loans and homebuyer assistance to low-to-moderate-income families with the recommendations of City Staff.

All costs associated with the HOME Program will be paid by the U.S. Department of Housing and Urban Development and do not require repayment on the part of the City of Chandler.

#### BRIEFING: SOLAR TECHNOLOGIES

Economic Development Director, MS. CHRISTINE MACKAY, briefed the Council on three areas: the overall on solar, an overview on the prospect activity and the importance of SB1403. Ms. Mackay stated that energy projects (electrical plants) count for 25% of the CO2 emitted from the earth today. The CO2 accounts for 56% of the green house gases. Demand from India and China will cause that to increase that 75% higher by 2030. She stated solar is clean, has the potential to be cheap, durable, and abundant. She added that there would be a potential of adding 62,000 new solar energy jobs by 2015 and another 200,000 indirect jobs to support that industry. For every million dollars created in the solar industry it creates 5 to 15 new jobs in the United States. Oil and gas creates 1.5 jobs. The top two foreign investors in Arizona are Germany and Japan and are also the top two manufacturer's of solar technology. The biggest fault for using solar power is cost.

She explained that there are two types of solar generation. One is the large-scale power plant generation and the one that Chandler is interested in is the distributed generation or the rooftop panels. The PV and the thin film. Ms. Mackay said that in the solar renewable energy supply chain, the jobs created are pretty significant. They include research and development, engineering, manufacturing, distribution and installation. She noted that while at a trade show last year, in speaking from some of the companies from this market, they expressed the greatest hindrance for coming into a market was lack of quality installers. Ms. Mackay took that information back to Marie Hesse of Chandler Gilbert Community College and a curriculum is being formalized under the direction of Ruth Romano.

Ms. Mackay stated that under proposed Senate Bill 1403, a company could receive a 10% capital investment/tax credit and a 77% reduction in their property tax for a 10-15 year period depending upon their investment. She explained the economic differences between the PV manufacturer and the thin film manufacturer.

She noted the most recent use of large scale solar, is on the Biodesign Building at ASU. The cost saving that ASU will recognize for that is \$475,000 yearly in electricity.

COUNCILMEMBER ORLANDO asked if the vision was to secure the sub assembly or the assembly – what the best investment would be. Ms. Mackay said the goal would be to go after the large scale, high technology jobs and the base manufacturers will tend to cluster near them. She added that there are quite a number of them (hundreds) predominantly in Europe – Germany and Spain. They are all looking for a U.S. presence by expanding into the U.S.

Councilmember Orlando asked what ASU invested in it's project. Ms. Mackay replied that she did not have the information, but thought it was about 7 years.

MAYOR DUNN asked what was happening in other states and asked why companies would chose Arizona. Ms. Mackay said the other states are leaving us in the dust. Ms. Mackay said the companies don't need the sun to manufacture. They need the sun for generation. The State of Oregon has probably the most aggressive program with the states of New Mexico, Texas and Massachusetts following. The state of Texas has an economic development fund that they are funding these projects from. They recently announced they are putting a half billion dollar investment toward putting solar panels on roofs as some of the manufacturers want a ready

made market and know that their products going to be used. Ms. Mackay stated that with our cost of doing business in Arizona and our lack of punitive legislation on companies, Senate Bill 1403 will allow Arizona to “get in the game”.

MAYOR DUNN agreed that without this legislation, Arizona could not compare to what is being offered by other states.

COUNCILMEMBER SELLERS said he had heard that companies were waiting to see if Senate Bill 1403 would pass in order to decide on where to locate. He said the incentives don't pay anyone to come here; it gives credits against taxes and revenues we wouldn't get without bringing them here.

MS. MACKAY added that Elliot Pollack, the economist most well represented in Arizona, defined the bill as budget neutral.

Ms. Mackay pointed out that ASU Polytechnic is the site of the nation's only accredited testing lab in PV design. She added that in the West, Arizona is ranked 9<sup>th</sup> in the 9 western states for solar programs.

She stated that in GPEC's pipeline currently, there are \$5.5 billion of capital investment with nearly 5,000 jobs. \$1.1 billion in 10-year revenue impact and \$30 billion in 10-year economic output. She added that if you look at a German solar manufacturing prospect's average of \$500 million in investment and 500 jobs per project, which is one project that is waiting on the fate of SB1403 before deciding on Chandler or Oregon, it would be a \$2.9 billion capital investment with 2900 jobs over a 10 year period, a 10 year revenue impact of \$632 million to the state, and a 10 year economic output of nearly \$20 billion to the state.

She said in looking at what Arizona has lost over the years to the other states mentioned, \$1.8 billion in capital investment, 3,400 jobs, and the generation of 1,526 megawatts per year in electricity and noted that most of these were lost to Oregon.

Manufacturers of solar cells and panels want to be near where the product is used. She stressed the importance of increasing the competitiveness to bring solar companies to the state and level the playing field. She said that presentations have been made to not only the Legislative Government Affairs Panel, but also to Chandler's Economic Advisory Board.

Ms. Mackay stated that what SB1403 does is allow manufacturers to take credit for up to 10% of their capital investment over a 5-year period. In addition, their property will experience a property tax rate similar to a Foreign Trade Zone for 10-15 years or a 5% assessment ratio. The length of years will be decided upon on the percentage of the state's median wage and would have to agree to pay 80% of the employees' health care costs. The program would operate for 5 years and sunset December 31, 2014.

COUNCILMEMBER ORLANDO asked how many companies Arizona has lost without having this bill in effect. Ms. Mackay said that they are aware of 8 at about \$1.8 billion in capital investment, as there was not a level playing field. It was said if there had been a better tax structure in existence, the companies would have taken a stronger look. Councilmember Orlando asked how many companies had a deadline. Ms. Mackay said that there is currently one with a July 1 announcement date. Another project has a calendar year end decision. She added the challenge is that there is a clustering affect. Once an announcement is made, as in the example of Oregon, the others follow along.

MAYOR DUNN said that this is also a priority item with the League of Cities and Towns. The frustrating thing is that while there is a needed focus on balancing the State's budget, there is still a current need to keep the long-term vision of diversifying the industry of the State.

COUNCILMEMBER HEUMANN asked if there was a matching bill in both the House and the Senate. Ms. Mackay stated that Patrice Kraus is monitoring it.

SPECIAL ORDERS OF THE DAY

A. Mayor's Announcements:

Chandler Small Business Development Workshop will be held May 27<sup>th</sup> in the Council Chambers. In addition, the Purchasing Division will be hosting the East Valley Procurement Fair in the Community Center.

An appreciation dinner was held for the Voluntary Tax Assistance volunteers. These volunteers helped nearly 700 low to moderate-income families who claimed over \$1 million in tax refunds this tax season.

B. Councilmembers' Announcements:

None.

C. City Manager's Announcement:

None.

Adjournment: The meeting was adjourned at approximately 9 p.m.

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

\_\_\_\_\_  
Mayor

Approved: May 28, 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 14th day of May 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