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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, October 22, 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 (telephone)
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: Pastor Keith Shepard – Alma School Church of Christ

PLEDGE OF ALLEGIANCE: Girl Scout Jr. Troop 4102

SCHEDULED PUBLIC APPEARANCES:

None.

UNSCHEDULED PUBLIC APPEARANCES:

Mr. Kevin Hartke announced the 3rd Annual Live Love Day and extended an invitation to those interested in participating.

CONSENT:

Discussion occurred on several items and that discussion is listed under the respective item.

Mayor Dunn noted a comment card was submitted in support of Oregon's (Item 15) and announced that item is being continued.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY COUNCILMEMBER WENINGER, TO APPROVE THE CONSENT AGENDA AS PRESENTED.

VICE MAYOR CACCAMO stated he would be voting nay on Item 18.

COUNCILMEMBER DONOVAN stated she would not be voting on Item 62 due to a conflict of interest.

COUNCILMEMBER WENINGER voted nay on Item 10.

COUNCILMEMBER HEUMANN voted nay on Item 10.

MOTION CARRIED UNANIMOUSLY (7-0) WITH THE EXCEPTIONS NOTED.

1. CITY CODE AMENDMENT: Chapter 58 Ord. #4185

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4185 amending Chandler City Code Chapter 58 relating to licenses for Tele-track Wagering Facility Sites and other licenses.

Over the past few years, the structure of several of the City's regulatory licenses and permits has been reviewed and updated. The primary changes to those codes eliminated outdated quarterly and semi-annual license periods. The Mechanical Amusement Device section of Chapter 58 is the final code that contains a provision for a quarterly license period. The proposed changes will bring the license and late fee structure for this section in line with other special regulatory licenses issued by the City.

The recommended changes, while eliminating the quarterly license term, provide for the pro-ration of the initial annual fee based on when an amusement device (game) is placed in the City. The change further differentiates the due date for license renewal fees and clarifies when late fees become due.

Also included is a technical correction relating to the issuance of amusement game licenses, the addition of a definition and the correction of a typographical error.

2. EASEMENT/VACATION: Washington and Oakland Streets Ord. #4187

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4187 authorizing the acceptance of a public access easement and the vacation of a portion of public roadway adjacent to the Chandler Valley Hope Treatment Facility located near the NEC of Washington and Oakland streets.

Previously recorded Ordinance No. 1574 indicates the City of Chandler vacated the south 125 feet of an alley right-of-way subject to the dedication of a public access easement and a public utility easement.

There have been several safety-related issues that have occurred on the premises of Chandler Valley Hope in the past few years. These events have prompted Chandler Valley Hope to request the vacation of an additional 127 feet of the alley right-of-way abutting and immediately north of the previously vacated 125 feet.

Chandler Valley Hope anticipates this action will reduce unauthorized access to the facility and help assure the safety of both their staff and patients.

In exchange for the City vacating the additional 127 feet of the existing alley, Chandler Valley Hope agrees to the following: (1) grant a new Public Access Easement of approximately 160 feet x 34 feet on Lot 13 of their property to allow traffic of the remaining alley for ingress and egress onto Washington Street; (2) the existing public utility easement will remain in place after the vacation is approved; and (3) maintain unrestricted access to utilities that are located in the portion of the alley to be vacated.

Real Estate has contacted the appropriate City Departments and outside utilities. Each has reviewed this request and there are no objections.

3. POWER DISTRIBUTION EASEMENTS: SRP Ord. #4188

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4188 granting two power distribution easements to Salt River Project (SRP) totaling approximately 1,124 square feet on City-owned property near the NWC of Chandler Boulevard and Country Club Way in exchange for \$1,991.00 in consideration.

Because existing SRP electric facilities that provide service to the area of Chandler Boulevard and Los Feliz Road were installed direct-buried (not in conduit), power failures have been experienced in the area. As a result, SRP is replacing some of the direct-buried cable with new conduit-encased cable. This will eliminate faults that are caused by the old deteriorating wire to minimize future power disturbances and prevent outages. SRP is "looping" the entire system which will allow the ability to serve electricity from more than one direction in case of a future failure.

SRP has agreed to pay the City a total of \$1,991.00 in consideration for the approval of this easement.

4. REZONING: Sunset Marketplace Ord. #4189

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4189 DVR09-0014 Sunset Marketplace, rezoning from PAD for general automotive services to a dental office with retail/restaurant shops along with Preliminary Development Plan (PDP) for the dental office/retail/restaurant building located on one acre at Pennington Drive and Chandler Boulevard. (Applicant: Nate Richards, Ironwood Studio.)

The subject site is located within the commercial portion of the Maggio Ranch Master Plan, along the south side of Chandler Boulevard and east of Dobson Road. To the east is an existing self-storage mini-warehouse development. Discount Tire automotive and Cigna Healthcare's medical office are located west of the subject site. The Pueblo at Andersen Springs' residential townhome subdivision is located to the north across Chandler Boulevard.

In 1983, the site was zoned Planned Area Development (PAD) for retail/shops/office uses. This site was rezoned in 1991 for a rehabilitation hospital but that zoning and development plan lapsed due to lack of development in 1992. The site was again rezoned in 2000 to allow automotive uses along with a Preliminary Development Plan (PDP) for a Winston Tire automotive service facility.

Development of the site never commenced. In 2006, a zoning time extension was approved for three years maintaining the zoning for an automotive service facility. This current application is a request to rezone the site from PAD (automotive service facility) to PAD (dental office with retail/restaurant shops) in conjunction with a PDP for an in-line shops building including a dental office and retail/restaurant space.

While the proposed building's exterior wall is within 300 feet from existing residential north of Chandler Boulevard, the Late Hour Business Compatibility Policy does not apply because the building is separated by an arterial street.

The project, for the most part, is in conformance with the Commercial Design Standards regarding site layout, landscaping and architecture. However, this is an infill property, which limits some standards from being applied as would be seen on larger commercial projects. Due to the site's small size and infill nature, Staff does not recommend required public artwork for this site.

This request was noticed in accordance with the City of Chandler Zoning Code requirements with a neighborhood meeting being held July 1, 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 Maggio Ranch Master Plan, the Planning Commission and Staff recommend approval subject to conditions listed in the ordinance.

5. REZONING/PRELIMINARY AND FINAL PLAT: Paseo Lindo Ord. #4190

MR. ED SPENCE, 1106 W. Whitten Street stated his objection to the project as he believed it provides an opportunity for a major anchor in the city to vacate one area and move to another area thereby leaving a ruin at the old location. He stated he felt it was short sighted and extravagant. He said that the Basha's store recently left the center and the departure of the Target would leave a terrible hole. He cited several vacant centers. He urged the Council not to approve the project.

COUNCILMEMBER ORLANDO asked Staff to address the big box vacancy issue. MS. CHRISTINE MACKAY, Economic Development Director said as with Council, it is a concern with Economic Development staff as well, the number of big box uses that have become vacant. She said they are working diligently to find developers to finish the projects. She said they are working with Target's broker to identify potential users. She noted that Basha's has vacated the corner now and they are working with the owner of Ocotillo Plaza to find a tenant. She said the feeling is that is still a very viable area for a grocery store, but unfortunately most anchors are within a mile of that location. They are looking at unique tenants. It is a strong demographic corner. She noted the potential Target relocation would not be until October 2011. Hopefully, there will not be two anchor vacancies at the same time. She said there is a 15-month period to locate a tenant for the Target building. She cited some future uses might include apparel, furniture, books, recreation-entertainment users, sporting goods, and crafts. She commented that Target does own that property; it is not leased as part of the Ocotillo Plaza.

COUNCILMEMBER ORLANDO noted the creative infill with a preparatory academy in the old Smitty's building on Alma School (and Warner).

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4190 DVR08-0042 / PPT08-0019 / FPT09-0004 Paseo Lindo, rezoning from Planned Area Development (PAD) for Commercial/Office/Business Park to PAD for Commercial with late hour businesses, Preliminary Development Plan (PDP), Preliminary Plat and Final Plat on 46 acres at the NEC of Arizona Avenue and Ocotillo Road. (Applicant: Burch & Cracchiolo, Ed Bull; Owner/Developer: RED Development.)

In November 2006, Council approved an Airpark Area Plan amendment, Rezoning and PDP for a mixed-use commercial and residential development on approximately 68 net acres. The Area Plan amendment allowed for low-medium density single-family residential on approximately 27 net acres. The rezoning to Planned Area Development (PAD) allowed for a mixed-use

development with commercial retail, Main Street retail and office, commercial/office/business park and single-family residential development. The commercial component's PAD zoning allowed for C-2 (Community Commercial) uses permitted by right in the Zoning Code. A PDP was approved for the residential component and commercial retail component on approximately 29 net acres. The future commercial/office/business park portion on approximately 12 net acres did not have PDP approval. The project was designed as an urban-style mixed-use development including a Main Street retail concept adjacent to the single-family residential component. The PAD zoning vested with the construction of the residential component.

This application requests rezoning from PAD (Commercial/Office/Business Park) to PAD (Commercial) with late hour businesses on approximately 12 net acres and PDP with Preliminary Plat approval for a commercial retail development on approximately 41 net acres. The rezoning request replaces the 12 net acre commercial/office/business park component with commercial retail thus increasing the commercial retail component for Paseo Lindo. The single-family residential component is not being affected and is not a part of this request.

The subject property is bounded by Arizona Avenue on the west, Cachet Homes single-family residential to the north, Union Pacific Railroad tracks to the east and Ocotillo Road to the south. East of the railroad tracks is County property zoned Rural-43 for single-family residential and agricultural use. On the west side of Arizona Avenue is Hamilton High School. South of Ocotillo Road is the Home Depot-anchored commercial center Southshore Town Center and the Garage Town and Dollar Self-Storage facilities. The intersections' southwest corner is the Fulton Ranch Towne Center commercial retail development.

The intersection corner of Arizona Avenue and Ocotillo Road is designated as a Commercial Node in the General Plan. The Airpark Area Plan designates this property for Community Commercial and Commercial/Office/Business Park, which also permits retail development. The rezoning request to provide additional commercial retail as part of a Community Commercial center furthers the intended development plan for this intersection.

The development's commercial portion includes approximately 386,000 square feet of building area which is approximately 121,000 square feet greater in size than the originally designed commercial retail component. Overall, the aggregate building area of the commercial center is similar in size to the previously approved commercial and commercial/office/business park aggregate building area.

The development requests flexibility for the commercial portion in terms of site layout. The development plans depict the expected general layout of buildings; however, pending prospective tenants, Staff would review any minor changes administratively ensuring compliance with the intent of the concept layout and meeting site development requirements. The Development Booklet establishes the development quality and design guidelines for the PDP with Staff administratively reviewing the development details in conjunction with the construction permit process. This was previously requested and approved as a part of the original development request in 2006.

The application does request approval for late hour businesses. Late hour businesses would be adjacent to a parcel zoned for residential use within 300 feet of the nearest exterior building wall in the commercial center. Cachet Homes residential subdivision is adjacent to the commercial development on the north side. The development may have businesses such as a fitness center, coffee shop or food establishment that may be open from midnight to 6 a.m. one or more days

each week. The adjacent Cachet Homes development supports the request for late hour businesses. The application does not request a large single-use retailer or mid-rise overlay.

The development requests several deviations/waivers from Zoning Code in which some of these requests were previously approved in the initial Paseo Lindo development request. First, there are circumstances where required building foundation landscaping is not desirable or would not be visible; therefore, the development requests relief from providing building foundation landscaping in certain circumstances and work with Staff to locate building foundation landscaping where appropriate and conducive for the development.

Additional freestanding pads beyond the maximum allowed by Zoning Code are requested. Code allows for one pad per street frontage or if two pads are clustered, they count as one pad. The development provides a total of eight freestanding pads with six single pads and two pads clustered together.

Pad F on the development's northwest corner is sited with a reduced building setback from adjacent single-family residential zoning. The development requests a reduced building setback from the required 47 feet to 30 feet. The retail building's exterior wall adjacent to the residential zoning is 22 feet in height; required setback is 25 feet plus 1 foot for each foot of building height adjacent to the residential. The building is one-story and near the side yard of one residential lot and the rear yards of two residential lots with no homes constructed at this time. In lieu of providing the required 47 foot building setback, the development is providing two rows of trees planted 20-feet on center as a landscape separation buffer from the residential lots.

A required Commercial Design Standard for commercial developments includes no corporate stylized architecture or corporate branding. The development requests approval to allow corporate branding for the anchor tenant. While requests for corporate branding are typically not supported by Planning Staff, the proposed red paint color is utilized in a manner that is not typical of corporate design by including red accent colors on the rear of the building and along the main front façade. The design is architecturally compatible with all other building elements and features in the development as well as providing rooflines with varied height, form and materials as required by Commercial Design Standards.

The childcare/daycare center site is designed to Zoning Code requirements for general office which requires more parking spaces than a childcare or retail use for the proposed building size. The site is designed with parking to accommodate a childcare use; however, if a different use were to occupy the site, additional parking spaces can be provided.

Outside displays of merchandise or vehicles are not specifically designed for in this PDP request. There are no delineated areas along the main center's colonnade to accommodate outdoor displays; therefore, displays such as landscaping, Christmas trees, barbecues, clothing and any other merchandise or product is not permitted in the colonnade. However, the development requests approval to provide outside displays of such items within the parking areas in front of retail stores specifically for periodic and seasonal outside events only. The outside sales display is for the main center only including the anchor, majors and shops A. The periodic and seasonal outside events will occur in the parking area west of the main center. The areas will be cordoned-off in accordance with City Codes and issued appropriate special event permits. The outside display will not occur in the colonnade.

The application requests deletion and modification of zoning conditions adopted in Ordinance No. 3866, case DVR06-0018 Paseo Lindo. Some conditions no longer pertain to this specific request or have language that needs changing to reflect the current proposal. The changes include:

- Request deletion of Condition No. 26 regarding a separate PDP for the commercial/office/business park parcel and fitness center building since this use is proposed to be rezoned to commercial and is now included with this current development request.
- Request deletion of Condition No. 27 regarding mid-rise building heights as there are no mid-rise buildings proposed for this commercial development.
- Request a modification of Condition No. 29 due to landscape materials and use changes. The current Ordinance condition reads:

“In addition to the series of Date Palm and Palo Verde trees as depicted on the landscape plan, incorporate additional shade trees where appropriate to further shade walkways along the north side of the southern Main Street retail/office buildings.”

The proposed modification reads:

“Incorporate additional shade trees where appropriate to further shade walkways along the north side of the southern Main Street retail buildings.”

- Request deletion of Condition No. 37 regarding the development’s Main Street building heights. The condition required the two westernmost buildings, Shops B and D, along Main Street to be two-story buildings. Deletion of this condition is requested since Shops B and D are proposed as one-story buildings.

Additional zoning conditions in Ordinance No. 3866 relating to enhancements to site and building design elements will be worked out with Staff prior to construction plan review.

The comprehensive sign package includes the maximum allowed number of monument signs along each street frontage in accordance with Sign Code. Waivers to sign height and number of tenant panels are proposed for signs along the arterial streets. The application requests an increase in the number of tenant panels per sign from two to four which occurs on the Main Street Retail Monument sign (Arizona Avenue) and the two Multi-tenant Monument signs (Arizona Avenue and Ocotillo Road). In addition, the application requests increased height for the two Multi-Tenant Monument signs.

Sign Code permits up to a maximum of two freestanding monument signs per street frontage for this development. One sign is permitted up to 14 feet in height and all other signs a maximum of 6 feet in height. The development request proposes one 14-foot high sign and two 15’4” high signs, one along Arizona Avenue and the other along Ocotillo Road. The original PDP case was approved with four tenant panels for each sign and an increase in height to 13’4” for two signs. This application requests the same number of tenant panels and additional height for two monument signs. Signage meets the additional design quality requirements for the Commercial Design Standards.

The Airport Commission reviewed the zoning request in accordance with the Airport Conflicts Evaluation Process. The Airport Manager has issued a conflicts evaluation report indicating that the Airport Commission found the proposed development does not constitute a conflict with existing or planned airport uses.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on August 20, 2009. There were 7 area neighbors in attendance with general questions. Staff has received no correspondence in opposition to this request.

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

The Planning Commission and Staff recommend approval of the Preliminary Plat 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.

6. REZONING: Mt. Olive Missionary Baptist Church Community Ord. #4193

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4193 DVR08-0038 Mt. Olive Missionary Baptist Church Community, rezoning from Multi-family Residential District (MF-2) to Planned Area Development (PAD) along with Preliminary Development Plan approval for building architecture and site layout for a church located at 473 S. Colorado Street and rezoning from MF-2 to PAD for associated parking lots located west and southeast of the church property. (Applicant: Yasmin Masuda, WH Pacific.)

Mt. Olive Missionary Baptist Church is located approximately a quarter-mile southeast of Arizona Avenue and Frye Road. The church has a long history stemming back to 1938 when the existing sanctuary was constructed. In the 60's, the church expanded to include the existing fellowship hall. This church is one of the oldest African-American based churches in the area.

Surrounding the church property are predominantly single-family homes and vacant lots. Directly north and south of the church building are single-family homes. Directly west, across Colorado Street, is a single-family home and parking lot with a community building owned by the church. North of the existing community building is a vacant lot that the church is leasing in order to locate additional parking. East, adjacent to the church, is an alleyway with a single-family home and vacant lot beyond that. Southeast of the church campus is a vacant lot owned by the church that is proposed as a parking lot.

The current church campus includes the main church building and the existing parking lot as well as community building located directly west of Colorado Street. As part of this request, the church is seeking to expand the campus by providing two additional parking lots with one located directly north of the existing parking lot on Colorado Street and the other located southeast of the main church campus. After the Planning Commission meeting, the applicant informed Staff that the property owner directly northwest of the church at 464 S Colorado elected not to sign the Proposition 207 waiver. Due to this, the site plan was modified to reflect the correct site plan. Staff supports the modification citing that even with the reduced number of parking stalls the current parking requirements are still maintained. The campus will be redeveloped in two phases. Phase I includes the demolition and reconstruction of the fellowship hall along with associated parking lots. Phase II will include the reconstruction of the sanctuary and outdoor patio area. Phase II will require future PDP submittal and approval.

Due to the uniqueness of the site, surrounding area and existing zoning, a number of deviations from development standards are requested as part of the rezoning. There are five requests for

deviation, however, only three apply. The deviations include: (1) a deviation from building setbacks on the north, east and south property lines; (2) to locate the trash enclosure off of the main campus to the proposed parking lot southeast of the main campus; (3) to forego screening of the parking stalls from street view by way of a screen wall; (4) deviation from the Commercial Design Standards limiting the use of one material to 65% of a building façade; (5) reduction in parking stalls from the required standard of 1 parking stall per 4 seats. Requests for deviations of number 2 and 5 are not applicable as code requirements are met. Staff supports deviations #1, #3 and #4.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 19, 2009. There were approximately 8 neighbors in attendance. Staff has received no correspondence in opposition to this request.

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

7. LEASE: Boys and Girls Clubs of the East Valley

Ord. #4194

MR. RAMON ELIAS, thanked the Council for the opportunity to build the new facility. The dedication will occur on November 16th at 5:00 p.m. He said the building is currently certified Silver LEED, but they are trying to obtain Gold, and if so, it will be the first Boys & Girls Club in the State of Arizona to do so. He gave his compliments on the professionalism of city staff during this project.

MAYOR DUNN questioned the projected utility costs of \$5,000 per month as he felt that might be on the low side. COMMUNITY SERVICES DIRECTOR MARK EYNATTEN said the proposed amount is based on the current usage on the small building. With the improved efficiencies on the new building, the consultants felt this would be an appropriate amount, however, staff will continue to review this.

MAYOR DUNN said there is another item on the agenda with I.C.A.N and noted how great it was to be able to build the type of quality facilities that will serve the youth of the city.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4194 granting a lease for City property and structure located at 300 E. Chandler Boulevard to the Boys and Girls Clubs of the East Valley.

The Chandler Compadres, a local non-profit charitable organization, chartered the Chandler Boys and Girls Club in 1983. At that time, the Club conducted its programs in the old Seton Catholic High School buildings located at 300 E. Chandler Boulevard. The buildings were 25 years old at that time. The Chandler Compadres paid rent to the Diocese of Phoenix for the use of the buildings on behalf of the Boys and Girls Club. The City of Chandler purchased the land and the buildings in 1995, leasing the buildings to the Boys and Girls Club. As part of that lease, the City provided maintenance and custodial services and paid all utility costs.

The buildings' age and use rendered them costly to maintain and were inadequate for the growing number of youths the Club served. The Boys and Girls Clubs of the East Valley approached the City and proposed the demolition of the existing buildings and construction of a new facility. The \$8.5 million project was included in the City's 2007 Bond election and won voter approval.

The construction of the new facility will be complete in November 2009. With the new facility and age of the existing lease, it was prudent to renegotiate the terms of that lease. Two notable changes to the lease are:

1. The Boys and Girls Clubs of the East Valley will retain all utilities in their name and pay the associated costs with a \$60,000.00 stipend from the City.

The projected utility costs of the facility are \$5,000.00 per month. The old facility ran utility costs of \$4,800 per month on average. Both parties agree that while the new facility is larger, the improved construction and efficiency of utility-related systems would result in a virtual cost increase offset. By having the utilities in the Boys and Girls Club name, the responsibility to control those costs within the budgeted stipend is theirs.

2. The City will continue to provide 30 hours of custodial services per week. The current custodial service level of 30 hours per week was based on the old buildings' requirements. Additional resources are not available to meet the full service level of the Boys and Girls Club to provide the necessary resources to bridge that service level gap.

The City will continue to maintain the repair of the structure and the HVAC system, excluding specialized equipment. The Club will continue to pay for minor repairs under \$500.00 with prior approval from the City.

The term of the lease is for 15 years with five one-year renewals.

The \$60,000.00 stipend the City will provide to the Boys and Girls Clubs of the East Valley to assist with the utilities will come from the Parks and Facilities operating budget. The 30 hours of custodial services, which amount to approximately \$43,000.00, will continue to also be funded through the Parks and Facilities operating budget.

8. AGREEMENT: Salt River Project Agricultural Improvement and Power Dist. Res. #4328

ADOPTED Resolution No. 4328 authorizing the Director of Public Works to enter into an Irrigation Pipeline Maintenance Agreement with Salt River Project Agricultural Improvement and Power District for the City's Alma School Road and Ray Road Intersection Improvement Project.

The City has a capital project under way to improve the intersection of Alma School Road and Ray Road. In order to accommodate the planned improvements, it will be necessary to leave an existing irrigation pipeline owned by Salt River Project Agricultural Improvement and Power District (SRP) in its existing alignment which will result in it being within future City roadway. The pipeline is not currently under the street or sidewalk, but the work to be done through the capital improvement project will place portions of it under pavement.

As a requirement to install an irrigation pipeline under pavement, the City must enter into a maintenance agreement with SRP to cover restoration work above the pipeline in the event SRP should need to repair and/or replace the pipeline. For projects requiring pipe replacement, under terms of the agreement, the City agrees to pay for:

- Barricading and Police Officers, if required
- Temporary steel plating material
- Temporary asphalt patching material

- ABC backfill material
- Installation of asphalt and/or concrete for permanent pavement restorations.

For projects requiring only pipe repair, the City agrees to pay for:

- Barricading and Police Officers, if required
- Temporary asphalt patch material
- ABC backfill material
- Installation of asphalt and/or concrete for permanent pavement restorations.

In the short term, there will be a cost savings of approximately \$240,000.00 to the Alma School Road and Ray Road Intersection Improvement Project as a result of being able to leave the pipeline in its existing alignment. There is a potential for costs to be incurred later if the pipeline is repaired or replaced.

9. INTERGOVERNMENTAL AGREEMENT: Roosevelt Water Conservation Dist. Res. #4332

ADOPTED Resolution No. 4332 authorizing an Intergovernmental Agreement (IGA) with Roosevelt Water Conservation District (RWCD) allowing the City of Chandler to receive groundwater recharge credits by participating in RWCD's groundwater savings facility.

The 1980 Groundwater Management Act (GMA) requires cities maintain a balance between the annual amount of groundwater withdrawn and the annual amount of water that is naturally or artificially recharged. Chandler uses its surface water supplies from either the Colorado River or the Salt/Verde Rivers to comply with the GMA. These rivers are subject to periodic droughts. To meet potable water supply needs during droughts and to stay in compliance with the 1980 GMA, Chandler needs to store water under ground and recover this water during periods of low surface water supplies.

In 1986, Chandler participated in an agreement to provide funding to increase the height of Roosevelt Dam in order to create New Conservation Storage (NCS) during high runoff years. Chandler has a right to a portion of the water stored as a result of NCS. Chandler's NCS supply is highly variable and experiences evaporation losses when it remains in the reservoir. It is in Chandler's best interest to directly use or store the NCS supply underground as quickly as possible when it is available.

This IGA will allow Chandler, at its option, to deliver a portion of its NCS water to RWCD to substitute for groundwater that would have been pumped by RWCD. In return, Chandler will receive recharge credits for groundwater not pumped by RWCD. Chandler recovers recharge credits to comply with the GMA during droughts and when operational issues dictate increased use of City wells. RWCD will pay Chandler \$10.00 for each acre-foot of NCS water received. This cost is based on what RWCD's net cost would be to pump groundwater. Approval of this IGA will allow Chandler to forego water purchases for recharge credits scheduled in FY 2010/11 and FY 2011/12.

10. CONDEMNATION: Alma School/Ray Road Intersection Improvements Res. #4343

COUNCILMEMBERS WENINGER AND HEUMANN voted nay on this item.

ADOPTED Resolution No. 4343 authorizing condemnation proceedings as needed to acquire certain real property required for the Alma School Road and Ray Road Intersection Improvements and to obtain immediate possession thereof.

On February 28, 2008, Council approved the alignment for the Alma School Road and Ray Road Intersection Improvements. On May 22, 2008, Council approved Resolution No. 4135 authorizing the acquisition of the real property needed for the project and approving relocation assistance as may be required by law. Subsequently, the City has acquired two residential properties and relocated both families. In addition, the City acquired 3 commercial properties and has relocated 6 of the 8 businesses. Relocation is being completed for the last business at this time. On March 12, 2009, Council approved Resolution No. 4248 authorizing the use of eminent domain proceedings to acquire the commercial property located at 1029 N. Arizona Avenue (the Trails Store).

Shortly afterwards, Staff was able to reach a settlement with the property owner and Council approved the acquisition at its May 28, 2009 meeting. The property has been acquired and Staff is working to relocate the tenant.

The project requires the acquisition of portions of approximately 32 additional parcels from approximately 24 owners. One additional parcel has approximately 41 owners, each having a small percentage. There is a possibility that the City may be able to obtain additional stimulus funds that could be used to pay for a significant portion of this project. However, in order to have a chance to do so, the acquisition of the right-of-way must be accelerated and acquired prior to the end of January 2010. In order to meet this deadline, the use of eminent domain proceedings will be required.

11. 2010 CITY COUNCIL MEETING SCHEDULE Res. #4344

ADOPTED Resolution No. 4344 setting the 2010 Regular City Council meeting schedule.

12. INTERGOVERNMENTAL AGREEMENT: ADOT Res. #4345

ADOPTED Resolution No. 4345 authorizing an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for the authorization and appropriation of the American Recovery and Reinvestment Act (ARRA) funds for the rehabilitation of a section of Price Road from Germann Road to Dobson Road in the amount of \$3,678,899.00.

This IGA will reimburse the City of Chandler for improvements to the asphalt on Price Road from Germann Road to Dobson Road.

13. INTERGOVERNMENTAL AGREEMENT: ADOT Res. #4346

ADOPTED Resolution No. 4346 authorizing an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for the authorization and appropriation of the American Recovery and Reinvestment Act (ARRA) funds for the intersection capacity improvements at Chandler Boulevard and Dobson Road from Chandler Boulevard to Frye Road in the amount of \$2,288,700.00.

This IGA will reimburse the City of Chandler for improvements to the intersection at Chandler Boulevard and Dobson Road from Chandler Boulevard to Frye Road. The total budget for this

project is \$8,099,000.00 which includes \$1,711,300.00 of general obligation funds and \$4,099,000.00 of Proposition 400 Funds.

14. PRELIMINARY DEVELOPMENT PLAN: The Shops at Pecos Ranch

APPROVED Preliminary Development Plan PDP09-0017 The Shops at Pecos Ranch, amending a comprehensive sign package as part of a commercial development on approximately 12 acres located at the NEC of Dobson and Germann roads. (Applicant: Ron Volk, Nautica Development.)

The subject site is bordered to the north by Gatling Way with single-family residential homes located to the north. Dobson and Germann roads abut the site on the west and south respectively. The Pecos Ranch Apartments are directly east. The subject 12-acre site received PAD commercial zoning in 1983 as part of the larger Pecos Ranch master planned development. A Preliminary Development Plan was approved in February 2006 for The Shops at Pecos Ranch neighborhood shopping center consisting of a series of in-line retail shops, restaurant pads, a daycare facility, a corner bank and a two-story retail/office building. With the exception of certain Pad buildings, the majority of the shopping center is nearing completion.

The 2006 PDP approval included a comprehensive sign package. Two six-foot tall two-tenant panel freestanding monument signs were approved along Germann Road with a single fourteen-foot tall two-tenant panel sign approved along Dobson Road. A corner center identification sign was also approved. The signs included a stone base with arching top feature matching the center's building architecture as well as tenant panels featuring routed acrylic-backed lettering.

The request is to increase the number of tenant panels upon the two six-foot tall and single fourteen-foot tall monument signs from two panels to four panels. In essence, the approved panels would be cut in half creating two from one. No changes are proposed to the over all size and design of the three monument signs. The applicant cites the request is prompted based upon similar recent approvals for nearby commercial shopping centers.

The applicant has taken steps that merit the increase in tenant panels. First, the approved tenant panels feature routed acrylic-backed lettering. The applicant has agreed to upgrade the lettering to a proposed routed push-through acrylic lettering. This lettering will provide a greater level of dimensionality to the signs increasing the visual appeal. The exhibits indicate an incorrect acrylic-backed specification. Staff has added a condition clarifying the use of routed push-through lettering. Second, the applicant has provided an upgraded corner center identification sign. The approved sign included a curved wall with the center's name. The enhanced sign now includes a multi-layered water feature with seven fountains, columns with four planter pots and significantly more stonework. This sign will provide the neighborhood shopping center a much greater intersection focal point. This sign is currently under construction.

Staff supports the sign package amendment. The increase from two tenant panels to four is consistent with the number of tenant panels recently approved for nearby commercial centers. Additionally, the upgrade from acrylic-backed to push-through acrylic lettering will provide the signs with greater visual interest. Finally, the upgraded corner identification sign is a significant upgrade.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on September 8, 2009. There were approximately 7 residents

in attendance with none offering opposition. 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 exhibits and representations entitled "The Shops at Pecos Ranch" kept on file in the City of Chandler Planning Services Division in File No. PDP09-0017, except as modified by condition herein.
2. All future signage shall be consistent with the signage contained within the exhibits with regards to sign type and quality. Any deviations shall require separate Preliminary Development Plan approval.
3. The freestanding monument signs shall utilize routed push-through lettering.
15. CONTINUED PRELIMINARY DEVELOPMENT PLAN: Oregano's @ The Shops at Pecos Ranch

CONTINUED TO NOVEMBER 19, 2009, Preliminary Development Plan PDP09-0026 / Use Permit LUP09-1001 Oregano's @ The Shops at Pecos Ranch, for a restaurant within a commercial development of approximately 12 acres located at the NEC of Dobson and Germann roads including a Use Permit to sell liquor as permitted under a Series 12 license within the new restaurant and outdoor patio to allow for a Design Review Committee hearing.

17. AGREEMENT: Jokake Construction

APPROVED Agreement #DT0905-401 with Jokake Construction for construction services for Oregon Street Arcade, pursuant to Job Order Contract #JOC 07-08, in an amount not to exceed \$242,332.00.

PSCI Investments, LLC, is constructing commercial and retail improvements at 95 and 91 W. Boston Street. As part of the process for receiving approval of the building improvements from the City, the developer requested assistance with improvements to the streetscape frontage along Oregon Street that would be beyond normal development requirements. A City Participation Agreement has been prepared and is being brought forward under a separate instrument that would provide for this reimbursement. Under the proposed agreement, the developer will reimburse the City for 30% of the cost of constructing improvements in Oregon Street right-of-way, which includes sidewalk, colonnade, landscaping and utility services.

18. AGREEMENT AMENDMENT: Employee Benefits

VICE MAYOR CACCAMO voted nay on this item.

APPROVED Agreement Amendments with Aetna Healthcare, Inc., for health care coverage; Anthem Life Insurance Company for long-term disability insurance to public safety personnel; APS Healthcare Southwest, Inc., for employee services; Delta Dental Plan of Arizona, Inc., for dental services plan; Gerber Life Insurance Company for nonparticipating blanket accident policy; Liberty Mutual Insurance Company for group savings plus hold-harmless and marketing agreement; PayFlex Systems USA, Inc., for flexible spending account administration; Sun Life Assurance Company of Canada for group life insurance; and Vision Service Plan Insurance Company for group vision care services policy for the 2020 Employee Benefits Program.

Each amendment involves extending the plan contract for an additional one or two plan years; however, the following amendments have significant changes and/or enhancements:

- Aetna Health, Inc.: The City was successful in establishing an overall rate increase of 2.2% in comparison to the national trend of 10% and no change in benefit coverage. The City offers two healthcare options – one being a Health Maintenance Organization (HMO) Plan and the other being a Point of Service Plan (POS). The HMO Plan retains a majority of the employee population and had no rate increase anticipated for 2010. The POS Plan, however, was projected to increase for 2010.

After consultation with the employee Health Care Task Force, it was decided that the POS plan would absorb the projected rate increase thus having the least amount of impact on employees at large. In addition, the amendment addresses the City's retrospective agreement with Aetna for plan year 2010.

- APS Healthcare: There is a rate increase (.99 cents per employee per month) with APS Healthcare due to an increase in utilization over the past three years. The rate will increase from \$2.30 per month per employee to \$3.29 per month per employee. The City's utilization rate is 16% in comparison to the industry standard of 3-5%. As an organization, we encourage and support employees at all levels of the organization to access the City's employee assistance program to deal with everyday work life balance issues. The City's commitment to organizational health is demonstrated in our utilization rate.
- Delta Dental Plan: The City was successful in securing a two-year contract with Delta Dental Plan with no increase in renewal rates and no change in benefits whereas the national trend for dental care has been hovering between a 7 to 9% increase.
- PayFlex Systems USA, Inc.: Two added value benefit options for the City's flexible spending account were negotiated with PayFlex Systems USA, Inc. The first is the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act) which allows penalty-free withdrawals from healthcare flexible spending accounts for qualified reservists called to active duty. The second provision allows for an additional 2 ½ months beyond the end of the plan year for 2010 (grace period) to incur expenses, therefore allowing a participating employee to incur expenses up until March 15, 2011. This enables the employee a total of 14 ½ months to utilize the dollars they set aside for medical expenses in their prior 12-month election which will reduce the chance of those dollars being forfeited.
- Sun Life Assurance Company of Canada: The plan agreement with Sun Life Assurance Company of Canada increased the maximum benefit for Class 4 (all regular employees) from \$125,000 to \$200,000. This change did not affect rates.

Amendments to the Agreements with Aetna Healthcare, Inc., Anthem Life Insurance Company, APS Healthcare Southwest, Inc., Delta Dental, Berger Life Insurance Company, PayFlex Systems USA, Inc., Sun Life Assurance Company, VSP and approval of the agreement with Liberty Mutual Insurance Company, are required for extensions and/or rate increases. Agreements with other providers do not require amendments for 2010.

Benefits carriers/administrators for calendar year 2010 are:

<u>COVERAGE</u>	<u>PROVIDER</u>	<u>PAID BY</u>
1. Long Term Disability for Public Safety Personnel	Anthem Life Insurance Co	City
2. Employee Assistance Plan	APS Healthcare	City
3. Business Travel & Commuter Accident Insurance	Gerber Life Insurance Co	City
4. Flexible Spending Accounts	PayFlex Systems USA, Inc.	City
5. Group Life Insurance and Accidental Death & Dismemberment	Sun Life Assurance Co	City
6. Health Care	Aetna Health, Inc.	City/Employee
7. Dental Care Claims Admin	Delta Dental Plan	City/Employee
8. Deferred Compensation	ICMA – RC	City/Employee
9. Retirement Health Savings Plan	ICMA – RC	City/Employee
10. Vision Care	Vision Service Plan	Employee
11. Voluntary Term Life Insurance	Sun Life Assurance Co	Employee
12. Pre-Paid Legal Services	Pre-Paid Legal Services, Inc.	Employee
13. Home and Auto Insurance	Liberty Mutual	Employee
14. Short Term Disability Supplemental Insurance	Colonial Life	Employee

The following employee benefit programs are statutorily required or self-administered by the City:

<u>COVERAGE</u>	<u>PROVIDER</u>	<u>PAID BY</u>
+ Short Term Disability	City of Chandler Human Resources	City
+ Cancer Insurance – Fire Fighters And Police Officers	Public Safety Retirement Sys	City
+ Retirement plan – Civilian	AZ State Retirement Sys	City/Employee
+ Retirement Plan – Public Safety	Public Safety Retirement Sys	City/Employee
+ Retirement Plan – Elected Officials	Elected Officials Retirement Plan	City/Employee

+ Long Term Disability – Civilian AZ State Retirement System City/Employee

The following amendments were approved:

1. Calendar year 2010 Amendment to the contract providing healthcare between the City of Chandler and Aetna Healthcare, Inc. for healthcare.
2. Calendar year 2010 Amendment to the contract providing long-term disability insurance to public safety personnel between the City of Chandler and Anthem Life Insurance Company.
3. Calendar year 2010 Amendment to the agreement between the City of Chandler and APS Healthcare Southwest, Inc., a program of employee services.
4. Calendar year 2010 Amendment to Contract #1193 between Delta Dental Plan of Arizona, Inc., and the City of Chandler for a dental service plan.
5. Calendar year 2010 Amendment to the agreement between Gerber Life Insurance Company and the City of Chandler for nonparticipating blanket accident policy.
6. Calendar year 2010 Amendment to Group Savings Plus Hold Harmless and Marketing Agreement between the City of Chandler and Liberty Mutual Insurance Company.
7. Calendar year 2010 Amendment to the agreement with City of Chandler and PayFlex Systems USA, Inc., as successor to FlexAmerica, Inc., for flexible spending account administration.
8. Calendar year 2010 Amendment to professional services agreement between the City of Chandler and Sun Life Assurance Company of Canada for group life insurance.
9. Calendar year 2010 Amendment to the vision services plan contract between the City of Chandler and Vision Service Plan Insurance Company for group vision care policy.

19. AGREEMENT: The Cooperative Purchasing Network

APPROVED an Agreement with The Cooperative Purchasing Network for the purpose of purchasing items at large volume discounts. Per City Code, the City may participate in, sponsor, conduct, or administer cooperative purchasing with other public agencies and with non-profit groups or organizations established by public entities for the purpose of cooperative purchasing, provided that competitive purchasing procedures are similar to those required in the City, are employed. TCPN is a national purchasing co-op based in Texas.

20. AGREEMENT: Wilson Engineers LLC

APPROVED Agreement #WA0906-201 with Wilson Engineers LLC for the Price Road pipeline between Germann and Dobson roads in an amount not to exceed \$453,460.00.

New commercial development is expected to occur along the Price Road corridor in the next few years. To support this development, Municipal Utility Department Staff has identified the need to install a 16-inch water line in Price Road between Germann and Queen Creek roads to run

parallel to an existing 24-inch main. This contract is for the design work needed for the new 16-inch pipe and replacement of the existing valves and includes \$218,020.00 for the inspection and assessment of the force main.

21. AGREEMENT: Artistic Land Management

APPROVED an Agreement with Artistic Land Management for one year for landscape maintenance at the Water Treatment Plant and Water Production Facilities, including 36 Well Sites, in an amount not to exceed \$117,169.52.

22. AGREEMENT: Motorola, Inc.

APPROVED an Agreement with Motorola, Inc., sole source, for participation in the Regional Wireless Cooperative Governance and expansion of the RWC Network Transport System in an amount not to exceed \$7,915,562.31 which reflects a system discount of \$800,000.00.

On February 26, 2009, Council approved signing the Regional Wireless Governance Document with the City of Phoenix allowing the City of Chandler to become part of the Regional Wireless Cooperative (RWC). RWC operates a Motorola ASTRO 25 trunked radio system with multiple zones. These zones provide communications for multiple public safety and governmental agencies operating within the greater Phoenix metro area. Some of these agencies include the City of Phoenix, the City of Tempe, the Sun Lakes Fire Department, the City of Goodyear and the City of Surprise. This regional based radio network allows for seamless, interoperable radio communications among agencies in the Phoenix metro area. The City of Chandler Fire Department is currently dispatched by the City of Phoenix and operates on a VHF radio system. In the near future, the Fire Department will be moving from the VHF system to this system. The proposed expansion of the RWC will allow for seamless interoperability between the Chandler Fire Department and the Chandler Police Department in the field for improved communications during emergency situations.

The proposed expansion of the RWC to support the City of Chandler requirements includes expanding the existing RWC Network Transport System using microwave paths to provide connectivity into the existing RWC transport network for Chandler Police Department dispatch, Chandler Police Department EOC and 911 S. Hamilton Street. Simulcast C of the regional system will be expanded from 18 channels to 22 channels. The Simulcast C Subsystem consists of a prime site located at the Phoenix City Hall and four remote sites located at Tempe Butte, Tempe PD South Substation, DPS South Mountain and the City of Chandler Fire Training Facility located at 3550 S. Dobson Road. Additionally, the proposal includes adding one remote site to include a new 200' self-supporting tower and equipment shelter at 911 S. Hamilton Street, replacement of the existing Gold Elite Police dispatch consoles with MCC 7500 dispatch consoles at the Police Dispatch Center and the Police Emergency Operations Center and replacement of the existing Voice Logging Recorder system used for recording and retrieval of radio and telephone audio at the City of Chandler Police Dispatch Center.

23. AGREEMENT: Norit Americas, Inc.

APPROVED an Agreement with Norit Americas, Inc., for lignite granular activated carbon (GAC) in an amount not to exceed \$163,523.00.

GAC is a vital component in the water treatment process. It is placed in filter beds that remove impurities as the drinking water runs through them. The filtration process ensures that the

finished water complies with Federal drinking water regulations. GAC also reduces taste and odor constituents in the drinking water. The contract includes the removal and disposal of the spent GAC and the installation of the new media.

24. AGREEMENT: Wilson Engineers LLC

APPROVED Agreement #WW1004-201 with Wilson Engineers LLC for the design of McQueen Road sewer repairs in an amount not to exceed \$141,220.00.

On August 13, 2009, Council approved a one-year extension to the existing annual contract for design services with Wilson Engineers, LLC. Wilson Engineers is currently the designer for the Airport Water Reclamation Facility (AWRF) expansion located at McQueen and Queen Creek roads.

During the weekend of August 1, 2009, City Staff became aware of a sewer leak that had developed at the SWC of McQueen and Queen Creek roads. The leak appeared to originate near a junction structure where two sewer force mains and gravity sewer mains converge. Because of Wilson Engineers' familiarity with the facilities and their current work at the nearby AWRF, they were able to immediately assist with managing the temporary repairs to the sewer system.

This project agreement tasks Wilson Engineers, LLC, with determining the extent of the piping failure and developing the interim repairs, providing construction administration services for the construction of the interim repairs, developing alternatives for the necessary permanent repairs, developing construction documents for the permanent repairs, and obtaining approval to construct the permanent repairs from Maricopa County Environmental Services Department.

25. AGREEMENT AMENDMENT: Engineering and Environmental Consultants

APPROVED Agreement #WW0509-202, Amendment No. 1, with Engineering and Environmental Consultants in the amount of \$22,629.00 for the reclaimed water distribution lines infill project, for a revised contract total of \$89,159.00.

The City's Reclaimed Water Master Plan identifies a need to use effluent from the City's wastewater treatment facilities for irrigation of turf and landscaped areas constructed by developers. In 2008, a contract with Engineering and Environmental Consultants was approved by Council to provide for the design of 12-inch diameter reclaimed water distribution mains in various locations throughout the City to complete loops in the existing distribution system. The design is currently 95 percent complete.

The original contract contained an allowance for utility locating (potholing) at 20 locations to avoid conflicts with existing infrastructure. This work was performed early in the design process. At a recent coordination meeting with private utilities, Salt River Project (SRP) and Cox Communications requested that the City perform potholing at an additional 24 locations to confirm the actual depths of their conduits. Field verification of utilities during design reduces the likelihood of work stoppages and change orders during construction when delays are much more costly. On this basis, City Staff recommends that the consultant proceed with the potholing. This contract amendment will cover the cost of the potholing services and the inclusion of the information on the plan sheets.

26. AGREEMENT AMENDMENT: Ritoch-Powell & Associates

APPROVED Agreement #ST0810-201, Amendment No. 1, with Ritoch-Powell & Associates for design services for the McQueen Road Improvements (Queen Creek Road to Riggs Road) in the amount of \$152,053.00, for a revised contract total of \$1,851,944.00.

This contract amendment will allow for the supplementary engineering design costs associated with the additional scope of work for the design revision of reducing McQueen Road from six lanes to four lanes from Ocotillo Road to Chandler Heights; widening Appleby Road; incorporating 50 additional fire hydrants along the McQueen Road corridor; design of the water line zone split tie in configuration to the McQueen Road pressure reducing valves; and design of the vapex odor control system located on McQueen Road between Queen Creek Road and the abandoned Airport Lift Station.

27. AGREEMENT AMENDMENT: M. R. Tanner Development and Construction, Inc.

APPROVED Agreement Amendment No. 1 with M. R. Tanner Development and Construction, Inc., for a one-year extension for street asphaltic concrete maintenance/replacement in the amount of \$4,055,600.00.

28. AGREEMENT AMENDMENT: G & G Construction Company

APPROVED Agreement Amendment No. 2 with G & G Construction Company for alley and road shoulder rehabilitation as part of the County's Regional PM-10 5% reduction plan required by the Environmental Protection Agency through the State of Arizona, for a one-year extension in the amount of \$610,000.00.

29. AGREEMENT AMENDMENT: Bahwan CyberTek, Inc.

APPROVED an Agreement Amendment adding \$8,250.00 to the existing agreement for consulting services from Bahwan CyberTek, Inc., for a revised contract amount not to exceed \$38,250.00.

Staff has been researching solutions to streamline support, improve communications between various City applications and reduce the level of effort necessary to maintain the data integration between systems. The implementation of an Enterprise Service Bus (ESB) to interconnect City applications was identified as a potential solution to this issue. The City obtained the services of Bahwan CyberTek, Inc., to perform an ESB pilot project assessment effort on a project approved and funded by the IT Oversight Committee. This effort included four key citywide applications, but it did not include integration with any of the City's GIS applications. Considering the immediate and long-term benefits of bringing GIS application data into the ESB framework, the scope of the contract needs to be increased to include the assessment of the GIS applications. The City will save time and costs by including this effort now due to the number of applications sharing this data.

30. AGREEMENT: Laboratory Testing Services

APPROVED one-year Agreement extensions for laboratory testing services, as mandated by the Environmental Protection Agency (EPA) and the Arizona Department of Environmental Quality (ADEQ), to Columbia Analytical Services, Inc., Legend Technical Services of Arizona, Inc., MWH Laboratories and TestAmerica Laboratories, Inc., in a combined total not to exceed \$486,000.00.

31. SUBORDINATION: 1614 W. Curry Drive

APPROVED the Subordination of the Housing Rehabilitation lien on Project RH07-0039 located at 1614 W. Curry Drive in the amount of \$9,414.47.

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 \$9,414.47. This lien is in the form of a 7-year forgivable loan whereby the balance is forgiven at the end of the term of the loan. The balance of \$9,414.47 will be forgiven in 2014 per the original loan agreement.

The owner is now requesting a refinance in order to lower the interest rate and is paying off medical bills due to a physical disability. The owner is receiving no cash out for escrow purposes. The new loan is for \$22,000.00. In order to obtain the loan, a subordination of the City's lien is required by the lending institution.

The City's lien is currently in third position and will remain in third position after the new loan. The City's lien will not be released until the term of affordability expires in 2014. The property is currently valued at approximately \$132,000.00, which is more than the combined encumbrances of the City's lien and the new second mortgage.

32. CLAIMS REPORT

APPROVED the Claims Report for the quarter ending September 30, 2009.

33. ALIGNMENT: Washington Street Improvements

CONTINUED TO THE NOVEMBER 19 2009 COUNCIL MEETING - Alignment for the Washington Street Improvements from Fairview Street to Pecos Road.

34. GRANT AGREEMENTS: U. S. Department of Homeland Security

APPROVED Grant Agreements with the U. S. Department of Homeland Security to be used for emergency preparedness in the total amount of \$328,000.00 to be distributed as follows:

- Chandler Fire Department Rapid Response Team Sustainment \$160,000
- UASI Assessment Teams-Terrorism Liaison Officers (Chandler Fire) \$ 4,000
- Chandler Police Department Rapid Response Team Sustainment \$160,000
- UASI Assessment Teams-Terrorism Liaison Officers (Chandler Police) \$ 4,000

The City of Chandler has established a Fire/Police Rapid Response Team and a Fire/Police Terrorism Liaison Officers program with federal funding from the State Homeland Security Grant program. Each of these programs ensures that Fire and Police personnel are prepared and equipped to respond to large scale emergencies, terrorist events, and natural and/or man-made disasters. The above listed awards are being made under the 2009 State Homeland Security Grant Program. The purpose of the awards is to provide equipment and training to sustain these emergency preparedness programs.

These grants have no match requirements and the Fire Department has the appropriation allocation in the FY 2009/10 budget.

35. EMERGENCY CHANGE ORDER: Achen-Gardner Engineering LLC

Report to Council on the emergency City Manager-approved Change Order No. 2 in the amount not to exceed \$200,000.00 to Achen-Gardner Engineering LLC for the Gilbert Road Improvement, Project No. ST0625-401, for a revised contract total of \$10,929,995.00.

On September 9, 2009, City personnel were informed by a motorist of a depression developing on Price Road, approximately 500 feet south of Queen Creek Road. City personnel investigated and found the depression to be significant and growing. The affected portion of the road was immediately shut down. A reclaimed water line running through the area was shut down at the Ocotillo Wastewater Plant anticipating this was the source of the problem.

The pavement was opened and a significant leak was found in the reclaimed water line. Pumps were used to attempt to dewater the excavation. The outlet of the reclaimed water line in the adjacent lake was at an irregular elevation resulting in backflow from the lake to the excavation. At approximately midnight, September 10-11, the outlet to the lake was plugged and the remaining excavation successfully dewatered.

City Staff does not have the equipment to excavate and repair a large main at the depth of this main. With the impact on the major arterial roadway and associated safety issues, City Staff negotiated a change order with the contractor of a nearby similar roadway and utilities project, Achen-Gardner Engineering, LLC, (AGC). AGC had the resources to perform the work and was already mobilized in the vicinity so they could begin work immediately.

Due to the reclaimed water line's leak location, it represented a potential threat to the traveling public. Arizona Revised Statute 34-604 provides for the procurement of emergency services in the event of a public health or safety concern. City Code Section 3-13.3 provides for City Manager approval of emergency procurement of services if a situation exists that makes it contrary to the public interest to utilize normal procurement procedures and approval of City Council. Staff found this situation was an emergency and required immediate attention and therefore, recommended the City Manager approve the contract in an amount of \$200,000.00. Staff will prepare a report to Council of the need to procure emergency services in excess of the \$50,000.00 in construction services as required by City Code.

36. CONTRACT: JPCI Services

APPROVED Contract #WW1003-401 with JPCI Services for manhole rehabilitation phase 2 in an amount not to exceed \$1,089,568.00.

The Wastewater Master Plan identified an on-going need to evaluate, prioritize and repair deteriorated sewer manholes within the City's collection system. In August 2009, the fourth phase of an on-going sewer system assessment study identified several sewer manholes in need of repair or replacement at various locations throughout the City of Chandler.

37. CONTRACT: Jeffrey C. Stone dba Summit Builders

APPROVED Contract #WA0901-401 with Jeffrey C. Stone, Inc., dba Summit Builders, for a joint water treatment plant transmission line on Airport Boulevard in an amount not to exceed \$490,072.22.

As part of the Joint Water Treatment Plant (WTP) delivery system, a 20-inch low-pressure waterline will be constructed between a pipeline stub-out at the intersection of Cooper and Germann roads and the existing Airport Water Production Facility (WPF). This will provide a direct feed from the Joint WTP to the Airport WPF to pump into the new Zone 2 which will be implemented in early 2010. In addition, Municipal Utilities Staff have identified a 16-inch water line currently tied to a 30-inch water main in the north half of the intersection of Cooper and Germann roads which needs to be disconnected and re-tied into the Zone 1 system.

38. CONTRACT: Subterranean Construction, Inc.

APPROVED Contract #PR0914-401 with Subterranean Construction, Inc., for Chuparosa Park irrigation ditch tiling in an amount not to exceed \$82,000.00.

Chuparosa Park is a 29-acre community park located west of Dobson Road between Germann and Queen Creek roads. The park was originally constructed in 2003. Since its completion, the park has become very popular and highly used. Currently, there is an SRP irrigation ditch along the northern boundary of Chuparosa Park that cannot be abandoned. This project will replace the delivery ditch with an underground pipe which removes potential liability issues.

39. CONTRACT: Ritoch-Powell

APPROVED Contract #ST0806-202 with Ritoch-Powell for design consultant services for the Chandler Boulevard and Price Loop 101 bike lane and left turn lane improvements project in an amount not to exceed \$360,807.00.

The City has received Federal Congestion Mitigation and Air Quality (CMAQ) funds for design of bicycle lanes and an additional left turn lane under the Price Loop 101 Freeway at Chandler Boulevard. The Design Concept Report (DCR) and federal environmental clearance documents were completed under a separate design services contract and have been subsequently approved by the Arizona Department of Transportation (ADOT).

40. CONTRACT: Roosevelt Water Conservation District

APPROVED Contract #ST0809-301 with the Roosevelt Water Conservation District for the design of improvements to Roosevelt Water Conservation District (RWCD) infrastructure for the Gilbert Road (Queen Creek Road to Hunt Highway) improvements in an amount not to exceed \$261,316.00.

Roosevelt Water Conservation District (RWCD) will incur design costs for the relocation and undergrounding of existing irrigation crossings at Gilbert/Appleby and Gilbert/Brooks Farms roads, as well as the widening of the culvert structures where Gilbert Road and Ocotillo Road cross the RWCD canal. Since RWCD has prior rights, the City is required to reimburse them for all associated costs to relocate or modify their existing infrastructure.

41. CONTRACT AMENDMENT: EPG

APPROVED Contract #PR0605-201 Amendment to EPG, Inc., for design consultant services for the Paseo Vista Recreation Area in the amount of \$62,800.00 for a revised contract total not to exceed \$824,705.00.

Paseo Vista Recreation Area, the 64-acre former landfill site, is located on the northwest corner of McQueen and Ocotillo roads. The development of this site as a recreation area began after the landfill was closed in October 2005. After completion of the federally mandated closure plan, the site is being developed to provide a variety of recreational activities suitable to this site.

Throughout the design and construction of this project, Staff from Parks, Engineering and Municipal Utilities has coordinated efforts to assure this project will provide safe alternate uses for the landfill site which are designed to meet the needs of residents of Chandler and are acceptable uses for this site.

42. CONTRACT AMENDMENT: Gilbertson Associates

APPROVED Contract #AI0805-201 Amendment No. 2 to Gilbertson Associates for design of Airport Boulevard realignment in the amount of \$76,310.00 for a revised contract total of \$396,046.00.

Airport Boulevard, south of Germann Road and west of Cooper Road, is currently the main entrance to the Chandler Municipal Airport. Due to the ongoing expansion of aircraft parking areas and future commercial development on the north side of the airport, the Airport Master Plan recommended a realignment of Airport Boulevard to coincide with the Cooper Road/Germann Road intersection. This realignment will improve access into and out of the airport due to the existing traffic signal at Cooper Road and Germann Road, and provide a more direct route between the Loop 202 Santan Freeway and the airport entrance. Future commercial and industrial developments along the new Airport Boulevard will benefit from easier access to the terminal and aircraft parking.

Due to recent budget considerations, City Staff determined that the project would need to be constructed in phases. The first phase will include the new Airport Boulevard from Cooper Road to the Curtis Way alignment, and Curtis Way from the new Airport Boulevard to the existing Ryan Road. Future phases (not currently funded) will construct the remainder of the improvements. In addition, the roadway in the first phase will be constructed to a half-street standard, with a temporary lane on the north side that will be finished by the adjacent developer in the future. These extensive changes require that the design plans, currently at 90% completion, be revised to show the new phasing on the plan sheets, changes to the drainage, striping and landscaping plans, as well as modifying the bid documents with new quantities and specifications.

43. CONTRACT EXTENSION: Consultant Engineering, Inc.

APPROVED a one-year extension for Contract #EN0602-101 with Consultant Engineering, Inc., for inspection services with an expenditure limit of \$300,000.00.

The City's Construction Management Staff oversees the construction of the Capital Improvement Program (CIP), supplemented with outside firms as staffing needs require. These consultants allow the City to handle temporary periods of higher workload without hiring additional permanent staff.

In the current budget climate, it is expected that City Staff will self-perform many construction oversight responsibilities as a cost-saving measure. However, retaining the services of an on-call construction management firm allows staff the flexibility to procure special inspection services, supplementing staff expertise on complex projects.

Individual project agreements will be prepared for execution and approval for each specific project. Project agreements over \$50,000.00 will be submitted for Council approval up to the expenditure limit of \$300,000.00.

44. PURCHASE: Peoria Pest Control

APPROVED the Purchase of services for treatment of manholes from Peoria Pest Control, utilizing the City of Peoria contract, in an amount not to exceed \$100,000.00.

45. PURCHASE: Morpho Trak

APPROVED the Purchase of annual maintenance for existing Automated Fingerprint Identification System/Livescan equipment from Morpho Trak, utilizing the State of Arizona contract, in an amount not to exceed \$64,001.00.

The Chandler Police Department's (CPD) Forensic Services Section analyzes all information obtained at either of the Livescan locations, all 10 print cards and all latent fingerprints recovered from crime scenes prior to being uploaded to the State Automated Fingerprint Identification System (AFIS). The State utilizes MorphoTrack (formerly Sagem Morpho) exclusively for this equipment and they are the sole provider of maintenance for this system.

46. PURCHASE: Fencing Material and Installation

APPROVED the Purchase of fencing materials and installation services from Empire Fence and Brown's Custom Fence, utilizing the Mesa Unified School District contract, in a total amount not to exceed \$100,000.00.

47. PURCHASE: Environmental and Asbestos Assessments

APPROVED the Purchase of environmental assessment and asbestos abatement assessment, utilizing the State of Arizona contract, in a total amount not to exceed \$205,000.00.

This program is the first year of a five-year program to assess City-owned buildings for the presence of asbestos. This assessment process will allow proper regulatory agency notifications and permitting when maintenance and renovation of structures is performed.

48. PURCHASE: Street Sweeper

APPROVED the Purchase of a street sweeper from TYMCO International, utilizing the Houston-Galveston Area Cooperative contract, in an amount not to exceed \$181,622.18.

On September 1, 2009, Maricopa Association of Governments (MAG) Regional Council approved the prioritized list of proposed PM-10 certified street sweeper purchases for fiscal year 2009. The City of Chandler was informed that our sweeper was authorized for grant funding. This sweeper meets all current MAG environmental requirements. The grant amount is a maximum of \$209,097.00 with a required match by Chandler of at least 5.7% of the grant.

49. USE PERMIT: CAC Verizon

APPROVED Use Permit UP09-0023 CAC Verizon to install a 60-foot monopalm wireless communication facility on Lot 13 of the Chandler Airport Center located on the north side of Yeager Drive, east of Cooper Road and immediately south of the Loop 202 Santan Freeway. (Applicant: Verizon Wireless; Owner: Chandler Airport Center CAC, Inc.)

This Use Permit request is eligible for consideration if the accompanying rezoning that revises a restricting zoning stipulation is approved.

A monopalm is a cell tower disguised as a palm tree; this request proposes a Date Palm. The Zoning Code requires a Use Permit for wireless communication facilities in non-industrial zoning districts that do not utilize existing poles or towers.

The subject site is an undeveloped lot zoned Planned Area Development (PAD) for office, showroom and light industrial uses. The lot is one of several undeveloped lots within the 245-acre Chandler Airport Center master planned employment development south of the Loop 202 Santan Freeway. West of the subject lot, along Cooper Road, are lots zoned for retail, hotel and fuel station uses. The nearest residential properties to the proposed cell tower are approximately 670 feet to the north across the Loop 202 Santan Freeway.

The monopalm and its associated equipment shelter will occupy approximately 1,000 square feet in the far northwestern portion of the subject site. Two live Date Palm trees of 25' and 30' in height will be planted immediately east of the equipment shelter. Electricity and irrigation will be provided to the facility as part of its construction.

In August and September of 2008, the Planning Commission and City Council heard a similar request by Verizon for a 55'-high monopalm located north of the Loop 202 Santan Freeway on land owned by ADOT. Prior to a City Council decision, the application was withdrawn in order to pursue the current subject site. Following City Council direction, the applicant moved the location to the other side of the Loop 202 freeway and farther from residences.

Within the immediate area, there are no suitable alternatives for co-location of the wireless communication facilities on existing poles or towers. According to information provided by the applicant as required by code, there are five verticalities of a height similar to or greater than the proposed monopalm within one mile including an existing monopole near the Chandler Municipal Airport, SRP power poles farther north on Cooper Road, SRP power poles farther south on Cooper Road, the Chandler Auto Park freeway pylon signs, and the Crossroads Towne Center freeway pylon signs. The applicant has analyzed these five co-location possibilities and found them implausible because they are located outside of the needed coverage area.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on July 6, 2009. There were no citizens in attendance. One citizen, who owns a house approximately 1,100 feet to the north across the Loop 202 Santan Freeway, has expressed opposition to the request because of health concerns, potential negative effect on property values and poor attendance at the neighborhood meeting. This citizen wants the monopalm to be moved closer to the airport and wants a new round of neighborhood meetings. This citizen was also opposed to the originally proposed site.

Three other neighbors in the same subdivision to the north have been in regular contact with Staff and the Verizon representative. Those neighbors have not expressed opposition to the request.

The request was approved by the Planning Commission by a vote of 3 to 2. The dissenting Commissioners felt that the proposed 65' height should be reduced to 55' in order to provide a more realistic palm tree appearance and reduce the aesthetic effect on neighbors and freeway drivers. The affirming Commissioners felt that the aesthetic effect in the heart of a business park would be negligible after build-out and that the applicant had done well to move south of the freeway as directed by City Council on their previous application.

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. There shall be two live Date Palm trees installed and maintained adjacent to the monopalm. The trees shall be of 25' and 30' in height at the time of planting and shall match the monopalm's appearance.
3. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
4. The monopalm shall be limited to 60' height.

50. USE PERMIT: Sidelines Grill and Tavern

APPROVED Use Permit UP09-0038 Sidelines Grill and Tavern, Series 12, for the sale of liquor for on-premise consumption only within a restaurant that includes an expanded outdoor patio located at 2980 S. Alma School Road, Suite 2, within the Ocotillo Plaza shopping center. (Applicant: Arizona Liquor Industry Consultants, Amy Nations.)

The restaurant has an estimated seating of 142 persons, including 60 seats on the expanded patio. The patio will be enclosed with 36-inch tall decorative railing similar to the existing railing. The restaurant has been in operation since 2002 (always under a Series 12 Restaurant License) and is open Sunday through Thursday from 11 a.m. to 11 p.m. and 11 a.m. to 2 a.m. on Fridays and Saturdays. The expanded patio does not infringe on the common pedestrian area to the east of the building; it is only in the direction of Queen Creek Road.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on September 2, 2009. There were no neighbors 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 to this request.

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

1. The Use Permit granted is for a Series 12 license only and any change of license shall require re-application and new Use Permit approval.
2. Expansion beyond the approved Floor Plan shall void the Use Permit and require new Use Permit application and approval.
3. 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 re-application of the Use Permit.

4. The Use Permit is non-transferable to any other store location.
5. The patio and area adjacent to the restaurant entrance shall be maintained in a clean and orderly manner.
6. Trees adjacent to the facility shall be replaced to the extent that it is in substantial conformance with the originally approved landscape plan.

51. USE PERMIT: Fibber Magees

APPROVED Use Permit LUP09-1002 Fibber Magees, Series 6, extension for the sale of all spirituous liquor within a restaurant and pub that includes an outdoor patio at 1989 W. Elliot Road, Suites 19 - 21. (Applicant: Fibber Magees, Trevor Kingston.)

Fibber Magees is an authentic Irish restaurant and pub that has operated under a Series 6 Bar License at this location since September 2005. The restaurant is located at the SEC of Dobson and Elliot roads within the Elliot Square shopping center. The business occupies approximately 5,200 square feet in three adjacent suites and has a 350 square foot outdoor patio that was added in 2007. There is indoor seating for 190 persons and outdoor seating for 40 persons. The patio has inward-facing speakers for ambient music. No live entertainment is conducted for the patio and indoor music is not broadcast on the outdoor speakers.

The hours of operation are 11 a.m. to 1 a.m. Sunday through Wednesday with extended hours to 2 a.m. Thursday through Saturday. The center is zoned C-2/PAD (Community Commercial with a Planned Area Development overlay) and is bordered by a mix of uses. Single-family residential homes (SF-8.5) are immediately adjacent to the property on the south and east, a vacant lot zoned C-2 bordered by an existing townhouse development is across Elliot Road to the north. A small retail center surrounded by a large-lot County residential subdivision is on the west side of Dobson Road.

The restaurant previously held a Series 12 Restaurant License (from March 2003 through September 2005). A Series 6 Bar License was acquired in 2005 when the business no longer met the minimum food sales requirements for a Series 12 license. A Use Permit for a Series 6 was granted for one year in September 2005, extended for three years in October 2006 and extended for three years again in September 2007 when a patio addition required a new Use Permit. The establishment continues to operate as a restaurant with the amount of food and non-alcoholic beverages sold averaging approximately 35% of total sales.

At this intersection, only two other liquor licenses exist; a Series 10 (Beer and Wine Store) at the Circle K within Elliot Square and a Series 6 (Bar License) at Priceless Primetime located on the NWC of the intersection. Due to the proximity of this establishment to a single-family neighborhood, the possibility of noise was discussed during the approval of the original Use Permit. A stipulation of approval was added that decibel levels be controlled so as to not create a nuisance beyond the center. There are a day care facility and a tutoring facility in the center. The tutoring facility (Kumon) is located two suites east of the subject business. The day care (Kindercare) is located near Dobson Road approximately 240 feet west of the subject business.

The restaurant holds an annual St. Patrick's Day party in their parking lot that has previously been the cause for noise complaints. The St. Patrick's Day party includes outdoor entertainment as allowed by a special event license. The special event license is a separate approval for a one-time event and is not a part of this Use Permit.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on September 29, 2009. There were no neighbors in attendance. The Police Department has been informed of the application and has not responded with any issues or concerns. Staff has not received any 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. The Use Permit is for a Series 6 license only and any change in type of license shall require re-application and new Use Permit approval.
2. Expansion beyond the approved Floor Plan shall void the Use Permit and require new Use Permit application and approval.
3. 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 re-application of the Use Permit.
4. The Use Permit is non-transferable to any other store location.
5. Decibel levels of recorded or live music shall be controlled so as not to present a nuisance to residential properties beyond the boundaries of the Elliot Square shopping center.
6. The patio shall be maintained in a clean and orderly manner.

52. USE PERMIT: Banker Insulation, Inc.

APPROVED Use Permit ZUP09-1001 Banker Insulation, Inc., to locate an 8,000-gallon fuel tank on Planned Industrial (I-1) zoned property at 111 S. 56th Street. (Applicant: Robert Glenn, AAG Construction, Inc.)

The subject site is located south of the SEC of Chandler Boulevard and 56th Street, within an area predominantly zoned for industrial uses. Directly north is a construction company with outdoor storage. East, adjacent to the site, is the Southern Pacific Railroad with I-2 zoned properties east of the tracks. South and west of the subject site are distribution centers.

Banker Insulation has operated in the valley since 1977 and has been at this location since the beginning of the year. Banker Insulation specializes in insulation for residential and commercial buildings. The request is to allow an 8,000-gallon fuel tank to be located on the east side of the site to allow their commercial vehicles the ability to fuel up prior to making deliveries.

Banker Insulation operates approximately 25 commercial trucks and has approximately 50 employees. Hours of operation are from 6 a.m. to 7 p.m. Monday thru Friday and generally closed on weekends. There are two buildings on the site. The main building, adjacent to 56th Street, serves as the headquarters. The second building, internal to the site, is the maintenance facility. The fuel tank will be located at the eastern end of the property approximately at the mid-point of the site. The tank will have two nozzles to allow for fill up from either end of the tank. It is anticipated that the tank will need to be refilled approximately every thirty days when business increases.

Fuel tanks containing 100 to 500 gallons can receive an Administrative Use Permit which does not trigger the public hearing process. Fuel tanks exceeding 500 gallons are considerable with a Use Permit on I-1 zoned property. In all instances, fuel tanks need to receive building permit

approval and also requires Fire Department review and approval. The fuel tank will need to meet all other applicable State and Federal laws.

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Due to the location of the site, a neighborhood meeting was not held; rather, a letter explaining the request was sent to all property owners within a 600-foot radius. Staff has received no correspondence in opposition to this request.

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

1. Development shall be in substantial conformance with narrative, site plan and associated conditions of approval.
2. Fuel containment shall be in accordance with all State and Federal laws.
3. The tank shall be constructed to comply with all City of Chandler Building and Fire Codes.
4. A Spill Prevention Plan shall be kept on file with the Fire Marshall.

53. USE PERMIT: Blue Sky Manor

APPROVED Use Permit ZUP09-1002 Blue Sky Manor, extension for an adult care home with up to 10 residents at 2202 N. Santa Anna Court. (Applicant: Blue Sky Manor, Inc., Michael T. Butler.)

The site is located on a cul-de-sac in a residential neighborhood just west of Dobson Road and immediately north of a commercial center anchored by a fitness club located at the northwest corner of Warner and Dobson roads. The applicant originally received Use Permit approval in December 2005 for up to 10 residents with a one-year time limit. Previous to Use Permit approval, the applicant operated a five-bed facility at the same location beginning in early 2005. The property has been owned and occupied by the applicant's family for approximately two decades and used strictly as a single-family residence until 2005.

The 1,972 square foot home contains six bedrooms, two bathrooms, two indoor common areas, a kitchen and a two-car garage. The home is ADA compliant, is sprinklered, has smoke detectors in every room and its bedrooms and hallways meet state criteria for adult home care licensing.

There are generally four full-time employees at the home during the day. At night, two employees are on-site. No employees reside at the home. The applicant is an ADHS certified adult care home manager and caregiver who lives locally and oversees the daily operation of the home and occasionally provides assistance with resident care when needed. There are no bed-ridden residents and emergency calls have averaged two or three per year. According to the applicant, transportation via Dial-A-Ride is generally limited to Tuesday and Thursday mornings, and most of the residents have little or no family visiting. Overall, traffic to and from the site is comparable to surrounding residences on a typical day.

The impact of the adult care business on the neighborhood is mitigated by a number of factors. For one, the property backs to a commercial center, not to other residences. Secondly, the home is located on a larger lot than many homes in the neighborhood and has a large backyard.

Blue Sky Manor, Inc., has successfully operated another adult care home in Chandler for 10 residents at 1619 W. Colt Road since 2001. There are no outstanding violations on that property,

which is located less than ½ mile east of the subject site. The applicant has also operated an adult care home in Mesa since 2003.

The applicant received Use Permit approval in 2005 for one (1) year and an extension in January 2007 for an additional three (3) years. The Planning Commission and Staff support the current request to remove the timing condition from the Use Permit given the clear, proven compatibility with the neighborhood.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on September 22, 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 Single-Family District (SF-8.5) zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Compliance with the City of Chandler's Zoning Code provisions regarding the operation of adult care homes.
2. Maximum resident capacity is ten (10).
3. The Use Permit is applicable to this address only and may not be transferred to another location.

54. USE PERMIT: Heart N Soul Bar and Grill

APPROVED Use Permit ZUP09-1003 Heart N Soul Bar and Grill, Series 12, for the sale of liquor for on-premise consumption indoors only at a new restaurant within the McRay Plaza, 3855 W. Ray Road, Suites 6-7. (Applicant: Cindy Rodriguez, Owner.)

The restaurant space is approximately 1800 square feet in size with a seating capacity of 80 persons. The restaurant's hours of operation are Monday - Wednesday 10 a.m. to 10 p.m., Thursday – Saturday 10 a.m. to 2 a.m. and Sunday 10 a.m. to 10 p.m. There is no outdoor dining area proposed with this request. A separate Liquor Use Permit is required for outdoor dining with liquor service and consumption. The restaurant proposes live entertainment, which will occur Thursday through Saturday. Live entertainment includes jazz bands with amplified music. There will be no stage and the set up will be at the end of the dining area.

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

1. Expansion, modification, or relocation beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit re-application and approval.
2. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or additional entertainment related uses shall require re-application and approval of the Use Permit.
3. The Use Permit is non-transferable to other restaurant locations.
4. No noise shall be emitted so that it exceeds the general level of noise emitted by uses outside the premises of the business and as not to disturb adjacent businesses and residential areas.
5. The rear door to this business shall remain closed during business hours and not be propped open in the evening as to disturb adjacent homeowners when there is live entertainment.

6. The site shall be maintained in a clean and orderly manner.

55. LIQUOR LICENSE: Heart N Soul Bar and Grill

APPROVED a Series 12 Restaurant Liquor License (Chandler #126080 L12) for Cindy Lucianna Rodriguez, Agent, Heart N Soul Bar and Grill, 3855 W. Ray Road, Suites 6-7. Recommendation for approval of State Liquor License No. 12078092 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.

56. CONTINUED LIQUOR LICENSE: Juice Wine Cafe

CONTINUED TO NOVEMBER 19, 2009, Liquor License, Series 12, for Thomas Robert Aguilera, Agent, Juice Wine Café, Inc., Juice Wine Café at 2475 W. Queen Creek Road, Suite 1, to allow the applicant time to complete the requirements for a new Use Permit.

57. PRELIMINARY PLAT: Theraldson's First Addition

APPROVED Preliminary Plat PPT09-0004 Theraldson's First Addition, also know as Holiday Inn and Staybridge Suites, at the NEC of Chandler Boulevard and McClintock Drive. (Applicant: Superior Surveying Services, 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.

58. PRELIMINARY PLAT: Dobson Pecos Center

APPROVED Preliminary Plat PPT09-1002 Dobson Pecos Center, for a commercial project located on 4.4 acres at the SWC of Dobson and Pecos roads. (Applicant: Coaction Group, LLC.) The Preliminary Development Plan and zoning for this project were approved in October 2006. The plat creates the lots and tracts, construction phasing lines, establishes the necessary easements and dedicates the required rights-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.

59. RESTATEMENT OF FLEXIBLE SPENDING ACCOUNT PROGRAM Res. #4340

ADOPTED Resolution No. 4340 authorizing restatement of the City of Chandler Flexible Spending Account Program.

For the past several years, the City of Chandler has maintained a Flexible Spending Account (FSA) Program for the benefit of its employees and their dependents. This FSA Plan allows employees to set aside tax-free dollars from their salary to pay eligible health care and/or

dependent care expenses. In order to offer the greatest options under the current Internal Revenue Code, the City must adopt an updated FSA Plan.

60. FLEXIBLE SPENDING ACCOUNT PROGRAM AMENDMENTS Res. #4341

ADOPTED Resolution No. 4341 authorizing amendments to the City of Chandler Flexible Spending Account Program.

Recent changes to the Internal Revenue Code allow the City to provide greater flexibility in their use of the City's Flexible Spending Account Program. This resolution will allow City employees to take advantage of the qualified Reservist Distribution Provisions in the Heroes Earning Assistance and Relief Tax Act of 2008 (HEART ACT). It will also authorize a grace period for the use of contributions made by employees to the City's Flexible Spending Account Program beginning with contributions made in the 2010 calendar year for the grace period beginning January 1, 2011, and subsequent years thereto.

61. RESTATEMENT OF RESTATED HEALTH SAVINGS PLAN AGREEMENT Res. #4347

ADOPTED Resolution No. 4347 authorizing restatement of the Restated Health Savings Plan Agreement for the City of Chandler's Retirement Health Savings Plan for current employees.

On December 13, 2007, the City Council adopted Resolution No. 4141 which authorized the execution of three restated employer health savings plan adoption agreements. The Plan covering full-time employees requires an amendment to clarify certain provisions relating to contributions and vesting requirements.

The restated Adoption Plan Agreement for Plan No. 801217, the Plan covering all full-time employees and eligible part-time employees, will clarify contribution requirements for excess vacation for certain Fire Department employees, clarify vesting requirements relating to employees who obtain approval for long-term disability pursuant to Title 38 of Arizona Revised Statutes and clarify a vesting requirement required by the Internal Revenue Service.

62. LETTER OF INTENT – ICAN - IMPROVING CHANDLER AREA NEIGHBORHOODS

COUNCILMEMBER DONOVAN abstained from voting on this item due to a conflict of interest.

ICAN desires to construct and operate a new facility that will continue to serve its clientele, at-risk youth in Chandler neighborhoods. ICAN has approached the City with a proposal to develop this facility on property located at Folley Park, after exchanging their existing property with the City's Folley Park Property. The City is conceptually in favor of this plan providing certain stipulations are met:

ICAN proposes to construct and operate an approximately 20,000 square foot facility at Folley Park for delivery of services to area youth.

City will pay additional funds to ICAN to pay off ICAN mortgage (maximum of \$150,000) and supplement funding to reach approximately \$1,150,000. The ICAN property must remain free and clear of any encumbrances.

At time of final agreement, City will fund a portion of its contribution, with the remaining funds held in escrow during fund raising and plan development.

The agreement will remain in effect and escrow opened for up to 3 years in order to provide ICAN time to raise sufficient fund and obtain all necessary building and development approvals. At close of escrow, the City and ICAN will exchange property, and release escrowed funds. City will pay costs for acquisition, demolition and absorb fees related to zoning, impact and permit fees.

As part of the exchange agreement, and in consideration of funding provided by the City, ICAN and the City will execute a service agreement that provides for ICAN's providing services to area youth for a period of approximately 25 years.

A final agreement will be presented to City Council at a later date.

ACTION:

16. PRELIMINARY DEVELOPMENT PLAN: Reid's Ranch and Amberwood Heights

Preliminary Development Plan PDP09-0025 Reid's Ranch and Amberwood Heights, for two additional housing products for single-family residential subdivisions located north and east of the NEC and south and east of the SEC of Gilbert and Chandler Heights roads. (Applicant: Allen Willis, Amberwood Homes.)

MR. ERIK SWANSON, Planner, reviewed the location of the property and the specifics of the request.

The subdivisions are part of a larger master-planned single-family residential development that includes the Reid's Ranch, Amberwood Heights and the Landing at Reid's Ranch subdivisions. The request is for the Reid's Ranch and Amberwood Heights subdivisions only. The subdivisions are located both northeast and southeast of the intersection of Gilbert and Chandler Heights roads. Reid's Ranch is located on the north side of Chandler Heights Road and Amberwood Heights is located on the south side of Chandler Heights Road. North of Reid's Ranch is the Brook's Ranch single-family neighborhood. East, adjacent to Reid's Ranch, is the Landing at Reid's Ranch custom home subdivision. East, adjacent to the Amberwood Heights subdivision, is the Valencia II master-planned single-family residential development. South is the Mesquite Groves subdivision and west at the intersection corner, is a single-family home on a little more than four and one-half acres. The Amberwood Heights subdivision has yet to be developed.

Collectively, all three subdivisions in the Reid's Ranch master-planned area were approved in 2004 for subdivision layout. Reid's Ranch and Amberwood Heights also received housing product approval. Five housing products were approved for the Reid's Ranch and Amberwood Heights subdivisions; two single-story and three two-story homes. Three elevations were provided for each home. In 2005, modifications were made to the approved housing products to allow the option of basements on three of the five approved housing products. The modifications were approved administratively. Neither the footprint nor the elevations of the homes changed.

The current request includes reduced livable square footages in the smallest housing plan greater than 10% from the approved plan. By policy, changes in plans that are 10% or greater require PDP approval. The proposed two housing plans represent reductions of 23% and 13%. Additionally, the original housing product ranged from approximately 55 feet to 60 feet wide. The

proposed housing product is approximately 55 feet wide for the 2,005 square foot home and 60-foot wide for the 2,262 square foot home. Lot sizes are not changing.

Architectural details for the two additional floor plans are consistent with the previously approved plans.

Staff has heard from a number of residents, predominantly from the Reid's Ranch subdivision, expressing concern with the potential decrease in property values due to the smaller housing product. These concerns were also expressed at the neighborhood meeting where the applicant explained that home value is based upon comparable home sizes, so the largest home would be compared to similar home sizes and not compared with the smallest home.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on September 17, 2009. There were approximately 30 residents in attendance. Staff has received approximately 10 telephone calls with general questions regarding the request; two have been in opposition to the additional product within the Reid's Ranch subdivision. Staff has also received 6 emails in opposition. Concerns expressed in the emails ranged from opposition to the 2,005 square foot plan to the ability to locate two-story homes in the Amberwood Heights subdivision. Concerns cited the potential decrease in value to the subdivision and their homes, and a concern that when purchasing their homes, there was a level of expectation of home sizes. Two-story homes were approved for the Amberwood Heights subdivision with the rezoning in 2004.

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 exhibits kept on file in the City of Chandler Planning Services Division, in File No. PDP09-0025, except as modified by condition herein.
2. Compliance with original conditions adopted by the City Council as Ordinance No. 3601 in case DVR04-0009, except as modified by condition herein.

MR. SWANSON displayed the area on the overhead.

VICE MAYOR CACCAMO asked about the difference in price.

COUNCILMEMBER HEUMANN asked about the unfinished lots. MR. SWANSON said the Reid's Ranch subdivision has 113 lots, there are approximately 9 lots unbuilt. Amberwood Heights has 63 lots and that subdivision has yet to be developed. Mr. Swanson showed the unfinished lots on the overhead. Councilmember Heumann noted there have been a few homes built since the date of the map (Nov. 2008). He said he struggled with this more on the Reid's Ranch as this subdivision could be finished out.

COUNCILMEMBER WENINGER asked if the applicant was asked to keep Reid's Ranch as is. MR. SWANSON said when staff started receiving phone calls in opposition, a discussion took place with the applicant. The applicant expressed the desire to proceed with the option of the smaller home size. Councilmember Weninger asked about the discussion that occurred when Fulton Ranch had similar request. Mr. Swanson said he believed the changes were primarily to

new neighborhoods. COUNCILMEMBER HEUMANN commented that the changes only applied to the new parcels.

MR. ALLEN WILLIS, REPRESENTING AMBERWOOD HOMES, 4320 E BROWN ROAD, MESA. Stated due to the economy, they are looking at a product that will help them finish up the subdivision. He stated the 4 lots on Gilbert are the least liked lots and they are willing to restrict the plans to those 4 lots and not the others. He stated currently a 2600 sf. home is about \$330,000. The proposed homes would be in the high \$280's.

COUNCILMEMBER WENINGER asked if the savings was coming only from the square footage, or if it was from materials. MR. WILLIS stated there is a basic plan and if people want to add custom work, those are additional costs. He said the standards would not be lowered.

VICE MAYOR CACCAMO said as in the case of Fulton Ranch, the existing two neighborhoods were keeping the same square footage.

COUNCILMEMBER HEUMANN stated his objection to changing the few remaining lots in Reid's Ranch.

MR. WILLIS said that for months they had not sold any homes and they did have to lower prices and give incentives, much like some of the other homebuilders. He didn't believe the request would hurt the subdivision and would help them to finish out the subdivision and move to the next one.

COUNCILMEMBER HEUMANN replied he was looking at protecting those residents that would be in their house hopefully for the next 20 or 30 years.

COUNCILMEMBER DONOVAN confirmed with the applicant that there have been no homes sold in Amberwood Heights. She asked if there has been any history in a subdivision over 90% complete in allowing smaller homes. MR. SWANSON said ultimately it is the goal to get through the administrative approval. In doing the square foot comparison with the applicant's request, their measurements came in excess of 13 and 22%. He noted the number of homebuilders that have gone under and those subdivisions have been acquired by new builders and staff is now looking at new floor plans with the housing products. Staff's goal is to get within the 10% range. This is being seen more frequently now due to the economy.

Ms. Donovan agreed with Councilmember Heumann's concern of changes to the currently occupied subdivision.

MAYOR DUNN said the only issue that has been before the Council has been Fulton Ranch. Staff may have approved some administratively. He clarified that the proposal would meet the design standards. He said Fulton Ranch, in his opinion, did set a precedent.

COUNCILMEMBER WENINGER MADE A MOTION TO APPROVE PDP09-0025 AMBERWOOD HEIGHTS SUBJECT TO THE CONDITIONS RECOMMENDED BY PLANNING COMMISSION AND STAFF WITH THE ATTACHMENTS PROVIDED TO INCLUDE ELIMINATING THE REID'S RANCH PORTION. SECONDED BY COUNCILMEMBER ORLANDO.

MAYOR DUNN clarified that the change in the product would include only the Amberwood Heights subdivision.

MAYOR DUNN called for public comment and noted the many e-mails received.

CHARLES WYRICK, confirmed the motion applies to Amberwood Heights. He said he still opposes it from a community standpoint, but he certainly had strong feelings about the subdivision that was close to completion.

COUNCILMEMBER HEUMANN clarified the proposal would be adding two additional models and not eliminating the currently approved models. MR. SWANSON confirmed that was correct. He said the 5 products that were approved included two single-stories and three two-stories and this proposal would add two single stories.

TY GARRISON, thanked Amberwood for wanting to fill the vacant lots. He said however, on several occasions, the representative spoke of nothing but profit, interest payments and how it would benefit Chandler and Amberwood and not once about the people who have bought those homes that have helped keep Amberwood in business.

NANCY BIEGA, chose not to speak.

KRYSTLE WICKS, 4750 S. Dragoon Drive, thanked the Council for responding to the e-mails. She said her house is next to the proposed houses on Gilbert (Road). She stated that this is her first home and it is already worth half of what they put into it. She stated that Amberwood has not been completely truthful with the homeowners in the neighborhood as they have set certain expectations and have not lived up to those. The houses that were built originally were of very good quality, but stated that the current homes are not to the same standard as they have pulled out the extra stone (work) and they don't look like the houses on the other side of the neighborhood. She opposed the smaller product.

MATT RUSSELL chose not to speak.

ROB SEBOLT, 5213 S. Miller Place lives in Valencia II directly east of Amberwood Heights stated his opposition to the smaller product. Appraisals don't come into account until after the fact. When people search for homes on the Internet, they are looking for a price point. If searching based on a square footage, that will reduce the price point.

DARYL MOORER chose not to speak.

WARREN JOHNSON, 3210 E. Lynx Place thanked the Council for responding to the e-mails. He spoke in opposition to the plan. He said he was the first home closer in the neighborhood and as he watched construction, he noticed quality issues. He stated the per square foot evaluation of the appraisal is a slap in the face and is not the way it works. He asked that Amberwood be monitored.

COUNCILMEMBER HEUMANN asked about the quality of the subdivisions as they are built. MR. SWANSON said there are a number of opportunities for minor modifications that staff sees. He said with this case, he couldn't recall seeing the elimination of stone. In looking through the design booklet, they offered stone on two of three elevations, whereas the standard is only one. Staff could look to see if there were any significant changes that occurred. COUNCILMEMBER HEUMANN asked to be informed if there were any significant changes that had occurred. KEVIN MAYO said there are checks and balances in place to catch any changes before they are given clearance.

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

