



CHANDLER CITY COUNCIL

SPECIAL MEETING – BUDGET BRIEFING MINUTES

Friday, April 23, 2021

MINUTES OF THE SPECIAL MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held on Friday, April 23, 2021, in the Chandler City Council Chambers, 88 E. Chicago Street, Chandler, Arizona.

THE MEETING WAS CALLED TO ORDER BY MAYOR KEVIN HARTKE AT 8:15 A.M.

The following members of the Council were present:

Kevin Hartke	Mayor
Mark Stewart	Vice Mayor
Christine Ellis	Councilmember
OD Harris	Councilmember
René Lopez	Councilmember
Matt Orlando	Councilmember
Terry Roe	Councilmember

Also, in attendance:

Joshua H. Wright	Acting City Manager
Debra Stapleton	Assistant City Manager
Department Directors	
Budget Staff	

Opening Remarks – Mayor Kevin Hartke

Mayor Hartke gave brief opening remarks. The Mayor noted this is a fixture of what we do in terms of preparing the budget and at the end of the day we will be one step closer to completing this process. He thanked everyone for joining us and for coming together this morning. He also thanked the Acting City Manager, Directors, and staff for putting time and effort into preparing and presenting their budget items to Council today.

The Mayor shared the following statement: In Chandler we have a careful process of conservative financial planning that has carried the City through the pandemic, the recession and other ups and downs which has served us well. I believe we will continue to carry that process here today. It not only helped us get through the recession but helped us provide vital services to our community. Today we are going to hear various proposals to address needs throughout the City, challenges before us and to discuss the impact to our current operation. Council as you know it is my goal to keep us on target so at the end of the day, we can give a single voice of clear direction to our Acting City Manager.

Introduction – Acting City Manager Joshua H. Wright

Acting City Manager Joshua H. Wright gave introductory remarks.

Mr. Wright opened with; Mayor, Councilmembers, thank you for being here bright and early once again I think this is a record six council meetings in one five-day week. It has been a long week and I tremendously appreciate your time and efforts. He continued with I am pleased to present to you the Fiscal Year (FY) 2021-22 Proposed Budget and 2022-2031 Capital Improvement Program (CIP) for the City of Chandler. This budget is the result of department directors and their respective teams' review and prioritization of services and projects based on Council's Strategic Policy Goals, guidance from the Council Budget Kickoff in December 2020, and subsequent budget workshops. As the impacts of the COVID-19 pandemic incorporated into the current year's budget were fortunately not realized, the Proposed Budget has been adjusted to allow funding of the needed programs that impact our residents daily, but continues to ensure they are delivered in an efficient and responsible way.

He also thanked his staff and executive team for all the extensive contributions made to this budget.

Mr. Wright addressed Mayor and Council, discussing what makes Chandler different as a reminder of how we have been able to weather the COVID-19 pandemic. First, our diversified economy built over many decades, our strong financial position and policies – which Council has always been disciplined in maintaining – our strong reserves, our dedication to managing expenditure growth, our emphasis on well-maintained infrastructure, excellent public safety, and our strong quality of life make us more competitive for high-paying jobs and economic investment in our community.

Mr. Wright continued; all these qualities helped us remain resilient throughout the pandemic, but the crisis taught us where we have work to do. The pandemic revealed vulnerabilities with residents and businesses, which the City was able to help through use of AZCares and other grants, as well as partnerships with local non-profits and the Chamber of Commerce. Additionally, the need to be mobile and offer services in a remote way brought to light technology needs, which I'm pleased to say we are working hard to address. Team Chandler consistently rose to the occasion and served residents and businesses exceptionally well under extreme conditions. During this time, the need to re-examine citywide staffing models and recruitment strategies was brought to light. Many of these staffing needs are long-term in nature and require sustainable solutions that adhere to the City's Financial Policies to ensure all new employees and resources added to Team Chandler are cared for now and into the future.

Mr. Wright introduced the budget theme for FY 2021-22 is "Moving forward together." This budget that is being presented today continues Chandler's tradition of building a budget based on solid fiscal foundations. The proposed budget is the result of Department Directors and their teams reviewing and prioritizing services provided and capital projects planned, based on Council's Strategic Policy Goals, as well as additional guidance from the Council Budget Kickoff in December, and Budget Workshops #1 and #2.

We engage Citizens year around and again when formulating the budget – During the year, numerous opportunities to obtain input were held, and during the budget process, Citizen input was received through a successful Citizen budget survey. The survey reflected overall high scores on "City Government Performance," "Quality of Life," and "Great Return on My Tax Dollars." The Its Budget Input Time social media event was also a success.

We continue to Provide Cost Effective, Quality Services – Department Directors and their staff are always looking at ways of being more efficient while improving services. This Proposed Budget reflects Chandler's continued commitment to listen to our citizens and provide the highest quality services in the most cost-effective manner, while maintaining the City's long-term financial sustainability.

We have built this budget relying on Council's direction of maintaining Long-Term Financial Sustainability - The City maintains a AAA General Obligation Bond rated by all 3 rating agencies, which allows for lower costs to provide the infrastructure and facilities needed by our citizens.

We continue to adhere to the City's Strong Financial Policies established by Mayor and Council which were formalized through a resolution of Council in 2016 and updated in 2017. The Pension Policy, which Council voted on this week, is updated annually, in which you recently made changes to ensure continued focus on this issue.

And finally, this proposed budget is structurally balanced: meaning we only use ongoing revenue for ongoing expenditures and one-time revenue for one-time expenditures.

With that, I am happy to present to you the FY 2021-2022 Proposed Budget, at a total of \$1.06 billion, 13.6% more than the current fiscal year. Two of the principal factors driving this increase are the COVID-related budget reductions Council made in the current fiscal year budget that were thankfully not realized, significant grant funding anticipated from the American Rescue Plan Act and other sources, as well as other sources that will be discussed later today.

Mr. Wright stated the Council's Strategic Policy Goals continue to build on the direction of its leaders, and support the Council's vision of being a world-class city that provides an exceptional quality of life, as well the City's brand as a safe, diverse, equitable, and inclusive community that connects people, chooses innovation, and inspires excellence. These policy goals maintain fiscal sustainability and provide great value to our citizens with conservative planning and forward thinking. The budget has incorporated many items that are in line with the Goals of Council as you will see throughout the day in both operating and capital budgets.

Here are some of the highlights: first, this proposed budget embodies the goal of Maintaining Fiscal Sustainability by managing expenditure growth to keep the cost of services low. There is funding to support the goal of Being the Most Connected City through technology improvements and infrastructure, including City-wide technology Infrastructure, updating Wi-Fi access points, continuing to enhance our mobility, and expanding many of the arterial streets in the southeast part of the city and the public transportation networks based on the recently approved Transportation Master Plan.

We continue to be a Leader in Trust and Transparency by providing timely and accurate data and encouraging citizen engagement for a variety of events and activities. The Budget Survey helped us validate that Citizen concerns are being addressed today and as we move forward.

Attracting a Range of Private Sector Businesses is very important for our City and everything we do supports providing the infrastructure, amenities, and safety that businesses are looking for when they are making decisions about where to locate. Included in the proposed budget is funding for Downtown Redevelopment and Economic Development Programs, as well as funding for projects that will help support development in the upcoming years.

Fostering a contemporary culture that embraces unity is also very important to building our community, and you will find requests for funding for popular gatherings like the Jazz festival and CinePark as well as the other events such as the Tumbleweed Tree Lighting and the Multi-Cultural Festival.

The budget includes a host of ongoing and one-time funding for the maintenance of City infrastructure to keep our City Safe and Beautiful. As discussed during the budget kickoff, there is a need to put a higher emphasis on maintenance of our existing infrastructure such as streets, utilities, parks, and facilities, as we move forward and strive to improve the quality of life for our citizens.

Mr. Wright emphasized that formulating the fiscal plan for each year comes with numerous challenges and opportunities and this year was no different. While the initial concerns about revenue losses from the COVID pandemic did not come to fruition, several business categories saw devastating effects as health challenges and social distancing took a toll on their ability to remain open. While the economic indicators seem to be pointing to a fairly quick economic rebound and growth in the coming year, we are still cautious as federal monetary policy could cause inflationary pressures nationwide. Maintaining service levels and improving infrastructure in the most cost-effective way remains vital.

This year included diligent monitoring of legislative bills that could impact our ongoing revenues, as well as focused review of expenditure impacts that are, or potentially could cause higher costs, if not contained. A budget kickoff with Mayor and Council in December 2020 included conversation on items such as PSPRS rates and the related unfunded liability, retirement and other vacancies, aging infrastructure especially with buildings and facilities city-wide and addressing various capital needs under a higher construction cost environment.

Mr. Wright touched on FY 2021-22 operating budget highlights. The proposed FY 2021-22 operating budget is 17.7% higher than the current fiscal year and includes general merits and markets, the vacancy savings rate has been reduced, a number of decision packages are included, continued commitment to PSPRS Unfunded Liability pay-down is included, contingencies and reserves were included, and the Council Amendment reserve was reinstated. The long-term operating forecast manages costs with slow revenue growth.

Some highlights include: A proposed slight reduction in the City Property Tax Rate that will help to minimize the 6.8% increase in limited assessed values.

We are doing all this while maintaining existing service levels. Significant review within Departments to bring forward the highest priorities was accomplished. All of these appear in the budget book. Ultimately this budget includes ongoing decision packages totaling \$5.1M and one-time of \$7.5M funding, for a total of \$10M to General Fund, and \$3M to Other Funds.

This includes adding 9.0 positions overall all in the General Fund. Of note, the positions in the Police Department discussed earlier this week are not shown in this total because they are anticipated to be funded from grants for the first several years.

The proposed budget adds funding for employee compensation, including a combination of merit/market and labor association commitments.

The operating budget continues the plan to reduce the City's PSPRS unfunded liability debt, thereby reducing our employer rates sooner and freeing up ongoing revenues in future years. This budget adds an increased amount of \$22M in one-time funding towards the pay-down of the PSPRS liability.

Additionally, this budget maintains strong reserves including the 15% General Fund Contingency reserve and the \$10M budget stabilization reserve.

Mr. Wright continued with capital and debt management. As we look to Chandler's future and strive to improve the quality of life for our citizens, it is vital that we continue to provide well designed and maintained infrastructure and amenities. The total capital budget for FY 2021-22 is \$369M, which is \$23.2M or 6.7% more than the prior year. The amount of the overall 10-year plan is increasing 8.9% to \$1.27 billion.

This CIP continues Mayor and Council priorities of maintaining existing infrastructure, finishing planned construction of parks and southeast arterial streets, limiting new projects that add operations and maintenance, and addressing public needs. The plan also puts a higher emphasis on maintaining aging utilities, streets, parks, facilities, and technology infrastructure, as well as adding new projects such as Cooper Road Extension, Tumbleweed Expansion/Multi-Generational Facility, and a Police Forensic Facility, to name a few.

Management Services continues to ensure maximum savings through bond refunding opportunities, and we continue to minimize any secondary tax rate increases by maintaining our AAA bond ratings. The 10-year capital plan does not project any increases to the secondary tax rate, although bond sales are anticipated, along with a needed bond election we will be discussing in May.

Mr. Wright closed with; it is the goal of this budget to not only look at next fiscal year but to continue to move us forward toward continued financial stability.

With the continued tradition of transparency, strong financial policies, continued efficiencies, funding of essential services, and maintaining infrastructure, I feel this budget aligns with the direction set by Mayor and Council.

I am pleased to report that we are "moving forward together" in Chandler, even with the large bump in the road we experienced over the last year.

At this time, I would like Dawn Lang, our Management Services Director and Chief Financial Officer to begin the day.

Overview of Budget – Dawn Lang

Management Services Director Dawn Lang thanked Acting City Manager Joshua H. Wright and greeted Mayor and Council, the Directors and Staff, "Good Morning." Ms. Lang stated it has been an interesting year and everyone in this room has put in a lot of time and energy with their staff to bring forward the recommendations today. I would like to thank you Josh for your leadership over the last month and even before. It has been a very smooth transition for all of the staff and we really appreciate that, and of course for Marsha's leadership prior to that. As Josh mentioned, much work and numerous public opportunities for input have gone into the preparation of the Proposed 2021-22 Budget. Today's full day Budget Briefing represents the last scheduled day to openly discuss the recommended operating and capital budget, based on our timeline to ensure adoption by the beginning of our fiscal year, July 1st.

Ms. Lang provided an overview of the budget starting with "Where the Money Comes From." These charts are a simple way of depicting the changes by category from year to year. It helps give an idea of where the biggest impacts are in the proposed budget. As Josh mentioned our total annual revenue and expenditure budget has gone up 13.6% overall. This represents all funds in the City, the general fund is our largest operating fund but we also maintain numerous special revenue funds that represent the grant revenues that we receive that has very specific external restrictions on them. We also maintain numerous capital

project funds again based on the revenue that comes in how we can spend those dollars. We also maintain various enterprise funds that are kept separate from all of that and are self-sustaining based on the user fees they collect for water, wastewater, solid waste, and airport. This is everything together and when you look at the operations across all those funds these are the revenues that support those operations. The first category I will point to is fund balance in maroon. The use of fund balance is very common from year to year in a budget and in the state of Arizona we are required to reappropriate any carry forward revenues. If you have any capital projects that are still in process those revenues are in our fund balance and move forward to continue to support the capital projects that are rebudgeted in the upcoming year. The change in fund balance is a reduction of \$9M overall which is pretty even but the more significant change we are seeing is in the orange section which is our grant fund. The grant fund is what includes the anticipated ARPA grant, the American Rescue Plan Act. We have received word that we have set up our system to receive the dollars, but we have not received word on the exact date yet. We do anticipate those dollars soon so in order to actually spend those in the budget we do have to build in the revenue for that. That is included in the grant fund as a contingency.

Councilmember Lopez – Are these funds coming directly from the feds or are they funneling through and we have to wait for other agencies to get those funds. Ms. Lang – Our understanding is they are going to come directly to the City of Chandler.

Ms. Lang continued in the grant fund those ARPA dollars have been included as a contingency so nothing will happen with those until an action comes before Mayor and Council to move the dollars out of that contingency account into how we are authorized to spend. Additionally, in the blue section is our local taxes and license fees and this is our transaction privilege tax that we collect for retail and numerous other categories like restaurants and bars and construction. That area does fluctuate depending on what is going on in the economy. The reason there is a significant increase in that section is the fact that the 2021 budget had some pretty large reductions relating to COVID and as Josh mentioned a couple times luckily those did not come to fruition. So really what we have done is reset the revenue projections based on what is truly happening in our economy so that is \$152M overall in the proposed budget. The yellow section is our state shared revenue which the League of Arizona Cities has asked us to start referring to it as VALR (Voter approved local revenue). This is our urban revenue sharing which is our income tax that flows through the state. We also have the state shared sales tax.

Mayor Hartke – What is the rationale behind why this was relabeled other than the name implying the state has a contractual obligation to share the revenue? Ms. Lang – Back in 1972 there was a big debate regarding cities looking to implement their own income tax and instead of doing that there was a negotiation that the state would collect all money and a portion of that would go to the cities. It is not that the State is sharing it out of the goodness of their heart it truly was a contractual obligation that was the cities portion of those dollars. So, I think there was confusion by calling it state shared because it is not theirs to share but truly the municipalities dollars and over time that message has gotten lost. So, we are referring to it as VALR or voter approved local revenue because the voters approved that to be our share of those dollars. Ryan Peters is very familiar with this as this has been a big discussion at the state level. As there has been talk about the tax reduction at the state level in passing with the municipalities and simply reducing the state portion it is a valid argument from the municipalities that it is really our revenue and should not be part of that discussion.

Ms. Lang continued with the yellow section of the chart stating there is not a huge change in that but again that has to do with the reductions we implemented in 2021 for COVID that did not come to fruition and so you see a higher number in 21-22. Our next section is property taxes, although we did see a slight increase

to our assessed values citywide much of that was a result of new property but the portion that was appreciation in property council did make a decision in the 2nd budget workshop to reduce the primary rate slightly to help offset that for median value homeowners. So, the increase in our property tax levy is very slight it's not very much mainly a result of new property. In the dark green is our system development fees that 100% support our capital projects that relate to growth and then in the gray we have other service charges and receipts. This was the area that was probably impacted the most from the recession from a point of city collected revenue for our services. Many of the services were impacted as some of our facilities had to close and we had to do virtual type events and we are still seeing some of those reductions as we are kind of ramping back up. The 21-22 budget does take a careful approach on those. The next section, the larger portion of user fees are breaking out and called utility charges. The purple section is water, wastewater, solid waste collections that we collect through utility services and work closely with John Knudson in Public Works. And then finally sales of bonds, we typically sell bonds every other year here in the City of Chandler, so you do not see that light green section on 20-21. We did not sell bonds in 20-21 but are selling bonds in 21-22 to support the City's capital infrastructure. So, for the proposed budget for FY 2021-22 we are at \$1.058 billion.

Councilmember Orlando – How do we justify what percentage is truly ongoing versus one-time? Ms. Lang – Typically it is more so in the general fund then other funds because in other funds we know if its capital projects and grant funds they are one-time dollars. In the general fund when we look at our VALR and our local revenue local taxes those are our biggest categories that we dig into to determine what is ongoing versus one-time. It has to do with the categories of collections that we receive and one of the larger categories is that tax section category and over the years it has ebbed and flowed depending on the development going on in our community it is going to be a higher number and in a period of slowdown that number comes down. So, what we are looking for in each of those categories, and we do it by category on sales tax collection, is a trend of those changes within those categories. We try to do that average sustainable level where that dip does not fall below and it helps us then set each category of transaction privilege tax at a level that we believe is sustainable that would prevent us from having to do any future layoffs or anything like that. We would be solid for continuing to sustain our current employee base. Councilmember Orlando – So it's been 80% the last few years and it hasn't moved very much so yet were getting a lot more ongoing dollars. We are building that up again and I am trying to figure out what is solid one-time dollars. If the fluctuation is rising, then why are we not adjusting that budget upward for the delta. Ms. Lang – That is an excellent question and it really has to do with that trend analysis what is interesting is our average additional ongoing that we are adding on an annual basis is a little over \$7M dollars so it has been going up. We have been capturing that new sustainable growth through our property taxes and transaction privilege taxes, but we are trying very hard not to really capture the areas we know are susceptible to those ups and downs. As we have seen the impact from some of our larger expansions like the 2011 expansion for Intel that recently went online. Some of those unknowns Just take time over the long run so we are often looking at our property tax records to see what adds are happening on an annual basis to determine how much of that is a permanent ongoing increase in that revenue stream. Transaction privilege tax is a little bit more of an assumption in some of those categories.

Ms. Lang continued to the next slide in the presentation to focus on the revenues in just the general fund. As I mentioned this is our largest operating fund in the City of Chandler. This shows at look at what is happening in the revenues for general fund and you will notice the fund balance in maroon \$136M in 20-21 versus 21-22 at \$113M and the biggest reason for that was the 19-20 to 20-21 we had some large capital projects. We held many of the capital projects in 19-20 and 20-21 for half the year so that balance accumulated let me get a better reason there because in my mind I am thinking our proposed then would be higher. Let me think about that and I will come back to that one. The local taxes and license fees as well

as the VALR section of those revenues again where the reductions we built into 20-21 but the actuals came in higher we are estimated the year to end at a higher level and the projections 21-22 have been reset. And then in yellow the property tax number we talked about that is specific to general fund. The primary portion of our property tax supports the general operations for the general fund and the other portion of that is our secondary and that is tracked in our general obligation debt service fund and is also part of this presentation. And then in the green the other service charges and fees we also talked about is the section that is impacted by COVID. I will turn over the expenditure side of this presentation to Matt.

Budget Manager, Mr. Dunbar greeted Mayor and Council. He stated as Dawn mentioned as we talk about the revenues and Councilmember Orlando pointed out how do we determine ongoing versus one-time and will revenues come in and how we determine expenditures come in. Sometimes we wish we had a crystal ball so as fortune would have it just down the street there is a fortune teller. So, I made a visit to his office the other day and I walked in and just a super friendly, outgoing, huge smile roped me in, and we talked about the budget a little bit. And the one thing I can tell you after that visit is I think we found a happy medium. We may not have found out a lot about revenues and expenditures, but we did find a happy medium.

Mr. Dunbar continued with the next portion of the presentation "Where the Money Goes". Our annual expenditure budget is going up that same 13.6% as we have our ongoing revenues equaling our expenditures. As you look across this tubular chart here you see one of the highest increases there is our operating expenditures. That is in maroon which represents the department operating budgets for all funds Utilities, Police, Fire, Admin, Community Services, etc. Overall, this funding has increased about \$25M from the COVID reduced current year. This is a 6.5% increase which is mainly due to the impacts of COVID spending reductions being removed and additional PSPRS funding being appropriated. The next section in gray is our major capital, and shows a slight reduction which we appropriate each year. If you look at our 10-year plan, it has increased so where we are appropriating in the current year as new appropriation is actually lower than the prior year at \$113M. You will hear more about the specific projects in the CIP section in just a bit. In the blue that is our major capital carryforward. So as Dawn mentioned state law requires that anytime we do not fully spend on capital projects during the year we have to reappropriate those projects to continue spending in the new year. So, you will notice we did have some delay in our capital projects last year and some of those projects were held and are now kicking off. But because the spending was delayed on some of those, we do have an increase in that capital carryforward section so those projects will continue on into the new year. In yellow is our debt service, our debt service represents the amount we pay from our secondary property tax to pay for our debt on our outstanding general obligation bonds and our excise tax revenue obligation bonds. We have a slight increase there, which is primarily due to the fact that we are selling new bonds in the current year for some of our capital projects. The little sliver of blue is our vehicle equipment and technology replacement not a whole lot of change a slight reduction there. In the current year we have had a lot of replacements that have happened throughout the year using AZcares dollars, so we have a slight reduction there. In that last category is contingencies and reserves there is a significant increase there as Dawn mentioned. We did put all that grant funding, ARPA funding as a contingency so we will come back to Council when we finally determine where those funds are going to go. So, you will see a significant increase in that section.

Mr. Dunbar advanced to the next slide regarding expenditures by general fund only. He stated if you break it down just by general fund you see kind of a similar story, like general fund on the revenue side there wasn't much of an increase it's the same story here on the expenditure side. There is not a whole lot of increase here. Last year \$397M compared to this year \$402M as we go across the same colors represent the same areas. Department operating, we have the majority of the increase there about \$15M. In our major

capital appropriation, is about equal. Our major capital carryforward we show an increase there. It's a smaller increase here because a lot of those projects being carryforward are in our enterprise funds. In our debt service \$27M compared to \$40M. Our contingency and reserves actually show a decrease from \$25M to \$48M. All in all, about a \$5M increase in our general fund expenditures.

Councilmember Roe – Question about the debt service. I image there is some magic formula that you might have gotten from you medium but is there a percentage we like to stay within as far as trying to keep our debt service below a certain number? That is a pretty big jump to me especially if it becomes ongoing. Mr. Dunbar – There is not a magic number per say but what we do is look at the total debt service required for our outstanding bonds and we plan for those sales. What this does have in there is an additional \$10M in payment in the debt service that we're transferring from our impact fee fund. So, our system development and impact fee balances have accumulated over time and typically in the past those balances have not been available to spend, so we have used general obligation bonds to fund those projects, and therefore created an obligation from the SDF and impact fee funds to repay our debt service fund for those costs. So, in this year we have a planned \$10M dollar loan repayment that is going to help reduce the impacts to our debt service fund. So \$10M of that is a loan repayment from our SDF funds or impact fee back to our debt service fund. Councilmember Roe – So, for the future this might lower a bit. Mr. Dunbar – Correct, it will fluctuate in the future, but we do have about a \$10M dollar loan repayment plan for the next four years after this as well. Fortunately, we are able to start repaying back those loans that have been made over the years and use those funds to help make sure we can maintain our secondary property tax rate as low as we can as we are able to use those SDF dollars to help pay back the debt service.

Mayor Hartke – Based on our secondary tax rate, I think it's great that we can continue to pay this down particularly when possible. It helps us when we go to sell bonds, we will have money to stay within our secondary. But is there an average number that with our secondary bonds that we do pay off our debt per year. I realize there is some fluctuation in that but if you take of the \$10M the fluctuation is \$3M or 10% with this one is that about the number that our secondary bond pays about \$30M. Mr. Dunbar – It depends on the year so each year we have bonds that we have sold in the past and that debt service falls off in that year. We also have debt service coming on as we sell bonds. So, this year we have new debt service that is going to be added as we sell bond so that is the \$3M dollar gap is about the debt service we are going to be paying on those new bonds that we sell in the current year about mid-way through the year. So, each year you have some bonds that fall off and new bonds that add on as well it really depends on how you structure the bond repayment. We work with our bond council and financial advisors to structure those payments in such a way that we are capitalizing or getting the best rates possible and not extending out our debt longer than need be. So, it's not like your typical mortgage where a set amount for 30 years, some of these debt repayments are 8 years or 10 years and some of them have front loading of repayment which is what that \$10M dollars will do. Kind of front load some of those repayments in the first few years of those loans so it really depends on the outstanding obligations you have, what's coming on what's coming off and how those have been restructured through our debt finance plan. Mayor Hartke – What is the capacity of our debt payment based on our secondary tax? I understand what you are saying about coming on coming off but there is still a certain number we still look for that we pay out of our secondary tax. Roughly with fluctuations coming on coming off is that about \$30M, \$27M what does that number look like. Mr. Dunbar – The total amount that we can pay in debt service is about equal to what we are bringing in the secondary levy. Ms. Lang – The secondary levy for this year 21-22 it is projected at \$30,135,000 so we try to keep it at that level and then of course with that state legislation it's a balancing act because we cannot accumulate more than 10% of the prior year's principle and interest. That calculation we can't accumulate more than 10% of that value in our debt service fund. We try to really keep those payments at a level amount through the year.

Councilmember Orlando – Do we plan on buying back any bonds this year, retiring debt? Ms. Lang – We do have a couple bonds both general obligation and excise tax revenue obligations that we are looking at refunding. We were going to do it earlier this year but with the potential of advanced refunding maybe coming back to cities that's being discussed at the federal level we put a pin in it because if that does come back over the next few months the benefit to the City of Chandler could be a little more than \$3M dollars. So, we are holding off but there are some really good opportunities you will see this calendar year. Councilmember Orlando – So what I heard between the Mayor's question and this one is we have some room there to be able to do these bonds, is that what I am hearing you say. Ms. Lang – Yes that is correct. Councilmember Orlando – I have another question on revenue, if you go to page 10 where you are showing the transaction privilege taxes you are showing a slight decrease in both the general retail and also the privilege taxes and that is an unusual decrease year over year other than COVID obviously. Normally that has been going up pretty steadily why are we showing a decrease here. Ms. Lang – Are you talking page 10 of the revenue section or resources? Councilmember Orlando – the resources section. Ms. Lang – are you looking at general retail. Councilmember Orlando – Yes. Ms. Lang – Ok let's see we have the adopted 20-21 at \$56M and then the estimated year end at \$59M and compared to our proposed 21-22 at \$66.8M. Councilmember Orlando – yes, I get it you are basing it on the estimated from 20-21, ok I want to clarify this if we look at it from year over year from the adopted 20-21 it is really up. Ms. Lang – it is up significantly; it was really reduced artificially in 20-21 anticipating we would see a hit due to the pandemic. Councilmember Orlando – Got it, I assumed that is what you were doing I just wanted to make sure. That goes the same for the use tax. Ms. Lang – That is exactly the same situation.

Mr. Dunbar advanced to the next slide in the presentation Impact of Tax Rate Reduction on Median Value Homeowner. He pointed out that the assessed values in Chandler increased 6.8% with 3.7% from new property and 3.1% in appreciation that was recognized in the last calendar year. The full cash value is identified in the center column in maroon for 2022 calendar year. For the limited property value, we do have a limit on how fast these can grow, state statute sets that at 5%. So, \$213,392 is our limited property value for the median home in Chandler. The assessed limited cash value is what we assess the tax on so 10% of that value. And when you take the slight reduction in primary tax \$0.2426 of \$100 assessed value you get \$51.77 tax bill and the secondary rate at \$0.87 per \$100 is \$185.65. So, the median homeowner in Chandler in CY 2022 will see a property tax bill of about \$237.42 which is a \$9.78 increase or \$0.82 a month. What that represents is that appreciation as well as new property coming into the City. The primary tax we use for general purposes throughout the City and the secondary pays the debt service on our obligations.

Ms. Lang went back to the Total Annual Revenue Budget General Fund slide to better explain the fund balance and why it was larger in 20-21 versus 21-22. So, if we have general fund balance sitting in our reserve that is not part of the in fall of revenues that come in from VALR, local taxes and everything else we end the year with revenues higher than expenses that balance grows. In any given year we have a set amount of operating expenditures and capital expenditures in the general fund. In 20-21 because we did large reductions of revenues to support our expenditures, as well as the appropriation to support those we were using more fund balance as kind of the delta in 20-21 to continue our operations. Many of those one-time projects, one-time items we did only a small portion of them and were truly ongoing reductions, so we had a higher amount of balance locked in to support all the expenditures in general fund. In FY 21-22 our revenues are up so we set that at a higher level based on what is actually happening in our economy and a smaller portion of general fund balance is being dedicated to the budget to spend. The money is sitting in general fund, but we are only anticipating using \$113M of that balance dedicated to the expenditures that we have proposed.

Ms. Lang advanced the presentation and provided an overview of the General Fund 5-Year ongoing forecast and fund balance projections starting with the revenue and expenditure assumptions slide. A big part of moving through and preparing for a new budget year is making sure that we have a plan in place. Of course what gets adopted is the first year of that plan but we do a 5-year outlook in our general fund operations and in doing so like we talked about general fund ongoing is set at 84% and one-time at 16% overall revenues. Our expenditures, a larger portion of the expenditures in FY2021-22 is personnel as it always is but usually about 75 or 76% of our total operating expenses. The estimate includes budgeted positions for the City of Chandler so even though we have the highest number of vacancies all of those are locked in to be filled and paying the wages and benefits of all those positions. The estimated is in our forecast, the benefits that relate to all of those retirement, health care, workers compensation are all being impacted over the next 5 years. This personnel budget also adds 9 net new general fund positions that are detailed on the next slide and of course you will hear from all the directors today about those new adds to our proposed budget. Our operations and maintenance budget is where many of the decision packages, outside of personnel, operations and maintenance related costs are built in to. On average we have been adding in ongoing department requests typically not over \$2M but this year we added about \$3.8M because of the prior year's pulling back and not being able to fund many of the needs that departments had. So, we are seeing those kind of needs and you will hear much about that today as we try to make sure we, at a minimum, maintain our services and continue to provide for our residents and businesses. Another important factor in our forecasting is the capital improvement program and the related operations and maintenance. We've had this built into our financial policy for a long time, but we do not build something unless we know we can pay the ongoing for that facility or added capital. That plan is in place in our capital program we look at 10-years and we built in 5-years of that additional operations and maintenance in our forecast.

Ms. Lang moved on to the changes in city staffing levels slide. Elaborating a little more now on our personnel, for our staffing levels for general fund we have a total proposed positions of 1390.729 they are full-time equivalent which is a combination of all our part-time and full-time and it does reflect 10 position increases in our general fund. In our other funds we have 312 positions which include public housing which are funded by CDBG and some of those federal dollars, and we also have our enterprise fund positions water, wastewater, solid waste, and airport that are part of those numbers and that actually went down there was a position in our neighborhood resources area that shifted to the general fund. The net new additions are those 9 positions detailed on the slide that you will hear about today. This year is the highest net new positions we have added in quite some time.

Ms. Lang continued to the next slide 5-year general fund ongoing forecast revenues vs expenditures. This is a depiction of our forecast in a line graph that shows our ongoing revenues versus ongoing expenditures. In our forecast we do not anticipate and build in personnel merits or market increases in the out years unless we already know a contract is in place and approved. We don't want to get ahead of our Mayor and Council so we do have the increases in the proposed budget for wages and benefits for all employees in the City including those relating to the memorandum of understanding with our public safety sworn. General employees also have merit and market built in and just a reminder in 20-21 fiscal year budget there were no markets built in for the general employees just a reduced amount for merits. This year we do have that full compliment, but after FY 21-22 we did not assume additional increases in the forecast. So that is something that will be part of future budget discussions.

Ms. Lang advanced to the next slide proposed 5-year one-time general fund balance projections. This is the accumulation of revenues over many many years in the city of Chandler that we hold for one-time purposes. We invest these dollars, so they do earn interest, but they typically fund capital and one-time needs in our

operations. Of course, the money is in our fund balance but only a portion of it is appropriated from year to year for spending, so you will notice at the end of FY19-20 we ended the year at about \$212M. At the end of FY20-21 we are estimating to have about \$190M in general fund and then if we were to spend every dollar appropriated for capital, for all the one-time needs, the PSPRS overpayment and all that was included in our proposed budget, the balance would then come down to \$130M and then so on as we look at all the estimated costs that are built into our capital and PSPRS paydown plans in the next 5 years. It ends at \$95M in FY25-26 in our projections and our financial policy does require that we hold 4 months' worth of operating revenue in the fund balance and that equates to \$86.3M so we are within that level by year 5 and that is one of our measures when we are looking at during our projections.

Mr. Dunbar presented the next slide proposed 5-year enterprise funds fund balance projections. We also look at our enterprise funds when we are looking at fund balance projections for those. We have indicated those on this slide each in a separate column water, wastewater, reclaimed and solid waste. Under each depiction of what fund balance will do over the next 5-years is included if there is a rate plan increase that we are anticipating in our forecasting models so you will see each of those in the years that those are anticipated. There is a potential rate plan increase planned for fiscal year 21-22 so that information will come back to council throughout this year as we finalize the cost of service study with an outside vendor and evaluate the financial plan. Each of these funds does maintain their current percentages for operating reserves for water, wastewater and reclaimed they have a 20% operating reserve that is required. For solid waste, we increased that operating reserve last year from 10% to 15% and that is maintained as well in that fund. Each fund focuses on maintaining aging infrastructure and using operating revenues to fund water and wastewater facilities, water planning, conservation efforts as well as our increased hauling contract and nationwide recycling impacts that we have talked about with Council recently. On our water and wastewater side, this forecast does include the Intel estimated impact for the plant that they just finalized and are getting online. Reclaimed does include advanced treatment that is planned in the later years and how that will affect the fund balance.

Vice Mayor Stewart – On the previous slide are those percentages down below FY 21-22, 25-26 are those rate increases that are planned. Mr. Dunbar – yes those are the planned rate increase in every other year in this current financial plan. We are working with an outside vendor on a cost of service study so those may change slightly depending on the results of that study but all that information will come back to council the full cost of service study as well as the planned rate increases. Vice Mayor Stewart – So we are looking at a 23% increase in reclaimed water, 24 in wastewater, 8 ½ on water that's not that bad over that 4 years and then solid waste does that include recycling. Mr. Dunbar – yes. Vice Mayor Stewart – That is pretty significant for the average household does that also include businesses do they see those same increases. Mr. Dunbar – that includes all users of these water, wastewater, reclaimed and solid waste funds. Vice Mayor Stewart – is that a result of what you see as operating expense for let's say the water treatment plant for wages, chemicals, inflationary pressures those kinds of things? Mr. Dunbar – That is correct, it includes all of those as well as all the capital improvements that are needed over time for all of these facilities. If you remember last year we talked about the did some evaluations of their facilities and they found they had some significant capital needs to improve the infrastructure there and we incorporated that into the capital plan and so this incorporates the needed revenue requirement to meet those obligations to keep those facilities operating. Vice Mayor Stewart – It is just significant for the average family if you are talking about \$100, across the board it is about \$250 a month for the average family kicking it up by 20% over the next 2-3 years is there any relief that you see in sight for that or is that pretty much going to be it. Joshua Wright – As Mr. Dunbar mentioned we are going to be coming back to you in the fall with this after that cost of service study is completed and will help reveal a little more of the detail you are looking for about where those costs are being driven but one thing we have to be cognize of when sifting through our budget, is

Chandler went through some major growth in the 1980 and 90s and that affects our infrastructure and the age of it now. That is what you are seeing those major items come up for renewal or major investment because we are at that 20 to 30-year mark from parks, streets, and facilities. Water and wastewater facilities are no different so that what's driving a lot of the timing of this.

Mayor Hartke – I know we are going to see a little later the comparison of the rates with other cities. I don't want to go forward on that, but I did have a question. Matt I thought you said that this took into account particularly the water, wastewater the new Intel plant coming online obviously we project out 25-26 we have 2 new fabs that are not online yet is this so is there an estimate based upon the projected growth of which I realize we never quite know when things are going to happen so it's difficult to plan that but just to give homage to the fact of additional water and wastewater being handled by the potential or planned Intel plants coming online. Ms. Lang – I should have gone with Matt to the medium and John Knudson would attest that trying to project the impacts of Intel is one our largest challenges when it comes to our enterprise funds. What these estimates that we incorporated represent is the impact of them building their own wastewater treatment facility and being able to treat the water and reuse some of that water a couple times, it's not only impacting the consumption in the water fund and reduction of those revenues but it is also impacting the wastewater that they are bringing back into our system, it is reducing the revenue and the impact on our system. So that revenue reduction is certainly going to impact our plan into the future and going to take that back down. When it comes to the impact of the \$20 billion dollar expansion that they announced none of those changes are incorporated yet. This is getting their most recent fab online and trying to estimate the impact of them bringing the wastewater plant online as well to our city revenues and capacity. Mayor Hartke – I do understand really the relevant line here is the maroon with is this year, because that as we learn more that will impact the outgoing. Ms. Lang – the other thing to mention here is, Vice Mayor Stewart I completely understand your thought process on this, because none of us like to deal with rate increases. In our wastewater, water, reclaimed water and solid waste because they are self-supporting when we do an adjustment like we had to do with the Intel impacts, there is an impact to this on top of that your aging infrastructure in the maroon has increased over the years so really big driving factor here is additional debt service relating to the capital costs and when you are dealing with water and wastewater capital in this are there is nothing cheap about it, even the filters are millions of dollars when it comes to replacing filters. So it is a very expensive endeavor but we have done such a good job over the years of keeping our costs low and you will see a chart here that we are the lowest and when you look at our water wastewater solid waste all of these rates combined compared to other cities we are the lowest in the valley, so we are to the point now that we are seeing some increases and while it is difficult, it certainly it will be a big discussion we will have with all of you in the coming months.

Councilmember Roe – When was the last time we did an overall system review for allocation percentages for industries, citizens, and residents? Ms. Lang, we do it every 4 to 5 years, the last full review was done in 2016 cost of service study and we implemented the rates and the shifts between customer classes in the 2017-18 rate changes. We are in the process of updating that plan again and these are the overall revenues increases to fund the water, wastewater and other funds. Within the water category, you have residential meters, multi-families, industrial and non-residential, and each of those categories has unique demand on our system which is currently being reviewed. This will allow us to figure out what part of the increase each category will have to fund as it could result in no change in one category and in another category it could result in an increase. What this does is help realign costs across many categories, and is something that we have in our financial policy so that we take that deeper dive look to ensure equitability about every 4 to 5 years. Councilmember Orlando – I just walked in on the tail end of that so I apologize but would the Intel potential doing its own wastewater would that mean industry in general would pick up the delta or we have not gotten that far yet. In other words that category for industry would stay industry, right. Ms. Lang – it

would be the category in general it isn't specific to one customer. Councilmember Orlando -Right, I guess I am looking at where we maybe could one industry was industrious and not saving in one area and how does that impact other people, our residents, and other industries. I guess I will be looking forward to that. Ms. Lang – We will definitely bring back more information on this, we are probably $\frac{3}{4}$ through our cost of service study right now and that is part of the discussions we are having with staff and with our consultant to really figure out what those impacts are when a large industrial user changes, and how that's impacting other categories in our cost of service study, so more to come.

Mr. Dunbar resumed the presentation with the next slide average annual residential cost comparison for direct services. The City of Tempe does an annual study to review the total cost of services in each municipality throughout Maricopa county. They look at property tax, the sales tax rate, and water, wastewater, and solid waste services and try to evaluate what an average residential customer would pay in that municipality to see how these different municipalities compare. So, as you see Chandler here is \$1,798 which is the annual estimated cost for our residents for a home in Chandler for those services. The average throughout the valley is \$2,137 and so we are significantly below that average. We are very close to the town next door to us Gilbert. When you take into account just the actual water, wastewater and solid waste rates we are the lowest associated costs at \$66 for a 5/8-inch meter at about 10,000 gallons single family residential rate. So as of the last report they did which came out in July 2020, and we will get another report in July this year, our total utility cost in the City of Chandler are the lowest in the Valley. We anticipate that will remain the unchanged as we know our town neighbors to the east have a major water plant that they are putting into their capital plan that is definitely going to affect their rates as they have that new major infrastructure component that will be required for them.

Capital Improvement Projects (CIP) – Matt Dunbar

Budget Manager, Matt Dunbar presented a general overview of the City Capital Improvement Program (CIP) process, CIP history, CIP highlights, general voter bond authorization, and a breakdown of the Proposed FY 2021-22 CIP appropriation of \$368.8M. As we go throughout the day you will hear about each of the capital improvement projects in each of the different departments for the next 3 years. Our overall capital plan is developed by our CIP Coordination team through a collaborative and flexible process so we met together this year and fortunately we had a jumpstart this year as we had been gathering information and data to prepare for the citizen bond election committee for that process. In the middle of it we were able to meet back with the CIP coordination team and talk about what capital needs we have in different areas throughout the city. Of course, we always follow the guidance we received from Mayor and Council. If you look at the history of our 10 year CIP in Chandler we see a decrease for 3 years and then an increase as we have added some of those needed utility, buildings and facilities and other infrastructure needs over the last couple years. This year we have an increase from about \$1.2 billion to \$1.27 billion approximately. 75% of this increase or \$77M is mainly due to a higher emphasis on maintaining aging infrastructure specifically buildings and facilities and Fiber network improvements. The highlights include a continued emphasis on maintaining aging infrastructure, we included major water and wastewater maintenance, adds technology and communication updates and enhancements, and the new requested projects listed on the highlights slide. The next slide shows the remaining bond authorization by type of voter approved debt, we do have anticipated new bond authorization in that bond election which you will all be discussing next month. The citizen bond committee recommended 5 new categories of additional authorization needed in parks and rec, buildings and facilities, streets, and public safety. Our total authorization should that bond election be called by Mayor and council and pass, is identified on the slide and in the far right column is the anticipated bond sales in fiscal year 21-22 and the categories in which those bond sales reside. The majority of them being in streets on the general obligation side and then underneath that in revenue obligation would be water and wastewater debt. The CIP that we actually appropriate is only for fiscal year 2021-22 and is a total

of \$368.8M that breaks down to \$113M of new funding, \$255.5M in capital carryforward and a small contingency reserve of about \$250,000.

Mr. Dunbar - We will now move into the Departments operating and CIP budget discussions. Directors and Managers will discuss their top 5 FY 2020-21 accomplishments. They will discuss the size of their operating budget, employee count, and how the Department is funded, and discuss their essential Decision Package recommendations and CIP projects planned in the next 3 years. We do want to note that the page numbers for the CIP book are included, as well as a map showing the physical location if applicable. Any project marked with an "*" indicates that the project includes funding in FY 2021-22. We also included the funding source(s) for the projects (Bonds, Impact Fees, Grants, etc.).

Department Presentations then began.

Communications & Public Affairs (CAPA) – Matt Burdick

Communications & Public Affairs Director, Matt Burdick, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for the Communication & Public Affairs division.

No questions or comments.

City Clerk – Dana Delong

City Clerk, Dana Delong, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision package for the City Clerk Department.

Councilmember Orlando – What is the turn time on the government side for passports? Dana Delong – It is slow taking 10 to 12 weeks for them to complete it. The expedited service is 6 to 8 weeks. And what we are finding is people hear that 10 to 12, they are asking for expedited so that is going to back it up even further. Most of the facilities in Arizona are appointment only and it is hard to get an appointment. Councilmember Orlando – Do you envision doing walk-ins eventually? Dana Delong – That is a sticking point, I believe if we open it up to walk-ins we are going to be flooded and I don't have the staffing to do that so I am nervous about that but would love to. One of the things to keep in mind is out of the passport applications we process only 38% are Chandler residents and the rest are residents from other places. Councilmember Orlando – They are giving us the revenue, right. Dana Delong – We are getting the revenue, right.

Vice Mayor Stewart – Passport is a great service the City of Chandler provides. Would there be any way we can finance help for a short period of time? Is there a way you can come back to us with a request from a labor perspective so we can open that back up and provide full services again, safely of course? The community loves what your department does, and you have a great staff. I would love to turn that feature back on if we could. Dana Delong – I would love to be able to grow this program and I do know how I can do it, but it does require staffing. One of things I have been trying to figure out for the last 4 years is how to be able to add staff to be able to meet this demand. One of the requirements of the state department is only permanent employees can be passport agents so that is where I run into a problem. I can either hire temporary staff to do all my other higher-level clerk work and have my permanent staff become passport agents, or I have to hire more permanent staff. Vice Mayor Stewart – maybe you and Josh can work together to find a couple bodies to get that going.

Mayor Hartke – I have noticed from previous years to this year these are rough numbers and are not fully accurate. We have gone from about 50 a day when we were taking open passports to about a 1/3 of that

today. So, I am hoping in the process we either figure out how to add more appointments to elevate that 4,000 level to take on some more passports. I do realize that a lot of folks were unable to get passports in the last year and now they are trying to get passports and it's difficult if they call anywhere and find a 3 to 6 month delay to even get an appointment for a passport and then as you mentioned starts another 3 to 4 months. It does seem like there is a pent-up need. I do appreciate it and it doesn't sustain itself from the fees we get to pay for people, but it is an important service that we are able to offer our community and beyond. Dana Delong – We do plan on opening up double of what we do today. We did open up slowly but now that the restrictions are being lifted, we are going to get back to that 50 a day. Vice Mayor Stewart – Is that something you are starting today? Dana Delong – In the next month.

Councilmember Roe – Love the work that you do in fact our staff is awesome, but you are pretty innovative and so love that. Right now, when people make appointments that fills up and people call and get online and its booked. Is there any thought about maybe filtering out additional time openings or something like that? So, each week maybe there's an extra few where people can see an opportunity to pencil in. you probably already do. Dana Delong – Yes what we do each day is look at the appointments to see. When one person gets a passport, it takes a lot less time than when a family of 4 or 5, so we look at them to see who's coming in and then we open up appointments that day. We tell people when they call in check in everyday because we open up 4 to 6 appointments that day depending on staffing and who is coming in to fill their applications that day.

Councilmember Lopez – I also want to reiterate on passports it was very efficient we were one of the fastest and most attended and kudos to you for coming back online so soon. Great job on the agenda as we continue to learn more and experience eAgenda it has come along really well. So again, kudos to you and your staff and all those involved. I know it touches everybody now and it seems to be saving people a lot of time which is great to hear.

Acting City Magistrate – Alicia M. Skupin

Acting Presiding City Magistrate, Alicia M. Skupin, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for the City Magistrate Department.

Councilmember Lopez – is the enhanced mental health court FTE in the court room or are they on the streets with police and neighborhood resources or both. How do you see that role are they going to be directly interacting with those individuals on the streets or is it only as a court liaison? Alicia Skupin – this position is strictly to support courtroom staff. The decision package requested by Neighborhood Recourses has additional staffing needs that will be addressing those issues with the contact on the street in the neighborhoods. However, for this position it is to fulfil the courtroom needs to assist the customers that come in.

Councilmember Ellis – What an amazing presentation thank you so much Judge Skupin. I have to commend you for having risen up to the occasion. Not only could the occasion have gone sideways but you are right on target. I appreciate your compassion for looking at all the direction you could have gone with this, but you keep it going in a direction that Chandler can be proud of. I thank you very much, everything that you have requested you sat down and discussed with me. I saw the needs and I saw where you wanted to go it and why. Behind it all you always thought of the people of Chandler and for that I commend you. I thank you again because you did a lot here in Chandler and we are proud to have you as a Judge here in Chandler.

Councilmember Harris – I just wanted to add to the fact this is built to getting the courts back open and moving the courts forward. Even looking at the obstacles we were facing without having that WI-FI, I think

it is so critical because even our court population can come in and look on their device. Those are important steps in trying to get the classes and things of that nature and they need to go back to school they can do that right online and sit by the courts and access it. I just think good job and way to bounce back. You have been in that role for just a short period time but I really commend you as Councilmember Ellis has just stated, the work you have done has been great and keep doing the work over there.

Councilmember Orlando – Did you take a physical security audit? Is that something you need additional dollars for facility upgrades? I am trying to figure out what you did here and what are the next steps. Alicia Skupin – We completed an assessment it was sort of last minute that we had to and because we wanted to be compliant with the Supreme Court of Arizona and that required some other court departments to help us out with that and they did and came in in a pinch. That did not result in anything that we had to spend money on, it was just a true assessment of this is what we need to do. We need to have fire extinguishers here and this door closed and locked here, it just made us aware of our situation and we made some adjustments. In that assessment the end result was that we were able to apply for a grant for security funds through the CARES act and Supreme Court that we will hopefully be granted and use for our courtroom doors and be more secure for staff in that level. We won't know until the end of the fiscal year if we get that or not. Councilmember Orlando – Hopefully, you get the grant but if you don't is there a backup plan, are you working with the City Manager or the Budget staff? This is a grant where its money from the State that if we get it great but if we don't, we are not in a bad position. If we get it, we are just better off. Councilmember Orlando – We just want to make sure you are safe.

Law – Kelly Schwab

City Attorney, Kelly Schwab, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for the Law Department.

No questions or comments.

Management Services – Dawn Lang

Management Service Director, Dawn Lang, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for the Management Services Department and Non-Departmental.

Vice Mayor Stewart – Are you saying the money that we keep with the bank, we keep quite a bit of money with them, right? Dawn Lang – This is our operating account, so it doesn't actually hold a lot of money. These are the services our departments use for utility service lock box, bank deposits, etc. Vice Mayor Stewart – Is this a new charge or is this something that is ongoing year after year. Dawn Lang – It is ongoing year after year. I think what you may be thinking of is we also have the money that we invest. We try to keep little money in this account as it is more of our operating fund that money flows in and out of. The money that shifts over to PFM or Wells Capital are two investment consultants that help the City invest our other funds, and that is where we make the interest earnings that help fund the general fund. On average we bring in anywhere between \$2 to \$3 million in interest earnings under this current rate environment. Vice Mayor Stewart – With the same bank? Dawn Lang – No. Vice Mayor Stewart – We are not holding money with them, so they are charging us fees for the operations.

Mayor Hartke - I know impact fees use to be a pretty lengthy process as multi housing and other groups came in, that certainly has become far less as we have reached built out. Dawn Lang – That is correct they are still involved, and we send them information on an annual basis, but it is much more of a routine type update that has not been very controversial over the last two updates.

Councilmember Harris – Have we looked into Costco because I know they have better or reduced rates on things because they are dealing more in bulk, have we looked at utilizing that as a membership for the City? Dawn Lang – I know we do utilize Costco but not sure how the membership is managed but that is something I can look into and get back to you on. That is a good question, but I don't have the answer for you. I know we do purchase from Costco and we do shop for best prices, but I don't know about the membership. Let me find out.

Councilmember Lopez – I cannot find the citywide subscription membership decision package request in the budget book. The one that I found is a different dollar amount. Dawn Lang – In the budget highlights it is actually combined with another subscription that includes a recruitment subscription that our HR Director, Rae Lynn Nielsen, will be discussing. It is a slightly bigger dollar amount, but it is listed under non-departmental.

Development Services – Derek Horn

Development Services Director, Derek Horn, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for the Development Services Department.

Councilmember Orlando – if you go to page 60 in the budget highlights book it shows here there were revisions to the requests, but it looks like they were fully funded. Is there another column here that shows the original request? Matt Dunbar – this indicates that there were some alterations for example on the fiber project where they have 1 FTE position the initial request was for 2 FTEs but they are going to be using one-time dollars to supplement with outside staffing as they get the project rolling. So that one was identified as revised because it came in as 2 FTEs. Some of the others that were revised, the ARCGIS service enhancement there was a reduction in that for additional training that is going to be handled internally through their department so that was removed and just the training for the new ARCGIS software training was allowed to go through the decision package process so that was a revision. The plan review and inspection contract services initially was for \$125,000 but through discussion it was determined that \$100,000 would be enough to provide them with the services they needed so that was the revision on that one. Councilmember Orlando – So, the column with the original request is not here? Matt Dunbar – This chart shows the actual original request but if you go with what is actually adopted that is on page 52. The one chart you are looking at shows as submitted and the similar chart that starts on page 47 has what was approved through the decision package process verses page 60 which shows what was originally requested.

Vice Mayor Stewart – I want to thank you; your department tends to have a culture of trying to find a way to work around the questions the development community have. I just want to share my thanks, that is not always the case with some cities. Your department saying maybe instead of no first is welcomed. As it relates to the fiber optic project I know there is some discussion at the federal level for if there is money coming for this expansion will we look at repurposing those dollars if we are getting federal dollars for those CIP programs. Dawn Lang – That is correct, these would be freed up in other words we would replace them with ARPA funds, and they would go back into our general fund for other uses.

Councilmember Roe – Love the work you do, and your folks is great. Dan Cook when he was in this area, he was the find the money guy looking for grants, I assume we are still doing those things. Trying to find grants and I see some of that, I am wondering about studies and or stuff that is really outside the regular normal business and when I look at your traffic management center, I see a room that is much like that to manage our self-guiding vehicles to move people. How do we get money for something like that? Derek Horn – Well we would ask you for the money for that. We would need to determine what we would need to do, develop the costs, program ideas, and then come back to you for the funding. Councilmember Roe

– I am thinking about grants, federal grants, or something like that. Is there promotions or advertisements for stuff that is experimental and can we participate in it. Derek Horn – We will look into that we have been getting grants occasional for experimental things like enhance traffic signals that came from a grant from MAG and we have other grants too. So, we will look into that.

Mayor Hartke – I do know with prop 400 extension coming up there has been a significant push to make sure that there is a top component of the future of transportation of which was recently a survey that was penned as a high priority from the community so I think that might get in there. I know we and our community has been promoting and pushing for that. I think if dollars were to come from that extension of prop 400 that Chandler seems to be ready to appropriate funds and are shovel ready in the area we are investing money and have open doors making us a prime candidate for those dollars.

Councilmember Lopez – Can you continue to keep an eye on the fiber for those future technology needs. So if another major investment has to be made in order to keep fiber up to date that maybe we look at some easily transitional technology to whatever it may be at that point 7G, 10G, whatever so we have that flexibility built into the system. so, we are not continually having to invest in infrastructure that is going to have to be continually invested in. I wanted to throw that out there for the future of technology and I will probably mention something similar for Sandip when he come up and talks about IT stuff. Derek Horn – We will also be looking for those opportunities as they come up.

Mayor Hartke – two weeks ago I met with one of our most prominent business leaders in the community and property owner and he just really respects you and what you brought to your department. We call your department Development Services but what he has seen and appreciated is customer service with Development Services. This person has been critical in the past of others, but he emotes and gushes when he talks about you specifically and what you have brought to the department. I just want to thank you, I know sometimes a department of engineers are all about the business, but you really have done a great job in terms of making sure that those who are familiar with working with the city get their questions answered and those who are not familiar with how to work with the city with the pre-tech and other things have the opportunity for a good experience. That is very important with our brand and image, so I want to thank you for being a leader in those initiatives.

City Manager – Steven Turner

Assistant to the City Manager, Steven Turner, presented the FY 2021-22 Accomplishments, FY 2021-22 Budget, and decision packages for the City Manager's Office.

No questions or comments.

Human Resources – Rae Lynn Nielsen

Human Resources Director, Rae Lynn Nielsen presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for Human Resources.

Councilmember Orlando – When do you plan on starting this classification and compensation study and when do you plan on it being completed by? Rae Lynn Nielsen – We would go out for RFP immediately in July if this decision package is approved. I anticipate that the study could take upwards of 6 to 8 months. We have over 400 classifications and we are creative in our staffing so it will take a bit for this vendor to work through that in coordination with our staff. We would then come back with any budget recommendations to be implemented in the next fiscal year.

Councilmember Roe – How do you come up with innovative ideas on compensation? Do you go to conventions every year and see what the greatest newest thing is? The police department is asking for some expanded workout facilities and I wonder why we aren't offering a membership to Tumbleweed at no cost to our public safety. That's the type of thing how do we come up with those things? Rae Lynn Nielsen – That is a good question and sometimes when you talk about compensation it focuses really on what is the dollar amount I am going to take home as my hourly amount. We do have to be much more creative and look at other benefits that we can offer. How we do that is look at other cities, not just in Arizona, but across the nation. We look at our private sector employers and what they are providing, read publications, and we do surveys with our employees to see what they are interested in. To your point about Tumbleweed we now offer a \$10 a month membership to all City employees which is a significant discount. So we can try to listen and be creative but you are correct in that with this study one of the elements will be to discuss best practices and what they have seen across their book of business to provide us with additional ideas.

Councilmember Roe – Healthcare is a huge issue always is and you deal with it all the time. Do we ever consider actually compensating folks for not using their services? Rae Lynn Nielsen – that would be difficult to do because the rating and how we come to our premiums with our health insurance program is really because it is a pooled program. We still have a no cost premium the white plan it is a high deductible plan that is offered. They are really just paying for the services they are provided additionally we have our wellness incentive that helps offset some of those costs that I would like to see us expand that in the future. We just were not able to do certain things that we wanted to do based on COVID this year and some programs that would have been on sight to roll out that hopefully will be accomplishments next year.

Economic Development – Micah Miranda

Economic Development Director, Micah Miranda, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for Economic Development and Tourism.

Councilmember Roe – The science event that you do every year, I guess got rained out at least once and had some issues due to COVID but I am glad to see that will be getting back on track. I hope there is an opportunity in the future to work with our arts folks and maybe the Chamber to provide adult programming that is not only amusing but educational. I think about a program that is a pod cast like "How I built" by Guy Raz who is the narrator for that and he has guests on. Any one of those businesses that he interviews would be worth some of our business community to see, I don't know how we can sponsor something like that or even have him come and do a show here, it is grown up stuff but it's exciting. Micah Miranda – I appreciate that feedback. It must have been in 2019 we had our first partnership with the Chandler Symphony to come and play for a technology related music for Star Wars and Star Trek and it was very well received. We are really trying to broaden the audience base of that event and this year we are working very closely with Chandler Unified to incorporate their science fair into ours so we are really going to have a full out year in 2022 as those two programs come together. Councilmember Roe – maybe a little black box theater something kind of edgy to keep in mind.

Councilmember Harris – I am looking at the \$250,000 for the one-time funding for the Entrepreneurial & Small Business-related services, are we going to put all that money into one incubator program. Is that isolating all the other entrepreneurial businesses out there because not every entrepreneur needs an incubator program, they may have other needs. Within your budget are you addressing that, or are we solely looking at incubator movement versus the remaining population of entrepreneurs that may not need services with an incubator. Micah Miranda – The innovations incubator has been very specifically focused on technology incubation. We don't deal with ancillary businesses so when we do have business needs outside of technology we will partner with external organizations such as Score, SBDC, the SPA and the like

to get those business the counsel they need. From a City perspective our investment in business counseling is through innovation just through technology entrepreneurs outside of that we will work with other stakeholders and partners to get those businesses the resources they need. Councilmember Harris – Can you expand more on what that \$250,000 is for so I can better understand maybe I just don't have all the data. We are putting a lot of money into one particular area of entrepreneurship and not looking at the greater population because we service everybody, we don't isolate. Maybe there are other monies that you get in that help other ancillary entrepreneurs, but I am kind of concerned that we are taking a quarter of million dollars for only one sector of our market. Micah Miranda – The innovations programming is technology focused and part of that is there is a cohort system where we get pre-revenue companies and get them scaled to the point where they are receiving seven figure checks. In order to do that we have a couple technology counselors; we have a CEO who manages the day to day operations the coordination of that and we also have executives and residents who provide technology specific counseling to those business really in the later cohort that is the tier 3 or 4 clients. The reason that we have done that is it's been very specific that previous councils have asked Economic Development to identify gaps existing in our entrepreneurial ecosystem. This was the gap identified going back a number of years and it was very clear that it married up to the overall City brand, so it was supported. Simultaneous with that we were challenged with staying in our lane to not duplicate what other organizations are doing and look to partner with them, which is why we don't have a broader small business incubation program. If that is a direction Council wants to go, we are more than happy to take a step back and evaluate those programs and bring options forward for Council to review. Councilmember Harris – When the question was asked, are we are helping everyone, and when Gangplank was alive, we were helping. This is the technology area that we are not helping. Now that Gangplank is closed, now ancillary entrepreneurs are not being helped. Because Gangplank is closed and this incubator is going on, is there any way we can expand the technology incubator, that way it includes those individual, so they don't feel left out? I feel like there may not be enough on the other side so I would like to see it expanded or figure out how we can expand it so that way if my business is not necessarily technology that there are some resources there that I can grab. Mayor Hartke – Maybe you can get your staff to prepare the answers to his questions. When we work with these other organizations what services are available and how we are connecting people to them. I know we helped Gangplank for almost a decade we were financially supporting them while all along the line they were going to be self-sustaining. I know we upped that contract at least 3 times if not more. So, if there is a pipeline of these other resources and how we are helping getting these people connected, maybe a rough idea of numbers of people we have helped would be helpful to further this conversation. Micah Miranda – Absolutely would be happy to put that together.

Councilmember Orlando – I would like to know more about our thoughts on infill. What are the concrete things we can do with this money? What do we need to articulate with the community to be able to work with them to utilize some of these funds so we can do more of these infill projects? I would appreciate you doing that. Continue working with our Chamber partners and other business communities out there they do have resources. Micah Miranda – The infill incentive dollars that we have right now we put a pause on it this past year and a half. We have a strategy to move forward and we are working to finalize that plan in light of the Goldwater case. It is really going to focused more around public infrastructure, pending council approval, to help with the repurposing of a lot of these projects. Councilmember Orlando – We can talk about that later I just think it's important to have a concrete plan.

Vice Mayor Stewart – Thank you for the presentation I appreciate what your department is doing. It seems like every month we are getting some good news and I think that is a testament to your department as well as just the overall culture in the community. I am proud of what we are accomplishing. How is prop 208 impacting your ability to compete nationally and internationally right now? Micah Miranda – Anticdotally

not much, we have had a number of projects that we were working with back out, they just said we are not looking at Arizona we are looking at other States. The full impact has yet to be seen. The other side of that story in fairness is we are continuing to show up on a lot of radars. I think it is too soon to completely tell the total impact, but based upon our lead flow, prospects, and conversion rate it hasn't been completely detrimental, but we are starting to be removed from consideration for relocation projects. Vice Mayor Stewart – as it relates to that there is some buzz at the Capitol about an overall tax overhaul within the State that would make us competitive again. Have you heard about this tax cut? Micah Miranda – I heard about the parameters they are putting in place. Vice Mayor Stewart – Will that help us be more competitive if that passes at the State level? Micah Miranda – I hate to speculate; I don't know exactly what ends up in there. I don't want to comment until I see what is approved. Anything to improve the business climate is needed however I don't want to overstate the importance of that.

Vice Mayor Stewart – I have another question for Dawn. Our overall property values have gone up astronomically, do you know what that has been over the past couple years? What that means as it relates to overall revenue in to the City? What I am trying to look at here an offsite to what I am hearing can be a general fund loss at the state level if this state income tax goes down versus what we are going to get at a macro level increase in jobs and property tax increases because valuations go up. If we add more jobs in Price corridor or near the airport etc. then that is rising the tide. I am just curious you don't have to give me specifics, but do you think we would have enough jobs to offset maybe that loss in revenue initially in the long-term plan. Dawn Lang – Over the last couple years going into 21-22 our assessed values went up 6.8% and prior to that we have been right around 5 or 7.1 or 7.2 the year before that. Just a reminder the majority of that increase is our secondary property tax rate and it has been the decision of Council to leave that rate flat. We have actually committed those dollars to our debt service on our capital projects plan. The smaller portion of that is our primary tax rate and that rate has been coming down every year as Council made the decision to offset. Vice Mayor Stewart – The rate is coming down, but the revenue is going up. Dawn Lang – The rate and the revenue are coming down on the primary side, so we have been actually reducing that portion that is feeding into our general fund.

Buildings and Facilities – Mike Hollingsworth

Facility & Fleet Manager, Mike Hollingsworth presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for Buildings and Facilities.

Councilmember Orlando – In your decision package you asked for 4 FTEs, so the question is one-time dollars is that replacing the FTE or in addition to? As far as I was aware, we have netted zero FTEs for this fiscal year, so I am not quite sure the reference. Councilmember Orlando- you said you have some custodial services \$168K and facility maintenance increase of \$150K and I assume those are contract employees? Mike Hollingsworth – Yes, sir. Councilmember Orlando – Are those ongoing for every year or do you have those in the budget now? Mike Hollingsworth – That is in the budget from past years. Councilmember Orlando – it's not to look at more FTEs. Mike Hollingsworth – Correct. Councilmember Orlando –The \$65K to build an electrical panel it said revised what does that mean is it higher, lower or is there more work to be done? Mike Hollingsworth – There is considerably other work to be done this is a start. I think from what came from the building and facility assessment is there is more needed in the future. Councilmember Orlando – What was the original request? Matt Dunbar – I believe that was an ongoing request adjusted to a one-time request. Mike Hollingsworth – But we had other increases in our operations and maintenance that contributed to that ongoing here too. Councilmember Orlando – I am just understanding what the decision package was and what the end results were and how that lines up, that's all I'm asking. Thank you, Mike, and Matt.

Councilmember Harris – I happen to tour the facilities and got a deep dive on all the different buildings and how limited our staffing is. They really have to be creative in that area because they are constantly in the buildings and there are constant demands for services and things of that nature. Some services they can do within, but you know if there is a call or multiple things at one time sometimes they have to contract people in to help out for some of those service or things of that nature. Mike's team does work with a limited number, but for the most part a lot of the contracted work they can't do unless we decide to hire in fulltime to help out in that particular area. I just want you to know Councilmember Orlando, they are a lean team, but they do a really good job. I got a chance to see that we do need more work within the infrastructure because our buildings are old which will require more work so we look forward to the bonds to help aid in this area. Thank you and good job. Mike Hollingsworth – Really the balance to knowing when to do it in-house is to contemplate is that an efficient use of our time versus hiring an outside vendor to come in and do it for us, and we need to manage them still but that's kind of how we balance that.

Fleet Services – Mike Hollingsworth

Facility & Fleet Manager, Mike Hollingsworth presented the FY 2020-21 Accomplishments, FY 2021-22 Budget for Fleet Services.

Vice Mayor Stewart – The FASTER Fleet Management is a 2 ½ year project that we are trying to get through what is holding that up? Mike Hollingsworth – I wouldn't say anything is really holding it up. It's a very intensive process and a lot of details have to be answered. We have to go through our existing processes and make sure we are not carrying over bad processes from one system over to the new system. I think that is where a lot of the nuts and bolts and tedious work have been necessary and have to happen to get through it. Its long and I am as impatient as anybody and wanting things to go faster and yes, it's pain staking. Vice Mayor Stewart – If you had a dart could you throw a date on it? Mike Hollingsworth – There are some critical items that we are not passed that we are working with the vendor to incorporate into FASTER. It would be really difficult to give you a hard date on that. I am hoping by the end of summer. Vice Mayor Stewart – Can I get offline and talk with you about that? Assistant City Manager Debra Stapleton – One thing I would like to add to what Mike has already said is that the vendor has a 7 to 10-week lead time. Every time we identify a process improvement and get that over to their side, they have been hit by COVID and now things are ramping up, we are struggling a little bit with that lead time as well. That is part of what is going on, but I can't emphasis enough with what Mike said is that the business process management of this is the most important thing. We do not want to retrofit our old processes into a new system that is not going to get us where we need to be, so we are taking a good amount of thoughtful time for that. Mike Hollingsworth – It is not only the improvements it's the process integration requests that we make with them. So, we go to them with a process we need them to integrate into FASTER and that is a different process as well. We have many business processes that have to be integrated.

Airport – Steven Turner

Airport Administrator, Steven Turner presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for Airport.

Councilmember Orlando – Are you waiting for the security audit to be done before you put in a new fence because you need a new fence and I am assuming you are doing that? Steven Turner – This fence is dedicated for the wildlife purposes, so this is not really a security fence, so it needs to be done regardless. Councilmember Orlando – Most of these are not funded with other dollars. Steven Turner – Most of the CIP outside of a couple of projects for the small repairs like the annual pavement maintenance that's not grant funded eligible, and the airfield lighting and improvements as well. Councilmember Orlando – and the

tower. Steven turner – Yes, these are local funded only but in order to be eligible for grant assurances in the future from the FAA and ADOT they need to show local participation. Councilmember Orlando – Is FAA still paying for the controllers right, how does that work again? Steven Turner – In the tower that is still funded with the City, the City owns and maintains those. Joshua Wright – I think what you may be asking Councilmember is that the staff in the tower those are contract federal employees. Councilmember Orlando – Do we pay for that? Joshua Wright – We pay for the equipment. Councilmember Orlando – Just the equipment that's what I thought. Joshua Wright - Yes, I just wanted to make sure. Councilmember Orlando – The FAA pays for the personnel. Joshua Wright – Correct.

Vice Mayor Stewart – The total expenditure over the next 5 years is \$21M of that \$6M will be, well \$1.2M a year will be general fund. Steven Turner – Yes, I believe so. Most of these projects are about 95% grant funded through the FAA or ADOT so it's about \$1.9M a year.

Transportation Policy – Ryan Peters

Governmental Relations & Policy Manager, Ryan Peters presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for Transportation Policy.

No questions or comments.

Public Works & Utilities – John Knudson

Public Works & Utilities Director, John Knudson, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for the Public Works & Utilities Department which includes Solid Waste, Water, Wastewater, Reclaimed Water, and the Ocotillo Brine Reduction Facility.

Councilmember Roe – What is a vactor? John Knudson – It looks like a tanker truck essentially it is a large vacuum cleaner. We use them in wastewater and the storms area where you have to go in and clean something out you run a hose down a manhole and you will suck the material out, same thing with stormwater. It is a big vacuum truck.

John Knudson spoke about the LED Streetlight Upgrade Conversion Program CIP project. Mayor Hartke – Josh was that something we looked at recently. Joshua Wright – Just to clarify based on the conversation you had Wednesday that is a framework based on anticipated ARPA funds which would change what you are seeing here today. This is what is in the budget now until Council locks in that framework and we receive those dollars in there. That will change for a number of these items in the budget.

Councilmember Orlando – On the Cooper Road you see bonds here, wouldn't that be impact fees in that area or is that just a place holder? John Knudson – This project was included in the bond discussion it was brought up through the Airport group but then through the Public Works group as a bond program. Dawn Lang – We have talked about in our Management Services section the impact fee study update the land use assumptions and infrastructure improvement plans, and that this is not one of those eligible areas identified in the growth projects in that plan. Unfortunately, we cannot use impact fees on it. Councilmember Orlando - Its exempt from that because of the eligibility. Dawn Lang – Yes, it is not an identified project within the plan and it's not in an eligible area either. Councilmember Orlando – I know it was emphasized several times this week on the airport that that's the key economic development in that area. Dawn Lang agreed. Councilmember Orlando - Have we looked at ways of accelerating that to get it in sooner or piece meal so we can actually start looking at that marketing area for economic activity? I mean 3 years is not a long way out but by the same token it is if we are looking at marketing that area. Dawn Lang – I believe design is in year 2 and construction is year 3. Councilmember Orlando – Yes it won't be completed until the year 2025. Just take a look at that I am just thinking if that is one of the key economic drivers that will help us with the

FAA and some other activities out there maybe we want to look at combining or shortening that a little bit. Joshua Wright – That is an excellent point you have to remember first of all this project is really new. It came up only in the last 9 months through the airport bond committee, which is a great idea, but it is very very new to our capital program. We are moving on an expedited path already it came to the front of the CIP as opposed to the back what would normally go for something new. To your point one of the areas that the airport masterplan called out as well to provide is we do have some readily available parcels on the other side of the airfield that we are planning on getting RFPs out right away. So, this will be kind of that next phase of growth as more services and things appear on the southside of the runway as opposed to where they are now on the northside.

Mayor Hartke – Obviously, next year we look at the CIP every year and if it looks like development is hot, we certainly re-adjust this and move things around on the ongoing year.

John Knudson spoke on the Boston Street Improvements CIP. Vice Mayor Stewart – Is that based on a CIP plan from years ago or recently is that the only thing we are doing downtown? That alley way back behind SanTan Brewery is an absolute mess. Is that part of this project? John Knudson – We have a very small portion of the alley from the new parking garage to the north where it ties into Boston. We have that little section of that alley, but we do not have anything beyond that. As far as the capital program we cover here that is the only downtown project that we have. Kim Moyer may be able to speak to a little bit more that they may have coming with some of the other developments.

Vice Mayor Stewart – Do you see any opportunities then moving any of those capital improvement projects up, I know you probably always have your eye on the ball on that would save us money in the long run. Seems like you guys have done an incredible job of continuing to put things forward that help save us money, improve water quality and all those things. Is there anything that if you had a magic wand you would speed up? John Knudson – Well we do have some concerns but not so much with the plants. I am more concerned with some piping we have; we obviously have the concerns about the 101/202 that same pipe that comes out of our plant. We have a very large pipeline that goes down Pecos Road and heads west that is at a single point of failure for the system and we are looking at a corridor study to actually find a redundant line to install a second line to act as a redundant system in case we lose one. I am more concerned about distribution system I think than the plant. The plants I think are in very very good shape and we have a pretty strong program lined out for those facilities. The water plant in particular for building new filters and going in and restoring our old filters systems and then beyond that have an idea maybe out in year 10, 12 or 15 way way out that we would actually decommission. I think most of you have been out to the plant and we have those large sediment basins that large area where we have the treatment going on and then next to that we have that little smaller structure we call the baluster flocculation facility and so what we are intending on doing probably is decommissioning the larger sedimentation basin and then building another baluster floc next to it so we would have twins and by doing that you would be saving a tremendous amount of money with decommission the old which the restoration costs of that would be huge so rather than keep that going we will move over and build a second baluster floc facility next to it. We have a long-term plan for the facility. So today I am not so concerned about the plant nearly as much as I am the pipes. Vice Mayor Stewart – So to follow up is that discussion happening about financing that. John Knudson acknowledged it is.

Councilmember Lopez – We talked about the 101/202 interchange there issue that we had previously. Is that the one we are getting state assistance on, right? Did that ever wind up coming through? Mayor Hartke – We are working on it. John Knudson – that work is in design we have actually brought on our contractor

along with us and we are going through all the gyrations of design, value engineering trying to understand the best methods to get the work done.

Community Services – Andy Bass

Community Services Director, Andy Bass, presented the FY 2020-21 Accomplishments, FY 2020-21 Budget, decision packages and an overview of the CIP for Community Services.

Vice Mayor Stewart – Andy thank you great presentation so far. As it relates to Tumbleweed when was that last masterplan, when did we do that last? Andy Bass – early 2000s Vice Mayor Stewart when we did the parks masterplan how did that conversation come up as it relates to the Tumbleweed masterplan? Andy Bass – So with our masterplan they did look at our needs out to 2035 and again there is a lot of information, so I am going to give you kind of the cut and dry. They did identify the needed fields that we will need by that time and they did identify we need basically a lot of youth athletic fields from multipurpose to baseball and softball fields, they were all identified as a definite need for our community. Vice Mayor Stewart – Sure and you are going to get into that a little bit more as it relates to the different parks and number of fields that you are projecting over the next few years. Andy Bass – That is definitely a part of the masterplan, absolutely.

Councilmember Roe – About the libraries I keep thinking back to Chandler High School converting their library to kind of a student union, computer lab/lunch area and are we planning some big changes for our libraries, innovative stuff. I get a feeling people are doing more and more electronics and the books are getting less use and we need multigenerational stuff. I hope we are working toward that Andy Bass – Yes absolutely that is one of our goals. We are not seeing a decrease in use in our libraries we have over a million people visit our 4 branches throughout the year. We do see a desire for digital content, and we do provide that. I say books are still in demand and going off the shelves. We are looking at how do we program these spaces. Recently we are working with our recreational staff and our library programming staff together to start putting together a true community program offering that will use both libraries and recreation centers for senior programming, children's programming and all family programming. We are trying to be a little more strategic as a full group.

Councilmember Harris – The downtown library has a video room where you can go there get on the computer, edit, film yourself they have green screen photography they have equipment for the public to use. Will they be offering that program to the other ones because I think that goes to what councilmember Roe was saying just being innovative? Outside of just being able to digitally access them but like other ways we are uniquely keeping up. I think we have a daycare as well. Andy Bass – to your point that's called the maker in downtown and that was the concept of how to allow people to have a creative space. So, we do have a studio, photography and we do have different types of printers we have a 3D printer to create stuff so I will say the library is much more than just books. One of the largest programs we do is English as a 2nd language program for the citizen process. So yes, to your point we are always looking to expand and think of new creative ways to engage the community.

Vice Mayor Stewart – Going back to the masterplan from 2004 as you run the department do you see I notice we are talking about putting in 4 lighted softball fields in Tumbleweed and there was some discussion we had over the past few years about creating sports tourism creating complexes that would fill the needs of the city as well as having lighted soccer fields because we have these windows in the evening where kids need to get off school and parents get off work and we are really short on lighted fields. Have you given any thought on maybe redoing that masterplan or reworking that creating more of a sports complex for Tumbleweed? Where is that at, the reason I ask is a 2004 masterplan seems like we should be updating that

before we start continue down that path based on usage, investment in other parks, and on the number of kids. we have double the kids here from 0-18 than we did in 2004 so I just want to hear your thoughts on that. Andy Bass – We have been throwing around a lot of ideas and we know there is a need working with the recreation groups and seeing the masterplan come in this week that is all part of identifying we have very serious needs of doing that. Trying to think of how do we do it better, we have considered using Tumbleweed as a place to do softball fields certainly we could do it there. We have also explored adding some to Snedigar and make that more of a diamond complex and Tumbleweed can be something else maybe it is multiuse fields. We have studied all those and are to the point where we have to make a decision so we can move forward on some of these projects. Vice Mayor Stewart – Can I recommend we try to do that before we start making this deeper investment and think of this from a grander plan and we also have Mesquite Groves fields which will be coming online soon. I just want to see that masterplan before we dig anything up, I would love to open those conversations.

Mayor Hartke – City Manager I know we are doing the parks masterplan presentation which again that conversation will be quite relevant and we can move our thoughts around, when are we having that? Joshua Wright – Yes Mayor we are going to, but I don't know the exact date but it is coming in the next month or so to come back to you with that parks masterplan and I do appreciate the conversation about more fields I think we have had that many times over the years. I do want to reemphasize what Mr. Bass said was a lot of these projects come with more fields so there quite a few fields that are already in your capital program that we will be adding. In terms of sports plex or one singular location obviously space is working against us as Chandler is 91.2% built out. Finding a spot to do that will require some shuffling or repurposing of things we already own. That is one of the things we are going to talk to you about as far as our park's masterplan. What you are doing is putting in the budget and we are creating a space for that so you are not locking into that specific alignment that would have to come back to you for project approval as well.

Councilmember Orlando – Andy I appreciate the update there is a lot going on. I am going to save my questions about Tumbleweed softball field for the larger discussion because my thought process is a lot like Vice Mayor Stewart. Do we consolidate, we don't consolidate, and then time frame because I know if we do Tumbleweed, we would have to do a road improvement, right? I don't know if there is a sequential time there or can it be done at the same time so I will reserve that one. I do want to talk about the recreation facility you had in here you have \$250K and a \$20K ongoing and I am seeing and x there that it did not make it so what is the story behind that one? Andy Bass – I will leave that to Matt as I am not sure what you are referencing. Councilmember Orlando it says Recreation Facility \$250K and it said unfunded. Matt Dunbar – that would be the initial place holder for recreation multi-gen facility as we were looking at other options throughout the city maybe repurposing with infill or something else. Because of other discussions that happened around that project, that was not funded and a new project was added as a Tumbleweed expansion multi-gen which incorporated all the feedback information we have gathered throughout the process. Councilmember Orlando – City Manager and Dawn you have been very generous this year almost 90 some percent of these new requests were fulfilled this year usually this has a lot of x's unfunded or revised. You have been very generous this year Christmas came early this year or what. Joshua Wright – As you heard Dawn mention earlier I think you are seeing the results of a pandemic impact that was not nearly as severe as we thought it might be, so you have a little more capacity. Somewhat of an anomaly this year but we tried to repurpose the best we could.

Councilmember Roe - I want to reiterate from my point of view on artificial turf. I have some reservations about big investments in doing that especially with how is it dealt with with soccer, football, and softball. I think there is some durability issues and other things. I would like to see some trials or some good demonstration of something we want for the future and then spend more. Andy Bass – Thank you and I

don't know if we want to get into that but certainly, we have a lot of information we can present to you. This is the new wave and I think you are seeing this at the local high school level here in the Phoenix area. Many of the Phoenix schools have installed this at their high schools and there are also high schools on this side of the valley that have it, and that makes a very good test case on how its performing with the heat factor and those things that are a major concern that we should consider before doing this. Mayor Hartke – That's not in this budget here I know that is part of the ARPA dollars so once we get into the parks discussion that will probably be a very good place to talk about that.

Councilmember Roe – You did say there were schools, so I think there is an opportunity for some improved relationships with them in the future for some of the shared use facilities. I hope that is true. Andy Bass – I hope so to, yes. Mayor Hartke – Don't we all. Vice Mayor Stewart – Yeah, I think schools have opened up a little bit more for kids to be able to practice. I think your department, or the Mayor worked with CUSD to make that happen I have heard some good things. I just wanted to let you know. Council and Mayor included I talk to parents all the time they are just really delighted that we remained open, our parks remained open and in your staff's service. Didn't we have a tournament here that was an all California tournament because they couldn't play sports. Andy Bass – There was more than one. Vice Mayor Stewart – Pouring into our hotels and restaurants over those weekends and I want to commend your staff in spite of all that usage the ability to let our kids out there and play during this pandemic was remarkable and a testament to what kind of community Chandler is. I am grateful for everyone here that supported that, and I am also grateful for your staff being able to maintain those fields as best they could during that overuse. Thank you. Andy Bass – Thank you for that.

Information Technology – Sandip Dholakia

Chief Information Officer, Sandip Dholakia, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for the Information Technology Department.

Councilmember Orlando – I noticed the Oracle optimization study what is that? Sandip Dholakia – The concept there was to have someone, or an organization come in be able to take a look at Oracle as the platform and how we are utilizing it. Then assist us to be able to come back with recommendations to be able to optimize how we are using it. Are we really using it to the fullest of its capabilities and are there things we can do differently than what we are currently doing? We removed that and so you see this contractor position put in, but we are also going to be looking at other strategy's for that through improvements and we going to look at a possible resource coming in approved through ARPA money as well. Councilmember Orlando – So basically through the contractor you think you can leverage some of those thoughts from them. Sandip Dholakia – That is correct. Councilmember Orlando – I saw you got funding for engineering and then computer upgrades what was that all about, were those rolled into something different? Matt Dunbar – That was an anticipated need. As we do these laptop replacements citywide, we have a replacement cost and each laptop versus a desktop has an additional cost associated with that. So, the initial thought of the request was that we would be needing, on an ongoing basis, to replace those laptops that are replaced on a more frequent cycle then a desktop additional ongoing dollars to the replacement fund. After review of that fund with IT and the anticipated needs it was determined that we don't think that fund will actually need that funding. We will reevaluate on an annual basis just to make sure that it looks like we are still going to meet the complete information technology replacement fund needs. Councilmember Orlando – The information security engineer was that something we have to do some more deep study on? Sandip Dholakia – That is correct. So, we are going to be recruiting for a chief information security officer which is currently a vacant position. Our thought process there is we would like to bring in a security officer, and through his or her assessment make a recommendation.

Mayor Hartke – I just wanted to say I hear so many great comments from other departments in working with you. It seemed like we were quite behind in addressing IT needs and I know you have done a herculean effort the last couple of years. Yes, there is still a lot to do but it's been very good to catch up. Whether it's with our magistrate, police or just really around our entire organization it seems like we have done an incredible number of projects over the last couple of years. I want to thank you and our staff's leadership in that regard. Sandip Dholakia – I appreciate that and that is something I attribute to the entire technology department and I will pass that on.

Cultural Development – Kim Moyer

Cultural Development Director, Kim Moyers, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for Cultural Development.

Mayor Hartke – With the Center for the Arts facilities again this is still a 50% share for any of the work done on the facility with CUSD. Kim Moyer – Correct, when it comes to anything we do with the CIP CUSD does offset that by 50%. Mayor Hartke – Vice Mayor had mentioned a little bit earlier I know you were here, so you heard it. Is there anything in the future to look at our main downtown area many of the stores that are on San Marcos way that behind section there seems like is getting more and more use. I would love to have you eyes or some eyes to look at that to see if there are some ways, we can spruce that up. It has become a thoroughfare rather than just an alley certainly not in this budget today, but I certainly would welcome what are some possibilities that can be done to enhance that since more people are back there all the time. Kim Moyer – We have actually been working with the City Manager talking about just that. When we did new square, it cleaned up one of our alleys. That alley that you are describing behind San Marcos will be primed with DC heights in some of the new development that is coming in that area. One of the reasons we focused on Wall Street before this area is, we did not know what was coming in there, so we did not know exactly what the utilities needs were going to be. Now that we have identified what those needs are it will be easier for us to go in and clean up that area.

Councilmember Orlando – I am intrigued about Wall Street where is the art going to go? Kim Moyer it will be right in front where the local is it will be an arch that says something like Wall Street. What we have envisioned in that area is an alley is an alley and we have to be careful because we don't want to take those alleys away because they have a very functional use. However they don't need to have trash come through there all day so we are looking at options where we can use it as a utility in the early mornings and then put some sort of barricades up so that it becomes more of a pedestrian path. All those businesses can put tables and chairs out there in the evenings and we can hold farmers markets, little art shows whatever. To really continue our mitigation to the south just a few years ago downtown was just a little historic square we just keep expanding and this will be another opportunity to continue that expansion. Councilmember Orlando – I remember the day where they stopped somewhere and that was the end of it, they didn't know that wall street was there with an art gallery. Its great news to see we are actually making a promenade there so people know its there. Good job.

Mayor Hartke – I do know obviously alleys have as you mentioned their functionality. I am often looking down at Peixota and I know we have given them extended grace when their store was shut down and they were doing extended carryout and people would pull into there. Is there a longer-range plan for that? I often see cars in there not knowing what to do whether they are going to turn into that alley and then there is a car stationary there. How long is this plan in place or maybe a better question not to be presumptuous is it currently working and is there a plan to do something different? Kim Moyer – it is working somewhat.

We have always, in all of the alleys, indicated one-way direction and we always have people who are going the wrong way. They don't see the signs they don't see any other cars coming they think there is not going to be a problem and they just go. We are actually working on a pedestrian study right now. This pedestrian study will have some signage attached to it to better help direct not only pedestrians but some of our vehicles in the downtown to direct them where they need to go. I think sometimes as much signage as we do have there is some specific signage that we still need to work on. So, we hope that will address some of what you are talking about right now. Mayor Hartke – it just doesn't seem like there is a good viable option on Arizona Avenue to do a non-parking pull out to get a cup of coffee. I am just always concerned when I see back up cars on Arizona Avenue heading south wanting to turn there and they can't turn there. Kim Moyer – Mayor we have provided quite a bit of leeway to all of our businesses throughout the City because of the pandemic and they were one that had to keep their doors closed. I think once they are comfortable to have full capacity some of that need will no longer be there.

Vice Mayor Stewart – We talked a while back a couple years ago and site 6 was a dirt lot and you added some lighting is there a continued plan to light up the downtown keep the trees lit up as well is that part of this. I mean the changes downtown, downtown has become a destination category and there's two parts to this question. With that being a little more flexible regard to outdoor dining etc. Chandler was kind of open for business during COVID in a very safe manner, so people are coming and it's a destination place. I know that we are getting a little bit we need more safety is what I am getting at, more lighting, more bodies, more bike cops, and things like that is that part of this or will that be. Kim Moyers – That is something that we continue to look at we work with the DCCP just this year we allowed some of the holiday lighting to say up for an extended period of time because it does create really a nice ambiance in the downtown. We continue to work with our bike team and with traffic on lighting and making sure the garage is safe and people feel safe. As we continue to talk about these alleys that is another area where we need to make sure we have proper lighting and make sure we are providing a very safe opportunity for them especially when we are encouraging them to walk in there. So yes, lighting will be a big part of what we are doing.

Neighborhood Resources – Leah Powell

Neighborhood Resources Director, Leah Powell, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, and decision packages for Neighborhood Resources.

Mayor Hartke – Leah how does this year compare to previous years. I know there has been a lot more federal funds that have funneled down for positions or grant funds. What is the base line compared to this year? Leah Powell – With our FTEs we don't have much change we have had a change of one position that you were presented. With the temporary staff that we have brought on the additional CARES team and that is comprised of about 5 people. We have had 5 fulltime temporary employees come in because of all the additional funding. Mayor Hartke – So again as the CARES dollars deplete that will also then impact those employees correct? Leah Powell – Yes Mayor that is correct. What we have done with all of the positions is of course we advertise them grant funded positions and that they are for whatever that time period may be. And then again we have also gone through and looked at how effective these positions are and what is the need for them and that is why we came back and asked for additional money to continue those positions on into the future. So, we continue to evaluate as we go along and identify funds to support those positions.

Vice Mayor Stewart – Are you seeing that our navigators supplementing some of the police work we are doing so they are the first point of contact for some of the homeless issues or is it police then navigator? Leah Powell – I think it kind of depends on where the call it is coming from. So, part of what we have done is try to do education to the businesses especially more in the downtown area and giving them the phone number so they can call navigation services first. I think for the general public a lot of time they are still

picking up the phone and calling the police first. Our police department and the navigation program work very closely together. The Chief and I have talked about even doing some additional things in the future. Our officers that are out on the beat and on the street know they can call one of our navigators and they have our full support. In turn our navigators will reach out to PD for assistance in cases as well. So, we are trying to educate the public that they don't have to call 911 but they can certainly call the navigator directly. I think that is their first reaction to call 911. Vice Mayor Hartke – Does the dispatch staff understand that as well as far as if someone calls the nonemergency line that they know to call a navigator first versus a police officer. Leah Powell – I think that is something better asked of the Police Chief because I am sure what comes into play are certain factors that they have to consider as whether they need to dispatch an officer. That is definitely a conversation that we can certainly have with the Chief to see if there is additional education or maybe we can come up with parameters together of when would be a good time to call a navigator.

Mayor Hartke – Just on that topic I believe in the Chiefs presentation the other day I don't have the exact number in my mind but its over a thousand calls for homelessness. So whatever way that we can have a diversion of calls over to your office when it is feasible and to when it makes sense that would certainly, from our perspective, be welcomed. I understand that there are calls for service and then there is sending people whatever diversion is possible that would certainly be seemingly welcomed. Leah Powell – Yes Mayor absolutely that is what we are working towards. We want to be a tool for the police department and help them.

Mayor Hartke – It was again out of the AARPA fund that but there was also at least the recommendation of an additional \$50K which again is in this budget but that also applies to the diversity and inclusion event is that correct? Leah Powell – Yes so there is an additional \$50K that my understanding is in the ARPA funding that we can be used towards an event or maybe toward some staff support. Quite frankly we are staffed pretty much at capacity so our preference would be able to use that toward bringing temporary staff in to assist especially with the marketing. What we learned from the survey is that a lot of people did not know the program existed or the events were happening. We really need to do much more in that marketing. With social marketing there is not a lot of costs to it for not buying materials per say but there are the man hours that we need to be able to keep up with it. Mayor Hartke – I do recall that being the number one result of the survey was just find a better way to communicate amongst our diversity groups in Chandler.

Police – Chief Sean Duggan

Police Chief, Sean Duggan, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for the Police Department.

Mayor Hartke – Chief we also understand in the budget here all the additions that we addressed two days ago are not part of this presentation in general I mean not concerning the ARPA dollars in terms of the budget. Chief Duggan – Correct.

Councilmember Orlando – I have been asking this all day long so don't take it personal. On the deltas here for police investigative specialist program 2 people, that was not funded or is that funded with this new 10-person plan. I am referring to page 61 of the budget highlights. Chief Duggan – We currently have two police positions that we split up about a year and half ago and they have been funded through salary savings. So, the request this year initially was to fund those as a permanent FTE, but we will continue to use salary savings to keep those positions on board. Councilmember Orlando – So they are already here. Chief Duggan – They are already here. Councilmember Orlando – So they just weren't going to be converted. Chief Duggan – They are funded through salary savings. Councilmember Orlando – The mental health

coordinator we got that one. The other one was the business systems coordinator I see that was partially funded or revised it was one person FTE. Chief Duggan – Correct it was initially requested for ongoing and move to one-time funding. Councilmember Orlando – but you still have that body, though right? Chief Duggan – Yes. Councilmember Orlando – the command central aware platform \$384K what is the status of that one. Chief Duggan – That is a software that our dispatchers would use that would bring together all those disparate systems under one centralized space so when we talk about whether it is the ring door bell, the alarms, the medical alerts all this new technology is kind of sporadic and this software through Motorola Command Center would help centralize all that and make it easier to process. So, the concern there was we need to work collaboratively with City IT and plan out the timing. They have other projects right now that they are working on so this is something that we are talking about and we will come back next year with the same request when they have the capacity to help us install this. Councilmember Orlando – and then recruit technology equipment I think you talked a little bit about that. Chief Duggan – Those are the laptops that was partially funded. Councilmember Orlando – That was partially funded but you are ok with that. Chief Duggan agreed. Councilmember Orlando – The temporary background investigators does that give you a total of two or three. Chief Duggan – Four we have two funded right now and we are asking for two contract people to get us over this hump over the next year or two. Councilmember Orlando – And then the investigative equipment partially funded as well, right. Chief Duggan – That's funded. Councilmember Orlando – Oh that is funded.

Councilmember Ellis – Well done Chief. Thank you!

Mayor Hartke – Obviously, there is a task on ongoing to enter this in the budget and with everything else it is worth that gets discussed thank you for coming forth with your recommendations. I think several councilmembers asked you for that projection.

Councilmember Orlando – So on the 67 positions is the 5-year plan you are looking at 27 on this year and we talked about that already and 10 more, 10 more, 10 more, right. Chief Duggan – Yes that is the number that I have identified that will help maintain our safe city status and will continue to ensure that we keep up this trajectory of being a very safe city. Councilmember Orlando – Just to clarify that is in addition to the numbers you have here on page 60 the temporary numbers you're still keeping those as well. This is all additions right because I know you have a training officer in here and you have a training officer on this page 71 I didn't know if that was the same person or are you going to convert that number or is it the same training officer. Chief Duggan – I don't know where that is at. Councilmember Orlando – it doesn't matter. Chief Duggan – I have outlined specifically what our needs are in the 5-year plan and I would like to have one of those positions this upcoming fiscal year.

Acting City Manager Joshua Wright – Thank you Mayor and Council, I just want to make sure everybody sees the note at the bottom because I feel like it is important that we acknowledge that. What the council directed several weeks ago that we talked about this issue that we come back with the plan that the Chief has provided you with. I do think it is our obligation to note that relies on assumptions going forward and we need to be cognizant of that. We talked about CARES and ARPA dollars on Wednesday and again we do not have those dollars in hand. We will be coming back to council to kind of proof that framework that we talked about at that high bucket level if you will. So that will need to happen in order to affect the first year of this and then again, we are going to have to come back each year and revisit where we are financially. I don't have that crystal ball or the medium that Mr. Dunbar does he is the only one that gets to go in there. So, we will need to come back and have that conversation in subsequent years so I don't want to get the impression that it's a done deal the money is there and you can do whatever you want that is not the case.

This is something that is a laid-out plan and come back every year to make sure that we are where we need to be financially to support these goals.

Councilmember Ellis – Thank you for the contribution.

Councilmember Orlando – Thank you Chief for giving us these numbers this is our go forward plan and I certainly appreciate that.

Councilmember Harris – Thank you Chief for these numbers I think we have been asking for these numbers for a while. I want to ask you one question though. Even to Josh's point but to you Chief including these numbers how confident with the population growth that we project could possibly happen if everything works out well do you think this will be enough or do you think that will have to be a conversation that you will have to look at and evaluate further down the road? Chief Duggan – Everything I talked about today are based on today's challenges and know threats. All of this is subject to change and when you evaluate financially from year to year will also evaluate population, challenges, and everything else. This is what we know today, and I am confident in that number but none of it is locked in stone because the world changes.

Fire – Chief Tom Dwiggin

Fire Chief, Tom Dwiggin, presented the FY 2020-21 Accomplishments, FY 2021-22 Budget, decision packages and an overview of the CIP for Fire.

Vice Mayor Stewart – If we are saving money by adding a rover with overtime as well as down time. Why just the one or would it make more sense would two be better. Is there a law diminishing returns here I am all about saving money? Chief Dwiggin – We did ask for 3 initially we were given 1 FTE for those position and then we were going to come back next fiscal year and ask for the other two bodies. I can tell you that I spent a lot of time with our Acting City Manager probably more than he wanted and then with our Management Services Director and we have found a solution to leverage our public safety reserve. I can tell you that we will have these two additional to cover all 3 of our shifts in our fire academy in October so we will walk out of here with 3 rovers.

Councilmember Orlando – I am going over again the budget highlights book. It looks like you got the other two firefighters that's great news. The fire operations overtime adjustment you had \$332K so the \$170K is probably in range since you got the 2 other rovers, right. Chief Dwiggin – Absolutely that puts us in a great spot moving forward that will help us making sure all our units are staffed at a minimum level. There will be an offset we won't need as much of that because we are getting new rovers. Councilmember Orlando – that makes sense why that was partially funded. Councilmember Orlando – The pre-incident planning tool what is that? Chief Dwiggin – That is a piece of software and what that allows us to do is to are companies can go into any type of business and if they see hazards they can put that in the software. Let's say that there are hazmat doors in one specific room and then what will happen is other crews can update it as they walk through this facility. That will be put into our CAD system if there is a fire in a building where one of our crews recognized that they had hazmat doors, high power storage or blocked access things like that it will actually pop up on their screen and they will have the capability to look at it as they are pulling in. Councilmember Orlando – What is the rationale for not funding it one-time this year is there something you need to do? Chief Dwiggin – I believe it is ongoing. Councilmember Orlando – Oh its ongoing.

Councilmember Harris – I just want to say thank you so much. The firefighters were a big part of this pandemic and we are in kind of the bounce back stage but I know how much work and energy your men

have put in. I just want to let you know and thank you for doing a good job serving the residents of Chandler. Thank you. Chief Diggins – Thank you.

Councilmember Lopez – I think back about a year ago and how often we were meeting and all the reports and I kind of miss that maybe we can bring it back sometime. Mayor Hartke – I do not miss weekly exec. sessions.

Wrap up – Joshua H. Wright, Acting City Manager

Acting City Manager, Joshua H. Wright, gave closing remarks. He thanked everyone for attending and for their participation. Then the Mayor and each Councilmember gave their closing remarks

The meeting was adjourned at 3:47 p.m.

ATTEST: _____
City Clerk

Mayor

Approval Date of Minutes: June 10, 2021

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting - All Day Budget Briefing of the City Council of Chandler, Arizona, held on the 23rd day of April 2021. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of June, 2021.

City Clerk