

Meeting Minutes

City Council Regular Meeting

April 28, 2022 | 6:00 p.m.
Chandler City Council Chambers
88 E. Chicago St., Chandler, AZ



Call to Order

The meeting was called to order by Mayor Kevin Hartke at 6:02 p.m.

Roll Call

Council Attendance

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

Appointee Attendance

Joshua Wright, City Manager
Tadd Wille, Assistant City Manager
Kelly Schwab, City Attorney
Dana DeLong, City Clerk

Invocation

The invocation was given by Pastor Tim Klontz, Family Bible Church.

Pledge of Allegiance

The Pledge of Allegiance was led by Vice Mayor Roe.

Consent Agenda and Discussion

Airport

1. Resolution No. 5574 Authorizing a Grant Agreement with the Arizona Department of Transportation (ADOT) to Accept an Airport Pavement Management System (APMS) Grant
Move City Council pass and adopt Resolution No. 5574 authorizing a grant agreement with the Arizona Department of Transportation (ADOT) to accept an Airport Pavement Management System (APMS) grant in the amount of \$617,580; and authorizing the City

Manager, or designee, to execute the agreement and all other documents necessary to effect the agreement.

City Clerk

2. March and April 2022 City Council Minutes
Move City Council approve the Council Meeting minutes of the Special Meeting Budget Workshop 2 of March 24, 2022, Work Session of April 11, 2022; Study Session of April 11, 2022; Special Meeting of April 14, 2022; and Regular Meeting of April 14, 2022.
3. Board and Commission Appointments
Move City Council approve the Board and Commission appointments as recommended.

Community Services

4. Purchase of Furniture from Educational Furnishings of Arizona, LLC, for Library Enhancements
Move Council approve the purchase of furniture, from Educational Furnishings of Arizona, LLC, utilizing State of Arizona Contract No. ADSPO18-211723, in the amount of \$71,509.73.

Development Services

5. Final Adoption of Ordinance No. 5008, ANX21-0007 Annexation and initial City Zoning of Approximately 10.12 Acres Located at the Southeast Corner of Chandler Heights Road and 124th Street
Move City Council adopt Ordinance No. 5008 approving ANX21-0007 annexation and initial City Zoning of approximately 10.12 acres as recommended by Planning staff.
6. Final Adoption of Ordinance No. 5009, Rezoning PLH21-0077/PLT21-0048 Hazelwood by Keystone Homes, Located at the Southeast corner of Chandler Heights Road and 124th Street, Approximately ½ Mile East of McQueen Road
Move City Council adopt Ordinance No. 5009 approving PLH21-0077 Hazelwood By Keystone Homes, Rezoning from AG-1 to PAD for a single-family residential subject to the conditions as recommended by Planning and Zoning Commission.
7. Professional Services Agreement No. DS2201.201, with Kimley-Horn and Associates, Inc., for Design Services for the Outside Plant Fiber Telecommunications Remote Buildings
Move City Council award Professional Services Agreement No. DS2201.201 to Kimley-Horn and Associates, Inc., for design services for the outside plant fiber telecommunications remote buildings, in an amount not to exceed \$248,937.

Economic Development

8. Purchase of Tourism Summer Campaign Services

Move to approve the purchase of summer campaign services for the tourism program, from Travelscape, LLC, dba Expedia Group Media Solutions, in an amount not to exceed \$50,000.

Facilities and Fleet

9. Agreement No. BF9-910-4013, Amendment No. 2, with Rycon Industries, Inc., dba Skyline Window Cleaning, for Window Washing Services
Move City Council approve Agreement No. BF9-910-4013, Amendment No. 2, with Rycon Industries, Inc., dba Skyline Window Cleaning, for window washing services, in an amount not to exceed \$60,000, for a one-year term, February 1, 2022, through January 31, 2023.
10. Project Agreement No. BF2102.402 with FCI Constructors, Inc., Pursuant to Job Order Contract No. JOC1911.401, for Phase I Security Fencing Upgrades for Courts Facilities
Move to award Project Agreement No. BF2102.402 to FCI Constructors, Inc., Pursuant to Job Order Contract No. JOC1911.401, for Phase I Security Fencing Upgrades for Courts, in an amount not to exceed \$346,500.
11. Project Agreement No. BF2102.403 with FCI Constructors, Inc., Pursuant to Job Order Contract No. JOC1911.401, for Phase II Security Fencing Upgrades for Police Facilities
Move to award Project Agreement No. BF2102.403 to FCI Constructors, Inc., Pursuant to Job Order Contract No. JOC1911.401, for Phase II Security Fencing Upgrades for Police Facilities, in an amount not to exceed \$413,082.

Human Resources

12. Agreement No. HR9-953-4004, Amendment No. 1, with CorVel Corporation, for Third Party Claims Administration for Worker's Compensation
Move to approve Agreement No. HR9-953-4004, Amendment No. 1, with CorVel Corporation, for third party claims administration for worker's compensation, in an amount not to exceed \$80,000, for the period of two years, beginning July 1, 2022, through June 30, 2024.

Management Services

13. Resolution No. 5572 Pension Funding Policy Update
Move Council approve Resolution No. 5572, adopting the updated Pension Funding Policy and accepting the City's share of assets and liabilities under the Public Safety Personnel Retirement System Actuarial Valuation Report.
14. Resolution No. 5573 Authorizing the Submittal of a \$50,000 Pass-Through Indian Gaming Grant Application from Dignity Health Foundation – East Valley to the Fort McDowell Yavapai Nation for the Purchase of General Surgical and Robotic Simulators
Move City Council pass and adopt Resolution No. 5573 authorizing the submittal of a \$50,000 pass-through Indian Gaming Revenue Sharing Grant Application from the Dignity

Health Foundation – East Valley to the Fort McDowell Yavapai Nation for the purchase General Surgical and Robotic Simulators

15. Agreement No. MS1-926-4312, Amendment No. 1, with Emergency Environmental Services; GrayMar Environmental Services, Inc.; and Kary Environmental Services, for Emergency Environmental Response and Remediation Services
Move Council approve Agreement No. MS1-926-4312, Amendment No. 1, with Emergency Environmental Services; GrayMar Environmental Services, Inc.; and Kary Environmental Services, for emergency environmental response and remediation services, in a combined amount not to exceed \$150,000, for the period of one year, beginning July 1, 2022, through June 30, 2023.
16. Claims Report for the Quarter Ended March 31, 2022
Move to accept the claims report for the quarter ending March 31, 2022, which is included with this memo as an attachment.

Neighborhood Resources

17. Resolution No. 5580 authorizing submittal of an application for an Indian Gaming Revenue Sharing Grant to the Fort McDowell Yavapai Nation for Chandler Housing and Redevelopment
Move City Council pass and adopt Resolution No. 5580 authorizing submittal of an application for an Indian Gaming Revenue Sharing Grant to the Fort McDowell Yavapai Nation for Chandler Housing and Redevelopment in the amount of \$120,891.98.

Police Department

18. Resolution No. 5575 Authorizing an Intergovernmental Agreement between the City of Chandler and City of Phoenix for the Arizona Internet Crimes Against Children Task Force
Move City Council approve Resolution No. 5575, authorizing an Intergovernmental Agreement with the Phoenix Police Department (PPD); and authorizing the Chief of Police to sign, administer, execute, and submit the Agreement and all documents and other necessary instruments in connection with such Agreement.
19. Resolution No. 5576 Authorizing Amendment No. 1 to the Intergovernmental Agreement Between the City of Chandler and the Town of Gilbert for a Joint Holding Facility
Move City Council approve Resolution No. 5576, authorizing Amendment No. 1 to the Intergovernmental Agreement (IGA) between the City of Chandler and Town of Gilbert for a Joint Holding Facility.
20. Resolution No. 5577 Authorizing two Intergovernmental Agreements Between the City of Chandler and Maricopa County for Animal Care and Control Services and Animal Sheltering

Move City Council adopt Resolution No. 5577 authorizing two Intergovernmental Agreement (IGA) with Maricopa County through Maricopa County Animal Care and Control; authorizing the Mayor to sign the Agreements; authorizing the City Manager/Designee to approve and execute the Year 3, Year 4 and Year 5 extensions if the cost does not exceed ten percent of the initial annual costs; and authorizing the City Manager/Designee to sign, administer, execute, and submit all documents and other necessary instruments in connection with such Agreements.

21. Project Agreement No. PD2208.401 with FCI Constructors, Inc. (CO Corp), Pursuant to Job Order Contract No. JOC1911.401, for the Chandler Heights Police Substation Courtyard Cover
Move City Council award Project Agreement No. PD2208.401 to FCI Constructors, Inc. (CO Corp), Pursuant to Job Order Contract No. JOC1911.401, for the Chandler Heights Police Substation Courtyard Cover, in an amount not to exceed \$125,321.

Public Works and Utilities

22. Final Adoption of Ordinance No. 5011 Granting an Irrigation Easement to Roosevelt Water Conservation District, At No Cost, For an Existing Underground Irrigation Facility West of White Place and North of Chandler Heights Road
Move City Council approve final adoption of Ordinance No. 5011 granting a no-cost irrigation easement to Roosevelt Water Conservation District for an existing underground irrigation facility that crosses the west side of White Place just north of Chandler Heights Road.
23. Agreement No. PW9-962-4035, Amendment No. 3, with Eurofins Environment Testing Southwest, LLC; Legend Technical Services of Arizona, Inc.; and Radiation Safety Engineering, Inc., for Laboratory Testing Services
Move to approve Agreement No. PW9-962-4035, Amendment No. 3, with Eurofins Environment Testing Southwest, LLC; Legend Technical Services of Arizona, Inc.; and Radiation Safety Engineering, Inc., for laboratory testing services, in a combined amount not to exceed \$379,000, for the period of May 1, 2022, through April 30, 2023.
24. Sole Source Purchase of Borger Rotary Lobe Pumps
Move Council approve the sole source purchase of Borger rotary lobe pumps, from Goble Sampson, Inc., in an amount not to exceed \$240,000.
25. Sole Source Purchase of Klampress Meter Belt Press Rebuild Services, from Alfa Laval, Inc.
Move to approve the sole source purchase of Klampress meter belt press rebuild services, from Alfa Laval, Inc., in an amount not to exceed \$450,000.

26. Professional Services Agreement No. WW2206.201, with Wilson Engineers, LLC, for the Reclaimed Water Conveyance Improvements Design Services
Move City Council award Professional Services Agreement No. WW2206.201, to Wilson Engineers, LLC, for the Reclaimed Water Conveyance Improvements Design Services, in an amount not to exceed \$3,644,659.
27. Professional Services Agreement No. WW2207.101, with Matrix New World Engineering, Land Surveying & Landscape Architecture, PC, for the Aquifer Storage and Recovery Wells Siting Study Consultant Services
Move Council award Professional Services Agreement No. WW2207.101, to Matrix New World Engineering, Land Surveying & Landscape Architecture, PC, for the Aquifer Storage and Recovery Wells Siting Study Consultant Services, in an amount not to exceed \$65,428.
28. Construction Manager at Risk Contract No. WW2111.401, Change Order No. 1 - GMP2, with Achen-Gardner Construction, LLC, for the Chandler Heights Road Utility Relocations
Move to award Construction Manager at Risk Contract No. WW2111.401, Change Order No. 1 - GMP2, to Achen-Gardner Construction, LLC, for the Chandler Heights Road Utility Relocations, in an amount not to exceed \$3,396,940.40.

Consent Agenda Motion and Vote

Councilmember Orlando moved to approve the Consent Agenda of the April 28, 2022, Regular City Council Meeting; Seconded by Councilmember Ellis.

Motion carried unanimously (7-0).

Public Hearing Item No. 29

29. Public Hearing Regarding Proposed Changes to Certain Water, Wastewater, Reclaimed Water, and Solid Waste Fees

Open Public Hearing

MAYOR HARTKE opened the public hearing.

Staff Presentation

MATT DUNBAR, Budget Manager, presented the following presentation.

- Utility Rate Public Hearing
- Agenda
 - Utilities Revenue Requirements
 - History of Rate Information Presented
 - Cost of Service Findings
 - Water

- Wastewater
 - Reclaimed
 - Solid Waste
- Proposed Ordinance and Resolution
- Utility Revenue Requirement
 - Annual ten-year analysis shows overall rate increase needed of:
 - 2% Water
 - 4% Wastewater (initially 8%)
 - 8% Reclaimed Water
 - 6% Solid Waste
 - Increased revenues needed to support:
 - Water treatment and production plant improvements
 - Water reclamation facility improvements
 - Focused replacements of:
 - Main replacements
 - Well construction and rehabilitation
 - Sewer assessments and rehabilitation
 - Advanced wastewater treatment
 - Operations and maintenance costs (O&M)
 - Water purchase costs increases
 - Utility and chemical increases
 - Solid waste contract costs and recycling considerations
- Cost of Service Study Benefits
 - Fair and equitable, approach most commonly utilized in Water and Wastewater industry
 - More accurately reflects actual cost of providing service to each customer class
 - Distributes revenue requirements to customer classes based on their portion of system costs
 - Customers in each class are assumed to have similar usage characteristics or impact to system.
- Rate Change Process
 - Rate change information
 - Anticipated FY 2021-22 rate increases discussed in work sessions and identified in Adopted Budget
 - Many HOAs and businesses contact the City starting in September to gather rate change information for their budget process
 - Increases shown for FY2021-22 were 2% Water, 8% Wastewater, 8% Reclaimed and 6% Solid Waste
 - Rate change timing
 - If rate adjustments need, implemented every-other year
 - Anticipated FY 2021-22 rates were to take effect January 2022
 - Cost of Service (COS) Studies done every 4-5 years

- Due to delays in the COS process with COVID impacts and consultant personnel turn-over, planned rate increases delayed 6 months at lower overall rates and COS adjustments.
- History of Rate Information presented
- Rate Change Outreach
 - Public Outreach: Website
 - Public meeting schedule, Council action schedule, process timeline
 - Rate changes by classification, example bills, FAQs
 - History of rate changes, and 5-year anticipated rate alignment
 - Cost of Service (COS) presentations, COS report
 - Video presentation
 - Public Outreach: Meetings
 - Residential focused public meetings 1/31/22
 - Residential with alley solid waste collection focused meeting 2/3/22
 - Non-residential focused meeting 2/8/22
 - Chamber allowed us to present at their public policy meeting 2/4/22
 - Met with individual stakeholders as needed.
 - Information was also communicated in CityScope, Utility bill messaging, Message board at RSWCC, Social media posts, media release, and data and interviews provided for news articles
- Water Cost of Service Findings
- Water Percentage Increase to Reach 100% COS Alignment
 - All Customer Classes need COS realignment
 - Transition to COS alignment typically achieved over a 3-5 year period
 - Revenue Requirement is a 2%, 2.5%, and 2.5% overall increase
- Water Average Bill Example
 - All Customer Classes need COS realignment
 - Transition to COS alignment typically achieved over a 3-5 year period
 - Revenue Requirement is a 2%, 2.5%, and 2.5% overall increase
- Wastewater Cost of Service Findings
- Wastewater Percentage Increase to Reach 75% COS Alignment
 - All Customer Classes need COS realignment
 - Transition to COS alignment typically achieved over a 3-5 year period
 - Revenue Requirement is a 4%, 6%, and 6% overall increase
- Wastewater Average Bill Example
 - All Customer Classes need COS realignment
 - Transition to COS alignment typically achieved over a 3-5 year period
 - Revenue Requirement is a 4%, 6%, and 6% overall increase
- Reclaimed Water Findings
- Reclaimed Percentage Increase and Average Bill Example
 - Revenue Requirement is an 8%, 7%, and 7% overall increase

- Solid Waste Findings
- Solid Waste COS Analysis
 - Rate increase needed to cover increased O&M costs: 6%
 - Recycling market depressed since 2018 reducing recycling revenues
 - New contract for collection provides predictability on future costs
 - Additional Recycling Solid Waste Collection Center (RSWCC) data available for analysis
 - Options to align COS and reduce overall rate increase:
 - Charge recipients for cost of services:
 - Alleys / RSWCC / Bulk
 - These COS alignments reduce overall revenue requirement to 3.4%
 - Additional \$1.61 for alley customers
 - Bulk collection: 2 free per calendar year then \$30 accommodates 98% of households
 - RSWCC visits: 2 free per calendar year then \$10 per visit (up to 400 lbs.) pay for all weight over 400 lbs. accommodates 95% of households
- Solid Waste Percentage Increase and Average Bill Example
 - Revenue Requirement is a 3.4%, 5%, and 5% overall increase
- Combined Percentage Increase Combined Average Monthly Bill Increase
- Residential Total Average Bill Comparison
- For changes to be effective an Ordinance and Resolution are both needed
 - Ordinance #5007 allows for changes to City code chapters 44 and 50 to make the needed rate and fee policy adjustments
 - Resolution #5558 allows for changes to the fee schedule which is where solid waste fees are presented
- Strategy / Timeline

Council Discussion

MAYOR HARTKE asked how we compare methods of communication over time, how we compare to other cities, and how do we add new ways of notification.

MR. DUNBAR answered that he is not sure how Chandler compares with other cities. This effort was as robust as possible. They try to make improvements based on feedback from each year. The website received a lot of views along with the YouTube video. There were press releases and CityScope news went out early 2022. The three public meetings included around 200 people which generated around 400 comments, especially relating to alley pickup. There was a lot of impressions on social media, so the information was received by many people in a variety of ways and there were ways for them to provide feedback to Council.

MAYOR HARTKE said this is his third or fourth rate study he has experienced. Mayor Hartke said Chandler is known as a city that plans ahead and we have prepared for this well. Mayor Hartke thanked staff and Council for the work done on this.

COUNCILMEMBER ORLANDO thanked Mr. Dunbar for the presentation. Councilmember Orlando confirmed that each year, Council would vote on the fees in the fee structure five-year period.

MR. DUNBAR said yes that is what would happen on an annual basis. The cost-of-service alignment for wastewater is more unaligned because the last time the rate changes were implemented, year one changes were implemented, by the time year three was reached, the rate increase was unnecessary because of adjustments made to allow us to not have a major capital infrastructure need. The need for a rate increase is checked on an annual basis. If a rate increase is needed it would happen, but if it is unneeded, it is not done.

COUNCILMEMBER ORLANDO asked if any of these projects would be affected by the infrastructure bill.

JOSHUA WRIGHT, City Manager, said it is still unknown as to how the money would be distributed. There is not yet guidance on how to access that money, so it is difficult to plan a rate case around that. If the infrastructure dollars could be accessed, and we would not need a rate increase, we would factor that into future discussions.

COUNCILMEMBER ORLANDO said that there has been lots of water involved in infrastructure systems. The key is utilizing those infrastructure funds to offset some of the costs.

MAYOR HARTKE mentioned that one of his goals to discuss in Washington, D.C. with GPEC is to look at infrastructure that affects cities and the CHIPS for America Act. 75% of advanced manufacturing semiconductors is done in Chandler, and we bear a large share of the cost of manufacturing. Mayor Hartke said that it is possible to use these funds so that the rate increases can be deferred or dampened.

COUNCILMEMBER STEWART commended staff for their work on this. Councilmember Stewart asked for future review from staff in a year to see where the pricing is relating to 75% instead of 100% for wastewater.

COUNCILMEMBER HARRIS asked when the rate increase would go into effect.

MR. DUNBAR answered the effective date would be July 1, 2022.

COUNCILMEMBER HARRIS asked if there had been consideration on pushing the rate increase effective date to January 2023 to give people more time to adjust their budgets.

MR. WRIGHT answered that this implementation was delayed from the normal schedule already to ensure that we have the most current data and because of COVID impacts. There would be an impact on the budget by pushing the implementation back.

DAWN LANG, Deputy City Manager/Chief Financial Officer, explained that a six-month delay was examined across all enterprise funds it would have a \$2.2 million impact on the budget. There is one specific fund that would be impacted that would require a larger rate increase. The water fund would require a higher increase at the next consideration.

COUNCILMEMBER HARRIS asked how much the water bill would increase if the delay were put in place.

MS. LANG answered that if the increase was delayed from July 1, 2022, to January 1, 2023, the water bill rate change instead of a 2.5% increase would be a 3 – 3.5% to make up the revenue difference. The current recommendation cannot change.

COUNCILMEMBER HARRIS asked for confirmation that if a delay was requested, the process of public information and notifications would have to start over again.

MS. LANG answered that because what is required in the Arizona Revised Statutes has been completed, if Council made a motion to delay to January 2023, the public outreach would not be necessary to repeat. It would delay the implementation of the ordinances until January 1, 2023. Future increases planned for January 2024 would then need a higher rate of increase to accommodate this projection from the loss of revenue.

VICE MAYOR ROE thanked Mr. Dunbar for the presentation. Vice Mayor Roe said that there is a clear path of the expected rate and what the public can expect. For the future if there are mitigating circumstances and there is an additional need beyond what is projected, this process could be redone.

MS. LANG confirmed that the process could be redone if needed. It is a large endeavor for staff to work with a consultant on a cost of service study.

VICE MAYOR ROE said this has been discussed thoroughly and he was in support.

MAYOR HARTKE added that if there is a desire to change percentage, that could be picked up at the next rate increase, if Council would want to move the one fund from 75 to 100 and adjust after this item. It will come to Council the next time for a rate increase.

MS. LANG confirmed that it would be based on the adjustments made in the current cost of service study but would be adjusted accordingly if rate increases were higher or lower.

MAYOR HARTKE confirmed that as an enterprise fund, they must fund these water needs. It cannot be taken out of general funds; it cannot be avoided. As an enterprise fund, it is required to pay for itself. There have been slow incremental anticipated increases rather than large increases.

MS. LANG agreed.

Discussion from the Audience

MAYOR HARTKE read a comment card from Nevin Bajuo:

Trash can to stay in alley.

MAYOR HARTKE confirmed that the trash cans would stay in the alley.

JOHN SULLIVAN, 398 N. Hartford St., spoke in favor of continuing alley collection. There are people saying that one side of the alley has dumpsters, while the other side has curbside pickup. There are only two households using curbside service. Mr. Sullivan suggested that everyone who wants alley service can get it, as they are willing to pay for it. There is only one resident who solely wants curbside service. Mr. Sullivan commented on the change from about eight bulk pickups a year to only two. Mr. Sullivan requested free unlimited trash service at the solid waste center.

MAYOR HARTKE said staff would look into Mr. Sullivan's concerns regarding the alley.

RICK HEUMANN, 4310 W. Dublin St., represented the Chandler Chamber of Commerce. Mr. Heumann complimented Mr. Dunbar and Ms. Lang's presentations. With the inflationary pressures that we are facing as a business community, being asked to delay this until January 2023 so budgets can be completed makes sense, as the 2022 budgets are done. Anticipating a change cannot happen until the change is approved. In 45 days, there is likely to be a major rate increase for businesses and for HOAs. Irrigation rates are going up 6% which would affect a lot of homeowners' associations especially in July when there is the heaviest water use. The \$2 million charge from potentially delaying. If businesses can plan, and plan for adding to the rate increase in January 2024, that could be anticipated and planned around. Considering other inflationary pressures like fuel prices, electricity, transportation. Adding another pressure will hurt the business community. Mr. Heumann requested that Council consider delaying the implementation of the rate increase to January 1.

COUNCILMEMBER STEWART asked if staff had received any correspondence from business owners about the rate increase.

MR. WRIGHT said there was extensive outreach, and there were many conversations beyond that with the business community.

MR. DUNBAR said we had several conversations with the business community. In the presentation for non-residential businesses, there were several businesses who attended. Most of the comments were questions for clarification purposes, there were no comments received for or against the increase. Comments received through comment cards were unable to be determined if the commentor is a resident or business owner. A majority were related to the alley services.

COUNCILMEMBER STEWART asked about the feedback received from HOAs.

MR. DUNBAR said they heard from one HOA asking for clarification on when the rates would go into effect. Prior to the cost of service study, they were hearing from other HOAs.

VICE MAYOR ROE asked to compare the cost of services compared to other communities.

MR. DUNBAR answered that the residential side comparison was made. Mr. Dunbar added that the presentations done with Council were posted online, which showed all the classifications of users compared to other valley cities.

VICE MAYOR ROE said when research was being done on other cities' rates, there was a city that had a dramatic increase because they had delayed some steps between increases.

MR. DUNBAR said that was what they found. In the presentation tonight, Gilbert has implemented new rates, so they were included as a comparison. Other comparisons were based on other cities previous years' rates. In many of the classifications examined, Chandler was in the lowest.

MAYOR HARTKE restated that we did reach out to the business community and made information available to the HOAs; when specific groups responded to staff, we went back and answered their questions.

MR. DUNBAR affirmed that this did happen, there was communication with comment cards answering questions from residents. For those that reached out, there was explanation as to why this was happening, why the changes were going into effect, and did outreach in that form. Staff learned new opportunities for education and outreach along the way. Additional avenues of outreach will help reach residents and businesses to inform any forthcoming changes.

RUTH JONES, 2734, E. Birchwood Pl., shared concerns about the rate increase occurring at this time. While there was plenty of printed material, public meetings were not well advertised to the public. The first meeting was for residential customers, and less than 20 residents attended. Opportunities to learn about the increase, ask questions, and voice their opinions were not

shared. There was not a large group of people representing the largest group of homeowners available. The second meeting for alley customers was well attended, and when asked about how they knew about the meeting, residents said they had received a letter. Ms. Jones had asked why there was difficulty in getting the word out. Letters would be a good way to reach those who are not computer users, the elderly, or disabled people. If there are residents without this access to websites, public meetings serve as the opportunity to have their voices heard and that was missed in this process. Ms. Jones agreed with Mr. Heumann's comment about the rate increase impacting businesses. Raising rates in times of high inflation without residents having an opportunity to plan will impact those on fixed incomes, the elderly, and those without resources to pay the increase. Ms. Jones encouraged a later implementation with more research done.

MAYOR HARTKE asked if the A-Okay Program is still engaged for those on fixed incomes and asked if the increase would amount to \$10 a year. Mayor Hartke asked for those struggling with paying this, what other relief is available. Mayor Hartke also asked how the public meetings are advertised.

MS. LANG answered that A-Okay is an option for any residents or businesses to add to their utility bills, the fund is accumulated and is available to anyone struggling to pay their utility bills. That is a resource that utility billing representatives offer to citizens. There are federal dollars that Chandler has received that go towards utility and rent assistance that are currently being used and have been used through the pandemic. The Neighborhood Resources team works to make sure the funds are connected to the people in need. Ms. Lang said it is not typical to have large attendance at public meetings. This year had the highest attendance, because of virtual options. This was the only year that they have been able to offer virtual and in person options. Ms. Lang said regarding the difficulty of the meeting advertising, the public outreach was dependent on the to be determined information of the public meeting. The dates published of the public meeting took some time to determine, but they were advertised. Those who reached out were communicated with. There was a targeted mailing to alley customers, warranted by the possible change to the alley service. For the general resident population that is impacted by the rate changes, there were notes on two cycles of utility bills that talked about upcoming rate changes and the link for more information.

COUNCILMEMBER ELLIS asked about citizens paying more than their share when businesses were not, which warranted more research on equitable water payment.

NOTE: There is a glitch in video, unable to determine what was said.

MS. LANG answered that water service was not cut during the pandemic. Cutoffs did resume eventually. As people get close to a cutoff date, they have a conversation with utility services with numerous opportunities for contact. Cutoffs are a nature of the service with the billing process, but it is avoided as much as possible with customers.

COUNCILMEMBER LOPEZ said historically the goal was 50% compensation to meet five-year mark. Then there were goals to increase from 50% to 75%, and this year push it to 100%. The cost of service study revealed that residents have basically been subsidizing business on water rates. That information led to Council pushing for 100% on this cycle. The consideration to delay will further put the burden onto the residents to subsidize the water businesses are using. Everyone needs to pay their equal fair share as they are using it. The 100% compensation is needed for realignment.

COUNCILMEMBER HARRIS asked in our business community, how many were behind on their bills prior to the pandemic.

MR. WRIGHT said he does not have that information tonight, but staff would provide that to Council.

COUNCILMEMBER HARRIS said that business' water has never been shut off when they are behind. Councilmember Harris recalled that there was an estimate of hundreds of thousands of dollars behind on utility bills. Requests from residents and businesses shared that there could have been a better job in communicating, despite expansions in communication this year. Moving forward, we should continue to work with staff and use current technology to communicate with residents. Councilmember Harris said they have done better with outreach this year than in the past but more still needs to be done.

Close Public Hearing

MAYOR HARTKE closed the public hearing.

Action Agenda Item No. 30 Discussion

30. Introduction and Tentative Adoption of Ordinance No. 5007 Amending Chapter 50, Sections 50-11, 50-12, and 50-15, and Chapter 44, sections 44-4, 44-5, 44-6, and 44-7, of the Code of the City of Chandler to Change Certain Water, Wastewater, Reclaimed Water, and Solid Waste Fees Effective July 1, 2022

Move City Council introduce and tentatively approve Ordinance No. 5007 amending Chapter 50, sections 50-11, 50-12, and 50-15, and Chapter 44, sections 44-4, 44-5, 44-6, and 44-7, of the Code of the City of Chandler to change certain Water, Wastewater, Reclaimed Water, and Solid Waste Fees effective July 1, 2022.

COUNCILMEMBER STEWART requested a review of this in a year, to look at the wastewater in terms of getting to 100%. Councilmember Stewart said we have not had to implement significant increases thus far and if we need to go to the full 100%, we should.

MR. WRIGHT said at the next rate review, we can review the wastewater 75% versus 100% cost of service model.

COUNCILMEMBER STEWART said he would like to see more communication about the A-Okay program, we need to step up where we can with this rate increase.

MAYOR HARTKE asked to confirm when the next rate review is.

MR. WRIGHT said that it would be before Council votes on the phase two of this current rate increase.

Action Agenda Item No. 30 Motion and Vote

Councilmember Lopez moved to approve Action Agenda Item No. 30 of the April 28, 2022, Regular City Council Meeting; Seconded by Vice Mayor Roe.

Motion carried by majority (6-1), Councilmember Orlando dissenting.

Action Agenda Item No. 31 Discussion

31. Resolution No. 5558 Amending the Citywide Fee Schedule relating to the Public Works & Utilities Department, Solid Waste Division
Move City Council adopt Resolution No. 5558 amending the Citywide Fee Schedule relating to the Public Works & Utilities Department, Solid Waste Division, with fee changes effective July 1, 2022.

Action Agenda Item No. 31 Motion and Vote

Councilmember Lopez moved to approve Action Agenda Item No. 31 of the April 28, 2022, Regular City Council Meeting; Seconded by Vice Mayor Roe.

Motion carried by majority (6-1), Councilmember Orlando dissenting.

Informational

32. Special Event Liquor Licenses and Temporary and Permanent Extensions of Liquor License Premises Administratively Approved

Unscheduled Public Appearances

GLENN KLASSEN, 380 W. Aloe Pl., said he is the city volunteer of the year. Mr. Klassen thanked Chief Dwiggin for the opportunity to serve the community. Mr. Klassen brought his Fairey here from Falcon Field for its permanent home at the Chandler Airport. As he was landing, he was hit by a gust of wind. Mr. Klassen landed safely and asked the airport manager for a windsock on the

west end. The windsock serves as a way for a pilot to easily see the wind in the area. Mr. Klassen thanked staff for getting that implemented and it has increased the safety of the airport significantly. As an aircraft owner, he was asked his opinion at the airport. Mr. Klassen said it would be nice to have an airport manager who is a pilot or owns their own plane. Mr. Klassen introduced and thanked Ryan Reeves, Airport Manager, and thanked Council for their work at the airport.

Current Events

Mayor's Announcements

MAYOR HARTKE read a letter from the Salt River Pima Maricopa Indian Community about the City supporting the Salt River Fire Department. Mayor Hartke commended Chief Dwiggins for stepping up during this situation.

MAYOR HARTKE commented that the Chandler Employee Advisory Committee Ice Cream Social was a great event. Mayor Hartke thanked staff for their hard work and recognized the EAC.

MAYOR HARTKE announced the Fallen Officers Memorial service event, would be held Monday, May 2 at 8:30 a.m. at the Public Safety Memorial Plaza.

MAYOR HARTKE said the City had hosted the first partnership event for landlords and property managers and it went great. There are many incentives to join the program. Mayor Hartke thanked the housing team for their work.

MAYOR HARTKE said that Friday, April 29 would be the all-day budget briefing where Council would prepare for next fiscal year's budget.

Council's Announcements

COUNCILMEMBER HARRIS shared that he attended Chandler High School's job and career fair to speak with students about careers in civic engagement and opportunities for the City of Chandler. Councilmember Harris thanked Chandler High School and educators for allowing departments to chat with students.

COUNCILMEMBER HARRIS said he had the opportunity to visit the Diamondbacks field with BASE Arizona and east valley black student unions as they were recognized at the Diamondbacks game. Councilmember Harris thanked staff from BASE Arizona for their work.

VICE MAYOR ROE thanked residents for showing up. Vice Mayor Roe mentioned that food pantries like AZCEND, Matthews Crossing, and the Salvation Army among others need donations this time of year. Vice Mayor Roe thanked public safety and Team Chandler.

COUNCILMEMBER ELLIS recognized Father Joseph as a recipient of Chandler's community donations to Haiti after the 2021 earthquake.

City Manager's Announcements

MR. WRIGHT thanked the EAC and Councilmembers who attended the Employee Ice Cream Social and mentioned that the food drive for AZCEND at the event was successful. Mr. Wright thanked Ms. Lang and Mr. Dunbar and staff for their work with the budget.

Adjourn

The meeting was adjourned at 7:35 p.m.

ATTEST: *Dana R. D'Long*
City Clerk

Kevin Harthe
Mayor

Approval Date of Minutes: May 12, 2022

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of Regular Meeting of the City Council of Chandler, Arizona, held on the 28th day of April 2022. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 12th day of May, 2022.



Dana R. D'Long
City Clerk