

# Meeting Minutes

## City Council Study Session

November 7, 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 6:43 p.m.

### Roll Call

#### Council Attendance

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

#### Appointee Attendance

Joshua Wright, City Manager  
Kelly Schwab, City Attorney  
Dana DeLong, City Clerk

\*Councilmember Stewart attended telephonically.

### Scheduled Public Appearances

MAYOR HARTKE invited Councilmember Ellis to join him for the recognitions.

#### 1. Service Recognitions

Robert Arends – 25 Years, Community Services  
Jody Crago – 15 Years, Cultural Development  
Triana Sullivan, 15 Years – Fire  
Lupe Deihl – 15 Years – Public Works & Utilities

### Consent Agenda and Discussion

Discussion was held on items 4, 14, 17, 18, 20, and 21.

Airport

1. Professional Services Agreement No. AI2209.101, with C&S Engineers, Inc., for the Airport Operations Garage Pre-Design Services  
Move City Council Award Professional Services Agreement No. AI2209.101 to C&S Engineers, Inc., for the Airport Operations Garage Pre-Design Services, in an amount not to exceed \$114,230.

### Development Services

2. Introduction and Tentative Adoption of Ordinance No. 5026, Rezoning and Preliminary Development Plan, PLH21-0089 McQueen Live Work, Located North of the Northwest Corner of McQueen and Warner Roads  
Rezoning  
Move City Council introduce and tentatively adopt Ordinance No. 5026 approving PLH21-0089 McQueen Live Work, Rezoning from Planned Area Development (PAD) for Commercial to PAD for Mixed-Use, subject to the conditions as recommended by Planning and Zoning Commission.

#### Preliminary Development Plan

Move City Council approve Preliminary Development Plan PLH21-0089 McQueen Live Work for site layout and building architecture, subject to the conditions as recommended by Planning and Zoning Commission.

3. Introduction and Tentative Adoption of Ordinance No. 5033, Zoning Code Amendment PLH22-0053 Data Centers, Regulating the Location and Operation of Data Centers throughout the City of Chandler.  
Move City Council introduce and tentatively adopt Ordinance No. 5033 approving Zoning Code Amendment PLH22-0053 Data Centers, as recommended by Planning and Zoning Commission.

4. Introduction and Tentative Adoption of Ordinance No. 5037, Rezoning and Preliminary Development Plan, PLH22-0035 The District Downtown, located at the Northwest Corner of Arizona Avenue and the SanTan 202 Freeway

#### Rezoning

Move City Council introduce and tentatively adopt Ordinance No. 5037 approving PLH22-0035 The District Downtown, Rezoning from PAD for office, retail, and hotel to PAD for mixed used development including multi-family, office, and commercial uses as permitted under Community Commercial (C-2) type uses with Mid-Rise Overlay allowing for building heights up to 120 feet, subject to the conditions as recommended by Planning and Zoning Commission.

#### Preliminary Development Plan

Move City Council approve Preliminary Development Plan PLH22-0035 for site layout and conceptual building architecture, subject to the conditions as recommended by Planning and Zoning Commission.

LAUREN SCHUMANN, Principal Planner, presented the following presentation.

- PLH22-0035 The District Downtown City Council Study Session | November 7, 2022
- Request
  - Rezoning to PAD for office, retail, and hotel to PAD for mixed used development including multi-family, office, commercial uses as permitted under Community Commercial (C-2) type uses
  - Mid-Rise Overlay allowing for heights up to 120 feet
  - Preliminary Development Plan (PDP) approval for site layout and conceptual building architecture
- Background
  - 1987 PAD for office, retail & hotel as part of a masterplan
  - 2007 Mid-Rise Overlay allowing heights up to 120 feet
  - 2007 Conceptual PDP- 3 Phases
  - 2012 Revised PDP
- Proposal
  - Approximate 44.7 acres
  - Mix of office, commercial, & multi-family potential
  - Four office buildings
  - One hotel
  - Multiple commercial buildings
  - Two drive-throughs
  - Two commercial mixed buildings
  - Two multi-family developments (43.5 du/ac & 52 du/ac)
  - Uses restricted to parcels, staff will review each building administratively
  - Setbacks reduced to 30 feet Arizona Avenue & Pecos Road
- Architecture Design
- Architecture Design
- Architecture Design
- Outdoor Amenities
- Phasing Plan
  - Phase 1
    - Two office buildings
    - One MF development
    - Main Street on-site
    - Off-site improvements
    - Landscaping along street
  - Subsequential phases based on the market demand
- Phasing Plan

- Subsequential phases based on the market demand
- Before 2<sup>nd</sup> Phase of Multi-family can occur, all commercial buildings along Arizona Avenue must be built
- Neighborhood Outreach
  - Two neighborhood meetings due to Mid-Rise Overlay
  - July 28, 2022; one resident & a newspaper reporter attended
  - August 31, 2022; one resident
  - General Questions asked
  - As of today, staff is not aware of any opposition or concerns
- General Plan 2016
- Planning & Zoning Commission
  - Meeting held October 19, 2022
  - Study Session rezoning stipulation added regarding future phases – “Commercial development must occur adjacent to Arizona Avenue prior to any multifamily use on Parcel 4”
  - Motion to Recommend Approval with conditions
  - Approved 7-0
- Staff Recommendation
  - Gateway to Downtown within a Growth Area
  - Stipulations for high quality of Design
  - Consistent General Plan
  - Staff recommends approval

MAYOR HARTKE asked if from the start, this was going to be a mixed-use project.

MS. SCHUMANN said that was correct, the original 1987 plan had mixed-use developments including apartments.

MAYOR HARTKE asked why this original plan was not followed through.

MS. SCHUMANN answered that we do not know.

COUNCILMEMBER ORLANDO said there was a lot of vision for this site. The heart of the issue is the commercial retail. Councilmember Orlando asked how many square feet of retail this will have.

MS. SCHUMANN said there would be approximately 79,000 square feet of retail.

COUNCILMEMBER ORLANDO thanked the Planning and Zoning commission for asking about Phase 2. Councilmember Orlando said retail drives the sales tax that provides resources for Chandler amenities. This development has low compared to total amount of retail.

COUNCILMEMBER STEWART asked where we were at with the 2016 plan as it relates to the General Plan.

MS. SCHUMANN said under the General Plan, the subject site is designated as neighborhoods which allows for a variety of uses and densities. It also falls within the Downtown Growth Area, the corridor leading into Downtown Chandler. We are still meeting the intent and goals of the General Plan.

COUNCILMEMBER HARRIS asked about a timeline for development.

MS. SCHUMANN said under Phase 1 the developer will be required to develop Main Street from Arizona Avenue through the site and north to Pecos Road, 2 office buildings with associated parking, and then the first stage of the multi-family.

COUNCILMEMBER ORLANDO was thankful for the time spent on this item today with the applicant.

BRENNAN RAY, 1850 N. CENTRAL AVE, Meridian West and Kaplan Partners, presented the following presentation.

- The District Downtown November 7, 2022 City Council Study Session
- Planning Commission and Staff Recommended Site Plan
- Phase 1 Development Requirements
  - Off-site improvements along Arizona Ave. and Pecos Rd.
  - Main east / west drive
  - 2-story office buildings
  - Western-most multi-family
- Phase 1 Development Requirements – Development Booklet
  - A building permit for the commercial development, identified on the Phase 1 Development Requirements, must be obtained before or at the same time as a building permit for the residential development
  - Construction commencement for the commercial development, identified on the Phase 1 Development Requirements, must occur before or at the same time as construction commencement for the residential development.
  - A certificate of completion for the commercial development, identified on the Phase 1 Development Requirements, must be obtained before or simultaneously as a final Certificate of Occupancy for the residential development.
- Phase 1 Development Requirements – Development Booklet
  - Building Permit Commercial = Building Permit Residential
  - Construction on Commercial = Construction on Residential
  - Certificate of Completion = Certificate of Occupancy
- Parcel 4 Multi-Family Development Requirements

- Rezoning Stip 11: Commercial development must occur adjacent to Arizona Avenue in Parcels 1 and 2, excluding any mixed-use building, prior to any development on Parcel 4, as depicted within the development booklet on the Site Plan.
- Parcel 4 Multi-Family Development Requirements – Revised Language
  - A Certificate of Completion for all the commercial development adjacent to Arizona Avenue as identified on the Parcel 4 Multi-Family Development Requirements must be obtained before a building permit is obtained for the residential development.
- Parcel 4 Multi-Family Development Requirements
  - Certificate of Completion Commercial before Building Permit on Residential on Parcel 4.

MAYOR HARTKE said that the applicant has answered his questions.

COUNCILMEMBER ELLIS asked if the first development will just be the buildings along Arizona Avenue, or will there be additional buildings within the plaza.

MR. RAY answered that this was what was agreed upon at the Planning and Zoning Commission and recommendation by staff. These are the areas planned to be constructed before beginning multi-family Phase 2.

COUNCILMEMBER ELLIS asked about other buildings in the plan.

MR. RAY explained the Phase 1 requirements. The rest of the development will occur as according to market demand, meaning that users will be incorporated at the same time as building. The exhibit shows the precedent set by other developments; what must be done before the multi-family in Parcel 4 is built. Before the multi-family, the minimum requirement is that these five buildings totaling approximately 30,000 of commercial is built. Unshaded buildings in the exhibit will be built according to market demands.

COUNCILMEMBER ELLIS asked about seeing more retail being built before housing is completed.

MR. RAY said that the buildings along Arizona Avenue will be completed prior to beginning residential, but simultaneously will build according to demand for inside the plaza.

COUNCILMEMBER ELLIS confirmed the sequencing of the phases.

COUNCILMEMBER ORLANDO commented that he would like to see more retail. Councilmember Orlando asked about the possibility of having the two-story buildings be mixed use in Parcel 3.

MR. RAY said that the office buildings were not considered to be mixed-use. There was always a desire for office space. This current plan allows for more office space than an older version of the

plan. If Council desires more office space, then adding mixed-use to these office spaces can be considered.

COUNCILMEMBER ORLANDO added that there are other buildings that can have retail, whether it be incorporating mixed-use, or changing buildings to a retail use. Councilmember Orlando requested more commercial square footage in the property.

MR. RAY commented that the percentage relative to the commercial of proposed is about 40% of the total amount of retail. The total square footage of commercial space is just short of 40,000 square feet. Mr. Ray will discuss will the developer.

COUNCILMEMBER HARRIS shared his excitement for this project. Councilmember Harris asked if the Economic Development division was involved in this development.

MR. RAY said that the decision was made by the client. Until a contract is signed, there are no guarantees. The commitment is for speculative amounts of commercial and office.

COUNCILMEMBER HARRIS commented that mixed-use is a potential solution. This will make a great addition to Downtown Chandler.

MAYOR HARTKE noted the development book currently allows for deviations from the proposed phasing schedule which may be administratively approved by staff. Mayor Hartke asked to add, substantial deviations from proposed phasing schedule must be approved by Mayor and Council. Mayor Hartke mentioned that corporate partners are still seeking a large meeting space, there is a demand for this use in Chandler.

VICE MAYOR ROE shared that his concern was to complete this project.

MR. RAY said he was happy to work with staff on phasing. Mr. Ray added that the site plan and layout will be secure, rather than the phasing of the project.

MAYOR HARTKE said this conversation was inspiring to move ahead with this project and get more questions answered before proceeding with a vote on Thursday.

COUNCILMEMBER LOPEZ said development takes time. We want the gateway to Downtown Chandler to be high-quality. As these parcels develop, this will flourish.

COUNCILMEMBER STEWART thanked the developer for the thorough presentation. From a general plan perspective, we need to meet the demands of the city. There was a significant plan for this envisioned by past councils. Councilmember Stewart shared a concern with the shrinking amount of Class A office space in Chandler and asked for guarantees on the use plans.

MR. RAY shared that his client acquired the site in 2006. The presentation of the development tonight is what is intended to be completed. The difference between this plan and the previous plan is four commercial pads along Pecos Road. The improvements in architecture design make up for the presence of multi-family usage.

COUNCILMEMBER STEWART said that with some other projects, plans have changed. There needs to be a commitment by the developer to create the best possible product for our community.

### **Fire Department**

5. Purchase of Portable Radios  
Move City Council approve the purchase of portable radios, from Motorola Solutions, utilizing the State of Arizona Contract No. CTR046830, in amount of \$470,246.86.
6. Purchase of Extrication Equipment for the Fire Department  
Move City Council approve the purchase of extrication equipment for the Fire Department, from L.N. Curtis, utilizing Sourcewell Contract No. 040220-LNC, in the amount of \$165,191.34.

### **Human Resources**

7. Resolution No. 5616, Renewal Request to the Industrial Commission of Arizona for Continued Exemption from Requirement to Post Security for Self-Insured Workers' Compensation Program  
Move City Council pass and adopt Resolution No. 5616, renewing the request to the Industrial Commission of Arizona for continued exemption from requirement to post security for Self-Insurance Workers' Compensation Program.
8. Agreement No. HR2-948-4496, with ReliaStar Life Insurance Company, for Basic and Voluntary Life and Accidental Death and Dismemberment Insurance  
Move City Council City Council approve Agreement No. HR2-948-4496, with ReliaStar Life Insurance Company, for basic and voluntary life and accidental death and dismemberment insurance, in an amount not to exceed \$960,000 per year, for the period of two years, beginning January 1, 2023, through December 31, 2024, with the option of up to three additional two-year extensions.

### **Information Technology**

9. Purchase of Information Technology Temporary Contract Staffing Services  
Move City Council approve the purchase of information technology temporary contract staffing services, from Computer Aid, Inc., utilizing Sourcewell Contract No. 071321-CAI, in the amount of \$65,000.

### **Management Services**



10. New License Series 10, Beer and Wine Store Liquor License application for M.H.M.N., LLC, DBA Beyond Smoke  
Move for recommendation to the State Department of Liquor Licenses and Control for approval of the State Liquor Job No. 207723, a Series 10, Beer and Wine Store Liquor License, for Mohammad Assad Amirah, Agent, M.H.M.N., LLC, DBA Beyond Smoke, located at 393 W. Warner Road, Suite 118, and approval of the City of Chandler, Series 10, Beer and Wine Store Liquor License No. 303898.
11. New Class B Bingo License for Wayne V. McMartin, American Legion, Post 91  
Move for approval for a Class B Bingo license for American Legion, Post 91, located at 922 N. Alma School Road.

### **Police Department**

12. Purchase of SWAT Protector Van  
Move City Council approve the purchase of a SWAT Protector Van, from Safeware, Inc., utilizing Omnia Partners Contract No. 159469, in the amount of \$200,859.56, and authorize the City Manager or designee to sign a linking agreement with Safeware, Inc.
13. Purchase of SWAT Technical Support Truck  
Move City Council approve the purchase of a SWAT Technical Support Truck, from San Tan Ford, utilizing State of Arizona Contract No. CTR059323, in the amount of \$66,949.88.

### **Public Works and Utilities**

14. Resolution No. 5641 Approving an Intergovernmental Agreement with Salt River Project Agricultural Improvement and Power District for the Waterfluence Program  
Move City Council pass and adopt Resolution No. 5641 approving an Intergovernmental Agreement between the City of Chandler and Salt River Project Agricultural Improvement and Power District for the Waterfluence Program.

JOHN KNUDSON, Public Works and Utilities Director, said that item 14 is a continuing partnership with Salt River Project for Waterfluence, a water conservation program. Water Fluence is a free service for commercial and public customers for water conservation in landscaping, offering monitoring, education, and connection to resources to help reduce overwatering. This continuing partnership has helped many commercial businesses reduce their outdoor water use. There are 25 organizations, 4 businesses, and 21 HOAs enrolled.

COUNCILMEMBER ORLANDO asked about offering the program to other sources.

MR. KNUDSON said that through this agreement continuation, we are going to expand the program. The water conservation group is always out soliciting others to join the free program.

COUNCILMEMBER ORLANDO confirmed that we will expand the number of participants.

MR. KNUDSON said yes, we will expand the number of participants.

15. Professional Services Agreement No. ST2001.101, with Dennis L. Lopez & Associates, LLC, for the Lindsay Road Improvements, Ocotillo Road to Hunt Highway Appraisal Services  
Move City Council award Professional Services Agreement No. ST2001.101, to Dennis L. Lopez & Associates, LLC, for the Lindsay Road Improvements, Ocotillo Road to Hunt Highway Appraisal Services, in an amount not to exceed \$76,250.
16. Professional Services Agreement No. ST1503.451, Amendment No. 2, to Ritoch-Powell & Associates Consulting Engineers, Inc., for the Cooper Road Improvements (Alamosa Drive to Riggs Road) Construction Management Services  
Move City Council award Professional Services Contract No. ST1503.451, Amendment No. 2, to Ritoch-Powell & Associates Consulting Engineers, Inc., for the Cooper Road Improvements (Alamosa Drive to Riggs Road) Construction Management Services, increasing the contract limit by \$248,894.34, for a revised contract amount not to exceed of \$1,801,616.59.
17. Professional Services Agreement No. WW2301.101, with Wilson Engineers, LLC, for the Ocotillo Water Reclamation Facility Capacity Evaluation Design Services  
Move City Council award Professional Services Agreement No. WW2301.101, to Wilson Engineers, LLC, for the Ocotillo Water Reclamation Facility Capacity Evaluation Design Services, in an amount not to exceed \$476,080.

MR. KNUDSON said item 17 is an agreement with Wilson Engineers for a continuing program where we assess and reevaluate the performance of the wastewater facilities with the intent of rerating the facilities. Rerating a facility allows for a higher capacity given to us from the state to meet higher demands. Optimizing the operation of the plant will allow more water to be given for use. In 2019, both Airport and Ocotillo plants were rerated, saving the city money in future expansions.

18. Professional Services Agreement No. WA2103.451, with Jacobs Engineering Group, Inc., for the Pecos Surface Water Treatment Plant SCADA Upgrade Construction Management Services  
Move City Council award Professional Services Agreement No. WA2103.451, to Jacobs Engineering Group, Inc., for the Pecos Surface Water Treatment Plant SCADA Upgrade Construction Management Services, in an amount not to exceed \$230,295.

MR. KNUDSON said item 18 is for Jacobs Engineering construction management for control systems modernization for the water system. It is for the Pecos Water Plant and 50 distribution sites, including reservoirs and wells. This is a software and hardware systems upgrade, needed

because these systems are at their end-of-service life. It will be a great advancement for the systems and make operation more user-friendly.

COUNCILMEMBER ORLANDO asked if this system shows real-time monitoring of the water system.

MR. KNUDSON said the system is Supervisory Control and Data Acquisition (SCADA), and can monitor all aspects of the water system remotely in the control room.

19. Agreement No. TR9-285-3990, Amendment No. 4, with Cem-Tec Corporation, for Streetlight Poles  
Move City Council approve Agreement No. TR9-285-3990, Amendment No. 4, with Cem-Tec Corporation, for streetlight poles, in an amount not to exceed \$173,000, for a one-year term, December 1, 2022, through November 30, 2023.
20. Construction Manager at Risk Agreement No. WW2206.251, with PCL Construction, Inc., for the Reclaimed Water Conveyance Improvements Pre-Construction Services  
Move City Council award Construction Manager at Risk Agreement No. WW2206.251, to PCL Construction, Inc., for the Reclaimed Water Conveyance Improvements Pre-Construction Services, in an amount not to exceed \$628,545.94.

MR. KNUDSON said item 20 is an agreement for the second phase of the partnership with Intel with the interconnect facility. The facility is where we take SRP and CAP water from the canal, treat it to a reclaimed water standard, and inject the water into our aquifers for future use in drought. This partnership with Intel allows 50% of the water production will be used with Intel for their cooling systems. This second phase is called the conveyance agreement and is funded through Title 42 by Department of Revenue and Intel. The City will pay 20%.

COUNCILMEMBER ORLANDO thanked Mr. Knudson for his work and praised Chandler's work with water and conservation.

COUNCILMEMBER STEWART thanked Mr. Knudson for the presentation.

21. Construction Manager at Risk Agreement No. WA2103.401, with Quantum Integrated Solutions, Inc., for the Pecos Surface Water Treatment Plant SCADA Upgrade GMP-1 Construction Services  
Move City Council award Construction Manager at Risk Agreement No. WA2103.401, to Quantum Integrated Solutions, Inc., for the Pecos Surface Water Treatment Plant SCADA Upgrade GMP-1 Construction Services, in an amount not to exceed \$2,766,254.46.

MR. KNUDSON said item 21 is the pre-purchase agreement needed to put in place for equipment to be available for use in next year's construction work taking place during the plant shutdown. The equipment must be purchased in advance.

## Action Agenda

22. Introduction and Tentative Adoption of Ordinance No. 5035, City Code Amendment, PLH21-0063 Backyard Chickens  
Move City Council introduce and tentatively adopt Ordinance No. 5035, approving City Code Amendment PLH21-0063 Backyard Chickens, amending Chapter 14 and Chapter 35 regulating the keeping of chickens within single-family lots, as recommended by Planning and Zoning Commission.
23. Formal Adoption of the Chandler Non-Discrimination Ordinance, as Requested by Councilmember Harris (Continued from the Meeting of October 27, 2022)

## Informational

24. Special Event Liquor Licenses and Temporary and Permanent Extensions of Liquor License Premises Administratively Approved
25. Study Session and Regular Meeting Minutes of September 7, 2022, Planning and Zoning Commission

## Adjourn

The meeting was adjourned at 7:52 p.m.

ATTEST: Dana R. DeLong  
City Clerk

Kevin Harris  
Mayor

Approval Date of Minutes: December 5, 2022

## Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Chandler, Arizona, held on the 7th day of November 2022. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 5th day of December, 2022.



Dana R. DeLong  
City Clerk