

Meeting Minutes

City Council Study Session

May 22, 2023 | 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 6:00 p.m.

Roll Call

Council Attendance

Mayor Kevin Hartke
Vice Mayor Matt Orlando
Councilmember OD Harris
Councilmember Mark Stewart
Councilmember Christine Ellis
Councilmember Jane Poston
Councilmember Angel Encinas

Appointee Attendance

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

Scheduled Public Appearances

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

1. Recognition – Basha High School Marching Band State Championship

MAYOR HARTKE recognized the Basha Bear Regiment for their Marching Band State Championship.

SHAWN SHIVE, Associate Director of Bands, thanked the City of Chandler and the community for their support for the students.

2. Recognition – Chandler Fire Department Lifesaving Awards

MAYOR HARTKE invited Tom Dwiggins, Fire Chief; Carlos Vargas, Fire Battalion Chief; Sean Duggan, Police Chief; and Superintendent Frank Narducci to present awards.

CHIEF VARGAS recognized Principal Mary Ann Rezzonico and Officer Megan Fritz. Jay Evans presented the award.

CHIEF VARGAS recognized Staff Sergeant Obryan Benally and representatives from the U.S. Marine Corps.

3. Proclamation – Centennial Year for Arizona Lions Club International

MAYOR HARTKE read the proclamation and invited Farhana Shifa, District Governor-Elect and members of Sun Lakes, Chandler Sunbird, and Chandler Lions to accept.

DISTRICT GOVERNOR-ELECT FARHANA SHIFA thanked Mayor and Council for the support for the Lions Club in Chandler.

4. Joshua Cotner, Concerns Regarding Police Response

Joshua Cotner not in attendance.

Consent Agenda and Discussion

Discussion was held on Items No. 4, 10, and 11.

Airport

1. Construction Agreement No. AI2203.401 with Diamond Ridge Development, for the Chandler Municipal Airport Wildlife Exclusion Perimeter Fence
Move City Council award Construction Agreement No. AI2203.401 to Diamond Ridge Development, for the Chandler Municipal Airport Wildlife Exclusion Perimeter Fence, in an amount not to exceed \$796,965.07.

City Clerk

2. Approval of Minutes
Move City Council approve the Council meeting minutes of the Study Session of May 8, 2023, and the Regular Meeting of May 11, 2023.
3. Board and Commission Appointments
Move City Council approve the Board and Commission appointments as recommended.

City Manager

4. Professional Services Agreement No. TP2202.201, with Kimley-Horn & Associates, for the Kyrene Branch and Highline Canal Shared Use Path Design Services
Move City Council award Professional Services Agreement No. TP2202.201 to Kimley-Horn & Associates for the Kyrene Branch and Highline Canal Shared Use Path Design Services, in an amount not to exceed \$574,883.11.

VICE MAYOR ORLANDO asked staff to explain the type of surface area utilized in the canal path.

JASON CRAMPTON, Transportation Planning Manager, explained that the path would be 10 feet of concrete and 10 feet of dirt.

VICE MAYOR ORLANDO asked about the method of crossing at Ray Road.

MR. CRAMPTON answered that the concept plans called for a traffic signal crossing. There will be additional design considerations and public outreach to see what the best solution is. There is a crossing at Kyrene and Knox in Tempe.

VICE MAYOR ORLANDO asked about how to prevent vehicles from entering the area, but still allowing for fire access as needed.

MR. CRAMPTON said the concern has been shared. The Salt River Project (SRP) can install gates to restrict vehicular access. SRP maintenance vehicles and City vehicles would need access to the canal.

MAYOR HARTKE asked if SRP has agreed to install gates to restrict access.

MR. CRAMPTON said that SRP has not formally agreed but it has been discussed, SRP is agreeable to the concept. We are working on developing a full plan to incorporate the gates and then will work on an agreement.

COUNCILMEMBER ELLIS said that it is important to involve community members and stakeholders in planning. Councilmember Ellis asked what is being done to involve community members.

MR. CRAMPTON said this is a key consideration during design. The preliminary design of the project, an extra step in the process has been completed. Public outreach is a key component of the design.

COUNCILMEMBER STEWART asked if we have paths that are half-and-half surfaces and if it is practical.

MR. CRAMPTON said that these paths typically do have both concrete and dirt.

COUNCILMEMBER STEWART asked if the size allowance leaves enough room for bicyclists to pass each other.

MR. CRAMPTON said the design minimum is 10 to 12 feet – 10 feet does allow for passing distance.

MAYOR HARTKE invited speakers.

LINDA KALAF, 1133 N Roosevelt Ave., noted she has witnessed an increase in unauthorized vehicular activity along the canal. Ms. Kalaf asked staff to review videos submitted of unauthorized vehicle use. Unauthorized vehicle use is dangerous to pedestrians, bicyclists, and those who live by the canal. Ms. Kalaf also noted that there would be responsibility for sanitation along the canal. Intersections like Ray Road and Kyrene Road are unsafe, taking shortcuts along canals are even more unsafe. Ms. Kalaf said coordinating with SRP to install gates or physical barriers to restrict vehicle access is of critical importance.

MAYOR HARTKE thanked Ms. Kalaf.

THIERRY MARIN-MARTINOD, 1132 N Roosevelt Ave., spoke about safety precautions in this project. It is important to protect pedestrian use of the canal paths.

COUNCILMEMBER HARRIS asked what is being done to make the pathway more secure.

MR. CRAMPTON said the intention is to conduct lighting analysis to add lighting to the path, while working with neighbors to ensure the lighting is shielded appropriately to avoid light pollution.

Development Services

5. Final Adoption of Ordinance No. 5051 Adoption of Historic Preservation Code Amendments
Move City Council adopt Ordinance No. 5051 approving PLH23-0010 Historic Preservation Code Amendments related to terms of Historic Preservation Commission members, regulations for the creation of historic preservation districts, and application of design guidelines for historic preservation districts, as recommended by the Planning and Zoning Commission and the Historic Preservation Commission.

Facilities and Fleet

6. Purchase of Carpet Installation Services for Main Police Station Carpet Replacement Project
Move City Council approve the purchase of carpet installation services, from Continental Flooring Company, utilizing the State of Arizona Contract No. CTR043427, in an amount not to exceed \$143,000, for the Main Police Station carpet replacement.

Information Technology

7. Purchase of Information Technology Temporary Staffing Services
Move City Council approve the purchase of information technology temporary staffing services, from Computer Aid, Inc., utilizing the Sourcwell Contract No. 071321-CAI, in the amount of \$507,600.

Management Services

8. Agreement No. WH3-890-4597 for Waterworks Supplies
Move City Council approve Agreement No. WH3-890-4597, with Core and Main, LP, and Ferguson Enterprises, LLC, for waterworks supplies, in an amount not to exceed \$500,000, for the period of June 1, 2023, through May 31, 2024.
9. Purchase of Janitorial and Sanitation Supplies
Move City Council approve the purchase of janitorial and sanitation supplies, from Waxie Sanitary Supply, utilizing the City of Tucson Contract No. 202329-01, in an amount not to exceed \$250,000, for the period of June 1, 2023, through May 31, 2024.

Police Department

10. Resolution No. 5690 Intergovernmental Agreement with Chandler Unified School District No. 80 for Police Department Security Camera System Emergency Access
Move City Council pass and adopt Resolution No. 5690 pertaining to an Intergovernmental Agreement granting the Chandler Police Department emergency access to the Chandler Unified School District No. 80 Security Camera System; and authorize the Chief of Police, as designated by the City Manager, to conduct all negotiations and to execute and submit all documents necessary in connection with such agreement.

SEAN DUGGAN, Police Chief, explained that this item is a request to agree to a memorandum of understanding with the Chandler Unified School District to allow the Police Department's 911 emergency communication center to access in real time the 2,000 cameras that the school district has across school campuses. This would allow our dispatchers to provide critical information to responding officers. The quicker officers engage threats is the best possible outcome.

COUNCILMEMBER HARRIS thanked Chief Duggan for being proactive during an emergency.

MAYOR HARTKE asked when does the communication center have access to the cameras.

CHIEF DUGGAN answered that the communication center only has access to the cameras when granted permission by the school district who owns and operates them.

Public Works and Utilities

11. Resolution No. 5683 Authorizing the Acquisition of Real Property Rights Required for the Water Main Replacement Project WA2203
Move Council pass and adopt Resolution No. 5683, authorizing the acquisition of real property rights required for the Water Main Replacement Project WA2203 within Arrowhead Meadows, Tyson Manor, and Sunset Manor neighborhoods, as shown on the attached map; authorizing the City's Real Estate Administrator to sign, on behalf of the City, the purchase agreements, authorizations to access property, and any other documents necessary to facilitate these acquisitions and access the properties; authorizing eminent

domain proceedings as needed to acquire said real property and obtain immediate possession thereof; and authorizing relocation assistance as may be needed and required by law.

VICE MAYOR ORLANDO asked about the area of Chandler being served by these water mains.

JOHN KNUDSON, Public Works and Utilities Director, explained that the next water main replacements to be conducted are in the area of Chandler Boulevard and Alma School. In those neighborhoods, all utilities run through the alleys. As the water mains age, it is difficult to reinstall the water mains in the alleyways since the other utilities still run through the alleys. The practice is to move the pipelines from the alley out to the city street on the front of the home. This is time consuming and involves lots of coordination with property owners.

VICE MAYOR ORLANDO said that is why this requires consent of the property owners.

MR. KNUDSON said that in the design process oftentimes there might uncover a piece of land that is fee ownership in the right of way. At times we must acquire the piece. Right of entry must be completed with each property owner. Easements and some property purchase where pipeline is needed may be necessary. This item is to get the authority to act upon real estate needs as they come up in the design process.

VICE MAYOR ORLANDO asked if it was possible to attach the new pipeline to the front of the house.

MR. KNUDSON said attaching the new pipeline to the front of the house would require replumbing the entire house. This project maintains the flow of plumbing inside the home.

12. Agreement No. PW9-962-4035, Amendment No. 4, with Eurofins Environment Testing Southwest, LLC; Legend Technical Services of Arizona, Inc.; and Radiation Safety Engineering, Inc., for Laboratory Testing Services
Move City Council approve Agreement No. PW9-962-4035, Amendment No. 4, 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 \$479,000, for the period of May 1, 2023, through April 30, 2024.
13. Agreement No. PW3-918-4551, with Arcadis U.S., Inc., for Advanced Metering Infrastructure Consultant Services
Move City Council approve Agreement No. PW3-918-4551, with Arcadis U.S., Inc., for Advanced Metering Infrastructure (AMI) Consultant Services, in an amount not to exceed \$662,065.

14. Construction Manager at Risk Agreement No. WW2005.403, Change order No. 1 – GMP2, with B&F Contracting, Inc., for the Chandler Boulevard and Dobson Road Sewer and Water Improvements
Move City Council award Construction Manager at Risk Agreement No. WW2005.403, Change Order No. 1 – GMP2, to B&F Contracting, Inc., for the Chandler Boulevard and Dobson Road Sewer and Water Improvements, in an amount not to exceed \$7,202,897.39.

Action Agenda Item 15

15. Resolution No. 5694, Adopting the Fiscal Year (FY) 2023-24 Tentative Budget and 2024-2033 Tentative Capital Improvement Program (CIP) and Giving Notice of the Dates and Times for Hearing Taxpayers for Final Adoption of the Budget and for setting the Tax Levies and Tax Rates
Move City Council pass and adopt Resolution No. 5694, adopting the FY 2023-24 Tentative Budget and 2024-2033 Tentative CIP and giving notice of the dates and times for hearing taxpayers for final adoption of the budget and for setting the tax levies and tax rates.

Public Hearing and Action Item 17

16. Public Hearing for Resolution No. 5692 Approving the Fiscal Year 2023-2024 Annual Assessment for the City of Chandler, Arizona, Downtown Chandler Enhanced Municipal Services District
1. Open Public Hearing
 2. Staff Presentation
 3. Council Discussion
 4. Discussion from the Audience
 5. Close Public Hearing
17. Resolution No. 5692 Approving the Fiscal Year 2023-2024 Annual Assessment for the City of Chandler, Arizona, Downtown Chandler Enhanced Municipal Services District
Move City Council pass and adopt Resolution No. 5692 approving the Fiscal Year 2023-2024 Annual Assessment for City of Chandler, Arizona, Downtown Chandler Enhanced Municipal Services District.

Briefing and Discussion

18. Briefing and Discussion Regarding Group Homes and Recent Actions by the State of Arizona in Response to Fraudulent Arizona Health Care Cost Containment System (AHCCCS) Claims

LEAH POWELL, Neighborhood Resources Director, presented the following presentation.

- Briefing on Group Homes and State of Arizona Actions on Fraudulent AHCCCS Claims
- History

- On May 17, 2023, Governor Hobbs and Attorney General Mayes announced a suspension of payments and potential criminal charges against group homes suspected of Medicaid (AHCCCS) fraud
- Facilities were to provide behavioral health services, however over 100 statewide have been identified as fraudulent
- As early as January 2020, the FBI began seeking victims who had been recruited to live in group homes
- Claims for service dating back to 2019 are being audited and at least 152 licenses have been suspended or terminated
- Primary target is Native Americans from Arizona, New Mexico and South Dakota
- Residents were enrolled in the American Indian Health Plan which is funded through the state
- Group Homes in Chandler
 - Definition: a residential dwelling unit for a group of no more than five (5) unrelated non transient persons, excluding staff, who do not have a disability, and are not living together as a single housekeeping unit.
 - Categories – group homes and residential care homes for people with disabilities
 - Registration – group homes must be registered with the City of Chandler
 - Maximum occupancy – homes are limited to 5 residents except protected classes may request an administrative waiver from the City to have as many as 10 residents
 - Location – no two homes may be located within 1200 feet of each other, except an administrative waiver may be granted by the City for protected classes (no min. separation)
 - Licensing – may or may not be licensed by the state or another governmental authority
 - Currently in Chandler, there are 276 Group Homes registered or in process of applying for registration – 20 are listed as sober living homes
- Chandler's Response
 - Immediately upon notification from the State, City staff began researching group homes in Chandler
 - Staff has connected with Solari 211 which the State has contracted to provide the first level of intervention
 - The City's Homeless Navigation Team is monitoring known locations and the areas around them for individuals who may have been displaced
 - If Chandler victims are identified, the Navigation Team will work to connect individuals to new services and reunification with family, if applicable
 - Staff will continue to monitor for additional fraudulent group homes
- Questions

COUNCILMEMBER POSTON said this is a large project and the City only has so much control over the situation. Councilmember Poston asked for an estimate of how many of the homes in Chandler may be part of this, and how are we addressing transportation needs.

MS. POWELL said this is a still developing situation – it has been difficult to identify ownership of the homes. The first interaction with someone who may be experiencing this is to attempt to connect them to appropriate services and reunify with family members. The Navajo Nation community does have specific crisis team that would transport members back to the Navajo Nation, and we would work with other communities to reunite people. ChangeUp funds are available to assist with transportation costs. Investigations of this situation are ongoing, and we will continue to monitor this situation.

COUNCILMEMBER POSTON asked what would happen if a group home was not registered in Chandler.

MS. POWELL said that group homes in Chandler that are under this investigation have not been registered with the City. Any home-based business not registered with the City of Chandler would go through a normal inspection process with the City.

COUNCILMEMBER ELLIS commented that assisted living homes are different than group homes. Assisted living homes are licensed by the state of Arizona and Department of Health Services and monitored and registered with the City. Councilmember Ellis asked how many sober homes are registered in Chandler in comparison to unregistered group homes.

MS. POWELL said that there are currently 20 sober living homes registered with the City, we have identified at least six homes associated with fraudulent cases which have been unregistered.

COUNCILMEMBER ELLIS shared that this investigation has been going on since 2019.

COUNCILMEMBER HARRIS asked about what actions we have taken with the six unregistered fraudulent homes.

MS. POWELL said that we compared the list released by the state of suspended or terminated clinics with the database of ownership in Chandler, finding they were owned by the same entity, and finding none of the homes were on the list of registered group homes in Chandler. Billing takes place in a clinic, then clinics place individuals in unregistered homes. A navigation team will investigate people displaced by fraudulent group homes. Some homes suspected to be fraudulent are vacant, but some are active – we will continue to monitor activity.

COUNCILMEMBER HARRIS asked about homeowners and tenants.

MS. POWELL said that those identified were listed as rentals.

VICE MAYOR ORLANDO asked what happens to the residents of the homes under investigation.

MS. POWELL answered that at this point the response has been to treat this issue like a humanitarian issue of homelessness. We are monitoring for people being displaced and reentering homelessness because of suspension of payments to homes. We do not have jurisdiction to enforce services provided.

VICE MAYOR ORLANDO asked who investigates the homes themselves.

MS. POWELL said that people are being displaced because payments are being cut off, and homeowners or companies are immediately displacing people. The 211 system is in use to connect displaced people with service, they are receiving a high demand for service related to this issue. The police department responds if there is a crime. Through that, some homes have been identified, which then the police department turns over information to the FBI or whoever the appropriate authority is. The state, law enforcement and FBI, and community resources are all working together.

VICE MAYOR ORLANDO shared concerns on who is taking care of the group homes residents.

MS. POWELL said that Solari is the primary response for people experiencing this.

COUNCILMEMBER POSTON asked if the group homes could displace their residents at any time.

MS. POWELL said yes, group homes could displace their residents at any time.

COUNCILMEMBER POSTON asked if the Navigation Team is monitoring identified homes to see if people are displaced from those homes at any given time.

MS. POWELL said that is correct.

COUNCILMEMBER POSTON said this is an ongoing issue.

COUNCILMEMBER ELLIS said that the authority to shut the homes down would be whoever gave the contract to the clinic, the clinic then finding homes and placing people. The clinic is the one managing the care of the client. The home is the third party in the transaction between the client and clinic. When our navigators encounter people displaced, what do they see.

MS. POWELL answered that our one encounter was using substances but wanted to pursue treatment and detox.

COUNCILMEMBER ELLIS explained our goal as a city is to not make the situation worse, but we are not responsible to fix it as it is out of our hands. What can do is be a safety net for those experiencing homelessness because of this crisis.

MAYOR HARTKE asked for continued information as this situation develops.

Informational

19. Contracts and Agreements Administratively Approved, Month of April 2023

Adjourn

The meeting was adjourned at 7:03 p.m.

ATTEST: _____
City Clerk

Mayor

Approval Date of Minutes: June 15, 2023

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 22nd day of May 2023. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of June, 2023.

City Clerk