

Meeting Minutes

City Council Regular Meeting

October 19, 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 6:01 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

Invocation

The invocation was given by Pastor Victor Hardy, Congregational Church of the Valley.

Pledge of Allegiance

The Pledge of Allegiance was led by Councilmember Encinas.

Consent Agenda and Discussion

Community Services

1. Professional Services Agreement No. PR2206.201, with Dig Studio for the Pickleball and Tennis Courts at Tumbleweed Park Design Services
Move City Council award Professional Services Agreement No. PR2206.201 to Dig Studio for the Pickleball and Tennis Courts at Tumbleweed Park Design Services, in an amount not to exceed \$282,226.

2. Agreement No. CS4-988-4668, for Park Mowing Services
Move City Council approve Agreement No. CS4-988-4668, for Park Mowing Services, with Artistic Land Management, Inc., in an amount not to exceed \$589,004, for a one-year term, November 1, 2023, through October 31, 2024, with the option of up to four additional, one-year extensions.
3. Agreement No. CS4-988-4669, for Park Herbicide Application Services
Move City Council approve Agreement No. CS4-988-4669, for park herbicide application services, with BrightView Landscape Services, Inc., in an amount not to exceed \$211,671.07, for a one-year term, November 1, 2023, through October 31, 2024, with the option of up to four additional one-year extensions.
4. Purchase of Rotary Mower
Move City Council approve the utilization of City of Mesa Contract No. 2017025, for the purchase of a Rotary Mower, from Simpson Norton, in the amount of \$141,557.09.

Development Services

5. Resolution No. 5746 and Introduction of Ordinance No. 5068, Area Plan Amendment, Rezoning, and Preliminary Development Plan, PLH23-0017 / PLH22-0044 Chandler Farms, Located at the Southwest Corner of Arizona Avenue & Queen Creek Road

Area Plan

Move City Council approve Resolution No. 5746 Section 16 Area Plan amendment, PLH23-0017, as recommended by Planning and Zoning Commission.

Rezoning

Move City Council introduce and tentatively adopt Ordinance No. 5068 approving PLH22-0017 Chandler Farms, Rezoning from PAD for commercial to PAD for mixed-use development including multi-family and commercial, subject to the conditions as recommended by Planning and Zoning Commission.

Preliminary Development Plan

Move City Council approve Preliminary Development Plan PLH22-0017 Chandler Farms for site layout and building architecture, subject to the conditions as recommended by Planning and Zoning Commission.

ROBERT STY, 3120 S Dakota Place, spoke on item 5 about a new apartment complex being developed by Mill Creek Residential on Chandler Farms. He appreciated the engagement of Mill Creek Residential and Brenan Ray with the community but strongly opposed the development due to its density and negative impact on the surrounding community. He suggested a much lower density of residential development and the addition of neighborhood retail. In conclusion, he

urged the collective decision-makers to consider smart and appropriate development of the limited resources.

6. Introduction of Ordinance No. 5069 Rezoning, PLH22-0046 Rezamp LLC, Located West of the Northwest Corner of Chandler Boulevard and Arizona Avenue
Move City Council introduce and tentatively adopt Ordinance No. 5069 approving PLH22-0046 Rezamp LLC Office #2 & 3, Rezoning from SF-8.5 to SF-8.5/PAD for professional offices and to allow reduced setbacks for an existing building, subject to conditions as recommended by Planning and Zoning Commission.
7. Final Plat Approval for PLT23-0015 Honeysuckle Trail, Located at the Northwest Corner of Warner Road and Bullmoose Drive
Move City Council approve Final Plat PLT23-0015, Honeysuckle Trail, as recommended by staff.
8. Use Permit, PLH23-0020 Hunt Highway Cell Tower, Approving Installation of a Wireless Communication Facility, Located Within the Sunbird Golf Resort Community at the Southwest Corner of Riggs Road and Cooper Road
Move City Council approve Use Permit, PLH23-0020 Hunt Highway Cell Tower, subject to the conditions recommended by Planning and Zoning Commission.

TIM BELL, 1833 E Riviera Drive, spoke on item 8. There are many issues he had with the cell tower proposal, but his main concern is the health risks associated with the EMFs and RFS projected from the tower. As someone with a background in electricity, he understood the dangers of EL. He did not think it was safe to have a cell tower in the center of Sunbird Community, considering the radioactive properties in the 600-foot danger zone. He worried about the safety of current and future residents, including his grandkids and his sister's grandkids. Physicians have conducted studies on this topic, and it is not a good idea to have it in the middle of a subdivision. The Golf Association is getting kickbacks for this, and although it may be FCC-regulated, it is not fair to the residents.

COUNCILMEMBER STEWART asked the City Attorney what the council could and could not do in relation to federal law.

KELLY SCHWAB, City Attorney, said cell phone towers and small area cell facilities fall under federal, state, and local government regulations. However, local governments have limited power to regulate radiofrequency radiation. They cannot prohibit these facilities or consider height and aesthetics. They can only set requirements for setbacks and height, and mandate that providers comply with federal standards for RF radiation.

COUNCILMEMBER STEWART asked the City Attorney what would happen if the council voted against placing the cell tower.

MS. SCHWAB said we may be in violation of both federal and state laws.

COUNCILMEMBER STEWART said a lawsuit.

MS. SCHWAB said absolutely.

MICHAEL REED, 1909 E Glendale Dr., spoke on item 8 in favor of a cellphone tower at a recent planning meeting. He lives in Chandler and has experienced a decline in cell service quality over the past three years. Mr. Reed believes that additional infrastructure is needed to improve the situation. He supports the installation of a new tower as long as it complies with FCC regulations.

HELEN MORTIMER, 6401 S. Championship Dr., spoke on item 8, a Sunbird homeowner concerned about the proposed cell tower near her residence. She believes it may devalue her home and questions its value to the community. She surveyed cell phone coverage in Sunbird and found that 5G was available north of the halfway point in Sunbird but not in some areas south of it. She also noticed Cox Communication things being put around the community, including a 5G enhancer, which gave her excellent cell service. She implores the council to investigate if the little towers already deployed have the technology in the proposed cell tower, which would render it redundant. She also questions the golf course's motivation to embrace the cell tower, which she believes is not a modest return. She urges the council to think twice about setting a precedent of putting a cell tower in a residential community.

COUNCILMEMBER ELLIS asked why they were reluctant to provide an appraisal for this. As a resident living near a tower, she obtained an appraisal and recently refinanced her place. She wanted to emphasize that there are existing towers near other people's homes, and those individuals have been able to get their appraisals done, including herself.

GARY SATTler, 19241 E. Gleneagle Dr., spoke on item 8. His concern was that Sunbird is a community where half of the residents do not live there year-round. By having this vote now, 50% of the residents are not being represented. The cell tower was moved from near valuable homes to fewer valuable homes with fewer residents. It looks like those with power got it moved, and those without have no voice. He was not against a cell tower, but it should not be placed in a community with primarily seniors, single people, and underrepresented people.

Comments Received

DEBBIE SATTler 1924 E. Gleneagle Dr., in opposition to item 8

I do not feel it should be in a community.

GARY SATTLER 1924 E. Gleneagle Dr., in opposition to item 8

Prefer council table item until Sunbird Golf Resort members have fully returned and a majority of homeowners can review the proposal and see sighting for the tower.

MAUREEN MOOR 6421 S. Championship Dr., in opposition to item 8

Hopefully, City Council will look at future direction of the City of Chandler regarding where cell towers are allowed to be erected.

COUNCILMEMBER HARRIS said approving the proposal saves the city from a lawsuit. Not approving it leads to litigation, which is costly. What about the cost to taxpayers if the city defends its position in court? The city should consider the potential costs before pursuing litigation.

MS. SCHWAB said that it is impossible to predict the outcome as there are many hypotheticals involved the impact could be significant.

COUNCILMEMBER HARRIS said which means that we may have to fight an uphill battle without a winning hand in a sense.

MS. SCHWAB said clearly, we will do our best.

COUNCILMEMBER HARRIS asked how we can empower residents to advocate at the federal level and ensure compliance with the company installing radiation equipment in the community.

MS. SCHWAB said that any modifications to federal laws need to go through Congress. Therefore, individuals can contact their respective congress representatives to address any possible legal changes to federal law. Additionally, our staff receives certifications as part of the use permit process.

COUNCILMEMBER HARRIS said that after council approval, there is a supervisor who oversees the testing to ensure compliance with Federal regulations and FCC.

MS. SCHWAB said the testing is not done by the city; our limitation is we can ask for certification that the testing of the frequencies meets the federal requirements.

COUNCILMEMBER HARRIS asked if neighbors could access testing info if the proposal were approved. Is there a way for them to get certified copies to ensure public accessibility.

MS. SCHWAB said zoning files are public records, and they are available for public reviewing and to get copies.

COUNCILMEMBER HARRIS asked if a copy of the certification could be available for the resident to double-check the certification at the clerk's office.

MS. SCHWAB said we will look into that possibility.

VICE MAYOR ORLANDO asked for the applicant to present.

MICHAEL POWERS, Atlas Tower 1 3002 Bluff St., Boulder, CO, said Verizon Wireless is the mobile network partner for this project. Several Verizon representatives attended the Planning Commission, He did not believe they returned for this hearing. If the Council had questions, he was available to answer them.

VICE MAYOR ORLANDO said when he attended the Neighborhood meeting, he asked for a map of the cell. Were you able to provide it.

MR. POWERS said yes absolutely.

VICE MAYOR ORLANDO said you are prepared to show that tonight.

MR. POWERS said he believed all of that was integrated into the staff report shown at the Planning Commission.

VICE MAYOR ORLANDO said he could look at the coverage map here, but he also want the residents to know what was happening.

VICE MAYOR ORLANDO said there was a concern raised by one of the residents about this was sourced initially in another area of the community. What was the reason to change it.

MR. POWERS shared that the locations were sighted based on an engineered evaluation of the carrier's coverage in the area. This produced a circle on a map, known as a "search ring", within which, if equipment is brought in to fix the problem, it would be possible to move forward and solve the issue. This site, like many others, followed the same procedure within the ring. Our team conducted a comprehensive review of all the parcels that fit within the ring, researching zoning regulations to determine what was allowed in the area. Many parcels were ruled out due to being too small or not meeting zoning requirements. We then sent letters to landowners, trying to engage them in a dialogue about the possibility of hosting the site through a commercial lease. As expected, the number of possible spots decreased as we progressed through this process, and in this ring, there was only one option available, which is the one we are discussing.

VICE MAYOR ORLANDO said let me clarify, you were not considering multiple options on the golf course, but rather one site. The multiple options were outside of the golf course.

MR. POWERS said the leasing team follows a standard procedure for every site. They would send a letter to each parcel within the search ring that they believed could legally accommodate this infrastructure type based on the zoning code. If several parcels were owned by the golf course, for example, the same letter would have been sent to all of them. In addition to the zoning and approval government process, this site is a Verizon site, so the engineers are also evaluating the viable site and have a significant say in selecting the location to address the problem. Therefore, several factors have led us to this location.

VICE MAYOR ORLANDO asked if other sites were considered at the golf course and whether they were relocated due to any reasons on the golf course.

MR. POWERS said he is unaware of everything staff did leading up to the point where we applied for a specific parcel at a specific location. The process has been ongoing for about two to three years, so his knowledge is limited to what has happened in that time frame.

VICE MAYOR ORLANDO asked if he knew the map and exact coverage of the area on the board and how it relates to the existing coverage.

MR. POWERS asked for clarification.

VICE MAYOR ORLANDO said that one of the concerns raised was the availability of cell phone coverage in the area. Though it was emphasized that there was a lack of cell towers in the area covering this, the presentation tonight seems to suggest that other carriers may have already established their services there.

MR. POWERS said the nearest structure that could fix the problem in the area was confirmed on a different set of documents sent to planning, and it was well out of the search and about a mile north. He believes the information people in the neighborhood are getting regarding this specific project is incorrect. For the hearing, the coverage from other carriers does not necessarily become an element for denial because each mobile network operator within this space has a right to deliver to their customer pursuant to the FCC regulation. They are working directly with Verizon, and he knows that AT&T, T-Mobile, and probably Dish Network would also be interested because there is a huge gap in service here.

VICE MAYOR ORLANDO asked if the pole could accommodate multiple carriers besides the one it currently hosts.

MR. POWERS said the structure is designed for collocation. However, the ability to collocate multiple structures on a tower or a structure of this height may be limited. It depends on how

flexible the carriers are in bringing in smaller equipment to ensure it fits without damaging the architectural stealth component we are striving for.

VICE MAYOR ORLANDO asked if the permit is long-term or just a year.

BENJAMIN CERECERES, Planner, said the request is not temporary it is on a permanent basis

VICE MAYOR ORLANDO said that the permit is permanent if the structure remains.

MR. CERECERES said that was correct.

VICE MAYOR ORLANDO asked if there are any plans for structures to be built in this area.

MR. CERECERES said he is not aware of any other proposed cell tower in the surrounding location as of right now.

VICE MAYOR ORLANDO said his concern about the urgency conveyed in the emails he received, which often mentioned that the matter at hand was a matter of life or death. At least a dozen of those emails cited an incident where 911 was not accessible. While he does not claim that the approval of the proposal would entirely solve the problem, he believes it would make a significant difference.

MR. CERECERES said he believed that was something best for the applicant to address.

VICE MAYOR ORLANDO asked about trees and he knew that there was a stipulation by Planning and Zoning, and wondered what more trees meant.

MR. CERECERES said the Planning and Zoning Commission stipulation was added for the applicant. Stipulation number five requires the applicant to collaborate with the staff to plant more trees around the proposed facility. Specifically, they are going to add three more pine trees, which are already present around the facility. The new trees will be placed in strategic locations to help screen the cell tower from public view.

VICE MAYOR ORLANDO asked what size of trees will be installed.

MR. CERECERES said they will be 36-inch box trees in size they can be from 11 to 13 feet in height at the time of planting.

VICE MAYOR ORLANDO asked if they thought this will improve cell coverage.

MR. POWERS said the benefits of bringing in a more advanced component to a network. By doing so, we not only ensure that 911 calls made from mobile phones can be accessed, which accounts for 70 to 95% of all 911 calls, but we also enhance the capabilities of emergency services personnel, including fire, police, and ambulance. For example, police and first responders now have laptops in their vehicles, which they can use to input information when approaching a call for a domestic disturbance, fire, or other incidents where time and information are critical. This makes it safer for them as they have more information about what they are walking into, and it is also easier to rally additional support if needed. This upgrade is very important to the community.

MR. POWERS asked if he could correct or add information to some comments. As citizens and government representatives, we can discuss various topics. However, he wanted to clarify that the regulation of the telecommunication industry is a federal matter and not a state or local one due to federal preemption. This means that this body cannot regulate technology such as Advil or Tylenol, as that is the responsibility of the Food and Drug Administration, a federal administration.

COUNCILMEMBER HARRIS had a question about the possibility of litigation. If this body were to consider any statements that legal and compliant technology in Chandler harms human health, it would not result in a lawsuit. Instead, the decision made by this body would be considered an error, and we would have to hold another hearing. However, we are not interested in lawsuits; our goal is to bring infrastructure to the community for its benefit. If anyone needs more information, he recommended visiting the FCC's website, which provides comprehensive and reliable information about the safety and regulation of this technology in the US. Finally, he wanted to address an allegation that this project has a million-dollar price. Typically, ground leases for telecommunication sites in the US range from \$500 to \$1,800 per month. Ground leases above \$2,000 are rare. The payback on these sites is usually around 13-15% of the capital, which is far from a million-dollar payment. The telecommunication industry is a long-term investment, and the cash flow is thin. However, with time and multiple investments, the business can be profitable.

COUNCILMEMBER STEWART said concerns from the neighbors about health are not crackpot comments. These are important for these folks to consider.

MR. POWERS said what he meant was that there is a lot of false information on the internet. That is what he was trying to convey. He did not direct that toward anyone.

COUNCILMEMBER STEWART asked why not place the location in the middle, away from the houses. It seems like the best option.

MR. POWERS said the traditional approach of setting up a network is outdated. Multiple antennas are now used to spread out evenly throughout the community. Low-powered devices, with an average of 2.3 devices per person in America, can handle weak signals. The FCC rules for operating

antennas depend on height and proximity to humans. Antennas located under a commercial building have low wattage because they are only 10 feet off the ground.

COUNCILMEMBER STEWART asked if this one is low wattage.

MR. POWERS said our partner, Verizon, possesses multiple licenses that enable them to utilize this technology to meet the needs of their customers. As per their requirements, they are obligated to purchase certified equipment that conforms to the technical specifications of the FCC. Moreover, their engineers must ensure that the equipment can manage the wattage and positioning when installed on top of a 300-foot tower, while also complying with the corresponding regulations in different locations.

COUNCILMEMBER STEWART said that he is trying to figure out what would be the best thing for the neighborhood. Some neighbors think it is great because they will get better coverage, but those living closer to the site feel that it should be located elsewhere. Could you explain why this is happening today instead of in December when everyone is back. It seems like a total coincidence.

MR. POWERS said we have no control over it.

MAYOR HARTKE said he personally responded to over a hundred people in favor of this. He appreciated the hospitality and conversations at Sunbird and thanked those who attended the Planning and Zoning meeting.

9. Use Permit and Entertainment Use Permit, PLH23-0014 Good Time Charli's, 6045 W. Chandler Boulevard, Ste. 7, generally located at the southwest corner of Chandler Boulevard and Kyrene Road
Move City Council approve Use Permit case PLH23-0014 Good Time Charli's for a Series 6 Bar Liquor License and a time extension for an Entertainment Use Permit for live indoor and outdoor entertainment, subject to the conditions recommended by Planning and Zoning Commission.
10. Use Permit and Entertainment Use Permit, PLH23-0024 The Stillery, 130 S. Arizona Ave, located at the northwest corner of Arizona Avenue and Chicago Street (continued from the Council Regular Meeting of September 21, 2023)
Move City Council approve case PLH23-0024 The Stillery, Use Permit approval for a Series 6 Bar Liquor License and a time extension for an Entertainment Use Permit for live indoor entertainment and outside patio speakers for background music only, subject to the conditions recommended by Planning and Zoning Commission.

Facilities and Fleet

11. Agreement No. BF2-912-4485, with ASR Construction Group, LLC; Crawford Mechanical Services, LLC; FPS Civil, LLC; DMS Companies, Inc., dba Hernandez Companies; Kowalski Construction, Inc.; MGC Contractors, Inc.; and Nickle Contracting, LLC, for General Building Maintenance Services
Move City Council approve Agreement No. BF2-912-4485, with ASR Construction Group, LLC; Crawford Mechanical Services, LLC; FPS Civil, LLC; DMS Companies, Inc., dba Hernandez Companies; Kowalski Construction, Inc.; MGC Contractors, Inc.; and Nickle Contracting, LLC, for General Building Maintenance Services in an amount not to exceed \$4,240,000, for a period of one year, beginning September 1, 2023, through August 31, 2024.
12. Purchase of Maintenance, Repairs and Purchase of Doors, Locking Systems, Door Hardware, and Operable Walls
Move City Council approve the utilization of the Mohave Educational Services Cooperative Contract No. 21H-DHP-0917, for maintenance, repairs, and purchase of bay doors, locking systems, door hardware, and operable walls, from DH Pace Company, Inc., in an amount not to exceed \$200,000, for the period of one year, September 17, 2023, through September 16, 2024.
13. Purchase of Heating, Ventilation, and Air Conditioning (HVAC) Equipment, Installation, Service, and Related Products
Move City Council approve the utilization of the Mohave Educational Services Cooperative, Contract No. 19F-SMC-0904, for the purchase of HVAC equipment, installation, service, and related products, from Sun Mechanical Contracting, Inc., in an amount not to exceed \$1,600,000, for the period of one year, beginning September 5, 2023, through September 4, 2024.
14. Purchase of Vehicles
Move City Council approve the purchase of vehicles using multiple vendors under the State of Arizona, Sourcewell, Omnia, HGAC, and Maricopa County contracts, in an amount not to exceed \$4,549,265.

Fire Department

15. Resolution No. 5745 Authorizing a Grant Agreement with the Arizona Department of Homeland Security for the 2023 Community Emergency Response Team (CERT) Training
Move City Council pass and adopt Resolution No. 5745, authorizing the City to enter into a Grant Agreement with the Arizona Department of Homeland Security (AZDOHS) for the Community Emergency Response Team (CERT) Training in the amount of \$9,000, and authorize the Fire Chief to implement the provisions of the agreement.

16. Resolution No. 5744 Authorizing a Grant Agreement with the Arizona Department of Homeland Security for the 2023 Urban Area Security Initiative (UASI) for Rapid Response Fire Teams Equipment and Training
Move City Council pass and adopt Resolution No. 5744, authorizing the City to enter into a Grant Agreement with the Arizona Department of Homeland Security (AZDOHS) for the Urban Area Security Initiative (UASI) Rapid Response Fire Teams, for equipment and training, in the amount of \$87,145.
17. Agreement No. FD3-200-4486, Amendment No. 1, with 030530 Uniforms, LLC, dba Ace Uniforms of Phoenix, for Fire Uniforms
Move City Council approve Agreement No. FD3-200-4486, Amendment No. 1, with 030530 Uniforms, LLC, dba Ace Uniforms of Phoenix, for fire uniforms, in an amount not to exceed \$250,000, for the period of one-year, November 15, 2023, through November 14, 2024.

Human Resources

18. Resolution No. 5737, Renewal Request to 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. 5737, renewing the request to the Industrial Commission of Arizona for continued exemption from the requirement to post security for the Self-Insurance Workers' Compensation Program.
19. Agreement No. 1193, Calendar Year 2024 Amendment, with Delta Dental Plan of Arizona, Inc., for Dental Insurance Benefit
Move City Council approve Agreement No. 1193, Calendar Year 2024 Amendment, with Delta Dental Plan of Arizona, Inc., for dental insurance benefit, in an amount not to exceed \$120,000, for the period of one year, beginning January 1, 2024, through December 31, 2024, and authorize the City Manager, or designee to extend the Agreement for an additional one-year term of January 1, 2025, through December 31, 2025 (CY2025), subject to the same terms and conditions.
20. Agreement No. 4118, Amendment No. 4, with The Segal Company (Western States), Inc., for Employee Benefits Consulting Services
Move City Council approve Agreement No. 4118, Amendment No. 4, with The Segal Company (Western States), Inc., for employee benefits consulting services, in an amount not to exceed \$120,000, for the period of one year, beginning January 1, 2024, through December 31, 2024.
21. Agreement No. HR3-920-4599, with Alight Solutions LLC, for the Benefits Administration Program and Wellness Portal

Move City Council approve Agreement No. HR3-920-4599, with Alight Solutions LLC, for the benefits administration program and wellness portal, in an amount not to exceed or total \$602,000 in the first year, for the period of three years, beginning on the execution date of the agreement.

Information Technology

22. Agreement No. 4409, Amendment No. 2, Information Technology Consulting Services
Move City Council approve Agreement No. 4409, Amendment No. 2, with NST Technologies, Inc., for information technology consulting services, in an amount not to exceed \$300,000, for a period of one year, beginning October 15, 2023, through October 14, 2024.
23. Agreement No. 4526, Amendment No. 1, with Neudesic, LLC, for Annual Application Support Services
Move City Council approve Agreement No. 4526, Amendment No. 1, with Neudesic, LLC, for annual application support services, in an amount not to exceed \$156,000, for the period of one year, beginning November 1, 2023, through October 31, 2024.

Management Services

24. Resolution No. 5730 Authorizing the Issuance and Sale of Not to Exceed \$120,000,000 in General Obligation (GO) Bonds, Series 2023
Move City Council pass and adopt Resolution No. 5730, authorizing and providing for the issuance and sale of not to exceed \$120,000,000 in General Obligation Bonds, Series 2023, and authorizing Authorized Representatives of the City to determine whether it is in the City's best interest to sell the Bonds in a competitive bid or through a negotiated sale.
25. Resolution No. 5732 Authorizing the Sale, Execution and Delivery of Not to Exceed \$75,000,000 in Excise Tax Revenue Obligations (ETROs), Series 2023
Move City Council pass and adopt Resolution No. 5732, authorizing and providing for the sale, execution and delivery of not to exceed \$75,000,000 of Excise Tax Revenue Obligations, Series 2023, and authorizing Authorized Representatives of the City to determine whether it is in the City's best interest to sell the Obligations in a competitive bid or through a negotiated sale.
26. Agreement No. WH4-801-4646 for Traffic Signs & Related Items
Move City Council approve Agreement No. WH4-801-4646, with Interwest Safety Supply, LLC, for traffic signs and related items, in an amount not to exceed \$150,000, for the period of November 1, 2023, through October 31, 2024.
27. New License Series 12, Restaurant Liquor License Application for Jason Joseph Ross, Agent, AIKG Chandler, LLC, DBA Andretti Indoor Karting and Games

Move for recommendation to the State Department of Liquor Licenses and Control for approval of the State Liquor Job No. 255036, a Series 12, Restaurant Liquor License, for Jason Joseph Ross, Agent, AIKG Chandler, LLC, DBA Andretti Indoor Karting and Games, located at 1712 S. Cooper Road, and approval of the City of Chandler, Series 12, Restaurant Liquor License No. 305952.

28. New License Series 10, Beer and Wine Store Liquor License Application for Camila Alarcon, Agent, STB Boston, LLC, DBA Spin The Bottle
Move for recommendation to the State Department of Liquor Licenses and Control for approval of the State Liquor Job No. 256455, a Series 10, Beer and Wine Store Liquor License, including sampling, for Camila Alarcon, Agent, STB Boston, LLC, DBA Spin The Bottle, located at 105 W. Boston Street, and approval of the City of Chandler, Series 10, Beer and Wine Store Liquor License No. 305971.

Neighborhood Resources

29. Agreement No. 4638, with GAJANAN, LLC, for Temporary Accommodation Services
Move City Council approve Agreement No. 4638, with GAJANAN, LLC, for temporary accommodation services, in an amount not to exceed \$600,000, for the period of one year, beginning October 1, 2023, through September 30, 2024.

Police Department

30. Resolution No. 5749 Authorizing Amendment No. 1 to the Intergovernmental Agreement for Data Sharing Between the City of Chandler and the Arizona Board of Regents for and on Behalf of Arizona State University (ASU)
Move City Council pass and adopt Resolution No. 5749 authorizing Amendment No. 1 to the Intergovernmental Agreement for Data Sharing between the City of Chandler and the Arizona Board of Regents for and on behalf of Arizona State University (ASU); authorizing the Mayor and Chief of Police to sign the Agreement; and authorizing the Chief of Police to administer, execute, and submit all documents and other necessary instruments in connection with such Agreement.

Public Works and Utilities

31. Resolution No. 5736 Approving an Amended and Restated Intergovernmental Agreement Between the City of Chandler and Maricopa County for Right-of-Way Assistance for Lindsay Road from Ocotillo Road to Hunt Highway
Move City Council pass and adopt Resolution No. 5736, approving an amended and restated IGA between the City of Chandler and Maricopa County for right-of-way assistance for Lindsay Road from Ocotillo Road to Hunt Highway; and authorizing the Mayor to sign the agreement and all related documents on behalf of the City of Chandler.

32. Job Order Project Agreement No. WA2401.401, with PCL Construction, Inc., Pursuant to Job Order Master Agreement No. JOC1915.401, for the Pecos Surface Water Treatment Plant Filter Improvements Phase 2
Move City Council award Job Order Project Agreement No. WA2401.401 to PCL Construction, Inc., Pursuant to Job Order Master Agreement No. JOC1915.401, for the Pecos Surface Water Treatment Plant Filter Improvements Phase 2, in an amount not to exceed \$1,750,173.72.
33. Construction Services Agreement No. ST2210.401, with CS Construction, Inc., for the Chandler Integrated Corridor Management (ICM) Detection and Communication Systems
Move City Council award Construction Services Agreement No. ST2210.401, to CS Construction, Inc., for the Chandler ICM Detection and Communication Systems, in an amount not to exceed \$1,110,000.
34. Construction Agreement No. ST2209.401, with CS Construction, Inc., for the Chandler Local Detection and Communication Systems
Move City Council award Construction Agreement No. ST2209.401 to CS Construction, Inc., for the Chandler Local Detection and Communication Systems, in an amount not to exceed \$699,942.
35. Professional Services Agreement No. WA2106.453, with Kitchell CEM, Inc., for the Pecos Surface Water Treatment Plant Administration Building HVAC and Water Quality Lab Renovation Construction Management Services
Move City Council award Professional Services Agreement No. WA2106.453 to Kitchell CEM, Inc., for the Pecos Surface Water Treatment Plant Administration Building HVAC and Water Quality Lab Renovation Construction Management Services, in an amount not to exceed \$487,968.51.
36. Construction Manager at Risk Construction Services Agreement No. WA2106.401, Guaranteed Maximum Price Proposal No. 2, with Caliente Construction, Inc., for the Pecos Surface Treatment Plant Admin Building HVAC and Water Quality Lab Renovation
Move City Council award CMAR Construction Services Agreement No. WA2106.401, Guaranteed Maximum Price Proposal No. 2, to Caliente Construction, Inc., for the Pecos Surface Treatment Plant Admin Building HVAC and Water Quality Lab Renovation, in the amount of \$6,398,027.
37. Professional Services Agreement No. ST2101.451, Amendment No. 1, with Ardurra Group, Inc., for the Detroit Basin/Gazelle Meadows Park Storm System & Associated Improvements
Move City Council award Professional Services Agreement No. ST2101.451, Amendment No. 1, to Ardurra Group, Inc., in the amount of \$315,160.

38. Construction Manager at Risk (CMAR) Construction Services Agreement No. ST2101.401, Guaranteed Maximum Price Proposal No. 2, with Achen Gardner Construction, LLC, for the Detroit Basin/Gazelle Meadows Park Storm System & Associated Improvements
Move City Council award CMAR Construction Services Agreement No. ST2101.401, Guaranteed Maximum Price Proposal No. 2, to Achen Gardner Construction, LLC, in the amount of \$2,294,480.53.
39. Agreement No. PW0-745-4183, Amendment No. 6, with M.R. Tanner Development and Construction, Inc., for Street Maintenance Repaving, Surface Seal, and Repair Services
Move City Council approve Agreement No. PW0-745-4183, Amendment No. 6, with M.R. Tanner Development and Construction, Inc., for street maintenance repaving, surface seal, and repair services, increasing the spending limit by \$21,000,000.
40. Agreement No. PW0-745-4122, Amendment No. 4, with Vincon Engineering Construction, LLC, for Concrete Repair Maintenance Services
Move City Council approve Agreement No. PW0-745-4122, Amendment No. 4, with Vincon Engineering Construction, LLC, for concrete repair maintenance services, in an amount not to exceed \$10,000,000, for a one-year term, January 1, 2024, through December 31, 2024.
41. Agreement No. PW0-745-4123, Amendment No. 6, with M.R. Tanner Development and Construction, Inc., for Street Maintenance and Repair Services
Move City Council approve Agreement No. PW0-745-4123, Amendment No. 6, with M.R. Tanner Development and Construction, Inc., for street maintenance and repair services, in an amount not to exceed \$1,720,497.33, for a one-year term, January 1, 2024, through December 31, 2024.
42. Agreement No. 4688, with Stantec Consulting Services, Inc., for the Purchase of Professional Services for the Pavement Quality Index Survey
Move City Council approve Agreement No. 4688, with Stantec Consulting Services, Inc., for the purchase of professional services for the Pavement Quality Index Survey, in an amount not to exceed \$174,704.
43. Construction Agreement No. ST1616.401; Federal No. CHN 0(241)D; ADOT No. T010301C, Change Order No. 2, with Haydon Companies, LLC, for the Ocotillo Road Improvements - Gilbert Road to 148th Street
Move City Council award Construction Agreement No. ST1616.401; Federal No. CHN 0(241)D; ADOT No. T010301C, Change Order No. 2, to Haydon Companies, LLC, for the Ocotillo Road Improvements - Gilbert Road to 148th Street, in the amount of \$900,000.
44. Job Order Project Agreement No. WW2001.403, with Garney Companies, Inc., Pursuant to Job Order Master Agreement No. JOC1914.401, for the Ocotillo Brine Reduction Facility

Hydrochloric Acid Storage and Weak Acid Containment Mixing Improvements and Related Contingency Transfer

Move City Council award Job Order Project Agreement No. WW2001.403 to Garney Companies, Inc., pursuant to Job Order Master Agreement No. JOC1914.401, for the Ocotillo Brine Reduction Facility Hydrochloric Acid Storage and Weak Acid Containment Mixing Improvements, in an amount not to exceed \$1,878,326.92, and authorize a Wastewater Industrial Process Treatment Plant Fund contingency transfer of \$1,173,036 to the Wastewater Industrial Process Treatment Plant Fund, Wastewater Capital, Plant Additions and Improvement account.

45. Job Order Project Agreement No. WW2001.404, with Garney Companies, Inc., Pursuant to Job Order Master Agreement No. JOC1914.401, for the Ocotillo Brine Reduction Facility Ion Exchange Outlet Waste Improvements
Move City Council award Job Order Project Agreement No. WW2001.404 to Garney Companies, Inc., pursuant to Job Order Master Agreement No. JOC1914.401, for the Ocotillo Brine Reduction Facility Ion Exchange Outlet Waste Improvements, in an amount not to exceed \$319,309.86.
46. Professional Services Agreement No. WW2001.453, with HDR, Inc., for the Ocotillo Brine Reduction Facility Hydrochloric Acid Storage and Weak Acid Containment Mixing Improvements Construction Management Services
Move City Council award Professional Services Agreement No. WW2001.453 to HDR, Inc., for the Ocotillo Brine Reduction Facility Hydrochloric Acid Storage and Weak Acid Containment Mixing Improvements Construction Management Services, in an amount not to exceed \$174,820.
47. Agreement No. PW3-925-4631, with Hazen and Sawyer, P.C., for the Water System Upgrades Program Consultant Services
Move City Council approve Agreement No. PW3-925-4631, with Hazen and Sawyer, P.C., for the Water System Upgrades Program consultant services, in the amount of \$695,720.

Consent Agenda Motion and Vote

Vice Mayor Orlando moved to approve the Consent Agenda of the October 19, 2023, Regular City Council Meeting; Seconded by Councilmember Encinas.

The motion to approve the Consent Agenda of the October 19, 2023 carried unanimously (7-0), with the exception of Item 8 which passed by majority, (6-1) with Councilmember Stewart dissenting; and Item 9 which passed by majority, (6-0), with Vice Mayor Orlando declaring a conflict of interest.

Public Hearing

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

Open Public Hearing

MAYOR HARTKE opened the public hearing at 6:57 p.m.

Staff Presentation

MATT DUNBAR, Budget & Policy Assistant Director presented the following presentation.

- Utility Rates Public Hearing
- Agenda
- Utilities Rate Change Outreach
- Rate Analysis & Cost of Service Process
- Utilities Revenue Requirements
- Major Utility Rate Cost Drivers
 - Water
 - Wastewater
 - Reclaimed
 - Solid Waste
- Utility Rate Comparisons
- Proposed Ordinance and Resolution
- Water, Wastewater, Reclaimed & Solid Waste Rate Change Outreach
- Public Outreach: Website
 - Public meeting schedule, Council action schedule, process timeline
 - Rate changes in % and \$ by classification, monthly bill calculator, FAQs
 - History of rate changes and 5-year projected rate changes
 - Last cost of Service (COS) study presentations, COS Report
- Public Outreach: Meetings
 - City Council Work Session, Public Hearing, Notice of Intent, and ongoing updates
 - Residential and Non-Residential public meeting 9/12/23 in person and virtual
 - Chamber public policy meeting presentation on utility rate changes 9/8/23
 - Met with individual stakeholders as needed
- Utility Rates Cost of Service (COS) Process (2nd step of 3 towards COS realignment)
 - City's Financial Plan Review (completed annually)
 - What is the funding requirement?
 - Cost of Service Analysis
 - More accurately reflects actual cost of providing service to each customer class (completed every 5-7 years) Is everyone paying their fair share?
- Revenue Requirements Revenue Increase -%
 - Water
 - Wastewater

- Reclaimed
- Solid Waste

Future year projections subject to change

MAYOR HARTKE asked for clarification on the 0.2% and typical outside agency recoupment.

MR. DUNBAR said the length of time the outstanding bill has been in the collection process, as well as the internal collection process, are determining factors. The 0.2% of the company's total revenues amount to approximately \$180 million per year. Therefore, the uncollectible portion would be around \$300,000 at 0.2% of the total revenue.

- Major Rate Cost Drivers – Aging Infrastructure
- Water
 - Total mains 1,238 miles
 - 10-year main replacement CIP \$81.6M
 - Reflects 1-2 miles of replacements per year
 - Proactive replacements based on risk (breaks interrupt plan)
 - Increasing regulation
 - Inflation impact on capital and operations
- Wastewater
 - Total pipes & valves 947 miles
 - 10-year pipes & valves replacement CIP \$131.8M
 - Reflects significant individual projects (e.g., 66" Sewer Main)
 - Reactive replacements based on video/inspections
 - Increasing regulation for Water Effluent Quality
 - Inflation impact on capital and operations
- Water Rates
- Cost of Service Rates To ensure everyone is paying their fair share
 - Revenue Requirement +7%
 - Residential
 - Multifamily
 - Non-residential
 - Industrial
 - Landscape

Shifting cost burden of revenue requirement to customer classifications differently allows for more accurate reflection of actual cost of providing service to each customer class

- Volumetric and Base Water Rate Changes (2nd step towards 100%COS)
 - Customer Class
 - Existing
 - FY 2023-24 (Jan. 2024)
 - Rate Change

- Single Family
 - Multi-Family
 - Base Charge \$ per Bill
 - Reflects total revenue recovery projected increase of 7.0%
- Water Average Bill Example
 - Water – Avg. Bill Examples
 - Current
 - Proposed for Jan. 2024
- Water Conservation
- Tiered rates encourage conservation
 - Low water users pay less per gallon for water they use, high water users pay more
 - Chandler offers free water-wise workshops, site visits, and retrofit kits (homes built prior to 1992)
 - Current and new conservation rebate programs
 - Residential and commercial grass removal
 - Non-functional turf removal
 - Smart irrigation controller installation
 - Council approved additional grant funding available this year to increase incentives
- Wastewater Rates
- Cost of Service Rates
 - To ensure everyone is paying their fair share
 - Revenue Requirement
 - Residential
 - Multifamily
 - Non-residential
 - Shifting cost burden of revenue requirement to customer classifications differently allows for more accurate reflection of actual cost of providing service to each customer class
- Wastewater Rate Changes (2nd Step Towards 100% COS)
 - Customer Class Existing
 - FY 2023-24 (Jan. 2024)
 - Rate Change %
 - Residential Base*
 - Multifamily Base*
 - Non-Residential
 - Volumetric**
 - Customer Charge
 - *Monthly Charge per Dwelling Unit/ Flat Rate
 - **Per 1,000 Gallons %
- Wastewater Average Bill Example

- Wastewater – Avg. Bill Example
 - Current
 - Proposed for Jan. 2024
- Reclaimed Water Rates
- Reclaimed Water Volume Rate Change and Average Bill Example
 - All Reclaimed Customer
 - Existing
 - FY 2023-24 (Jan. 2024)
 - Reclaimed – Avg. Bill Example Monthly Average (850k gal)
 - Current \$637.50
 - Proposed for Jan. 2024 \$680.00
- Solid Waste Rates
- Solid Waste Rate Change and Average Bill Example
 - FY 2023-24 All Covered Residences
 - Proposed for Jan. 2024 +7%
 - Solid Waste – Avg. Bill Example Monthly Fee (Flat Fee)
 - Current \$18.56
 - Proposed for Jan. 2024 \$19.86
- Solid Waste Policy Changes
- January 2024 Free RSWCC Visits and Bulk Pick-up Policy Changes
- A total of 4 no charge RSWCC visits or bulk pickups per calendar year in any combination
 - Currently 2 free RSWCC visits and 2 free bulk pickups, but customer feedback wanted change
- After 4 no charge, RSWCC is \$10 for up to 400 lbs. and bulk pickups are currently \$30 proposed to change to \$35
- Solid Waste Fee Updates
- Additional/Replacement container charge from \$60 to \$75
- Additional/Replacement Containers for Large Alley size change from \$235 to \$430
- Additional container collection fee \$7.50 to \$15
- Special collection fee non-alley \$17.50 to \$18.50 and Alley \$25 to \$35
- Additional Bulk collections above free allocation from \$30 to \$35
- *All of these are to adjust costs to the current City cost for full cost recovery
- Combined Average Customer Bill Example
 - Combined Average Bill Examples
 - Residential Combined Avg. Bill
 - Multifamily Combined Avg. Bill
 - Non-Residential Combined Avg. Bill
 - Current
 - Proposed for Jan. 24
- Average Residential Cost Comparison for Water, Wastewater and Solid Waste
 - Chandler

- Chandler Proposed
- Tempe
- Gilbert
- Peoria
- Scottsdale
- Phoenix
- Glendale
- Mesa
- Estimated based on Tempe Cost of Service July 2023 results at 10,000 gallons single-family residential rates for FY 2022-23 plus Chandler's planned rate increases and any recently passed rate increases for other communications
- Average Multi-Family Cost Comparison for Water, Wastewater
 - Chandler
 - Chandler Proposed
 - Tempe
 - Peoria
 - Phoenix
 - Scottsdale
 - Gilbert
 - Glendale
 - Mesa
 - Estimated based on current adopted rates by city (some cities may be increasing rates which are not included). Includes 500kgal of monthly usage, a 6" meter, and 150 units.
- Average Non-Residential Cost Comparison for Water, Wastewater
 - Gilbert
 - Chandler Current
 - Tempe
 - Chandler Proposed
 - Peoria
 - Mesa
 - Scottsdale
 - Glendale
 - Phoenix
 - Estimated based on current adopted rates by city (some cities may be increasing rates which are not included). Includes 200kgal of monthly usage and a 2" meter.
- For changes to be effective an Ordinance and Resolution are both needed
 - Ordinance #5065 allows for changes to City code chapters 44 (Solid Waste) and 50 (Utilities) to make the needed rate and fee policy adjustments
 - Resolution #5751 allows for changes to the fee schedule which is where solid waste fees are presented
- Rate Adjustment Timeline

- Task or Event
- Date
- Questions

Council Discussion

COUNCILMEMBER POSTON asked why our proposed increase would result in lower costs than our neighbors.

MR. DUNBAR said Chandler's enterprise funds management as a key contributor to the city's success. The city's approach of assessing rates every other year demonstrates careful monitoring of utilities, which increases bond agencies' confidence. The enterprise funds benefit from cost savings on infrastructure. Chandler's excellent staff avoids constructing new facilities, saving millions. The city focuses on aging infrastructure and meeting new regulatory requirements. Capital funds are for repairing aging infrastructure, not constructing new facilities.

COUNCILMEMBER POSTON said that some residents have been asking about the cash the city has on hand, which is restricted in reserves. We had a discussion on how to define that. Please elaborate on this matter.

MR. DUNBAR said that two funding mechanisms exist for the City of Chandler. The general fund is used for taxes that pay for government operations. Enterprise funds, which include utilities, must generate enough revenue to cover expenses and maintain a certain fund balance. This ensures preparedness for unforeseen circumstances. Additional fund balance is used for one-time capital programs. Funding for ongoing components is analyzed to maintain sound financial policies and utilities.

COUNCILMEMBER POSTON said the fund balance was about \$92 million exactly, which we voted on in our most recent budget in that policy.

DAWN LANG, Deputy City Manager/CFO, said there are a few points related to the city's fund balance policy. The 100 million mentioned in some emails refers to the generated fund, while the 92.2 million is the operating reserve required for the general fund. The general fund supports public safety, parks and recreation, and streets, among other services provided by the city. Holding four months of operating reserve in the general fund is a best practice that helps maintain the city's AAA Bond rating. The revenue generated in the city was higher than the expenses during the period ending in 2023, resulting in more one-time dollars. The Mayor and Council decided to use these one-time dollars to pay off the pension obligation for police and fire, which would reduce the city's annual contribution towards the pension. This decision would help keep the taxes low in the future. The council also decided to use these one-time dollars for additional capital, such as the street program and parks. Technology was another area where cash funding was appropriate, as the city did not have bond authority for it. Estimates that if all the designated funds were spent,

the city's fund balance at the end of this year would be \$123 million, which is above the required financial policy of \$92.2 million.

COUNCILMEMBER POSTON said she cannot recall any instance of using one-time funds for ongoing expenses during her 22 years in Chandler government. Was there such an occurrence that she may have missed.

MR. DUNBAR said that he could only speak for the past four years, during which the organization maintained a balance between ongoing and one-time budgets. Ms. Lang, with more experience, may have further insights.

MS. LANG said she could not recall the council ever doing what was proposed. Ongoing revenue is used for ongoing expenses, while one-time revenue is spent on non-recurring capital expenditures. In the long run, it's an ongoing financial policy to avoid relying on one-time revenue for hiring and supporting services.

COUNCILMEMBER POSTON said during the recession council did not use that as an action, which is good governance. Every person on this dais has taken pride in it, and it has allowed us to do many things.

COUNCILMEMBER HARRIS said hypothetically, if council takes out \$100 million from the fund and decides not to increase water prices. However, this would only cover a portion of the necessary infrastructure repairs, leaving the council with insufficient funds; where would that leave us.

MS. LANG said that using one-time money to cover ongoing expenses in the enterprise funds could have negative consequences. The Mayor and Council recently approved two bond issues for projects in the 10-year capital plan, including a water and wastewater project with a maximum cost of \$75 million. The debt service for the project is an ongoing cost, so using one-time money to cover it would not eliminate the cost but instead would require rate increases and would double the amount needed. All the enterprise funds have an ongoing need of approximately \$8.69 million. If one-time funds are used, these expenses will continue year after year and could lead to a situation where the revenue coming in on an annual basis is not enough to cover the expenses. This would result in drawing down the fund balance, which is not ideal. While one-time funds could bring the fund balance back up, using them in this way is against the financial policies. Moreover, the AAA bond rating is extremely important when the city goes out to get bonds rated every two years. This rating reduces the debt cost and requires fewer user fees or taxes. If the city goes against its own financial policies, it could affect the AAA bond rating and result in higher costs.

COUNCILMEMBER HARRIS said the state requires the city to conduct an annual audit. If the city conducts the audit and reveals any issues, it will prompt further action.

MS. LANG stated that the city code mandates an external auditing agency to audit our city's financials annually. The results of this audit are used to create a financial report that rating agencies then use to evaluate our financial status. The rating agencies analyze various ratios to determine how our city has performed year over year. They also review the actions and votes by the council and speak to the staff to ensure consistency in our financial management practices. This is part of the process for getting rated every year for the City of Chandler.

COUNCILMEMBER HARRIS said he has concerns about the \$75 replacement cost for the bins and the lack of information regarding their lifespan and about the replacement of a missing bin lid under the agreement.

MR. DUNBAR said that replacement costs apply only if the resident damages the container, such as by burning a hole through the bottom. Solid Waste replaces carts periodically and provides replacements at no cost. The first container is included in the monthly bill, but additional containers will incur an extra charge.

COUNCILMEMBER STEWART asked about the excess revenue from last year, which amounted to \$65 million, and could be balanced with the \$22 million that is expected to exceed the budget this year. Although it was fortunate that this excess revenue was used to fund the PSPRS, it is not a good budgeting practice. The concern is balancing the residents' tax burden with the general fund's surplus while keeping the enterprise fund in mind.

MR. DUNBAR said that transaction privilege tax and other taxes are kept separate from Enterprise funds for financial regularity. We plan for significant improvements, hence the 10-year view. We evaluate our Capital plan annually, considering projects necessary for quality water and wastewater treatment. On the general fund, Covid did not cause a revenue dive. An industrial partner invested billions in our community, affecting the budget. ARPA dollars have also affected general fund revenues. On the Enterprise side, projections are more accessible, but we must be aware of conservation. From a budget perspective, we are close to the target.

COUNCILMEMBER STEWART said something was brought up about mingling General funds. I know we recently made a vendor hole regarding one of the services they provide for us with a one-time shot of Revenue; where did that money come.

MR. DUNBAR said he did not know.

COUNCILMEMBER STEWART said we just voted for a million-dollar increase and asked City Manager Mr. Wright if that came from the enterprise fund or general fund the million-dollar increase for Waste Management.

MS. LANG said you are referring to the vote tonight on the agenda using contingency funds.

COUNCILMEMBER STEWART said this occurred a month and a half ago.

MS. LANG said the collection carrier is responsible for picking up all the residential trash in the City of Chandler under the Waste Management contract. Due to the COVID-19 pandemic, there has been an increase in costs. The city does not own the trucks, and the carriers are responsible for managing the trucks, fuel, and staff, which has contributed to the higher costs. As a result, the contract has been authorized to increase. Currently, the Council has authorized a one-time payment to cover the extraordinary cost that the carriers have experienced. However, if the authorization does not pass tonight, the carriers will request an ongoing payment because they are the City's collection provider, and this is what it is costing them to execute the contract.

COUNCILMEMBER STEWART asked about the specific deficit resulting from the increase in cost.

MR. DUNBAR said that the \$8.6 million came from the Solid Waste fund, not the Waste Management general fund.

COUNCILMEMBER STEWART said we had extra money that we keep that came from the contingency fund that is in the enterprise fund.

MR. DUNBAR said that there was a contingency fund and a balance in that fund.

COUNCILMEMBER STEWART asked about reducing the cost escalation of ongoing projects. Can we delay some projects to keep costs low, which could be a priority value. We are actively exploring cost-saving measures.

VICE MAYOR ORLANDO said he appreciates Councilmember Stewart's focus on equity in water usage and commended the council for ensuring residents do not pay for others' usage. The city rebalanced its portfolio last year and went full board this year to address this. Chandler's introduction of impact fees saved millions that residents would have paid. The council's role is to innovate, save taxpayers' money, and use funds effectively. Vice Mayor Orlando thanked residents for trusting the council to make beneficial decisions.

COUNCILMEMBER ELLIS said appreciates the transparency shown in the meeting. She emphasized that the city is being run like a business and that they are managing it efficiently. To do this, they need to be well-equipped and clearly understand what needs to be done today and in the next five or ten years. She commended the staff for their hard work behind the scenes and stressed that every decision was thoroughly considered. She encouraged the public to get involved, investigate the numbers presented, and understand that the city is investing in the future by ensuring that the water provided is safe to drink. She pointed out that the city's AAA bond rating

is a result of good decisions made by the council in the past, and it is their duty to continue making good decisions for future generations.

COUNCILMEMBER ENCINAS thanked the council and staff for their work. The decision keeps rates and fees low, remaining in single digits and comparable to other cities. Projections for 2025-28 also show rates staying in single digits.

Discussion from the Audience

LESLIE MINKUS, 3377 E Gemini Ct., spoke on item 48., As shareholders, we have the right to receive transparent information, including financial statements about the enterprise fund. However, we have not been given much information about it, which makes it difficult for us to know how much money is coming in or going out. With over 100 million in excess revenue mingled with the general fund, we need to be careful about how we use this money. We need to address the issues of the people in Chandler today, especially those on fixed incomes who are in need. Instead of implementing an increase now, we can apply some of the additional funds and only put part of the increase this year. We should also address losses that have taken place, such as the collection of money from water and sewer from renters and homeowners, which amounted to over three million dollars in the past seven years.

MAYOR HARTKE asked for a location or website where residents can access information about how our city compares to others. During the discussion, it was mentioned that a difference of two-tenths of a percent amounted to \$360,000. However, it was not clear whether this amount was per year or over a period of three years.

MS. LANG said, as discussed earlier, the financial statements for general funds and Enterprise funds are available online. We have five years' worth of these financial statements, which are listed out separately for each fund with a balance sheet profit and loss analysis. These statements are prepared according to government accounting principles, which is a nationwide practice. The public can access these financial statements anytime, and we are happy to answer any questions. Regarding utility funds, uncollectible accounts are a part of running a utility. In the last three years, our average uncollectible balance has been 0.2%, which is \$245,600. It is still below 0.5%, which is considered excellent. We write off accounts only if the account is closed and we have been unable to collect through our own means. We turn such accounts over to a collection agency as a last resort. We have been successful in managing our collections due to better economic conditions and excellent internal processes. We rewrote our collection policy and consulted with other cities to improve it further. Our current policy is better than those of other surrounding cities. Our staff has done an excellent job in implementing the new policy. There is a lot of effort that goes into managing these accounts before we must pass them over to a collection agency. This is where we stand today with our utility collections.

COUNCILMEMBER ELLIS said that many people were facing difficulties during the pandemic and the council had provided one-time financial assistance to help them pay off their debts and become current. The council will continue to support these individuals until they are able to manage their finances independently. The goal is to help our community during these challenging times.

VICE MAYOR ORLANDO asked do we have a listing of what dollars we did recoup.

MS. LANG said that she does not currently have the information. However, we can expect an annual check from the collection agency, so I can follow up on that.

VICE MAYOR ORLANDO asked if there is a method to track the bad credit of a person and whether the agency can require them to pay more upfront before providing them with water and other utilities.

MS. LANG said when opening a utility account, a deposit is required if the necessary documents are not provided. However, if the individual can prove that they have had no issues with previous utility accounts, the deposit may be waived. It is mandatory for the utility company to collect a deposit, but it will be returned after a certain period, provided that the account history remains positive.

RICK HEUMANN, 4310 W. Dublin St., spoke on item 48, representing the Chandler Chamber of Commerce as the past board chair, we support the financial policies put in place by the Council over the past 50 years. The importance of having strong reserves, AAA bond ratings, and not using ongoing money for one-time expenses. We commended the Council's 0.2% deficit or debt policy, which most businesses would consider a remarkable achievement. The Chamber has sent a letter to the Mayor and Council asking them to consider the economic impact on businesses when the next rate increase is implemented in a couple of years. The speaker emphasized the importance of having reliable and safe water services for businesses like Intel, Rogers, and North to operate successfully. The Chamber supports the Council's efforts to maintain transparency and provide reliable water services for the future.

Close Public Hearing

MAYOR HARTKE closed the public hearing at 8:07 p.m.

Action Agenda Item No. 49

49. Introduction and Tentative Adoption of Ordinance No. 5065 Amending the Code of the City of Chandler, Sections 44-6 and 44-7 of Chapter 44 Garbage and Refuse, and Sections 50-11 and 50-12 of Chapter 50 Sale of Utilities to Update Regulations Relating to Collection of Bulk Materials and Refuse Drop-Off and to Change Certain Water, Wastewater, Reclaimed Water, and Solid Waste Rates and Policies

Move City Council introduce and tentatively adopt Ordinance No. 5065 amending the Code of the City of Chandler, Sections 44-6 and 44-7 of Chapter 44 Garbage and Refuse, and Sections 50-11 and 50-12 of Chapter 50 Sale of Utilities to update regulations relating to collection of bulk materials and refuse drop-off and to change certain water, reclaimed water, wastewater, and solid waste rates and policies, effective January 1, 2024.

Action Agenda Item No. 49 Motion and Vote

Councilmember Ellis moved to introduce and tentatively adopt Ordinance No. 5065 amending the Code of the City of Chandler, Sections 44-6 and 44-7 of Chapter 44 Garbage and Refuse, and Sections 50-11 and 50-12 of Chapter 50 Sale of Utilities to update regulations relating to collection of bulk materials and refuse drop-off and to change certain water, reclaimed water, wastewater, and solid waste rates and policies, effective January 1, 2024; Seconded by Councilmember Poston.

The motion carried by majority (6-1), with Councilmember Stewart dissenting.

Action Agenda Item No. 50

50. Resolution No. 5751 Amending the Citywide Fee Schedule Relating to the Public Works & Utilities Department, Solid Waste Division, Section 7

Move City Council pass and adopt Resolution No. 5751 amending the Citywide Fee Schedule relating to the Public Works & Utilities Department, Solid Waste Division, Section 7, with fee changes effective January 1, 2024.

Action Agenda Item No. 50 Motion and Vote

Vice Mayor Orlando moved to pass and adopt Resolution No. 5751 amending the Citywide Fee Schedule relating to the Public Works & Utilities Department, Solid Waste Division, Section 7, with fee changes effective January 1, 2024.; Seconded by Councilmember Encinas.

The motion carried by majority (6-1), with Councilmember Stewart dissenting.

Briefing

51. Presentation / Briefing Regarding the Police Department's Employee Health and Wellness Resources, Solari Crisis Response Service, and Behavioral Health Unit, as Requested by Councilmember Harris

MELISSA DEANDA, Assistant Police Chief, gave a briefing presentation on the following.

- Chandler Police
- Employee Health and Wellness, Solari Crisis Response, and Behavioral Health Unit Updates

- Mental Health
 - Health and Wellness coordinator, March 2022
 - Wellness centers for officers in crisis
 - Mindfulness/Resiliency training
 - Vitanya/Wellness Rooms
 - Bullet proof app
 - Peer Support team
- Physical Health
 - Sigma Tactical Health and Wellness screenings
 - Yoga for First Responders
 - Upgraded gym equipment
 - Workout of the day correspondence
 - Lytebite meal prep service
- Family & Financial Health
 - Financial wellness courses
 - Work-life balance 4 course seminar
 - Compassion Alliance spouse and family event
 - City programs
- Moving Forward in 2024
- New & Upcoming Programs
- Paws for Police
- Baby at work
- Cold plunge
- Compensation time for physical fitness
- Strength Health and Wellness Culture

COUNCILMEMBER HARRIS said the significance of mental health and the need to ensure that our law enforcement officers are equipped to handle individuals with mental health issues. It is crucial for the residents to be aware of the resources available to our officers. He believes that our city's law enforcement should be trained adequately to handle individuals with mental health issues to avoid any negative consequences. He also expressed his satisfaction with the actions taken by law enforcement and requested to continue providing resources to the officers.

COUNCILMEMBER ELLIS said the privacy of people seeking mental health support is essential and asked what measures have been implemented to encourage officers to access these programs without feeling the stigma associated with mental illness or fatigue. Councilmember Ellis also inquired if there are any specific parameters in place for such situations.

ASSISTANT CHIEF DEANDA said that our department has a peer support team consisting of 25 members. Any conversations between the peer support team and our employees are protected and private. This means that they are not shared with anyone else. We also have other programs

like the Bulletproof app, which is set up on an employee's cell phone. It allows them to access services, read articles, and contact the support center while maintaining privacy. The same level of privacy is ensured in our EAP program as well, where all information shared by employees seeking help for the trauma, they are facing is kept confidential. We take these definite steps to protect our employees' privacy and confidentiality.

ASSISTANT CHIEF DEANDA gave a briefing presentation on the following.

- Solari
 - Established partnership Aug 21'
 - March 2023, embedded Solari in Communications
 - Solaris liaisons worked 670 hours
 - Since Aug 21', 692 total diverted calls
 - 264 between Aug 21' – Mar 23'
 - 428 between Mar 23' – Sept 23
 - CPD Behavioral Health Unit
 - Mission: Provided a multidisciplinary approach to assist individuals in crisis, reduce exposure to the CJ system and refer to appropriate community services
 - Objectives: Serve mental health orders, assist patrol with in-progress CFS, collaborate with community partners to establish follow up care
 - 1 Sergeant (staffed), 4 officers (vacant)
 - 2 officers starting in January 2024

COUNCILMEMBER HARRIS said Law enforcement responded quickly and efficiently to reports of unsheltered individuals at Tibshraeny Family Park, impressing me with their knowledge of available resources. Councilmember Harris commended law enforcement's respectful treatment of unsheltered individuals and expressed gratitude towards the team for their hard work.

COUNCILMEMBER ELLIS thanked the City Manager for helping to establish the Chandler Mental Health Unit. She had approached the Chief about the need for a separate department for mental health issues, which resonated with the City Manager. Two percent of people the department interacted with were found to have mental health problems, making it a crucial matter. The Vice Mayor and others were supportive and willing to allocate the necessary resources to make the unit a reality. I applaud everyone's efforts in making this unit a reality, and we can now proudly say that Chandler has a dedicated unit for mental health issues.

52. Presentation / Briefing Regarding Retail Theft and Organized Crime in Chandler, as Requested by Councilmember Harris

ASSISTANT CHIEF DEANDA gave a presentation on the following.

- Organized Retail Crime

- Organized Retail Crime (ORC) is the large-scale theft of retail merchandise with the intention to resell the items for financial gain
- Current ORC trends
 - Legos over \$100
 - Kitchen Aid Mixers
 - Tide Pods and laundry detergent
 - Vinyl Records
- Where are these retail items frequently sold?
 - Facebook Marketplace
 - Offer up

VICE MAYOR ORLANDO asked about the effort of police officers in the shoplifting program and its prevalence in Chandler.

ASSISTANT CHIEF DEANDA said retail crime is an issue across the country, but not in Chandler. Instead, thieves steal ready-to-resell items from Walmart, Target, Home Depot, and Lowes. We have a team of detectives to handle property crimes but partnering with Arizona Retailer Association is where the real progress is made. Together, retailers and detectives locate and apprehend suspects throughout the region.

VICE MAYOR ORLANDO said that if someone is caught inside the store, the police officers are called and must do the paperwork and make the arrest, which takes a lot of time.

ASSISTANT CHIEF DEANDA said if there is follow-up work to be done it would be assigned to our detective's bureau.

COUNCILMEMBER STEWART asked if the courts are providing enough support when it comes to arrests in these areas, especially since there have been reports of shoplifting. He asked what were the actions taken by the Attorney General and Maricopa County Attorney in prosecuting these cases. Many cases are being prosecuted in the courts since Chandler does not tolerate such crimes.

ASSISTANT CHIEF DEANDA said that when dealing with organized retail crime, an ARA partnership refers to the collaboration between law enforcement agencies, retailers, and prosecutor bodies. The Maricopa County Attorney's Office is actively involved in investigating and charging these crimes.

COUNCILMEMBER POSTON asked if there were any recommendations for our residents or if something is too good to be true.

ASSISTANT CHIEF DEANDA said certain suspects operate with a fencing system, and they possess well-developed websites or profiles on Offer Up or Facebook Marketplace. It can be challenging to identify if the products they are selling are stolen. However, if the prices seem too good to be true, there is a high possibility that they are.

COUNCILMEMBER POSTON asked do profiles look realistically like one's neighbor.

ASSISTANT CHIEF DEANDA said yes, it could be anyone they are good at what they do, yes very much.

MICHELLE AHLMER, Executive Director of Arizona Retailers Association 224 West 2nd St. Mesa, AZ., said organized retail theft is a significant issue in Arizona, costing about \$1.35 billion annually. Retailers collaborate with law enforcement to tackle this issue, and Arizona has some of the best laws in the country to prosecute and arrest perpetrators. We focus on the "fences" who buy and sell the stolen merchandise, investing millions of dollars in technology and training to combat retail crime. Our partnership with the Chandler Police Department has been instrumental in our efforts.

BRIAN BARRAT, Loss Prevention Chairman/Acting President, said shoplifting can be categorized into three levels: minor incidents, habitual offenders, and organized retail crime (ORC). ORC is a severe issue that affects retailers' bottom line and involves stealing items from multiple locations in a single day for reselling. Retailers combat ORC through information sharing and collaboration with law enforcement agencies. Detective Deetz from Chandler PD has been instrumental in working on these cases, and the speaker encourages continued efforts at all levels to prevent organized retail crime in Chandler and surrounding areas.

COUNCILMEMBER HARRIS thanked the presenter and expressed appreciation for taking the time to talk to local businesses. They emphasized the city's proactive approach to addressing any issues and mentioned Officer Dietz's involvement. The goal is to let people know that disruption will not be tolerated, and the city stands with its businesses.

VICE MAYOR ORLANDO said we may lose \$11 million in rental tax and \$14 million in food tax. There is a potential budget shortfall, which could affect our ability to provide essential services. We need friends of the cities and towns to speak on our behalf to legislators and tell them that we need our revenue stream. He asked if we could rely on their help. He asked them to please talk to their board and help us fight for our city's needs.

COUNCILMEMBER STEWART asked about best practices that could be incorporated into an ordinance to help prevent harmful occurrences in California. Additionally, they asked how the state could be lobbied for stronger laws to tackle these issues.

MS. AHLMER said while there are good laws in place, some adjustments need to be made to existing laws. The current task force functioning under the Attorney General's Office is working well, but there are restrictions on who can be a part of it due to staffing issues with local enforcement. Additionally, adjustments are being considered for shoplifting laws, as judges and attorneys tend to plead things down, resulting in recidivism. These changes would be beneficial. At the ordinance level, the city courts are doing well, particularly with small-level shoplifting cases. However, there is room for improvement with judges, and efforts need to be made to ensure they understand the issues at hand.

COUNCILMEMBER STEWART asked for a list of judges not fulfilling their duties, as there is a process for replacing them.

Informational

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

54. Contracts and Agreements Administratively Approved, Month of September 2023

55. Claims Report for the Quarter Ended September 30, 2023

Unscheduled Public Appearances

RON BURCHETTE, Arizona Rangers presented an award to Chandler Chief of Police Sean Duggan.

SASHA REVERON, 2023 Miss Juneteenth, spoke on the importance of making books available to everyone in Chandler Libraries. Books are critical for understanding, learning, and personal growth.

SARA LIPICH, 2609 N Yucca St., spoke in support of intellectual freedom & and Chandler Public Library. Libraries should provide inclusive resources, and librarians can assist in finding the right fit for each family. Let us preserve the library as a safe space that reflects the community.

TAMAR NORWOOD, 752 E. Buena Vista Dr., spoke in support the current collection policy of Chandler public libraries, despite challenges by special interest groups advocating for censorship. As a former library manager in the city of Maricopa, she recalled a meeting where council member Vincent Manfredi was asked to meet with a group advocating for censorship. His response was, "When does censorship end?" She urged the Council to consider this if approached by such groups, as their censorship advocacy is just the tip of the iceberg. As President Dwight D. Eisenhower said, "Don't join the book burners. Don't be afraid to go to the library and read every book."

DR. WILLIAM CRAWFORD, 1252 N. McKemy Ave., said he wanted to remind the Council that they have been committed to inclusion in the City of Chandler and to not deviate from that, as leaders in this community stood firm about inclusion, diversity, and Equity years ago. Stay the course.

CARMEN LOREDO, 1835 W. Musket Way., spoke on the library's collection is diverse and current and represents the interests of the community. They think that parents should take on the responsibility of selecting appropriate materials for their children and support the freedom to choose what to read. Finally, they ask the council to ensure that the library materials remain diverse and let the librarians do their job.

MICHELLE ESTRADA, 464 N. Halsted Ct., spoke on the Chandler Public Library and how it has been a significant influence in my life since childhood. The availability of various media forms helped me expand my mind. Movement in public spaces should not be restricted, and librarians should be free to fulfill their jobs without critique from a small group. Advocating for intellectual freedom is part of their responsibility, and I am glad to see people advocating for it.

REV. SARAH OGLESBY-DUNEGAN, 6400 W. Del Rio spoke on libraries and their staff, expressing concern over harassment and protests aimed at librarians for curating LGBTIQ-themed materials. She emphasized the importance of protecting public servants and promoting accessibility of learning materials for all. The speaker urged leaders to set clear boundaries and thanked everyone for their commitment to diversity.

HAYDEN NGUYEN, 200 W. Jasper Dr., spoke on the content of certain books in public libraries and claimed it was their right to determine what books were appropriate for everyone. However, banning books further marginalizes minority students. The speaker urged the city council to trust students and allow them access to diverse literature. The importance of democracy and the right to see oneself is reflected in the books I read while growing up.

DAWN SUYI, 6201 W. Park Ave., spoke about the recent challenges faced by Chandler libraries concerning the user as they seek to marginalize minorities. Students should be trusted to make decisions, and the school's library is a safe space for them. I urge the council to protect LGBTQ youth and their stories by standing up for their right.

EDUARDA SCHRODER, 3480 W Ross Dr., spoke on Diverse libraries with age-appropriate books that broaden perspectives, encourage critical thinking, and foster freedom of expression. Parents have the right to guide their child's reading but should not decide for others. A diverse catalog encourages exploration, and the Sunset Library is a great example.

Written Comments Received
SANIYA REVERON

On the subject of banning books, I believe students should have the liberty to learn without restrictions. Reading is very powerful and restricting the knowledge student intake takes away that.

BARBARA FACE, 4652 W Linda Ln.,

I support the freedom of libraries to have a diversity and variety of books available for patrons. I oppose banning or limiting books by people who are afraid of diversity. They can have their opinion but should keep their hands off books.

Current Events

Mayor's Announcements

MAYOR HARTKE announced For Our City Day Saturday October 21st at Colonia Coronita Neighborhood, Halloween Spooktacular Friday October 27th from 5:30 – 8:30 in Downtown Chandler at Dr. AJ Chandler Park stage, and Arbor Day Saturday, November 4th at Chandler Nature Center.

MAYOR HARTKE mentioned Chandler made the Top Five of the Ready for the Future Cities in the nation.

Council's Announcements

COUNCILMEMBER ENCINAS is looking forward to seeing all at the For Our City Day as well the Mental Health Symposium.

VICE MAYOR ORLANDO wished all the veterans a Happy Veterans Day and announced the Military Appreciation Breakfast Friday, November 3rd, 8:30 – 10:30 Downtown Chandler Community Center, Veterans Day Celebration Saturday, November 11th, 4:30 pm – 8 pm.

COUNCILMEMBER STEWART mentioned the Second Annual Diwali Festival of Lights Saturday, November 4th, 11 am – to 3 pm.

COUNCILMEMBER HARRIS discussed the role of the government in the workplace and expressed his pride in learning about the NDO.

COUNCILMEMBER HARRIS wished everyone a Happy Veterans Day.

COUNCILMEMBER HARRIS announced the Mental Health Symposium Saturday, October 21, 9 a.m. – to 1 p.m. 2nd Annual Mental Health Walk Saturday, October 28, 8 a.m. – to 10 a.m.

COUNCILMEMBER POSTON recognized Chandler Chamber President Terry Kimble for receiving the Local Heroes award and praised her for spotlighting success.

City Manager's Announcements

None.

Adjourn

The meeting was adjourned at 9:23 p.m.

ATTEST: _____
City Clerk

Mayor

Approval Date of Minutes: November 6, 2023

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 19th day of October 2023. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of November, 2023.

City Clerk