

Meeting Minutes

City Council Special Meeting

March 26, 2026 | 4:00 p.m.
Council Chambers
88 E Chicago St., Chandler, AZ



Call to Order

The meeting was called to order by Mayor Kevin Hartke at 4:01 p.m.

Roll Call

Council Attendance

Mayor Kevin Hartke
Vice Mayor Angel Encinas
*Councilmember Christine Ellis
Councilmember Jane Poston
Councilmember Matt Orlando
**Councilmember OD Harris
Councilmember Jennifer Hawkins

Appointee Attendance

John Pombier, City Manager
Kelly Schwab, City Attorney
Jennifer Ekblad, City Clerk

*Councilmember Ellis attended virtually.

**Councilmember Harris attended virtually and arrived in person at 4:52 p.m.

Staff in Attendance

Tadd Wille, Assistant City Manager
Dawn Lang, Deputy City Manager / Chief Financial Officer
Leah Powell, Deputy City Manager
Ryan Peters, Deputy City Manager
Bryan Chapman, Police Chief
Mike Hollingsworth, Facilities & Fleet Manager
Ryan Reeves, Airport Manager
Corey Povar, Community Services Assistant Director
Tom Dwiggin, Fire Chief
Jeremy Abbott, Public Works & Utilities Director
Dan Haskins, Capital Projects Manager
Matt Dunbar, Budget & Policy Director

Niki Tapia, Cultural Development Assistant Director
Kim Moyers, Cultural Development Director
Keith Hargis, Assistant Fire Chief
Tawn Kao, Deputy City Attorney
Matt Burdick, Communications & Public Affairs Director
Micah Miranda, Economic Development Director
Marge Zylla, Strategic Initiatives Director

Discussion

1. Budget Workshop #3, Fiscal Year 2026-27
 1. Opening Remarks
 2. Capital and Infrastructure Overview
 3. Current Capital Improvement Program Updates
 4. Proposed 10-Year Capital Improvement Program (CIP)
 5. Water and Wastewater Utility Rate Update and Major Projects
 6. Key Budget Dates and Questions

JOHN POMBIER, City Manager, introduced the item.

DAWN LANG, Deputy City Manager / CFO, presented the following presentation.

- FY 2026-27 Budget Workshop #3 Capital Project Focus
- FY 2026-27 Budget Theme “Adding sense to dollars”
- Chandler Budget Process Timeline
- Strategic Framework Guides Our Decision Making

MATT DUNBAR, Budget & Policy Director, presented the following slides.

- Capital and Infrastructure Overview and Progress
- Capital Projects Historical View
- Continued Focus on Chandler’s Aging Infrastructure
- Capital Plan Inflation Impacts
- Bond Authorization

COUNCILMEMBER ORLANDO thanked staff for their efforts in achieving continued resident support for bond authorization.

MS. LANG agreed and commented that they are able to keep the tax rate even. The current expectation is to get six years managing the bond program as instructed by Mayor and Council.

MR. DUNBAR continued the presentation.

- Capital Projects Completed or Underway
- Airport
 - Taxiway B

- Hanger Area Pavement Project
- Cultural Development
 - Dr. AJ Chandler Park
 - Wall Street
- Building & Facilities
 - 7 Fire Alarm systems were replaced across city facilities
 - 7 Painting projects completed (i.e., interior and exterior work at City Hall, public safety buildings, recreation facilities, and historic properties)
 - 2 Flooring projects completed at Tumbleweed Rec center and PD.
 - 13 HVAC maintenance projects citywide
 - Various electrical and structural enhancements citywide
- Parks and Recreation
 - Brooks Crossing Park Refurbishment
 - Tumbleweed Multi-Gen Expansion and Pickleball Courts
 - Discovery Library Bookmobile
 - Gazelle Meadows
 - Mesquite Groves Park Phases I, II
- Police and Fire
 - Fire Station 2 Rebuild
 - Fire Dispatch Equipment Refresh
 - Body-worn cameras
 - Forensic Facility Design
- Public Works Streets & Transportation Policy
 - Chandler Heights – Gilbert Rd to Val Vista Dr – Phase 3
 - Lindsay Road – Ocotillo Road to Hunt Highway
 - Frye Road Bike Lanes
- Public Works Utilities
 - Pecos SCADA Upgrade
 - Reclaimed Water Conveyance Improvement Pump Install
 - 66" Sanitary Sewer Rehabilitation
 - Water Main Replacements (Tyson and Sunset Manors)

MAYOR HARTKE asked about the progress on the Price Corridor Road project.

JEREMY ABBOTT, Public Works & Utilities Director, explained that the relining of pipes along Price Corridor is complete. Currently, the surface pavement treatment is being applied to bring it up to standard prior to construction. They expect the project to conclude in a month.

MR. DUNBAR continued the presentation.

- Proposed 10-Year Capital Improvement Program (CIP)
- Current 10-Year CIP Council Guidelines
 - Maintain secondary property tax rate flat

- Re-imagine resident amenities scheduled for replacement
- Prioritize aging infrastructure and plan for redevelopment
- Continue planned construction of streets, parks, fiber and utility systems
- Prior to adding capital, ensure related ongoing O&M can be supported
- Utilize master plans to guide long-term capital investment
- Manage bond authorization to complete projects desired by residents
- Balance timely completion and coordination of capital projects with impacts to neighborhoods and businesses

MAYOR HARTKE asked about the bullet point “Manage bond authorization to complete projects desired by residents” and asked how feedback is collected from residents.

MR. DUNBAR explained that input is collected through the budget survey and outreach from the bond election.

MAYOR HARTKE confirmed that the resident input is directly tied to bond projects.

MR. DUNBAR agreed.

COUNCILMEMBER ORLANDO asked how projects desired by residents are grouped and prioritized. He also asked how economic growth opportunities fit into this model, referring to a previous presentation about the potential for developing Arizona Avenue as a housing corridor.

MS. LANG explained that staff have a process used in preparing the CIP, which is updated annually. A CIP coordination team is comprised of department directors or their designee. The CIP is studied in totality, and then each department decides their priorities if they do not balance within that tax rate. Each department determines priority and ranking of each project, which can include phases to work within the tax rate on an annual basis. Regarding the economic growth opportunities, the Economic Development and Public Works & Utilities departments are in communication regarding growth related projects, so if there is an area under consideration for more development, street and utility infrastructure can be considered in advance.

COUNCILMEMBER ORLANDO asked if there are any objective criteria on prioritizing CIP projects. He asked if the Arizona Avenue housing corridor consideration fits into this discussion.

MS. LANG said that it was discussed between departments to prepare for future growth.

MR. ABBOTT explained that the departments look at what capacity is currently available within the sewer system to accommodate higher density residential structures. It was determined that some areas in Chandler had additional capacity to allow growth to occur. A new process of the utility master plan being developed this year is to look at unused capacity and where system capacities that are underutilized.

COUNCILMEMBER ORLANDO emphasized being prepared for economic growth and cross-departmental collaboration as it relates to the development of additional housing on Arizona Avenue. The city must balance new growth and maintenance and upgrades for existing infrastructure.

MR. DUNBAR said in the next budget year, the infrastructure improvement plan and land use assumption update will be updated. If there are no programs already identified in the plan, then SDF or impact fees are not able to be charged. This will help ensure that future developments will be invested in improvements that are needed.

COUNCILMEMBER ORLANDO asked if some infrastructure improvements are not under impact fees.

MS. LANG said yes, some infrastructure improvements are not under impact fees. She explained that conversations regarding development on Arizona Avenue are underway, as the city has identified areas with additional capacity and have shared that information with Economic Development to encourage growth in those areas.

COUNCILMEMBER ORLANDO requested follow up on the strategy and time frame looking at housing on Arizona Avenue.

MAYOR HARTKE asked if there is sewer capacity in north Chandler.

MR. ABBOTT confirmed there is sewer capacity in north Chandler.

MAYOR HARTKE asserted there is sewer capacity in north Chandler currently which could allow for some development.

MR. ABBOTT answered there are a few large diameter collection mains in CIP years 4-5 for upsizing to accommodate future growth.

COUNCILMEMBER ORLANDO said sewer line expansions would be under infrastructure improvement. Some improvements or upgrades will need to go forward before development can be considered.

MAYOR HARTKE added it is a similar conversation in power and electricity infrastructure capacities.

MS. LANG thanked Council and staff for bringing this up.

COUNCILMEMBER HARRIS brought up Arizona Avenue and the four corners plan and how the city can look at economic growth in preparation for the future. He suggested more community outreach in these economic development areas to get feedback.

MR. POMBIER said the city has to have conversations with the developers and residents to determine need in the areas under consideration. This collaboration helps Chandler plan for infrastructure improvements and redevelopment. They have started this process with the development community to get their opinions and needs, so feasible locations can be determined.

COUNCILMEMBER HARRIS commented on businesses on Arizona Avenue being affected by the opening and use of surrounding freeways, 202 and 60. He requested more information on the future development direction of Arizona Avenue.

MR. POMBIER asked if Council is requesting urgency to see movement on development infrastructure on Arizona Avenue.

COUNCILMEMBER HARRIS said yes, he would like to see urgency regarding strategic movement for development on Arizona Avenue.

MAYOR HARTKE said conversation regarding Arizona Avenue can come back to Council later.

MR. DUNBAR continued the presentation.

- One-Time Dollar Funding Options
 - Maintain reserves sufficient to meet financial policies including PSPRS fully funded status
 - Reinvest in existing aging infrastructure, systems, including projects that generate ongoing savings
 - New initiatives and capital that generate sustainable ongoing financial savings
 - Focus operating & capital spending to move forward strategic focus area action items

COUNCILMEMBER ORLANDO asked if there is a more updated point rather than “maintain reserves sufficient to meet financial policies including PSPRS fully funded status” as PSPRS is mostly fully funded.

MR. DUNBAR said it can be updated. There is an annual financial policy to maintain that fully funded status as required by Arizona Revised Statutes.

COUNCILMEMBER ORLANDO said it may make more sense to have something else other than PSPRS financial policies. He requested further conversation on aging infrastructure and prioritization of development needs.

MS. LANG said new projects are considered when prioritizing aging infrastructure projects. The one-time dollar funding options were set by Mayor and Council in the budget workshops, and all the points are taken into consideration when making decisions regarding one-time funding.

COUNCILMEMBER ORLANDO requested information on how new revenue is used.

MS. LANG said one example of using one-time dollars to create ongoing savings was buying equipment to scope sewer lines in house which created significant savings.

MAYOR HARTKE added that the solar panel installation was a revenue project that reduced electrical expenses.

MS. LANG said she will follow up with a more appropriate example.

COUNCILMEMBER ORLANDO clarified he was looking for how ongoing revenue fits into the city's CIP strategy.

MR. DUNBAR continued the presentation.

- 10-Year CIP Overview
 - 2027-2036 CIP total is \$2,951,458,398
 - 73.1% of projects are funded with bonds
 - Updated to reflect continued inflationary pressures
 - Continued focus on aging infrastructure
 - Includes \$1.43B in key infrastructure projects for water and wastewater
 - Maintained a balanced CIP even as levy growth came in lower at +3.77% versus +4%
- 10-Year CIP Comparison by Department

MAYOR HARTKE commented that streets and wastewater significantly influence the percentage difference.

MR. DUNBAR agreed and said some large streets and wastewater projects have been incorporated into the CIP.

MR. DUNBAR continued the presentation.

- 10-Year CIP by Focus Area
- Debt Service and Tax Levy – Proposed CIP
- CIP Projects Comprehensive Map
- Review List of Projects in the Proposed 10-year Capital Improvement Program (CIP) (Handout)
- Summary of Proposed Key General Government Capital Projects in the 1st 5-Years
 - Airport
 - Taxiway B Construction
 - Operations Garage

- Armory Apron Reconstruction
- Buildings & Facilities
 - Building Renovations and Repairs
 - Building Security Enhancements
- Community/Regional Park Improvements
 - A.J. Chandler Park Improvements
 - Existing Community and Neighborhood Park Imp
 - Mesquite Groves Phases I & II
 - Folley Pool Renovation
 - Lantana Ranch Park Site
 - Tumbleweed Ranch
 - Desert Breeze Park Renovation
- Development Services
 - Citywide Fiber Upgrades
 - Traffic Signal Additions
- Fire
 - Emergency Vehicle Replacements
 - Public Safety Training Center
 - Self Contained Breathing Apparatus Replacements
 - Rebuild Fire Station #284 and Design of Station #12
- Technology
 - ERP Modernization, Network Upgrade
- Police
 - Forensic Services Facility
 - Police Main Station Renovations
 - Radio Communication Equipment
- Street/Transportation Projects
 - Street Repaving Program (\$135.7M in first 5-years)
 - Washington Street Improvements
 - Kyrene Road (Chandler Blvd to San Tan 202)
 - Arizona Avenue/Warner Road Intersection
 - Chandler Boulevard (Price Rd to Dobson Rd)
 - McQueen Road Improvements (Warner Rd to Pecos Rd)

MAYOR HARTKE commented that this is a high-level overview if a project is not included on the list, that does not mean it will not occur.

MR. DUNBAR noted that the List of Projects in the Proposed 10-year Capital Improvement Program (CIP) (handout) had all projects, regardless of funding. The slide displayed shows a high-level overview.

MS. LANG pointed out that a page in the handout shows the actual funding sources. Impact fees, grants, highway user revenue, bonds, and general operating funds are some of the funding sources that fund capital projects, with bonds being the highest funding source. Balancing secondary property tax rate pays the debt service for general obligation bonds and the utility rate analysis that funds the ETRO bonds is critical in balancing the ten-year CIP.

MAYOR HARTKE requested to review the handout one department at a time.

Council reviewed the handout and discussed several projects.

VICE MAYOR ENCINAS asked about City Manager, Building and Facilities Capital item 6BF670 - Space Utilization Improvements.

MS. LANG explained that the item is funding for a study on the transportation and development building to better utilize the space in the upcoming year. There has been significant investment in the building including spending on HVAC and cooling systems. There are some additional funds for areas where remodels and additional furniture is needed.

COUNCILMEMBER ORLANDO asked about City Manager, Economic Development Capital 6GG620 - Infill Incentive Plan.

MS. LANG explained this is incentives for developers using older strip malls and older properties to encourage development of these areas.

MICAH MIRANDA, Economic Development Director, said in 2023, Council expanded the infill incentive area to include everything north of the 202 freeway. These funds are used for city infrastructure improvements on these projects, where it could be challenging to get other funding for the infrastructure needed. He noted the Bella Grace apartments on Warner Road and Arizona Avenue used this incentive.

COUNCILMEMBER ORLANDO explained this could be an example of a revenue generator that he had mentioned earlier.

COUNCILMEMBER ORLANDO asked if there are any CIP plans for Orangetree Park.

MR. POMBIER said the city is working on a two-phase approach for this park program, seeking resident input and then working it into the CIP.

VICE MAYOR ENCINAS asked about Community Services, Parks Capital 6PR634 - Fitness Equipment.

MS. LANG said the fund is used for the replacement of fitness equipment due to use, which can be between five to seven years per item.

MAYOR HARTKE asked if there is any master plan involved in the Cultural Development 6CA551 - Center for the Arts Facilities Improvements.

MS. LANG stated that the plan is not incorporated in the CIP yet.

KIM MOYERS, Cultural Development Director, said the Chandler Center for the Arts has been working with the Chandler Cultural Foundation and the school district regarding the needs for improvements. A plan has not been created for this year, but staff anticipate having a plan in place by next year to address immediate issues before the next bond authorization.

MAYOR HARTKE encouraged that Council stays involved and engaged in Chandler Center for the Arts improvements.

COUNCILMEMBER ORLANDO pointed out that this was another example of a revenue generator.

VICE MAYOR ENCINAS asked what parks are next for older park improvement and redevelopment.

MR. POMBIER said that it will be provided.

VICE MAYOR ENCINAS clarified he would like to see the list of parks considered beyond the ten-year CIP.

COREY POVAR, Community Services Assistant Director, said he will follow up with that information after referencing the parks strategic master plan.

COUNCILMEMBER POSTON asked about what kinds of items would fall under 6CA619 - Downtown Redevelopment outside of park improvement.

MS. MOYERS explained that sidewalk cleaning, lighting, and supporting colonnade in the downtown area were covered under this CIP item. The amount was increased this year due to the large area under consideration, on Arizona Avenue from Chandler Boulevard down to Pecos Road. Any carryforward is used for larger projects.

COUNCILMEMBER POSTON asked if the use of the area is that high to warrant the cost of care.

MS. MOYERS said yes and explained that consistent cleaning and care in the downtown area is important. Trash and debris accumulate quickly.

COUNCILMEMBER POSTON asked about the statistics of visitors to downtown Chandler.

MS. MOYERS said she will follow up with that information.

COUNCILMEMBER HARRIS noted that in one study, about four million people visited the downtown area.

TOM DWIGGINS, Fire Chief, announced that the fire department earned their certificate of necessity issued by the Arizona Department of Health Services, which is the license that will allow them to operate ambulances in the state.

COUNCILMEMBER ORLANDO asked how much of this will be in the enterprise fund.

MR. DUNBAR clarified this is general fire capital improvements. Enterprise funds will be discussed under that section.

MAYOR HARTKE asked if once the ambulance service is up and running, items like personal protective equipment and other ambulance equipment will come out of the enterprise funds.

CHIEF DWIGGINS said the enterprise fund will support the expenses of individuals assigned to the ambulance, including personal protective equipment and uniforms.

MS. LANG clarified this project does not include any of those future purchases.

MAYOR HARTKE asked what kind of shades will be used on the Police 6PD194 - Parking Shade Structures project.

MS. LANG said she will follow up.

COUNCILMEMBER ORLANDO asked if Police 6PD653 - Police Main Station Renovations will start this current year.

MS. LANG said design will begin this year. This is part of the strategy of space utilization where some staff will be housed in the new forensic facility. These renovations will ensure there is enough room for future growth at the Main Station.

MR. POMBIER added that bond authorization for the Main Station renovation will be forward thinking and anticipate future needs.

COUNCILMEMBER ORLANDO commented that the city took extra time on the forensic lab to conduct studies to ensure there is enough space for growth.

MR. POMBIER said a common theme through the CIP is creating better early design to forecast growth and inflation before putting in bond projects and ensuring initial projections are accurate. VICE MAYOR ENCINAS asked if Police 6PD658 - Body Worn Cameras is funding replacement or new cameras.

MR. DUNBAR said these are replacements. Police body worn cameras are replaced on a cyclical basis, once every five years. Each year new cameras are distributed as replacement for five-year-old cameras.

VICE MAYOR ENCINAS asked how many cameras are replaced each year.

MR. POMBIER estimated that around 72 cameras were replaced each year.

MS. LANG said staff will provide more information on this program.

MAYOR HARTKE asked for information on Police 6PD669 - Drone Program.

MR. POMBIER explained that drones are used in the first responder system, giving a quick response on scene and allowing officers to be aware of the situation. This project is under testing currently to improve officer safety.

MAYOR HARTKE asked how many drone sites there are.

MR. POMBIER said there are currently two sites, as the program continues the city will evaluate if there is the need to add additional drone sites and the best locations for that.

TADD WILLE, Assistant City Manager, added that the amount in the CIP could also be used for replacement and equipment for existing drones.

MAYOR HARTKE shared concerns about keeping up with public works, streets, and utilities maintenance needs. He asked if the dollar amount addresses the concerns and gives the city more capacity.

MS. LANG said yes. This initial section being discussed is for streets projects, and through a previous work session on street quality, it is believed this funding will be sufficient to maintain Chandler's pavement and street quality.

COUNCILMEMBER ORLANDO asked what the Public Works & Utilities Streets Capital 6ST747 - Alma School Road (Germann Rd to Queen Creek Rd) item involves.

MR. ABBOTT explained that it is the widening of the road of Alma School Road, from Germann Road to Queen Creek Road.

COUNCILMEMBER ORLANDO confirmed the timing of the project would begin after the conclusion of other street projects in the area to allow for the flow of traffic.

MR. ABBOTT said yes.

COUNCILMEMBER ORLANDO asked about Public Works & Utilities Streets Capital 6ST787 - Turf to Xeriscape Program.

MR. ABBOTT said current projects are grant funded.

MS. LANG said this program is in addition to the current grant-funded projects, and the new project will be bond funded.

COUNCILMEMBER POSTON asked why the Turf to Xeriscape Program is under both Streets and Parks.

MR. ABBOTT explained that the original turf to xeriscape program identified many turf retention basins in Chandler. In Phase I, the city was only able to complete some retention basins, this will provide funding for future conversions.

COUNCILMEMBER POSTON asked about opportunities for resident input.

MR. ABBOTT said staff learned a lot from Phase I, as they go through design of Phase II they will incorporate more opportunities for input.

COUNCILMEMBER POSTON asked where turf to xeriscape conversion is occurring in parks.

MR. POVAR said there are several areas identified in parks for turf to xeriscape conversion, staff is reviewing to analyze underutilized turf to optimize water usage in park spaces. Most of the turf to xeriscape conversions currently are in the right of ways.

COUNCILMEMBER POSTON asked for confirmation that Council will learn about further turf to xeriscape conversions.

MS. LANG confirmed.

COUNCILMEMBER HARRIS asked if there is any consideration for the widening of Hunt Highway in the CIP.

MR. POMBIER said staff will follow up with information.

COUNCILMEMBER ORLANDO asked if a study was conducted on the efficacy of turf to xeriscape conversions on the residential or city-owned properties.

MS. LANG said the best way to move forward with water conservation is a holistic approach involving residents, commercial businesses, and city-owned property. Council recently approved

funds towards a conservation program to help with subsidies for homeowners who are converting turf to xeriscape.

COUNCILMEMBER ORLANDO asked if there are enough funds to fund resident conversion rebates.

MS. LANG explained that Phase II is funded by bonds, and said staff will look into the funding of resident rebates.

MAYOR HARTKE confirmed the city analyzes how to constantly improve water conservation.

MS. LANG said yes.

COUNCILMEMBER HARRIS requested more information on the four corners development and Arizona Avenue.

COUNCILMEMBER POSTON asked if the Airport 6A1755 - Operations Garage is a new build.

RYAN REEVES, Airport Manager, said it is a new build, this project also includes the repaving of the tower parking lot and installing an airport observation area.

MS. LANG added that some airport funding comes through the FAA.

MS. LANG continued the presentation.

- Summary of Proposed Key General Government Capital Projects in the 2nd 5-Years
 - Airport
 - Airport Taxi Way Fillet Improvements
 - Holding Aprons Construction
 - Annual Pavement Maintenance Management
 - Buildings & Facilities
 - Building Renovations and Repairs
 - Building Security Enhancements
 - Community/Regional Park Improvements
 - Existing Neighborhood Park Improvements
 - Mesquite Groves Phase III
 - Tumbleweed Multi-Gen Expansion -Gym
 - Tumbleweed Ranch
 - Development Services
 - Citywide Fiber Upgrades
 - Traffic Signal Additions
 - Fire
 - Fire Emergency Vehicle Replacements

- Fire Station #12 (SDF reimbursable)
- Fire Fleet Building Replacement
- Ambulance Emergency Vehicles (Enterprise)
- Police
 - Body Worn Cameras
 - Radio Communication Equipment
- Street/Transportation Projects
 - Street Repaving
 - Traffic Signals Improvements and Repairs
 - Warner Road (Price Rd. to Arizona Ave.)
 - Ray Road/Kyrene Road
 - Appleby Road/Railroad Crossing
 - Ocotillo Road Shared Use Path
- Chandler Water & Wastewater Utilities: Major Projects & Rates
- 5-Year Enterprise Fund Balance Projections & Rates

MAYOR HARTKE commented that this information is before rate analysis which will give the details of users and quantities used.

MS. LANG said that is correct. They are starting with some known information about how projects connect with rate changes, but there will be future discussion on rate changes. This information is preliminary based on current data.

MS. LANG continued the presentation.

- Major Drivers - Water
 - Operating increases for personnel, chemicals, utilities, and equipment
 - Debt service and cash funded Water Treatment Production Facilities, Mains, and Water Purchases
 - Upcoming CIP projects in FY 2026-27 include:
 - Water Production Facility Improvements (\$10.7M)
 - Water Treatment Plant Improvements (\$131M)
 - Main and Valve Replacements (\$8.5M)
- Water Utility Rate Allocation
- Improved Infrastructure – Pecos Water Plant Improvements

COUNCILMEMBER HARRIS asked about the previous infrastructure bill where chemicals were taxed to fund infrastructure. He asked if Chandler received any of these funds and asked if the tax is still applied to the purchase of chemicals.

MS. LANG said she is unaware of any additional funds Chandler has received due to chemical tax. She said the actual base cost of the chemicals may have increased due to tariffs.

COUNCILMEMBER HARRIS asked about the impact of tariffs on chemical costs.

MS. LANG said the city purchases chemicals on contract with suppliers.

COUNCILMEMBER HARRIS asked to confirm if tariff costs still affect chemical costs.

MS. LANG said she will confirm and come back with more information.

COUNCILMEMBER POSTON asked if there is any collective effort from municipalities for cleaner water.

MAYOR HARTKE confirmed that she asked if water providers could provide better quality water, as some of the quality decrease is due to forest fires.

COUNCILMEMBER POSTON said the water providers should provide better quality water. Municipalities have been receiving worse quality water and paying a higher price.

MS. LANG said it has been brought up before.

MR. ABBOTT explained SRP is responsible for their watershed. They are increasing their forest management program to alleviate future forest fires which affect water quality.

MAYOR HARTKE said the available amount of CAP water has decreased. He asked if this figure is accurate if Chandler changes water sources.

MR. ABBOTT said this allows for Chandler to treat water regardless of the source. The source that feeds this plant is primarily SRP water.

COUNCILMEMBER ORLANDO noted that groundwater is treated differently.

MS. LANG continued the presentation.

- New infrastructure – Water Purchases
 - Bartlet Dam Expansion Partnership
 - Increases reservoir storage on the Verde River by raising the dam height (alternatives up to ~100 feet)
 - Captures and stores additional runoff during wet winters
 - Improves regional drought resilience and long-term water supply reliability
 - Creates hundreds of thousands of acre-feet of additional capacity depending on the final design shared with all partners
 - Federal feasibility study and environmental review are underway.
 - \$49.5M in proposed CIP (+\$24M) is our anticipated share of design and assessment costs

- Aging Infrastructure – Water Production Facilities
 - The use and maintenance of ground wells is critical to Chandler’s water portfolio
 - Booster station failures have become more of an issue, and the cost for rehabilitation is higher if earlier remediation is not done
 - Average age of these remote facilities is 25 years with the newest being 5-years and the oldest 41-years
- Aging Infrastructure – Watermains

COUNCILMEMBER ORLANDO asked if fire hydrants are considered under this section.

MR. ABBOTT said any fire hydrants and ancillary valves or fittings would be addressed when the watermain is replaced.

COUNCILMEMBER ORLANDO asked if fire hydrants are tested.

MR. ABBOTT said fire hydrants are tested periodically.

COUNCILMEMBER ORLANDO asked if the 9% of moderate risk infrastructure will be addressed in the next year.

MS. LANG said the 9% of moderate risk infrastructure will be addressed over the next three years.

MS. LANG continued the presentation.

- Major Drivers – Wastewater
 - Operating increases for personnel, chemicals, utilities, and equipment
 - Debt service and cash funded Wastewater and Reclaimed Facilities, Distribution, and Sewer Rehab
 - Upcoming CIP projects in FY 2026-27 include:
 - Continuation of the 66” line under Loop (\$40.6)
 - Water Reclamation Facility Improvements (\$45M)
 - Sewer Assessment and Rehabilitation (\$10.7M)
- Wastewater Utility Rate Allocation
- Improved Infrastructure – Wastewater Treatment
 - A total of \$249.3M is being proposed in the new 10-year CIP for improvements to Wastewater and Reclaimed Facilities

MAYOR HARTKE suggested initiating a study on the future efficient use of wastewater, to answer the question is the city maximizing use of wastewater. He wanted to know about the distribution and allocation of wastewater at different sites around the city such as HOAs and golf courses.

MR. POMBIER said yes.

- Aging Infrastructure – Wastewater Mains/Manholes

MAYOR HARTKE confirmed that recent FTEs would contribute to working on wastewater mains and manhole replacement at an advanced pace.

MS. LANG said yes.

COUNCILMEMBER HARRIS asked if the 7,000 manholes are in critical condition.

MS. LANG said there is 7,000 total manholes with known issues.

MR. ABBOTT agreed, the recommended replacement plan is to address all 7,000 manholes with known issues over the next 30 years.

COUNCILMEMBER HARRIS asked about the speed of repair.

MR. ABBOTT explained that the goal is to repair 350 manholes per year.

COUNCILMEMBER HARRIS asked what the lifespan of a manhole is.

MR. ABBOTT said it depended on how the manhole was created, the estimate is a 50-year lifespan.

MR. DUNBAR continued the presentation.

- Residential Cost Impact
- Multi-Family / Non-Residential Cost Impact
- Key Budget Dates
- Questions?

COUNCILMEMBER ORLANDO thanked staff for the presentation. He asked when the costing study will be completed.

MR. DUNBAR answered the cost service study will kick off in July of the next fiscal year and will take eight to nine months to complete. The results will be brought to Council for the rate change after next to show the redesign of how it will be attributed across the classification.

COUNCILMEMBER ORLANDO asked how long the study takes.

MR. DUNBAR said in total, it is a nine to twelve month process with both the study and Council's review

COUNCILMEMBER HARRIS asked if the city has an infill incentive program.

MS. LANG said yes.

COUNCILMEMBER HARRIS thanked staff.

Public Comment

None.

Adjourn

The meeting was adjourned at 5:50 pm.

ATTEST: *Jennifer Ehlbaul*
City Clerk

Kevin Harthe
Mayor

Approval Date of Minutes: April 9, 2026

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the City Council of Chandler, Arizona, held on the 26th day of March 2026. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 9th day of April, 2026.

Jennifer Ehlbaul
City Clerk

