

# Meeting Minutes

## City Council Special Meeting

### Budget Briefing

May 1, 2026 | 8:00 a.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 8:15 a.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

##### Staff in Attendance

John Pombier, City Manager  
Dawn Lang, Deputy City Manager / Chief Financial Officer  
Matt Dunbar, Budget and Policy Director  
Tadd Wille, Assistant City Manager  
Leah Powell, Deputy City Manager  
Ryan Peters, Deputy City Manager  
Enrique Sandoval, Budget and Research Principal Analyst  
Sylvia Dlott, Budget and Research Administrator  
Savana Martinez, Budget and Research Senior Analyst  
Helen Parker, Budget and Research Principal Analyst  
Lucy Vasquez, Budget and Research Associate Analyst  
Cat Dixon, Budget and Research Principal Analyst

# Discussion

## 1. Opening Remarks

MAYOR HARTKE opened the budget session by thanking Council and city staff for their efforts in organizing the FY 2026-27 budget.

## 2. Introduction

JOHN POMBIER, City Manager, presented the following presentation.

- What Makes Chandler Different
- “Adding Sense to Dollars” Ensuring Fiscal Strength and Low-Cost Services
- Budget to Meet Strategic Framework Focus Areas
- Budget Direction
- FY 2026-27 Proposed Budget

DAWN LANG, Deputy City Manager / Chief Financial Officer, noted a discrepancy on the slide, explaining that the \$1,076,759,704 Capital, 27.3% decrease was supposed to say “increase.”

MR. POMBIER continued the presentation.

- FY 2026-27 Budget Drivers
- Revenue-Funded & Offset Positions | 44.3 FTE These Pay for Themselves and Help Future Proof Operations
- FY 2026-27 Ongoing Decision Package Recommendations (All Funds)
- General Funded Positions | 13.5 FTE
- Additional Positions for Consideration
- 2026-27 One-Time Decision Package Recommendations (All Funds)

## 3. Overview of Proposed Operating and Capital Budgets

MS. LANG presented the following presentation.

- Overview of FY 2026-27 Annual Proposed Budget “Adding Sense to Dollars”
- Total Annual Proposed Revenue Budget (+17.7%) All Funds (in millions)
- Total Annual Proposed Expenditure Budget (+14.7%) All Funds (in millions)

COUNCILMEMBER ORLANDO asked how much of the \$474.2 million in the category Major Capital New is expected to be a carryover to next fiscal year.

MS. LANG said depending on the complexity of the CIP projects, the project amount could carry forward between 2-4 years. A majority of this estimate is expected to continue to carry forward. The expectation is that the amount in the category Major Capital Carryforward will decrease. She noted that this is a high amount of carry forward in the city's history.

COUNCILMEMBER ORLANDO noted that this amount looks higher than in previous years. He summarized that some carryforward for capital projects will be reduced as projects are completed, but the amount may rise due to current and future capital projects.

MS. LANG agreed.

MAYOR HARTKE commented that Chandler's capital plan funding allows for flexibility in unexpected economic times, where capital projects can be pushed out into future years to delay the start and spending of allocated funds.

MS. LANG said that was correct. Many projects are bond-funded, where in order to reprioritize the project, bonds would be retained and not sold until a later date. One thing the city takes into account when considering delaying a capital project is the potential impact on the cost of future maintenance. The city's financial policy requires a 15% contingency reserve which is a percentage of overall revenue. What does not get spent out of the contingency fund returns to the General Fund and is reallocated in the following year.

MS. LANG continued the presentation.

- Total Annual Proposed Revenue Budget (+0.3%) General Fund (in millions)

COUNCILMEMBER ORLANDO asked what the impact to state shared revenues will be due to the impact of the incorporation of San Tan Valley.

MAYOR HARTKE said the estimated impact will be \$1.6 million.

MS. LANG said that was correct, \$1.6 million is the estimated impact of the incorporation of San Tan Valley.

MS. LANG continued the presentation.

- Total Annual Proposed Expenditure Budget (+0.3%) General Fund (in millions)

MATT DUNBAR, Budget and Policy Director, continued the following presentation.

- General Fund 5-Year Ongoing Forecast and Fund Balance Projection
- Revenue and Expenditure Assumptions
- 5-Year General Fund Ongoing Forecast Revenues vs Expenditures

MAYOR HARTKE noted that the 5-Year General Fund Ongoing Forecast does not include unknown conditions, only what is known today.

MR. DUNBAR agreed, and said adjustments are made as needed. Contingencies and flexibility are built in should a mid-year adjustment be needed. The budget runs on an annual cycle to adapt to new circumstances.

COUNCILMEMBER ORLANDO noted that in examining the forecast from previous years, they can compare expected outcomes to reality. The forecast from two years ago showed a crossover in FY 26-27, while the current year forecast shows a crossover two years out.

MR. DUNBAR said that was correct. The forecast is adjusted in order to adapt to different variables.

MS. LANG continued the presentation.

- Total Actual Expenditure compared to Adopted or Proposed Budget

MAYOR HARTKE said this budget reflects potential reimbursements from outside sources, such as Intel infrastructure projects. The city is best qualified to work on infrastructure projects for the benefit of residents and companies.

MS. LANG confirmed and said the state legislature has put together Title 42 funds that as Intel expands, it may require additional infrastructure to support it, that is not paid for by taxpayers. Through Title 42, the city gets the construction dollars generated on the infrastructure projects back to help offset infrastructure costs. The costs are shown in the actuals and estimated in the annual budget. The revenue coming in on Title 42 increases the overall budget for those expenses as well.

MR. DUNBAR continued the presentation.

- Proposed 5-Year One-Time General Fund Balance Projection
- Proposed 5-Year Enterprise Funds Fund Balance Projection & Revenue Requirement
- Breakdown of \$1 of Typical Chandler Property Tax Bill
- Impact of Tax Rate on Median Value Homeowner
- 2027-2036 Proposed Capital Improvement Program (CIP)
- 2027-2036 CIP Process
- Capital & Debt Management
- History of 10-Year CIP (in millions)
- Summary of Proposed Key General Government Capital Projects in the 1<sup>st</sup> 5-Years
- Proposed FY 2026-27 CIP Appropriation (all funds)

#### **4. Departments Operating and Capital Budget Presentations**

MR. DUNBAR continued the presentation.

- Department Operating and CIP Presentations
- To view departments operating and CIP presentations, please visit our website: <https://www.chandleraz.gov/government/budget-and-capital-improvement-program/planning>

#### **Police**

BRYAN CHAPMAN, Police Chief, presented the following presentation.

- Police
- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources

MELISSA DEANDA, Assistant Police Chief, continued the presentation.

- Decision Packages Police Decision package descriptions can be found on pages: 49-50 & 54 of the Budget Policies, Process, and Decisions Section of the Proposed Budget
- Decision Packages with FTE Requests
- Decision Packages
- Decision Packages

VICE MAYOR ENCINAS asked where the drone hive will be located.

ASSISTANT CHIEF DEANDA said the first part of the program called the DFR would be housed in the downtown area. The DFR program, included in the CIP, would allow the program to expand into West Chandler.

VICE MAYOR ENCINAS asked if this program will be used for critical incidents, or will it be launched for different incident levels.

ASSISTANT CHIEF DEANDA said the program will be used to respond to a variety of calls for service. Depending on the call, the drone program can be used for quick response and providing real-time information to officers. The program will be maintained for the higher level of incidents, but it can be used for a response to a variety of incidents.

VICE MAYOR ENCINAS asked to confirm that the drones only record footage on an incident scene.

ASSISTANT CHIEF DEANDA confirmed that the drones do not record footage in route to an incident scene. Once it is on scene, information is sent to the real-time operation center and the drone pilot.

COUNCILMEMBER HARRIS asked for the existing drone policy to be provided to Council.

ASSISTANT CHIEF DEANDA said the drone policy will be provided to Council.

COUNCILMEMBER HARRIS asked how soon this could be provided.

ASSISTANT CHIEF DEANDA said what can be provided will depend on the drone company the police department selects, but policy information such as guidelines and what types of calls for service the drones will respond to, auditing, and tracking information can be provided once

prepared. The policy information will be provided to Council before entering into an agreement with a drone company.

COUNCILMEMBER HARRIS affirmed the importance of security and privacy when using drones to respond to incidents.

MAYOR HARTKE noted the importance of data security and ensuring the city controls and owns whatever information is collected and is not used for other purposes. He said this program will allow the police department to save lives and reduce threats to first responders.

ASSISTANT CHIEF DEANDA said that is correct. This budget item is an enhancement for the existing drone program. The drone policy for the existing drone program governs privacy and security concerns. The police department is committed to public trust and maintaining an exceptional relationship with the community. Enhancing this program will enhance public safety through the review of real time intelligence at critical scenes that will allow officers to provide a better response for the community.

COUNCILMEMBER POSTON asked about the civilian hiring unit supervisor and reclassification decision package with FTE request.

ASSISTANT CHIEF DEANDA explained that this is to create a new civilian supervisor position and reclassify the existing sworn supervisor position into a commander. The onetime amount is to offset the sworn supervisor position to the commander pay grade.

COUNCILMEMBER POSTON asked if both positions are in the ongoing amount.

ASSISTANT CHIEF DEANDA said yes, and any related equipment such as a vehicle, radio equipment, and mobile data terminal for the commander position is included as well.

COUNCILMEMBER ORLANDO asked if other first responder and public safety units will be able to use the information from the drone first responder program.

ASSISTANT CHIEF DEANDA replied that the police department is exploring partnerships with other public safety groups such as the fire department in order to effectively respond to incidents in the city.

CHRIS PÉREZ, Assistant Police Chief, continued the presentation.

- Decision Packages
- Decision Packages
- Decision Packages

COUNCILMEMBER ELLIS asked if the department pursued grant funding for the use of AI.

ASSISTANT CHIEF PÉREZ answered that the department is constantly looking for alternate funding sources, which oftentimes have specific requirements for use, such as human trafficking or domestic violence support. In this situation, grant funding for AI use was not available.

COUNCILMEMBER HAWKINS asked about the outsourcing of forensic crime lab software and asked about the current use of the software.

ASSISTANT CHIEF PÉREZ said the technology is used frequently by specific detective units. Staff is able to provide more specific data on the use of this software, but he noted that bringing this procedure in-house will increase the speed of investigation.

JASON SIECZKOWSKI, Assistant Police Chief, continued the presentation.

- Decision Packages

COUNCILMEMBER ORLANDO complimented the success of the School Educational Engagement (SEE) program, noting positive feedback from school leadership.

COUNCILMEMBER HAWKINS asked what schools incorporate the SEE program.

ASSISTANT CHIEF SIECZKOWSKI listed that the program is active at Sanborn, Frye, Bologna, Shumway Leadership Academy, Navarrete, Ryan, and Santan elementary schools in Chandler Unified School District. The department is always looking to expand the program; it depends on the logistics of school availability. They are looking to expand into other districts such as Kyrene and Mesa. There is currently one employee in the program, and there is an open recruitment for another position which will help increase the reach of the program. The program was able to instruct over 2,300 students in the past year.

COUNCILMEMBER ELLIS asked about the requirements for the open position recruitment.

ASSISTANT CHIEF SIECZKOWSKI said the department is looking for a candidate with previous law enforcement experience or an educational background.

COUNCILMEMBER ELLIS asked if there is curriculum used for the program.

ASSISTANT CHIEF SIECZKOWSKI said the program has a standardized curriculum that is updated.

COUNCILMEMBER HARRIS asked if the open position has law enforcement experience as a requirement or as a preference.

ASSISTANT CHIEF SIECZKOWSKI said it is a preference but not a requirement for the position.

ASSISTANT CHIEF SIECZKOWSKI continued the presentation.

- Decision Packages

COUNCILMEMBER ORLANDO asked if the cancer screenings are funded by Fund 202 police forfeiture funds.

ASSISTANT CHIEF SIECZKOWSKI said that is correct.

COUNCILMEMBER ORLANDO commented this is an impactful use of the funds.

ASSISTANT CHIEF SIECZKOWSKI added that the department did look for grant funding to support this program, but it is not supported by the state. The state grant funding currently supports cancer screenings for those in the fire department as it is considered preemptive in the industry, it does not cover those in law enforcement. The department is focused on using the forfeiture funds to support this initiative and highlight the ongoing investment in employee wellness.

COUNCILMEMBER ELLIS noted that this is great support for employee wellness for all employees in the department.

ASSISTANT CHIEF SIECZKOWSKI emphasized that the screening is available to every member of staff over the age of 40, not just sworn officers.

COUNCILMEMBER HARRIS asked about the source of the studies supporting this initiative.

ASSISTANT CHIEF SIECZKOWSKI said the memo containing the studies can be provided to Council for reference.

COUNCILMEMBER HARRIS emphasized the importance of providing this screening to all employees. He asked about the source of the police forfeiture fund.

ASSISTANT CHIEF SIECZKOWSKI explained that the fund is generated through asset forfeitures which are seized and sold.

COUNCILMEMBER HARRIS asked if the fund balance stays within the Fund 202 and does not return to the General Fund.

ASSISTANT CHIEF SIECZKOWSKI said yes, the fund balance remains within the forfeiture fund.

ASSISTANT CHIEF SIECZKOWSKI continued the presentation.

- Decision Packages

CHIEF CHAPMAN continued the presentation.

- 2027-2036 CIP – Police
- 2027-2036 CIP – Police
- 2027-2036 CIP – Police

COUNCILMEMBER ORLANDO asked if the CIP Police Main Station Improvements item this year is for a study.

CHIEF CHAPMAN said yes, this will be a study to assess space and workflow needs. The city prosecutor's office is currently housed within the Main Station.

MR. POMBIER noted that they have been looking into a study for the Main Station renovation to incorporate growth and change over the next few years, to ensure that there is enough space and flexibility to adapt to future needs.

COUNCILMEMBER ORLANDO said the focus will be to get started on this project and come up with a solution that will work for future needs and capacity, similar to the studies done for the forensics lab.

CHIEF CHAPMAN said the department is working intentionally and proactively to assess the space and will return to Council with some options that will last for the next 20-30 years.

COUNCILMEMBER ORLANDO commented that it is great to see the forensics lab proceeding, he noted that communication with residents on the need for this facility has focused on the reduction of outsourcing forensic tests and labs, which will help solve crimes faster.

CHIEF CHAPMAN said the facility will not only help the department update and modernize forensics, but it will expand services offered. The city currently has no capacity to test DNA. Incorporating this added service will pay off.

MAYOR HARTKE asked when Main Station renovations will begin.

CHIEF CHAPMAN said the study is currently in progress, but design and construction will return for a Council decision in the future.

MAYOR HARTKE said he is excited for the possibilities created by the new forensic facility to address crimes.

CHIEF CHAPMAN agreed and explained that lab equipment improves over time, which will improve the solvability of crimes.

COUNCILMEMBER HARRIS asked if the police department was in the space utilization study completed a few years ago.

MS. LANG said the space assessment study conducted by the building and facilities division surveyed all city facilities to determine any opportunities to combine spaces and save efficiency. It did not include the police department, knowing that the facility study would have its own study in the future.

COUNCILMEMBER HARRIS said the police forensic facility was supported by residents, as the bond measure passed overwhelmingly. He asked if the new food and drink spiking ordinance helps the police department address these crimes.

CHIEF CHAPMAN said the department has the capacity with forensic scientists to investigate a number of those types of cases. He said the new equipment in the forensic facility will modernize the laboratory process for food and drink crime processing.

COUNCILMEMBER HARRIS asked if the ordinance languages assist the department.

CHIEF CHAPMAN said awareness is the best line of defense against any crimes. This provides an opportunity for the police department to provide information and awareness in their partnerships with bars and restaurants in downtown Chandler.

## **Fire**

KEITH HARGIS, Assistant Fire Chief, presented the following presentation.

- Fire
- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Decision Packages Fire Decision package descriptions can be found on pages: 45 & 53 of the Budget Policies, Process, and Decisions Section of the Proposed Budget
- Decision Packages with FTE Revenue/Reallocation Offsets
- Decision Packages with FTE Requests

COUNCILMEMBER ELLIS asked to expand on the decision package for three firefighter rovers.

ASSISTANT CHIEF HARGIS explained that the fire department staff three shifts: A, B, and C. Each of the shifts work 48 hours on, and 96 hours off. The two existing rovers can cover two out of the three shifts, but it leaves one shift without a rover. A changing behavior in the fire department has been the importance of wellness and taking time off. A firefighter in 2015 used about 10% of their total work hours as time off, a current year firefighter uses about 16% of their hours as time off. The need for coverage is expanding; the need can be addressed with rover coverage or overtime. Overtime coverage costs more and requires more hours on duty for firefighters already on shift. Firefighters on shift may be exposed to more incidents which may have risk for disease or exposure. Having rover coverage is cost effective as long as they are used as a rover more than

the 70% of the hours that they are working. The breakover point is currently 88.3% for a captain rover, 87% for a firefighter rover, or 88.2% for an engineer rover.

MAYOR HARTKE asked out of the three shifts, is there a trend of when the rovers are on duty.

ASSISTANT CHIEF HARGIS explained that the shift coverage is even, as shifts, engine, and station assignments rotate every two years. There is currently an 88% breakeven across all ranks. Rovers are utilized more currently due to the hours that members are off duty.

MAYOR HARTKE asked if there is a specific A, B, or C shift or time of day that rover positions are needed for coverage.

ASSISTANT CHIEF HARGIS explained that vacation leave can only be used by eight firefighters at a time, and leave is granted in 24-hour shift times. Firefighters are not allowed to use partial leave unless under eight firefighters are on leave. The amount of partial leave is very small. Sick leave is considered differently because firefighters can take smaller portions of time off, it is not capped at a certain number of firefighters off, but most of the time taken off for sick leave is in 24-48 hour amounts. Rover usage is tracked, current data shows that 88% of the time they are filling a vacancy and working as a rover, 12% of the time they are an extra person on an apparatus.

COUNCILMEMBER HARRIS acknowledged the work of former Arizona Attorney General J. Grant Woods for his work pursuing opioid lawsuit funds for the benefit of cities and towns. He asked if the opioid response is considered a community wellness initiative.

ASSISTANT CHIEF HARGIS answered that one of the components involved in the opioid response program is expanding the response program to seven days a week to respond and give resources about detox or treatment facilities. There are also community impact programs such as sober living which is funded through this program and managed by Chandler's Neighborhood Resources department. Opioid settlement funds are being used to support the needs of the community and make it a safer and healthier place.

COUNCILMEMBER HARRIS asked if the fire department offers daycare as a benefit to staff.

ASSISTANT CHIEF HARGIS said no.

COUNCILMEMBER HARRIS asked if fire department staff get additional mental health services.

ASSISTANT CHIEF HARGIS said that through the Craig Tiger Act, the state provides more counseling services to public safety workers responding to traumatic incidents. There are also internal resources available to firefighters, including a member services committee comprised of firefighters. Additional services are not offered as a program or benefit.

COUNCILMEMBER HARRIS asked if dogs or pets help with mental health.

ASSISTANT CHIEF HARGIS said yes, the fire department is working on a pilot program for therapy dogs to come to fire stations after a traumatic call, which studies have found were helpful. Peer response teams assist diffuse critical stress incidents. Mental health support is important to the fire department.

COUNCILMEMBER HARRIS asked how a member could use services.

ASSISTANT CHIEF HARGIS said the employee assistance program is available. This is structured so that the employee does not have to reach out to leadership in order to access resources. The member services committee also helps navigate resources. The department works closely with the human resources department in accessing the state Craig Tiger Act benefits and other city resources. Using these city benefits is anonymous.

COUNCILMEMBER HARRIS asked if non-firefighter staff have access to the same benefits.

ASSISTANT CHIEF HARGIS said that non-firefighter staff do not receive Craig Tiger Act benefits as it is regulated by the state to only apply to emergency incidents where a specific call has occurred. Firefighters must demonstrate connection to the traumatic event.

COUNCILMEMBER POSTON asked how coverage is planned when the maximum number of eight employees have time off.

ASSISTANT CHIEF HARGIS explained that units will always have full staffing in the response model through fulfillment of a tiered staffing approach. It is critical to never remove a unit from service due to lack of staffing. Low acuity vehicles run non-emergency calls in order to keep four person units available for service. The first tier would be to scale down low acuity vehicles. The next tier would be to put rovers in the open positions or offer overtime. The next step would be to message off duty members to offer the position. The last tier would be to utilize the force back option, where members on the force back standby list must work the additional shift in order to cover that vacancy. The force back option is the last option used, but it is frequently used; last year it was used 102 times, and this year it has been used 30 times.

COUNCILMEMBER POSTON asked if the usage of the force back procedure has increased over time.

ASSISTANT CHIEF HARGIS said the usage of the force back procedure last year was driven by a high number of firefighter vacancies. If there is a long-term vacancy, that position is often covered by a rover for a long time, and removes them from rover duty. The average over the last few years has been around 80 uses per year. The department hopes that with new firefighter positions filled after the next graduation of the academy, it will reduce long term vacancies and increase staffing.

COUNCILMEMBER POSTON asked what the benefit is to hire rovers in groups of three.

ASSISTANT CHIEF HARGIS explained that hiring rovers in groups of three balances the A, B, and C shift vacancies evenly.

COUNCILMEMBER POSTON asked if three rovers is enough to fully support and balance the need for roving.

ASSISTANT CHIEF HARGIS said it is difficult to determine due to changes over time. Rover usage is constantly tracked, so the rising need for more rover coverage has been relevant. The focus has been to take a pragmatic approach to get the rovers active and ensure they are delivering what is needed, and if a change is needed then staff can return to Council with that request.

MAYOR HARTKE speculated that the addition of three rover positions will reduce overtime pay and reduce the percentage of rover hours worked.

ASSISTANT CHIEF HARGIS said yes.

MR. POMBIER noted that the original department request was for six rovers.

ASSISTANT CHIEF HARGIS continued the presentation.

- Decision Packages
- Decision Packages with FTE Requests
- Decision Packages with FTE Requests
- Decision Packages
- 2027-2036 CIP – Fire

MAYOR HARTKE asked if expenses related to the onboarding of the new ambulance service program is coming out of general fund as the enterprise fund is established.

ASSISTANT CHIEF HARGIS said yes, the ambulance vehicles will be funded out of the general fund, which will be repaid.

COUNCILMEMBER POSTON asked if the repayment to the general fund begins next fiscal year.

ASSISTANT CHIEF HARGIS said the ambulance service is expected to begin in January 2027. It will take three to six months to establish the reimbursement process through Medicare and Medicaid. In FY 27-28 the service will begin generating revenue. The department is working with the budget team to create a plan for capital replacement, operating contingency fund, and capital repayment into the general fund.

COUNCILMEMBER ORLANDO asked how ambulance service patients will be billed.

ASSISTANT CHIEF HARGIS said to start the service a third-party billing service will be used. Many cities start off with a third-party billing service and then eventually bring the billing service in house. An agreement for this service will come to Council for approval.

ASSISTANT CHIEF HARGIS continued the presentation.

- 2027-2036 CIP – Fire
- 2027-2036 CIP – Fire
- 2027-2036 CIP – Fire

### **Information Technology**

SANDIP DHOLAKIA, Chief Information Officer, presented the following presentation.

- Information Technology
- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Decision Packages Information Technology Decision package descriptions can be found on pages: 46-47 of the Budget Policies, Process, and Decisions Section of the Proposed Budget
- Decision Packages with FTE Requests
- Decision Packages
- Decision Packages
- Decision Packages
- Decision Packages
- Decision Packages
- Decision Packages

COUNCILMEMBER ORLANDO asked about the decision package for technology insights.

MR. DHOLAKIA explained that when the department looks into software updates, the technology insights group consults in the process from writing an RFP to working on software demos.

COUNCILMEMBER ORLANDO asked if this is more of a consulting position.

MR. DHOLAKIA said yes.

MR. DHOLAKIA continued the presentation.

- 2027-2036 CIP – Information Technology

VICE MAYOR ENCINAS thanked the department for their advancements and innovations in keeping the city running smoothly.

MAYOR HARTKE asked to ensure that cybersecurity trainings are sent to Council.

COUNCILMEMBER HARRIS complimented the collaboration with other departments.

MR. DHOLAKIA thanked department directors for their collaboration.

### **Public Works & Utilities**

JEREMY ABBOTT, Public Works & Utilities Director, presented the following presentation.

- Public Work & Utilities
- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Decision Packages Public Works & Utilities Decision package descriptions can be found on pages: 50-51 & 55 of the Budget Policies, Process, and Decisions Section of the Proposed Budget
- Decision Packages with FTE Requests
- Decision Packages
- Decision Packages
- Decision Packages

COUNCILMEMBER POSTON asked if the decision package item for utilities increase for streetlights is to build streetlights or an increase in cost.

MR. ABBOTT said this is due to an increased cost due to SRP electricity rates increasing by 2.4%.

COUNCILMEMBER POSTON asked if the transition to LED lights offsets the cost.

MR. ABBOTT said transitioning to LED lights did reduce the overall cost, but the cost of electricity still has an effect on city expenses.

COUNCILMEMBER HAWKINS asked if the construction management software decision package item is for a new program.

MR. ABBOTT said it will be a new program.

COUNCILMEMBER HAWKINS asked if previous database information can be uploaded into the new system or will they have to start from scratch.

MR. ABBOTT said it will depend on the software. It is used to manage current projects. The software will be transitioned with new projects going forward.

COUNCILMEMBER HAWKINS asked if the software manages workflows or holds information.

MR. ABBOTT said it is both, it helps manage workflows and holds information related to projects.

COUNCILMEMBER HAWKINS asked if this software will help manage and prioritize project timelines.

MR. ABBOTT said it will help track schedules through the duration of the projects.

MR. ABBOTT continued the presentation.

- Decision Packages with FTE Requests
- 2027-2036 CIP – Streets
- 2027-2036 CIP – Streets
- 2027-2036 CIP – Streets

COUNCILMEMBER ORLANDO asked about the CIP Streets item Arizona Avenue / Warner Road intersection project.

MR. ABBOTT explained that this will be an intersection improvement focused on dual left turn lanes.

MR. ABBOTT continued the presentation.

- 2027-2036 CIP – Streets

COUNCILMEMBER HARRIS asked if the recently adopted policy regarding the speed of clean up on street projects was enough to address resident concerns.

MR. ABBOTT said part of the street construction program is administered through the CIP division through Capital Programs. In the city's specifications, requirements, and restrictions, a requirement that traffic barricades do not remain up beyond any work being completed which has been successful. It takes a lot of communication to ensure that barricades only remain up for as long as absolutely necessary.

COUNCILMEMBER HARRIS asked if there have been any complaints, and how enforcement has been.

MR. ABBOTT said the Capital Programs Division is able to issue penalties if contractors exceed approved duration of work. He said he is not aware of any cases where penalties have had to be issued. The program does not have statistics for private permitted work.

COUNCILMEMBER HARRIS asked for any information on penalties or fines issued to be provided to Council.

MR. POMBIER said that information will be provided to Council.

MAYOR HARTKE commented that he has seen a difference in street barriers not remaining up overnight or for excessive amounts of time.

COUNCILMEMBER HARRIS agreed he has noticed a difference.

MR. ABBOTT continued the presentation.

- 2027-2036 CIP – Streets

MAYOR HARTKE asked what lessons have been learned from the turf to xeriscape program so far.

MR. ABBOTT said that the department learned lots from the initial phases of the turf to xeriscape program. The initial phases of the program notified surrounding residents of the intent to move forward with a xeriscape design and invite residents to public meetings to provide comments and feedback about the design. A change will be to expand the notification program by using project notification signs to reach more residents prior to the start of public meetings.

MAYOR HARTKE noted the change from a model of distance from the project area to users of the project area for project notifications.

MR. ABBOTT agreed.

MAYOR HARTKE asked what is being done to address odors in areas such as Price Road or Chandler Boulevard.

MR. ABBOTT explained that due to the work being done to install the redundant 66-inch sewer line under the Loop 202 freeway, some of the pipe bypasses contribute to the odor in that area. The Price Road relining project incorporated the use of some odor scrubbing technology to scrub the air in the system while bypassing lines. There are also some carbon units in manholes installed at the Pecos Road and Dobson Road intersection to monitor the hydrogen sulfide levels. Changing the manhole filters on a regular basis helps reduce odors. The department has also been working with property owners in the area to provide resources on how to reduce odors in homes or businesses.

MR. ABBOTT continued the presentation.

- Utilities Wastewater, Water, Reclaimed Water and Solid Waste
- Decision Packages with FTE Revenue/Reallocation Offsets

COUNCILMEMBER HARRIS highlighted the decision package item for the closed-circuit TV truck as an example of bringing services in house for cost savings to the city.

MR. ABBOTT explained that the department is hoping to see savings of \$500,000 annually by bringing these services in house.

MR. ABBOTT continued the presentation.

- Decision Packages
- Decision Packages
- Decision Packages
- 2027-2036 CIP – Solid Waste
- 2027-2036 CIP – Wastewater

COUNCILMEMBER ORLANDO asked for clarification on the manhole rehab process.

MR. ABBOTT explained that most of the city's manholes are concrete. Hydrogen sulfide gas is created in those environments can corrode concrete. The rehab of manholes consists of replacing the concrete manholes with a corrosion resistant manhole. There are a number of different options and materials available. The construction will depend on the individual needs or status of each manhole.

COUNCILMEMBER HARRIS asked why is the department evaluating different technologies to address the issue.

MR. ABBOTT replied that there are different options to rehab manholes to address the corrosion issue. What is being done through this RFQ is to look at all options to ensure that the city's funds are spent wisely on the correct choice needed in each instance of possible corrosion.

COUNCILMEMBER HARRIS asked to confirm that each manhole may require different treatment depending on its status.

MR. ABBOTT confirmed.

MR. ABBOTT continued the presentation.

- 2027-2036 CIP – Wastewater

COUNCILMEMBER ORLANDO asked if the CIP wastewater item water reclamation facility improvements would consist of a one-year project.

MR. ABBOTT explained that the project will span more than one year, in order to start the construction contract, most of the funding has been identified in FY 26-27, and that will be carried forward into FY 27-28.

COUNCILMEMBER ORLANDO asked if another phase is planned for the future.

MR. ABBOTT said the next phase is planned for FY30-31, which will address the other half of the plant.

MR. ABBOTT continued the presentation.

- 2027-2036 CIP – Wastewater
- 2027-2036 CIP – Wastewater
- 2027-2036 CIP – Water

COUNCILMEMBER ORLANDO asked if the enhancement to the number of miles addressed by the CIP water main and valve replacements item was bond funded.

MR. ABBOTT said bond funding and rate increases supported the increased amount of water main and valves able to be addressed by this program.

COUNCILMEMBER ORLANDO asked about the future goals of this program with future growth.

MR. ABBOTT said as they kick off the program, they would prefer to start with a smaller goal and then escalate to a goal of eight miles per year. The goal will be reevaluated on an annual basis.

COUNCILMEMBER ORLANDO commented that the current one mile a year is due to limited resources and evaluation of current processes.

MAYOR HARTKE noted that this program is supported by rate increases.

MR. ABBOTT said that is correct.

MR. ABBOTT continued the presentation.

- 2027-2036 CIP – Water
- 2027-2036 CIP – Water

Council recessed at 11:45 a.m.

Council reconvened at 12:35 p.m., with all members present.

## **Neighborhood Resources**

RIANN BALCH, Neighborhood Resources Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Decision Packages Neighborhood Resources; Decisions package descriptions can be found on pages: 48-49 & 53 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages with FTE Revenue Offsets
- Decision Packages

- Decision Packages

MAYOR HARTKE commented on the upcoming heat relief services beginning June 15 through September 15, with overnight services provided this year through AZCEND.

MS. BALCH responded that services would begin on June 18 and would run for approximately 90 days.

COUNCILMEMBER ORLANDO noted that wraparound services are also available for the program.

MS. BALCH responded that community navigators are on shift seven days a week and provide wraparound services, and that AZCEND supports the infrastructure needed to operate the program.

COUNCILMEMBER ORLANDO asked how many beds are available for overnight use.

MS. BALCH responded that there are approximately 40 beds. She added that recent improvements at the AZCEND facility allowed for three separate rooms, including designated spaces for families with children, women, and men.

COUNCILMEMBER ORLANDO asked whether the program with churches and religious institutions is still ongoing.

MS. BALCH responded that it is, noting that the IHELP program continues to provide emergency shelter every night year-round in the community.

COUNCILMEMBER ORLANDO asked how many individuals are served through that program.

MS. BALCH responded that the number varies by night depending on church capacity, but the average is approximately 25 individuals.

MAYOR HARTKE noted that last year's heat relief program helped connect individuals who were initially reluctant to services with housing and support and asked if similar outcomes are expected this year.

MS. BALCH responded that the overnight service built trust and provided consistent engagement, leading to strong success last year, including housing placements through the program.

COUNCILMEMBER ELLIS encouraged councilmembers to visit the program, shared her positive firsthand experience, and praised staff for their work in making the program effective and helping connect individuals to services.

MS. BALCH acknowledged AZCEND as a strong partner and noted support from the Community Services Department as backup if needed.

MS. BALCH continued the presentation.

- Decision Packages
- Decision Packages

COUNCILMEMBER ORLANDO inquired about the TNR program, which was funded last year for the same amount.

MS. BALCH stated that the program's initial funding was \$30,000 and was later increased to \$47,000 through a Council amendment and additional funding sources.

COUNCILMEMBER ORLANDO asked that staff revisit funding needs with the provider and stakeholders to better determine anticipated requirements, noting concerns about mid-year budget amendments and expressing support for proactive planning to stay ahead of community needs.

MS. BALCH responded that staff would be happy to do so.

COUNCILMEMBER ELLIS stated that staff should ensure the contracted provider is fully meeting all obligations, particularly related to community education efforts. She expressed concern that prior funding did not adequately support the education component and emphasized the importance of strengthening outreach and education moving forward to ensure the program is fully effective.

### **Community Services**

JOHN SEFTON, Community Services Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Decision Packages Community Services Decision package descriptions can be found on pages: 42-43 & 52-53 of the Budget Policies, Process, and Decisions section of the proposed Budget
- Decision Packages with FTE Requests

COUNCILMEMBER ORLANDO asked for additional information regarding the city's urban forestry management efforts and whether proactive measures are being taken to maintain tree health and stability following recent extreme heat events.

MR. SEFTON responded that preventive tree maintenance and young-tree pruning are critical investments. He noted that during the severe weather event on August 25 of last year, more than

140 trees were lost, while trees that had received preventative pruning did not fail, demonstrating the effectiveness of proactive maintenance.

COUNCILMEMBER ORLANDO commented that the preventative pruning efforts likely prevented the loss of many additional trees.

MR. SEFTON confirmed that proper thinning and structural management practices performed by the urban forestry team and contractors help strengthen and preserve trees.

COUNCILMEMBER ORLANDO asked whether maintenance of medians had transitioned to the Parks Department.

MR. SEFTON responded that the transition was funded last year and includes ongoing maintenance of landscaping, trees, and decomposed granite within medians, with support from contractors and Parks staff.

COUNCILMEMBER ORLANDO referenced collaborative discussions regarding reducing excessive pruning and watering practices to improve long-term tree preservation and water conservation efforts.

MR. SEFTON responded that the city is implementing more sustainable landscape maintenance practices focused on smart water use, natural plant growth, reduced pruning, and water conservation across parks and rights-of-way. He added that the effort aligns with turf-to-xeriscape conversion initiatives and emphasizes best horticultural practices.

MR. SEFTON continued the presentation.

- Decision Packages
- Decision Packages
- Decision Packages

KURT HOFFMAN, Community Services Planning Manager, presented the following presentation.

- 2027-2036 CIP – Community Services
- 2027-2036 CIP - Community Services
- 2027-2036 CIP - Community Services
- 2027-2036 CIP - Community Services

COUNCILMEMBER POSTON asked whether athletic field maintenance funding is primarily for routine upkeep due to daily use or if it includes targeted field improvements.

MR. HOFFMAN responded that the funding is largely related to wear and tear from field usage.

MR. SEFTON added that the CIP funding supports larger-scale improvements beyond routine maintenance, including replacing infield mix and performing “drill and fill” work to improve soil conditions and root health.

MAYOR HARTKE asked whether there are ways to improve field durability and turf quality without reducing field usage.

MR. SEFTON responded that field performance depends heavily on construction methods, turf technology, and ongoing maintenance practices. He noted that newer fields with stronger sand-based root zones and updated turf varieties have shown improved durability and greening performance. He added that staff continues exploring innovative maintenance techniques and field improvements to support increasing community demand while minimizing field degradation.

MR. HOFFMAN continued the following presentation.

- 2027-2036 CIP – Community Services

### **Cultural Development**

KIM MOYERS, Cultural Development Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Funding Sources
- Decision Packages Cultural Development Decision Package descriptions can be found on page: 43-44 of the Budget Policies, Process, and Decisions Section of the Proposed Budget
- Decision Packages with FTE Revenue/Reallocation Offsets
- Decision Packages

COUNCILMEMBER POSTON asked whether field trips at Tumbleweed Ranch are still on hold.

MS. MOYERS responded that the field trips remain on hold pending completion of Phase One and Phase Two CIP improvements scheduled for this summer, with plans to resume the programs in the spring. She added that limited field trips are still being conducted at the museum.

MS. MOYERS continued the following presentation.

- Decision Packages
- Decision Packages
- 2027-2036 CIP – Cultural Development
- 2027-2036 CIP - Cultural Development

COUNCILMEMBER ORLANDO asked about the cost of the project's design phase.

MS. MOYERS stated the design phase was funded in the previous fiscal year.

COUNCILMEMBER ORLANDO asked whether the project would proceed to construction following completion of the design phase and inquired about the total estimated project cost.

MS. MOYERS stated that the project is estimated at approximately \$9 million; however, it has not yet gone out to bid, so costs may become clearer as the process moves forward. She added that funding is also included for street and alley improvements, should additional infrastructure be needed.

COUNCILMEMBER ORLANDO asked whether the main water improvements discussed during the water Work Session were included in the project or would be addressed separately through the water budget.

MS. MOYERS stated that staff currently believe the existing system will have adequate capacity, and additional water infrastructure may not be necessary based on the anticipated project design.

MS. MOYERS continued the following presentation.

- 2027-2036 CIP – Cultural Development

### **City Magistrate**

ALICIA SKUPIN, Presiding City Magistrate, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Funding Sources
- Decision Packages City Magistrate Decision package descriptions can be found on page: 41-42 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages
- 2027-2036 CIP- City Magistrate

VICE MAYOR ENCINAS asked whether other cities have implemented an exterior customer service window concept.

MS. SKUPIN stated Scottsdale City Court used a police department window during COVID-19 for customer service functions, though it was not kept open year-round.

VICE MAYOR ENCINAS commented that the concept could improve efficiency, security, and reduce building traffic.

MS. SKUPIN stated the court previously piloted a Saturday court program with limited participation. She added that the proposed window could allow for occasional late-night service hours and may also be used for bond payments and custody-related services during the police department renovation.

MAYOR HARTKE asked whether the exterior window area would include shade and lighting features.

MS. SKUPIN stated that the final design is not complete, but the area is planned to include an awning, a walkway, and a counter. She added that the police department building may provide some shade coverage.

## **Law**

TAWN KAO, Acting City Attorney, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Funding Sources
- Decision Packages Law & Risk Management Does not have any ongoing or one-time decision package requests.

## **City Manager and Organizational Support**

DAWN LANG, Deputy City Manager/Chief Financial Officer, presented the following presentation.

- City Manager
  - Top 5 2025-26 Accomplishments
  - Financial Highlights: Operating Proposed Budget
  - Decision Packages City Manager Decision package descriptions can be found on page: 42 of the Budget Policies, Process, and Decisions section of the Proposed Budget
  - Decision Packages with FTE Requests
  - 2027-2036 CIP- City Manager

COUNCILMEMBER ORLANDO asked whether the city plans to continue the AI program following the initial six-month effort.

JOHN POMBIER, City Manager, stated that the long-term goal is to build a division or department that supports all city departments' AI needs to improve employee efficiency, resident services, and technology use. He noted the current position is the first step in a three- to five-year plan.

COUNCILMEMBER ORLANDO asked whether the savings and efficiencies generated by the program would outweigh the cost of the position.

MR. POMBIER stated he believes long-term savings and efficiencies will offset the cost but emphasized the importance of preparing the organization and residents for the future role of AI technology.

## **Human Resources**

KRISTEN MAIER, Human Resources Director, presented the following presentation.

- Human Resources

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Funding Sources
- Decision Packages Human Resources Does not have any ongoing or one-time decision package requests.

COUNCILMEMBER HARRIS asked staff to explain the Live Wellness program and the types of benefits it would provide employees.

MS. MAIER stated the program is a taxable lifestyle spending account focused on employee wellness. She explained that eligible reimbursable expenses are broad and may include fitness equipment, dependent activities, financial advising, pet care, elder care, daycare, and other wellness-related expenses approved by the IRS.

COUNCILMEMBER HARRIS commented that the program could help address employees' mental health and wellness needs, including daycare and therapy support, and expressed support for including it in the budget as an employee benefit.

MAYOR HARTKE asked staff to clarify the overall cost of the program.

MR. POMBIER stated that the total estimated citywide cost would be approximately \$2.9 million, with about \$2.4 million in additional costs beyond the existing police department labor agreement.

MAYOR HARTKE suggested piloting the program with the police department before potentially expanding it citywide.

COUNCILMEMBER ORLANDO agreed with piloting the program first to evaluate the vendor, program structure, and eligible uses before expanding it organization-wide.

VICE MAYOR ENCINAS stated he supported the concept but preferred to establish guardrails and test the program through a pilot before broader implementation.

COUNCILMEMBER HARRIS questioned why the program would be tested if it had already been provided as a negotiated employee benefit for the police department.

MAYOR HARTKE responded that the pilot would allow the city to evaluate the vendor, eligible expenses, and operational impacts before expanding the program to all employees.

COUNCILMEMBER HARRIS expressed concern about limiting the benefit to only a portion of employees during the pilot phase.

MAYOR HARTKE stated that the benefit was included in the police department union negotiations.

COUNCILMEMBER ELLIS stated employee wellness concerns, including childcare and mental health, have been discussed for years, and emphasized her support for eventually expanding wellness benefits to all employees following the pilot program.

COUNCILMEMBER HAWKINS stated she supported piloting the program with the police department and recommended establishing clear parameters for eligible expenses.

COUNCILMEMBER POSTON stated she believed additional discussion was needed regarding the program's scope, eligibility, and alignment with existing police department wellness initiatives before considering broader implementation.

MAYOR HARTKE stated that the program would not be in the budget this year to all employees, however, the City Manager will address different questions from the Council that they have.

CITY MANAGER POMBIER affirmed that staff will review this program over the next six months to a year through the police department to determine if there are any guardrails or refinements before forwarding a recommendation as part of next year's budget for the rest of the general employees.

COUNCILMEMBER ORLANDO commended Ms. Maier on the operations of her department.

COUNCILMEMBER HARRIS stated the Council has a responsibility to the employees of Chandler and wanted to reiterate the importance of providing staff with the benefit of mental health and wellness recovery.

### **Transportation Policy**

MARGE ZYLLA, Strategic Initiatives Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Transportation Policy Decision package descriptions can be found on pages 51 and 55 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages
- 2027-2036 CIP – General Government – Transportation Policy

MAYOR HARTKE questioned when the Frye Road bike path project was scheduled to be completed.

MS. ZYLLA stated that the project is currently scheduled for completion this fall.

MAYOR HARTKE questioned the length of the extension related to the digital ADA upgrade and the city's progress toward compliance.

MS. ZYLLA stated that, due to the city's population threshold, the city received an additional one-year extension for compliance. She further stated that staff has made significant progress toward implementation and that the additional time would allow the city to further refine the program.

MS. ZYLLA continued the presentation.

- 2027-2036 CIP – General Government – Transportation Policy

COUNCILMEMBER HAWKINS questioned whether the \$84,000 included in the Capital Improvement Program for the Frye Road protected bike lanes represented an annual maintenance cost or a one-time project completion cost.

MS. ZYLLA confirmed that the \$84,000 represents an ongoing annual maintenance cost for the project.

MAYOR HARTKE questioned why the Frye Road protected bike lane maintenance costs were identified as a separate line item compared to other street projects.

MS. ZYLLA explained that when construction projects are nearing completion, ongoing maintenance costs are transitioned from one-time project costs to ongoing operational costs. She stated that the separate line item reflects that the Frye Road project is nearing completion and that future maintenance costs are now being incorporated as part of the budget decision package process.

MR. ABBOTT stated that the projected ongoing maintenance cost for the Frye Road protected bike lane project is approximately \$80,000 annually. He explained that the costs include maintenance of the protective barriers, replacement of damaged materials as needed, and general asphalt maintenance associated with the project.

COUNCILMEMBER ORLANDO questioned whether the \$84,000 annual maintenance allocation was intended to serve as a placeholder for potential future maintenance needs associated with the Frye Road protected bike lane project.

MR. ABBOTT explained that because the project is new, the exact maintenance needs may vary over time; however, the ongoing funding is intended to address maintenance of the bike lane barriers and related infrastructure as needed.

MR. POMBIER questioned whether the ongoing maintenance costs for the Frye Road protected bike lane project also included operations and maintenance costs associated with the street sweeper designated for the narrower travel areas.

JASON CRAMPTON, Transportation Planning Manager, confirmed that the ongoing maintenance costs include operations and maintenance for the street sweeper used to service the protected bike lane area. He further stated that the costs also include additional pavement maintenance associated with maintaining and repaving the narrower travel areas and vertical barrier elements.

### **Economic Development**

MICAH MIRANDA, Economic Development Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Economic Development Decision package descriptions can be found on pages 44 and 45 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages
- Decision Packages
- Decision Packages
- Decision Packages
- 2027-2036 CIP – Economic Development

### **Airport**

RYAN REEVES, Airport Manager, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Airport Decision package descriptions can be found on pages 52 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages
- Decision Packages
- 2027-2036 CIP – Airport

MAYOR HARTKE questioned whether the General Fund supplements the Airport Operating Fund and requested additional information regarding the funding sources for the airport budget.

MR. REEVES stated that staff would provide additional information to Council regarding the funding breakdown.

COUNCILMEMBER HARRIS questioned whether the airport utilizes an internal grant writer or partners with the City's grant writer for grant opportunities.

MR. REEVES stated that airport staff work collaboratively with the city's grant personnel on certain grant opportunities and also independently work year-round with the Federal Aviation Administration (FAA) and Arizona Department of Transportation (ADOT) Aeronautics Division regarding airport grant funding and infrastructure planning. He further stated that staff regularly

reviews future grant funding opportunities as part of the Airport Capital Improvement Plan process.

MR. POMBIER clarified that airport-generated revenues currently cover approximately 70% of the Airport's operating budget, with the General Fund subsidizing the remaining 30% of operating costs. He further stated that the General Fund also supports the Airport's capital budget, including required matching funds associated with grant-funded projects.

COUNCILMEMBER HARRIS requested additional information regarding the proposed partnership extension between the city and the Chandler Chamber of Commerce and asked how the partnership would benefit the city and expand upon existing economic development efforts.

MS. TERI KIMBLE, President/CEO of the Chandler Chamber of Commerce, stated that the Chamber has implemented an updated tracking system to better identify business successes, challenges, supplier relationships, and collaboration opportunities within the community. She further stated that the partnership assists in identifying economic development opportunities, supporting struggling businesses, facilitating collaboration among businesses and educational partners, and enhancing resource sharing through business roundtables and outreach efforts.

COUNCILMEMBER POSTON stated that she appreciated gaining a better understanding of the challenges and opportunities facing local businesses through the partnership efforts. She referenced a recent pharmaceutical company expansion discussion and noted the value of developing related industry ecosystems within the community. She further questioned whether specific industries were being targeted through the outreach efforts and requested additional information regarding the number of businesses being engaged and the involvement of educational partners in workforce development and business support initiatives.

MS. KIMBLE explained that the Chamber initially conducts preliminary visits with businesses to identify operational challenges, workforce needs, and opportunities for collaboration. She stated that, depending on the needs identified, the Chamber coordinates with city staff, educational partners, and other organizations to assist businesses with permitting, workforce development, equipment needs, and other operational issues.

MS. KIMBLE further stated that workforce development is frequently a primary focus and noted that educational partners and community colleges are working directly with certain businesses to develop tailored training programs that address immediate and long-term workforce needs. She also discussed opportunities to strengthen industry ecosystems within Chandler, including growth within the biomedical sector, through collaborative partnerships and targeted economic development efforts.

COUNCILMEMBER POSTON questioned how many companies the Chamber meets with annually.

MS. KIMBLE stated that the Chamber meets with approximately 40 to 43 companies annually. She further explained that the level of engagement varies depending on the company's needs and may involve educational partners and industry experts to address workforce development and operational challenges specific to each business.

COUNCILMEMBER ELLIS stated that she viewed the partnership between the city and the Chandler Chamber of Commerce as a broader collaborative relationship that could include additional opportunities beyond business outreach efforts.

MS. KIMBLE clarified that Chamber meetings with businesses are focused on supporting the needs of the businesses and do not involve discussions regarding Chamber membership or sponsorship.

COUNCILMEMBER ELLIS further stated that, from the city's perspective, the partnership was intended to create broader opportunities for collaboration and mutual benefit between the city and the Chamber.

COUNCILMEMBER ORLANDO stated that the proposed Chamber partnership represented another avenue for economic growth through business retention, expansion, recruitment, and collaboration with educational and economic development partners.

MS. KIMBLE confirmed that the program focuses on supporting companies already located in Chandler while collaborating with city staff, educational institutions, and workforce development partners to encourage long-term business growth and retention. She further stated that the Chamber anticipates increasing business outreach efforts through the expanded partnership and noted that Chandler's workforce is projected to grow by approximately 11.5% over the next three years in advanced manufacturing, construction, and healthcare industries. She also discussed efforts to connect businesses with workforce training, educational programs, and industry-specific resources to support future growth.

MAYOR HARTKE proposed authorizing the City Manager to include the program in the proposed budget and work with the Chamber to further develop the partnership details. Council expressed consensus in support of including the program in the budget.

## **Building & Facilities**

MIKE HOLLINGSWORTH, Facilities & Fleet Manager, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Buildings and Facilities Decision package descriptions can be found on pages 41 and 52 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages with FTE Requests
- Decision Packages

- Decision Packages
- 2027-2036 CIP – General Government – Building & Facilities

MAYOR HARTKE requested clarification if the Airport Terminal Building Maintenance and Repair decision package was being funded through the Airport Operating Fund.

MR. HOLLINGSWORTH answered in the affirmative.

COUNCILMEMBER HARRIS questioned if City Hall would be included in the security camera enhancements.

MR. HOLLINGSWORTH answered in the affirmative.

COUNCILMEMBER POSTON questioned whether the Space Utilization Improvements funding for the Development Services Building was intended for studying potential improvements or for completing physical improvements to the facility.

MR. HOLLINGSWORTH stated that the funding is intended for a space utilization study, including consultant services to evaluate staff operations, space needs, and future layout requirements for the Development Services Building. He further explained that the building is older and that the review would help determine future space and operational needs. He noted that the project is being approached in phases, with the current phase focused on Development Services and potential future phases addressing adjacent facilities.

MS. LANG added that the funding also includes resources for facility space adjustments and temporary workspace needs associated with departmental moves and staffing changes throughout city facilities. She stated that approximately \$100,000 was included for departments to address modular furniture and workspace modifications as needed.

### **Fleet Services**

MIKE HOLLINGSWORTH, Facilities & Fleet Manager, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Fleet Services Decision package descriptions can be found on page 45 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages with FTE Revenue/Reallocation Offsets
- Decision Packages
- 2027-2036 CIP – General Government – Fleet

### **Budget**

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

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Financial Highlights: Non-Departmental
- Decision Packages Budget does not have any ongoing or one-time decision package requests.
- Non-Departmental decision package descriptions can be found on pages 49 and 54 of the Budget Policies, Process, and Decisions section of the Proposed Budget

COUNCILMEMBER POSTON requested additional information regarding the cost of service study and how costs are evaluated and allocated among customer classifications.

MR. DUNBAR explained that the cost of service study is conducted by an outside consultant with expertise in utility rate analysis. He stated that the study evaluates the costs of providing utility services based on factors such as peak demand, system flow, infrastructure requirements, and customer classifications, including residential, commercial, and industrial users. He further explained that the consultant analyzes billing and metering data to determine whether customer classes are paying their proportionate share of system costs. He noted that the study is expected to take approximately eight to nine months to complete and that the city's Advanced Metering Infrastructure (AMI) system will provide more detailed usage data to support the analysis.

MR. DUNBAR further stated that utility infrastructure must be sized to meet peak demand levels and that the study helps allocate those infrastructure costs to the customer groups driving that demand.

COUNCILMEMBER POSTON questioned whether the customer classifications used in the cost-of-service study represented a best practice or whether alternative classification methods could be considered.

MR. DUNBAR stated that the study utilizes the city's existing customer classifications, including residential, non-residential, and industrial users, which align with current billing practices. He further explained that the study applies to the city's major utility enterprise funds, including water, wastewater, reclaimed water, and solid waste services. He noted that while a similar analysis could potentially be conducted for ambulance services in the future, the nature of ambulance operations does not align with the traditional utility service model used in the cost-of-service study.

### **Management Services**

KRISTI SMITH, Management Services Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources

- Financial Highlights: Non-Departmental
- Management Services decision package descriptions can be found on pages 47-48 and 53 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Package with FTE Revenue/Reallocation Offsets
- Decision Packages with FTE Requests
- Decision Packages
- Decision Packages with FTE Requests

COUNCILMEMBER ORLANDO stated that the Business Compliance Inspector positions would likely generate additional revenue and questioned the value of the Utility Services Representative position.

MS. SMITH stated that the Utility Services Representative position would improve customer service by reducing call wait times and assisting customers with questions related to the implementation of new utility software.

COUNCILMEMBER ORLANDO acknowledged that the position was primarily intended to improve customer service.

MS. SMITH agreed.

COUNCILMEMBER ORLANDO inquired about the Senior Procurement Officer position.

MS. SMITH explained that the position would provide additional support within the Purchasing Division, assist with procurement workloads, and support succession planning for future staffing needs. She also noted that the position would help address increasing procurement demands and support implementation of the Workday system.

COUNCILMEMBER ORLANDO expressed support for the position and later questioned the process for assessing penalties related to business license renewals.

MS. SMITH stated that the city provides education and notification to business owners regarding renewal deadlines and generally focuses on compliance efforts before assessing penalties.

### **City Clerk**

JENNIFER EKBLAD, City Clerk, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- City Clerk decision package descriptions can be found on page 41 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages

MAYOR HARTKE questioned whether there had been any progress toward utilizing the State's campaign finance reporting system for municipal campaign finance filings.

MS. EKBLAD stated that the State's BEACON system has been discussed as a potential option for cities and towns for several years; however, implementation has continued to be delayed. She noted that the proposed campaign finance software may serve as an interim solution until cities and towns are permitted to participate in the State's system.

### **Development Services**

KEVIN MAYO, Planning & Urban Design Service Administrator, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Development Services decision package descriptions can be found on page 44 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages
- Decision Packages
- 2027-2036 CIP – Development Services

MAYOR HARTKE inquired about the planned upgrades to the traffic signal at Erie Street and Arizona Avenue and questioned whether the project involved routine maintenance or additional pedestrian safety improvements.

MR. MAYO explained that the project involves relocating signal heads to their proper locations within the intersection to better align with the designated travel lanes. He stated that the existing signal heads are not currently positioned correctly and require adjustment.

COUNCILMEMBER ORLANDO inquired about the purpose of the proposed citywide fiber upgrades and how they relate to previous fiber infrastructure investments.

MR. MAYO explained that the fiber improvements are part of an ongoing multi-year implementation of the city's Fiber Master Plan. He stated that the project is intended to connect city facilities through a more resilient fiber network and provide redundant connections to reduce service disruptions if a fiber line is damaged.

DENNISE AUST, Telecommunications & Utility Franchise Manager, explained that many of the city's communications currently route through Downtown Chandler and that the project will continue building redundant network locations and expanding connections to remote facilities, including the South Chandler Police Station, water treatment facilities, and other city sites. He further stated that the project includes a combination of fiber installation, conduit improvements, network

equipment upgrades, and infrastructure enhancements to improve reliability and efficiency throughout the city's communications network.

COUNCILMEMBER ELLIS expressed her appreciation to the team regarding the timing of traffic signals.

### **Communications & Public Affairs**

Matt Burdick, Communications & Public Affairs Director, presented the following presentation.

- Top 5 FY 2025-26 Accomplishments
- Financial Highlights: Operating Proposed Budget
- Financial Highlights: Operating Funding Sources
- Communications & Public Affairs/Mayor & Council decision package descriptions can be found on pages 42 and 52 of the Budget Policies, Process, and Decisions section of the Proposed Budget
- Decision Packages with FTE Requests
- Decision Packages
- Decision Packages
- Decision Packages

### **Final Comments**

MAYOR HARTKE stated that he wanted to revisit two items discussed earlier in the day, including positions brought forward by the City Manager that were not included in the proposed budget, such as the Rover position. He also requested Ms. Lang provide information regarding a potential reduction to the property tax rate.

MS. LANG stated that the proposed budget currently maintains the primary and secondary property tax rates at their existing levels. She explained that reducing the primary property tax rate by .0059 for an 11th consecutive year would result in an ongoing revenue reduction of approximately \$253,881. She further stated that under the current proposed rate, the estimated annual increase to a taxpayer for the city's portion of the property tax bill would be approximately \$13.87, while reducing the rate would lower the increase to approximately \$12 annually.

MAYOR HARTKE stated that the city appeared to be in a better financial position than initially anticipated and expressed support for lowering the tax rate.

COUNCILMEMBER ORLANDO requested clarification regarding the assessed valuation and the current primary property tax rate.

MS. LANG clarified that the current primary property tax rate is .2118 per \$100 of assessed valuation and that the proposed reduction would lower the rate to .2059.

MAYOR HARTKE asked Councilmembers for their position regarding the proposed reduction to the primary property tax rate.

Councilmembers expressed support for reducing the primary property tax rate.

MAYOR HARTKE confirmed that the proposed reduction would allow the city to avoid the Truth in Taxation process and noted that the reduction would not significantly impact the overall budget.

MAYOR HARTKE asked Councilmembers for their thoughts on the proposed positions.

COUNCILMEMBER POSTON stated that she was not opposed to the Economic Development Project Manager (Retail) position but expressed a preference for the position to focus more on the future needs of the city, including support for small businesses and redevelopment efforts. She noted the city has discussed redevelopment for many years and referenced remnant and smaller properties that may require additional attention. She further stated that the position could work collaboratively with Development Services and Planning to assist businesses through the development and redevelopment process, similar to efforts seen in the downtown area.

COUNCILMEMBER POSTON continued that she supported the overall approach to the proposed positions and agreed with the City Manager's strategy regarding revenue and operational efficiencies. She stated her belief that the proposed positions would save the city money and help reduce one-time costs. She further stated that while there may have been a perception that not filling full-time positions saved money, she believed the proposed staffing additions would ultimately be beneficial and expressed support for all of the proposed positions.

COUNCILMEMBER ELLIS stated that she had previously met with the City Manager to discuss the proposed positions and expressed support for the Economic Development position. She stated that she would like to provide the department with the flexibility to determine where the position would be most beneficial and how it could best support businesses and generate additional revenue for the city. She further stated that she did not want to limit the position to a specific focus area and supported allowing the department to evaluate and determine where the greatest need exists. She stated that she supported all five proposed positions.

VICE MAYOR ENCINAS stated that he supported the proposed positions and noted that the additions would help empower the various departments.

COUNCILMEMBER ORLANDO stated that he supported all five proposed positions. He expressed concern regarding the title and scope of the Economic Development Project Manager (Retail) position and suggested broadening the focus to include redevelopment and infill efforts. He stated that the current retail designation could be misleading and noted the importance of attracting candidates with broader experience related to redevelopment and similar economic development activities.

COUNCILMEMBER HARRIS and HAWKINS stated they both supported all five proposed positions.

## **Wrap Up**

MAYOR HARTKE thanked staff, presenters, and the Budget team for their work in preparing the proposed budget and stated that he believed the budget was sustainable and would continue to provide services and cost savings to the community.

MAYOR HARTKE stated that Council budget amendments could be submitted from May 21 through June 11. He further stated that tentative adoption of the budget was scheduled for the May 21 Regular City Council Meeting.

COUNCILMEMBER HAWKINS thanked the departments, Budget team, and staff involved in preparing and presenting the budget. She also acknowledged the various awards highlighted during the presentations and expressed appreciation for the work completed.

COUNCILMEMBER HARRIS thanked staff, the Budget team, the City Manager, and Council, for their work on the proposed budget. He stated that the budget generally reflected the direction he would like the city to take and noted that the active engagement by staff throughout the process demonstrated care and commitment to the community. He further stated that he looked forward to additional budget discussions moving forward.

COUNCILMEMBER ORLANDO thanked the City Manager, Budget team, and staff for their work on the proposed budget and stated that the budget reflected thoughtful strategic planning and fiscal responsibility. He noted that many cities are facing economic and funding challenges, but stated that the proposed budget demonstrated cost savings, cost containment, and continued service delivery to residents. He further expressed appreciation for the long-term financial outlook presented in the budget and commended staff for their efforts.

VICE MAYOR ENCINAS stated that this was his fourth budget process and expressed appreciation to staff and the organization for presenting a budget that was consistent, reliable, strong, and future-focused. He further stated that the budget continued to provide residents with the reliability and consistency they have come to expect from the city and thanked staff for their work throughout the process.

COUNCILMEMBER ELLIS stated that the proposed budget demonstrated the city's commitment to public safety, wellness, infrastructure, and fleet services. She thanked staff and departments for their collaboration throughout the budget process, particularly during a period of organizational transition and staffing changes. She further expressed appreciation for the professionalism and dedication of city employees and stated that the budget reflected the high level of service provided to Chandler residents.

COUNCILMEMBER POSTON thanked staff, the Budget team, and the City Manager for their extensive work throughout the budget process. She stated that the budget presentations clearly explained the benefits, challenges, and value of the proposed budget and noted that the budget reflected a balance of quality-of-life services and operational needs. She also expressed appreciation for the addition of frontline positions and the creative approach to identifying revenue-generating and cost-saving opportunities.

MR. POMBIER expressed appreciation for the department directors and staff for their work in preparing and presenting the proposed budget. He also thanked the Mayor and City Council for their support of city employees and stated that the discussions throughout the budget process demonstrated the city's commitment to serving the community and supporting its workforce.

## Public Comment

None.

## Adjourn

The meeting was adjourned at 2:50 pm.

ATTEST: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

Approval Date of Minutes: June 25, 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 1st day of May 2026. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_\_ day of June, 2026.

\_\_\_\_\_  
City Clerk