



**Resident Bond Facilities Sustainability
and Technology Subcommittee Meeting
Building & Facilities Division Overview**

October 2, 2024.

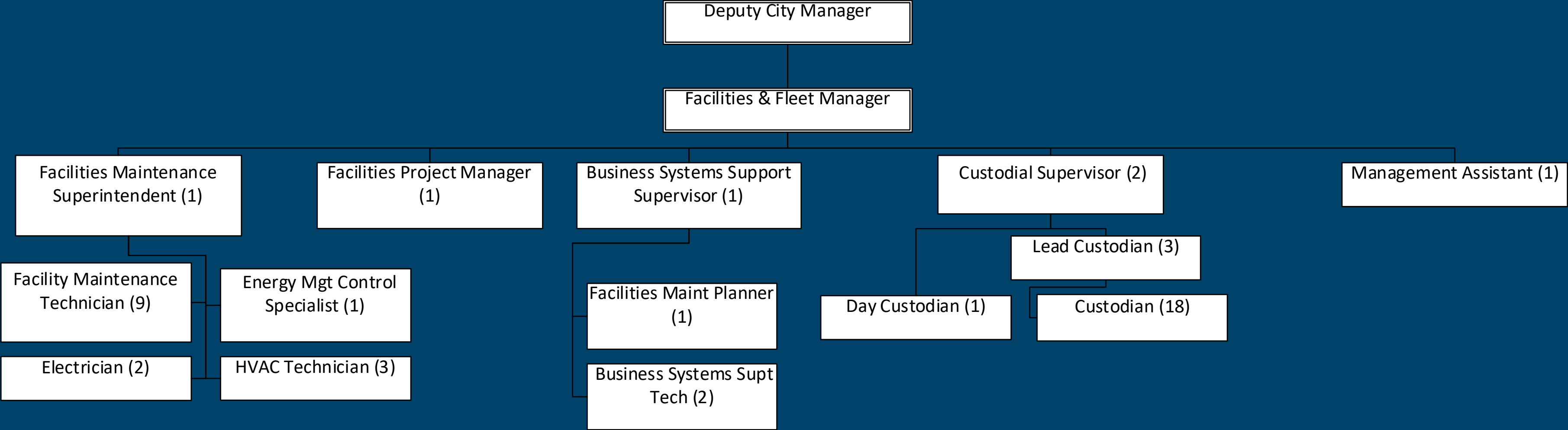
Agenda

- Buildings & Facilities Division Overview
- FY 2024-25 Bond Projects
- Questions



Organization Chart

BUILDINGS & FACILITIES – CC 3200



Profile of City Services

- Maintains:
 - 61 City owned buildings and provides limited maintenance to 10 additional City facilities
 - More than 1.1 million square feet of mixed-use public and non-public space
 - Within 65 square miles in the City of Chandler

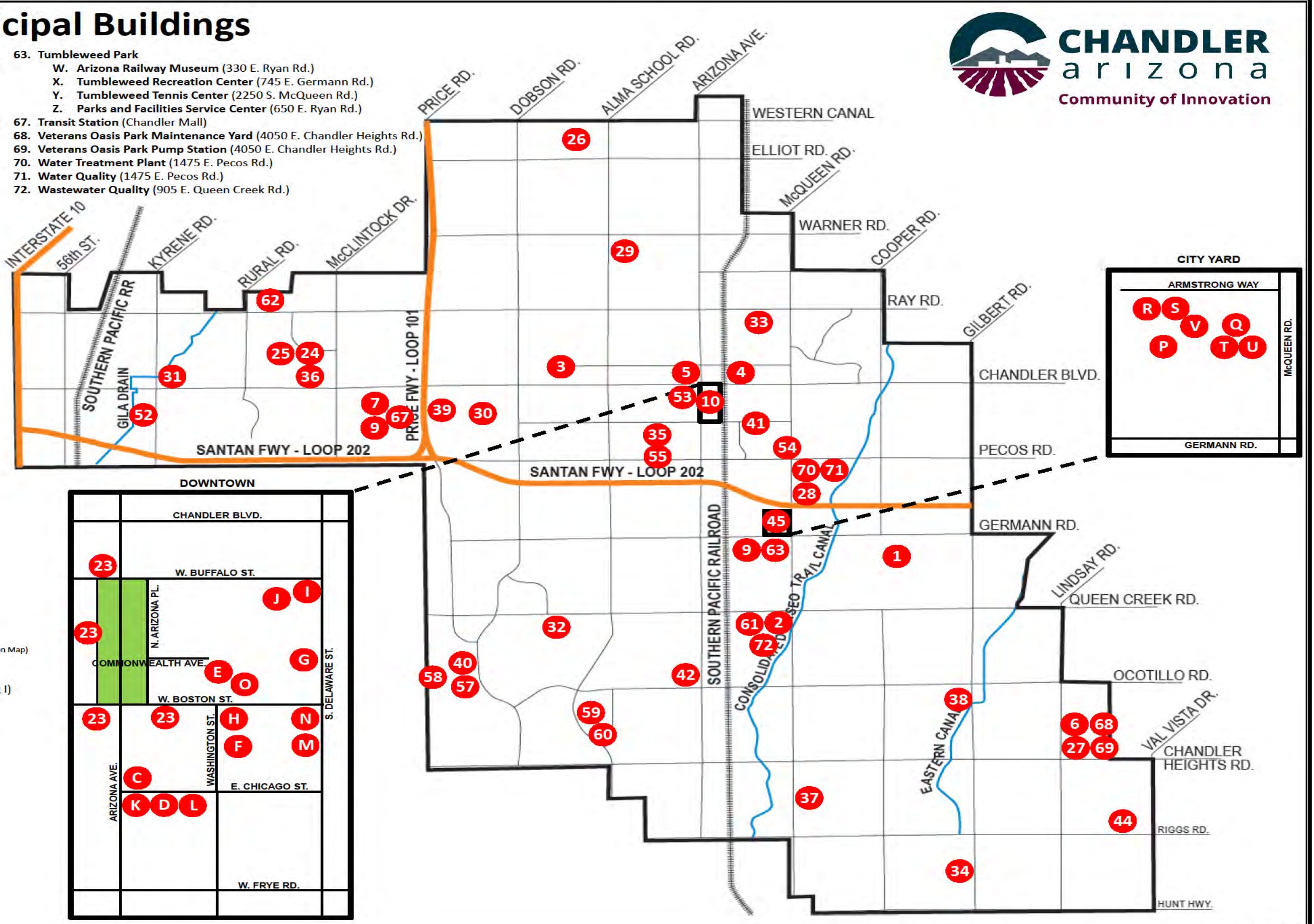


City of Chandler Municipal Buildings



1. Airport (2380 S. Stinson Way)
2. Airport Wastewater Reclamation Facility (905 E. Queen Creek Rd.)
3. Arrowhead Meadows Pool (1475 W. Erie St.)
4. Boys and Girls Club (300 E. Chandler Blvd.)
5. Center for the Arts (250 N. Arizona Ave.)
6. Chandler Heights Police Substation (4040 E. Chandler Heights Rd.)
7. Chandler Museum
 - A. McCullough Price House (300 S. Chandler Village Dr.)
 - B. Museum (300 S. Chandler Village Dr.)
9. Chandler Park and Ride Control Building (Germann/Hamilton)
10. Downtown Municipal Complex
 - C. City Hall (175 S. Arizona Ave.)
 - D. City Hall Parking Garage (240 S. Washington St.)
 - E. Community Center (125 E. Commonwealth Ave.)
 - F. Courts (200 E. Chicago St.)
 - G. Downtown Library (22 S. Delaware St.)
 - H. Fire Department Admin (151 E. Boston St.)
 - I. Information Technology (275 E. Buffalo St.)
 - J. Public Works Development Services (215 E. Buffalo St.)
 - K. Neighborhood Resources (235 S. Arizona Ave.)
 - L. Print, Mail & Graphics (210 Washington St.)
 - M. Police Department (250 E. Chicago St.)
 - N. Victim Services (221 E. Boston St.)
 - O. Senior Center (202 E. Boston St.)
23. Downtown Storefront (51 S. Boston St.)
24. Desert Breeze Police Sub Station (251 N. Desert Breeze Blvd.)
25. Desert Breeze Railroad (660 N. Desert Breeze Blvd.)
26. Desert Oasis Aquatic Center (1400 W. Summit Pl.)
27. Environmental Education Center 4050 E. Chandler Heights Rd.)
28. Fire Station 1 (1491 E. Pecos Rd.)
29. Fire Station 2 (1911 N. Alma School Rd.)
30. Fire Station 3 (275 S. Ellis St.)
31. Fire Station 4 (295 N. Kyrene Rd.)
32. Fire Station 5 (1775 W. Queen Creek Rd.)
33. Fire Station 6 (991 N. Jackson St.)
34. Fire Station 7 (6200 S. Gilbert Rd.)
35. Fire Station 8 (711 W. Frye Rd.)
36. Fire Station 9 (211 N. Desert Breeze Blvd.)
37. Fire Station 10 (5211 S. McQueen Rd.)
38. Fire Station 11 (4200 S. Gilbert Rd.)
39. Fire - Support Services (163 S. Price Rd.)
40. Fire Training Facility (3550 S. Dobson Rd.)
41. Folley Pool (601 E. Fairview Dr.)
42. Hamilton Aquatic Center (3838 S. Arizona Ave.)
43. Lone Butte Water Reclamation Facility (I-10 & Maricopa Rd.) (Not on Map)
44. Mesquite Groves Aquatic Center (5901 S. Hillcrest Dr.)
45. McQueen Yard
 - P. Central Supply/Fleet Services (975 E. Armstrong Way, Bldg I)
 - Q. Municipal Utilities (975 E. Armstrong Way, Bldg L)
 - R. Streets (976 E. Armstrong Way, Bldg C)
 - S. Traffic Engineering (975 E. Armstrong Way, Bldg B)
 - T. Wastewater Collection (975 E. Armstrong Way, Bldg J)
 - U. Water Distribution (975 E. Armstrong Way, Bldg K)
 - V. Water Service Shop (975 E. Armstrong Way, Bldg O)
52. Nozomi Aquatic Center (250 S. Kyrene Rd.)
53. Overstreet Parking Garage (150 N. Oregon St.)
54. Police Hamilton Facility (911 S. Hamilton St.)
55. Police Property & Evidence (576 W. Pecos Rd.)
56. Police Storage Facility (1475 E. Pecos Rd.)
57. Public Safety Training (3550 S. Dobson Rd)
58. Reverse Osmosis Plant (3737 S. Old Price Rd)
59. Snedigar Maintenance Yard (4500 S. Alma School Rd)
60. Snedigar Recreation Center (4500 S. Basha Rd)
61. Solid Waste Services (3200 S. McQueen Rd)
62. Sunset Library (4930 W. Ray Rd)

63. Tumbleweed Park
 - W. Arizona Railway Museum (330 E. Ryan Rd.)
 - X. Tumbleweed Recreation Center (745 E. Germann Rd.)
 - Y. Tumbleweed Tennis Center (2250 S. McQueen Rd.)
 - Z. Parks and Facilities Service Center (650 E. Ryan Rd.)
67. Transit Station (Chandler Mall)
68. Veterans Oasis Park Maintenance Yard (4050 E. Chandler Heights Rd.)
69. Veterans Oasis Park Pump Station (4050 E. Chandler Heights Rd.)
70. Water Treatment Plant (1475 E. Pecos Rd.)
71. Water Quality (1475 E. Pecos Rd.)
72. Wastewater Quality (905 E. Queen Creek Rd.)



Contracted Services

Contracts: 22

- Key Outsourced Services:
 - Fire Alarm and Monitoring
 - Elevator
 - Pest Control
 - Roofing
 - Specialty Plumbing
 - Custodial Services*
 - HVAC/Mechanical*
 - Electrical/Doors*

* *Also supported with City staff*

Contract Title	Purpose
Generator Maintenance	Back Up Generators
Doors, Locking Systems, Door Hardware and Operable Walls	Door Systems
Electrical Maintenance, Installation & Lighting Repairs	Electrical
Elevator Maintenance Service & Repair	Elevator
Energy Management Control System Services	Energy Mgmt
Utility Tracking System Annual Maintenance	Energy/Utility Mgmt
Pressure Washing Services	Exterior Pressure Washing
Fire Protection Services	Fire Alarm
HVAC Filter Replacement Services	HVAC
Trane Chiller Renewal Services	HVAC
York Chiller Maintenance, Repair and Overhaul	HVAC
HVAC Preventative Maintenance Plan	HVAC
Paradise Valley Unified School District #1GPA-18-16PV	Mechanical/HVAC
HVAC Equipment installation, service and related products	Mechanical/HVAC
Refrigeration Equipment & Repair (repair of ice machines)	Ice Machine
Painting and Related Services	Painting
Asphalt & Concrete Maintenance and Repair	Parking Lot Resurface
Pest Control Services	Pest Control
Specialty Plumbing Services	Plumbing
Roofing Contractor Services	Roofing
Parking Lot and Garage Sweeping Services	Sweeping
Performance Cooling Water Treatment Program	Water Treatment/HVAC

FY 2024-25 Facilities Bond Projects



- Boys and Girls Club HVAC
- Center for the Arts Phase II HVAC
- Roofs: Fire Stations #6 & #7, Fleet, Senior Center, Property and Evidence
- Sunset Library Carpet
- Fleet Epoxy Flooring
- Fire Training HVAC
- Fire Alarms: Fire Training, Desert Breeze PD, Fire Support, Boys and Girls Club, Fire Station #9
- Development Services Chiller Replacement

Facility Assessment Phases

- Phase I
 - 47 Buildings Assessed
 - 10-year total - \$64 mil
- Phase II
 - Budgeted in FY 2020-21
 - Includes 21 additional buildings: Airport, Parks and Aquatics, Public Works & Utilities



Questions?



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Community of Innovation





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Bond Exploratory Committee Training

Presented By:
Tawn Kao, Deputy City Attorney
Jennifer Ekblad, Deputy City Clerk



Open Meeting Law

A.R.S. 38-431 et. seq.



- A.R.S. 38-431.09 - Public's business must be done in public
- Properly noticed meetings
- Posted agenda

- Quorum must be present for a meeting to be held
- 24 hours notice except for an actual emergency



Public Bodies

All Public Bodies must comply with the Open Meeting Law



"Public Body" includes:

- City Council
- Boards and commissions of the City
- All corporations and other instrumentalities whose boards of directors are appointed or elected by the City Council (i.e., Municipal Property Corp.)
- All quasi-judicial bodies of the City (i.e. Board of Adjustment
- Standing, special or advisory committees or subcommittees of the City (i.e. Council subcommittees)

Public Bodies do not include:

- Staff meetings
- Staff appointed committees that advise staff
- Single department head

What is a Meeting?

A meeting occurs ANY TIME a quorum of the public body discusses, proposes, or takes legal action.

Can be a traditional meeting or an electronic meeting.



How Do We Have a Legal Meeting?

Post an agenda in the official posting places and website at least 24 hours in advance.

Agenda **MUST** include:

- Date, time and place
- Description of matters to be discussed or decided (or where an agenda can be obtained)

Agenda **MAY** include:

- Unscheduled public appearances
- Report on current events from chair members and staff person in charge



When Can a Public Body Meet in Private?

Executive Sessions - A.R.S. 38-431.03



Employment, discipline or resignation of public officer, appointee or employee



Obtain legal advice



Contract negotiations or litigation



Discussion regarding security and critical infrastructure



Negotiations for purchase, sale or lease of real property



Discuss records exempt by law from public inspection



Employee organization negotiations

Can we discuss matters not on the agenda?



- No
- Seriously, No
- Not if we do not want trouble
- Maybe, if it is an Actual
Emergency
- **All of the above**

Open Meeting Pitfalls



Serial meeting—a series of gatherings of less than a quorum

Attending other meetings

Forwarding or reply all to emails

Not providing sufficient detail on an agenda

Social Media and A.R.S. § 38-431.09

Discuss and/or take action on items not listed on agenda

Serial Meetings or Splintering the Quorum

It is not necessary for a public body to communicate simultaneously in order for a meeting to occur. A series of gatherings of less than a quorum MAY constitute a meeting if City business is discussed.

This means that if a councilmember talks to two other councilmembers about City business and then one of those councilmembers talks to another councilmember about the same thing, a meeting has taken place but no notice or agenda so OML violation.

Under A.R.S. § 38-431.09, you may express your opinion or discuss an issue with the public personally, through the media, or through technological means, IF...

1 The opinion or discussion is not principally directed at or directly given to another member of the public body

2 There is no concerted plan to engage in collective deliberation to take legal action

Emails

When you use e-mails to discuss City business, care must be taken not to violate the Open Meeting Law as e-mails can easily create a meeting inadvertently by:

- An e-mail to a quorum of the public body proposing legal action
- An e-mail exchange of facts and/or opinions if it is foreseeable that the topic may come before the public body for action
- Forwarding or responding to e-mails involving a majority of the council — be careful of chain e-mails
- **REMEMBER DO NOT REPLY ALL!**





Social Media and Social Events

Members of public bodies should not post or comment on each other's website or municipal websites where those comments could be interpreted as proposing legal action or discussion or deliberation/decisions on City issues. These types of postings would violate the Open Meeting Law because they would be "meetings".

It is NOT a violation of the Open Meeting Law when there is a gathering of a quorum of the public body, i.e., a wedding, but DO NOT talk about City business.

What Happens if We Violate the Open Meeting Law?

A.R.S. 38.431.07



- Actions taken are null and void
- The Attorney General may investigate
- A public official may be removed from office
- \$500/day civil penalty
- Costs for enforcement may be assessed
- Public monies can not be used for legal counsel



Public Comment

- Citizens may only address the public body on items on the agenda
- End of meeting for 15 minutes total time
- Individual speakers up to 3 minutes
- Not a dialog and staff may follow up on public questions and comments

Minutes

The official record of meetings.

Draft minutes must be available within 3 working days and must include:





Conflict of Interest

How Do You Know if You Have a Conflict of Interest?

Pecuniary Interest—will you gain or lose something of value from your decision?

If so, is your pecuniary interest remote or substantial?

If it is substantial, then you have a conflict!



How Do You Know if You Have a Conflict of Interest?

Common Remote Interests A.R.S. 38-502(10)

- The interest of a non-salaried officer of a non-profit corporation
- The interest of an attorney of a contracting party
- The ownership of less than three percent of the shares of a corporation for profit
- The interest of a public officer or employee in being reimbursed for his actual and necessary expenses incurred in the performance of official duty
- The interest of a recipient of public services generally provided by the City
- The interest of a member of a trade, business, occupation, profession or class of persons consisting of at least ten members which is no greater than the interest of the other members of the trade, business, occupation or profession or class of persons

What To Do if You Have a Conflict of Interest?



Fill out a disclosure form



No discussion or action



Make conflict known



Avoid any appearance of influence

Conflict of Interest Law Violations

A.R.S. 38-510

- Civil suit may be filed
- Court may award attorney's fees
- Class VI Felony—intentional or knowingly
- Class I Misdemeanor—reckless or negligent
- Forfeiture of office
- Cancellation of contract – A.R.S. §38-511





Public Records

What is a Record?

- Evidence of the organization and all of its decisions, procedures, functions, and operations
- Made or received by any governmental agency
- Informational or historical data
- Any medium or format

What is not a Record?

- Library or museum material solely for reference or exhibition
- Extra copies for convenience or reference
- Stocks of publications for sale or distribution

Who Has to Comply with Public Records Laws?

City Council

Boards and Commissions,
including Subcommittees

Employees of Public
Officers and Public Bodies



Boards and Commissions Records

Member Records

- Applications to Serve
- Oaths of Office
- Policy Acknowledgements

Meeting Records

- Agendas
- Supporting Documentation for Items
- Minutes
- Meeting Audio/Video Recordings
- Speaker and Comment Cards



Email is a Public Record

It is important to understand that electronic communications are public record and may be provided in response to a public records request or a subpoena.

Records are categorized by their content and not the format or medium in which they are created.



Questions?





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Resident Bond Exploratory Committee

Finance Overview



Agenda

- 2025-2034 Capital Improvement Plan (CIP) Overview
- City Debt Overview
- Remaining Bond Authorization, Property Tax Rate & Next Steps





Fiscal Foundations

Current 10-Year CIP Council Guidelines

Minimize increase in property taxes

Re-imagine resident amenities scheduled for replacement

Prioritize Aging Infrastructure

Finish 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

Deliver on commitments made to residents through 2021 bond election

Balance inflation, workload, and timely completion of high-visibility and grant-funded projects

2025-2034 Capital Improvement Plan (CIP)

\$2,488,884,031

Total 10-year CIP is funded as follows

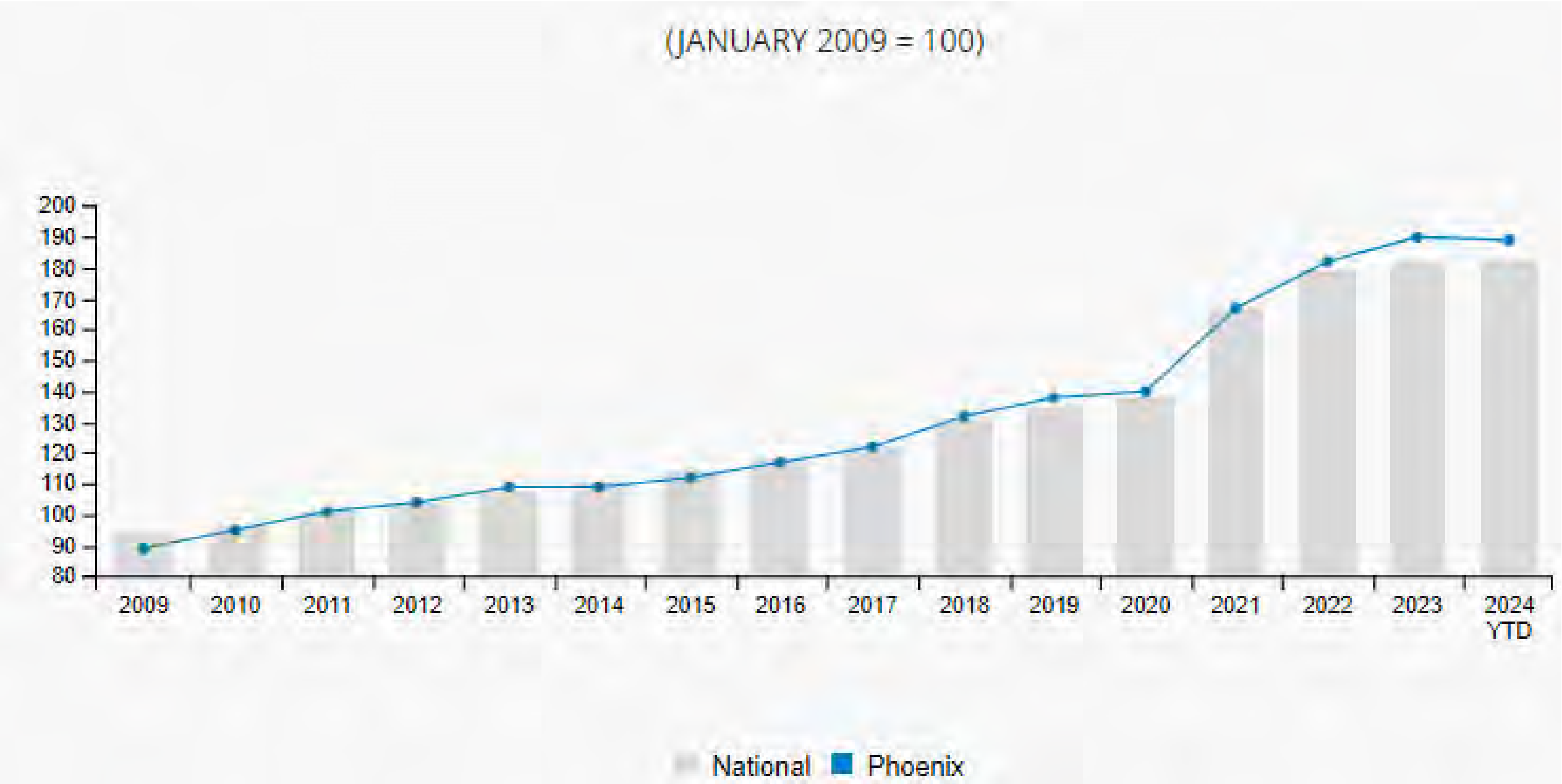
**68.4%
Bond
Funded**

**22%
Current
Revenues/
Fund Balance**

**7%
Grants**

**1.9%
System
Development
Fees**

Capital Plan Inflation Impacts



Construction Price Index's new normal

Construction Costs continue to go up, just not as fast

Data source: The Mortenson Construction Cost Index is calculated quarterly by pricing a representative non-residential construction project in geographies throughout the country.

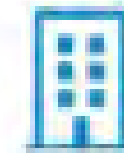
Summary of City-Wide Core Infrastructure



226 Fire sworn personnel
23 Civilian personnel



338 Police sworn personnel
182 Civilian personnel



61 Municipal buildings



32 Operating wells
1,240 Miles of potable water lines



1,038 Miles of sanitary sewer



79,000 Landfill tonnage
17,000 Recycling tonnage



2,090 Lane miles of streets



28,515 Streetlights



229 Signalize intersections

Focus on improving overall quality in rising cost environment

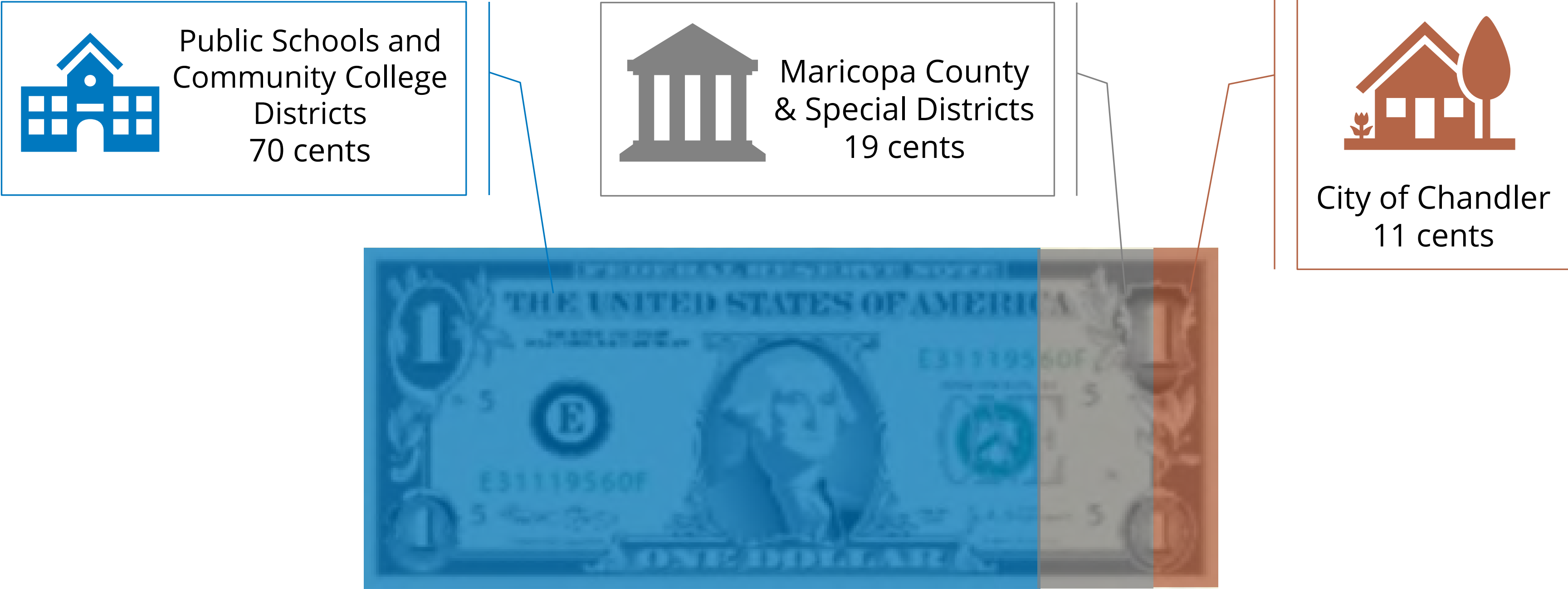


City Debt Overview



Pictured: Tumbleweed Multi-Gen Expansion

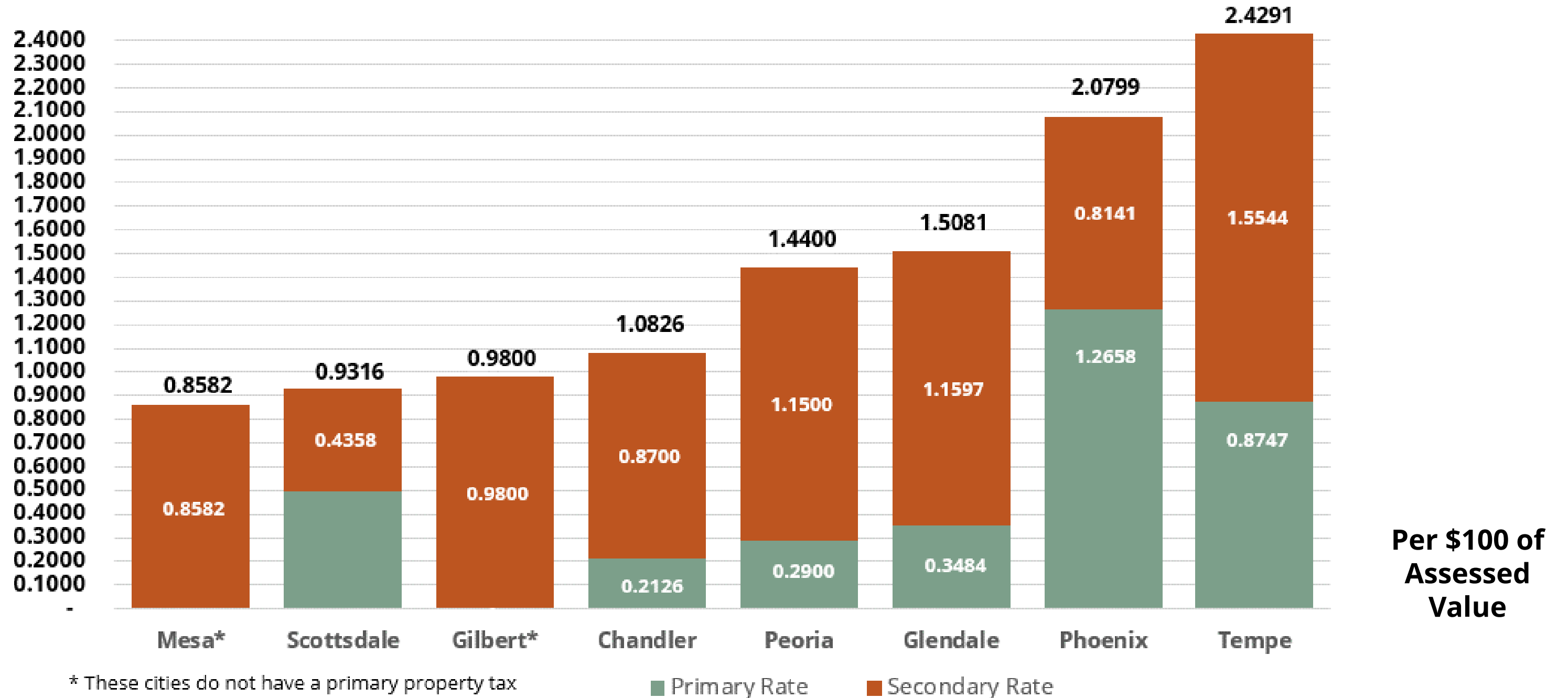
Breakdown of \$1 of Typical Chandler Property Tax Bill



*Based on 2024 Tax Bill information. Exact split will vary depending on the school district and any other special taxing districts on the bill.

Property Tax Rate Comparison

FY 2024-25 Property Tax Rate Comparisons



Statutory Debt Capacity and Total Outstanding Debt

General Obligation Bond Capacity Available

	20%	6%
2024 Net Assessed Full Cash Value	\$7,380,893,156	\$7,380,893,156
Legal Bond Limit	\$ 1,476,178,631	\$ 442,853,589
Outstanding Bonded Debt and Premium Issued	\$ (268,730,403)	\$ (8,092,243)
Bonding Capacity Available	\$1,207,448,228	\$ 434,761,346
Percent Capacity Available	82%	98%

The City manages Debt well, significant unused capacity

66% of City's GO Bonded debt will be paid off by 7/1/28



Type of Issue	Principle Bond Amount with Premium	% Total
General Obligation Bonds (Combined)		
6% Capacity	\$ 8,092,243	
20% Capacity	\$ 268,730,403	
Total General Obligation Bonds	\$ 276,822,646	53.46%
Excise Tax Revenue Obligations	\$ 240,995,000	46.54%
Total	\$ 517,817,646	100%

AAA Bond Ratings

- The City maintained AAA Bond Ratings from Moody's, Fitch, and S&P rating agencies
- One of a few communities across the nation with AAA bond ratings from all 3 rating agencies
- Results in low-cost of borrowing, thereby able to complete large projects through borrowing with less borrowing costs
- Correlates to lower taxes and utility rates (revenue streams paying debt service)



Pictured: Softball Complex at Tumbleweed



Remaining Bond Authorization, Property Tax Rate & Next Steps



Pictured: Existing neighborhood and community parks updates

GO Bond Authorization

GO Bonds cannot be issued without residents authorizing this first

- Bond Authorization generally cannot shift between categories
- Authorization is **not** new debt, nor does it raise the tax rate, it simply authorizes the City to sell bonds for projects in those categories

Type of Voter Approved Debt	Available Authorization After 2021 & 2023 Bond Sales	Fall 2025 Bond Sale	Remaining Authorization	Fall 2027 Bond Sale	Remaining Authorization
Parks/Recreation/Museum/Arts	\$ 52,130,000	\$ (40,930,000)	\$ 11,200,000	\$ (54,825,000)	\$ (43,625,000)
Streets	98,681,000	(72,725,000)	\$ 25,956,000	(75,625,000)	\$ (49,669,000)
Public Safety- Police	55,340,000	(55,340,000)	\$ -	(17,000,000)	\$ (17,000,000)
Public Safety- Fire	15,181,000	-	\$ 15,181,000	(3,300,000)	\$ 11,881,000
Airport	494,000	-	\$ 494,000	-	\$ 494,000
Public Buildings (Facilities)	31,050,000	(7,100,000)	\$ 23,950,000	(9,000,000)	\$ 14,950,000
Stormwater	624,000	-	\$ 624,000	(300,000)	\$ 324,000
Library	3,680,000	-	\$ 3,680,000	-	\$ 3,680,000
Subtotal	\$ 257,180,000	\$ (176,095,000)	\$ 81,085,000	\$ (160,050,000)	\$ (78,965,000)
Landfill	4,935,000	-	\$ 4,935,000	-	\$ 4,935,000
Public Buildings	9,960,000	(6,000,000)	\$ 3,960,000	-	\$ 3,960,000
Water/Wastewater	-	-	\$ -	-	\$ -
Total	\$ 272,075,000	\$ (182,095,000)	\$ 89,980,000	\$ (160,050,000)	\$ (70,070,000)



GO Bond Funded Project Needs in 10-Year CIP

Sheet 1: Full project listing (all Subcommittees)
Sheet 2: Your Subcommittee projects in current CIP with recommended adjustments

- Summarized by bond category (navy blue lines)
- Projects in gray will use existing bond authorization
- Projects highlighted in yellow will be areas of focus
- Projects support new and existing infrastructure
- Some projects may be discussed by more than one Subcommittee

Property Tax Impact

Additional bond authorization does not mean taxes will increase

Bond authorization is like a credit limit to pull from when needed

To achieve no tax increase, it requires a balance between

Assessed Value



Tax Rates

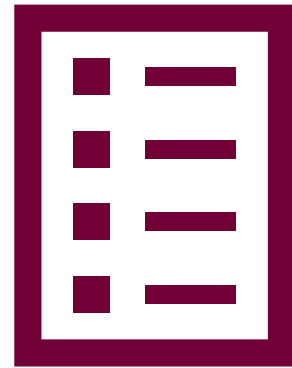
This formula generates the revenue (tax levy) required to pay the debt service on the GO Bonds

As debt is paid down, new debt can be added, which leaves the tax rate flat



Considerations & Next Steps

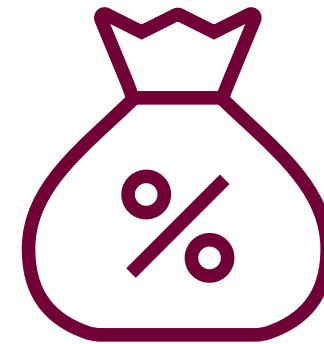
Prioritize



Forming Subcommittee Recommendation

- Refine project prioritization to guide financial analysis
- Recommend a project shifts to a different subcommittee

Tax Impact



Financial Analysis

- Prioritized Subcommittee lists combined for tax rate analysis and timing
- Will assume modest increase in Assessed Values looking out 8-10 years

Ballot Questions



Steering Committee

- Bond Counsel helps develop questions to meet the needs of all projects
- Taxpayers can then decide what they are willing to fund through property taxes



Questions?



Pictured: Fire Station 2

Resident Bond Exploratory Committee Timeline



Election Timeline

