



Minutes
City of Tempe Transportation Commission
Accountability and Governance Committee
March 28, 2011

Minutes of the city of Tempe Transportation Commission Accountability and Governance Committee held on Monday, March 28, 2011 at 7:30am at the City of Tempe Transportation Don Cassano Community Room, 200 E. 5th Street, Tempe, Arizona.

Members Present: Charles Huellmantel, Phillip Luna, Gary Roberts

Members Absent: Augustus Shaw

Guests: None

City Staff Present: Joe Clements, Jason Hartong, Greg Jordan, Jennifer Svetichan

Greg Jordan called the meeting to order at 7:35am

Agenda Item 1 – Public Appearances

No public appearances.

Agenda Item 2 – Election of a Committee Chair

Commissioner Huellmantel made a motion to elect Commissioner Roberts as the Committee Chair. Commissioner Luna seconded. Motion passed 2-0. Commissioner Roberts is the new Committee Chair

Agenda Item 3 – Consideration of Meeting Minutes

Commissioner Huellmantel made a motion to approve all minutes. Commissioner Roberts seconded. Commissioner Luna abstained. Motion passed 2-0. The following minutes were approved:

- Accountability and Governance Committee Meeting Minutes – February 22, 2011

Agenda Item 4 – Transit Program Financial Update

Greg Jordan presented the following:

An overview of the Transit Program financial status that was presented at the last meeting was recapped for the Commissioners that are new to the Committee.

Commissioner Roberts asked if our plans to pay off the debt of the Transit Fund are consistent with the plans to not to go below 25% of the fund balance that he recalled discussing at a prior Commission meeting.

Greg explained that there was no set fund balance target, however, the financial planning group is using about 20% as a standard across the rest of the City. In FY13 the Transit Fund will be at about 19.5% and will increase from there. He included that the City is looking at all areas of cost savings prior to making service cuts. Those areas may include saving with the bus contractor and Metro Light Rail's has come forward with their proposed FY11-12 budget and it is coming in under our proposed forecasts for FY12.

Commissioner Luna asked how much we project the budget coming down based on the forecasts.

Joe Clements answered it was about \$8000. In regards to the overall net cash flow standpoint, it was a reduction in cost to the City for FY11. Greg added that the FY12 projections were higher with respect to FY12 which will allow for more cost savings.

Agenda Item 5 – FY2011-12 Transit Service Changes, Public Involvement Update

Greg Jordan presented the following:

1300 surveys were received. More surveys from the Town of Guadalupe were received late so they were not processed in time to include them in the provided information. But a huge skew on the results is not expected from the new surveys.

Commissioner Huellmantel asked if it was a strategic plan to subsidize service in Guadalupe. Greg responded that he was correct and explained that the City developed it that way due to the geographic location of town in regards to Tempe and that they simply can't afford to pay for the services. Tempe does partner with the Regional Authority to cover the costs of providing service in Guadalupe.

Commissioner Huellmantel asked what portion of the overall costs is covered by the Regional Authority. Jason Hartong answered that it is most of the weekday on Route 56. Jason speculated that the split of costs were about 75% Regional and 25% city funded due to the higher ridership on the weekdays. However, Tempe is currently fully funding Route 108 the runs in Guadalupe as well.

Greg presented the results of the survey.

Commissioner Luna asked how changing the frequency of the light rail would affect the rest of the system with regards to all 3 cities involved. Greg explained that we are unable to change the frequency of the rail unless it is done across all 3 cities. Currently no consensus to make any changes at this time.

Greg emphasized that with the additional seventy-five Guadalupe surveys that there is an over representation from the town of Guadalupe in regards to its population compared to the population of Tempe.

Commissioner Roberts asked if that over representation will skew the results. Greg explained that he will need to load the data in to see but does not anticipate it will change how we rank the routes for recommendations for service changes.

Commissioner Huellmantel asked if we are considering the tax paying residents of Tempe when proposing the service cuts. Are we looking at servicing residents in Tempe or are we looking at it as to how to get people in other cities and areas to Tempe to spend money or is it a combination of both. Greg explained that a discussion was had in the early 2000s with regards to that issue. The basic policy that came out of that is that we only fund service in Tempe. There was an exception made for Guadalupe given the geography and circumstances.

Commissioner Huellmantel included that he feels a decision needs to be made as to if we focus on the residents in Tempe and getting them around the city or if the focus should be that people in Tempe, whether or not they are residents, are getting where they need to go. Assuming that more people work in Tempe than live in Tempe, does it seem it is more important to get people to where they are going? Commissioner Roberts added that if residents are using a particular route to come into Tempe to go to work that information should bear some weight on whether or not we fund that route.

Greg included that 33% of the surveys did come from outside of Tempe.

Agenda Item 6 – Potential service Changes (FY2010-11)

Greg Jordan presented the following information:

Greg presented the initial ranking of the service changes looking at performance and impact. There are two more steps to complete including the Title 6 portion and finally to make any final adjustments to the recommendations prior to presenting them to the Commission.

Commissioner Roberts asked if eliminating bus service after 10pm will have a high impact. Greg explained that from a performance perspective the answer is no based on the survey results.

Commissioner Huellmantel asked if the performance and impact perspective are geographically predictable based on time of the day and area. Greg explained that is possible and we may look at that in the final phase with any adjustments based on that information. Jason included that we can look at routes on an individual basis, however, we must keep

under consideration that one route feeds another route. While one may look like it is underperforming, but it is boosting the performance of another route.

Jason included that most late night transit riders are coming out of malls or restaurants, but is not a late night crowd. Commissioner Roberts included his thoughts on 24-hour business that have 3rd shift employees who rely on the transit. Greg included that we are the only city with the exception of Scottsdale that goes past 10pm with service which adds to the low performance and is impacting riders all ready as they get to the borders of Tempe.

Jason explained that in regards to eliminating the free bus usage for special event days, the usage of the bus system on special event days has gone down significantly for special event passengers as most residents are moving to rail. Now we are seeing only normal usage on those days so the impact now is much less than it was eight to ten years ago.

Commissioner Huellmantel asked when the discussion of charging a fare for Orbit will take place. Greg said in the fall of this year. Staff does not have a position on that yet. However, Greg, explained that of the information coming in, most of the Orbit riders already have a pass they use for other modes of transportation, so although we may not get a boost in revenue dollars if we went with the regular fare, we may get a larger share of the fares based on increase ridership. Jason also included that they would be hoping for a shift from Orbit riders back onto the local fixed route and to rail.

Commissioner Huellmantel asked if other cities had gone from free neighborhood circulators to pay. Greg said all other cities with circulators provide free except Glendale which is nominal.

Greg expressed that the main issue we will have to address is how much ridership decline can we expect from instituting a fee for Orbit and how much are we willing to accept relative to how much revenue will be generated. Commissioner Huellmantel asked about the administration fees that are incurred with collecting a fee. Jason did say that there are some administration fees along with fare box maintenance fees that will need to be taken into consideration. There are enough fare boxes stock piled to use in Orbit if we go that route from other service cuts but with any new buses introduced into the system we will need to purchase new boxes. Greg added that although we don't have a number for the cost/benefit ration it is worth exploring as they make recommendations in regards to introducing a fare for Orbit.

Greg re-presented the initial ranking chart based on performance and impact and explained that we will need to make recommendations based of the ranking system should the Committee agree to use this system for the recommendation purposes. Budgetary issues will need to be taken into consideration as well and the cost savings were provided along with the rankings.

Commissioner Roberts asked if service was free on special event days all day long and if so are we proposing to implement regular fees for those days. Jason responded that local service within the city is free on New Years Eve and the Fourth of July. Both are holidays so there is a significant reduction in service until the evening when guests are coming downtown for events. Greg said that is an option to recommend charging for those days.

Commissioner Huellmantel asked if the Orbit ran on fifteen minute intervals today since there is an option to expand the intervals to twenty minutes and Greg answered yes. If there is some kind of delay we run relievers to help alleviate that delay. Jason included there are no significant delays now, but there are more around the start of ASU due to the high ridership and that is when the relievers are sent out.

Commissioner Roberts asked if the rankings were based on the survey results. Greg affirmed his question and said they also included performance. Commissioner Roberts reaffirmed from an earlier statement that although the top items are higher in the recommendation to cut due to performance and impact, there is little savings and that is an important factor to consider.

Commissioner Huellmantel asked if there was a consensus among transit operations as to how long someone will wait for the bus. Greg explained that anything over thirty minutes the riders are relying on the schedule and timing their arrival to the bus stop accordingly. Anything under, riders seem comfortable with going to the bus stop and waiting for the next bus. Sixty minute intervals are more of a needed access point and less of a convenience.

The Committee concurred with staff as to the framework for determining and ultimately recommending Transit Service changes to the Commission.

Future Agenda Items

- Service change recommendations
- Statistics of Light Rail ridership
- Costs accounted with servicing outside of Tempe's borders
- Portion of subsidy per boarding in Guadalupe that is covered by the Regional Authority

Commissioner Gary Roberts adjourned the meeting at 8:50am

Next Accountability and Governance meeting is scheduled for Monday, April 4, 2011 at 7:30am in the Bus Conference Room at the Tempe Transportation Center, 200 E 5th Street, Tempe, AZ.

Prepared by:
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Reviewed by:
Greg Jordan