

**Minutes
City of Tempe Transportation Commission
Accountability and Governance Committee
September 4, 2009**

Minutes of the city of Tempe Transportation Commission Accountability and Governance Committee held on Friday September 4, 2009 at 10:00 a.m. at the City of Tempe Transportation Center Office, Transportation Center Don Cassano Community Room, 200 E. 5th Street, Tempe, Arizona.

Members Present: Don Cassano, Jayson Matthews

Members Absent: William Haas, Edward Smith, Joan Westlake

Guests: none

City Staff Present: Dawn M. Coomer, Carlos de Leon, Greg Jordan, Elizabeth Mieth, RC Noderer, Shaun Yunt

Agenda Item 1 – Public Appearances

No public appearances.

Agenda Item 2 – Consideration of Meeting Minutes from August 6 & 18 Committee Meetings

Don Cassano made a motion to approve all minutes. Jayson Matthews seconded the motion. The following minutes were approved:

- Accountability and Governance Committee – August 6, 2009
- Accountability and Governance Committee – August 18, 2009

Agenda Item 3 – Transit Services Budget Reduction Options for Fiscal Year 2009-13

Greg Jordan presented the following information:

- ***Cost Reduction Strategies (A phased approach)***
Approximately \$7.4 million in cost savings or new revenue need to be generated in order to bring the transit fund into balance by 2017. This figure does not take into account the possible introduction of new services (e.g., south Tempe Orbit, south Tempe corridor). Suggested below is a chronological approach to orient the committee's development of transit service priorities, cost reduction measures, and revenue generation strategies.
- **Phase 1 (FY 2010)** - Reduce current year operating costs by a minimum \$1.05 million
The options presented below represent the first draft of possible cost reductions and/or revenue generation possibilities for FY 2010. Additional information associated with each option is provided in Attachment 2.

Direct Measures

Option	Description	FY 2010 Amount
O-1	Baseline Model Update	\$340,000
O-2	Route 40 (Apache) & 13 (Buckeye) Combination	\$200,000
O-3	Orbit Weekend Frequency & Hours Reduction	\$168,000
O-4	Targeted trip reductions on local bus service	\$125,000

O-5	Eliminate route 76 (Miller) & Realign route 81 (McClintock)	\$20,000
O-6	Elimination of 5310 Grant Assistance	\$50,000
Sub-total		\$903,000
Percent of goal		87%

Contingent Measures*

O-7	Estimated savings from Veolia Performance Incentives	\$150,000
O-8	Extension of Liquid Natural Gas (LNG) tax credit	\$750,000
Cumulative Total		\$1,803,000
Percent of goal		173%

* Contingent measures are uncertain or rely on actions beyond the city's control.

- **Phase 2 (FY 2011 - FY 2013)** - Reduce annual operating costs by an additional \$5.6 million.
 - System-wide service/route restructuring: local, express, orbit, light rail
 - Explore strategies for raising revenue (increase ridership, advertising, naming rights, reduce light rail/bus fare evasion, other)
- **Phase 3 (FY 2014 - FY 2017)** - Reduce annual operating costs by an additional \$686,000.
 - System wide service/route restructuring: local, express, orbit, light rail
 - Evaluate additional adjustments necessary to introduce south Tempe corridor
- **Next Steps**
 - Finalize Phase 1 (FY 2009-10) cost reductions/revenue generation option
 - Develop Phase 2 (FY 2011-13) transit system restructuring
 - Provide performance analysis of modes and routes
 - Develop performance goals and priorities for operating hours, frequency, and coverage.
 - Develop concepts for providing city-wide transit services consistent with principles stated above while achieving budgetary goals.

Commissioner Don Cassano inquired which one has the highest numbers. Greg Jordan stated that the Orbit is the bulk of the savings. The Route 77 savings is under \$100,000. Routes 62, 92, 30 and the Earth are all interconnected.

Commissioners Don Cassano and Jayson Matthews agree that Route 76 should be put on in FY10.

Commissioners Don Cassano and Jayson Matthews agree that we should move with all the recommendations for public input.

Agenda Item 4 – Next Steps

The Committee's next regular meeting will be held Friday, October 9, 2009 at 10:00 a.m. in the Don Cassano Community Room, 200 E. Fifth Street, Tempe, Arizona.

Meeting adjourned at 11:30 a.m.

Prepared by:
 Elizabeth Mieth

Reviewed by:

Carlos de Leon
Deputy PW Manager - Transportation