

Minutes
City of Tempe Transportation Commission
Accountability and Governance Committee
March 22nd, 2010

Minutes of the city of Tempe Transportation Commission Accountability and Governance Committee held on Monday March 22nd, 2010 at 5:30 p.m. at the City of Tempe Transportation Center Don Cassano Community Room, 200 E. 5th Street, Tempe, Arizona.

Members Present: Jayson Matthews, Gary Roberts, William Haas

Members Absent: Edward Smith, Joan Westlake

Guests: Don Cassano

City Staff Present: Dawn M. Coomer, Greg Jordan, Trevor Cascio, Joe Clements, Shaun Yunt

Agenda Item 1 – Public Appearances

No public appearances.

Agenda Item 2 – Consideration of Meeting Minutes from January 27th Committee Meeting

Commissioner Jayson Matthews made a motion to approve all minutes. Commissioner Gary Roberts seconded the motion. The following minutes were approved:

- Accountability and Governance Committee – January 27th, 2010

Agenda Item 3 – January 25, 2010 Service Changes Ridership Update

Greg Jordan, Transit Administrator, presented the following:

SUMMARY

Effective January 25, 2010, a range of Local Bus and Orbit service modifications and reductions were implemented that are estimated to save the city \$3.2 million annually. Despite the magnitude of the changes, early indications suggest a 25 percent increase in system productivity and a minimal ridership impact.

BACKGROUND

The goal of the route modification was to eliminate duplication of service and better match supply with demand while continuing to provide high quality service in the existing service area. These changes were developed out of an extensive committee and public evaluation process culminating in City Council approval in December 2009.

An evaluation of February 2010 ridership indicates that Local Bus and Orbit changes did not demonstrably impact existing ridership levels. Table 1 provides average daily boardings for Jan-Feb 2009 and Jan-Feb 2010. The general decline in Local Bus boardings combined with the significant increases in Orbit and LRT boardings suggests there has been some migration from Local Bus to the Orbit and LRT services.

Table 1: Average Daily Boardings

	Jan-09	Feb-09	Jan-10	Feb-10
Local	15,016	16,085	12,337	13,870
Express	242	260	193	224
Orbit	6,420	6,690	8,045	8,463
Light Rail	9,043	8,579	9,020	10,962

In addition to preserving transit ridership while reducing costs, the service modifications raised system productivity by 25 percent from 1.7 boardings/mile in Jan 2010 to 2.2 boardings per mile in Feb 2010.¹ With region-wide boardings per mile at 2.09 for Feb 2010, this marks the first time Tempe’s productivity exceeded the regional average.

Agenda Item 4 – Transit Service (Bus – Rail) Reductions Public Involvement Process Update

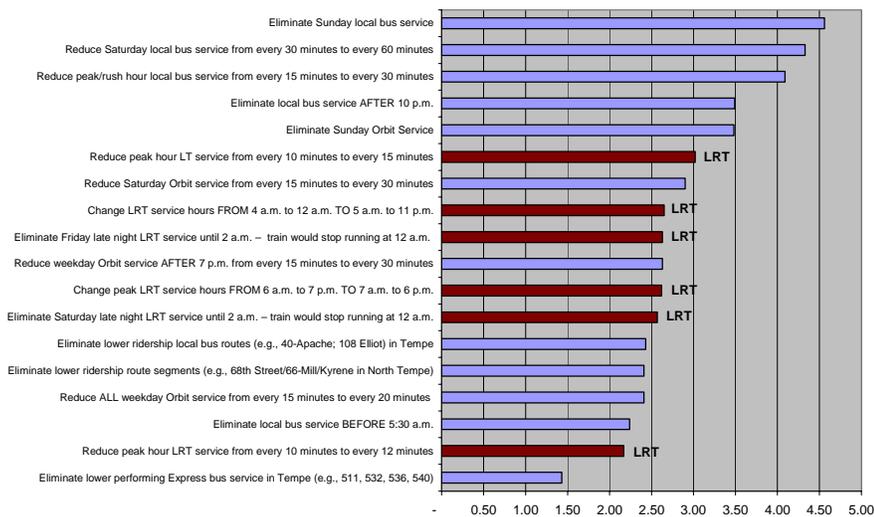
Greg Jordan presented the following:

During round 1 of the public involvement process, Tempe staff received three hundred and ninety three (393) completed surveys from residents of Tempe and neighboring cities. Surveys were received from residents who completed the survey online or attended one of the two public meetings. In addition, staff made presentations to and received feedback from several neighborhood associations as well as the Mayor’s Commission on Disability Concerns, the Neighborhood Advisory Commission, and residents of the Friendship Village Senior Living Facility. Staff are continuing to schedule meetings with additional neighborhood associations and boards and commissions throughout the remainder of this process.

The primary focus of the survey asked residents to indicate the level of impact each service reduction option would have on their travel. **Attachment 1** provides a composite ranking of the responses and indicates which services residents were the most opposed to reducing. **Attachment 2** provides a copy of the actual survey instrument.

Attachment 1: Public Response to Service Reduction Options

A higher rank is associated with greater opposition to the service reduction option



ATTACHMENT 2: Tempe Transit Funding Priority Survey – Spring 2010

Below is a list of transit service cuts proposed by Tempe in order to address an \$18 million deficit. Please indicate how these proposed service reductions would affect your travel habits. For example, if Sunday bus service is very important to you, you would select "Significant Impact on My Travel" for proposal #9. This information will help staff identify and prioritize proposed service reductions that will be presented to the public for consideration in late March. **Put an “X” in one box per row only. Only complete surveys will be accepted.**

¹ Valley Metro’s standard measure of route/system efficiency is boardings per revenue mile. This figure provides an insight into the ratio of demand to supply.

#	Mode	Service Reduction Proposal	Annual Tempe Savings	No Impact on My Travel	Some Impact on My Travel	Significant Impact on My Travel	No Opinion
1	LIGHT RAIL	Eliminate Friday late night service until 2 a.m. – train would stop running at 12 a.m.	\$64,120				
2	LIGHT RAIL	Eliminate Saturday late night service until 2 a.m. – train would stop running at 12 a.m.	\$40,320				
3	LIGHT RAIL	Change peak service hours FROM 6 a.m. to 7 p.m. TO 7 a.m. to 6 p.m.	\$70,560				
4	LIGHT RAIL	Change service hours FROM 4 a.m. to 12 a.m. TO 5 a.m. to 11 p.m.	\$89,880				
5	LIGHT RAIL	Reduce peak hour service from every 10 minutes to every 12 minutes	\$112,280				
6	LIGHT RAIL	Reduce peak hour service from every 10 minutes to every 15 minutes	\$138,880				
7	LOCAL BUS	Eliminate lower ridership local bus routes (e.g., 40-Apache; 108 Elliot) in Tempe	\$1.6 million				
8	LOCAL BUS	Eliminate lower ridership route segments (e.g., 68th Street/66-Mill/Kyrene in North Tempe)	\$250,000				
9	LOCAL BUS	Eliminate Sunday local bus service	\$1.1 million				
10	LOCAL BUS	Eliminate local bus service BEFORE 5:30 a.m.	\$450,000				
11	LOCAL BUS	Eliminate local bus service AFTER 10 p.m.	\$1 million				
12	LOCAL BUS	Reduce Saturday local bus service from every 30 minutes to every 60 minutes	\$500,000				
13	LOCAL BUS	Reduce peak/rush hour local bus service from every 15 minutes to every 30 minutes	\$1.7 million				
14	EXPRESS BUS	Eliminate lower performing Express bus service in Tempe (e.g., 511, 532, 536, 540)	\$292,000				
15	ORBIT	Eliminate Sunday Orbit Service	\$450,000				
16	ORBIT	Reduce Saturday Orbit service from every 15 minutes to every 30 minutes	\$475,000				
17	ORBIT	Reduce weekday Orbit service AFTER 7 p.m. from every 15 minutes to every 30 minutes	\$600,000				
18	ORBIT	Reduce ALL weekday Orbit service from every 15 minutes to every 20 minutes	\$1.9 million				

19. In your opinion, list the TOP 3 service reduction proposals that are most important to **AVOID**. In other words, what are the top 3 services that should be maintained (**INPUT THE NUMBER OF THE PROPOSAL FROM FRONT PAGE**):

1 st Highest Priority	2 nd Highest Priority	3 rd Highest Priority

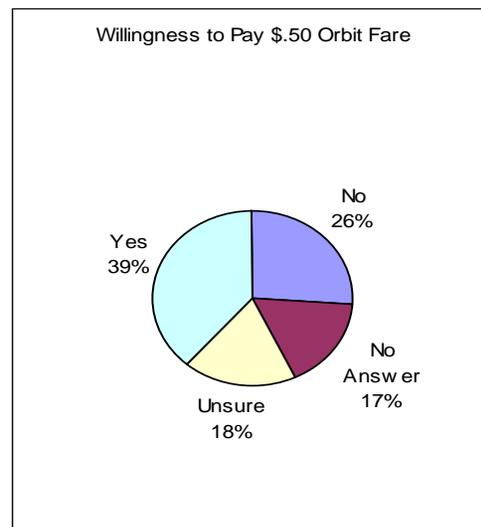
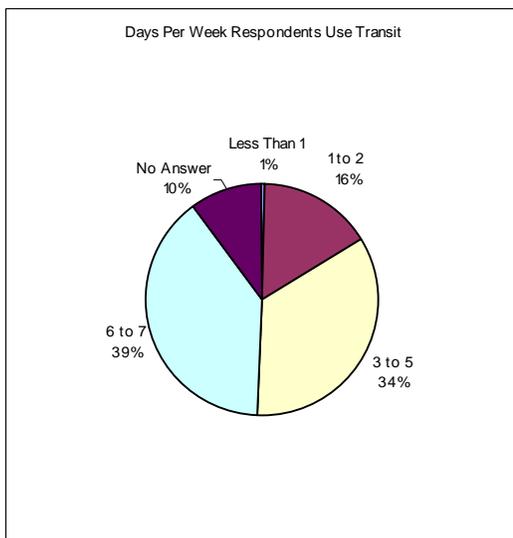
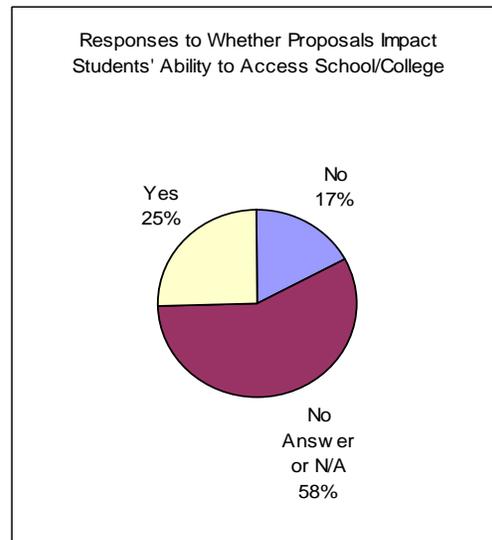
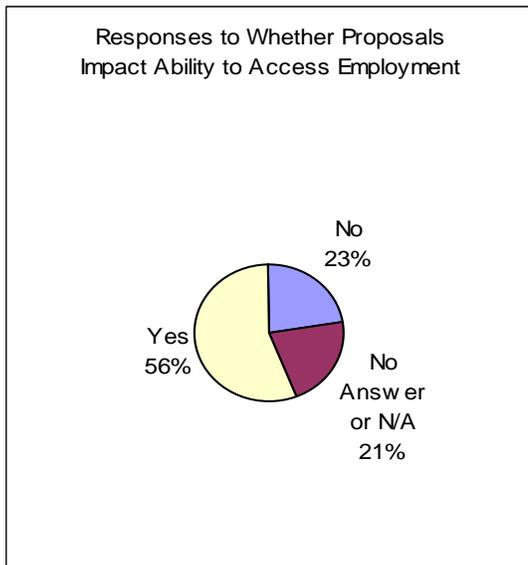
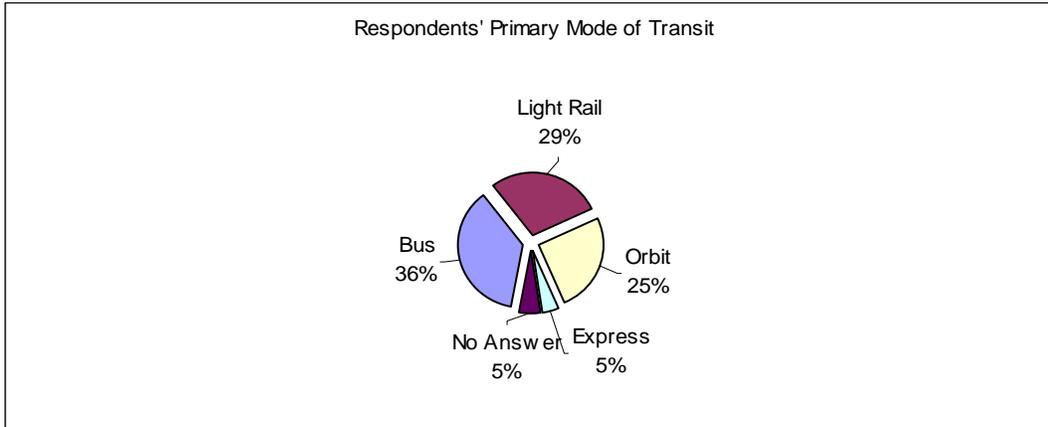
Name _____

Address _____ City _____ State _____ Zip _____

Please circle your answer:

- A. Do you work, shop, or go to school in Tempe? Yes No
- B. Do you use transit services in Tempe? Yes No
- C. If you use transit, what transit mode do you primarily use? Light Rail Bus ExpressOrbit
- D. If you use transit, on average, how many days a week do you ride light rail, local bus, express bus, or Orbit?
1 to 2 days a week 3 to 5 days a week 6 to 7 days a week No answer
- E. What is your employment status? Full-time Part-time Retired Stay at home spouse
Student Unemployed No answer
- F. If employed, would approval of any of the service reduction proposals impact your ability to get to work?
Yes No
If YES, list which option(s): _____
- G. If in school/college, would approval of any of the service reduction proposals impact your ability to get to school?
Yes No
If YES, list which option(s): _____
- H. What is your ethnicity? Caucasian/White Hispanic Asian African American Native American No answer
- I. What was your annual household income before taxes last year? Less than \$20,000 \$20,000 to \$39,999
\$40,000 to \$59,999 \$60,000 to \$79,999 \$80,000 to \$99,999 More than \$100,000 No answer
- J. Would you be willing to pay 50 cents per trip for Orbit service? Yes No Unsure No answer

Shaun Yunt, Transit Operation Coordinator, presented the following charts:



Commissioner Roberts inquired about the time frame for the 56% Yes people who say that proposals would impact access to employment. Greg Jordan responded by saying Sunday and pre 5:30 a.m. seem to be the options that hit employment the most.

Staff was surprised to see that only 25% of residents responded by saying Yes to proposals impacting ability to access school/college. Greg Jordan raised a concern about ASU student participation in the public process.. As round 2 of the public involvement process starts, staff will seek ASU assistance getting the proposals out to the student body so they have a chance to participate in the process.

Commissioner Bill Haas asked staff if it has been determined yet whether passengers will be able to use their all day passes to ride Orbit or will they be required to pay a separate Orbit fare. Greg Jordan responded by saying no, this is one of the questions that still need to be addressed. There are a lot of questions as to how an Orbit fare gets implemented and what the policy is surrounding it. Because there are a lot of technological and policy related issues it would be best if staff spent about a year to study it and make sure that if an Orbit fare is instituted then it's rolled out properly.

Agenda Item 5 – Transit Service (Bus – Rail) Reduction Options Recommended

Greg Jordan presented the following:

Based on the Ad Hoc Committee's recommended financial strategy to use fund balance to spread \$14.1 million in program reductions over fiscal years 2010-11 thru 2012-13, the FY 2010-11 target established for transit services is set at \$3.5 million.² A 5 percent contingency assessment is added to this amount raising the effective target to \$3.675 million.

Attachment 1 outlines \$3.9 million in budget reduction measures which includes \$3.3 million in potential service reductions and \$600,000 in additional revenue and operating efficiencies. Additional cost adjustments are pending which will include modifications to the operating contract with Veolia Transportation.

Using information provided by the public on service priorities as well as updated boardings analysis and the application of major evaluation criteria, staff have identified 13 service reduction options for further public input. Staff is requesting the committee's input prior to advancing service reduction options 1-13 to the second round of public involvement.

Following review of public input on the 13 options, a package of recommended FY 2010-11 service reductions, operating cost savings, and efficiency improvements will be presented to the Accountability and Governance committee for input and approval. The committee's recommendation will then be submitted to the Ad Hoc Committee (date TBD). Followed by the full Transportation Commission (Apr. 27), Council Transportation Committee (May 4), and City Council (May 20). Transit service changes approved by the City Council will be implemented in the final week of July 2010.

² The identified budget deficit is \$15.5 million. The Ad Hoc committee approved program reductions of \$14.1 across fiscal years 2011-13. The remainder is generated in subsequent fiscal years mainly through the inflationary offsets associated with the program reduction.

FY 2010-11 BUDGET REDUCTION TARGET (TRANSIT SERVICES) \$ 3,500,000

PART I: FINANCIAL MODEL ADJUSTMENTS					
Rank	Mode	Description	Cost Savings	Percent	Notes
N/A	SYSTEM	Financial Model Update	TBD.	TBD.	Mileage and operating assumption updates.
N/A	SYSTEM	General Contingency Assessment	\$ (175,000)	-5%	5 percent added to target as contingency.
Sub-total			\$ (175,000)		

PART II: OPERATING PERFORMANCE IMPROVEMENTS					
Rank	Mode	Description	Cost Savings	Percent	Notes
N/A	SYSTEM	Fare Recovery Update	\$ 176,245	5%	July 2009 fare increase & Jan. 25 service change impact.
N/A	SYSTEM	Fuel Pricing & Efficiency Assumptions	\$ 100,195	3%	New unleaded fuel contract & fuel efficiency improvements.
Sub-total			\$ 276,439		

PART III: CONTRACTOR COST ADJUSTMENTS					
Rank	Mode	Description	Cost Savings	Percent	Notes
N/A	SYSTEM	Lower RPTA Operating Rate	\$ 169,962	5%	RPTA's FY 2010-11 estimated costs lower than expected.
N/A	SYSTEM	Performance Incentive Adjustment	\$ 149,313	4%	Estimated pay-out revised downward based on actual performance.
N/A	SYSTEM	Veolia Cost Savings/Adjustments	TBD.	TBD.	Negotiation with Veolia underway - to be concluded by Apr 20.
Sub-total			\$ 319,275		

PART IV: SERVICE REDUCTIONS					
Rank	Mode	Description	Cost Savings	Percent	Notes
1	FLASH	Flash Reduction (or full funding by ASU)	\$ 218,786	6%	Negotiation with ASU beginning.
2	LRT	Change peak service hours FROM 6 a.m. to 7 p.m. TO 7 a.m. to 6 p.m.	\$ 70,560	2%	Most likely Metro Board consensus.
3	LRT	Reduce peak hour service from every 10 minutes to every 12 minutes	\$ 112,280	3%	Most likely Metro Board consensus.
4	Local	Eliminate Route 40-Apache segment between downtown Tempe and Sky Harbor	\$ 868,819	23%	Due to lower ridership and availability of alternatives
5	Local	Reduce Sunday service to 60 minutes, except Route 72	\$ 381,626	10%	Requires regional coordination.
6	Local	Reduce Route 108-Elliott to 60 minutes (weekdays)	\$ 218,764	6%	Route 108-Elliott currently operates at 60 min. on weekends.
7	Local	Reduce 62-Hardy/Guadalupe peak service to 20 minutes	\$ 158,341	4%	Additional ridership analysis needed.
8	Local	Reduce 81-McClintock peak service to 20 minutes	\$ 90,898	2%	Requires regional coordination.
9	Local	Reduce Route 48-48th/52nd peak service to 20 minutes	\$ 96,214	3%	Additional ridership analysis needed.
10	Local	Eliminate pre-5:30 a.m. service	\$ 384,261	10%	Requires regional coordination.
11	Express	Restructure 511; Eliminate 532, 536, 540	\$ 216,753	6%	Requires regional coordination.
12	Orbit	Reduce Orbit weekend frequency to 30 minutes	\$ 347,420	9%	Assumes boosters added for events.
13	Orbit	Reduce Orbit Sat Frequency to 20 minutes	\$ 118,455	3%	Assumes boosters added to high demand trips.
Sub-total			\$ 3,283,176		

TOTAL \$ 3,703,890

Greg Jordan noted that in Part III: Contractor Cost Adjustments, the \$169,962 cost savings from a lower RPTA Operating Rate is actually going to be better but is not noted yet.

Under Part III: Contractor Cost Adjustments, a savings amount do to Veolia Cost Savings/Adjustments should be known towards the end of April or beginning of May. A final meeting between Tempe and Veolia is scheduled for the end of April.

Under Part IV: Service Reductions, staff is projecting a \$218,786 savings from a Flash reduction (or full funding by ASU). Greg Jordan expanded on this saying that ASU currently operates service on their own that we think we can do less expensive. By doing that, we would request that with the savings they generate from this arrangement that they will potentially fully fund the Flash system and get us out of partially funding the operating cost of the system. Aside from the Flash system, staff will also be requesting that ASU increases their support for the Orbit system. In 2008, staff did a survey to determine what the level of ridership activity was associated with ASU students, staff, and faculty. The survey demonstrated that over 50% of the trips on Orbit were ASU affiliated. According to the residents, the Orbit system is becoming less and less usable because of the large loads associated with ASU. This information and data has been provided to ASU. Because the Orbit system is largely benefitting ASU affiliates, staff will be requesting that beginning in FY 2012 they partner with us and provide more financial support for the Orbit system. This negotiation will get under way shortly.

Commissioner Matthews made a motion for advancing service reduction options 1-13 to the second round of public involvement. Commissioner Roberts seconded the motion. All were in favor.

Meeting adjourned at 6:10 p.m.

Next Accountability and Governance meeting is scheduled for Monday April 19th, 2010 at 5:30 p.m.

Prepared by:
Trevor Cascio

Reviewed by:

Greg Jordan
Transit Administrator