



COUNCIL MINUTES

June 19, 2003

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 19, 2003 at 7:30 a.m.

COUNCIL PRESENT

Mayor Keno Hawker
Rex Griswold
Kyle Jones
Dennis Kavanaugh
Janie Thom
Claudia Walters
Mike Whalen

COUNCIL ABSENT

None

STAFF PRESENT

Mike Hutchinson
Debbie Spinner
Barbara Jones

1. Discuss and consider possible changes in transit service levels.

Mayor Hawker commented that he requested this item be placed on the agenda for Council discussion/input. He briefly recounted that as a member of the Maricopa Association of Governments' (MAG) Transportation Policy Committee, he has recently participated in ongoing discussions regarding the potential extension of the half-cent sales tax and its impact on local jurisdictions not only on the allocation of State/Federal funding for transit, freeway and street improvements, but also the percentage of general fund monies that Mesa will be required to utilize to fund various projects as well.

Assistant Development Services Manager Jeff Martin provided a brief historical overview of this agenda item for the Council. He reported that the purpose of today's agenda item is to provide the Council with information relative to potential funding cuts to transit service (as requested by the Council) due to the declining economy. Mr. Martin explained that per the 2003/04 budget, Bus Routes 120, 128 and 138 will be eliminated due to low service productivity. He commented that although funding for the East Valley Dial-a-Ride (EVDAR) Program has been reduced by \$200,000, an additional \$90,000 was earmarked for the Enabling Transportation Program in an effort to more efficiently fund the program and offset the reduction to EVDAR.

Mr. Martin advised that if voters approve the extension of the half-cent sales tax, Mesa has requested that MAG fund nine transit routes, and that thus far, such routes are included in the program that MAG is considering for regional funding. He noted that there is also a possibility that a local match (potentially as high as 20%) could be required by the City. Mr. Martin commented that \$3.5 million in general fund monies have been earmarked in Fiscal Year 2003/04 for Mesa's transit program and stated that the City also receives approximately \$2.2 million in State and Federal funds as well. He added that the proposed routes which receive the

highest scores on the regional index will be funded first and that less important routes could be funded far into the 20-year program.

Transit Administrator Jim Wright reported that the Council directed staff to look at various scenarios to reduce Mesa's general fund contribution to the transit program at four different funding levels in the amounts of \$200,000, \$500,000, \$1 million and \$1.5 million. He referred to the June 19, 2003 City Council Report and highlighted each of the four scenarios. (See Attachment). Mr. Wright explained that the combination of the reductions in all four scenarios would result in an estimated savings to the City of approximately \$1.5 million in FY 2003/04. He added that in conjunction with the four scenarios, since March 2002, the City has already implemented over \$1.5 million in transit service reductions and that in preparation for the FY 2002/03 budget, \$1.3 million was reduced from the transit program by eliminating service and deferring improvements.

Mr. Martin assured the Council that the four scenarios are merely that and not recommendations of staff.

Discussion ensued relative to the net cost per trip for services (Fixed Route Bus - \$2.90, Express Routes - \$4.03, Enabling Transportation - \$4.36 and EVDAR - \$20.88), and the fact that Federal regulations require that agencies furnishing public transportation (bus) service to provide complimentary "paratransit" services only to those individuals who qualify for service under the provisions of the Americans with Disabilities Act (ADA).

In response to a series of questions from Vice Mayor Kavanaugh, Mr. Martin clarified that of the nine routes that Mesa has requested be funded by MAG as regional routes, six are existing routes, with five being east/west routes and one being a north/south route. He explained that the potential for funding the east/west routes is greater due to their connectivity into Tempe and Phoenix. Mr. Martin also stated that the north/south routes will most likely be funded late in the projected 20-year program. He added that if voters approve the extension of the half-cent sales tax, it will become effective in 2005.

Vice Mayor Kavanaugh commented that if the north/south routes which Mesa has requested are not included on MAG's regional funding list, it will create a challenge for the City to provide locally funded service for the routes until such time as they are added as regional routes.

In response to Vice Mayor Kavanaugh's comments, Mr. Martin advised that if the City of Mesa were to provide funding for a local route and the route's ridership developed more quickly, then such a route would have the potential to qualify for regional funding. He added that in his opinion, it would be necessary to re-evaluate the routes over time.

Councilmember Walters commended staff for their efforts and hard work in providing the Council with this valuable report. She noted, however, that she would appreciate additional data relative to the net cost per trip to the City for taxi service. Councilmember Walters stated that Dial-A-Ride per trip is the most expensive program operated by the City and questioned whether Mesa could find alternative solutions to alleviate the use of the service. She also commented that the City should not be in a position where the only funding it receives on a regional basis is for buses and items such as that; otherwise, the long-term cost will be prohibitive and not be picked up on a regional basis.

Further discussion ensued relative to the requirements to utilize the Dial-a-Ride Program; that Mesa's program has expanded to serve individuals who are not ADA eligible; the qualifying criteria for the City's Enabling Transportation Program; that Dial-a-Ride customers pay a fare based on the number of zones they cross during an individual ride; the "Coupons for Cabs" Program which enables individuals to purchase, on a monthly basis, \$40 worth of cab coupons for \$10, and that there is no limit for the number of times an individual can use the Dial-a-Ride Program on a monthly basis.

Councilmember Griswold commended staff for the creation of the "Coupons for Cabs" Program and stated that it is an innovative solution which enables the elderly and disabled to become more mobile within the community.

Councilmember Walters suggested that staff meet with representatives of the various cab companies that participate in the "Coupons for Cabs" Program to discuss the possibility of giving the City a discount for the cab vouchers that it purchases from the respective entities.

Mayor Hawker commented that after hearing the Council's ongoing discussion, it might be more cost effective for staff to encourage citizens to utilize the Enabling Transportation Program as opposed to the Dial-A-Ride Program. He also stated that there may come a point in time when Dial-a-Ride becomes available only to ADA-compliant individuals. Mayor Hawker added that with regard to a local match for regional bus routes that will be submitted as part of the next ballot election, he would suggest a 20% match by the City.

In response to a question from Councilmember Thom, Mr. Wright clarified that the City of Mesa has the highest Express Bus ridership in the Valley.

Councilmember Jones commented on the fact that transportation is subsidized, whether through Dial-a-Ride, Enabling Transportation or a citizen driving his personal vehicle down a road maintained by the City. He also expressed concerns regarding the elimination of numerous bus routes that, in his estimation, will continue to deteriorate ridership as well. Councilmember Jones added that he lives in a neighborhood where many residents rely on bus service to travel to work, school and shop.

Mr. Martin stated that at a future Study Session, staff will provide the Council with a more comprehensive presentation relative to the Americans with Disabilities Act, Dial-a-Ride and Enabling Transportation, and cost comparisons of those programs.

Mr. Martin stated the opinion that a regionally funded transit system is more predictable with regard to service levels. He cited, as an example, the Dallas Area Rapid Transit (DART) system which contains a more centralized approach not only for a fixed route bus system, but also for light rail and other forms of transit as well.

Councilmember Jones concurred with Mayor Hawker's suggestion of a 20% match by the City.

Additional discussion ensued relative to the fact that the Enabling Transportation Program currently has a budget of \$110,000 (\$90,000 for the reimbursement program and \$20,000 for the Coupon Program); that Dial-a-Ride is a fully-developed transportation program, with Phoenix and Glendale as stand-alone programs, and the five East Valley cities as a sub-regional program.

Councilmember Whalen stated that although it is imperative that the Valley has a regionalized transit system, he questioned whether the extension of the half-cent sales tax is the best way to accomplish that goal. He also voiced opposition to the reduction of any additional bus service at the present time. Councilmember Whalen added that he would concur with Mayor Hawker's suggestion of a 20% match by the City.

City Manager Mike Hutchinson explained that the Dial-a-Ride Program in Mesa began when Mayor Wayne Pomeroy was in office. He noted that with an ever-increasing aging population in the community, the demand for the service will continue to grow.

Mayor Hawker thanked everyone for their input and direction.

2. Discuss and consider a recommendation to implement a fee for barricades provided by the City for neighborhood block parties.

Mayor Hawker noted that relative to this agenda item, at the April 7, 2003 Finance Committee meeting, Vice Mayor Kavanaugh "expressed opposition to staff's recommendations (that a fee be established to cover the direct cost of renting barricades for block parties) and commented that the impact that the community receives by organizing neighborhood functions far outweighs the cost that the City incurs to provide the block party barricades." He stated that he concurred with Vice Mayor Kavanaugh's comments.

Mayor Hawker advised that it is the consensus of the Council that the City continue to provide barricades for neighborhood block parties with the cost being paid through Transportation operating funds.

3. Acknowledge receipt of minutes of boards and committees.

- a. Design Review Board meeting held June 4, 2003.
- b. Transportation Advisory Board meeting held May 20, 2003

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

4. Hear reports on meetings and/or conferences attended.

The following members of the Council provided brief updates on various meetings/conferences they attended as follows:

Councilmember Whalen
Mayor Hawker
Councilmember Griswold

HUD Open House
MAG Transportation Policy Committee Meeting
Superstition Springs Mall Retailers Meeting

5. Scheduling of meetings and general information.

City Manager Mike Hutchinson stated that the meeting schedule is as follows:

Monday, June 23, 2003, 8:00 a.m. – Fire Committee Meeting

Thursday, June 26, 2003, 7:30 a.m. – Study Session

Monday, June 30, 2003, 2:00 p.m. – Transportation Committee Meeting

Monday, June 30, 2003, TBA – Study Session

Monday, June 30, 2003, 5:45 p.m. – Regular Council Meeting

Thursday, July 3, 2003, 7:30 a.m. – Study Session

Thursday, July 3, 2003, 9:30 a.m. – General Development Committee Meeting

Monday, July 7, 2003, TBA – Study Session

Monday, July 7, 2003, 5:45 p.m. – Regular Council Meeting

Thursday, July 10, 2003, 7:30 a.m. – Study Session

Monday, July 14, 2003, TBA – Study Session

Monday, July 14, 2003, 5:45 p.m. – Regular Council Meeting

6. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

7. Items from citizens present.

Sheila Mitton, 1615 West Pueblo Avenue, addressed the Council and expressed a series of concerns regarding the elimination of various youth programs from the tentatively approved City budget for FY 2003/04.

8. Adjournment.

Without objection, the Study Session adjourned at 8:42 a.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 19th day of June 2003. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

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Attachment

City Council Report

Date: June 19, 2003
To: City Council
Through: Mike Hutchinson
From: Jack Friedline
Subject: Scenarios for Possible Transit Program Service Reductions

Purpose and Recommendation

The purpose of this report is to provide information on the impact of possible funding cuts to transit service as requested. For purposes of illustration, the service reduction scenarios include \$200,000, \$500,000, \$1,000,000 and \$1,500,000.

Background

In March 2002, the City Council reduced the FY 2002-03 transit program budget by \$1,330,998 due to the declining economy. Included in the budget reduction process was the elimination of Route #184- Power Road, reducing evening service frequency from 30 minutes to 60 minutes on three routes, deferment of implementing new service on Brown Road, and reducing funding for both the Enabling Transportation and East Valley Dial-a-Ride (EVDAR) programs.

As included in the tentative FY 2003-04 budget, effective July 1, 2003, evening service after 7 PM will be eliminated on Route #120- Mesa Drive, Route #128- Stapley Drive, and Route #136 - Gilbert Road due to low service productivity. The elimination of the evening service on these routes resulted in a budget savings of \$84,562. A reduction in funding of \$200,000 is also being made to EVDAR. The reduction in the EVDAR program will limit the ability to accommodate the current number of passenger trip requests being made by Mesa citizens. Funding for Enabling Transportation was increased by \$90,000 to better fund this program and offset the reduction to EVDAR.

Service modifications that would be made under any of the scenarios presented in this report cannot be implemented until the City of Mesa holds a public hearing on the proposed modifications. Federal Transit Administration (FTA) regulations require advertisement of the public hearing thirty days in advance of holding the hearing. Additionally, the elimination of service in certain areas of the community may be a violation of Title VI of the Civil Rights Act of 1964. FTA requires that federally supported transit services and related benefits be distributed in an equitable manner. Grantees must ensure that no person be subjected to discrimination on the basis of race, color or national origin and be excluded from participating in or be denied benefits under any program receiving federal financial assistance.

Discussion

The City of Mesa provides public transit service through four programs: fixed-route bus, intercity express routes, East Valley Dial-a-Ride (EVDAR) and Enabling Transportation. Table 1 provides the net cost per trip for each of these services.

Table 1 - Net Cost per Trip

<u>Service</u>	<u>Net Cost per Trip</u>
Fixed Route Bus	\$2.90
Express Routes	\$4.03
Enabling Transportation	\$4.36
East Valley Dial-a-Ride	\$20.88

Scenario 1 - Reduce \$200,000

The first scenario is to reduce the general fund contribution to the transit program by \$200,000. Based upon current ridership, it is estimated that the annual cost to provide Sunday EVDAR service is \$200,865. Because there is no scheduled transit service available on Sunday, the provision of EVDAR Sunday service is not required under the Americans with Disabilities Act (ADA). The current average Sunday EVDAR ridership in Mesa is 185 passenger trips. The reduction of Sunday EVDAR service would result in a ridership reduction of 9,620 passenger trips for the year.

Scenario 2 - Reduce \$500,000

To achieve a \$500,000 reduction, the reduction of Sunday EVDAR service proposed under Scenario 1 would continue and is combined with the elimination of express route services on Routes-#532 and #533. The City of Mesa's cost to support express bus service on Routes #532 and #533 in FY 2003-04 is budgeted for \$325,000. It is estimated that during FY 2002-03 40,000 passenger trips will be made on Routes #532 and #533.

The combination of eliminating Sunday EVDAR and express Routes #532 and #533 would result in a savings of \$525,865.

Scenario 3 - Reduce \$1,000,000

This scenario would build upon the service reductions proposed in Scenario #2. In addition to the reductions in Scenario #2, \$309,622 in funding for Route #128- Stapley Drive and funding in the amount of \$264,210 for Route #120-Mesa Drive would be eliminated. It is estimated that during FY 2002-03, 80,175 passenger trips will be made on Route #128 and 137,329 passenger trips will be made on Route #120 for a total of 325,637 passenger trips. By terminating these two routes, the north/south transit service operating east of Country Club Drive will be on Gilbert Road.

The combination of the reductions proposed in Scenarios #2 and #3 total \$1,099,697.

Scenario 4 - Reduce \$1,500,000

The fourth scenario continues to build upon the service reductions proposed in all of the previous scenarios. In order to reach the targeted cumulative reduction of \$1,500,000, the EVDAR service could be restructured. The EVDAR program now provides service to the elderly and the disabled. Federal regulations only require agencies providing public transportation (bus) service to provide complementary "paratransit" services to the disabled who qualify for service under the provisions of the Americans with Disabilities Act (ADA).

This scenario achieves a \$400,000 funding cut by restructuring Mesa's EVDAR program to limit service to ADA-eligible passengers only. It may be possible to reduce funding further, however; it is difficult to determine how many elderly passengers using EVDAR qualify as ADA eligible. Cutting the program too deeply may cause the City to be non-compliant with ADA paratransit service requirements.

The combination of the reductions in all four scenarios would result in an estimated savings of \$1,499,697 in FY 2003-04.

Alternatives

Council could reject staff scenarios and propose other options for reducing the general fund contribution to the transit program. The Council may also choose not to cut funding for transit any further.

Fiscal Impact

The fiscal impact for each of the scenarios is:

Scenario #1	\$ 200,865
Scenario #2	\$ 525,865
Scenario #3	\$1,099,697
Scenario #4	\$1,499,697

Since March 2002, the City has implemented over \$1,525,560 worth of transit service reductions. In preparation for the FY 2002-03 budget, \$1,330,998 was reduced from the transit program by eliminating service and postponing improvements. In developing the FY 2003-04 budget, \$194,562 (\$110,000 from EVDAR and \$84,562 in evening service) was reduced from the transit program. If the Council chose to implement the reductions in Scenario #4, the total transit

program reductions since March 2002 would be \$3,025,257.

Jim Wright
Transit Administrator

Jack Friedline
Development Services Manager

Paul Wenbert
Deputy City Manager

Mike Hutchinson
City Manager