



# COUNCIL MINUTES

April 17, 2017

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 April 17, 2017 at 4:00 p.m.

## COUNCIL PRESENT

John Giles  
David Luna  
Mark Freeman  
Christopher Glover  
Kevin Thompson  
Jeremy Whittaker  
Ryan Winkle

## COUNCIL ABSENT

None

## OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

### 1. Review items on the agenda for the April 17, 2017 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None

Items removed from the consent agenda: None

### 2-a. Hear a presentation, discuss and provide direction on the following department budgets:

#### 1. Transportation

Transportation Director RJ Zeder displayed a PowerPoint presentation (**See Attachment 1**) and highlighted the Transportation Department FY17/18 proposed budget. He introduced Deputy Transportation Directors Gordon Haws and Erik Guderian, who were prepared to assist with the presentation.

Mr. Zeder presented the department's mission statement, desired outcomes and services provided.

Mr. Zeder displayed a performance measures chart that highlighted the Citywide Pavement Condition Index (PCI) from 2006 to 2016. He stated that there are some fluctuations throughout the years but the overall goal is to maintain the pavement infrastructure, which is assessed by staff on a regular basis with a maintenance plan coordinated with the Engineering Department.

Mr. Zeder reported on the citizen reported pothole repair process and response times. (See Page 6 of Attachment 1)

Mr. Zeder also explained the performance measure for speed of travel, which he reported are relatively consistent. He indicated that the fluctuations by quarter are seasonal due to winter visitors. He also stated that the average speed of travel may seem low, however, it also includes stops at any intersections.

Mr. Zeder briefly highlighted the accomplishments of the Field Operations unit as follows:

- Management of 3,600 lane miles
- 250+ acres of median landscape maintained
- 41,255 streetlights
- 1,030 lane miles paved
- 30 miles of lane added in FY16
- 5,518 street lights repaired

Mr. Zeder illustrated a picture of the Transportation Management Center (TMC) (See Page 10 of Attachment 1) and listed the accomplishments of Traffic Engineering, which included an update to the traffic barricade manual, new signal controllers along the Light Rail, upgrade to the TMC server, and supporting the key bicycle and pedestrian events.

Mr. Zeder reviewed a list of completed Capital Improvement Projects including those under construction and in design. (See Page 12 of Attachment 1) He noted that the Transportation Management Center is looking to utilize the Regional Archive Data System (RADS) to help provide traffic incident notification and adjust the traffic signals accordingly. He stated that the Stadium Connector Shared Use Path project to connect Hohokam Stadium to Sloan Park is also underway. He said that continuing efforts are underway for Railroad Quiet Zones; and that the Union Pacific Railroad (UPRR) is installing quiet gates at the Dobson Crossing. He added that a proposal is pending to install medians on both the Broadway and Extension Crossings of the UPRR.

Mr. Zeder stated that the two largest sources of revenue are the Highway User Revenue Fund and the Local Street Sales Tax and provided a breakdown of each funding source. He noted that the total revenue is approximately \$81 million. He also highlighted the Transportation Department budget summary by fund and stated that the estimated FY17/18 budget is \$43 million. He added that the bulk of the expenses go to field operations. (See Pages 13 through 17 of Attachment 1)

Mr. Zeder offered a breakdown of each of the departments operations. He noted that the largest funding amount goes to sealcoat at \$9.4 million that helps maintain the pavement quality index. He displayed the FY17/18 Traffic Engineering Budget proposal and stated that the budget includes the Intelligent Transportation System (ITS), which maintains the City's 457 traffic signals as well as the infrastructure.

Mr. Zeder summarized the budget adjustments for FY2017/18 and provided an overview of the East Valley Institute of Technology (EVIT) Lights project. He explained that the project will extend power and add lights to eight existing trees at EVIT's Main Street entrance.

Responding to a question from City Manager Christopher Brady, Mr. Zeder said that the City will pay for the construction and installation of the lights and EVIT will be responsible for the ongoing maintenance and repair of the system.

Mr. Brady stated that if Council wants to pursue this project, the biggest challenge for us is getting power to the location. He explained that this was a request from former Vice Mayor Dennis Kavanaugh and no final decisions have been made pending budget discussions. He added that staff may need policy direction from Council before any commitments are made. He added that EVIT is a great partner in many areas of our operations and have been supportive through the light rail construction.

Mr. Brady, in addition, stated that the outline for the Streetlight Master Plan is a modified version of what was previously discussed by Council. He stated that the plan was modified in order to focus on the Pilot Study and the need to understand the different types of lighting levels that may be appropriate for different areas of the community. He noted that the proposal is to request an outside consulting group to conduct the analysis. He added that this will help in identifying and evaluating different areas of the City and how light levels can be adjusted accordingly.

Mayor Giles commented that he supports the idea of LED lights and central control of light levels, especially if it will assist public safety, but stated his concern regarding the cost.

Mr. Whittaker stated that he wants to understand what the deliverable is in bringing in an outside expert. He suggested networking with other municipalities rather than “reinventing the wheel” to solve the problem on a regional level.

Mr. Brady stated that the discussion began during a Sustainability and Transportation (SAT) Committee meeting. He explained that discussions included working with the neighborhoods that are interested in different lighting levels. He also stated that there are restrictions on the code as far as lighting levels, which is why it is on the agenda tonight in order to modify the code to move forward with a pilot program.

Mr. Zeder responded by saying that performing measurements of the existing lighting levels is needed to get a baseline of current inventory. He stated that due to the longevity of the City’s infrastructure, it is a good idea to map the existing inventory. He stated that the intent of the Master Plan is to address technology, lighting levels, and if they vary geographically across the City. He added that he hopes to provide data to Salt River Project (SRP) to support a possible revision in their current rate structure that would help with the Return on Investment (ROI). He added that if staff can find a way to decrease the ROI it would make such a large investment more acceptable. He added that if the project was done in one step it would cost approximately \$14 million dollars, which is why staff is exploring other mechanisms and expertise to assist with the project.

Mr. Luna stated that the pilot study would provide an opportunity for resident input regarding the lighting levels and colors. He added that it would also allow residents in the Desert Uplands a chance to look at the light, determine the levels and decide if they are satisfied with the proposed solution.

Mr. Zeder continued with the presentation and stated that the High-Intensity Activated Crosswalk (HAWK) Beacon at University/Grand has been requested by residents in the Evergreen subdivision to place a pedestrian crossing on Grand and University Drive.

Responding to a question from Mayor Giles, Mr. Zeder responded that while there are other locations where crosswalks could be placed at non-intersections, there are safety concerns with placing them on major arterial streets and Council and staff should be selective as to where they are placed.

Mr. Brady recommended further discussion on the pilot program and the EVIT lighting project by the SAT Committee. He stated that the committee could give direction on policies, measurable outcomes, and evaluations for budgetary funding that could assist staff with the requests.

Mayor Giles commented that he is not opposed to the project but that he would like to know what is the criteria in terms of traffic or neighborhood interest that trigger spending \$300,000 for a crosswalk. He added that he has received complaints from other areas in the City specific to Canal Crossings.

Deputy Transportation Director Erik Guderian commented that staff has made a decision not to put HAWKS at Canal Crossings due to the large amount of bicycle users on the canal trails that typically can cross an intersection faster than a pedestrian. He added that bicycles are still entering the crosswalk during the flashing red lights of the pedestrian hybrid beacon which creates a safety issue, which is why staff has chosen to do a full traffic signal at the Canal Crossings.

Responding to questions from Councilmember Thompson, Mr. Guderian explained the difference between the HAWKS and the flashing red signals at crossings.

Mr. Zeder continued with the presentation and highlighted a proposal to create a Southeast Mesa Transportation and Land Use Plan in the amount of \$150,000 for the future State Route 24 corridor.

Mr. Brady stated that we now have the dates for the extension of Route 24 to Ironwood, which is creating some development activity resulting in developers seeking input from the City. He added that he feels this is a good time to catch up with the kind of speculations going on not only with the transportation system in the area but also join forces with the Zoning Department to look at land uses to ensure that the General Plan, conditions of land, and proposed land use match up with the type of infrastructure and volume of traffic that is expected in the area.

Mayor Giles commented that there were some reallocations of state dollars to fund Route 24, which will be extended to Pinal County by 2021.

Councilmember Thompson commented that he attended a breakfast with Congressman Andy Biggs and one of the questions that he asked was "what does he foresee as far as infrastructure funding in the President's budget". He stated that the response was that the appetite is there from congress in regards to funding and that Mr. Biggs stated that funding will be made available locally. He added that it is important to have projects shovel ready in case there is funding available.

Mr. Brady responded that the key word is "shovel ready" and indicated that is where we found the best opportunity to access federal funding and not projects that are in the concept or design phase. He noted that conducting studies could help identify those projects. He added that sometimes that would require the City to spend money for design and environmental work.

Discussion ensued on shovel ready projects that could be candidates for federal funding.

Mayor Giles thanked staff for the presentation.

## 2. Economic Development

Economic Development Department Director Bill Jabjiniak introduced Management Assistant David Packard and Assistant Economic Development Director Jaye O'Donnell, who were prepared to assist with the presentation.

Mr. Jabjiniak highlighted the FY17/18 Economic Development budget. **(See Attachment 2)** He reported that the goals of the department are in line with Council's Strategic Plan, which focuses on retaining high-quality jobs, building a sustainable community, and driving transformative economic development projects that are responsive to Council's priorities.

Mr. Jabjiniak summarized four key performance measures of the department as follows:

- Jobs Created and Retained - 7,277 jobs
- Average Annual Wage of Jobs Created - \$48,931
- Total Capital Investment - \$3.6 Billion
- Total Square Footage Absorbed - \$5.5 Million Sq. ft.

Mr. Jabjiniak outlined the successes and awards of the department, which included high profile projects such as Apple Global Command Center, Dexcom, Santander and Dignity Health. He stated that the department has been recognized with 16 different awards from statewide and international groups over the last five years. He also reported that the department is seeking International Economic Development Council (IEDC) accreditation.

Mr. Jabjiniak identified 55 active projects and provided the data as follows:

- 85 office prospects in the greater Phoenix market looking for space and approximately 18 of those are looking for over 100,000 square feet.
- 109 total industrial prospects in the market and approximately 55 of those are looking for 100,000 square feet of space.

Mr. Jabjiniak summarized the funding sources for the department, which includes the General Fund, Economic Development Projects, Special Downtown Fund and Falcon Field. He briefly highlighted budgetary impacts, which includes outside contracts and pass through expenses. (See Pages 6 and 7 of Attachment 2)

Responding to a question from Mayor Giles regarding the AZ Labs project, Mr. Jabjiniak responded that the City has not reached the breakeven point. He explained that major contracts are pending that will be very helpful but we are just shy of \$1 million dollars in revenue today.

Mr. Jabjiniak illustrated the Economic Development budget summary by fund and indicated that the actuals have been less than the adopted budgets because of contract savings and budget adjustments for FY17/18. He noted the reduction to the General Fund in the amount of \$50,000 and repurposed \$15,000 for Small Business and Entrepreneurship. (See Pages 8 and 9 of Attachment 2)

Responding to a question from Councilmember Winkle, Mr. Jabjiniak stated that the \$15,000 will be used for small business entrepreneurship, which will be further developed in the coming year.

Mayor Giles thanked staff for the presentation.

### 3. Transit Department

Transit Services Director Jodi Sorrell displayed a PowerPoint presentation (**See Attachment 3**) and noted that the Transit Department's mission is to collaborate with regional partners to provide innovative, safe and efficient transit options for the City of Mesa. She indicated that transit services do not stop at the City's border and that in order to provide good transit services, the City must also partner with neighboring cities.

Ms. Sorrell briefly reviewed the primary responsibility of the Transit Department as follows:

- Valley Metro light rail system
- Fixed-route bus (19 bus routes)
- Paratransit (Dial-A-Ride) - an ADA requirement
- Ride Choice - an alternative service for 65+ who are disabled
- Facility Operation and Maintenance - 750 bus stops, four park and rides, and two transit centers.

Ms. Sorrell highlighted the FY17/18 performance measures, which are measured by ridership. She stated that for this fiscal year the light rail target is 2.3 million riders and our actuals through February are just over 1.5 million. She reported that bus ridership fluctuates and could see a decline when gas prices are low. She added that the other element driving the numbers is the waiting period for a bus ride and that the normal wait time is approximately 30 minutes. She noted that the light rail operates every 12 minutes and that Park and Ride facilities are at 57% usage.

Ms. Sorrell provided an overview of recent accomplishments and stated that the department is implementing a Transit Advertising Program, which was approved by the Council last October. She reported that the first ad went up today at Mesa Drive and Main Street. She added that construction began on the Gilbert Road light rail extension; that routes were consolidated for improved efficiency and ridership on Main Street and Country Club; that the regional transfer for Dial-a-Ride trips has been eliminated; that the transfer for Dial-a-Ride is now a one-way trip fare; and that the premium on board fare for bus rides has also been eliminated.

Ms. Sorrell displayed a chart that illustrated the FY17/18 transit contracted services funding sources, which also outlines how much the City receives from Proposition 400. (See Page 6 of Attachment 1)

Ms. Sorrell, in addition, highlighted the estimated revenues and expenses by area. (See Page 7 of Attachment 3)

Ms. Sorrell explained that two years ago, staff launched a feasibility study to look at extending the light rail somewhere from the Main Street and Dobson area to downtown Chandler. She noted that the alternative analysis study will help define a route, preferred corridor, and identify the types of technology needed at the stations. She added that this would make the extension ready for future regional sales tax initiatives. She stated that the study would cost approximately \$900,000 but that funding will be spread out over three fiscal years.

In response to a question from Mayor Giles, Ms. Sorrell clarified that the \$900,000 is Mesa's portion and that the total study would cost about \$1.5 million dollars.

Ms. Sorrell continued with the presentation and reported that the second project is the Streetcar Extension Feasibility Study, which will be a joint study with the City of Tempe. She stated that the

streetcar extension would serve Sloan Field, Riverview Park and the Riverview shopping Center. (See Page 9 of Attachment 3)

Ms. Sorrell displayed a chart that reflected the forecasted growth of Dial-a-Ride. She indicated that she anticipates 70,000 more riders per year in the next 8 years. She stated that the program is very expensive to operate and highlighted the average net cost per transit trip. (See Page 11 of Attachment 1) She stated that she would like to see an increase in Ridechoice and that they are making changes to make that service more attractive to riders. She reported that in order to manage the growth we may want to look at bringing Dial-a-Ride into the federal minimum of a quarter mile rather than citywide.

In response to a question from Councilmember Thompson, Ms. Sorrell reported that most Mesa residents use local rides and that regional trips are about 5% of our total. She stated that the regional trips are much more expensive, that the average local trip is approximately 8 miles, and that the majority of trips are six miles or less.

In response to a question from Councilmember Glover, Ms. Sorrell stated that the federal mandate of Dial-a-Ride service is within  $\frac{3}{4}$  of a mile to a bus route; and that at this time the service is citywide. She said that it could help manage the growth of service if the City moves the program under the required mandate. She added that staff will be conducting community outreach efforts at senior centers and assisted living facilities to create awareness relative to Ridechoice.

Mr. Brady stated that staff is seeking Council's direction to evaluate the Citywide option for Dial-a-Ride. He added that the growth factors are significant from a cost effective standpoint even with encouraging the use of lower-cost options, Dial-a-Ride continues to be popular due to its door to door destination option but is very costly for the City. He added that staff would provide plenty of advance notices and options if the service transitions back to the federal mandated standard.

Responding to a question from Mayor Giles, Ms. Sorrell explained that a Dial-a-Ride customer is required to be ADA certified, make reservations 24 hours in advance and be 65 years old or older. She stated that the new model will emphasize shared trips and will be launching in July. She explained that the current model for Ridechoice is subsidized by the City at 70% of the cab fare up to a \$100 dollars a month. She added that the new model effective on July 1<sup>st</sup> will be similar to Denver, Colorado where there will be a cap on the number of trips each month. She noted that Ridechoice has more flexibility to modify the program as needed and that you can call on the same day for service.

In response to a question from Councilmember Winkle, Ms. Sorrell clarified that taxis are not required to be ADA compliant but that customers can request ADA accessibility vehicles when booking with Ridechoice. She also stated that Valley Metro is leading the way at looking into options such as Uber and Lyft.

In response to a question from Councilmember Freeman regarding the logistics of the plan, Ms. Sorrell explained that a Fiesta District Downtown Chandler extension would include bus, lightrail and streetcar options. She stated that the City entered into the feasibility study with Chandler about two years ago to see if it would be feasible to extend to the area as well as positioning the City to have ready projects for any future sales tax initiatives. She added that Proposition 400 expires in 2026 and that in the next couple of years, there will be discussions on what projects might go into future sales tax initiatives. She added that a lot of time has been spent with Valley Metro and the City of Chandler to evaluate whether it makes sense due to the demand of ridership in this area.

In response to a question from Councilmember Freeman, Ms. Sorrell explained that the Buzz service is one of the locally funded routes and that Country Club is a regionally funded route. She added that every year Valley Metro and staff evaluate routes to determine best options.

Mayor Giles commented that Mesa is back on high growth mode and asked at what point we consider adding additional bus routes.

Ms. Sorrell stated that a Transit Master Plan was developed three years ago and included routes up to 2025-2030. She indicated that when developing the master plan, staff considered the short-term, mid-term, and long-term goals. She added that Proposition 400 has already been allocated to the routes that were identified in the measure and that any additional routes would have to be funded at a local level. She stated that options can be evaluated and analyzed based on what would work to extend those routes.

Discussion ensued related to extending bus routes to East Mesa.

Mayor Giles stated his support in moving forward with the Tempe and Chandler partnerships and conducting route studies.

Responding to a question from Councilmember Whittaker on what variables are considered when extending routes, Ms. Sorrell responded that the biggest element to help drive a light rail alignment is locating it on a corridor that has a high degree of bus ridership. She noted that one of the challenges in moving east to Power Road is the lack of services going north/south out to Power Road that is feeding that corridor. She added that Southern Avenue in the Fiesta District offers the highest bus ridership, with an average of 730,000 boardings per year.

Responding to a question from Councilmember Whittaker, Ms. Sorrell explained that the City is reimbursed for ridership from the fare box recovery funds based on where the boarding occurs. She added that fare recovery is administered by the City of Phoenix.

Discussion ensued relative to extending the light rail to East Mesa, the short-term and long-term goals of the transit plan, and bringing different options for Council to review during the first phase of the study.

Responding to a question from Councilmember Luna, Ms. Sorrell stated that staff responded to the letters submitted by constituents near the Red Mountain Multigenerational Center. She concurred that at one point there was bus service to the center but budget cuts and the economic downturn eliminated that route. She explained that since that time, Valley Metro has adopted performance standards and measures that specifically address diversions. She added that staff has reached out to the center and they commented that they are not interested and requested that the bus shelter and sign be removed.

Deputy City Manager Scott Butler commented that staff will continue to monitor the areas to be surveyed. He stated that the only route at this time that meets the requirements for federal funding is the Fiesta District study. He noted that moving forward with this study will help maximize opportunities to draw down regional and federal funding.

Responding to a question from Councilmember Whittaker, Mr. Butler stated that the criteria the Federal Transit Administration imposes regarding the study is very stringent.

Mayor Giles thanked staff for the presentation.

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

There were no reports on meetings and/or conferences attended.

4. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Thursday, April 20, 2017, 7:30 a.m. – Study Session

Wednesday, April 19, 2017, 7:00 a.m. – Bike to Work Day

Saturday, April 22, 2017, 12:00 p.m. – Celebrate Mesa at Hohokam Stadium

5. Adjournment.

Without objection, the Study Session adjourned at 5:39 p.m.

---

JOHN GILES, MAYOR

ATTEST:

---

DEE ANN MICKELSEN, 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 17<sup>th</sup> day of April, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

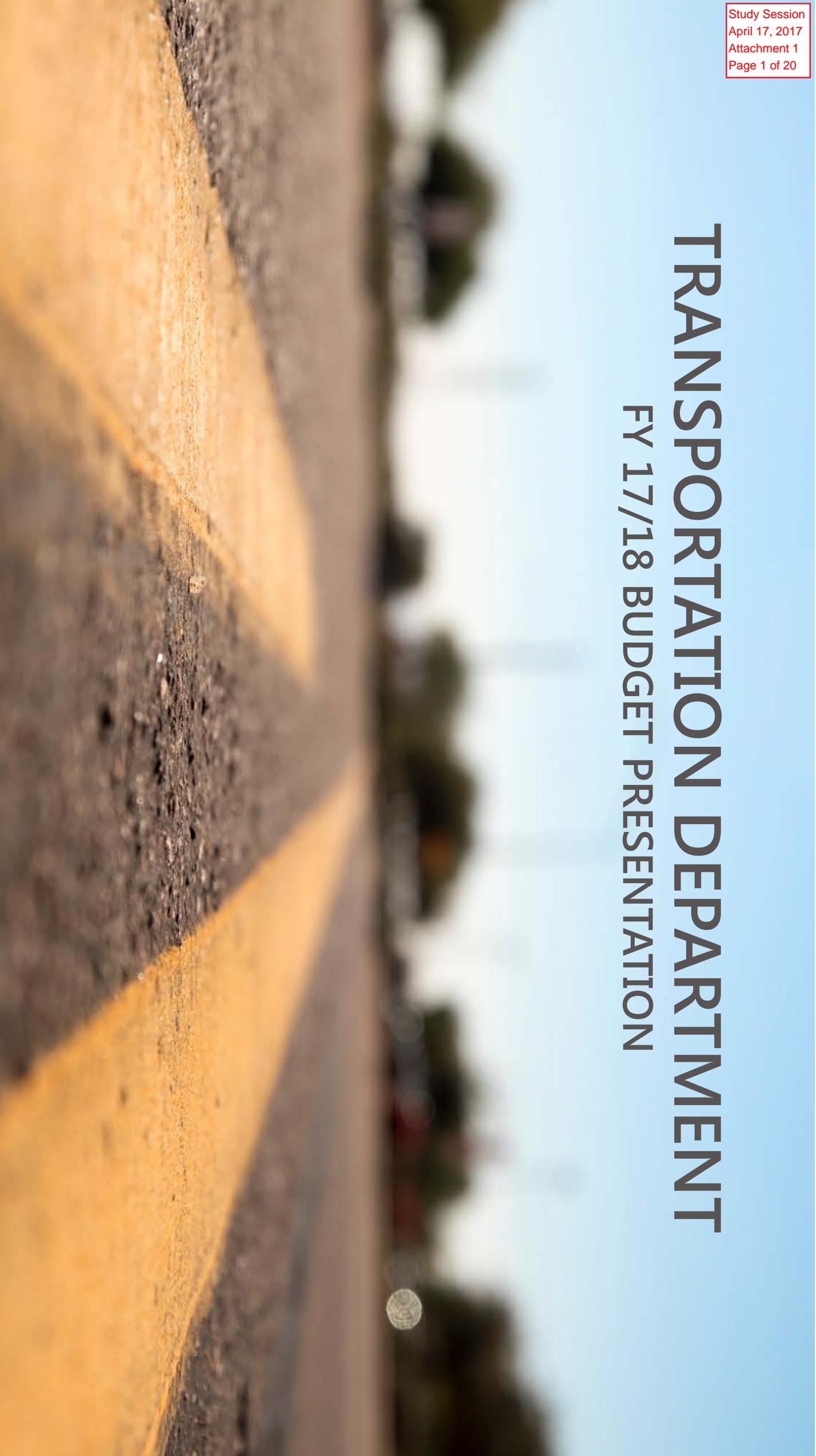
---

DEE ANN MICKELSEN, CITY CLERK

abg  
(Attachments – 3)

# TRANSPORTATION DEPARTMENT

## FY 17/18 BUDGET PRESENTATION



# MISSION STATEMENT

*"Serving the public by planning, designing, operating and maintaining a safe and efficient, multi-modal transportation system."*

# DESIRED OUTCOMES

- 1** Motorists can safely and efficiently navigate Mesa's street system
- 2** Mesa's street system meets or exceeds industry standards for life expectancy
- 3** Vehicular incidents occurring as a result of traffic control device maintenance or street conditions is minimized
- 4** The street environment is aesthetically pleasing and environmentally responsible

# SERVICES PROVIDED

## Field Operations

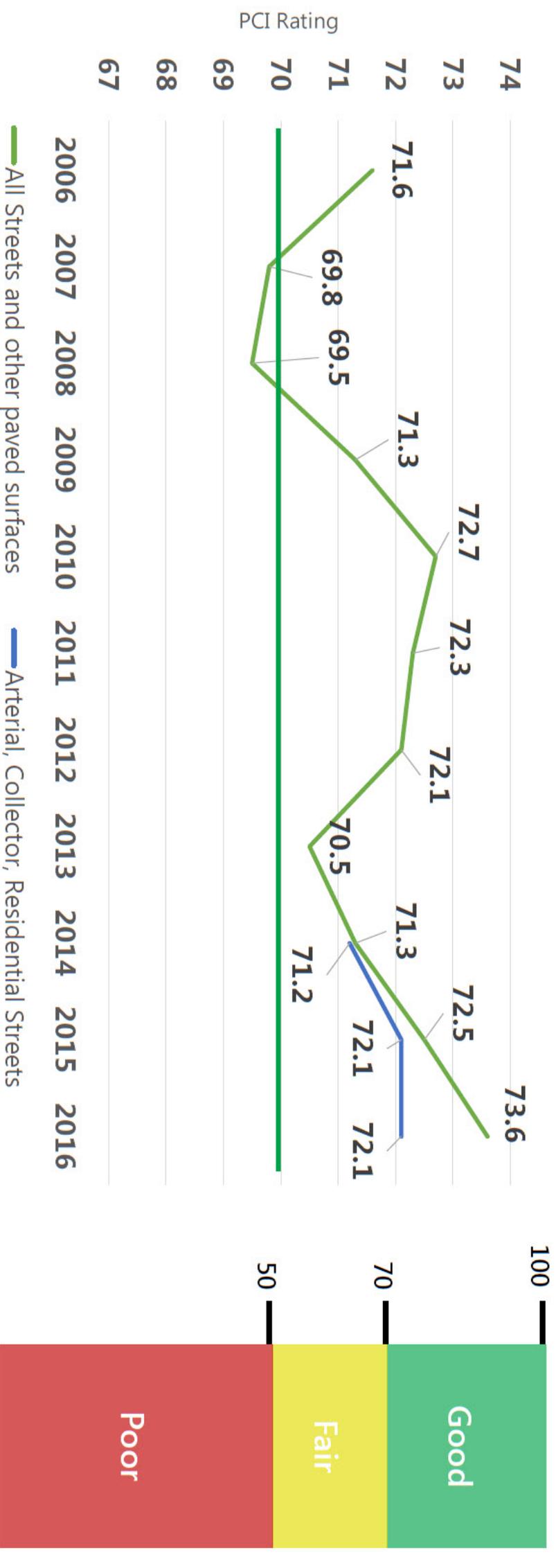
- Pavement Management
- Signing/Striping
- Right-of-Way Maintenance
- Concrete Maintenance
- Storm Drain Maintenance
- Asset Management
- Road Hazard Response
- Streetlights

## Traffic Engineering

- Traffic Studies
- Intelligent Transportation System
- Temporary Traffic Control
- Traffic Signals
- Bike and Ped
- Transportation Planning

# PERFORMANCE MEASURES

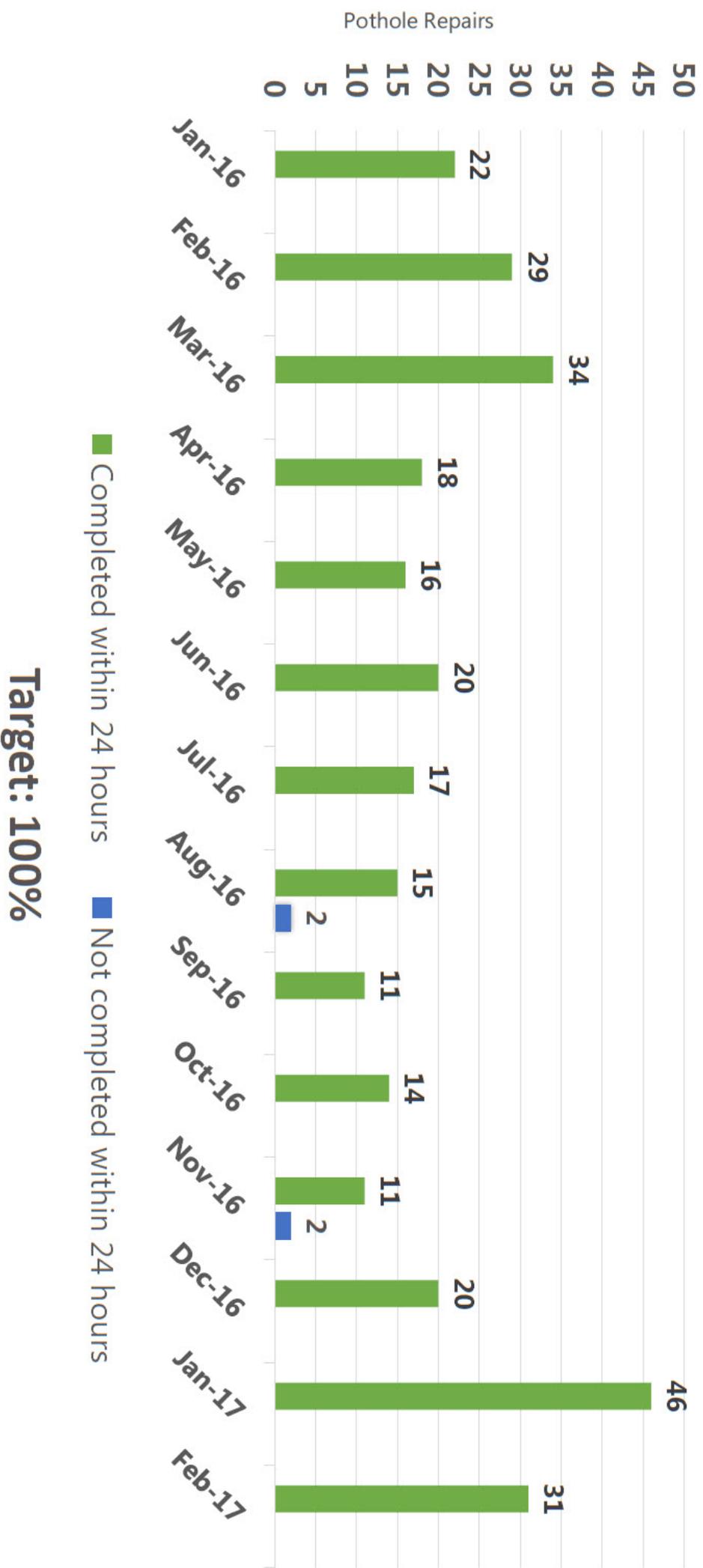
## Citywide Pavement Condition Index (PCI)



**Target: 70**

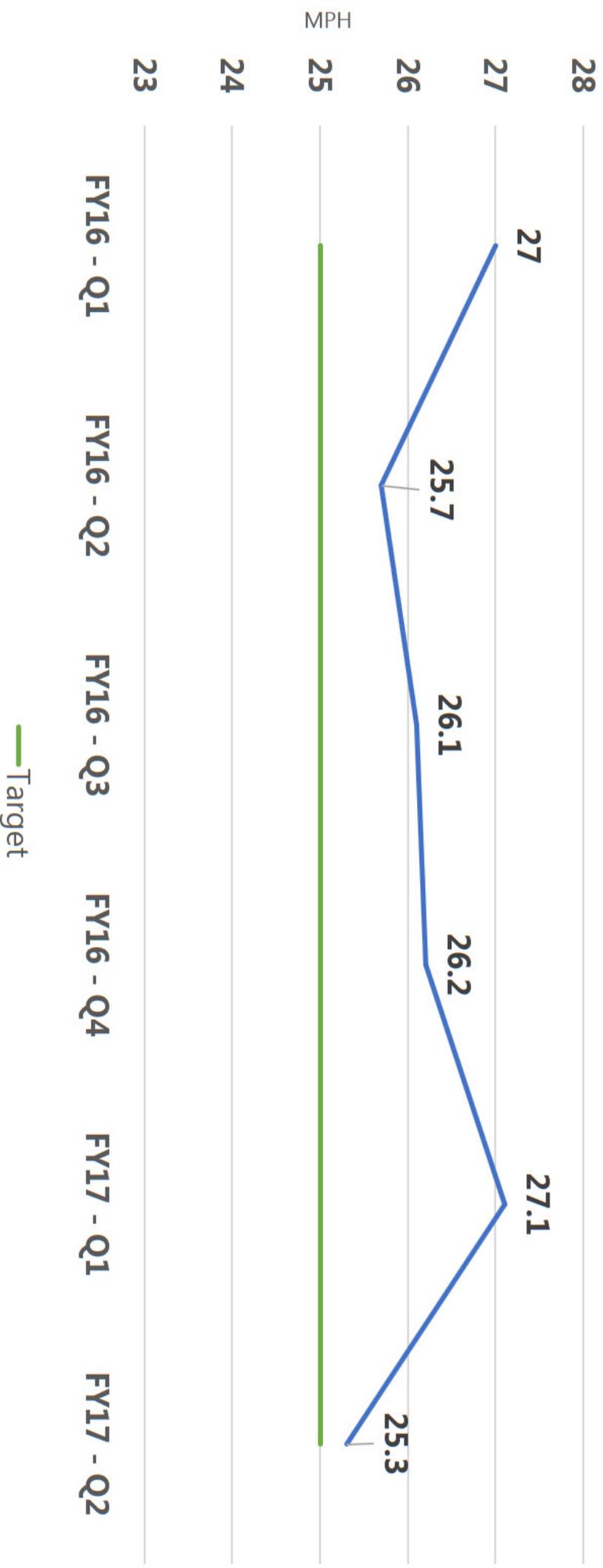
# PERFORMANCE MEASURES

## Pothole Repairs within 24 hours (citizen reported)



# PERFORMANCE MEASURES

## Average Speed of Travel



Target: more than 25 mph



# ACCOMPLISHMENTS

## Field Operations

**Total Lane Miles in Mesa**

**3,600 miles**

**Landscaped Maintained**

**250+ acres**

**Streetlights**

**41,255**

**Pavement Treatments FY16/17**

**1,030 lane miles**

**Lane Miles Added in FY16**

**30 miles**

**Streetlight repairs FY15/16**

**5,518**



# ACCOMPLISHMENTS

## Traffic Engineering

### Traffic Barricade Manual Update

The update will only reference national standards and Mesa practices

### Traffic Signals

**457**

### New Signal Controllers along Light Rail (LRT)

Upgraded signal controllers to help better coordinate LRT signals

### Events

Key Bike and Ped Events:

- CycloMesa
- Ride-in-Movies
- Winterfest
- Education Classes

### Transportation Management Center (TMC) Server Upgrade

New servers maintain TMC functionality

# CAPITAL IMPROVEMENT PROGRAM

## Completed

- Southern Ave Streetscape Phase II
- Rio Salado Shared Use Path
- Porter Park Shared Use Path
- Arterial Reconstruction Projects
- Traffic Signals
- Computer Aided Dispatch (CAD) to Regional Archive Data System (RADS)

## Under Construction

- Stadium Connector Shared Use Path
- Storm Water Pump Station #162 Rehab
- Railroad Quiet Zones

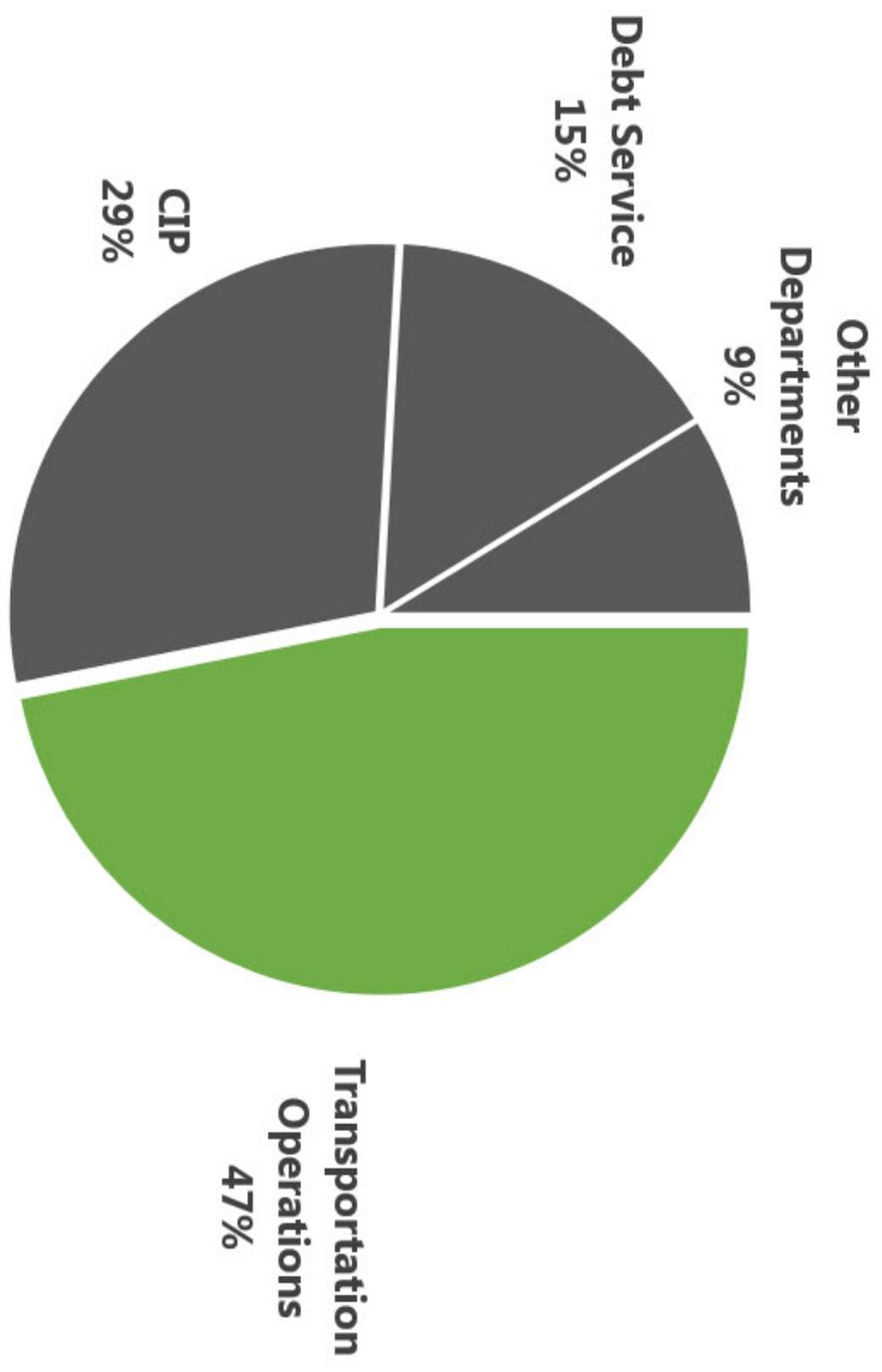
## In Design

- Traffic Signal Reconstruction
- Broadway Road Corridor Study
- Baseline Road – 24<sup>th</sup> Street to Consolidated Canal
- Southern Avenue – Greenfield to Higley
- Elliot Road Tech Corridor

# 17/18 HIGHWAY USER REVENUE FUND AND LOCAL STREET SALES TAX FUND USES

Funding Breakdown	
Capital Improvement Program*	\$23.5M
Debt Service	\$12.5M
Others Departments*	\$ 7.0M
<b>Total</b>	<b>\$43.0M</b>
Transportation Operations	\$38.0M
<b>Grand Total</b>	<b>\$81.0M</b>

\* not including carryover or credits

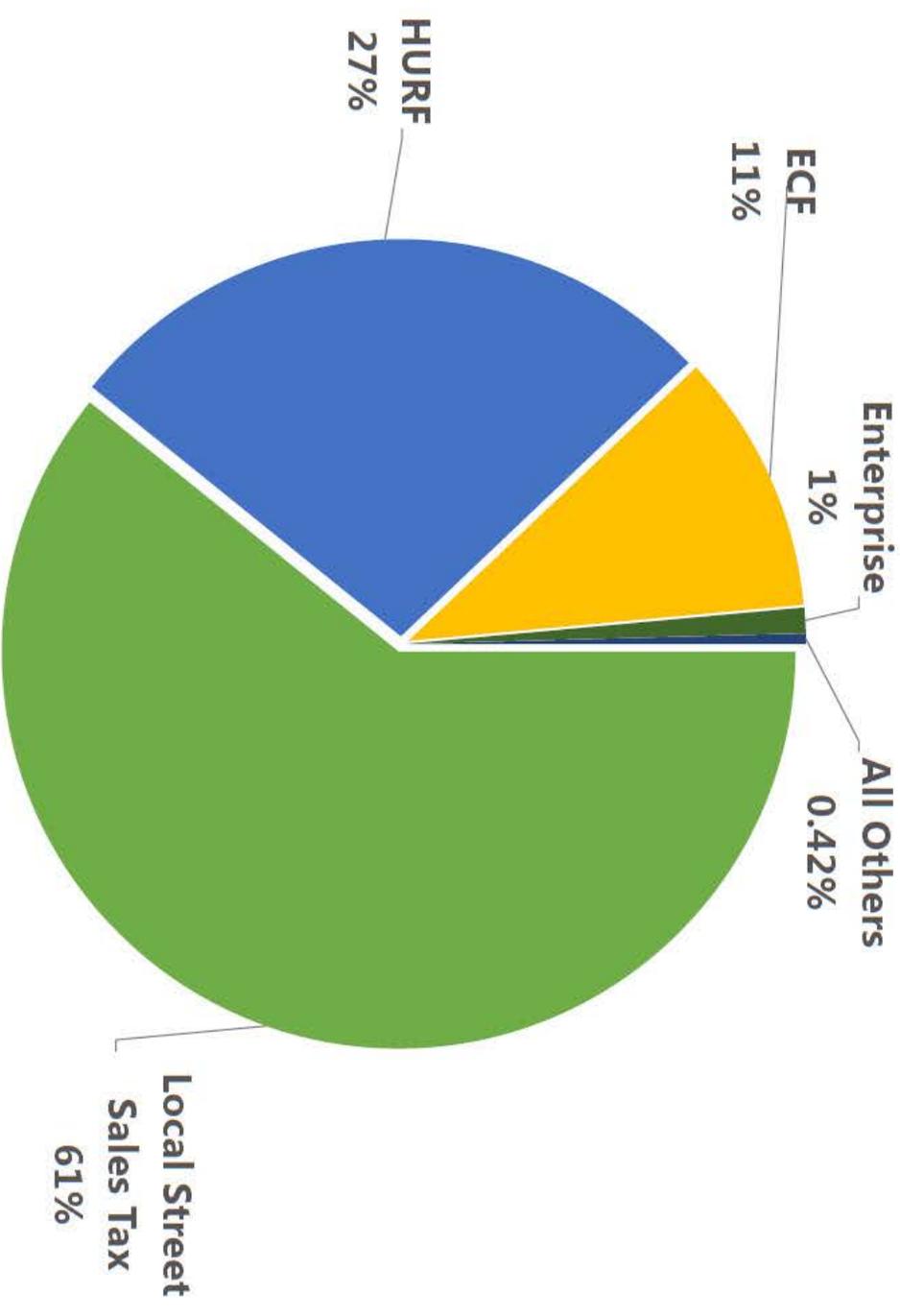


# DEPARTMENT BUDGET SUMMARY BY FUND

	FY 15/16	FY 16/17	FY 16/17	FY 17/18
Fund	Year End Actuals	Adopted Budget	Year End Estimate	Estimated Budget
<b>Expense</b>				
Transportation				
Enterprise Fund	\$422,491	\$660,075	\$627,128	\$443,735
Environmental Compliance Fee	\$2,726,188	\$4,670,351	\$4,203,837	\$4,593,228
General Fund	\$15,921	\$22,200	\$21,140	\$22,200
Transit Fund	\$239,166	\$58,751	\$75,010	\$55,128
Local Streets Sales Tax	\$13,932,878	\$21,750,179	\$20,661,164	\$26,256,851
Highway User Revenue Fund	\$17,944,479	\$15,333,794	\$14,829,653	\$11,703,523
Capital - General Fund	-	\$100,000	\$95,000	\$100,000
Falcon Field Airport	\$5,475	\$6,000	\$5,700	\$6,000
<b>Transportation Total</b>	<b>\$35,286,598</b>	<b>\$42,601,350</b>	<b>\$40,518,632</b>	<b>\$43,180,665</b>

# FY 17/18 ESTIMATED DEPARTMENT OPERATIONS FUNDING SOURCES

Funding Sources	
Local Street Sales Tax (LSST)	\$26.3M
Highway User Revenue Fund (HURF)	\$11.7M
Environmental Compliance Fee (ECF)	\$ 4.6M
Enterprise	\$ 444K
Others	\$ 184K
<b>Total</b>	<b>\$43.2M</b>

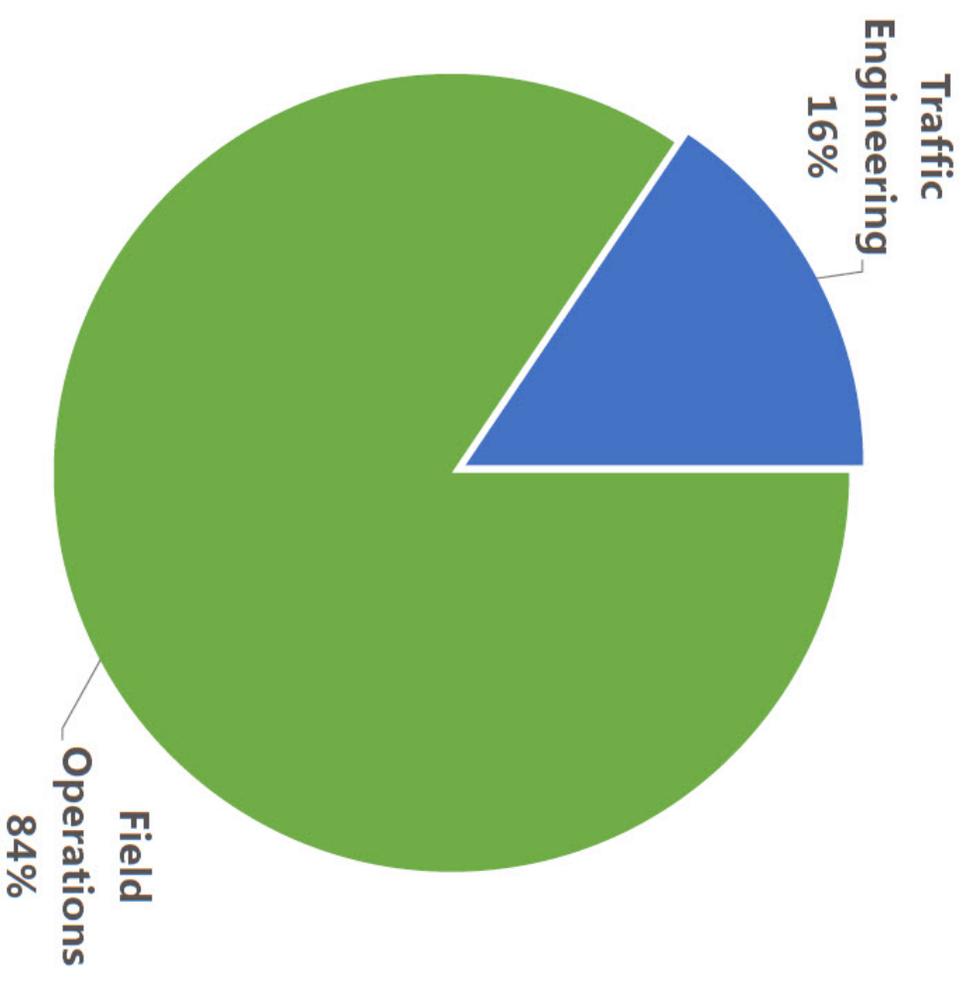


# DEPARTMENT OPERATIONS EXPENSE SUMMARY BY AREA

	FY 15/16	FY 16/17	FY 16/17 Year End Estimate	FY 17/18 Estimated Budget
<b>Core Business Processes</b>	<b>Year End Actuals</b>	<b>Adopted Budget</b>	<b>Estimate</b>	<b>Budget</b>
<b>Expense</b>				
Transportation				
Field Operations	\$28,543,076	\$35,867,272	\$34,120,635	\$36,473,677
Traffic Engineering	\$6,743,523	\$6,734,078	\$6,397,997	\$6,706,988
<b>Transportation Total</b>	<b>\$35,286,598</b>	<b>\$42,601,350</b>	<b>\$40,518,632</b>	<b>\$43,180,665</b>

# 17/18 ESTIMATED DEPARTMENT OPERATIONS EXPENSES

Expenses	
Field Operations	\$36.5M
Traffic Engineering	\$ 6.7M
<b>Total</b>	<b>\$43.2M</b>



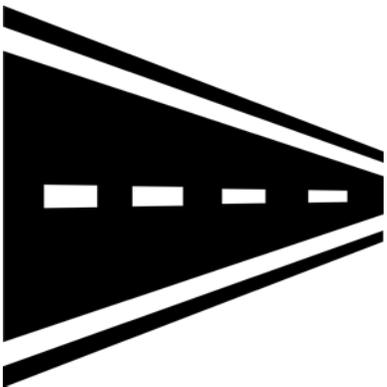
# BUDGET ADJUSTMENTS

- **East Valley Institute of Technology (EVIT) Lights - \$115K**  
Extend power and add lights to eight (8) existing trees at EVIT's Main St entrance.
- **Streetlight Master Plan - \$150K**  
Evaluate options for possible conversion of existing High Pressure Sodium (HPS) fixtures to Light Emitting Diode (LED) fixtures. Including:
  - Performing field measurements of existing lighting levels
  - Performing field testing in two pilot areas to evaluate lighting levels and color
  - Researching new technologies that can be incorporated into city's streetlight network

# BUDGET ADJUSTMENTS

- **High-Intensity Activated Crosswalk (HAWK) Beacon at University/Grand** -\$285K  
Install pedestrian signalized crossing between Country Club Dr. and Center St. to allow for easier walking and biking across University Dr.
- **Southeast Mesa Transportation and Land Use Plan** -\$150K  
Create a plan showing the current and future Transportation needs in the State Route 24 corridor in order to meet future development demands.

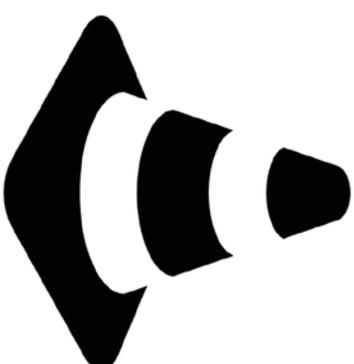
# LOOKING TO THE FUTURE



**Infrastructure**



**Maintenance**



**New Development**



**City of Mesa**  
**Office of Economic Development**

**Budget Presentation**  
**FY 2017-2018**

**April 17, 2017**



## Mission:

Enhance Mesa's economy, creating quality jobs, increasing per capita income and improving the quality of life for residents.

We promote Mesa as a premier location for business, targeting key industries that provide high wage jobs.

## Goals:

- Creating and Retaining Quality Jobs
- Building a Sustainable Community
- Driving Transformative Economic Development Projects





## Key Performance Measures:

<b>Assisted by OED in the past three years:</b>	
<b>Jobs Created and Retained</b>	<b>7,277 jobs</b>
<b>Average Annual Wage of Jobs Created</b>	<b>\$48,931</b>
<b>Total Capital Investment</b>	<b>\$3.6 Billion</b>
<b>Total Square Footage Absorbed</b>	<b>5.5 Million Sq ft</b>



### **Project Successes:**

- Apple Global Command Center – Phase I
- Dexcom
- Santander
- Dignity Health

### **Awards:**

Since 2013, OED has received 16 awards from statewide and international economic development organizations for various projects throughout the City.

### **Accreditation Effort:**

- Seeking to become an IEDC Accredited Economic Development Organization





## Project Pipeline:

Currently, Mesa OED is working **55+ active projects**. These projects represent:

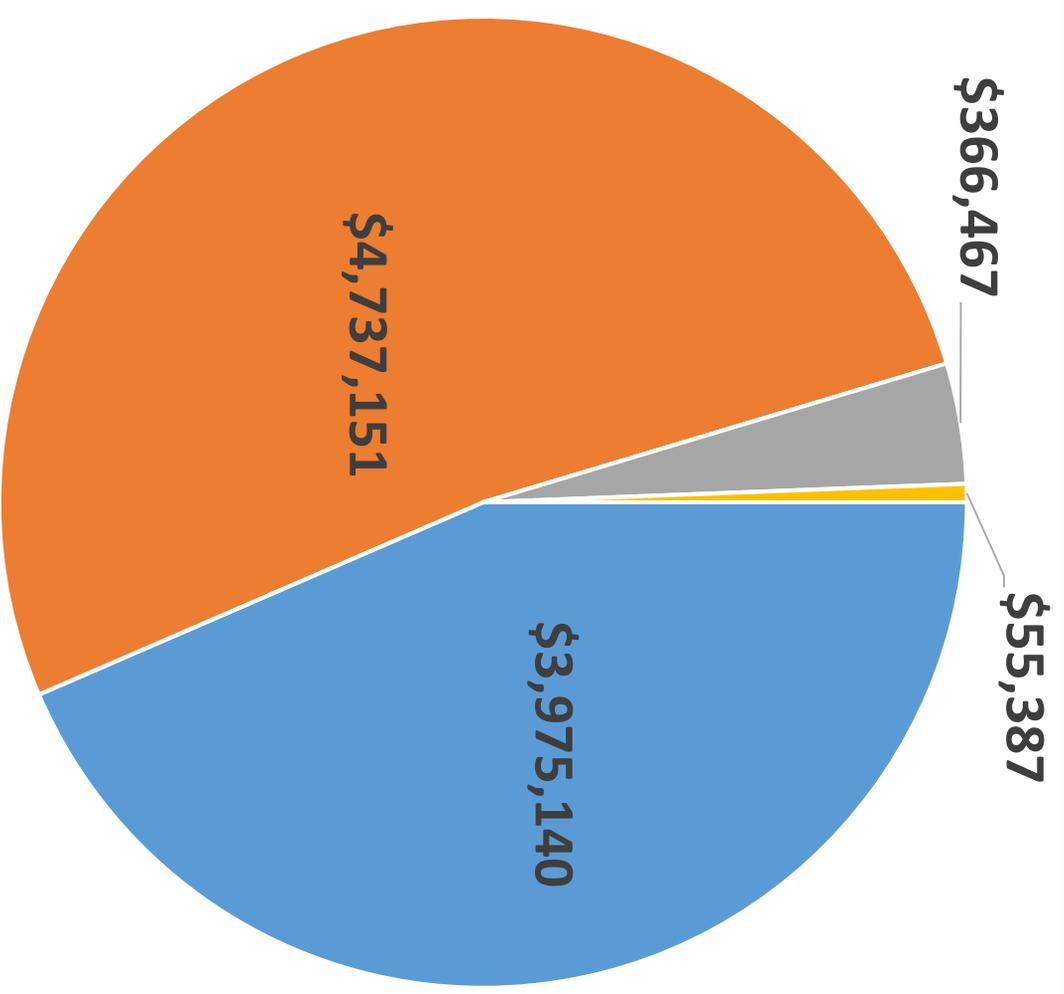
Current OED Project Pipeline	
Jobs Created and Retained	4,694 jobs
Average Annual Wage of Jobs Created	\$57,552
Total Capital Investment	\$2.4 Billion
Total Square Footage	7.6 Million Sq ft



### OED Funding Sources:

- General Fund
- Economic Development Projects
- Special Fund - Downtown
- Falcon Field

**Total FY 17/18 Budget: \$9,134,145**





## OED Funding Sources:

### General Fund - \$3.98 M

- Personnel
- Major Contracts
  - Airport
  - City Business Improvement District
  - GPEC
- Dept. Operations

### Ec Dev Projects - \$4.74 M

- Able Engineering (pass through)
- AZLabs
- Mesa Center for Higher Education
- Launchpoint

### Special Fund -

#### Downtown - \$366K

- DMA – Parking Mgmt
- Utilities

#### Falcon Field - \$55K

- Position cost share



## Budget Overview: Budget Summary by Fund

Fund	FY 15/16	FY 16/17	FY 16/17	FY 17/18
	Year End Actuals	Adopted Budget	Year End Estimate	Estimated Budget
<b>Expense</b>				
<b>Economic Development</b>				
Enterprise Fund	\$70,000	-	-	-
General Fund	\$3,628,448	\$4,025,307	\$3,979,307	\$3,975,140
Grants - Gen. Gov.	\$73,169	-	-	-
Special Programs Fund	\$359,708	\$366,467	\$366,467	\$366,467
Falcon Field Airport	\$47,229	\$55,159	\$55,159	\$55,387
Economic Development Projects	\$3,476,789	\$5,777,067	\$4,994,067	\$4,737,151
<b>Economic Development Total</b>	<b>\$7,655,342</b>	<b>\$10,224,000</b>	<b>\$9,395,000</b>	<b>\$9,134,145</b>
<b>Expense Total</b>	<b>\$7,655,342</b>	<b>\$10,224,000</b>	<b>\$9,395,000</b>	<b>\$9,134,145</b>



## **Budget Adjustments for FY 17/18**

Changes to FY 17/18 Budget:

- Reduction to General Fund Budget - \$50,000
- General Fund Budget repurposed for Small Business and Entrepreneurship - \$15,000

# Transit Services FY18 Budget

---

CITY COUNCIL STUDY SESSION

APRIL 17, 2017

# Transit Mission

---

## **Mission**

Collaborate with regional partners to provide innovative, safe, and efficient transit options that support mobility, accessibility, and economic vitality for the City of Mesa.

## **Desired Outcomes**

Mesa residents and visitors have mobility options within the City and the region to access significant employment, activity centers and residential areas

# Primary Areas of Responsibility

---

Light Rail

Fixed-Route Bus

Paratransit (Dial-a-Ride and Ridechoice)

Facility Operations and Maintenance



# Performance Measures

## Ridership

- Light Rail
  - Target - 2,316,000
  - Actual – 1,504,334\*
- Bus
  - Target – 4,641,720
  - Actual – 2,684,697\*
- Dial-a-Ride
  - Target – 127,793
  - Actual – 88,815\*
- Ridechoice
  - Target – 15,000
  - Actual – 19,600\*

## Usage of park and ride facilities

- Target – 60%
- Actual – 57%\*

\* represent actual numbers through February 2017



# Recent Accomplishments

---

Implement a transit advertising program

Began construction of Gilbert Road Light Rail Extension

Consolidate routes for improved efficiency and ridership

Eliminate regional transfers for regional Dial-a-Ride trips

Eliminate the premium on board fare for bus



# FY 17/18 Transit Contracted Services Funding Sources

---

	Transit Fund*	Proposition 400*	New Freedom Grant	Total
Light Rail	\$ 4,066,000			\$ 4,066,000
Fixed-Route Bus	\$ 4,326,448	\$ 9,218,513		\$ 13,544,961
Paratransit	\$ 1,112,202	\$ 3,320,851		\$ 4,433,053
Ridechoice	\$ 517,000		\$ 83,600	\$ 600,600
<b>Total</b>	<b>\$ 10,021,650</b>	<b>\$ 12,539,364</b>	<b>\$ 83,600</b>	<b>\$ 22,644,614</b>

\* Numbers are net funding amounts. Estimated fares, other revenue and offsets have been deducted.

# Budget Summary by Area

	FY 16/17				FY 17/18 Budget Estimate
	FY 15/16 Actuals	Adopted Budget	Year End Estimate	Budget Estimate	
<b>Estimated Beginning Fund Balance</b>	<b>\$ 871,702</b>	<b>\$ 1,632,831</b>	<b>\$ 11,643</b>	<b>\$ 0</b>	
Light Rail Recovery	\$ 1,395,042	\$ 2,369,192	\$ 1,900,000	\$ 1,903,000	
Grants and Reimbursements	\$ 671,648	\$ 12,148,421	\$ 5,054,891	\$ 19,120,856	
Lottery Fund Revenue	\$ 1,322,949	\$ 1,291,000	\$ 1,291,000	\$ 1,291,000	
Other Revenue	\$ 95,519	\$ 134,754	\$ 134,754	\$ 125,000	
Transfers In	\$ 7,950,328	\$ 9,878,025	\$ 9,784,558	\$ 11,965,760	
<b>Revenues</b>	<b>\$ 11,435,485</b>	<b>\$ 25,821,392</b>	<b>\$ 18,165,203</b>	<b>\$ 34,405,616</b>	
<b>Appropriations/Expenses</b>					
<b>Operating Expenses</b>					
Transit Administration	\$ 388,182	\$ 450,373	\$ 419,245	\$ 462,342	
Light Rail Service (O & M) and Security	\$ 5,356,965	\$ 6,847,979	\$ 6,523,000	\$ 7,590,000	
Fixed Route Bus Service	\$ 3,589,314	\$ 3,883,761	\$ 3,888,981	\$ 4,326,448	
Para Transit Service	\$ 1,056,970	\$ 1,339,487	\$ 1,100,000	\$ 1,629,202	
Transit Facility O & M	\$ 291,772	\$ 862,150	\$ 770,000	\$ 858,150	
Property Damage	\$ 29,895	\$ 27,500	\$ 27,500	\$ 27,500	
Trip Reduction/Clean Air Club	\$ 2,370	\$ 3,750	\$ 2,825	\$ 3,750	
Subtotal Direct Operating Costs	\$ 10,715,468	\$ 13,415,000	\$ 12,731,551	\$ 14,897,392	
Other Department Direct Costs	\$ 239,525	\$ 59,603	\$ 75,710	\$ 55,476	
Other Department Indirect Costs	\$ 271,988	\$ 376,759	\$ 369,585	\$ 403,892	
<b>Total Operating Costs</b>	<b>\$ 11,226,981</b>	<b>\$ 13,851,362</b>	<b>\$ 13,176,846</b>	<b>\$ 15,356,760</b>	
Project Costs	\$ 1,068,563	\$ 11,970,030	\$ 5,000,000	\$ 19,048,856	
<b>Total Expenses</b>	<b>\$ 12,295,544</b>	<b>\$ 25,821,392</b>	<b>\$ 18,176,846</b>	<b>\$ 34,405,616</b>	

# Fiesta District Downtown Chandler Alternatives Analysis (AA)

Next step in a corridor study with the City of Chandler to connect the Fiesta District and Downtown Chandler with light rail

What is an AA?

- Analyze transit types (rail or bus)
- Examine potential phasing options
- Define a locally preferred alternative (LPA)
  - Route
  - Transit type
  - Station locations
  - Street configurations
  - Other recommendations (e.g., future extensions)

\$900K – over three fiscal years

Funding for this analysis is not included in the FY17/18 Proposed Budget



# Streetcar Extension Feasibility Study

---

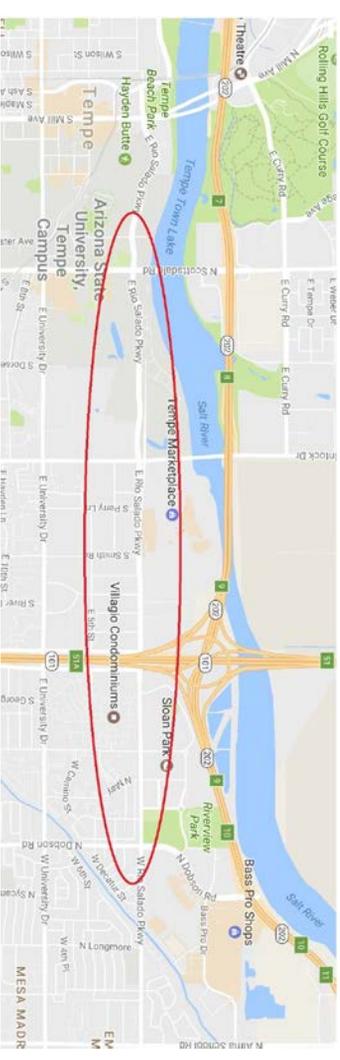
Joint study with the City of Tempe to evaluate the feasibility of extending streetcar down Rio Salado into Mesa serving Sloan Field, Riverview Park and Riverview shopping center.

Study will develop a recommendation

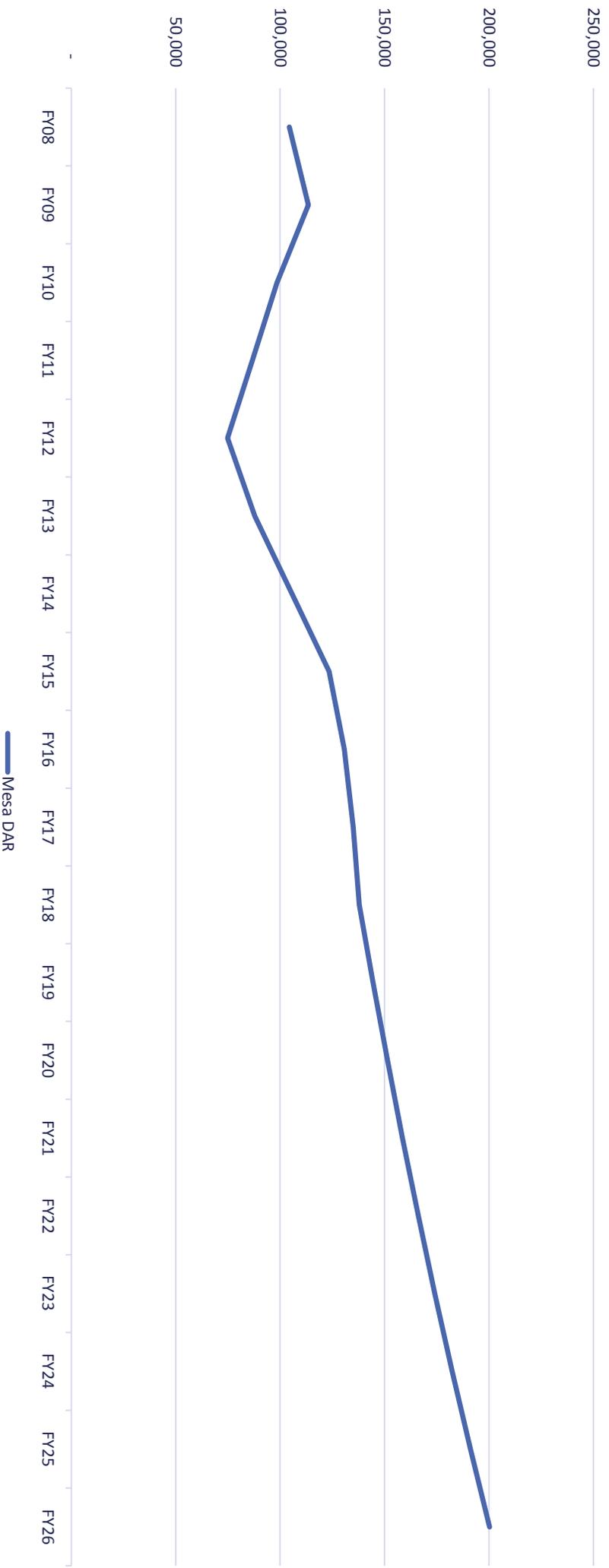
- Short-, mid-, and long-term transit and land use strategies
- Preferred route
- Phasing approach

\$300K spread over two fiscal years

Funding for this study is not included in the FY17/18 Proposed Budget



# Dial-a-Ride Forecasted Growth



# Average Net Cost per Transit Trip

---

Light Rail - \$2.25/boarding

Bus - \$4.07/boarding

Ridechoice - \$8.44/trip

Dial-a-Ride

- Local - \$27.85/trip
- Regional - \$57.85/trip
- Blended - \$31.08/trip

# Questions