



Regional Public Transportation Authority

302 N. First Avenue, Suite 700, Phoenix, Arizona 85003

602-262-7433, Fax 602-495-0411

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## Board of Directors Information Summary

**REVISED** Agenda Item #A

**Date**

January 21, 2009

**Subject**

Summary Minutes

**Summary**

Minutes from the November 20, 2008 Board meeting are presented for review and approval.

**Fiscal Impact**

None

**Considerations**

None

**Committee Action Process**

None

**Recommendation**

It is recommended that the Valley Metro RPTA Board of Directors approve the minutes from the November 20, 2008 Board meeting.

**Contact Person**

David Boggs  
Executive Director  
602-262-7433

**Attachments**

November 20, 2008 Board Meeting Minutes Summary



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MINUTES OF THE  
VALLEY METRO RPTA  
BOARD OF DIRECTORS  
Thursday, November 20, 2008  
12:45 p.m.

### Meeting Participants

Mayor Elaine Scruggs, Chair, City of Glendale  
Councilmember Wayne Ecton, Vice Chair, City of Scottsdale  
Councilmember Michael Johnson, Treasurer, City of Phoenix  
Vice Mayor Shana Ellis, Secretary, City of Tempe  
Mayor Marie Rogers, City of Avondale  
Councilmember Trinity Donovan, City of Chandler  
Mayor Fred Waterman, City of El Mirage  
Councilmember Les Presmyk, Town of Gilbert  
Supervisor Mary Rose Wilcox, Maricopa County  
Councilmember Scott Somers, City of Mesa  
Councilmember Ron Aames, City of Peoria  
Councilmember Frank Cavalier, City of Goodyear  
Councilmember Joe Johnson, City of Surprise

### Not Present

Mayor Art Sanders, Town of Queen Creek

Chairwoman Scruggs called the meeting to order at 12:50 p.m.

### 1. Consent Agenda:

The following items were presented on the consent agenda.

- A. Summary Minutes from September 18, 2008
- B. Mesa Main Street Bus Rapid Transit (BRT) Construction Contracts award to:
  - SDB Contractors in the amount of \$5,158,294.00
  - Ry-Tan Contractors in the amount of \$2,275,000.00
  - PinnacleOne, an Arcadis Company, in the amount of \$126,000.00
  - TranSystems Inc. in the amount of \$478,951.00
- C. Town of Buckeye Park-and-Ride Intergovernmental Agreement (IGA) and Advancement of Funding for Land Acquisition.

**IT WAS MOVED BY COUNCILMAN PRESMYK, SECONDED BY COUNCILMAN SOMERS AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS A, B AND C.**

2. Fare Policy Program

Mr. Boggs said in 2007, Valley Metro conducted a fare policy study which resulted in a recommended regional integrated fare structure that was adopted by the City of Phoenix and the Valley Metro RPTA Board. The new fare structure was implemented in December 2007.

Due to increases in operating costs and the significant reduction in sales tax revenue, Valley Metro service providers are evaluating service reductions and fare increases. Without the fare increase the city of Phoenix may be forced to implement more significant service reductions. Although a fare increase will reduce the level of service reductions, it will not eliminate the need to reduce service.

Mr. Boggs introduced Cyndy Pollan of Booz Allen & Hamilton who provided an overview of the fare policy program. The presentation included the following information:

- ▶ Regional Fare Study Objectives
- ▶ Regional Fare Policy Proposal
- ▶ Next Steps and Program Schedule

Councilman Aames asked what materials will be used at the public hearings and how the public will be notified of the hearings. Ms. Pollan said the public will receive a presentation regarding the costs of providing transit service, reasons for the fare increase and the impacts of revenues. She said the public will be notified via advertisements and the website. Ms. Pollan said the public will also be able to provide comments via telephone and email.

Mayor Scruggs asked if land use planning was considered when determining ridership and how future planning may impact future ridership. Ms. Pollan said she didn't know if the peer cities used land use planning in their analysis of fares and ridership. She said that was not considered in this review of the fare policy. Mayor Scruggs also asked if the target of 25 percent farebox recovery should be changed to 30 percent. She said it may be a more realistic target and could help stabilize service that is already being provided.

Mayor Scruggs asked if the ADA fare recommendation could be removed from the recommendation that the Board is being asked to consider because those fare are currently set by the jurisdictions providing the service.

Ms. Pollan said the intention is to only address Phoenix and the East Valley Dial-a-Ride ADA fares.

## Public Comment

Marvin Rochelle said he agrees with the fare increase because cutting service is not a good option. He said cutting service would impact several communities. He said the disabled community would be impacted because public transit is their only means of travel for work, doctors' appointments and shopping.

Catherine Mayorga, Vice President, Public Affairs for the Tempe Chamber of Commerce, read a letter into the record addressing the fare increase and stated that the Tempe Chamber is against any fare increase. She said this would negatively impact access to jobs, deter ridership, jeopardize future federal funding and have a negative public perception. Ms. Mayorga's letter is attached for information.

## Board Discussion

Councilman Michael Johnson requested the public hearings materials reflect the regional need for a fare increase and not focus on just Phoenix.

It was moved by Councilman Michael Johnson and Seconded by Councilman Presmyk to authorize the Executive Director to hold public hearings on the proposed fare policy with the removal of the statement that reads: "Communities with fares less than twice the local bus fare should increase their fares by \$0.25 per year until all areas have the same fare and the fare is twice the fixed route local cash fare.

Councilman Aames asked if the fare increase meant that service would not need to be cut.

Mr. Boggs said the ADA fare issue will only be addressed for Phoenix and the East Valley.

Councilman Johnson withdrew his motion and Councilman Presmyk withdrew his second.

## **IT WAS MOVED BY COUNCILMAN JOHNSON AND SECONDED BY COUNCILMAN PRESMYK TO AUTHORIZE THE EXECUTIVE DIRECTOR TO HOLD PUBLIC HEARINGS TO ADDRESS THE PROPOSED FARE POLICY WHICH INCLUDES:**

- Multiple base fare options, including:
  - Increasing the base fare by up to \$1.00 in July 2009
  - An increase to the base fare again in July 2010, by up to \$0.50, but not to exceed \$1.00 over two years
- Express fare premium increased from \$0.50 to \$1.00
- Reduced fare discounts remain at 50%
- Passes priced at multiples of base fare:
  - 1-Day Pass at 3.0 x base fare
  - 3- and 7-Day Passes at 2.5 x base fare x number of days of validity (i.e., 3 or 7)
  - 31-Day Pass at 31-33 x base fare

- Adopt the recommended changes to the ADA paratransit fares for Phoenix and East Valley Dial-a-Rides
- Adopt the recommended changes to rural route fares

### Board Discussion

Vice Mayor Ellis said she is not in favor of the public hearings because fares were just raised in December of 2007. She said a fare increase will be a burden for low income families. She also said Tempe is not interested in changing the farebox recovery target.

Supervisor Wilcox said she is in favor of the public hearings because the fare increase could affect the County.

Mayor Rogers said she is in favor of the public hearings because it will allow for flexibility to determine what is needed.

Councilman Ecton said he will support the request for public hearings and is sympathetic for the burden it may cause. He said it is clear that if changes are not made, more service reductions will be needed. He asked the Board if they are not comfortable with increasing the fares, would they be comfortable cutting service.

Mayor Scruggs said the region is finally building a system and if we are not honest about what can be provided it will fall apart in six months to one year. She said cost increases are beyond our control, fuel prices etc. She said these issues need to be addressed – either change the fares or cut services and cutting services goes against what is trying to be accomplished. She said the fare is scheduled to go into effect eight months from now which will allow time for people to plan for the increase.

Councilman Presmyk said he agreed with Councilman Michael Johnson regarding the need for the hearings to be from Valley Metro and not individual cities.

### **The motion passed with Tempe voting no.**

#### 3. Transit Life Cycle Program Review

Mr. Boggs said at the September Board meeting the members asked for a review of the Transit Life Cycle Program. Paul Hodgins, Capital Programs Manager provided the Board with a review of the Transit Life Cycle Program and how it was developed.

#### 4. Transit Life Cycle Program (TLCP) Policy Considerations

Mr. Boggs said it was a challenge when updating the TLCP last year and this year will be more challenging. Mr. Boggs said the TLCP (Build the Plan) must be balanced annually. He said the Budget and Finance Subcommittee (BFS) asked to review outstanding policy issues. Over the summer staff developed a list of issues that was presented to the BFS in October. Mr. Boggs introduced Mr. Hodgins who provided an overview of the issues that are being addressed:

- Inflation
- Contract Rates
- Revenue Shortfalls
- Federal Revenues
- Financing
- Regional Services

Mr. Hodgins said the BFS will address Financing, Revenue Shortfalls and Federal Revenues first and review the white papers addressing each issue. Once that review has taken place the white papers will be distributed to the technical committees for review and comment and brought back the BFS for a final review. When the final review has taken place the information will be forwarded to the Board for action. Mr. Hodgins said he expects Board action in February 2009.

Councilman Presmyk suggested the Board consider a special meeting or an extended meeting to review the issues when they are presented.

#### 5. Valley Metro RPTA and Valley Metro Rail Merger (Revised)

Chairwoman Scruggs said this issue was requested by Councilman Ecton, and as you may recall Tempe Mayor Hugh Hallman distributed information at the October Rail Board meeting saying he would like discussions to begin about merging the two organizations, and what could be accomplished by the two merging. Councilman Ecton, realizing that this could affect RPTA, placed it under the future board agenda items so discussion could begin.

Mayor Scruggs said Mayor Hallman agreed that it should be a discussion item for after the opening of the rail system. She said she spoke to Mayor Hallman and proposed an idea that he and Councilman Ecton are in agreement with. Mayor Scruggs then proposed giving direction to the RPTA Executive Director to work with the Valley Metro Rail Executive Director on a joint presentation that would go to both boards at the same time at a time to be determined at a later date. Mayor Scruggs said rail would have to vote to bring this subject up and she believes they are the leader in this and it is not us initiating this topic.

At the time of the presentation, Mr. Boggs would have already worked with Mr. Simonetta to develop the presentation to both boards.

Mayor Scruggs said she would like to avoid a repeat of the Regional Office Center discussion that went on for a couple of years. She noted there was the AMWUA Board, the RPTA Board, the Rail Board, and the MAG Board and it was interesting because many of our cities have different representatives on those different boards and so depending on the board considering an issue, a city might vote yes or no. Mayor Scruggs suggested that Valley Metro RPTA and METRO do this jointly at such time as rail determines when they are ready and that both boards come together.

Mayor Scruggs said hopefully that cities will make a single decision if all representations on these boards we will come in with one answer per city. She said she did not have any specifics because she really believes rail needs to take the lead but in the mean time has talked to Mr. Boggs about having a factually based presentation. The presentation could address legal options, possible cost savings, challenges, how governance would work. She asked that each city come up with a mechanism where you have a unified vote no matter how many representatives you have.

The Board reached a consensus and directed the Executive Director to begin working with Mr. Simonetta.

#### 6. Executive Director's Report

David Boggs updated the Board on the following issues:

- ADOT Revenue Forecast Update
- Legislative Report
  1. Continuing Resolution
  2. Economic Stimulus
  3. SAFETEA -LU Reauthorization
- Nominating Committee Update
- Susan Tierney being selected to WTS Leadership Initiative
- Valley Metro and METRO's participation in the United Way
- Save the Date information for METRO Grand Opening Events
- Upcoming Board agenda items
- Next Board Meeting scheduled for January 22, 2009 at 12:45 p.m.

#### 7. Future Agenda Items Request

Mayor Rogers requested an LTAF II update was requested.

#### 8. Public Comment

P.F. Levya said he had concerns about the cuts to service on Indian School and the ability to make connections to other routes.

Mike Trimarco said there should be service increases if there is going to be a fare increase.

With no further discussion the meeting adjourned at 2:30 p.m.