

**NOTICE OF PUBLIC MEETING
PHOENIX CITY COUNCIL
TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the **PHOENIX CITY COUNCIL TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE** and to the general public, that the **PHOENIX CITY COUNCIL TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE** will hold a meeting open to the public on **Tuesday, February 12, 2013 at 10:00 a.m., located at Phoenix City Hall, 1st Floor Atrium, Assembly Rooms A, B, & C, 200 West Washington Street, Phoenix, Arizona.**

One or more Subcommittee members may participate via teleconference. The agenda for the meeting is as follows (items may be discussed in a different sequence than posted):

1.	Call to Order	Chair Williams
2.	Review and Approval of the January 8, 2013 Transportation and Infrastructure Subcommittee Meeting Minutes.	Page 5
Items 3-4 are for information only. Although no presentations are planned, staff will be available to answer questions.		
3.	Water Services Department Innovation & Efficiency Study Implementation Update This report provides the Transportation & Infrastructure Subcommittee with an update on the completion of tasks identified in the Water Services Department Efficiency Study conducted by Black & Veatch, Inc. (B&V). This item is for information only.	Neil Mann, Water Services Page 11
4.	Metro, Regional Public Transportation Authority, and Maricopa Association of Governments Meetings This report provides the Transportation and Infrastructure Subcommittee with copies of past and/or upcoming meeting agendas/summaries for METRO light rail, Valley Metro/Regional Public Transportation Authority (RPTA), and the Maricopa Association of Governments (MAG). This item is for information only.	Neal Young, Public Transit Page 13
Items 5-6 are for Consent Action. Although no presentation is planned, staff will be available to answer questions.		

5.	<p>Proposed Amendment to Phoenix City Code Chapter 28 Sewers and Chapter 37 Water</p> <p>This report provides information to the Transportation & Infrastructure Subcommittee on proposed revisions to Chapter 28 – Sewers and Chapter 37 – Water of the Phoenix City Code. Staff requests that the Subcommittee recommend City Council approval of the Code revisions.</p> <p>This item is for consent action.</p>	<p>Neil Mann, Water Services</p> <p>Page 15</p>
6.	<p>Request for Approval to Enter into a Lease for Water Customer Services Pay Station</p> <p>This report provides information to the Transportation & Infrastructure Subcommittee on a proposed relocation of the Water Services Department Westside pay station. Staff requests that the Subcommittee recommend City Council approval of the lease.</p> <p>This item is for consent action.</p>	<p>Neil Mann, Water Services</p> <p>Page 17</p>
<p>Items 7-8 are for information, discussion and possible action.</p>		
7.	<p>Solid Waste Sustainable Solutions</p> <p>This report provides the Transportation and Infrastructure Subcommittee with information on the City's efforts to implement sustainable solid waste solutions, and requests the Subcommittee recommend City Council approval to implement a Waste Diversion Strategic Action Plan focused on reaching a citywide 40 percent waste diversion rate by 2020. Approval is also requested to enter into an Intergovernmental Agreement (IGA) with Arizona State University Global Institute of Sustainability (ASU) to assist with identifying concepts to explore regional waste reduction methods and potential funding sources to fund waste reduction initiatives.</p> <p>This item is for information, discussion and possible action.</p>	<p>John Trujillo, Public Works</p> <p>Page 19</p>

8.	<p>Authorization to Enter into Disposition and Redevelopment Agreement with Mr. and Mrs. Howard Yee and to Dispose of City Property</p> <p>This report requests the Transportation and Infrastructure Subcommittee recommend City Council authorization for the City Manager, or his designee, to enter into a Disposition and Redevelopment Agreement (DRA), leases, easements and other agreements as necessary (collectively, the “Agreements”) with Mr. and Mrs. Howard Yee or their city approved nominee (collectively, “Developer”), for the City Controller to accept and disburse funds for the development of a midrise, urban, mixed-use, transit-oriented development located on the northeast corner of Central Avenue and Willetta Street (the “Property”), and for the disposition of city-owned land.</p> <p>This item is for information, discussion and possible action.</p>	<p>Neal Young, Public Transit</p> <p>John Chan, CED</p> <p>Page 23</p>
Items 9-10 are for information and discussion only.		
9.	<p>Bike Share Program Procurement Plan</p> <p>This report provides an update on the process to procure a vendor to implement a Bike Share Program in the City of Phoenix.</p> <p>This item is for information and discussion only.</p>	<p>Wylie Bearup, Streets Department</p> <p>Page 25</p>
10.	<p>Update on State of Arizona Joint Legislative Study Committee on Water Salinity Issues.</p> <p>This report provides the Transportation & Infrastructure Subcommittee a progress report on the findings of the State of Arizona Joint Legislative Study Committee on Water Salinity Issues.</p> <p>This item is for information and discussion only.</p>	<p>Neil Mann, Water Services</p> <p>Page 29</p>
11.	<p>Call to the Public: Consideration, discussion, and concerns from the public. Those wishing to address the Subcommittee need not request permission in advance. Action taken as a result of the public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.</p>	<p>Chair Williams</p>
12	<p>Request for Future Agenda Items</p>	<p>Chair Williams</p>
13	<p>Adjournment</p>	<p>Chair Williams</p>

For further information, please call Cynthia Aguilar, Management Assistant, City Manager’s Office, at 602-495-7195 or Melissa Hoffman at 602-262-4449.

Persons paid to lobby on behalf of persons or organizations other than themselves shall register with the City Clerk prior to lobbying or within five

business days thereafter, and must register annually to continue lobbying. If you have any questions about registration or whether or not you must register, please contact the City Clerk's Office at 602-262-6811.

For reasonable accommodations, call Cynthia Aguilar at Voice/602-495-7195 or TTY/602-534-5500, or Melissa Hoffman at 602-262-4449 as early as possible to coordinate needed arrangements.

February 7, 2013

Phoenix City Council
Transportation and Infrastructure Subcommittee
Summary Minutes
Tuesday, January 8, 2013

City Council Subcommittee Room
Phoenix City Hall, Assembly Rooms A, B, and C
200 West Washington Street
Phoenix, Arizona

Subcommittee Members Present

Councilwoman Thelda Williams, Chair
Councilman Daniel Valenzuela
Vice Mayor Michael Johnson

Staff Present

Ed Zuercher
Jesus Sapien
Shane Silsby
Albert Crespo
Diana Seferian
Rick Freas
Neil Mann
Lisa Takata
Penny Parella
Pam Willier
Rick Naimark
Brandy Kelso
Melissa Sweinhagen

Staff Present

Neal Young
Jeff Stapleton
Wendy Villa
Toni Maccarone
Wylie Bearup
Ray Dovalina
Kini Knudson
Briiana Velez
Dana Owsiany
Jorie Bresnahan
Jason Fernandez
Ron Serio
Thomas Godbee
Melissa Hoffman

Public Present

Lou Snow
Sean Turner
Ryan Erickson
Eric Latto
Dianne Barker

1. Call to Order

Chairwoman Williams called the meeting to order at 10:09 a.m. with Councilman Valenzuela present and Vice Mayor Johnson present via telephone. Councilman Waring was absent.

2. Review and Approval of the December 11, 2012 Transportation and Infrastructure Subcommittee Meeting Minutes.

Councilman Valenzuela moved to approve the minutes from the December 11, 2012 Subcommittee meeting. Vice Mayor Johnson seconded the motion, which passed 3:0.

3. American Waterworks Association (AWWA) and National Association of Clean Water Agencies (NACWA) Annual Fees.

Councilman Valenzuela moved to approve the item. Vice Mayor Johnson seconded the motion, which passed 3:0.

4. Request to Implement Public Transit Department Bus Procurement Strategy.

Neal Young, the interim Public Transit Director, introduced the Bus Procurement Strategy.

Albert Crespo, Administrative Assistant II, provided an overview of the heavy duty transit fleet as well as the types of gas used by the fleet, such as Liquefied Natural Gas and Ultra Low Sulfur diesel buses. He discussed the importance of identifying transit fuel alternatives. Mr. Crespo gave an overview of the fuel consultant study, which reviewed fuel technologies such as natural gas, diesel, electric, and hybrid and the differences among them. He stated the study concluded that natural gas buses present the lowest total cost and greatest savings for the City.

Mr. Crespo provided an overview of the bus/fuel cost analysis, which demonstrated the cost savings of compressed natural gas (CNG) fuel. He discussed the consultant's recommendations of utilizing CNG buses and gave a timeline of the procurement strategy from March 2013 to September 2014.

Chairwoman Williams clarified that the procurement would conclude by 2014. Mr. Crespo responded that it would be complete by 2014.

Mr. Crespo discussed the challenges of liquefied natural gas (LNG) to CNG transition. He noted the alternative fuel tax credit of 50 cents a gallon represents a significant savings for the City. Mr. Crespo stated staff's recommendation to initiate liquefied compressed natural gas (LCNG) fueling capabilities at its existing transit facilities, and move to CNG as a long-term fuel source when LNG is no longer necessary for fueling vehicles.

Vice Mayor Johnson asked about the possibility of using RPTA funds. Mr. Young stated the RPTA contract allows buses to be purchased off contract, and that it is possible for the City to investigate this avenue.

Chairwoman Williams asked if the buses would change in appearance. Mr. Crespo responded the buses would look similar.

Chairwoman Williams stated her concern regarding pipeline infrastructure. She stated the City might consider splitting the bid to find a long term bid from a company that could give the City a good price on fuel as well as invest in infrastructure. Mr. Young replied the City is aware of other jurisdictions doing something similar, and he stated the City could look into that possibility. He stated in the meantime, the City has to continue to fuel with LNG.

Chairwoman Williams requested the City look to other companies to get a good rate on fuel and infrastructure. Mr. Young stated staff would look into it.

Mr. Marvin Rochelle stated his support for this item.

Councilman Valenzuela moved to approve the item. Vice Mayor Johnson seconded the motion, which passed 3:0.

5. Request for Approval to Issue Request for Proposals to Administer Alternative Transportation Programs.

Jesus Sapien, Deputy Public Transit Director, discussed the current Alternative Transportation Programs offered to seniors and access/functional needs individuals. He discussed how current transportation programs offer resources for those most affected by transportation challenges. Mr. Sapien provided an overview of the contract's budget, including employment and dialysis programs using T-2000 funds.

Mr. Sapien discussed program usage, noting over 40,000 trips were provided in FY2011-2012. He discussed the Request for Proposals (RFP) process, including the Administration of Alternative Transportation Programs, and he gave an overview of evaluation criteria. He asked for approval of staff's recommendation to issue a Request for Proposals for the administration of Alternative Transportation Programs.

Vice Mayor Johnson asked if staff had conducted a report regarding the effectiveness of the senior pilot program. Neal Young, the interim Public Transit Director, stated staff is conducting analysis for the report currently and it would be included in the RFP.

Vice Mayor Johnson asked what the City planned to do if it was determined the senior pilot program was ineffective. Mr. Young responded its inclusion in the RFP would be optional if found to be ineffective.

Councilman Valenzuela commented he is optimistic the pilot project will be found effective.

Councilman Valenzuela moved to approve the item. Vice Mayor Johnson seconded the motion.

Mr. Marvin Rochelle stated his support for the pilot project, but noted his concern regarding the Dial-A-Ride program.

Chairwoman Williams clarified if the program would allow residents to leave the City. Mr. Young responded the cab voucher program would allow residents to leave the City.

Chairwoman Williams requested staff return with updates about the program.

The motion passed 3:0.

6. Solar Street Lighting Evaluation

Shane Silsby, Deputy Street Transportation Director, gave background information on solar lighting and a pilot project with APS and the Parks Department. He discussed the different types of solar street light options. Mr. Silsby stated the advantages and challenges of solar lighting, including costs, battery disposal, and potential for theft.

Chairwoman Williams asked whether or not existing poles could be utilized for solar lighting. Mr. Silsby responded existing poles will be used.

Mr. Silsby discussed a current pilot project along Galvin Parkway and demonstrated photographs of the pilot project. He also provided examples of solar lighting projects in Tucson.

Mr. Silsby stated staff will continue to work with APS to realize increased energy savings and will continue to facilitate pilot projects with interested parties.

Chairwoman Williams stated her support for the project, and she noted the solar lighting projects will move the City into the future. She stated the need for a plan to convert the City's current lighting into sustainable lighting technologies. Chairwoman Williams commented the City's size may be an impediment, and she stated it is necessary for the City to have a comprehensive plan to address this issue.

Chairwoman Williams requested a citizens' committee to discuss lighting issues. She requested staff return with a plan to implement a comprehensive lighting plan. She emphasized the need to encourage developers to use solar lights in development plans.

Mr. Lou Snow stated his support for solar lighting in new developments.

Rick Naimark, Deputy City Manager, stated staff will follow up with the subcommittee on their requests.

7. Energy Efficient Street Lighting Conversion Plan

Shane Silsby, Deputy Street Transportation Director, discussed light emitting diode (LED) street lighting conversion throughout the City, and he noted there are 90,000 lights throughout the City. He discussed an evaluation by staff that determined energy and maintenance costs are making LED conversion viable. He stated converting City lights to LED decreases energy and maintenance costs by 50%.

Mr. Silsby provided a comparison of light performance between high pressure sodium (HPS) and LEDs. He demonstrated the differences between HPS and LED lights.

Chairwoman Williams asked if the City would need to buy all new fixtures. Mr. Silsby responded the City would only need to buy new heads, outfitted for LEDs, not entirely new poles.

Mr. Silsby discussed options for funding the conversion of lights, such as reprogramming unspent operating funds from the street lighting budget. He discussed the staff's recommendation for the Subcommittee to approve the Energy Efficient Street Light Conversion Plan, whereby annual unspent operating budget balances from the street lighting program would be reprogrammed to a capital fund for the purposes of purchasing and installing LED street lights.

Mr. Silsby reiterated that the Street Transportation Department is not asking for additional funds, but rather asking to use existing funds.

Chairwoman Williams asked how much this conversion would cost the City. Mr. Silsby replied it would cost \$50 million to do all the lights in the City at once, but staff has calculated it will cost \$3.6 million over 15 years. Mr. Silsby clarified that LEDs last for 12 years while HPS' only last for three to five years.

Councilman Valenzuela stated that there would be a savings for the City, and Mr. Silsby confirmed his statement.

Mr. Lou Snow asked if the bulbs are interchangeable. Mr. Silsby responded they are, and different manufacturers could be used if the City chose to use a different manufacturer in the future.

Councilman Valenzuela stated he supports the item and supports the future savings for the City. He stated it makes sense from a safety standpoint as well.

Councilman Valenzuela moved to approve the item.

Chairwoman Williams requested staff pursue additional budget requests because she stated she wants this project to move faster than projected. Chairwoman Williams amended the motion.

Vice Mayor Johnson seconded the motion with the amendment by Chairwoman Williams. The motion was approved 3:0.

8. Call to the Public

Ms. Dianne Barker stated her concern with blight downtown. She requested Councilmembers' support for addressing blight and blight clean-up.

Chairwoman Williams stated staff would respond to Ms. Barker's concerns.

9. Request for Future Agenda Items

There were no requests for future agenda items.

10. Adjournment

Chairwoman Williams adjourned the meeting at 11:10 a.m.

Respectfully Submitted,

Melissa Hoffman
Management Intern

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CITY COUNCIL REPORT

TO: Jerome E. Miller
Deputy City Manager

FROM: Neil Mann, P. E.
Acting Water Services Director

SUBJECT: WATER SERVICES DEPARTMENT INNOVATION & EFFICIENCY STUDY
IMPLEMENTATION UPDATE

This report provides the Transportation & Infrastructure Subcommittee with an update on the completion of tasks identified in the Water Services Department Efficiency Study conducted by Black & Veatch, Inc. (B&V).

THE ISSUE

In February, 2012 an Efficiency Study was completed by B&V which looked at water and wastewater programs, staffing levels and operations. From the Study, an Action Plan including 27 Major Tasks and 109 Sub-Tasks was developed by the Water Services Department (WSD) for evaluation. In addition to these items, new tasks have been added by WSD staff through identifying additional efficiencies developed outside the B&V report.

On October 9, 2012 the Department provided an update to the Transportation & Infrastructure Subcommittee. At that time, staff completed 59 percent of the items on the Action Plan, with about \$18 million in efficiency savings. The Department continues to make substantial progress addressing recommendations from the Study. Highlights from progress on the Action Plan since the October 9, 2012 report include the following items.

Organizational Review (Major Tasks 3-5)

WSD evaluated and assigned staff engineers to Operating Divisions, leading to improved communication between Engineering and Operations staff. The Department also evaluated plant staffing levels impacted by automation, examined the number of Information Technology Analysts/ Programmers to ensure the Department has adequate resources, and looked at the number of industrial pre-treatment programs and commercial staff.

Energy Management (Major Tasks 6-10)

A great deal of work has been completed to evaluate energy usage and efficiency recommendations. Of these, a Department-wide energy management plan has been developed that ties into City sustainability goals and the Department Strategic Plan. Through this effort, \$420,000 in efficiency savings has been identified. Staff continues to complete energy audits at various Water Services facilities as well as review energy bills to make sure all information is correct. The 7.5 megawatt solar panel installation at the Lake Pleasant Water Treatment Plant went on-line in December 2012. This project

will save approximately \$4 million in commercial energy usage over the 20-year life of the project.

Call Center (Major Tasks 21-24)

WSD continues to make progress on tasks geared at improving performance and service to customers in the 305 Building Call Center. Of the tasks completed, a virtual on-hold technology has been implemented. Customers are now informed how long their wait time will be to reach a customer service representative and offers a call back, if they desire. WSD also revised performance indicators to reduce timelines such as average call handling time, and established a management process that includes dashboards, a monthly review of performance metrics, and individual staff scorecards. Call Center Tasks are now over 86 percent complete.

New Staff-Initiated Efficiencies (Major Task 28)

WSD continues to add to Major Task 28, which includes staff identified recommendations in addition to those outlined in the B&V Study. Of those, a study examining the cost of in-sourcing excavation spoils hauling versus using a contracted company is projected to save over \$183,000 annually. The Citywide Automatic Meter Reading program is projected to yield over \$43,000 yearly in savings, when complete. Also, a change in the chemicals used for sewer pipeline odor control will be implemented at Lift Station 40 saving \$75,000 annually.

OTHER INFORMATION

On December 4, 2012 the Water Services Advisory Panel met to receive an update on the annual rate setting process as well as a status report on Efficiency Study tasks. The Panel interacted with staff throughout the meeting with particular interest in Customer Services and Energy Management items and provided their insights and suggestions.

The Water Services Department continues to make significant progress completing the evaluation of all recommendations from the B&V Study, and developing new ways to streamline services and save money. To date, the Department has an overall completion rate of 79 percent on the Task List, with over \$20.1 million in savings and/or cost avoidances identified. This efficiency and savings effort has significantly contributed to the City of Phoenix not increasing either water or wastewater rates in 2013 for the first time since 1993.

RECOMMENDATION

This report is for information only.

CITY COUNCIL REPORT

TO: Ed Zuercher
Assistant City Manager

FROM: Albert Santana
Light Rail Project Administrator

SUBJECT: METRO, REGIONAL PUBLIC TRANSPORTATION AUTHORITY, AND
MARICOPA ASSOCIATION OF GOVERNMENTS MEETINGS

This report provides the Transportation and Infrastructure Subcommittee with copies of past and/or upcoming meeting agendas/summaries for METRO light rail, Valley Metro/Regional Public Transportation Authority (RPTA), and the Maricopa Association of Governments (MAG). This item is for information only.

THE ISSUE

Within Maricopa County, there are several agencies with different charges relating to public transit and transportation planning.

Valley Metro/Regional Public Transportation Authority: In 1993, the Regional Public Transportation Authority Board adopted the name Valley Metro as the identity for the regional transit system in metropolitan Phoenix. Under the “Valley Metro” brand, local governments fund the Valley-wide transit system which the public sees on the streets today. Valley Metro Board member agencies include Avondale, Buckeye, Chandler, El Mirage, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Queen Creek, Scottsdale, Surprise, and Tempe. Mayor Stanton serves as Phoenix’s representative on the RPTA Board of Directors.

METRO: METRO is the brand name for Valley Metro Rail Inc., a nonprofit, public corporation charged with the design, construction, and operation of the Valley’s light rail system. The cities that participate financially in the light rail system each have a representative on the METRO Board of Directors. Cities on the board include Chandler, Glendale, Mesa, Phoenix, and Tempe. METRO is structured on a “pay-to-play basis” with voting power allocated based on investment in the system. Mayor Stanton serves as Phoenix’s representative and is the current chair of the METRO Board of Directors.

The Maricopa Association of Governments (MAG): MAG is a Council of Governments that serves as the regional agency for the metropolitan Phoenix area. When MAG was formed in 1967, elected officials recognized the need for long-range planning and policy development on a regional scale. Issues such as transportation, air quality, and human services affect residents beyond the borders of individual jurisdictions. MAG is the designated metropolitan planning organization (MPO) for transportation planning in the Maricopa County region. Mayor Stanton serves as Phoenix’s representative.

OTHER INFORMATION

Our goal is to provide the Transportation and Infrastructure Subcommittee with the agendas for future meetings. Meeting dates do not coincide and agendas are not available until close to the meeting date. However, prior to reaching each Board of Directors meeting, most agenda items are reviewed by staff committees which include City of Phoenix members. An attachment to the Subcommittee packet will provide meeting agendas for previous and upcoming METRO, RPTA and MAG meetings.

RECOMMENDATION

This item is for discussion only. No Council action is required.

Separate Attachments

CITY COUNCIL REPORT

TO: Jerome E. Miller
Deputy City Manager

FROM: Neil Mann, P. E.
Acting Water Services Director

SUBJECT: PROPOSED AMENDMENT TO PHOENIX CITY CODE CHAPTER 28
SEWERS AND CHAPTER 37 WATER

This report provides information to the Transportation & Infrastructure Subcommittee on proposed revisions to Chapter 28 – Sewers and Chapter 37 – Water of the Phoenix City Code. Staff requests that the Subcommittee recommend City Council approval of the Code revisions.

THE ISSUE

The proposed amendment to Chapter 28 – Sewers and Chapter 37 – Water formally documents City and customer responsibilities if billing errors occur, and is consistent with long-standing practices by the department. If a customer received City water and/or sewer service but was not charged for that service, the customer may be charged an amount not to exceed thirty-six months of service prior to the date the error was discovered. If a customer was charged for water and/or sewer service not received, the City will reimburse the customer an amount not to exceed thirty-six months of payments.

RECOMMENDATION

Staff requests the Transportation & Infrastructure Subcommittee recommend City Council approval of the proposed City Code amendment.

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CITY COUNCIL REPORT

TO: Jerome E. Miller
Deputy City Manager

FROM: Neil Mann
Acting Water Services Director

SUBJECT: REQUEST FOR APPROVAL TO ENTER INTO A LEASE FOR WATER
CUSTOMER SERVICES PAY STATION

This report provides information to the Transportation & Infrastructure Subcommittee on a proposed relocation of the Water Services Department Westside pay station. Staff requests that the Subcommittee recommend City Council approval of the lease.

THE ISSUE

Water Services has leased 2,160 square feet of space at 4105 North 51st Avenue for a full service water pay station since 1994. This is the busiest of the four Water Services Department pay stations, serving 10,000-12,000 customers per month. At this location, customers frequently queue outside because the lobby is full. Expansion to provide better customer service is not possible within the existing space. An adjacent tenant has negatively impacted the Westside pay station. The pay station has closed four times in the last two years for the safety of our customers and staff because of hazardous odors and has experienced damage from water leaks. The lease expired December 2012 and is on a month to month rental.

OTHER INFORMATION

Customer Services and Real Estate Division staff searched for larger space within the customer service area. Staff is recommending leasing 3,400 square feet of space in the West Highlands Shopping Center, located at 6544 West Thomas Road for a ten year period. The increase in square footage provides a larger lobby to accommodate customers and for additional payment windows that staff can use during peak periods to decrease customer wait times. The West Highlands Shopping Center is convenient for transit riders and provides parking and other amenities for customers including a grocery store and restaurants. This Center monitors security cameras throughout the facility and provides secure parking for staff.

The following is a comparison of the two facilities:

	Current Location		Proposed Location
Year Built	1970		1987
Rent (per sq ft)	\$17.14	Rent (per sq ft)	\$18.50
Square feet	2,160	Square feet	3,400
Base Rent per month	\$3,085.20	Base Rent per month	\$5,241.67

The proposed lease rate is consistent with the market in this area and includes tenant improvements.

RECOMMENDATION

Staff requests that the Transportation & Infrastructure Subcommittee recommend City Council approval for Westside pay station lease space at 6544 West Thomas for a 10-year period.

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: John A. Trujillo
Acting Public Works Director

SUBJECT: SOLID WASTE SUSTAINABLE SOLUTIONS

This report provides the Transportation and Infrastructure Subcommittee with information on the City's efforts to implement sustainable solid waste solutions, and requests the Subcommittee recommend City Council approval to implement a Waste Diversion Strategic Action Plan focused on reaching a citywide 40 percent waste diversion rate by 2020. Subcommittee approval is also requested to enter into an Intergovernmental Agreement (IGA) with Arizona State University Global Institute of Sustainability (ASU) to assist with identifying concepts to explore regional waste reduction methods and potential funding sources to fund waste reduction initiatives.

THE ISSUE

The City of Phoenix is the sixth largest city in the United States with a population of 1.4 million, embedded in a metro area of four million and a state of six million. Phoenix strives to take a leadership role in the world of sustainability and has identified several key focus areas in its sustainability plan including municipal waste. Waste value stream management is one of the most difficult, and potentially rewarding, challenge areas within the City's sustainability strategy.

According to the Arizona Department of Environmental Quality, the Phoenix metropolitan area disposed of more than five million tons of residential solid waste materials at local Phoenix metropolitan area landfill sites in 2011. This collection represents approximately 70 percent of the total solid waste material disposed of at Arizona landfills. In 2011, the City of Phoenix buried approximately 900,000 tons of material in the State Route 85 Landfill; over 600,000 of these tons were generated from the residential solid waste stream.

A 2003 City of Phoenix waste characterization study concluded that more than two-thirds of the single-family waste stream consisted of material that can be recycled or diverted through standard recycling and composting programs. Although the City of Phoenix's commingled recycling program has been in effect for more than 20 years, the residential diversion rate was 13 percent in FY 2011-12, well below the average national recycling rate of 34.1 percent.

OTHER INFORMATION

The Public Works Department (PWD) has set an ambitious goal of achieving a citywide waste diversion rate of 40 percent by 2020. To accomplish this goal, PWD collaborated with local partners on a citywide “Waste Diversion Action Plan” consisting of a number of programs, strategies, measurable outcomes, and responsibilities. The action plan identifies short-term (0-1 year), mid-term (2-4 years), and long-term (5-8 years) strategies focused on achieving a citywide waste diversion rate of 40 percent by 2020.

A strategy identified in the citywide Waste Diversion Action Plan includes initiating a partnership with ASU to explore and identify regional solutions that meet the growing demand to minimize the amount of materials sent to regional landfills. The ASU Global Institute of Sustainability is a national leader in developing sustainable solutions and will serve as a regional expert in solid waste reduction.

In an effort to meet the City’s commitment to environmental excellence and support the research and development of programs and technologies that minimize environmental impacts from our city’s waste production, PWD aims to collaborate with local businesses, academia and waste industry leaders to discover sustainable waste solutions which generate positive economic and environmental impacts that will preserve our local environment for generations to come.

Partnering with ASU will allow the City to collaborate with our waste diversion consultants in developing a roadmap to achieving a 40 percent diversion goal and seek grant funding opportunities. ASU will aid in identifying waste reduction programs, projects, initiatives and policies focused on waste prevention, recycling, composting and reuse.

FINANCIAL IMPACT

The estimated cost of the one year IGA with ASU should not exceed \$75,000. Funds are available in the Public Works Department budget.

RECOMMENDATION

This report requests that the Transportation and Infrastructure Subcommittee recommend City Council approval to implement a Waste Diversion Strategic Action Plan focused on reaching a citywide 40 percent waste diversion rate by 2020. This report also requests Subcommittee recommend City Council approval for staff to enter into an IGA with ASU for a one year period to assist in identifying concepts to explore regional waste reduction methods and seek potential funding sources to fund waste reduction initiatives.

Attachment

WASTE DIVERSION STRATEGIC ACTION PLAN
City of Phoenix
Goal: Reach a citywide diversion rate of 40% by 2020
SHORT-TERM STRATEGIES (0-1 yr)

	Short-Term Strategy	Measurable Outcome	Target Date	Responsible Party (ies)
1a	Commence 2012 data collection to determine baseline for recycling diversion rate for both private and public entities.	Determine baseline percent of diversion for 2012.	Feb. 2013	ALL
1b	Establish a public/private partnership with waste industry leaders to develop an effective educational campaign related to waste diversion.	Develop marketing plan Min. 60% of residents identify/understand 40x20 program	July 2013 Dec 2013	PWD Republic WM Consultant Private partners KPB
1c	Develop a program that rewards residents and businesses who embrace practices that minimize waste production and maximizes collection of recyclables.	Council approval of integrated solid waste program(s).	July 2013	PWD Consultant
1d	Develop data sharing standards and procedures between public and private industry.	Establish electronic based data sharing system.	July 2013	PWD Private partners
1e	Implement waste diversion programs at City facilities	70% of City facilities to have waste diversion programs in place.	July 2013	PWD
1f	Develop a permit program for solid waste collection relative to commercial and multi-family refuse collection.	Establish business registry and requirements for all haulers providing solid waste collection services to commercial and multi-family units within the city.	Fall 2013	PWD Private partners
1g	Connect and engage Phoenix residents and the business community to pledge their commitment to waste diversion practices.	5% of top 100 Phoenix businesses committed to waste diversion programs. 95% of 396,000 residences participating in voluntary Phoenix Recycles program	Dec. 2013	Mayor's office GPEC PWD Private partners
1h	Explore new development standards and requirements for new construction which focus on integrating waste and recycling solutions.	Council approval of recommended standards	Jan 2014	PWD P&D Local developers

WASTE DIVERSION STRATEGIC ACTION PLAN
City of Phoenix
Goal: Reach a citywide diversion rate of 40% by 2020
MID-TERM STRATEGIES (2-4 yrs)

	Mid-Term Strategy	Measurable Outcome	Target Date	Responsible Party (ies)
2a	Create potential partnership for the development of a regional Research and Development Center of Excellence.	Implement Research and Development strategy.	July 2014	PWD Private partners ASU Environmental Groups
2b	Secure grant opportunities to study ways to minimize waste production and maximize the collection of recyclables.	Secure minimum of one (1) grant.	July 2014	PWD ASU
2c	Implement waste diversion programs at all City facilities and set diversion rate.	100% of City facilities to have waste diversion programs in place with a 20% diversion rate.	Dec 2014	PWD
2d	Explore potential standards and requirements for existing commercial sites to integrate waste and recycling solutions.	Council approval of recommended standards for existing commercial sites.	July 2015	PWD P&D
2e	Implement solid waste program(s) identified by consultant's comprehensive solid waste plan.	Council approval of solid waste program(s).	July 2015	PWD

WASTE DIVERSION STRATEGIC ACTION PLAN
City of Phoenix
Goal: Reach a citywide diversion rate of 40% by 2020
LONG-TERM STRATEGIES (5-8 yrs)

	Long-Term Strategy	Measurable Outcome	Target Date	Responsible Party (ies)
3a	Identify potential city and state legislative policies that promote regional diversion efforts.	Have a legislative agenda in place which champions sustainable waste solutions.	Dec 2017	CMO PWD Mayor's office Govt. Relations
3b	Implement new programs identified through the regional Research and Development Center of Excellence.	Implement a minimum of two (2) programs focused on sustainable waste practices.	July 2018	PWD Private partners
3c	Review current City waste programs and evaluate their potential to increase the set waste diversion rate of 40%.	Increase citywide waste diversion rate from 40%.	July 2019	PWD
3d	Observe a set diversion rate citywide.	40% diversion rate citywide	2020	PWD

CITY COUNCIL REPORT

TO: David Cavazos
City Manager

Ed Zuercher
Assistant City Manager

FROM: Neal Young
Public Transit Director

John M. Chan
Community and Economic
Development Director

SUBJECT: AUTHORIZATION TO ENTER INTO DISPOSITION AND
REDEVELOPMENT AGREEMENT WITH MR. AND MRS. HOWARD YEE
AND TO DISPOSE OF CITY PROPERTY

This report requests the Transportation and Infrastructure Subcommittee recommend City Council authorization for the City Manager, or his designee, to enter into a Disposition and Redevelopment Agreement (DRA), leases, easements and other agreements as necessary (collectively, the "Agreements") with Mr. and Mrs. Howard Yee or their city approved nominee (collectively, "Developer"), for the City Controller to accept and disburse funds for the development of a midrise, urban, mixed-use, transit-oriented development located on the northeast corner of Central Avenue and Willetta Street (the "Property"), and for the disposition of city-owned land.

ISSUE

In response to the city's advertisement requesting urban mixed-use, transit-oriented development proposals on a city-owned light rail transit remnant parcel north and east of Central Avenue and Willetta Street, the Developer was selected as the successful respondent. The Developer's proposal is to redevelop their privately owned adjacent property in conjunction with the city-owned property with a midrise, urban, mixed-use, transit-oriented development consisting of at least 4 stories, with approximately 8,000 square feet of ground floor commercial space, at least 40 residential units, amenities, and structured parking with at least 50 spaces (the "Project").

Under the proposed business terms, the Developer shall pay a performance deposit, in the amount of \$5,000, thirty (30) days after Council authorization ("Authorization Date") of the terms. Within twelve (12) months from the Authorization Date, the Developer shall enter into a DRA with the city and deposit \$180,000, the appraised value of the city-owned property into a mutually approved escrow account. Developer will be required to commence construction on the Project within twenty-four (24) months from the Authorization Date and complete construction within twenty-four (24) months from the commencement of construction. Upon completion of the Project, the escrow agent will transfer the city-owned property to Developer and transfer the \$180,000 to the city. In accordance with Federal Transit Administration requirements, the City will deposit the \$180,000 into the Public Transit Department's light rail budget.

Upon the satisfaction of certain requirements, including the timely submission by Developer and city approval of a current environmental report for the Property and the receipt of a Certificate of Occupancy, the Developer will convey the Project and Property to the city at no cost. The city will enter into a twenty-five (25) year lease with the Developer which will include rent payments beginning at \$1,000 in the first year and increasing to \$25,000 in the final year.

Pursuant to current state law, the improvements will be eligible for Government Property Lease Excise Tax (GPLET) treatment with the first eight (8) years of GPLET abated. Developer has elected to pursue GPLET treatment. At any time during the term of the lease, the Developer will have the option to repurchase the property for \$5,000 and terminate the lease. All proceeds from the lease, performance deposit, repurchase, or sale of the leasehold shall be deposited in the Downtown Community Reinvestment Fund. At the end of the term, current state law requires the city to reconvey the Property and its improvements to the developer.

All deadlines for performance benchmarks can be modified in the city's sole discretion. The Agreements may contain such other terms and conditions as the city deems necessary or appropriate.

FINANCIAL IMPACT

There will be no impact to the General Fund as a result of entering into these contracts. The Public Transit Department's light rail budget will receive \$180,000 upon completion of the Project.

RECOMMENDATION

This report requests the Transportation and Infrastructure Subcommittee recommend City Council authorization for the City Manager, or his designee, to enter into a Disposition and Redevelopment Agreement, leases, easements and other agreements as necessary with Mr. and Mrs. Howard Yee or their City approved nominee, for the City Controller to accept and disburse funds for the development of a midrise, urban, mixed-use, transit-oriented development located on the northeast corner of Central Avenue and Willetta Street, and for the disposition of city-owned land.

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: Wylie Bearup, PD, PhD
Street Transportation Director/City
Engineer

SUBJECT: BIKE SHARE PROGRAM PROCUREMENT PLAN

This report provides an update on the process to procure a vendor to implement a Bike Share Program in the City of Phoenix.

THE ISSUE

Mayor Stanton identified bike share as one of 39 priorities that are critical to the continued improvement and growth of Phoenix. Bike share is a self-service automated system of bike rental and is priced to encourage short trips. Customers have the option of returning the bike to its original location or any another station in the system. Bike share programs have been gaining in popularity around the country since they provide an important transportation option for residents, employees and visitors in urban areas.

In response to the Mayor's request, the Street Transportation Department issued a Request for Information (RFI) on November 16, 2012 to potential bike share vendors. On December 31, 2012, the City received responses from four vendors: Alta Bike Share (Portland, OR); B-Cycle (Waterloo, WI); Bike Nation (Tustin, CA); and Cycle Hop/Social Bicycles, Inc (Miami Beach FL/New York, NY). Information included with the RFI stated that a response was not mandatory for firms to participate in the subsequent formal procurement process.

The purpose of the RFI was to answer key questions regarding items such as feasibility, costs, fees, market demand, and project deployment. Vendor responses indicated that each company was well qualified to provide a bike share program for Phoenix that would meet the City's goals and objectives. Based on feedback from the vendors, establishing a bike share program takes between six months and one year depending upon several factors including securing a potential sponsor and procuring the necessary equipment to operate the program. Responses also indicated that successful programs in other areas included local government support in terms of funding and sponsorship endorsement.

The Cities of Phoenix and Tempe submitted a joint application for Congestion Mitigation and Air Quality Improvement (CMAQ) funds in the amount of \$1.5 million to supplement the vendor's investment. It is anticipated that these funds would be used for the purchase of new bicycles and other related equipment in federal Fiscal Year 2014/15. The local cost share (5.7%) distribution between Phoenix and Tempe has yet to be determined.

OTHER INFORMATION

The next step in the process is to issue a Request-for-Proposals (RFP), which is scheduled for release on February 18, 2013. Below is a summary of other key milestones in the process (dates are subject to change):

Milestone	Anticipated Date
Request-for-Proposals Issue Date	February 18, 2013
Pre-Proposal Meeting	March 7, 2013
Proposer's Written Inquiries Due	March 15, 2013
Proposal Due Date	April 2, 2013; 10am (MST)
Evaluation Panel Meets (Estimated)	April 12, 2013
Finalist Interviews (if required)	April 23, 2013
Evaluation Panel Makes Selection (Estimated)	April 25, 2013
T&I Subcommittee Approval of Vendor (Estimated)	May 14, 2013
City Council Contract Approval	May 29, 2013
Notice-to-Proceed	June 3, 2013
Anticipated Launch Date	Late November/ Early December 2013

The following departments/agencies will be invited to serve on the nine-member selection panel:

- Street Transportation Department (2 members)
- Planning and Development Services Department (1)
- Public Transit Department (1)
- Arizona State University (1)
- Environmental Quality Commission – Bicycle Initiatives Subcommittee (1)
- Maricopa County Health Department (1)
- City of Tempe (1)
- City of Mesa (1)

The panel will make a vendor selection based on several key criteria:

<i>Item</i>	<i>Points</i>	<i>Comments</i>
A. QUALIFICATIONS/EXPERIENCE	1,000	Ability to provide qualified staffing
B. TECHNICAL PROPOSAL (5,000 PTS)		
1. Planning	575	Ability to provide quality concept plan
2. Performance Metrics	550	Ability to meet service levels
3. Maintenance	500	Plan for maintaining stations/bikes
4. Fleet Redistribution	475	Ensuring adequate # bikes at stations
5. Promotion/Marketing	425	Ability to promote system to public
6. Bicycles	400	Quality and type of bikes provided
7. Stations	350	Quality and type of stations provided
8. Legal	325	Indemnification, insurance, etc.
9. System Operations	300	Quality of customer service/staffing
10. Website	250	Functionality for city and public users
11. Computer System and Operations	200	Functionality of station kiosks
12. Central Computer System	175	Functionality of main computer system
13. Database	175	Record keeping management system
14. Facilities	125	Facility requirements for operations
15. Membership Options	125	Payment plan options for public
16. Street Test	50	System testing before program launch
C. BUSINESS MODEL (5,000 PTS)		

1. Financial Capability/Sponsorship	2,000	Ability to secure project financing
2. Levels of Investment/Value of System	1,500	Ability to financially sustain system
3. Pricing Structure	500	System pricing for public usage
4. Revenue to City	500	Cost-share opportunities, if any
5. System Expansion/Flexibility	500	Ability to expand region-wide
D. IMPLEMENTATION SCHEDULE	1,000	Ability to expedite schedule
<i>TOTAL POINTS (MAX)</i>	12,000	--

RECOMMENDATION

This report is for information only.

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CITY COUNCIL REPORT

TO: Jerome E. Miller
Deputy City Manager

FROM: Neil Mann, P. E.
Acting Water Services Director

SUBJECT: UPDATE ON STATE OF ARIZONA JOINT LEGISLATIVE STUDY
COMMITTEE ON WATER SALINITY ISSUES

This report provides the Transportation & Infrastructure Subcommittee a progress report on the findings of the State of Arizona Joint Legislative Study Committee on Water Salinity Issues.

THE ISSUE

In 2011, the State of Arizona (State) established the Joint Legislative Study Committee on Water Salinity issues to evaluate concerns related to water salinity and water softener usage in Arizona. The 20 member committee consists of representatives from the Arizona House and Senate, water and wastewater utility providers, the Water Quality Association, and various business sectors such as homebuilders, golf industry, and hotel/resort industry. The Water Quality Association (WQA) represents manufacturers and installers of water softener equipment.

The Committee met several times in 2011. These meetings primarily focused on providing presentations by various entities on salinity issues within Arizona including presentations on the Central Arizona Salinity Study (CASS) conducted by the U.S. Bureau of Reclamation and the SROG cities. The meetings also focused on the definition of soft water, water softener technology, and information on what other states are implementing. At the end of 2011, a subcommittee was formed to begin discussing and developing specific action plans to help sustain or reduce salt loading within the water resources of Arizona. These plans are to be presented to the larger committee for further evaluation and possible legislative action.

During 2012, the subcommittee met several times to discuss possible short-term actions to begin reducing the amount of salt contribution to the wastewater system. The subcommittee is currently reviewing the possibility of establishing performance criteria for water softener equipment sold within Arizona, similar to standards currently in place in California. The performance criteria could include phasing out time-clock equipment that automatically regenerates the softener even if minimal water has been used, establish the salt efficiency of the softener (i.e. how much hardness is removed per pound of salt), as well as establish the maximum amount of water to be used per the amount of hardness removed. The specifics of the performance criteria are still under discussion and it is anticipated that legislation could be ready for the 2014 Arizona Legislative Session.

The second item being discussed by the subcommittee is a public education campaign. One aspect of this campaign will be to educate residential water softener users and

potential users about salinity, how it affects water resources and reuse, and the ways the consumer can reduce salinity. Another aspect could include education of water softener installers and homebuilders on the impact of salinity and what they can do to reduce salinity. The public education campaign development is expected to be a collaboration of various entities including the WQA, U.S. Bureau of Reclamation, Arizona Department of Water Resources, municipalities, and other stakeholders.

RECOMMENDATION

This report is for information and discussion only. No action is required.