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, September 10, 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 June 19, 2013 Transportation and Infrastructure Subcommittee Meeting Minutes.						
		Page 5					
	Items 3-4 are for Consent Action. Although no presentation is planned, staff will be available to answer questions.						
3.	American Waterworks Association (AWWA) and National Association of Clean Water Agencies (NACWA) Annual Fees.	Kathryn Sorensen, Water Services					
	This report provides the Transportation and Infrastructure Subcommittee a summary of the American Waterworks Association (AWWA) and the National Association of Clean Water Agencies (NACWA) annual fees and requests the Subcommittee recommend City Council approval to continue participation in the two programs for fiscal year 2013-14, at a total cost of \$60,912.						
	This item is for consent action.	Page 9					
4.	City of Phoenix Participation in Water and Wastewater Research Program.	Kathryn Sorensen, Water Services					
	This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to continue financial participation in the Water and Wastewater Research Programs involving the Water Research Foundation (WaterRF), the Water Environment Research Foundation (WERF), and the WateReuse Research Foundation (WRRF), for a cost of \$206,655; \$41,085; and \$25,000, respectively. The total cost for Fiscal Year 2013-14 is \$272,740.						
	This item is for consent action.	Page 11					

	Items 5-6 are for Information Only. Although no presentation is planned, staff will be available to answer questions.					
5.	Metro, Regional Public Transportation Authority, and Maricopa Association of Governments Transit Meetings	Maria Hyatt, Public Transit				
	This report provides the Transportation and Infrastructure Subcommittee with copies of past and/or upcoming meeting agendas for METRO light rail, Valley Metro/Regional Public Transit Authority (RPTA), and the Maricopa Association of Governments (MAG).					
	This item is for information only.	Page 13				
6.	January 2014 Proposed Bus Service Changes – Public Outreach	Maria Hyatt, Public Transit				
	This report provides information to the Transportation and Infrastructure Subcommittee on proposed bus service changes for January 2014 and the associated public outreach process.					
	This item is for information only.	Page 15				
Item	s 7-9 are for information, discussion and possible action.					
7.	Authorization to Dispose of City Owned Property at 75 West Camelback Road and Issue RFP for Transit-Oriented Development	Maria Hyatt, Public Transit				
	This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to dispose of City-owned property at 75 West Camelback Road and issue a Request for Proposals (RFP) for an urban, mixed-use, transit-oriented development, pending the concurrence of the Federal Transit Administration (FTA).					
	This item is for information, discussion and possible action.	Page 19				
8.	Agreement for the Transfer of Abandoned Reclaimed Water Pipelines to Serve Club West Golf Course	Kathryn Sorensen, Water Services				
	This report requests that Transportation and Infrastructure Subcommittee recommend City Council approval to enter into an agreement to transfer ownership of abandoned reclaimed water system pipelines from the City of Phoenix to the owners of the Club West Golf Course (Club West Owners), as well as execute a 180 day interim water use agreement to maintain current water rates to the course.					
	This item is for information, discussion and possible action.	Page 21				

	Wylie Bearup,
	Street Fransportation
This item is for information, discussion and possible action.	Page 23
Items 10-12 are for information and discussion.	
S	Nylie Bearup, Streets Department
This item is for information and discussion.	Page 25
S	Nylie Bearup, Streets Department
This item is for information and discussion.	Page 27
	Cliff Neal, Vater Strategy
	Page 29
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.	Chair Williams
	Chair Williams
14. Request for Future Agenda Items	

For further information, please call Cynthia Aguilar, Management Assistant, City Manager's Office, at 602-495-7195 or Michael Mills 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 Michael Mills at 602-262-4449 as early as possible to coordinate needed arrangements.

September 5, 2013

Phoenix City Council Transportation and Infrastructure Subcommittee Summary Minutes Wednesday, June 19, 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 Councilman Jim Waring

1. Call to Order

Chairwoman Williams called the meeting to order at 10:11 a.m. with Councilmen Waring and Valenzuela present. Councilman Johnson was absent.

2. Review and Approval of the May 14, 2013 Transportation and Infrastructure Subcommittee Meeting Minutes

Councilman Valenzuela moved to approve the minutes from the May 14, 2013 Transportation and Infrastructure Subcommittee meeting. Councilman Waring seconded the motion, which passed 3:0.

3. FY 2013-14 Assessment for Membership in the Arizona Municipal Water Users Association

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

4. Metro, Regional Public Transportation Authority, and Maricopa Association of Governments Transit Meetings

This item was for information only.

5. Agreement with Reclaimed Water System Facilities for Non-Potable Water Services

Acting Water Services Director Neil Mann introduced the item.

Councilman Waring left at 1:09 p.m. Quorum lost.

Mr. Mann provided an overview of the development of a raw water, non-potable supply pipeline and associated infrastructure. He discussed the purpose behind the development of a supply pipeline and infrastructure, and he discussed the phases associated with the plan. Mr. Mann discussed the benefits of the project.

Councilman Waring returned at 1:19 p.m. Quorum regained.

Chairwoman Williams asked the City would be paying for the entire project. Mr. Mann responded in Phase I, the City would pay for well upgrades.

Chairwoman Williams requested clarification on pumping costs. Mr. Mann stated customers would pay an equal share regardless of how far away they are from the pump site, but that the cost would depend on how much water the customer used.

Chairwoman Williams asked how this project would affect golf courses. Mr. Mann responded it depends on how the golf course water system is set up, what type of reclamation centers are nearby, and the type of geographic area.

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

6. Waste Reduction Diversion Pilot Update

Deputy City Manager Rick Naimark introduced the item. Acting Public Works Director John Trujillo provided a background and overview of the Waste Reduction and Diversion pilot project. He stated the main goals of the project are to increase diversion of waste and increase resident participation.

Councilman Waring left at 1:24 p.m. Quorum lost.

Mr. Trujillo discussed the green organics aspect of the Waste Diversion project. He provided an overview of the extensive community outreach the City engaged in to inform and educate residents about this project, including mailers, going door to door, hosting community events, and conducting 'walk and talks', among other outreach efforts. Mr. Trujillo demonstrated charts that depicted how, as green organics recycling increased, garbage waste collection decreased. Mr. Trujillo demonstrated that these charts showed a clear and positive increase in the City's diversion rate between the pre-pilot stage and the post-pilot stage.

Councilman Valenzuela thanked Mr. Trujillo and City staff for their work on improving the City's diversion rate and reducing the amount of garbage going into the City's landfills.

Chairwoman Williams asked when this project could be citywide. Mr. Trujillo responded he would speak about that in the next item.

7. Solid Waste Program Study Update

Deputy City Manager Rick Naimark introduced the item and stated in order to reach the City's goals, the City must continue to be innovative.

Acting Public Works Director John Trujillo discussed the results of a consultant's evaluation of the City's diversion initiatives. He demonstrated a graph depicting the City's diversion rate versus several other comparable cities' diversion rates. He provided an overview of six viable options presented by the consultant in order to reach the City's diversion goal. Mr. Trujillo provided a summary of each of these options.

Chairwoman Williams asked for clarification on the options. Mr. Trujillo provided her a detailed response on the options presented by the consultant, and he emphasized community involvement in moving forward with the project.

Mr. Trujillo demonstrated charts that showed the consultant's estimated diversion rate, depending on which strategies the City chooses to implement. He noted long term planning would need to involve public/private partnerships and regional cooperation in order to accomplish the City's goals.

Dana Hansen requested greater community outreach in explaining the City's diversion goals. Mr. Hansen requested clarification on the City's goals and the diversion project. Chairwoman Williams requested City staff follow up with Mr. Hansen to answer his questions.

Chairwoman Williams requested staff look into putting information about the City's diversion goal into residents' water bills for greater outreach.

Jessica Catlin expressed support for the City's diversion goal, and she encouraged the Council to support the goal to help the City remain economically competitive.

8. Solid Waste & Recycling Hauler Permit

Acting Public Works Director John Trujillo discussed the development of a City Solid Waste and Recycling Hauler Permit and reporting program. He described the purpose of the permit, and he discussed the next steps of the permitting process. Mr. Trujillo stated staff would return in the fall with a presentation and recommendations for the Subcommittee's consideration.

9. Light Rail Transit Station Feasibility Study Update

Light Rail Project Administrator Albert Santana provided an overview of the study, including the feasibility evaluation and near term improvements. He discussed the timeline of the study.

Councilman Waring returned at 2:05 p.m. Quorum regained.

Mr. Santana discussed the evaluation process, including initial and detailed assessments, study results, and public involvement. He discussed the initial evaluation criteria, including the ability to generate ridership, minimum station spacing, the cost and funding. Mr. Santana discussed the next steps in the process, including completing an initial assessment and beginning the detailed assessment.

Chairwoman Williams thanked staff for their report, and she stated she looks forward to the full report in the fall.

10. Proposed Opportunities for Operational Savings at the Lake Pleasant Water Treatment Plant

Acting Water Services Director Neil Mann provided background on the Lake Pleasant Water Treatment Plant. He highlighted recent developments, including reduced water demands, and discussed cost savings at the treatment plant.

11. Call to the Public

Marvin Rochelle expressed concerns with Reserve a Ride changes.

12. Request for Future Agenda Items

Chairwoman Williams stated she would like to see an item on the Reserve a Ride changes in an upcoming meeting.

13. Adjournment

Chairwoman Williams adjourned the meeting at 2:26 p.m.

Respectfully Submitted,

Melissa Hoffman Management Intern

TO: Rick Naimark

Deputy City Manager

FROM: Kathryn Sorensen

Water Services Director

SUBJECT: AMERICAN WATERWORKS ASSOCIATION (AWWA) AND NATIONAL

ASSOCIATION OF CLEAN WATER AGENICES (NACWA) ANNUAL FEES

This report provides the Transportation and Infrastructure Subcommittee a summary of the American Waterworks Association (AWWA) and the National Association of Clean Water Agencies (NACWA) annual fees and requests the Subcommittee recommend City Council approval to continue participation in the two programs for fiscal year 2013-14, at a total cost of \$60,912.

THE ISSUE

The Water Services Department participates in two water industry professional associations including the American Waterworks Association (AWWA) and the National Association of Clean Water Agencies (NACWA). These organizations provide a variety of benefits to the City including educational assistance to improve day-to-day operations, professional development opportunities for staff, public outreach efforts, and ongoing updates to keep staff informed on regulatory issues in advance of action being taken.

AWWA, established in 1881, is the oldest and largest nonprofit, scientific and educational organization dedicated to safe and sustainable drinking water. AWWA advances public health, safety and welfare by uniting the efforts of the entire water community. Some of the resources available from AWWA include:

- Publications AWWA Standards, operator training manuals, books, and monthly
 magazines focusing on today's operational and engineering challenges are available
 for purchase. Updates on all AWWA Standards and discounted pricing on all other
 materials are included with the yearly fee.
- Training AWWA offers a variety training opportunities. This include webcasts, specialty conferences, and online training classes. All City employees are eligible for member pricing which includes a cost savings on event registration and trainings. For example, in 2013, the Utility Management Conference is being held in the Phoenix area and several City staff are presenters and/or moderators at the event, resulting in reduced conference registration fees.
- Public communication tools <u>Public</u> advisories are sent to all utilities to keep them
 informed about water-related news that generates media attention. These
 advisories often include suggested language or strategies to help Phoenix respond
 to media inquiries.
- Advocacy AWWA helps to form a united voice on drinking water issues and standards. <u>Utility alerts</u> are provided periodically to ensure timely updates on regulatory issues.

NACWA was established in 1970 with a focus on issues dealing with the Clean Water Act involving wastewater collection and treatment. NACWA provides many of the same benefits as AWWA such as providing a variety of publications, professional development, and training opportunities. NACWA, however, is heavily focused on emerging and evolving legislative and regulatory environmental initiatives. The information provided by NACWA is utilized by City staff and lobbying teams to formulate the City's policy messages on national issues. In addition, NACWA offers opportunities to collaborate with colleagues around the country to help shape national policy.

Participation with AWWA and NACWA allows the City access to a variety of publications and training to ensure City staff is prepared to provide safe, affordable drinking water, and environmentally safe wastewater. In addition, participation ensures the City is well informed on future regulatory issues that may impact the financial and operational sustainability of the Phoenix water system.

RECOMMENDATION

Staff requests the Transportation and Infrastructure Subcommittee recommend City Council approval to continue financial participation with the American Waterworks Association (AWWA) and National Association of Clean Water Agencies (NACWA). For fiscal year 2013-14, the City of Phoenix's participation cost would be \$22,102 and \$38,810 respectively, for a total combined cost of \$60,912.

TO: Rick Naimark

Deputy City Manager

FROM: Kathryn Sorensen

Water Services Director

SUBJECT: CITY OF PHOENIX PARTICIPATION IN WATER AND WASTEWATER

RESEARCH PROGRAM

This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to continue financial participation in the Water and Wastewater Research Programs involving the Water Research Foundation (WaterRF), the Water Environment Research Foundation (WERF), and the WateReuse Research Foundation (WRRF), for a cost of \$206,655; \$41,085; and \$25,000, respectively. The total cost for Fiscal Year 2013-14 is \$272,740.

THE ISSUE

The Water Services Department has participated in several research endeavors with the Water Research Foundation (WaterRF), Water Environment Research Foundation (WERF), and WateReuse Research Foundation (WRRF) for more than 10 years. The WaterRF is a member-supported, international, non-profit organization that sponsors research to assist water utilities, public health agencies, and other professionals to provide safe and affordable drinking water to consumers. WERF, formed in 1989, is dedicated to wastewater collection and treatment issues as well as stormwater research. WRRF, formed in 1993, focuses on the advancement of water reuse, recycling, reclamation, and desalination. Collectively the focus of these research organizations covers all aspects of drinking water treatment and distribution, wastewater collection and treatment, and non-potable water aspects such as reclaimed and reused water that are managed by the Water Services Department. As a participant in these programs, the City of Phoenix benefits in a variety of ways including:

- Reports –The City is entitled to a free copy of all final products (reports, software, online interactive tools), and has unlimited access to PDF versions of all final reports, workshop proceedings, and online communities of practice. Some of the reports used by staff in 2012-13 include:
 - o Total Chromium and Hexavalent Chromium Occurrence Analysis
 - Best Practices Manual for Prestressed Concrete Cylinder Pipe Condition Assessment
 - Disinfectant Residual Measurement Methods
 - Engineered Biofiltration for Enhanced Hydraulic and Water Treatment Performance
- Webcasts Each research organization offers free webinars to subscribers based on current research projects, which allows for timely access to research results, direct interaction with researchers and the opportunity for professional educational

development credits.

- Expert Assistance Internal and external subject matter experts are available to aid subscribers in acquiring up-to-date information to address issues.
- Yearly Assessment Each year the City provides input into topics/issues to be researched as well as completes a yearly project survey to indicate research issues most important to the City that should be funded.
- Participating Utility The City participates in research projects by providing data to be included in research or by being used as a case study to validate research.
- Project Advisory Committee Each research project has a team of experts called the Project Advisory Committee (PAC). On several projects, City staff has been invited to participate on a PAC due to the City's expertise in an area.
- Tailored Collaboration Tailored Collaboration Programs allow for subscribers to submit a specific research project proposal for funding. These research projects are more specialized or regional in nature. The City has used this program on several occasions to further local wastewater research.

Participation with these research organizations allows the City to access a variety of resources and information to address drinking water, wastewater, and water reclaimation issues in an effective and efficient manner. Without these resources, the City would have to research and develop solutions without the benefit of the larger water community and at a much higher cost.

RECOMMENDATION

Staff requests the Transportation and Infrastructure Subcommittee recommend City Council approval to continue financial participation in the Water and Wastewater Research Programs involving the Water Research Foundation (WaterRF), the Water Environment Research Foundation (WERF), and the WateReuse Research Foundation (WRRF), for a cost of \$206,655; \$41,085; and \$25,000, respectively. The total cost for fiscal year 2013-14 is \$272,740.

TO: Neal Young

Senior Executive Assistant to the

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.

<u>Valley Metro/Regional Public Transportation Authority</u>: 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.

<u>METRO</u>: 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

The goal of staff is to provide the Transportation and Infrastructure Subcommittee with agendas for future meetings of these bodies. 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 and/or additional information for previous and upcoming METRO, RPTA and MAG meetings.

RECOMMENDATION

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

Attachments

TO: Neal Young

Senior Executive Assistant to the

City Manager

FROM: Maria Hyatt

Interim Public Transit Director

SUBJECT: JANUARY 2014 PROPOSED BUS SERVICE CHANGES - PUBLIC

OUTREACH

This report provides information to the Transportation and Infrastructure Subcommittee on proposed bus service changes for January 2014 and the associated public outreach process.

THE ISSUE

The Public Transit Department is focused on improving the efficiency of Phoenix's transit service to best serve passengers' needs. The Department reviews routes semi-annually to determine if improvements can be made that will offset the cost of enhancing transit service. The proposed January 2014 bus service changes are funded through Transit 2000, the dedicated Phoenix transit tax, and Proposition 400, the regional transportation tax. A public outreach process for the proposed changes will be conducted.

OTHER INFORMATION

The proposed January 2014 bus service changes and public outreach process are outlined below.

Lower Buckeye Road

In southwest Phoenix, public transit service aims to keep pace with commercial and residential development. To help address this need, the following expansion of service is proposed.

- Route 10 (Roosevelt/Grant) Extend the west end of the route at 67th Avenue to 75th Avenue on Lower Buckeye Road.
- Route 43 (43rd Avenue) Extend service on 43rd Avenue to Lower Buckeye Road.
- Route 51 (51st Avenue) Extend service on 51st Avenue to Lower Buckeye Road.
- Route 59 (59th Avenue) Extend service on 59th Avenue to Lower Buckeye Road.

Dobbins Road

Phoenix's transit system is a grid-based service, which uses east-west and north-south transit routes to provide connectivity throughout the Phoenix metropolitan area. On

Dobbins Road, three routes provide service: Routes 0 (Central Avenue), 7 (7th Street) and 16 (16th Street). To provide more efficient service, Route 16 would serve the current service area covered by Routes 0 and 7, providing more seamless bus service on Dobbins Road.

Route 7 (7th Street)

Extend Route 7 from its north end at Union Hills to Deer Valley Road and connect to Route 19 (19th Avenue) at 7th Avenue.

Route 12 (12th Street)

Modify the route to end at Jefferson Street to provide a better light rail connection. This would eliminate the segment of the route along Van Buren Street that provides service to the Central Station transit center and is also served by Route 3 (Van Buren).

Routes 17/17A (McDowell Road)

Combine Routes 17 and 17A into one route, with improved route frequency in Phoenix, west of the Desert Sky Mall Transit Center, and in Avondale and Goodyear.

Route 19 (19th Avenue)

Eliminate a low ridership segment of the route that deviates off of 19th Avenue to serve the Arizona Capitol area.

Route 45 (Broadway Road)

Eliminate a low-ridership bus turnaround loop at the west end of the route at 19th Ave.

Route 56 (Priest Drive/Galvan Parkway)

Extend the route from the Desert Botanical Gardens north to McDowell Road and east to Scottsdale Road, ending at the Scottsdale Sky Song Transit Center.

Route 61 (Southern Avenue)

Extend service on Southern Avenue from 43rd Avenue to 51st Avenue.

Route 70 (Glendale Avenue/24th Street)

Eliminate a low ridership segment of this route that deviates off of 24th Street to provide service to the Rental Car Center.

Route 156 (Chandler Boulevard)

Add additional trips serving Ahwatukee residents to match added service proposed by the City of Chandler.

High-Ridership Segment Modifications

Proposed efficiencies focus on Routes 19 (19th Avenue), 29 (Thomas Road), and 50 (Camelback Road), which are among the highest ridership routes in the Phoenix metro area. Efficiencies identified provide more frequent service in the busiest segments of these routes.

The Public Transit Department will use the locally adopted public outreach process for the proposed January 2014 bus service changes. In September and October, staff will solicit public comment on service changes through several public outreach events located near the proposed service change areas in coordination with other regional proposed service changes. In addition, a formal public hearing will be scheduled to collect public input and feedback on the proposed service changes. Advertisements for the public meetings will be placed in local newspapers, information will be posted to the Department and regional transit websites, and staff will send media releases and contact local reporters.

After the conclusion of the public outreach process for these proposed service changes, the Public Transit Department intends to return to the Transportation and Infrastructure Subcommittee on October 8, 2013 with a formal recommendation on these proposed bus service changes.

RECOMMENDATION

This report is provided for information only.

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TO: Neal Young

Senior Executive Assistant to the

City Manager

FROM: Maria Hyatt

Interim Public Transit Director

SUBJECT: AUTHORIZATION TO DISPOSE OF CITY OWNED PROPERTY AT 75

WEST CAMELBACK ROAD AND ISSUE RFP FOR TRANSIT-ORIENTED

DEVELOPMENT

This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to dispose of City-owned property at 75 West Camelback Road and issue a Request for Proposals (RFP) for an urban, mixed-use, transit-oriented development, pending the concurrence of the Federal Transit Administration (FTA).

THE ISSUE

Staff recommends the City pursue solicitations from qualified development teams to purchase and develop City-owned property at 75 West Camelback Road, which is adjacent to the Central Avenue / Camelback Road light rail platform. The City has evaluated the property, including future plans for light rail transit expansion, and has determined the parcel is not needed for future transit purposes. The property was acquired as part of the initial light rail project to provide a multi-modal transit connection between light rail and bus transit. Since light rail transit operations began, various bus routes have utilized the transit center; however, the two routes (Routes 0-Central Avenue and 50-Camelback Road) that currently provide service to this area use onstreet boarding and de-boarding and do not enter the transit center site. In addition, the only route entering the transit center site (Route 39) was modified in July 2013 and no longer provides service to this location.

OTHER INFORMATION

Prior to the issuance of the RFP, the City must receive concurrence from the FTA to dispose of the parcel. The City is in the process evaluating financial obligations associated with the federal investment in acquiring the property and any related site improvements. The RFP will remain open for 30 days. Final business terms will be submitted to the City Council for approval prior to entering into an agreement.

With the success of light rail transit, this site provides an opportunity for a developer to create a transit-oriented development project that will increase transit ridership and create an aesthetically pleasing environment on the southwest corner of Central Avenue and Camelback Road.

FINANCIAL IMPACT

The Operations & Maintenance Agreement 122030 between the City and Valley Metro Rail, Inc. requires the City to maintain the transit center. With the disposal of this property, the City would be relieved of any further operations and maintenance costs associated with this facility. Additionally, revenues from any development agreement would be reinvested in transit.

RECOMMENDATION

This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to dispose of City-owned property at 75 West Camelback Road and issue a Request for Proposals (RFP) for an urban, mixed-use, transit-oriented development, pending the concurrence of the Federal Transit Administration (FTA).

TO: Rick Naimark

Deputy City Manager

FROM: Kathryn Sorensen

Water Services Director

SUBJECT: AGREEMENT FOR THE TRANSFER OF ABANDONED RECLAIMED

WATER PIPELINES TO SERVE CLUB WEST GOLF COURSE

This report requests that Transportation and Infrastructure Subcommittee recommend City Council approval to enter into an agreement to transfer ownership of abandoned reclaimed water system pipelines from the City of Phoenix to the owners of the Club West Golf Course (Club West Owners), as well as execute a 180 day interim water use agreement to maintain current water rates to the course.

THE ISSUE

In the late 1970's, when the Mountain Park Ranch and the Foothills master planning efforts were underway, developers and the City entered into agreements specifying that large turf areas and/or golf courses in the Foothills development would be irrigated with non-potable water. Subsequent contracts resulted in the construction of the City-owned and operated Foothills Water Reclamation Plant (FWRP) to deliver reclaimed water to the golf courses. The Foothills Golf Course, the first golf course to receive water from FWRP, also constructed non-potable wells to augment water needs at that course.

In 1988, the City entered into Agreement 50855 into for the sale and use of reclaimed water to the Club West Golf Course from the FWRP. The price of the reclaimed water was set at 75 percent of the potable water rate. However, during the late 1990s it became apparent that the FWRP had extremely high operating costs and did not produce enough reclaimed water to meet seasonal golf course watering needs. As a result, the FWRP was decommissioned and dismantled in 1998 and the reclaimed system pipelines serving both the Foothills and Club West golf courses were subsequently abandoned. At that time, the City entered into an agreement, which is set to expire in October 2013, to sell potable water for irrigation of the Club West Golf Course at 75 percent of the potable water rate.

Club West Owners have approached the City with a proposal to deliver non-potable well water from the Foothills Golf Course to the Club West Golf Course using the City's abandoned reclaimed water pipelines as means to convey water from one course to the other. The Club West Golf Course owns the pipeline from the FWRP to the Club West property but needs the City's pipeline from the FWRP to the Foothills Golf Course to complete the connection. In addition, Club West needs an easement within the FWRP site to connect the two pipelines. Club West has also requested a 180 day interim agreement to maintain the current water rate structure (75 percent of potable water rate) for use of potable water at the golf course to allow time for the connection and testing of the abandoned pipelines. Club West has been informed that these new agreements will only move forward for full Council approval if its current contract obligations are fulfilled.

OTHER INFORMATION

Since the City abandoned the reclaimed lines, the Water Services Department cannot confirm the condition of the lines. It is possible the lines have been damaged by other utilities conducting work in the right-of-way. Club West ownership is aware of this fact and accepts the risks and liability of using these abandoned pipelines. In addition, where the pipelines are on private property (through easements), Club West is aware of the need to obtain easements from the property owners and the requirement to have a revocable utility permit for areas where the pipeline is within the right of way.

RECOMMENDATION

Staff requests the Transportation and Infrastructure Subcommittee recommend City Council approval, when the Club West is current with all outstanding obligations, to enter into an agreement to transfer ownership of the abandoned reclaimed water system pipelines to the Club West Owners as well as execute a 180 day interim water use agreement to maintain current water rates at 75 percent of the potable water rate.

TO: Rick Naimark

Deputy City Manager

FROM: Wylie Bearup, PE, PhD

Street Transportation Director

SUBJECT: SONORAN DESERT DRIVE - DESIGN BUILD FINANCE UPDATE

This report requests that the Transportation and Infrastructure Subcommittee recommend City Council approval to initiate a Design-Build-Finance (DBF) process to accelerate the construction of Sonoran Desert Drive between I-17 and North Valley Parkway.

THE ISSUE

One of the City Council approved recommendations from the Sonoran Boulevard Project solutions-based forum held on July 6, 2011 was that City staff review options to accelerate the construction of the roadway connection and bridge along the Sonoran Desert Drive alignment from the I-17 freeway to North Valley Parkway. Staff has reviewed this proposal and recommends that the City pursue a public-private partnership in the form of a Design-Build-Finance arrangement to accelerate completion of the project.

Over the past several years, the City has executed over 80 Design-Build projects worth over \$2.2 billion. Adding the financing component to this project increases the complexity of the selection process, so a solicitation was issued for a general engineering consultant to assist staff in managing the project.

On February 20, 2013, City Council authorized staff to enter into a contract with Gannett Fleming Inc. to provide general engineering services for the connection of Sonoran Desert Drive from I-17 to North Valley Parkway. Gannett Fleming provided a financial alternative analysis to evaluate options, identify sources and uses of funds, and develop a financial approach. The following is a high level financial analysis performed for several Design-Build-Finance scenarios. The key findings of the analysis, including ending net balance in 2020 dollars, are:

- Baseline scenario results in a net positive balance of \$1.3 million and DBF scenarios result in net positive balances ranging from \$0.4 to \$2.9 million, depending on the effective interest rate and the bid prices compared to the engineering estimates.
- DBF-a and DBF-b both assume bids come in equal to engineering estimates. DBF-a
 assumes a 4 percent interest rate and results in a net positive balance of \$0.4 million,
 whereas DBF-b assumes a 3 percent interest rate, resulting in net positive balance of
 \$1.6 million.
- Historically, construction bids for Private Public Partnerships have come in lower than the engineering estimates, especially when the delivery type is Design-Build-

Finance-Operation-Maintain (DBFOM). Scenario DBF-c assumes "aggressive bidding" (5 percent lower than the engineering estimate) with an interest rate of 3 percent. As a result the project would see a net positive balance of \$2.9 million.

 Scenario DBF-d assumes "aggressive bidding" (5 percent lower than the engineering estimate) with an interest rate of 4 percent, resulting in net positive balance of \$1.8 million.

Scenario	Delivery Type	Delivery Schedule	Interest Rate	Ending Net Balance (in 2020 dollars*)
Baseline	Conventional Delivery Schedule	2016-2020	-	+1.3M
DBF-a	Design-Build-Finance	2014-2015	4.0%	+0.4M
DBF-b	Design-Build-Finance	2014-2015	3.0%	+1.6M
DBF-c	Design-Build-Finance; "Aggressive" proposer bids 5% lower than Engineering Estimate	2014-2015	3.0%	+2.9M
DBF-d	Design-Build-Finance; "Aggressive" proposer bids 5% lower than Engineering Estimate	2014-2015	4.0%	+1.8M

^{*}All cash flows were converted to nominal dollars using a 3 percent cost inflation.

OTHER INFORMATION

A Design-Build-Finance procurement method has the potential to deliver the project up to five years earlier than currently planned, as well as the potential to increase the positive cash balance in 2020 through acceleration and a more desirable bidding climate. However, due to recent changes in the financial markets, specifically the increasing cost of financing and construction cost escalation, it is advisable to move quickly with the DBF procurement to achieve accelerated delivery of the project, if desired.

RECOMMENDATION

This report requests that the Transportation and Infrastructure Subcommittee recommend City Council approval to initiate a Design-Build-Finance process to accelerate the construction of Sonoran Desert Drive between I-17 and North Valley Parkway.

TO: Rick Naimark

Deputy City Manager

FROM: Wylie Bearup, PE, PhD

Street Transportation Director

SUBJECT: ADOT URBAN LOGO SIGN PROGRAM

This report provides information on a program initiated by the Arizona Department of Transportation (ADOT) to install logo signs on the metro Phoenix freeway system that will provide identification of services available within three miles of freeways.

THE ISSUE

The Arizona State Transportation Board recently authorized ADOT to install logo signs on the metro Phoenix freeway system. The program includes the installation of new business logo signs on freeways for various permitted services (e.g., food, lodging, attractions, and 24-hour pharmacies) similar to the signs normally found in rural areas. The urban logo sign program is authorized by the Federal Highway Administration and is designed to meet all applicable federal requirements. The freeways in Phoenix eligible for the program include the Loop 101 (Agua Fria and Pima Freeways), SR 51, Loop 202, Interstate 17, and Interstate 10.

Businesses within three miles of the freeway would be eligible to bid for a space on a logo sign. The majority of signs will be on ADOT freeway right-of-way so no approval by the City will be needed. However, some businesses further away from the freeway may require trailblazing signs on city streets to direct drivers to their business. City approval is required to allow ADOT to install the logo signs in Phoenix right-of-way.

OTHER INFORMATION

City code Chapter 3-8 authorizes the City Manager, or his designee (Street Transportation Director), authority to allow advertising on city streets by permit. Since this program meets federal requirements, the Street Transportation Director is authorizing the use of city streets for the sign installation. ADOT will be required to install and maintain all of the logo signs in city right-of-way. There is no cost to the City to participate.

The program is expected to generate \$8-10 million in revenue for the State of Arizona transportation fund. Approximately \$1 million annually would be transferred from the program to the City of Phoenix in the form of Arizona Highway User Revenue (AHUR) funds.

RECOMMENDATION

This item is for information only.

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TO: Rick Naimark

Deputy City Manager

FROM: Wylie Bearup, PE, PhD

Street Transportation Director

SUBJECT: TRAFFIC CALMING PROGRAM UPDATE

This report provides an update of the Street Transportation Department Neighborhood Traffic Management Program (NTMP) and new strategies to reduce costs and keep the program viable for neighborhoods.

BACKGROUND

The NTMP was created by City Council in 1989 to address neighborhood cut-through traffic and speeding concerns on residential streets. The goals of the program are to:

- Protect Phoenix's neighborhoods from intrusive cut-through traffic and speeding on residential streets by building neighborhood consensus on a solution;
- Reduce excessive travel speeds and cut-through traffic while taking into account emergency response times for emergency vehicles;
- Resolve the traffic concerns of a neighborhood while minimizing the negative effect on other citizens and neighborhoods

The Street Transportation Department has been working with neighborhoods over the past 24 years to successfully implement traffic calming projects. During this period, staff has met with hundreds of residents and neighborhood groups to discuss traffic concerns, petitioning processes, and project implementation. Since the program was adopted, the Department has installed more than 2,600 traffic calming devices on neighborhood streets throughout the City.

The Speed Hump Program, a component of the NTMP, typically utilizes about \$130,000 a year. Concurrence from the City and the residents is required before a hump can be installed. During the past three years, 60 new speed humps have been constructed on residential streets. Residents are charged a portion or all of the cost to install a hump, depending on the travel speeds on the street. Each speed hump typically costs around \$2.000.

In 2006, voters approved \$10 million in General Obligation Bond Funds for calming devices on collector streets. Collector streets are typically ½-mile streets on the grid system designed to collect traffic from local streets and convey to the nearest arterial street. The bond funding has been delayed, but traffic calming devices are being constructed with an annual \$500,000 in Capital Construction Funds. Projects designed for the Collector Street Mitigation Program may include traffic circles, diverters, curb extensions, and other improvements.

THE ISSUE

Currently, 13 neighborhoods have formally requested traffic calming projects, including circles, chicanes, diverters, median islands, bulb-outs, and other treatments. Collector street mitigation projects currently range between \$280,000 and \$450,000 due to the landscaping, irrigation, decorative surface treatments, street lighting, ramp modifications and other enhancements. Unfortunately, the City can no longer afford to build these types of traffic calming devices in a timeframe that is acceptable to the neighborhoods. With the current and projected funding levels, it may take up to 15 to 20 years to complete a neighborhood traffic calming project that is currently in the queue.

Temporary traffic calming devices constructed from yellow plastic curbing and flexible posts are typically used to test the effectiveness of permanent traffic calming. If the temporary devices are effective in slowing traffic, they are typically left in place until a permanent circle can be approved and constructed. If permanent construction is not approved by the neighborhood, residents have the option of removing the temporary devices. However, due to constrained budgets and high costs of these projects, only one or two permanent devices can be constructed each year. The extended construction delays mean that less attractive temporary devices may remain on the street for several years, well beyond the intent of the program.

Street Transportation staff recently adopted two new strategies to reduce traffic calming costs and provide better service to the neighborhoods:

- 1) Reduce Aesthetic Features while Maintaining an Effective Speed Reduction Design This change results in more cost-effective projects that will allow an additional number of traffic calming projects to be constructed. Under this strategy, the Department will retrofit traffic calming devices within the existing roadway layout and provide minimal aesthetic treatments, such as landscaping and decorative paving. This reduces costs by 50 to 60 percent for each project. Any additional aesthetic project elements would be the financial responsibility of the neighborhood.
- 2) Allow Speed Cushions on Minor Collector Streets In the past, the City has not allowed speed humps on collector streets. However, a modified speed hump, also known as a speed cushion, has cutouts that allow emergency vehicles to pass through, while other vehicular traffic slows down. Most Valley cities allow speed cushions on selected collector streets if the conditions are suitable. This new procedure allows speed cushions on minor collector streets if certain criteria, such as land use and speeds, are met. This provides a new low-cost traffic calming option (approximately \$8,000 each) instead of expensive devices such as circles and islands. The Phoenix Fire Chief was briefed on this proposal and approved the use of speed cushions on minor collector streets.

These recent modifications to the Neighborhood Traffic Management Program respond to community concerns and lower overall program costs. This will allow us to serve more neighborhoods and provide a more cost-effective and efficient program.

RECOMMENDATION

This report is for information only. No action is requested.

TO: Rick Naimark

Deputy City Manager

FROM: Cliff Neal

Water Resources Advisor

SUBJECT: WATER SUPPLY UPDATE

This report provides the Transportation and Infrastructure Subcommittee with an update on the status of the City's water supplies.

THE ISSUE

In mid-August, the U.S. Bureau of Reclamation (USBR) announced that 2014 releases from Lake Powell on the Colorado River will be reduced by 9 percent as compared to 2013 releases (7.48 million acre-feet MAF versus 8.23 MAF). The USBR also indicated that releases from Lake Powell will most likely be limited to 7.48 MAF again in 2015, unless the coming winter brings above-average snowpack and runoff on the watershed. There are two primary reasons for the reduced releases from Lake Powell in 2014:

- Since 2000, the Colorado River Basin has experienced its worst fourteen-year drought on record. The past two years (2012 and 2013) brought the lowest consecutive years of runoff in the history of recorded flows (more than 100 years) on the Colorado River.
- Complicated operating rules call for reservoir "balancing" between Lakes Powell and Mead. For perspective, storage in Lake Powell at the beginning of 2011 was so much higher than storage in Lake Mead that additional releases above the usual 8.23 MAF were made from Lake Powell in 2011 (4.29 MAF) and 2012 (1.24 MAF). Conditions have reversed themselves this year (that is, storage in Lake Mead now exceeds that in Lake Powell). In order to maintain the required balance, releases from Lake Powell must be reduced by 0.75 MAF in 2014 and probably another 0.75 MAF in 2015.

It is important to recognize that the reduction in releases from Lake Powell in 2014 is not a declared shortage on the Colorado River. However, the USBR announcement also indicated that studies show a significant chance that a shortage requiring a reduction in deliveries to the lower Colorado River basin could be declared as early as 2016 if drought conditions persist.

While the USBR announcement is reason for continued close monitoring, it does not mean that Phoenix's water supplies are in imminent danger of being reduced. Phoenix holds annual rights to Colorado River water totaling more than 185,000 acre-feet (AF) but currently uses just over 130,000 AF. This water is delivered via the Central Arizona Project (CAP). These rights are among the highest priority for delivery within the CAP system. In fact, a shortage declaration in 2016 would have no impact on the City's CAP supplies due to their high priority. A shortage declaration in 2016 would reduce CAP deliveries for recharge and some agricultural uses. There would be no reduction in municipal and industrial water deliveries. The first chance that Phoenix's CAP supplies

could possibly be reduced due to shortage is not projected to occur before 2020; even then, the reduction would only be a small percentage of the total CAP entitlement.

Although Colorado River water is an extremely important source of water for Phoenix, it supplies less than half of the water delivered by the City to its customers. The City's other major source of water is Salt and Verde River water delivered via the Salt River Project (SRP) system. In 2012, Phoenix took delivery of about 152,000 AF of Salt/Verde River water from SRP. Phoenix also operates its own system of groundwater wells, which supplied about 7,700 AF of water in 2012. Finally, water exchanges using reclaimed effluent make up the remaining supply of water used by the City to meet customer demands. This source provided more than 18,000 AF of water to Phoenix in 2012.

In addition to the flexibility provided by the multiple sources of water described above, Phoenix has taken additional steps over the years to make sure that it has sufficient water to meet customers' needs. Such steps include:

- Storing more than 180,000 AF of excess CAP water and reclaimed effluent underground for future recovery;
- Paying for the installation of gates at Horseshoe Dam on the Verde River to increase storage capacity at Horseshoe Reservoir. Phoenix currently has nearly 60,000 AF of Gatewater in storage;
- Paying a portion of the costs to raise Roosevelt Dam, thereby securing capacity in the New Conservation Storage (NCS) space created by raising the dam.
 Phoenix currently has more than 112,000 AF of NCS water in storage.

Through years of effective planning and strategic action, the City of Phoenix has secured a robust portfolio of water supplies necessary to satisfy the needs of its customers. At the same time, Phoenix water customers have adapted to living in the desert by using water more efficiently and reducing their individual water needs. As a result, the City is well-positioned to continue meeting all of its customers' water demands, even during long-term droughts in the region like that which we have experienced over the past fourteen years.

RECOMMENDATION

This report is for information only.