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

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, October 8, 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 September 10, 2013 Transportation and Infrastructure Subcommittee Meeting Minutes.
   Page 5

Items 3-5 are for Information Only. Although no presentation is planned, staff will be available to answer questions.

*3. 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 15

4. Digital Flood Insurance Rate Maps (DFIRM) Update
   Wylie Bearup, Street Transportation
   This report provides information concerning Federal Emergency Management Agency (FEMA) updates to the Digital Flood Insurance Rate Maps (DFIRM) for Maricopa County, which will impact properties within Phoenix city limits. The updated maps will become effective on October 16, 2013.
   This item is for information only.
   Page 17
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<td>5.</td>
<td><strong>Issue a Request for Proposals (RFP) for a Regional Procurement for the Purchase of Replacement Heavy Duty Transit Buses</strong>&lt;br&gt;This report provides information on efforts to issue a Request for Proposal (RFP) under a joint procurement process with the Regional Public Transportation Authority (RPTA) for the purchase of heavy duty transit buses for Valley Metro bus service. This item is for information only.</td>
<td>Maria Hyatt, Public Transit</td>
<td>21</td>
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<td>6.</td>
<td><strong>Solid Waste Program Study Recommendations</strong>&lt;br&gt;This report requests the Subcommittee recommend City Council approval to implement a Pay-As-You-Throw solid waste collection system, Curbside Green Organics collection, On-Call Residential Bulk Trash collection, and increase outreach, education, and compliance efforts to achieve cost-effective solid waste collection and diversion to help meet the City’s 40 percent diversion goal by 2020. This item is for information, discussion and possible action.</td>
<td>Neil Mann, Public Works</td>
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<td>7.</td>
<td><strong>Authorization to Issue Request for Proposals on City-Owned Property at 300 North Central Avenue</strong>&lt;br&gt;This report requests that the Subcommittee recommend City Council approval to issue a Request for Proposals (RFP), select a development team, and begin negotiations for an urban, mixed-use, transit-oriented development on City-owned property at 300 North Central Avenue. This item is for information, discussion and possible action.</td>
<td>John Chan, Community and Economic Development and Maria Hyatt, Public Transit</td>
<td>27</td>
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<td>8.</td>
<td><strong>Update on EPA’s Proposed Bart Ruling at Navajo Generating Station and Potential Impacts on Water Costs</strong>&lt;br&gt;This report provides information to the Subcommittee on recent activities associated with the Navajo Generating Station and how they could impact the cost of water to the City of Phoenix. This item is for information and discussion.</td>
<td>Cliff Neal, Water Strategy</td>
<td>29</td>
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8. **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.

9. **Request for Future Agenda Items**

10. **Adjournment**

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<td>Chair Williams</td>
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For further information, please call Cynthia Aguilar, Management Assistant, City Manager’s Office, at 602-495-7195 or Stacey Hettmansperger at 602-495-5600.

**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 Stacey Hettmansperger at 602-495-5600 as early as possible to coordinate needed arrangements.

October 3, 2013
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1. **Call to Order**
Chairwoman Williams called the meeting to order at 10:06 a.m. with Councilmen Johnson, Waring, and Valenzuela present.

2. **Review and Approval of the June 19, 2013 Transportation and Infrastructure Subcommittee Meeting Minutes.**

Councilman Johnson moved to approve the minutes from the June 19, 2013 Transportation and Infrastructure Subcommittee meeting. Councilman Valenzuela seconded the motion, which passed 4:0.

3. **American Waterworks Association (AWWA) and National Association of Clean Water Agencies (NACWA) Annual Fees.**
4. **City of Phoenix Participation in Water and Wastewater Research Program.**

Councilman Johnson moved to approve items 3 and 4. Councilman Valenzuela seconds. Motion passed 4:0.

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

This item is for information only.


This item is for information only.

7. **Authorization to Dispose of City Owned Property at 75 West Camelback Road and Issue RFP for Transit-Oriented Development**

Public Transit Director Maria Hyatt stated that this property was purchased with the light rail in mind. Since the transit center nearby was developed, the property is no longer needed for future transit purposes. Ms. Hyatt said the property is a prime location for development.

Mr. Knudson stated that the property was currently a bus transit center to provide connectivity between light rail and bus transit. He outlined a plan to proceed with an RFP process through October and November 2013, with City Council approval of the agreed upon disposition terms around February 2014.

Mr. Knudson also highlighted the fact that Federal Transit Authority (FTA) disposal requirements apply here. He stated since the property was purchased with light rail funds using Transit 2000 money and federal funds, FTA must approve of the sale. He also explained the property must be appraised in a competitive, open process and the disposal agreement must establish fair market value for the property. He added the FTA share of purchase price MUST be reinvested back into a transit project, which has not yet been identified.

Mr. Knudson outlined some of the things they are looking for in responses to the RFP requirements: (1) proposed development should provide additional revenue to the city and be compatible with transit (2) looking for mixed use development as Public Transit works with Community and Economic Development Department (CED) and (3) the development must not obstruct access to transit station. Mr. Knudson added it will include a timely development clause to spur development in a reasonable period of time.

According to Ms. Hyatt, proposals would come back to the City Council and the proposed timeframes from developments would be brought before the Subcommittee before any action is decided.
Councilman Johnson stated that there is currently a park and ride lot near the location and he wondered if this space should be used to increase parking for the Park N Ride. Mr. Knudson responds that this property was not really conducive for parking because of the access and shape of the parcel.

Ms. Hyatt stated that transit oriented development proposals received propose a parking proposal to supplement parking at the park and ride. She added the two park n ride lots nearest to this site were not at capacity.

Councilman Johnson reiterated the size and layout of the parcel may or may not be an obstacle for a developer. Ms. Hyatt responded the layout of any development is up to the developer who must work with Planning and Development and Streets Transportation Departments to meet site criteria but stated that developers could be creative to meet parking needs.

Councilman Johnson asked about the fair market value of this property. Ms. Hyatt responded that an independent appraiser will look at comparable sales to make the final determination on a sale price.

Councilman Valenzuela motioned to recommend the City issue an RFP for the site. Councilman Johnson seconded. Motion passed 4:0.

8. **Agreement for the Transfer of Abandoned Reclaimed Water Pipelines to Serve Club West Golf Course**

Deputy City Manager Rick Naimark introduces Deputy Water Services Director Brandy Kelso and Water Services Director Kathryn Sorensen.

Ms. Kelso stated that this issue was about the transfer of unused, reclaimed water pipelines to Club West Golf Course. According to Ms. Kelso stated it is worth noting that Club West and Foothills Golf Courses are owned by the same entity.

Ms. Kelso also noted that at Central Avenue and Pecos Road, there used to be a reclamation plant in the area owned by the City of Phoenix.

According to Ms. Kelso, in the 1990s, the City shut down the reclamation plant due to the plant not meeting the needs of the golf course. Club West and the City of Phoenix reached a 15 year agreement on water rates, an agreement that expires in October 2013.

Ms. Kelso stated the proposal is that the City take reclaimed abandoned lines and transfer the lines to Club West. Club West would take on risk, ownership, and maintenance of these lines. She added they must also address easement issues and resolve a few right-of-way issues. Ms. Kelso discussed for Club West, the plan was to connect lines already owned by Club West that would allow them to move groundwater from their existing well over to Club West, sharing water between their properties.
She added Club West has also asked for a 180 day extension of current rate agreement, allowing for construction, testing, etc. of the soon to be linked line. She noted that full City Council approval of this proposal would not be done until Club West had met all contractual obligations.

Councilman Johnson asked for clarification of the contractual obligations and issues mentioned. Ms. Sorensen explained Club West was currently delinquent on their city services bill. She stated that Club West was informed that they must be current before this matter is put before the full Council.

Councilman Johnson also asked if this proposal impacts the Loop 202 Freeway proposal. Ms. Kelso stated that there is no impact. She added the groundwater well is in the foothills area and might have to be moved or altered according to ADOT’s specifications however the City’s lines and interests are unaffected. Ms. Sorensen added it is preferable that turf facilities not be on potable water because it stresses the infrastructure.

Councilman Johnson inquired about a projected date when this item was expected to go to the Council. Mr. Naimark indicated that there was no timeline set at this point. He added it was before them today as it would give Club West enough time to react to formal notice that they must meet their obligations before further action would be initiated.

Councilwoman Williams asked how the City would know if Club West follows through on their plans. Ms. Kelso stated that we have no guarantee of that. We are trying to facilitate the process but it is up to Club West to make the connections. They will still have the potable water as a backup should they decide against taking this action, but it reverts to the full rate once the agreement expires.

Deputy City Manager Rick Naimark added that there is a financial incentive for Club West because they will be paying a lot more for water once the 15 year agreement expires.

Councilwoman Williams asked if the discounted rate Club West has negotiated with the City of Phoenix is transferable to another entity.

According to Ms. Sorensen responded if Club West sold the property within 180 days, then the 75% potable rate would likely be transferable. Outside of the 180 period, the new owner would have to come in and negotiate a new rate or extension.

Councilman Johnson motioned the that item move forward but not go before the full City Council for approval until all contractual obligations by Club West are met. Councilman Valenzuela seconded. Motion passed 4:0.
9. **Sonoran Desert Drive – Design Build Finance Update**

Deputy City Manager Rick Naimark introduced Street Transportation Director Wylie Bearup and Deputy Street Transportation Director Shane Silby.

Mr. Bearup stated the City is attempting to accelerate a project using the design-build project.

Mr. Silsby explained the proposed 6-lane arterial to connect I-17 freeway and North Valley Parkway would cost around $31 million from 2016-2020. And that the first three years were currently approved. He added to complete the project whatever financing mechanism pursued, cannot negatively impact the City’s bond rating.

Mr. Silby outlined the two-step design build procurement process to accelerate the project. He also unveiled the project timeline, moving toward opening of the freeway in December 2015.

According to Mr. Silsby, the City would be constructing some preliminary items such as grading and roadway work before the final design is even chosen to speed up the process. He explained the City would work through anticipated water issues as the project crosses the wash in the area.

Mr. Silsby unveiled a series of financial scenarios with different interest rates. He also noted that the cost of construction increases annually, which is another factor in deciding the method to move forward sooner rather than later. Mr. Silsby concluded by requesting Subcommittee approval. He added once the firm was selected, staff would return to the Council.

Councilman Johnson added design-build works well for the City overall and helps the city financially. He stated he endorses it as a preferred approach for the city for major projects in the future.

Councilwoman Williams also stated her support for the project because the area is growing rapidly and the building method was cost-effective for the City of Phoenix.

Councilman Johnson moved for approval, seconded by Councilman Valenzuela. The motion passed 4:0.

10. **ADOT Urban Logo Sign Program**

Deputy Street Transportation Director Thomas Godbee began by noting that the Arizona Department of Transportation (ADOT) is erecting logo signs in the urban areas primarily on I-17 and Loop 101. Businesses within 3 miles of the roadways are eligible for a presence on the signs.
According to Mr. Godbee, statewide, $8-10 million additional dollars can be raised and returned to the state highway fund with a portion issued back to the City.

Mr. Godbee stated that some advantages for the City of Phoenix participating in the Urban Logo Sign Program were enhanced visibility to city businesses and a boost in revenue for the City in a previously untapped revenue stream.

Mr. Godbee also noted disadvantages such as sign clutter on the freeways and streets, maintenance issues even though ADOT would maintain, and that not all businesses near freeway will qualify, raising concerns about the selection process for businesses.

Councilman Valenzuela questioned the process on how participating businesses would be chosen. Mr. Godbee stated ADOT would make that determination as it is a state program.

Councilman Johnson stated his support for the idea and asked if Celebrity Theater would qualify for a sign. He encouraged staff to consider presentations to the downtown area businesses to encourage their participation as well.

Mr. Bearup responds that ADOT is actually avoiding the downtown area and concentrating on other areas of the City. He explained sign clutter would likely prevent participation from the downtown area. Mr. Bearup also stated that letters are being sent to businesses within 3 miles of the designated corridors/intersections informing them of their eligibility to participate.

Councilman Johnosn reiterated his support to highlight major downtown attractions on signs to inform passersby of all of the sights in the downtown area. He urged staff to explore this possibility with ADOT.

Councilman Waring inquired about the three mile distance. Mr. Bearup responded that it is a three mile circle from the intersection off the freeway.

Mr. Waring also noted that three miles is a long way and signs for certain businesses might be confusing since many travelers, after exiting, usually expect to see that business right away. If it is located up to three miles away, it might irritate or confuse travelers.

11. Traffic Calming Program Update

Mr. Godbee provided an update on the traffic calming program. He stated that in the early days of the program, the residents paid for calming devices. Mr. Godbee stated in 2013, the City would start doing speed cushions on collector streets, giving neighborhoods another option for traffic calming.

Mr. Godbee noted that this would protect neighborhoods from cut-through and excessive speeding. To secure a traffic calming device, Mr. Godbee stated that
70% of neighbors in the neighborhood boundary must approve, and 100% of those within 100 feet of the proposed device must approve.

Mr. Godbee explained that in the past three years, more than 60 traffic calming measures have been installed. Mr. Godbee also stated that 13 projects are currently unfunded/backlogged. He added landscaping, irrigation; lighting, decorative surface treatments all combine to boost costs, resulting in the delays. He stated it is estimated that it would take 15-20 years to complete backlog, assuming no new projects. He stated this proposal aims at developing a new strategy needed to accelerate projects.

Mr. Godbee spelled out some efficiency enhancements such as the proposal to reduce aesthetics of traffic calming devices, resulting in a 50-60 percent cost reduction. He then added that residents would be expected to pay for landscaping/decorations.

Mr. Godbee stated that speed cushions are a way to address demands of residents who want traffic calming devices. He explained speed cushions have a wheel path cutout for fire trucks which would amount to $250,000 in savings. He also noted that the Phoenix Fire Department has also endorsed device.

Mr. Godbee noted that more than 2600 devices have been installed in the past 28 years. Declining funding, he explained, means the City have to be more efficient. Program changes and installations of speed cushions instead of traffic circles could save $2.3 million over next 10 years.

Councilwoman Williams asked if it was the department’s plan to go back and offer these new options to the projects that are backlogged

Mr. Godbee said that it is the objective to do so. By doing so, the City could accelerate the timeframe for completion. He added the City could also reduce costs by using speed cushions in lieu of traffic circles.

Councilman Johnson inquired about a timeframe for completion utilizing the newly proposed device.

Mr. Godbee responded that is depends on what residents want to do. If they want expensive devices, the City can provide it but it will come down to funding. Speed cushions, according to Mr. Godbee, could be done for 5-8 thousand dollars. He estimated the City could clear our backlog in less than 5 years, he estimated.

Councilwoman Williams asked that staff update the Subcommittee on how this progresses.

12. Water Supply Update

Rick Naimark introduced Water Management Resources Advisor Clifford Neal to address growing concern about the City of Phoenix’s water supply.
Mr. Neal called attention headlines regarding the City’s water supply and stated that the City is in a good shape.

According to Mr. Neal, a recent reduction in water released from Lake Powell is not indicative of a shortage declaration on the Colorado River. He added the last two years of inflow into Lake Powell has been the worst two years in recorded history.

Mr. Neal further explained that this is an issue of balance in the reservoir system. He explained in previous years, Lake Powell released a little more water than it usually does and had not done so, the City would not be seeing a reduction in the amount its releases this year. He stated this process did not necessarily mean water is becoming scarce. Mr. Neal stated the City was in the middle of a 14 year “worst drought on record” but the reservoir system is still nearly 50% full.

Mr. Neal explained a recent study indicated significant chance that a shortage could occur on the Lower Colorado River as early as 2016 if there is continued low-flow into Lake Powell and the system. He stated this would reduce availability to the Central Arizona Project but would not impact the City of Phoenix’s CAP water supplies. In fact, he stresses there would be no impact on Phoenix’s CAP before 2020 if the drought continues for another 6-7 years, and even then, it would be minimal.

Mr. Neal explained the City of Phoenix gets its water from several sources:

- Salt/Verde River (49-51%)
- Colorado River – CAP (43-45%)
- Groundwater (2-3%)
- Reclaimed wastewater (4-5%) which is used for nonpotable and used as exchange for potable uses. Most of this is delivered for agricultural uses or the nuclear power generating system.

Mr. Neal stated if one system is short, the other system can make up for it. The City of Phoenix also has several water storage facilities as additional drought insurance. Mr. Neal also noted that for those seeking further understanding of the City of Phoenix’s long-range plan for dealing with drought; he recommended they consult the 2011 Water Resource Plan.

Councilman Johnson asked if the City of Phoenix has a reliable water supply.

Mr. Neal responded that, in simple terms, the city is in extremely good position, unlike other places such as Atlanta who depend almost entirely on rainfall for their reservoir system. Mr. Neal added that the City of Phoenix is not even using all of the options available to it. He stated the City is positioned well for significant future growth as well.

Mr. Waring asked if it is true that the City is using the same amount of water now as in 1990. Mr. Neal confirmed that this is true.

Councilman Waring asked if the City still has a 100 year supply of water.
Mr. Neal replied the City has planned for worst case/best case scenarios. He stated the Water Resource Plan addresses a wide range of factors. He added in the future, for sustainability purposes, we might need to work with our residents on conservation, but people are adapting and using less water. He stated only 3% of our water supply is from groundwater, but we could use a lot more. He explained if the City has to pump groundwater for a time, it could. He commented the City was also in the process of identifying additional sources to add to our water system.

Councilwoman Williams thanked Mr. Neal and emphasized that the City ought to publicize the fact that it is in excellent shape with respect to its water supply.

13. **Call to the Public**

Marvin Rochelle expressed concern with the City's dial-a-ride system. He stated it is so overloaded that getting rides at certain times of the day requires hours of waiting. He stated that to attend the Subcommittee session that morning, he had to take a 7:30 a.m. ride to arrive by 10:00 a.m. Mr. Rochelle speculated that cutbacks from a few years ago have led to reductions in trips. He stated that he would like to see some of the funding restored to make the system more user-friendly.

14. **Request for Future Agenda Items**

Councilwoman Williams requested an item about customer service in the Water Services Department.

Councilwoman Williams suggested an item to consider a new design standard for roadway medians in order to pursue change our ordinances to address panhandling.

15. **Adjournment**

Councilwoman Williams adjourned the meeting at 11:32 a.m.
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
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
This report provides information concerning Federal Emergency Management Agency (FEMA) updates to the Digital Flood Insurance Rate Maps (DFIRM) for Maricopa County, which will impact properties within Phoenix city limits. The updated maps will become effective on October 16, 2013.

THE ISSUE

FEMA compiles statistical data on river flows, storms, hydrologic/hydraulic analyses, rainfall, and topographic surveys to create flood hazard maps that outline a community's different flood risk areas. Changing weather patterns, erosion, development, and new flood control improvements can affect floodplain boundaries. FEMA is currently updating the nation’s Digital Flood Insurance Rate Maps (DFIRMS), which provide an official depiction of flood hazards for each community and properties located within it.

Maricopa County is one of the last three counties in Arizona to go through the process. The new maps capture flood hazard zone modifications due to flood control projects and other changes since the maps were last updated in 2005. The improvement projects have resulted in removal of approximately 3,100 structures from previous flood hazard areas throughout the city. This may allow property owners to eliminate or reduce the flood insurance premiums on the structures.

However, the revised maps also indicate isolated locations within the city that are in new floodplain areas. There are approximately 17 structures located in these areas. Impacted property owners may be required by their mortgage holders to carry mandatory flood insurance, which could range from $400 to $800 annually for residential properties. The locations of the new floodplain areas are indicated on the map in Attachment A.

OTHER INFORMATION

FEMA posted a 90-day appeal/protest period in local newspapers for the citizens of Maricopa County. The appeal/protest period expired on January 18, 2012. The Flood Control District of Maricopa County (FCDMC) has published the updated DFIRM on their web site at www.fcd.maricopa.gov/GIS/dfirm_maps.aspx.

Public Outreach by City of Phoenix Floodplain Management staff will begin with notifications in the Phoenix@Your Service September/October 2013 issue and the City
On-Hold messaging service to inform property owners within the City about the impacts of the revised DFIRM. In addition, continued outreach to public will made using Twitter, Facebook and Phoenix 11. Staff will also evaluate future capital improvement projects designed to mitigate the impacts of the updated DFIRM.

RECOMMENDATION

This report is for information only.

Attachment
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TO: Neal Young  
Senior Executive Assistant to the  
City Manager

FROM: Maria Hyatt  
Interim Public Transit Director

SUBJECT: ISSUE A REQUEST FOR PROPOSALS (RFP) FOR A REGIONAL  
PROCUREMENT FOR THE PURCHASE OF REPLACEMENT HEAVY  
DUTY TRANSIT BUSES

This report provides information on efforts to issue a Request for Proposals (RFP) under a joint procurement process with the Regional Public Transportation Authority (RPTA) for the purchase of heavy duty transit buses for Valley Metro bus service.

THE ISSUE

On January 8, 2013, Phoenix City Council approved the implementation of the Public Transit Department (PTD) long-term fuel and bus procurement strategy, which included considerations for a regional bus procurement of heavy duty transit buses to replace retirement-eligible vehicles.

This regional bus procurement RFP will be a joint procurement with the RPTA and will include language for assignment options for use by Valley Metro member agencies to purchase transit vehicles. A single procurement on behalf of the City of Phoenix and the RPTA will afford the transit agencies with a strategic regional procurement whereby economies of scale are achieved through a bulk purchase commitment.

The RFP will address Phoenix’s transit vehicle replacement needs, which are currently estimated at 230 units over a five-year period in 40-foot (standard), 45-foot (RAPID), and 60-foot (articulated) vehicle lengths. PTD plans to replace buses which have reached the end of their useful life per Federal Transit Administration (FTA) guidelines of 12 years or 500,000 miles.

OTHER INFORMATION

The RFP is FTA compliant and will include a five-year contact term that adheres to the FTA term limit for rolling stock purchases. The RFP is specifically structured to allow PTD and the RPTA to order various bus lengths and configurations from one or more manufacturers to meet specific agency needs. To accomplish this, specifications outlining each agency’s preferences are included in the RFP, such as ADA accessibility, engine, transmission, axle, brake and paint scheme requirements. These options are available to all partner agencies. Staff anticipates release of the RFP in October 2013. The RFP will contain evaluation criteria and processes as well as a transparency in lobbying clause. The RFP criteria will focus on:
1. Price proposal (400 points): Total price for the base requirements, plus the total option prices.

2. Technical proposal (600 points): Overall design, product quality and performance, support and warranty, and delivery schedule.

Staff will return to the Transportation and Infrastructure Subcommittee in March 2014 to request approval of an award recommendation once proposals have been evaluated by qualified Phoenix and RPTA staff.

The FY2014-2018 Capital Program, the Transit Life Cycle Program and the regional Transit Improvement Program (TIP) all include heavy-duty transit vehicles (30’ and larger) for replacement to meet the needs of Phoenix and Valley Metro member agencies. The RFP will provide for both compressed natural gas (CNG) and diesel powered buses and contain vehicle requirements for the City of Phoenix, RPTA, and member transit agencies as listed in the following table:

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The estimated cost for a bus ranges from $536,000 for a 40-foot bus to $729,000 for a 60-foot bus, depending on the type of bus and onboard components specified. The overall projected cost for the five-year period for Phoenix bus purchases is estimated at $132 million. PTD bus purchases will be funded through a combination of federal and regional transit funds, with approximately 83 percent of vehicle costs funded through federal grants.

RECOMMENDATION

This report is for information only.
TO: Neal Young  
Senior Executive Assistant to the  
City Manager  

FROM: Neil Mann  
Public Works Director  

SUBJECT: SOLID WASTE PROGRAM STUDY RECOMMENDATIONS  

This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to implement a Pay-As-You-Throw solid waste collection system, Curbside Green Organics collection, On-Call Residential Bulk Trash collection, and increase outreach, education, and compliance efforts to achieve cost-effective solid waste collection and diversion to help meet the City’s 40 percent diversion goal by 2020.

Staff also requests approval to postpone the solid waste managed competition bid schedule for one cycle of two years, to allow the proposed changes to be fully implemented. The next bid process would be 2016, with the winner assuming service in 2017. This would only affect bid area G, located in the southwest portion of the city.

THE ISSUE

The City of Phoenix established a goal to divert 40 percent of municipal solid waste by the year 2020. On January 16, 2013, City Council approved the strategic review of the current solid waste program and entered into a contract with SAIC Energy, Environment & Infrastructure, LLC (SAIC) for a Solid Waste Program Study. The program study is a strategic review of the current solid waste program and includes a budget review and identifies areas of potential savings; evaluates operational efficiencies; provides strategies to help achieve a 40 percent diversion rate of solid waste from the landfill by 2020, and reviews technologies and methods to improve program efficiencies.

OTHER INFORMATION

In conjunction with analysis and feedback from a Project Advisory Group, SAIC identified solid waste service strategic alternatives for implementation over the next two to three years to facilitate progress toward the 40 percent diversion goal by 2020. The initial strategy for solid waste fee-paying customers (mostly single-family residences), as introduced to the Transportation and Infrastructure Subcommittee on June 19, 2013, includes:

1. Pay-As-You-Throw (PAYT) System - Implementation of a PAYT system with lower fees for smaller containers, which have proven to encourage waste reduction and increased recycling. This program is projected to be phased in starting July 2014. Implementing a PAYT system allows curbside collection residents to pay for service based on the container size they elect to use for their residence. The variable rate structure will introduce a smaller 60-gallon container option versus the traditional 90-gallon curbside
container. Alley collection will remain through the use of 300-gallon containers. A recommended rate structure would be developed to encourage more diversion while being revenue neutral.

2. Green Organics Curbside Collection Service - Implementation of a weekly curbside collection of containerized organics on a voluntary, subscription basis for an additional fee. This program is projected to be phased in starting July 2014. Public Works currently offers a containerized green organics collection (tan container) program for curbside collection in select areas of the city. Staff proposes to expand this elective service citywide over a period of time. The 90-gallon tan container enables residents to place grass, shrub and tree clippings in a separate container to ensure it will be diverted from the landfill and then mulched and/or composted for beneficial use.

3. On-Call Bulk Trash Program - Replace the current quarterly bulk trash collection program by offering two on-call collections each year. Residents would set out brush separate from bulk items and contact the City for collection at their convenience. This program is projected to be phased in starting December 2014.

Current bulk trash pick-up service consists of four scheduled collections per calendar year and is organized by geographic area. History demonstrates that most Phoenix residences do not put out material for all four events. The proposed On-Call Bulk Trash Program will allow residents to request two bulk trash pick-ups at their convenience throughout the year, which will be part of the monthly solid waste base fee. The new bulk trash program will require residents to place their materials in front of their residence (or in the alley) and the volume will be limited to 20 cubic yards per collection event.

4. Increased Efforts For Community Outreach - Studies have shown that successful solid waste programs include a strong community outreach, education, and compliance component. Public Works is prepared to move forward with a more intensive community campaign with City Council support.

The strategies outlined in this report will impact the current monthly base rate of $26.80 per residential household. A variable rate fee structure through a PAYT program will introduce various monthly rates for assorted container sizes. Public Works’ goal is to develop a variable rate fee structure focused on revenue neutrality and ensuring cost equity for all services provided. Depending on the City Council approved rate structure, which is scheduled for Council consideration early 2014, the projected change in total annual Solid Waste revenue could range from a decrease of 2 percent to an increase of 3.5 percent.

With implementation of these four strategies, the diversion rate for all material delivered to City transfer stations is projected to increase from 15.9 percent (FY 2012-13) to between 22 and 27 percent, once fully implemented over a two to three-year period. Staff will continue to develop additional long-term strategies to meet the 40 percent diversion goal, and when completed, return to the Transportation & Infrastructure Subcommittee and City Council for approval.
Upon approval of the recommended strategies, staff also recommends that the current managed competition bidding process for Service Area G for residential solid waste collection be postponed by two years. Since 1979, Public Works has practiced managed competition, which allows private solid waste haulers to bid on residential solid waste and recycling collection service. In order to ensure the bidding process includes the new proposed service offerings, all program changes must be implemented prior to initiating the managed competition process.

RECOMMENDATION

This report requests the Transportation and Infrastructure Subcommittee recommend City Council approval to implement a Pay-As-You-Throw solid waste collection system, Curbside Green Organics collection, On-Call Residential Bulk Trash collection, and increase outreach, education, and compliance efforts to achieve cost-effective solid waste collection and diversion. If approved by Council, staff will return by March 2014 with proposed solid waste fee adjustments for review and action.

Staff also requests approval to postpone the solid waste managed competition bid schedule for one cycle of two years, to allow the proposed changes to be fully implemented. The next bid process would be 2016, with the winner assuming service in 2017. This would only affect bid area G, located in the southwest portion of the city.
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This report requests that the Transportation and Infrastructure Subcommittee recommend City Council approval to issue a Request for Proposals (RFP), select a development team, and begin negotiations for an urban, mixed-use, transit-oriented development on City-owned property at 300 North Central Avenue.

THE ISSUE

The existing Central Station Transit Center facility is sited on property bounded by Central and First Avenues on the east and west, and by Van Buren Street and Civic Space Park on the south and north. The multi-modal facility is situated in the heart of downtown Phoenix, and staff has received interest in potential transit-oriented development on the site.

If approved by the City Council, staff would issue a solicitation to receive competitive proposals from qualified development teams to redevelop the 111,688 square feet of City-owned property located at 300 North Central Avenue, known as Central Station Transit Center. Although transit uses still need to be served, opportunities exist to accomplish a mixed-use development on the property that accommodates public transit need and private development, all consistent with the Council-approved Downtown Strategic Plan.

OTHER INFORMATION

The Central Station Transit Center facility was originally constructed in 1997, using funding from the Federal Transit Administration (FTA), to serve as the central hub for bus routes. In 2008, light rail stations were constructed adjacent to the facility on First and Central Avenues. In 2011, the facility was refurbished using a $4 million American Recovery and Reinvestment Act grant. The FTA is supportive of joint development with its federally-funded projects; however, the FTA's existing financial interest in the facility
and property would need to be taken into consideration in any agreement that would emerge from the RFP process.

This property provides the City a unique opportunity to encourage a mixed-use, transit-oriented development project that could include residential, commercial, and other transit supportive uses while enhancing transit user amenities. The project has the opportunity to increase public transportation ridership, new downtown investment, more pedestrian and street level activity, and new jobs. Finally, it is anticipated that a development agreement would provide additional revenue to the City to be used to support the public transit system.

To create maximum interest and opportunity for success in this public-private partnership, the RFP would allow lease, sale, or a combination of both on all or part of the property, providing flexibility and allowing the City to be highly responsive to market conditions. If disposition of a portion of the property is approved, the value of that land will be based on fair market value. All development proposals will be required to indicate how the necessary transit use and purpose will be integrated or replaced effectively. In recognition of the importance of this site, as well as the City’s desire to receive high quality responses, the RFP will require proposers to provide a deposit with their submittals. The RFP will remain open for at least 30 days, and business terms will be presented to City Council for approval prior to entering into an agreement. FTA concurrence will be required throughout this process.

RECOMMENDATION

The Community and Economic Development and Public Transit departments jointly request the Transportation and Infrastructure Subcommittee recommend City Council approval to issue a RFP, select a development team, and begin negotiations for an urban, mixed-use, transit-oriented development on City-owned property at 300 North Central Avenue.
TO: Rick Naimark
Deputy City Manager

FROM: Cliff Neal
Water Resources Management Advisor

SUBJECT: UPDATE ON EPA’S PROPOSED BART RULING AT NAVAJO GENERATING STATION AND POTENTIAL IMPACTS ON WATER COSTS

This report provides information to the Transportation and Infrastructure Subcommittee on recent activities associated with the Navajo Generating Station and how they could impact the cost of water to the City of Phoenix.

THE ISSUE

On February 5, 2013, the Environmental Protection Agency (EPA) issued a proposed Best Available Retrofit Technology (BART) rule for the Navajo Generating Station (NGS) to reduce emissions of nitrogen oxides (NOx) from the coal-fired power plant. The EPA's proposed BART rule, which includes the most stringent NOx standard in the nation, would require installation of Selective Catalytic Reduction (SCR) on all three units at NGS by 2018 for the purpose of improving visibility at eleven National Parks and Wilderness Areas in the general area, including the Grand Canyon. In recognition of the unique circumstances surrounding the plant, the EPA also proposed a BART alternative that would allow for an extended schedule requiring installation of SCR on one unit per year between 2021 and 2023. In addition, the EPA invited "suggestions for other alternatives that reduce NOx emissions at NGS and its contribution to visibility impairment while providing long-term, sustainable benefits to tribes."

In response to EPA’s proposal, NGS owners and stakeholders formed a Technical Working Group (TWG) to identify potential alternatives. The TWG was comprised of representatives from Salt River Project (SRP), Central Arizona Water Conservation District (CAWCD), the Gila River Indian Community, the Navajo Nation, the Environmental Defense Fund, the U.S. Department of the Interior and Western Resource Advocates. As a result of extensive discussions and negotiations, the TWG developed a "Reasonable Progress Alternative to BART" containing two "better than BART" alternatives, both of which achieve greater NOx emission reductions than the EPA's proposed rule. This alternative proposal, known as the TWG Proposal, was submitted to the EPA Region 9 Office on July 26, 2013.

On September 25, 2013, the EPA issued a notice indicating that it has added the TWG Proposal as a third option in its BART rulemaking process. The EPA is accepting public comment through January 6, 2014, and has announced a series of five open houses/public hearings to be held at various locations around Arizona during the week of November 12, 2013. One of the hearings is scheduled to be held at the Phoenix Convention Center on November 14.
NGS is the power plant that provides the energy necessary to pump Colorado River water through the Central Arizona Project (CAP) into central and southern Arizona. CAP water currently makes up about 43 percent of the City of Phoenix’s water supply. All of the alternatives included in EPA’s proposed BART ruling will impact the cost of CAP water in the future. Representatives from CAWCD (operator of the CAP) and SRP (co-owner and operator of NGS) will provide the Transportation and Infrastructure Subcommittee with an overview of these recent developments at NGS and how they may impact CAP water costs.

RECOMMENDATION

This report is for information only.

Attachments