

## Minutes City Council Issue Review Session November 13, 2014

Minutes of the Tempe City Council Issue Review Session held on Thursday, November 13, 2014, 6:00 p.m., in the City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

### **COUNCILMEMBERS PRESENT:**

Mayor Mark W. Mitchell  
Councilmember Robin Arredondo-Savage  
Councilmember Kolby Granville

Vice Mayor Onnie Shekerjian  
Councilmember Shana Ellis  
Councilmember Joel Navarro

### **COUNCILMEMBER ABSENT:**

Councilmember Corey D. Woods

### **STAFF PRESENT:**

Andrew B. Ching, City Manager  
Judi Baumann, City Attorney  
Brigitta M. Kuiper, City Clerk  
Various Department Heads or their representatives

Ken Jones, Deputy City Manager – Chief Financial Officer  
Steven Methvin, Deputy City Manager – Chief Operating Officer  
Eric Iwersen, Principal Planner

### **OTHERS PRESENT:**

Steve Banta, Chief Executive Officer, Valley Metro  
Wulf Grote, Director of Planning and Development, Valley Metro  
Kate Hanley, Executive Director, Tempe Community Council (TCC)  
Louraine Arkfeld, TCC Board President

***Mayor Mitchell called the meeting to order at 6:10 p.m.***

## **Call to the Audience**

Matt Mooney, Vice President and Managing Director, Parkway Properties, Inc., expressed appreciation for the City Council's work on the Streetcar project. The City should expend the \$73 million in local funds already programmed to move forward with the project. The streetcar will help mitigate traffic congestion along Rio Salado Parkway and give Tempe a competitive advantage over other office markets in the Valley and across the United States.

Charles Goffnett, owner of Brand X Custom T-Shirts on Mill Avenue in Tempe, expressed support for moving forward with the Streetcar project as it will meet the strong demand to move people around the downtown area, address downtown parking issues, enhance the commercial market, and promote innovation.

Kate Borders, President/Executive Director, Downtown Tempe Authority (DTA), stated that the DTA Board of Directors voted unanimously to support the Streetcar project. The streetcar will provide a green and efficient way to move people around the downtown area and connect them to the immediate neighborhood, enable Tempe to compete on a global scale, continue to attract employers to the area, and encourage further development. DTA urges the City Council to move forward with the project, using the funds currently programmed.

## Streetcar Update

Eric Iwersen, Principal Planner, stated that at the June 12, 2014 Issue Review Session (IRS), the City Council received a status update on the Streetcar project and expressed support for the reconfigured Locally Preferred Alternative (LPA). Mr. Iwersen provided an overview of tonight's presentation. No City Council action is requested tonight. Key critical decisions will be presented to the City Council for consideration at the January 8, 2015 IRS.

Valley Metro representatives Steve Banta, Chief Executive Officer, and Wulf Grote, Director of Planning and Development, delivered a slide presentation providing background information on the Small Starts Grant Application; proposed streetcar stop locations; and vehicle propulsion options including the Kinkisharyo prototype, On-Board Energy Storage (OBES) with battery packs or supercapacitors, Overhead Contact System (OCS) with cantilever arms or span wire, and typical two-wire catenary system with cantilever arms. Information was also provided comparing the OBES (wireless or off-wire) and OCS (on-wire); streetcar vehicle size; light rail vehicle option; opportunity for combined Light Rail Transit vehicle procurement; and secured and anticipated additional funding from various sources. The total cost of the Streetcar project is estimated at between \$175 million and \$200 million, depending upon the selected vehicle type and propulsion system. The capital costs may be reduced by value engineering.

Mr. Iwersen reviewed the next steps:

- November 18, 2014 – City staff and Valley Metro representatives will provide tonight's presentation to the Transportation Commission.
- December 1, 2014 – a public open house and Environmental Assessment scoping meeting will be held at the Tempe Transportation Center. Staff will engage various stakeholders, including representatives from Downtown Tempe Authority and Arizona State University.
- January 8, 2015 IRS – staff will seek City Council direction on stop locations and street configuration.
- January 2015 – the Valley Metro Board of Directors will consider new alignment and funding.
- February 2015 – the Maricopa Association of Governments Regional Council will consider changes to the Regional Transportation Plan and Transportation Improvement Program.
- Spring 2015 – City Council will receive another Streetcar project update.
- August 2015 – the Environmental Assessment will be completed.
- September 2015 – the Small Starts Grant Application will be submitted to the Federal Transit Administration (FTA).

In response to questions from Councilmembers, Mr. Grote, Mr. Banta, and Mr. Iwersen explained the following: overhead electrical wires and poles can be installed in a manner that preserves the adjacent tree canopy and requires minimal tree trimming. Valley Metro's operations and maintenance agreements outline the responsibilities of each party; typically, tree maintenance is the responsibility of the city. Off-wire technology is possible, but remains unproven in the United States. Kinkisharyo recently reported that its wireless streetcar costs 20% more than the on-wire vehicle. Although the elimination of overhead wires and poles would generate approximately \$2 million in cost savings, the additional costs associated with off-wire technology are still higher than on-wire technology. Data that support those additional costs need to be collected. The only wireless light rail system in the world is located in Seville, Spain; CAF manufactures the vehicles. Other technologies have been deployed; for example, Bordeaux, France utilizes ground-level power supply as an alternative to overhead lines, for its light rail system, which runs on roads and across the grass in parks. Such technology would cost more in infrastructure costs and present unique challenges, compared to on-wire technology. Valley Metro will evaluate the available technology options, with an emphasis on advancing the right project for Tempe that will receive the support of FTA and provide mobility in the downtown area.

Mr. Grote, Mr. Banta, and Mr. Iwersen responded to additional questions from Councilmembers by explaining the following: the same number and location of traction power substations would be required for both the off-wire and on-wire propulsion systems. Depending on the vehicle manufacturer, charging stations may be required for OBES, thereby increasing the power needs. The City would need to purchase new streetcar vehicles; the current Valley Metro light rail vehicle could not be retrofitted into a streetcar vehicle. The estimated cost to purchase a streetcar or light rail vehicle is approximately \$5 million each. The length of a stop platform could be shortened if the manufacturer disables the back door on the streetcar vehicle. The streetcar station would not be as large as the light rail station because the streetcar would operate as a single car unit. The streetcar fare process is still being determined. However, it is anticipated that streetcar fares would be available onboard or for pre-purchase, and fare enforcement would be handled similarly to light rail where a dedicated officer checks tickets.

Councilmembers, Mr. Banta, Mr. Iwersen, and Mr. Grote continued discussions regarding the following: the current Valley Metro light rail vehicle is 91-plus feet long. Valley Metro issued a *Request For Information* from all vehicle manufacturers to learn about the streetcar options available in the marketplace. The streetcar would operate at the same frequency as the light rail. The smaller streetcar vehicle size may not have sufficient passenger capacity to handle large special events. Annual operating costs for the on-wire or off-wire propulsion are currently estimated at between \$3.1 million and \$4 million; \$3.1 million is currently allocated in the Tempe Transit Tax budget for fiscal year 2018-19. The preliminary design and conceptual engineering work needs to commence soon, which can include investigating various streetcar options. The final decision on the vehicle type and propulsion technology will need to be made in approximately a year, when a final design team or design builder is hired. The cities that are currently considering off-wire technology are not expected to begin operation of such technology within the next year.

Councilmembers thanked Valley Metro representatives and Councilmember Ellis for their work on the Streetcar project and transportation issues facing Tempe. It is important to ensure that the Streetcar project is implemented correctly and in the best interest of the people it will serve, including current and potential employees and residents. Therefore, it is imperative that the City Council receives as much data and information as possible in order to make a well-informed decision. The reconfigured LPA will serve approximately 8,000 to 12,000 new State Farm Insurance employees, and transport them back and forth from the downtown area. The streetcar will eventually connect passengers to Tempe Marketplace and the Cubs Park in Mesa. Councilmembers confirmed their commitment to continue partnering with Valley Metro to move forward with the Streetcar project.

Mr. Banta stated that Kinkisharyo showed its streetcar prototype to Valley Metro, but failed to provide sufficient data to prove its functionality in Tempe's environment. The question was raised as to whether the smaller vehicle could operate using wireless technology due to demand for significant space to store the batteries.

Based on the discussion, Mr. Grote, Mr. Banta, and Mr. Iwersen agreed to provide following information in response to Councilmembers' questions, prior to the December 1, 2014 public meeting:

- Estimated maintenance costs for the overhead electrical wires and the off-wire versus on-wire vehicle types, including the battery pack units and electricity needs.
- Estimated capital and operating costs for on-wire versus off-wire technology.
- Estimated cost for installing additional poles along Mill Avenue to accommodate the overhead wires; timing; installation and potential disruption to Mill Avenue merchants.
- Impact of a 90-foot-long streetcar vehicle on Mill Avenue; required stop platform length; dimensions and weight of various vehicle types.
- Streetcar traffic analysis findings; traffic impacts related to operating a short, medium, or long streetcar.
- Aesthetic impact of the overhead wires.
- Cost reduction options.
- Status of Streetcar project if the Small Starts federal funding is not received.
- Requirements for streetcar track construction. Additional costs associated with off-wire and other alternate propulsion systems and technologies.
- Justification for the recommended stop locations.
- Turning radiuses of the streetcar; impact to various intersections including Mill Avenue and Rio Salado Parkway, Mill Avenue and University Drive, and Ash Avenue and University Drive.

Another update on the Streetcar project will be presented to the City Council at the January 8, 2015 IRS, to include the requested follow-up information and updated cost estimates.

## **Tempe Community Council Human Services Priorities**

Kate Hanley, Executive Director, Tempe Community Council (TCC), introduced Louraine Arkfeld, TCC Board President and Past Chair of the TCC Agency Review Enhancement Committee, and consultant James Gilleylen, J-QUAD Planning Group, who will conduct the Human Service Community Needs Assessment. The results of the Needs Assessment will have impacts on future Human Services decisions.

Ms. Hanley delivered a slide presentation providing an overview of the City's Human Services investment in fiscal year (FY) 2012-13 through FY 2015-15; services provided through the Agency Review process; additional services provided by TCC;

Agency Review and Needs Assessment timeline for FY 2015-16 and 2016-17; and TCC's ongoing work on the Community Needs Assessment, including its purpose, process, approach and methodology, and stages. The next steps for FY 2016-17 were reviewed:

- April 2015 – the Needs Assessment recommendations will be available.
- June - July 2015 – TCC will solicit City Council input on the FY 2016-17 Agency Review process.
- August - September 2015 – TCC will implement the Needs Assessment recommendations and administer agency outreach training with Synergy Partners Consulting.
- November 2015 - March 2016 – the Agency Review process will occur, including interviewing applicants and drafting recommendations.
- April 2016 – the Agency Review recommendations will be presented to the City Council.

Ms. Arkfeld asked members of the audience who serve on the TCC Board or have participated in the Agency Review process to stand up and be recognized. TCC welcomes any input from the City Council regarding Human Services priorities or the Agency Review process. TCC will conduct its annual Human Services Survey, to include participation from the City Council; public safety personnel; representatives of the local schools, faith community, and social services community; and residents.

## **Character Area Planning (Area 7, Kiwanis/The Lakes and Area 8, Corona/South Tempe)**

This item was moved to the Committee of the Whole meeting on Monday, November 17, 2014, at 4:30 p.m., in the City Council Chambers, Tempe City Hall, 31 East Fifth Street, Tempe, Arizona.

## **Regular Council Meeting Agenda Items**

None.

## **Future Agenda Items**

None.

## **Mayor's Announcements/City Manager's Announcements**

None.

*The meeting adjourned at 7:34 p.m.*

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the Issue Review Session meeting of November 13, 2014, by the Tempe City Council, Tempe, Arizona.

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Mark W. Mitchell, Mayor

ATTEST:

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Brigitta M. Kuiper, City Clerk