



**MEMORANDUM                      Transportation & Development – Memo No. TN12-005**

**DATE:**            SEPTEMBER 22, 2011

**TO:**                MAYOR & COUNCIL

**THRU:**            RICH DLUGAS, CITY MANAGER *RD*  
                          PAT MCDERMOTT, ASSISTANT CITY MANAGER *PM*  
                          R.J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR *RJ*  
                          DANIEL W. COOK, TRANSPORTATION MANAGER *DW*

**FROM:**            JASON CRAMPTON, TRANSIT SERVICES COORDINATOR *JC*

**SUBJECT:**        BUS SERVICE REDUCTIONS, AS SPECIFIED IN ATTACHMENT 2, IN ORDER TO ACHIEVE A \$20 MILLION COST SAVINGS THROUGH 2026

RECOMMENDATION: Staff recommends approval of bus service reductions, as specified in Attachment 2, in order to achieve a \$20 million cost savings through 2026.

BACKGROUND/DISCUSSION: Due to declining regional sales tax revenue, Chandler is facing an approximate \$20 million cut to its transit system over the next 15 years. The \$20 million cut that Chandler is facing is less than the previously estimated \$22 million that was presented to a Council subcommittee in May. The region has worked together to find additional cost savings, and as a result, Chandler can now cut less transit service than originally expected.

The majority of Chandler’s transit service is funded by a regional sales tax that is approved to continue until 2026. Valley Metro, through the Transit Life-Cycle Program (TLCP), administers this sales tax revenue and the regional transit service that it funds through 2026.

Revenue forecasts have significantly declined, and in order to balance TLCP revenue and expenses, the region must cut nearly \$250 million to existing and planned transit service through 2026. Chandler’s share of this cut is approximately \$20 million or \$1.33 million per year. Chandler has some future service programmed in the TLCP, but the City cannot achieve a \$20 million reduction in transit service without also cutting existing service.

PUBLIC INVOLVEMENT: Chandler staff accepted comments online (June – August), held two public meetings in early August, and welcomed public comment at Transportation Commission meetings in May and August. Extensive notice for Chandler’s public meetings and transit website was provided, including:

- Notices posted at bus stops,
- Advertisements placed in local newspapers (including Prensa Hispana),
- Information on Valley Metro's web site,
- Information on Chandler's web site,
- Notices posted on Dial-A-Ride vans,
- Notice posted at Senior Center,
- Messages in CityScope and Quicklook,
- City Channel 11/ On-Hold Messages,
- Press Release

Additionally, Valley Metro held a series of public hearings and accepted online comments. Attachment 1 provides a summary of public feedback received online and at public meetings. Although there was some concern expressed with regard to all service reductions proposed, the most numerous comments received related to the following possible service reductions:

1. **541 (Express)** – Several online comments were received opposing the elimination of one trip in each direction.
2. **96 (Dobson)** – Many residents spoke at public meetings and/or submitted comments online, expressing the need for service to South Chandler during peak commuting hours.
3. **136 (Gilbert)** – Several online comments were submitted indicating the need for continued service to Chandler Gilbert Community College.
4. **156 (Chandler)** – Many online comments indicated that weekend service is important on this route.
5. **540 (Express)** – Many residents attended public meetings and expressed concern over the elimination of trips or the entire route.

As a result of this public input, staff has revised our original proposal to:

- Preserve one AM trip on Route 541 (Express)
- Preserve peak hour service (6 AM trips and 6 PM trips in each direction) on Route 96 (Dobson) south of Pecos
- Preserve all existing trips on Route 540 (Express)
- Preserve Route 81 (McClintock)

Attachment 2 provides staff's recommended service reductions in order to achieve a \$20 million cost savings over the next fifteen years. The service reductions proposed include the following:

- Eliminate/reduce future service additions – Routes 81, 104, 108 and 112
- Reduced service south of Pecos – Route 96 (Only run AM and PM peak hour service south of Pecos)
- Eliminate Sunday service – Route 96
- Reduce late night service – Routes 66, 81, 96, 156, LINK

- Express Service reductions -- 541 (Relocate starting point to Ray/ Arizona; Eliminate one PM trip)

Service reductions will go into effect on January 23, 2012.

There are no proposed changes to existing service on routes 72, 104, 108, 112, 136, 542 and Dial-A-Ride.

TRANSPORTATION COMMISSION: At the August 31, 2011 Transportation Commission meeting, the Commission recommended approval of bus service reductions (by a vote of 7-0), as recommended by staff.

FINANCIAL IMPLICATIONS:

Fund Source:	Proposition 400 Regional Sales Tax (Public Transportation Fund)
Cost:	N/A
Savings:	\$20,000,000

PROPOSED MOTION: Move that Council approve bus service reductions, as specified in Attachment 2, in order to achieve a \$20 million cost savings through 2026.

Attachment 1: Summary of Public Comments  
Attachment 2: Staff Proposal

## Attachment 1 - Summary of Comments

### Number of Comments Received

Route	Service Reduction	Online/Email (Chandler)	Public Meetings/ Hearings	Comments via ValleyMetro	Total
<b>66</b>	<b>Late Night</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>72</b>	<b>Late Night/ Weekend</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>4</b>
<b>81</b>	<b>Elimination</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>8</b>
<b>96</b>	<b>Total</b>	<b>16</b>	<b>10</b>	<b>3</b>	<b>29</b>
96	<i>South Chandler</i>	11	9	2	22
96	<i>Late Night</i>	7	1	1	9
96	<i>Weekend</i>	7	3	1	11
<b>108</b>	<b>Elimination</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>9</b>
<b>136</b>	<b>Elimination</b>	<b>7</b>	<b>2</b>	<b>17</b>	<b>26</b>
<b>156</b>	<b>Total</b>	<b>11</b>	<b>3</b>	<b>3</b>	<b>17</b>
156	<i>Late Night</i>	4	1	1	6
156	<i>Weekend</i>	8	3	1	12
<b>540</b>	<b>Total</b>	<b>6</b>	<b>5</b>	<b>2</b>	<b>13</b>
540	<i>Trip Cut</i>	4	3	2	9
540	<i>Elimination</i>	4	3	0	7
<b>541</b>	<b>Total</b>	<b>27</b>	<b>1</b>	<b>12</b>	<b>40</b>
541	<i>Trip Cut</i>	17	1	5	23
541	<i>Elimination</i>	4	1	2	7
541	<i>Starting Point - Ray/AZ</i>	3	0	1	4
541	<i>Starting Point - Warner/ Alma</i>	6	0	2	8
<b>LINK</b>	<b>Late Night</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>5</b>
<b>TOTAL</b>		<b>79</b>	<b>28</b>	<b>45</b>	<b>152</b>

## Attachment 2: Staff Proposal

Route 66 - Kyrene Rd.	Cost Savings
Eliminate last Southbound Trip	\$170,000
<b>SubTotal</b>	<b>\$170,000</b>

Route 72 - Rural Rd.	
<b>NO CHANGES PROPOSED</b>	\$0
<b>SubTotal</b>	<b>\$0</b>

Route 81 - McClintock Dr.	
End Service at 8:00 PM instead of 9:00 PM	\$240,000
Eliminate Future Service Expansion	\$810,000
<b>SubTotal</b>	<b>\$1,050,000</b>

Route 96 - Dobson Rd.	
End Service at 9:00 PM instead of 10:00 PM	\$630,000
Eliminate Sunday Service	\$1,110,000
Trim Service South of Pecos to Peak Hour only (6 AM and 6 PM trips in each direction)	\$5,150,000
<b>SubTotal</b>	<b>\$6,890,000</b>

Route 104 - Alma School Rd.	
<b>NO CHANGES TO EXISTING SERVICES</b>	\$0
Reduced Future Evening Service (2017)	\$210,000
<b>SubTotal</b>	<b>\$210,000</b>

Route 108 - Elliot Rd.	
<b>NO CHANGES TO EXISTING SERVICES</b>	\$0
Reduced Future Evening Service (2013)	\$860,000
<b>SubTotal</b>	<b>\$860,000</b>

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Route 112 - Arizona Ave.	Cost Savings
<b>NO CHANGES TO EXISTING SERVICES</b>	<b>\$0</b>
Reduced Future Weekend Service (60-minute vs. 30-minute frequency)	\$2,550,000
Extend to Hamilton High instead of Snedigar Sports Complex	\$1,980,000
Delay Hamilton High Extension to 2023	\$3,400,000
<b>SubTotal</b>	<b>\$7,930,000</b>
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<b>Route 136 - Gilbert Rd.</b>	
<b>NO CHANGES PROPOSED</b>	<b>\$0</b>
<b>SubTotal</b>	<b>\$0</b>
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<b>Route 156 - Chandler Blvd.</b>	
End Service at 9:00 PM instead of 10:00 PM	\$1,140,000
End Sunday Service at 7:00 PM instead of 8:00 PM (Already Implemented)	\$350,000
<b>SubTotal</b>	<b>\$1,490,000</b>
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<b>Arizona Ave. LINK</b>	
Eliminate Late Night Friday/ Saturday Service	\$370,000
<b>SubTotal</b>	<b>\$370,000</b>
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<b>Express Route 540</b>	
<b>NO CHANGES PROPOSED</b>	<b>\$0</b>
<b>SubTotal</b>	<b>\$0</b>
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<b>Express Route 541</b>	
Eliminate Last PM Outbound Trip	\$150,000
Start Route at Ray/ Arizona instead of Chandler Park and Ride	\$880,000
<b>SubTotal</b>	<b>\$1,030,000</b>
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<b>Express Route 542</b>	
<b>NO CHANGES PROPOSED</b>	<b>\$0</b>
<b>SubTotal</b>	<b>\$0</b>
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<b>Total Cost Savings (2012 - 2026)</b>	<b>\$20,000,000</b>