



Minutes of MAYOR AND COUNCIL Meeting

Approved by Mayor and Council
on April 5, 2017.

Date of Meeting: September 20, 2016

The Mayor and Council of the City of Tucson met in regular session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona, at 5:35 p.m., on Tuesday, September 20, 2016, all members having been notified of the time and place thereof.

1. ROLL CALL

The meeting was called to order by Mayor Rothschild and upon roll call, those present and absent were:

Present:

Regina Romero	Council Member Ward 1
Paul Cunningham	Council Member Ward 2
Karin Uhlich	Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Richard G. Fimbres	Council Member Ward 5
Steve Kozachik	Vice Mayor, Council Member Ward 6
Jonathan Rothschild	Mayor

Absent/Excused:

None

Staff Members Present:

Michael J. Ortega	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

2. INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Pastor Larry Munguia, (The S.O.B.E.R. Project), after which the Pledge of Allegiance was presented by the entire assembly.

Presentations:

- a. Mayor Rothschild proclaimed September 19 to September 23 to be "Fall Prevention Awareness Week". Susan Kinkade, Banner UMC's Trauma Outreach Coordinator, accepted the proclamation.
- b. Mayor Rothschild proclaimed September 26 to September 30 to be "American Indian Awareness Days". Jacob Bernal accepted the proclamation.
- c. Mayor Rothschild recognized Council Members Regina Romero and Shirley C. Scott for their years of participation with the League of Arizona Cities and Towns.

3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS

Mayor Rothschild announced City Manager's communication number 317, dated September 20, 2016, was received into and made part of the record. He also announced this was the time scheduled to allow members of the Mayor and Council to report on current events and asked if there were any reports.

Current event reports were provided by Council Members Romero, Cunningham, Uhlich and Fimbres. A recording of this item is available from the City Clerk's Office for ten years from the date of this meeting.

4. CITY MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Mayor Rothschild announced City Manager's communication number 318, dated September 20, 2016, was received into and made part of the record. He also announced this was the time scheduled to allow the City Manager to report on current events, and asked for that report.

No report was given.

5. LIQUOR LICENSE APPLICATIONS

Mayor Rothschild announced City Manager's communication number 319, dated September 20, 2016, was received into and made part of the record. He asked the City Clerk to read the Liquor License Agenda.

- b. Liquor License Application(s)

New License(s)

1. Orenccios Express, Ward 3
1800 E. Fort Lowell Rd. #168
Applicant: German Canez Borquez
Series 12, City 64-16
Action must be taken by: September 25, 2016

Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately

2. Bamboo View, Ward 4
7018 E. Golf Links Rd.
Applicant: Gang Wang
Series 12, City 65-16
Action must be taken by: October 2, 2016

Staff has indicated the applicant is in compliance with city requirements.

NOTE: State law provides that for a new license application "In all proceedings before the governing body of a city...the applicant bears the burden of showing that the public convenience requires and that the best interest of the community will be substantially served by the issuance of a license". (A.R.S. Section 4-201)

Person Transfer(s)

NOTE: There are no application(s) for person transfers scheduled for this meeting.

c. Special Event(s)

1. The University of Arizona Athletic Department, Ward 6
1712 E. Enke Dr.
Applicant: Jaime Leigh Odom
City T70-16
October 15, 2016
(Arizona Athletics Tailgate)

Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately.

2. The University of Arizona Athletics Department, Ward 6
1712 E. Enke Dr.
Applicant: Jaime Leigh Odom
City T71-16
Date of Event: October 29, 2016
(Arizona Athletics Tailgate)
Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately.

3. The University of Arizona Athletics Department, Ward 6
1712 E. Enke Dr.
Applicant: Jaime Leigh Odom
City T72-16
Date of Event: November 12, 2016
(Arizona Athletics Tailgate)

Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately.

4. The University of Arizona Athletic Department, Ward 6
1712 E. Enke Dr.
Applicant: Jaime Leigh Odom
City T81-16
Date of Event: November 25, 2016
(Wildcat Club Tailgate)

Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately.

5. University of Arizona Athletic Department, Ward 6
1 National Championship Dr.
Applicant: Jaime Leigh Odom
City T91-16
Date of Event: October 14, 2016
(Men's Basketball Reunion Reception)

Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately.

6. University of Arizona Athletic Department, Ward 6
1641 E. Enke Dr.
Applicant: Jaime Leigh Odom
City T92-16
Date of Event: October 28, 2016
(Bear Down Block Party)

Staff has indicated the applicant is in compliance with city requirements.

This item was considered separately.

7. Arizona Theatre Company, Ward 6
330 S. Scott Ave.
Applicant: Robyn Joy Lambert
City T94-16
Date of Event: October 1, 2016
(Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

8. Tucson Celtic Festival Association, Ward 3
4502 N. 1st Ave.
Applicant: Erin Renee Haugen
City T95-16
Date of Event: November 4, 2016 - November 6, 2016
(Tucson Celtic Festival Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

9. St. Cyril of Alexandria Roman Catholic Parish, Ward 6
4725 E. Pima St.
Applicant: Ronald A. Oakham
City T97-16
Date of Event: October 13, 2016 - October 16, 2016
(Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

10. Sr. Jose Women's Center, Ward 2
8800 E. 22nd St.
Applicant: Jean R. Fedigan
City T98-16
Date of Event: October 15, 2016
(Fundraiser for Homeless Women)

Staff has indicated the applicant is in compliance with city requirements.

11. Southern Arizona Blues Heritage Foundation, Inc., Ward 6
900 S. Randolph Way
Applicant: Christopher Jay Wilt
City T99-16
Date of Event: October 16, 2016
(Tucson Blues Heritage Festival)

Staff has indicated the applicant is in compliance with city requirements.

12. Most Holy Trinity Parish, Ward 1
1300 N. Greasewood Rd.
Applicant: Lisa Marie Kondrat
City T100-16
Date of Event: October 29, 2016 – October 30, 2016
(Church Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

13. Tucson Screammers, Ward 3
1102 W. Grant Rd.
Applicant: Bobby Sutton
City T101-16
Date of Event: September 23, 2016
(Concert)

Staff has indicated the applicant is in compliance with city requirements.

14. Tucson Hebrew Academy, Ward 3
3800 E. River Rd.
Applicant: Julee Marie Dawson
City T102-16
Date of Event: November 6, 2016
(Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

15. Rotary Club of Tucson Foundation, Ward 2
3231 N. Craycroft Rd
Applicant: Wayne L. Meyer
City T103-16
Date of Event: October 14, 2016 - October 15, 2016
(Classic Car Show #10)

Staff has indicated the applicant is in compliance with city requirements.

16. Rillito Park Foundation, Ward 3
4502 N. 1st Ave.
Applicant: Jaye Wells
City T104-16
Date of Event: October 22, 2016
(Concert/Music Festival)

Staff has indicated the applicant is in compliance with city requirements.

17. Museum of Contemporary Art, Ward 6
265 S. Church Ave.
Applicant: E. Courtney Johnson
City T105-16
Date of Event: October 12, 2016
(Psych Night)

Staff has indicated the applicant is in compliance with city requirements.

18. Museum of Contemporary Art, Ward 6
265 S. Church Ave.
Courtney Johnson
City T106-16
Date of Event: September 30, 2016
(Carnaval D'Avant-Garde)

Staff has indicated the applicant is in compliance with city requirements.

19. Handi-Dogs, Inc., Ward 2
3231 N. Craycroft Rd.
Applicant: Jo Ann Turnbull
City T107-16
Date of Event: October 23, 2016
(Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

20. Vietnam Veterans of America, Inc., Tucson Chapter 106, Ward 6
900 S. Randolph Way
Applicant: Melvin Morgan
City T108-16
Date of Event: October 8, 2016
(Nam-Jam)

Staff has indicated the applicant is in compliance with city requirements.

21. Our Lady Queen of All Saints, Ward 5
2915 E. 36th St.
Applicant: Darlene Dooley
City T109-16
Date of Event: October 1, 2016 - October 2, 2016
(Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

22. Tucson Firefighters Benevolent Association, Inc., Ward 6
900 S. Randolph Way
Applicant: Roger Sloan Tamietti
City T110-16
Date of Event: October 22, 2016
(Chili Cook-Off Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

23. I Am You 360, Ward 6
215 N. Hoff Ave.
Applicant: Desiree Cook
City T111-16
Date of Event: October 1, 2016 - October 2, 2016
(Mean Sisterz Barber Battle)

Staff has indicated the applicant is in compliance with city requirements.

24. St. Demetrios Greek Orthodox Church, Ward 3
1145 E. Fort Lowell Rd.
Applicant: James Peter Zaferis
City T125-16
Date of Event: September 22, 2016 - September 25, 2016
(Fundraiser/Festival)

Staff has indicated the applicant is in compliance with city requirements.

d. Agent Change/Acquisition of Control

1. Aloft Tucson University, Ward 6
1900 E. Speedway Blvd.
Applicant: Cathy N. Moore
Series 11, City AC10-16
Action must be taken by: September 22, 2016

Staff has indicated the applicant is in compliance with city requirements.

NOTE: The local governing body of the city town or county may protest the acquisition of control within sixty days based on the capability reliability and qualification of the person acquiring control. (A.R.S. Section 4-203.F)

It was moved by Council Member Cunningham, duly seconded, and carried by a voice vote of 7 to 0, to forward liquor license applications 5b2, 5c7 through 5c24, and 5d1 to the Arizona State Liquor Board with a recommendation for approval.

5. LIQUOR LICENSE APPLICATIONS

b. Liquor License Application(s)

New License(s)

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1800 E. Fort Lowell Rd. #168
Applicant: German Canez Borquez
Series 12, City 64-16
Action must be taken by: September 25, 2016

Staff has indicated the applicant is in compliance with city requirements.

City Clerk's office has indicated the applicant is not in compliance with city requirements, due to nonpayment of application processing fee.

Council Member Uhlich asked if the applicant or a representative was present to speak on the item. There was no one.

Council Member Uhlich asked staff if the item could be continued.

Roger W. Randolph, City Clerk, replied it could.

It was moved by Council Member Uhlich, duly seconded, and carried by a voice vote of 7 to 0, to forward Item 5b1, to the Arizona State Liquor Board with a recommendation for denial.

5. LIQUOR LICENSE APPLICATIONS

c. Special Event(s)

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City T70-16
October 15, 2016
(Arizona Athletics Tailgate)

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City T72-16
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Staff has indicated the applicant is in compliance with city requirements.

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6. University of Arizona Athletic Department, Ward 6
1641 E. Enke Dr.
Applicant: Jaime Leigh Odom
City T92-16
October 28, 2016
(Bear Down Block Party)

Staff has indicated the applicant is in compliance with city requirements.

Roger W. Randolph, City Clerk, announced the items to be considered separately were Items 5c1 through 5c6, The University of Arizona, Athletic Department, at the request of Vice Mayor Kozachik.

Vice Mayor Kozachik recused himself from voting due to a conflict of interest.

It was moved by Council Member Cunningham, duly seconded, and carried by a voice vote of 6 to 0 (Vice Mayor Kozachik recused due to a conflict of interest), to forward Items 5c1 through 5c6 to the Arizona State Liquor Board with a recommendation of approval.

6. CALL TO THE AUDIENCE

Mayor Rothschild announced this was the time any member of the public was allowed to address the Mayor and Council on any issue except for items scheduled for a public hearing. Speakers were limited to three-minute presentations.

Mayor Rothschild also announced that pursuant to the Arizona Open Meeting Law, individual Council Members may ask the City Manager to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during “call to the audience.”

Comments were made by:

Katie Davis	Jocelyn Muzzin	Caleb Gutierrez
Kyle Arnishi	Mark Mayer	Lynn Brown
Raquel Baranow	Ruth Beeker	Ron Michaels
Mary Kelso	Bob Garcia	Margo Garcia
Mark Maibauer	Suzanne Schafer	Nancy Schwob
Keith Cubberley	Roxann Gagnon	Kristophor Goins
Jacqueline Ellis	Camille Kirshner	Rodney Turner
Jake Elkins	Tyler Menke	Sarah Launius
Roland Gutierrez	Ivo Ortiz	Pat Malkow
Fred Bair		

Mayor Rothschild requested staff follow up with Mr. Gutierrez on his efforts to establish a skate park near Cushing Street and Interstate 10.

Mayor Rothschild requested staff to follow up with Ms. Baranow on her concerns regarding City property in Iron Horse Neighborhood.

Council Member Fimbres requested staff to follow up with Mr. Garcia on his concerns regarding a proposed bus pullout along his property near Broadway Boulevard and Country Club Road.

A recording of this item is available from the City Clerk's Office for ten years from the date of this meeting.

(NOTE: Vice Mayor Kozachik departed at 7:09 p.m.)

7. CONSENT AGENDA – ITEMS A THROUGH K

Mayor Rothschild announced the reports and recommendations from the City Manager on the Consent Agenda were received into and made part of the record. He asked the City Clerk to read the Consent Agenda.

a. APPROVAL OF MINUTES

1. Report from City Manager SEP20-16-320 CITY WIDE
2. Mayor and Council Regular Meeting Minutes of January 20, 2016
3. Mayor and Council Study Session Legal Action Report and Summary Minutes of January 20, 2016

b. TUCSON CODE: AMENDING (CHAPTER 19) EXTENSION OF PREMISE LIQUOR LICENSE APPLICATIONS TO INCLUDE FIRE INSPECTION FEES

1. Report from City Manager SEP20-16-325 CITY WIDE
2. Ordinance No. 11399 relating to Liquor License Applications; amending Tucson Code Section 19-53 to authorize and require fees for fire inspections for extension of premises applications; and declaring an emergency.

c. MEMORIAL: SUPPORTING THE CREATION OF THE GREATER GRAND CANYON HERITAGE NATIONAL MONUMENT

1. Report from City Manager SEP20-16-326 OUTSIDE CITY
2. A Memorial relating to National Parks; calling for President Barack Obama to exercise his authority under the Antiquities Act of 1906 to create a Greater Grand Canyon Heritage National Monument.

d. INTERGOVERNMENTAL AGREEMENT AMENDMENT: WITH PIMA COUNTY COMMUNITY COLLEGE DISTRICT FOR THE PIMA COLLEGE ADULT EDUCATION BRIDGE TO COLLEGE AND CAREER READINESS PROGRAM

1. Report from City Manager SEP20-16-323 CITY WIDE

2. Resolution No. 22635 relating to Housing and Community Development; authorizing and approving Amendment 2 to the Intergovernmental Agreement (IGA) between the City of Tucson (City) and Pima County Community College District (District) for the Pima College Adult Education Bridge to College and Career Readiness Program (Program); and declaring an emergency.
- e. FINANCIAL PARTICIPATION AGREEMENT: WITH THE REID PARK ZOOLOGICAL SOCIETY FOR CONSTRUCTION OF A NEW ADDITION AND RENOVATIONS TO THE EXISTING HEALTH CENTER AT THE REID PARK ZOO
1. Report from City Manager SEP20-16-322 WARD 6
 2. Resolution No. 22634 relating to Parks and Recreation; authorizing and approving the Financial Participation Agreement (FPA) between the City of Tucson (City) and the Reid Park Zoological Society (RPZS) for funding the design and construction of a new addition and renovations to the existing health center at the Reid Park Zoo; and declaring an emergency.
- f. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE SANTA CRUZ SOUTHWEST NEIGHBORHOOD ASSOCIATION COTTONWOOD LANE AND PARK IMPROVEMENTS
1. Report from City Manager SEP20-16-327 WARD 1
 2. Resolution No. 22638 relating to Transportation and Real Estate; authorizing and approving an Intergovernmental Agreement (IGA) between the City of Tucson (City) and Pima County for the Santa Cruz Southwest Neighborhood Association Cottonwood Lane and Park Improvements; and declaring an emergency.
- g. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE ELVIRA SOLAR STREET LIGHTING PROJECT
1. Report from City Manager SEP20-16-328 WARD 1
 2. Resolution No. 22640 relating to Transportation and Real Estate; authorizing and approving an Intergovernmental Agreement (IGA) between the City of Tucson (City) and Pima County for the Elvira Solar Street Lighting Project; and declaring an emergency.
- h. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE MIDVALE PARK OAK TREE DRIVE LIGHTING PROJECT
1. Report from City Manager SEP20-16-329 WARD 1

2. Resolution No. 22639 relating to Transportation and Real Estate; authorizing and approving an Intergovernmental Agreement (IGA) between the City of Tucson (City) and Pima County for the Midvale Park Oak Tree Drive Lighting Project; and declaring an emergency.
- i. TUCSON CODE: AMENDING (CHAPTERS 10A, 20, AND 30) RELATING TO PARKING ADMINISTRATION AND ENFORCEMENT
 1. Report from City Manager SEP20-16-330 CITY WIDE
 2. Ordinance No. 11400 relating to Parking; revising portions of the Tucson Code (TC); changing the name of the ParkWise Commission to the Park Tucson Commission; changing the name of ParkWise to Park Tucson; clarifying parking enforcement authority and fee setting authority; adding Park Tucson as a functional unit of the Tucson Department of Transportation (TDOT); amending TC by amending portions of Chapter 10A, Article XIV; Chapter 20, Article I; Chapter 20, Article VII; Chapter 20, Article VIII; and Chapter 30, Article 1; and declaring an emergency.

(This item was considered separately at the request of Council Member Uhlich.)
 - j. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR REAL PROPERTY APPRAISAL, ACQUISITION, AND PROPERTY MANAGEMENT SERVICES
 1. Report from City Manager SEP20-16-331 CITY WIDE
 2. Resolution No. 22636 relating to Transportation and Real Estate; authorizing and approving and Intergovernmental Agreement (IGA) between the City of Tucson (City) and Pima County for Real Property Services; and declaring an emergency.
 - k. WATER: RESTRICTIVE COVENANTS ON CENTRAL AVRA VALLEY STORAGE AND RECOVERY PROJECT PROPERTY FOR PROTECTION OF THE CACTUS FERRUGINOUS PYGMY-OWL AND RELATED HABITAT
 1. Report from City Manager SEP20-16-332 OUTSIDE CITY
 2. Resolution No. 22637 relating to Tucson Water (TW) and Real Property; authorizing and approving the recording of a restrictive covenant on Central Avra Valley Storage and Recovery Project (CAVSARP) Property; and declaring an emergency.

(NOTE: Vice Mayor Kozachik returned at 7:12 p.m.)

It was moved by Council Member Romero, duly seconded, and carried by a voice vote of 7 to 0, that Consent Agenda Items a – k, with the exception of Item i, which was considered separately, be passed and adopted and the proper action taken.

7. CONSENT AGENDA – ITEM I

i. TUCSON CODE: AMENDING (CHAPTERS 10A, 20, AND 30) RELATING TO PARKING ADMINISTRATION AND ENFORCEMENT

1. Report from City Manager SEP20-16-330 CITY WIDE
2. Ordinance No. 11400 relating to Parking; revising portions of the Tucson Code (TC); changing the name of the ParkWise Commission to the Park Tucson Commission; changing the name of ParkWise to Park Tucson; clarifying parking enforcement authority and fee setting authority; adding Park Tucson as a functional unit of the Tucson Department of Transportation (TDOT); amending TC by amending portions of Chapter 10A, Article XIV; Chapter 20, Article I; Chapter 20, Article VII; Chapter 20, Article VIII; and Chapter 30, Article 1; and declaring an emergency.

Council Member Uhlich said she wanted to direct some questions to staff. She said in reviewing the language, she wanted to make sure that it did not vest additional powers in the Park Tucson administrator, but held those powers with the Director of Transportation, Manager and the Mayor and Council.

Michael Rankin, City Attorney, stated she was correct. He said specifically with respect to parking rates, the *Code* changes reinforced that the authority to set the parking rates lied with the Mayor and Council and could not be set by the City Manager or otherwise administratively.

Council Member Uhlich said the ordinance that was adopted on April 23, 2014, one of the key functions for Park Tucson was to work with other City and County commissions on issues of mutual interest and concerns relating to transportation and parking enhancements. She asked if the charges for the commission had been changed or did it remain to be a continued central piece of their function.

Mr. Rankin replied that it had not been changed, and stated what was in front of the Mayor and Council did not change.

Council Member Uhlich stated it seemed to her that Park Tucson Commission's line of communication was to the administrator. She wanted to make sure which reports came to the City Manager, Transportation Director and the Mayor and Council. She said she wanted to see the information on a regular basis and stated it was a very important enterprise for the City's transportation planning and infrastructure and hoped they felt the same way.

Mr. Ortega replied he would make sure the information would be forwarded to them.

It was moved by Council Member Uhlich, duly seconded, and carried by a voice vote of 7 to 0, that Consent Agenda Item i be passed and adopted and the proper action taken.

8. TUCSON CODE: AMENDING (CHAPTER 2) RELATING TO TRANSIT FARES

Mayor Rothschild announced City Manager's communication number 324, dated September 20, 2016, was received into and made part of the record. He asked the City Clerk to read Ordinance 11401 by number and title only.

Ordinance No. 11401 relating to Transit Fares; amending the Tucson Code (TC), Chapter 2 Article I, in general; Section 2-18, City fixed route, regularly scheduled bus system called Sun Tran and modern streetcar system called Sun Link; fares; eligibility and prohibited activity; Section 2-19, City curb-to-curb barrier-free transportation service called Sun Van, the complementary paratransit service; fares; eligibility and prohibited activity; and Section 2-22, City Sun Tran, Sun Link and paratransit service systems fare subsidy program for low-income individuals; fare subsidies; eligibility and prohibited activity; setting effective dates; and declaring an emergency.

Mayor Rothschild asked staff to provide a history of the process that had ensued with respect to the transit fares, budget and regional approaches to transit.

Michael J. Ortega, City Manager, stated staff began discussions back in December 2015, as part of the budget process. He stated there were a couple of proposals brought to the Mayor and Council a couple of months back. One was for service changes, which was voted on and implemented and the other was for fare increases. He said at that time, as part of the budget, he had suggested and recommended that an increase of ten cents the first year across the board and fifteen cents the second year for a total increase of twenty-five cents over the two year period be implemented. He said they had gone through the Title VI process, and the Mayor and Council had submitted options, thoughts and ideas that had been vetted through that process had been completed.

Mr. Ortega stated this was one part of many in terms of transit and transportation. He further stated he had convened a Transportation Stakeholders Group for the purpose of looking at service delivery, models and methods, as well as the regional approach to transit. He said he was in the process of conducting operational reviews of all departments, all functional areas, and transit was no exception. He wanted to review the transit model on a regular basis with respect to efficiency and effectiveness, not only on the expense side but revenues as well.

Mr. Ortega said looking forward, they needed to look at potentially updating the Jarret Walker study and making sure the premise for some of those assumptions were still accurate and possibly some tweaking. He said he did not expect that the answer would

be radically different, but thought it was good business to every now and then ensure the assumptions and the model made sense. He spoke about gas prices being low and how that affected the model and ridership, but felt he could not assume that would continue forever.

Mr. Ortega commented that one thing he heard quite often was, “what did all of this do to the ridership.” He said he looked at a variety of opportunities and most of them were one-time costs or short term. With regards to bus shelters, he was bringing something forward to the Mayor and Council regarding enhancing bus shelters, by looking at twenty shelters a year for upgrades. He also spoke about the frequency of routes, specifically Routes, 3, 7 and 34. He said there were opportunities to increase frequency, but it would take time and money. His said he was prepared to look at the routes and commit to some changes for implementation in February, with either increases in intervals and purchase of additional buses. Going through the process for Title VI compliance was also necessary.

Mr. Ortega proposed there be no fees for SunGO cards and offered a one free replacement card per year. Location and availability in purchasing the SunGO cards were also addressed as to making it more financially attractive for the retailers to sell the cards increasing their commission from one percent to four percent. He said another issue was stored value on the SunGo cards whereby someone paid twenty dollars for their card and received twenty-five dollars of value. He stated currently there were some software challenges with that option, but he was confident that could be provided either with the current vendor or another one.

Mr. Ortega spoke about the current system being user friendly in terms of everything on how your transfer from one bus to another, the ability to use both Sun Tran and Sun Link, Sun Van, etc. He said that was a function of marketing and there was additional work to be done in that area.

Mr. Ortega stated that most of his proposals could be done with one-time money, even the implementation of some of the routes he proposed should be on a pilot basis for two years to get a handle and understanding of what that did to ridership. He said it was predicated on Option 4 of the Ordinance and has looked at one-time dollars to apply to this commitment.

Mr. Ortega commented that he and staff would continue to move forward and keep the Mayor and Council updated on the progress.

Mayor Rothschild said he wanted to give a macro perspective to the item without addressing specific fares. He stated that the Mayor and Council, at their last meeting, directed staff to work further on this issue and come back with an ordinance that took into new account input from the public and the Council. He said in materials, which was quite complicated, gave the Mayor and Council a new Option 4 to Ordinance which was to spread the fare increase across all categories, incentivize the use of the SunGo card, rationalized fare multipliers so that in the future, the base fare could be set and the

multiplier would set the rest of the fares. He said prior proposed increases for most paratransit was reduced and got the revenue numbers to where they needed to be when the budget was passed by a 7 to 0 vote, which was critical. He said, in transit, they were not on the same timeline because of the extra protections of the equity analysis and other things. He spoke a little bit about the bus strike stating that it happened in part because workers wanted a pay raise. He said the fact of the matter was that the City did not have enough funding to pay the workers what they were asking for and stated no one wanted to see that happen again.

Mayor Rothschild continued saying that if the transit system was deprived the funds needed to provide the kind of reliable, frequent service that increased ridership and if the City did not start to infuse into that system, we would continue to see ridership go down. He explained the General Fund could help with the funding but could not help indefinitely, and costs continued to go up. He said, not including the StreetCar, the General Fund contribution to transit for FY 2014 was approximately \$40 million and in FY 2016, the City was up to \$43.7 million, which was more than Parks and Recreation.

Mayor Rothschild stated rising costs along could justify fare increases, but felt there had to value added to the funding over the next two years. He said there were three things he was focusing on, and could be more; 1) implementing additional services on frequent transit network, 2) repair/improve bus stops and 3) invest in additional marketing to increase ridership. In order to do those three things, additional funding was needed. He put emphasis on additional services on frequent transit networks because he knew that was something that could increase ridership.

Mayor Rothschild said, in addition, he was in support of staff's recommendation to increase the use and availability of the SunGo cards by first providing the cards free of charge. Secondly, find a more aggressive way to go out and sell the cards. He said this should result in more merchants being willing to become SunGo card retail outlets, give riders more locations where cards could be bought and add value to them. He said he was also very much in favor of putting in stored value. He said nothing was locked in stone and they would continue to look at the process.

Mayor Rothschild commented if fares were not raised, the City had two choices; decrease bus service, which decreased ridership or increase the General Fund contribution, which he felt needed to come from other sources. He said other City departments had already been scoured for funds, parks and public safety were just two examples.

Mayor Rothschild remarked he had also heard suggestions about eliminating the low-income fare for the Sun Van. He stated throughout the rest of the country, people with disabilities received discounted fares and people who qualified as low-income did not. He said he was not for reducing low-income fares, but was willing to move towards something that made for more equity. He said he understood that the City's General Fund contribution for Sun Van was much higher per trip than it was for Sun Tran, but the City had to be really careful about eliminating the low-income fare for the disabled

community while continuing to offer it to the rest of the community. They both needed to stay somewhat in place.

Finally, Mayor Rothschild said he reviewed the modified recommendations from the Transit Task Force. While he very much appreciated the work and willingness to serve as volunteers of the Task Force, the modified recommendation that would take \$2.4 million dollars out of the system he was not willing to support. He said to make the transit system more sustainable, ultimately there needed to be a regional transit authority with a dedicated source of funding. He said that could very well be done by working with other jurisdictions.

Mayor Rothschild said he did not think the City could get the support and help needed from other jurisdictions or voters without being able to show that those using the transit system were contributing in some additional way. He said the City needed to show that they were doing everything they could to improve the quality of the transit system. He said creating a regional transit authority was a complicated matter and could not be done overnight.

Mayor Rothschild stated no one liked to increase fares. There had been a lot of work put into this proposal by staff and the Council, but at some point there needed to be a compromise.

Vice Mayor Kozachik stated it was easy to juggle just one ball, but they had an entire budget to consider. He said at the same time in considering that budget, they had to also consider the constituency it would impact with every line item in the budget. He said he just wanted to make sure that whatever the Mayor and Council did that evening would not be counter-productive in terms of driving ridership down. He said he appreciated the value added suggestion and would be listening very intently on how the rest of the Council felt, how success would be measured, the timeline for measuring that success, and when the trigger would be pulled on some of the increases being discussed.

Council Member Cunningham stated in considering Option 4 and meeting with the bus rider union there were a couple of things that needed to happen. He said he wanted to help with the revenue part of this item, because everyone took a hit this year with regards to the budget. He said he did not want to raise the base fare because that was the fare that drove whether or not base fares were raised. He stated the City of Tucson was the only city that had a low-income program, many had discounted fares. He gave some statistics on ridership boarding. He said if the City wanted a premium system, there needed to be some ability to invest. He also spoke about a stored value and giving enough notice to riders on fare increases.

Council Member Cunningham said if the Transit Task Force's original recommendation back in May was implemented and initiated in January 2017 by lowering the 30-day pass from \$22.50 to \$18.00, the City would be right in line with the Task Force. He said in talking with the City Manager, he was told that a decision needed to be made on the needs of the City. He said to get to the revenue needed, once piece of

the base fare needed to be decided on. He said that was the piece he did not like nor did he want to do, but in order to make everything work, the only way around it was to go with the recommendation.

It was moved by Council Member Cunningham, duly seconded, to pass and adopt Ordinance 11401, Option 4, with the following caveats: 1) he did not want to initiate any increases until after January 1, 2017, with Phase 2 to be enacted in January 1, 2018, 2) for the Economy Day pass listed at \$22.50, he felt that increase was too substantial for low-income fares and should be changed to \$18.00 representing a twenty percent increase as opposed to a fifty percent increase, 3) correct the proposed multiplier to 300 instead of 320 for the UA Annual Base Fare, and 4) change the single trip full fare for 2018 so that it remains at \$1.75 rather than increase it to \$1.85.

Mayor Rothschild asked the City Manager if he heard all of the proposed changes to the recommendation and would the City be budget okay with the changes.

Mr. Ortega answered that in Fiscal Year (FY) 2017 (the current year), things would be okay but in FY 2018, there would be a shortfall because of the delay of six months stating half of the revenue would not be realized by the City. He said he would look at how to deal with that from one-time monies to carry the first six months of FY 2018.

Mayor Rothschild reiterated that FY 2017 was covered, but in FY 2018, the Manager would be looking for approximately three hundred thousand dollars plus.

Mr. Ortega stated it would be a bit higher based on the delay, the incremental piece of the revenue. He said when the numbers were run initially; it was the implementation of the second year projection of July 1 which was delayed to January 1 of the following year. He said it was at least four hundred thousand dollars and would need to be made up for FY 2018 with one-time dollars.

Mayor Rothschild reiterated that January 2017 was not a problem; the Manager's concern was with the four hundred thousand dollars in FY 2018 and looking for those one-time monies, which may or may not be there.

Mr. Ortega stated he was working hard to get the Mayor and Council where they wanted to go. He said in the list he provided of value added items, some were no-brainers, and some were not very expensive. He said he would take a look at all of them, particularly the route efficiencies. He said it was not to suggest those would not be done, but he might have to delay them. He said the conversation was when would be the start of the two-year pilot program, a year down the road or in the coming year.

Mayor Rothschild clarified that for FY 2017, the budget was good, but for FY 2018 there was a bit of a shortfall, which the Manager would make up with one-time money and/or how much value could be increased.

Mr. Ortega replied it was going to be entirely the value piece. He said there was enough value added where if he needed to scale back, he could and it would not go away.

Council Member Fimbres spoke about marketing more buses with advertising to help with the shortfall. He also suggested increase retail and offering more sites for purchasing the SunGo cards was beneficial. He said bus shelters were very important, the mitigation of mold on buses was costly, and safety for drivers. He stated the routes needed to be looked at again, especially the under-utilized routes and possibly make those changes. As far as purchasing buses, the City needed to look at buses to fit the need of the route.

Council Member Fimbres reiterated he represented the most needy, most vulnerable citizens of Tucson, and the increase would hurt them. He said the line had been held on increases for the past five years for the bus system while parks, police and fire paid the price. It was a tough situation, but was an area everyone had worked extremely hard on.

Council Member Uhlich said that as the Jarret Walker Study was being implemented, the City needed to be really careful because while it seemed like twenty minutes was better than fifteen; it all depended on what it was connecting up to. Changing something to fifteen minutes, it might un-connect some other stuff. She said the Plan was really critical and one of the reasons they were able to hold the line for five years was because the City did not have a clear Plan.

Council Member Uhlich said not only for the City, but the Pima Association of Governments (PAG) was also there recognizing that vision in the Plan. She stated that Tucson was the only city in Arizona that did not have a rental or food tax. She said the Economy Fare was at thirty-three percent of the regular fare and the best progressive cities, whether it was Seattle or San Francisco, were at fifty percent.

Council Member Uhlich said it was time because of the Plan and partnerships and the ability to add value and timing it best as possible so that riders were being brought along and adding even more. She said as hard as it was, she was supporting the motion and felt it was the right thing to do at this time.

Council Member Romero reiterated this process was really hard. She echoed some of the comments made by her colleagues. She spoke about receiving recommendations from the Transit Task Force to review the concept of stored value versus cash payments. She said she wanted to make sure a stored value was a better deal in using the SunGo cards and encourage stored value customers versus cash customers.

Council Member Romero stated each and every member of the Council had sat down, looked at the numbers, racked their brains and compromised on what was the best option for bus riders and bus fares. She said finally, she wanted to know what the value was for the investment of transit riders and what was the City looking at as they modified the fares for transit riders. She stated what had already been done was:

- First steps had been taken towards a high-frequency grid network
- Combined some routes, mostly Routes 9 and 20 on Grant Road
- Created a two-hour window of unlimited board instead of paper transfers
- Increased frequency in minor route enhancements on Routes 6 and 15
- Extended Routes 7 and 17 to reach Broadway and Houghton Park and Ride
- Improved efficiency on Route 37
- Reduced frequency on Route 27, which saved the City money to be able to move toward the high-frequency grid network

Council Member Romero said those were most recommendations from the Jarret Walker Study. She said moving forward, it was very difficult to make the decision to increase fares. The Mayor and Council had made improvements to make the system better and usable by seniors, students, working families and the working poor. She stated that in looking at the proposal from Council Member Cunningham, she was looking at the ten cents she did not want to increase the fare by, but still felt that overall the sixty cents was an absolutely amazing deal.

Council Member Romero stated it was a difficult decision to make but it was time to move ahead and look into the future of the City and especially looking at all of the sacrifices made by other departments, mainly parks and recreation, transportation and public safety.

Vice Mayor Kozachik asked when the Teamsters labor agreement was set to expire. He stated if the City was to experience another strike, it would probably occur before the second round of the fare increase in 2018 and the Mayor and Council had the opportunity to re-consider portions of what was being voted on that evening.

Mr. Ortega responded it was June 2017 and he was correct with the second part of his concern.

Council Member Romero asked if the value added incentives read by the City Manager were going to be part of the motion.

Mr. Ortega suggested he was prepared to commit to the enhanced bus shelters with one-time costs. He said he could also commit to the SunGo free card plus one replacement per year, the four percent commission for retailers and review of retailer locations, and the store valued bonus from twenty to twenty-five dollars. He said his only hesitation was that, as mentioned, it was not an easy implementation because of the challenges. He reminded that the values were subject to Title VI review/compliance, but suggested he would do it as a promotion for six months and return to the Mayor and Council with a full implementation package. He said his goal was to, by the end of the calendar year, to have it up and running.

Council Member Scott thanked all those willing to sit and talk through what was coming down to a compromise. She said her hope was, with some of the new added values, for former bus riders to come back to the system as well as any new ridership.

She said it was important for them to know it was a reliable system. She said there were a lot of things the City was doing right to increase job opportunities and this piece of the puzzle was extremely crucial and critical at this point.

Council Member Romero offered an amendment to the motion, to include the value-added incentives mentioned by the City Manager.

Council Member Cunningham accepted the friendly amendment. He asked for one clarification on the twenty for twenty-five. He asked if that was being done as a function of dollars multiplier or was it just going to be figured as a promotional item. He said if it was done as a multiplier, the math worked out better.

Mr. Ortega stated, in the spirit of what he was hearing, his intent was a twenty-five dollar value for twenty dollar payment. He said he was not ready to give exact details at this time, but his intent was to give twenty-five dollars of value for a twenty dollar payment.

Vice Mayor Kozachik stated he felt the most important piece of the plan was the value-added, beyond that it was the route efficiencies because it built in the convenience of the system. He asked the City Manager to potentially and temporarily earmark a piece of what was being increased in order to fund those efficiencies going forward.

Mr. Ortega stated he was absolutely right and that what he had given them, the bus shelter refurbishment, SunGo card and marketing were things he could commit to and do it fairly quickly. He said as far as route efficiencies that was his intent. He mentioned the cost of Route 3 was the same as Routes 7 and 34 and if he had a choice he would rather do Route 3. He said he would keep the Mayor and Council in the loop every step of the way. He said it would come back to the Mayor and Council because of the Title VI analysis.

Council Member Uhlich offered an amendment to the motion, to direct the City Manager to report back by January 2017 on the status of efforts to establish a local transit authority.

Council Member Cunningham accepted the friendly amendment.

Michael Rankin, City Attorney, read into the record the corrections to the Ordinance, Option 4, so it would reflect the motion:

- Section 2-18(c)(1) the full (cash) fare for FY 2017 and FY 2018 was \$1.75.
- The table in Section 2-18(c)(4) for FY 2017, the Economy fare, 30-day pass is \$18.00 instead of \$22.50 and then up to \$22.50 in FY 2018.
- There would be a corresponding change to the rate by paid by not-for-profit agencies for discounted day passes, which was the same as the Economy fare 30-day pass.

- Section 2 of the Ordinance was revised to say that the changes in FY 2017 would be effective on January 1, 2017; changes for FY 2018 would be effective on January 1, 2018.

Mr. Rankin, stated as mentioned in his email to the Mayor and Council, about the Ordinance's description about the optional ADA fare, he said it was expressed a little clumsily and shown as a fare plus a fee and that you needed to add them up to see what the actual fare was. He said to be clear and consistent with Option 4, the full fare for optional ADA service, the service outside the three quarter miles or not pre-scheduled, was five dollars for FY 2017 and six dollars for FY 2018. He stated the low-income fare for the two years was three fifty and four dollars.

Ordinance 11401, Option 4, as amended, was declared passed and adopted by a roll call vote of 7 to 0.

9. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

Mayor Rothschild announced City Manager's communication number 321, dated September 20, 2016, was received into and made part of the record. He asked if there were any personal appointments.

There were no personal appointments.

10. ADJOURNMENT: 8:17 p.m.

Mayor Rothschild announced the next regularly scheduled meeting of the Mayor and Council would be held on Wednesday, October 5, 2016, at 5:30 p.m., in the Mayor and Council Chambers, City Hall, 255 West Alameda, Tucson, Arizona.

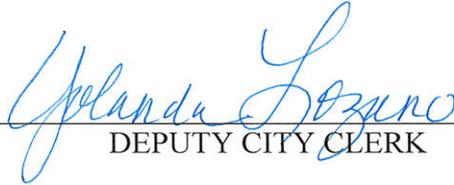
MAYOR

ATTEST:

CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 20th day of September 2016, and do hereby certify that it is an accurate transcription.


DEPUTY CITY CLERK

RWR:sh:ds