Meetings of BOARDS OF DIRECTORS

VALLEY METRO RPTA / VALLEY METRO RAIL JOINT MEETING

Valley Metro RPTA

Valley Metro Rail

Date:
January 23, 2025

Starting Time:
11:15 a.m.

Meetings to occur sequentially

Location:
Valley Metro
Boardroom/Webex
101 N. 1st Avenue, 10th Floor

If you require assistance accessing the meetings on the 10th floor, call 602.262.7433.

Agenda

January 16, 2025

Joint Meeting Agenda Joint Boards of Directors
Valley Metro RPTA
And
Valley Metro Rail
Thursday, January 23, 2025
Valley Metro, 101 N. 1st Avenue, 10th Floor
Boardroom/Webex
11:15 a.m.

	Action Recommended
1. Public Comment	1. For Information
The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items for the Joint, RPTA and VMR meeting agendas.** Up to three minutes will be provided per speaker unless the Chair allows more at their discretion. A total of 15 minutes for all speakers will be provided.	
2. Chief Executive Officer's Report	2. For information
Jessica Mefford-Miller, CEO, will brief the Joint Board of Directors on current issues.	
3. Audit and Finance Subcommittee Update	3. For information
Councilmember White, AFS Chair, will provide an update on the discussions and actions taken at the AFS meeting.	

CONSENT AGENDA

4A. Minutes	4A. For action
Minutes from the November 21, 2024, Joint Board meeting are presented for approval.	

4B. Investment Management Services Authorization to Issue a Competitive Solicitation — 4B. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to issue a competitive solicitation for investment management services.

REGULAR AGENDA

5. Planning Support Services (PSS) On-call Contract Extensions — 5. For action

Staff recommends that the Boards of Directors authorize the Chief Executive Office to execute the two, one-year ~~extension~~ options with the current PSS On-call firms (10 firms) for on-call consultant services for additional contract authority in an amount not to exceed $21 million through June 2027, for a total contract authority amount of $51 million.

6. Travel and Expenditures — 6. For information

The monthly travel and expenditures for Valley Metro RPTA and Valley Metro Rail are presented for information.

7. Report on Current Events and Suggested Future Agenda Items — 7. For information

Chair Harris will provide members the opportunity to report on current events and suggest future agenda items for consideration.

8. Next Meeting — 8. For information

The next meeting of the Joint Boards of Directors is scheduled for **February 20, 2025 at 11:15 a.m.**

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print or flash drive) are available upon request. For further information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at www.valleymetro.org.

Executive Summary

DATE **AGENDA ITEM 1**
January 16, 2025

SUBJECT
Public Comment

PURPOSE
The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items for the Joint, RPTA and VMR meeting agendas.** Up to three minutes will be provided per speaker unless the Chair allows more at their discretion. A total of 15 minutes for all speakers will be provided.

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

CONTACT
Jessica Mefford-Miller
Jmeffordmiller@valleymetro.org

ATTACHMENT
None

Executive Summary

DATE **AGENDA ITEM 2**
January 16, 2025

SUBJECT
Chief Executive Officer's Report

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
This item is presented for information only.

CONTACT
Jessica Mefford-Miller
Chief Executive Officer
jmeffordmiller@valleymetro.org

ATTACHMENT
None

Executive Summary

DATE
January 16, 2025

AGENDA ITEM 3

SUBJECT
Audit and Finance Subcommittee (AFS) Update

PURPOSE
Councilmember White, AFS Chair, will provide an update on the discussions and actions taken at the AFS meeting.

BACKGROUND | DISCUSSION | CONSIDERATION
The Audit and Finance Subcommitte met on Thursday, Janaury 9, 2025. The draft minutes are attached.

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
Draft January 9, 2025 AFS meeting minutes

Meeting Minutes

January 16, 2025 **AGENDA ITEM 3A**

Audit and Finance Subcommittee
Thursday, January 9, 2025
Via WebEx/Phone
12:00 p.m.

Meeting Participants
Councilmember Max White, City of Avondale - **Chair**
Councilmember Peggy McMahon, Town of Fountain Hills
Councilmember Laura Pastor, City of Phoenix
Councilmember Jennifer Adams, City of Tempe (phone)
Councilmember Jimmy Davis, City of Tolleson (phone)

Chair White called the meeting to order at 12:04 p.m.

Chair White said the time is now 12:04. Calling the meeting to order. Pat, can we take roll call, please?

Ms. Dillon said

City of Avondale, Councilmember Maxine White? Here.
Town of Fountain Hills, Councilmember Peggy McMahon? Here.
City of Phoenix, Councilmember Laura Pastor? Here.
City of Tempe, Councilmember Jennifer Adams? Present.
City of Tolleson, Vice Mayor Jimmy Davis? Present.

Ms. Dillon said Chair, we can proceed.

Chair White said thank you so much.

1. Public Comment

Chair White said we'll move into Item 1 Public Comment.

The public will be provided with an opportunity at this time to address the Committee on non-agenda items and all action agenda. Up to three minutes will be provided per speaker unless the Chair allows more at her discretion. A total of 15 minutes for all speakers will be provided.

Pat, do we have any comment from the public?

Ms. Dillon said no, ma'am.

DRAFT

Chair White said I would just like to add a comment. Today is a National Day of Mourning for the 39th President of the United States of America, Jimmy Carter so I would just like for all of us to pause and take a moment of silence.

Thank you very much. We appreciate the life and legacy of the 39th President of the United States and we do extend our condolences and sympathy to his family and those of us throughout the country who are grieving the loss of President Carter.

2. Chief Financial Officer's Report

Chair White said we'll now move into Agenda Item number 2, Chief Financial Officer Update. Ken Kessler's going to provide us with an update on current issues.

Mr. Kessler said thank you, Madam Chair.

I just want to provide an update as usual on the Public Transportation Funds sales tax revenues through December. We just got the numbers a couple days ago. So through December we're up about a little over a percentage for the year over year. We're about 1.5 percent below budget. We started out the year a little over 3 percent under budget so we're making some progress towards getting back in line with the budget. So things are slowly moving back into place there.

I'm remiss. I did want to greet you to the new year. It's 2025. This body hasn't met for a while so Happy New Year and welcome back. It seems like it's been a little while since we've convened so happy to be back with everyone here.

One other item I wanted to provide a quick update on is our Fare Collection System Modernization project. We have essentially transitioned all of the old legacy and equipment out of service, and we are now have all of the new system in place, ticket vending machine, the new fareboxes, the validators, the new fare media. All the new fare media as well as the mobile app being fully in play now. We are still working with customers both organizational as well as individuals to accommodate them if they have old fare media to do exchanges and credits to ensure if they bought some of those old passes shortly before we transitioned that they don't lose that value. So we're able to make those accommodations and we're going to work through that in the coming months to make sure those organizational customers that provide fares to whatever groups that they're representing and then as well individual customers making sure that they're taken care of and they get that value that they purchased on the old passes transitioned to the new.

Still working out some bugs. With any new technology system there's still some punch list items we're working through to resolve in some of the hardware and software, but we are fully transitioned, and it's been a long time coming. About ten years ago we started the planning for this process between Valley Metro and the City of Phoenix so I'm very excited to finally have seen this through to this point, have the new system in place. And we're hopeful that going forward this is going to be a great convenience to customers in terms of how they pay their fares. So I just wanted to provide an update.

And that concludes my update. Happy to take any questions if there are any.

Chair White said thank you so much, Mr. Kessler. You're right.

Happy New Year's everyone we haven't met in quite some time, and I would like to open up the floor first to our online participants. Do you have any questions online? Feel free to come off mutes. Any questions in the room? Thank you so much.

We'll receive this report for information.

3. FY25 1st Quarter Budget review

Chair White said and we will move to Agenda Item number 3 FY25 1st Quarter Budget Review. Tyler Olson, Manager of Budget and Operations Financial Controls will provide the 1st Quarter Budget Review. Mr. Olson.

Mr. Olson said thank you, Madam Chair. Members of the Subcommittee. As Ken mentioned, this is our first meeting back. We would have presented this information in November so it's a little behind and we'll provide an update for Q2 next month. So you'll see a big change from the time we present this now until next month.

I'll quickly walk us through the 1st quarter. Of budget versus actuals if we're right on target we'd be about 25 percent spent.

And as you know we begin building our annual budget process about nine months ahead of time and so we expect some variances here.

So jumping into the total sources of operating. They do tend to trail expenses by at least 30 days excluding passthroughs to Valley Metro Rail, our total budget is 278 million. We recorded just over 55 million or so. So we're about 20 percent collected so far. And similar to last year our cash investments are performing very well so we're taking advantage of that with the current market.

As expected, 1st quarter very light on the capital side of things. Primarily, we get reimbursed for these after the expenses take place and we really don't have a whole lot on the expense side which I'll get to as well.

Moving on to the operating expenses. Most operating categories are within plan. As a whole we're at 23 percent spent through Q1. Van pool operations is tracking slightly above plan which is really a good story. It's primarily based on usage higher than planned so people really taking advantage of that combined with a new contract and some of the pricing for the vehicles which they are enjoying. And the expenses are a hundred percent covered by riders as well as federal revenue, so.

We do anticipate bringing a mid-year adjustment next month to cover van pool as well as some other updates that we'll provide after we present that to your city staff this month.
Moving on to capital expenses. As mentioned, not too much spent in the way of capital this far. We do anticipate that changing as we move forward throughout the year.

There is a hand-out included with line item variances and these are the explanations for those. Operating variances really are seasonal at this point in time. We have a lot of annual subscription charges for such as items like software, memberships, things like that at front so it's really a seasonality type thing that will work itself out as we move through the year.

And then on the capital side, same thing, annual networking costs there.

I'd be happy to address any questions on the RPTA side before we move to VMR.

Chair White said Are there any questions for Mr. Olson? No question really from me. I just wanted to commend the fact that we had some interest earnings in the source of funds in excess of 400,000 and it indicated that was exceeding our plan so it's great that we're getting more interest than we had planned to. That's a nice source of income and all of us really appreciate seeing that. Thank you.

Mr. Olson said thank you, Madam Chair. Okay. So moving on to Valley Metro Rail.

Sources of funds are 20.8 million recorded to date, about 21 percent on the operating side of things. And then on the capital side much slower we do get large federal grant reimbursements after we spend the money, so -- and combined with these major contractor invoices tend to lag a little bit because they are very large and so much to review because these projects are very complex. So we'll expect that to catch up as we move forward.

On the operating side of things on the expense side. Everything is within plan. You do see that security is a bit higher. There was a wage adjustment late in the fiscal year last year at the tail end of our budget process that was approved for a wage rate increase to provide better support. So that's what we're seeing at the 26 percent just above 25 percent there. And we do plan on addressing that through the midyear budget process that I mentioned next month along with some of the capital projects that I will mention here.

So uses of funds. Again, these invoices tend to lag a little bit. We have a very robust project controls team that manages the multiyear project budgets that we work with very closely and we do anticipate bringing some adjustments upward for our capital program to you next month to allow us to get through the fiscal year.

So again on the operating side of things generally some seasonality here in these expenses. No concerns here. Overall, the operating budget as a whole is within plan.

And then on the capital side of things. In the handout you'll see some notes there in particular South Central we do anticipate a large midyear adjustment upward. You can see that the first thing I'll point it here, is with that project there are several light rail vehicles. These are very expensive vehicles, very large lead time so the budget for the year trending a little bit over on the actuals, for sure, but we will correct that with the midyear that I mentioned. It's really based around the time of those payments. It's hard to anticipate when those vehicles are delivered when we order them because they are so technical, very complex systems on there that integrate with the rest of our system. And then on top of that South Central being the first extension that will provide us a two-line system there's a lot more testing and certification required and with that, we need operators essentially. And so we've added some operators and line controllers to help support those efforts that are required by FTA. And then a couple other ones here on the artwork.

Any questions before I move on?

Councilmember Pastor said I have a question. Can you please explain the two-line system? Is that a –

Ms. Mefford-Miller said thank you, Madam Chair. Councilmember. When we open South Central Extension and Downtown Hub, currently we operate what we call a single-line system in that we begin in the east in Mesa traveling west into Phoenix and then ultimately northwest to our new Metrocenter station. When we open South Central, we will now have two separate lines. We will have a line that runs from Central and Baseline in the south north to Metrocenter and then we will have a line that runs east to west from Gilbert and Main all the way down to downtown Phoenix. So what that means is these two lines have to connect with one another so that a customer, for example, if they would like to travel from Central and Baseline to 44th to access Sky Harbor Airport. Then they would make a transfer in downtown.

Those train lines have to intersect. And we also have to be able to operate patterns. For example, it will be technically feasible to run a train all the way from Mesa up the Northwest Extension to Metrocenter which is what we're doing today. Or from Mesa to Baseline and Central. And so, typically, our systems integrated testing, which is already a rather complicated process now has additional layers because we'll be doing testing on the existing system as well because those two lines do have to merge.

It's a process that's already underway and actually later this month the public should begin seeing test trains running south from downtown Phoenix. So this is all part of the process and it's a planned process.

Councilmember Pastor said so do the lines intersect in downtown?

Ms. Mefford-Miller said they do.

Councilmember Pastor said I know where that. I just didn't understand, and I was like wait a minute.

Ms. Mefford-Miller said they do intersect in downtown. We've also added working with City of Phoenix and our contractor. We've also added project elements including an operator restroom facility in downtown Phoenix that was not originally included in the design, but we think is just essential for the on-time performance of our system and also quality of life for our team members.

Mr. Olson said thank you, Jessica.

So moving on to the last slide here. Northwest II, it's, obviously, in operation. We're working on kind of the remaining costs for that project and so having additional personnel costs than planned just due to some of the timing on finishing that project but again, we're well within the multi-year project budget for Northwest and our annual appropriation by the Board.

That concludes my presentation. I'd be happy to answer any additional questions that the Subcommittee may have.

Chair White said thank you so much, Mr. Olson. Any questions? Any other questions? I don't see any additional questions coming from our online participants. Mr. Olson's report will be received for information only. Thank you so much.

4. Minutes

Minutes from the October 3, 2024, Audit and Finance Subcommittee meeting are presented for approval.

Chair White said moving to Item number 4 our prior meeting minutes from October 3rd. Hopefully, everyone has had a opportunity to review the minutes. I am looking for a motion and a second.

Motion by Councilmember Adams, second by Councilmember McMahon. Is there any discussion? We have a question here in the room.

Councilmember Pastor said I have a question because on the top it shows that I'm on the phone but then when roll call happened, I'm not sure if I was on the phone at that moment. But at what moment does it capture?

Ms. Dillon said if you are arriving on the call late or walk into the room after roll call I make that in my meeting notes.

Ms. Dillon said I will correct it. But you did attend by phone. I just track it as the meeting progresses when members join and depart the meetings.

Councilmember Pastor said perfect. I was at that meeting. I know I was at that meeting.

Ms. Dillon said so at the very top where it says meeting participants that anybody that's listed there is who was at the meeting. And then the roll call is sort of a verification for me and for later when I go and put the minutes together.

Chair White said any further discussion?

Without further discussion, all those in favor, aye. Any opposed? The motion carries.

IT WAS MOVED BY COUNCILMEMBER ADAMS, SECONDED BY COUNCILMEMBER MCMAHON, AND UNANIMOUSLY CARRIED TO APPROVE THE OCTOBER 3, 2024, AUDIT AND FINANCE SUBCOMMITTEE MINUTES.

5. Executive Session

Chair White said we will move on to Agenda Item 5. The Audit & Finance Subcommittee may vote to enter Executive Session for discussion or consultation with designated representatives of the public body in order to discuss security plans, procedures, assessments, measure or systems relating to or having an impact on the security or safety of buildings, facilities, operations, critical infrastructure, information and information technology maintained by Valley Metro, more specifically the cybersecurity training audit as authorized by A.R.S. § 38-431.03(a)(9).

I will entertain a motion to move into Executive Session.

Motion by Councilmember Pastor, second by Councilmember McMahon.

We will move into Executive Session.

Mr. Wawro said Chair, could we please take a vote?

Chair White said oh, thank you. Point of order. All those in favor, aye. All those opposed. All right. Thank you so much. I appreciate it.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER MCMAHON, AND UNANIMOULSY CARRIED ENTER INTO EXECUTIVE SESSION.

AFS adjourned into Executive Session at 12:23 p.m.

AFS reconvened at 12:56 p.m.

6. Executive Session Action Item

Chair White said we are wrapping up our Executive Session and I will entertain a motion. Our staff recommends that we take action on the items discussed in Executive Session.

Motion by Councilmember Pastor, second by Vice Mayor Davis. All those in favor. Any opposition? The motion carries. Thank you so much.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY VICE MAYOR DAVIS, AND UNANIMOUSLY CARRIED TO APPROVE ITEMS DISCUSSED IN EXECUTIVE SESSION.

7. Internal Audit Charter Review

Chair White said we are going to move to Item number 7 Internal Audit Charter Review. Sebrina Beckstrom will present this for us our Chief Auditor.

Ms. Beckstrom said thank you, Madam Chair. So the 2025 Internal Audit Charter has some mild, small changes to it. The Institute of Internal Auditors has updated the global standards that govern the practice of internal auditing and really, I took a look at the charter this year and everything within the charter that we currently do is still accurate. It's just the reference to that actual document. They are not called the Global Audit Standards as opposed to the International Professional Practices Framework. And so, I edited the document to change that.

As well as I'm requesting signatures again because those who signed the charter in 2020 are no longer at Valley Metro, so we need to update the signatures on the charter.

Are there any questions?

Chair White said how soon would we need to update the signatures?

Ms. Dillon said we can do it today.

Chair White said any additional questions? I'm requesting a motion to accept the Internal Audit Chair's updates.

Motion by Councilmember McMahon, second by Councilmember Adams.

All those in favor. Any opposition? The motion carries.

IT WAS MOVED BY COUNCILMEMBER MCMAHON, SECONDED BY COUNCILMEMBER ADAMS, AND UNANIMOUSLY CARRIED TO ACCEPT THE INTERNAL AUDIT CHARTER UPDATES.

8. Credit Card Transactions Audit Results

Chair White said we're moving to Item number 8 Credit Card Transactions Audit Results. Larry Kondrat, Audit Manager, will present the results of our credit card transaction audit for acceptance.

Ms. Beckstrom said Madam Chair, Larry is out sick today, so I'll be presenting these results as well.

Chair White said thank you so much, our Chief Auditor. Go ahead, Ms. Beckstrom. Thank you.

Ms. Beckstrom said as noted, we completed the credit card transactions audit for this fiscal year. The Internal Audit reviewed the transactions. We review them continually on an annual basis for adherence to Valley Metro policies and procedures. Internal Audit reviewed 21 percent of fiscal year '24 credit card transactions and determined that Valley Metro had moderately effective credit card controls but can be strengthened.

So some of the credit card transactions were not in compliance with policy as staff made purchases that were outside of approved spending limits or considered prohibitive purchases according to policy or did not always have proper pre-approvals or supporting documentation. The Finance Division will be addressing the findings by meeting with Valley Metro leadership to recommend policy changes that include more specific disciplinary actions to take and/or recommend more consistent enforcement procedures with unauthorized or prohibited purchases. And also updating the management policy to add requirements for mandatory annual trainings for all cardholders and authorized users.

Are there questions about this audit?

Chair White said I'll open up the floor first to those who are participating online. Any questions.

Councilmember Adams said this is Jennifer. I guess I'm just hardcore about these kinds of things with the security, anything with the security and anything with not having appropriate purchases. And I think that we should take a pretty strict or, you know, I want them to be trained. I want the employees trained so they have the opportunity to succeed but if they're making inappropriate charges. I mean, this is the taxpayer's money and the agency, you know, still has a reputation for -- unfortunately for previous management and I just think that we need to do everything we can to increase our reputation and not have any holes in the system that could be brought up by the media or anyone, anywhere else to assure our taxpayer's that we are doing everything we can to make sure everything's proper. Thank you.

Chair White said thank you so much, Councilmember Adams.

DRAFT

Vice Mayor Davis said I agree. We need a pretty strict policy in place for any type of financial situation. So if there's some questionable charges coming up on credit cards there should be some strict punishment or reaction to that.

Councilmember McMahon said I was wondering do you know percentages of like the wrong purchases or the not pre-approved purchases or, you know, a little bit more information on it? Because sometimes having been a prior cardholder myself, you can't always get pre-approval for some things but yet you need it or you're in a place where you have to make that particular credit card. So I'm kind of wondering like where is the ratio? In the wrong or inappropriate versus the ones that were not approved which are inappropriate too probably but.

Ms. Beckstrom said thank you for the question, Madam Chair, Councilmember McMahon. Stacy Cunningham, the lead auditor on our audit has come to the chair to answer some questions.

Ms. Cunningham said Members of the Committee, Councilmember, thank you for your question. So 92% were in compliance. We looked at 544 transactions. Roughly 45 either they weren't 100 percent perfect. So as an auditor we look is it perfect yes or no. And then of the ones that we found, really 26, we put in the report. So about 8%. Ninety-two percent compliance, 8 percent weren't. Nothing really stood out as being necessarily a big issue. I think we looked at it from an internal controls' perspective. So although a purchase might have been approved and accepted verbally or just an understanding, yes, you know, go buy that documentation, the paper trail wasn't necessarily complete.

And so we're looking at, you know, what does the policy say? It says you have to have this form; you have to have these approvals and if those weren't there, we counted that as that was out of compliance. So there was about 8% that weren't.

Councilmember Pastor said thank you for that because that's important to know. We're at least at 92%. I think all of us that serve and everybody that is part of Valley Metro, we serve the public and the public would want us at a hundred percent. But we're humans and there are situations that it possibly will come out in the findings. I'm hoping that we strive to maybe a hundred percent but at least give us, we're at 92% so maybe we push to become 98%, 99%, I don't know. You guys will determine where we can go so that next year in the audit we're above 92%.

But this is a similar issue that was in the audit in fall 2023. So it is a pattern or practice that is going on and the culture of practice needs to change. I personally think, once again, it goes back to training. So these are all the required trainings that need to be done yearly. Possibly if not or out of compliance then there is it's not a slap on the hand, there's a written notice, it goes in your file, it's part of your evaluation. That's something that I think the organization needs to discuss with HR. And how do we get to our percentage rate and make sure that we are all in compliance.

I get it. We understand. There are emergencies. I'm probably one of them. I'll just use me. There are moments where I'm like, I'm sorry, I know I have to follow these procedures but we're in this type of emergency, can you, and this is with the City Manager, can you assist me with this. So I think we're like to get to 95% but I really would like to get to a 100% and I don't know that would be determine of the organization as to what percentage we want to work towards. Because I'm not sure when the next audit will be, and we can get there.

Those are just my thoughts and some concerns. I appreciate that we're doing this because as stated earlier, we had a proposition. People are not always there on transportation and if they could find a ding on us, they'll go for it. And for me, I want them to find excellence. And so, that's just where I'm coming from. Thank you.

Chair White said thank you so much. I'm taking a look at the recommendations, and I have a bit of concern as well because I think there might be a mix between policy and procedure and reality and I would hate to be the movement of finding corrective action be the answer to the question where we might be able to massage and review that policy and procedure again. And I know we'd asked to have that done in the past on purchases. You just can't get the CEO's signature, but you do have to get something purchased so I think that might have been part of some of the things that we were finding.

I do believe, though, I'm really excited to see one of the recommendations is that annual refresher training for all cardholders. That to me is really what's going to make the difference. We drive down risk when we have pre-approvals. We drive down risk of fraud, abuse or wasteful spending when we know in advance what we're spending. It's the whole budget and finance process. It's the right thing to do so I appreciate the work that was done. I'm very sensitive, which why I opened up the floor and asked for comments from everybody because when things swipe, it's easy to have things swiped. So I just want us to be very cautious for this.

I do want to, without any additional comments, I'm requesting a motion to accept the credit card transaction audit.

Motion by Councilmember McMahon, second by Councilmember Pastor. All those in favor, aye. Any opposed? No opposition. The motion carries. Thank you.

IT WAS MOVED BY COUNCILMEMER MCMAHON, SECONDED BY COUNCILMEMBER PASTOR, AND UNANIMOUSLY CARRIED TO ACCEPT THE RESULTS OF THE CREDT CARD TRANSACTIONS AUDIT.

9. Travel Expenses and Reimbursements Audit Results

Chair White said we're moving to Item number 9 Travel Expense and Reimbursements Audit Results. We're not going to have Larry here with us today. Again, hoping he's well. We're going to go back to our Chief Auditor, Ms. Beckstrom.

Ms. Beckstrom said thank you, Madam Chair. Yes, I'm going to present the results of the travel expenses and reimbursement audit. Internal Audit reviews travel expenses and reimbursement similar to the annual credit card audits. We review these continuously and on an annual basis for effective adherence with Valley Metro's policies and procedures.

Internal Audit reviewed 65%of the fiscal year '24 out of state travel expenses and determined that Valley Metro had effective controls over these processes and there were no findings for this audit period.

Are there any questions related to this audit?

Chair White said any questions in the room? Any questions online?

Thank you so much, Larry, and also Ms. Beckstrom, for this. I'm going to request a motion to accept the travel expense and reimbursement audit results.

Motion by Councilmember Pastor, second by Councilmember McMahon. Any discussion?

I would like to thank you for not having any findings. I appreciate that.

We'll call for our vote. All those in favor. Any opposition?

The motion carries.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER MCMAHON, AND UNANIMOUSLY CARRIED TO ACCEPT THE RESULTS OF THE TRAVEL EXPENSES AND REIMBURSEMENTS AUDIT.

10. Internal Audit Update

Chair White said moving to Item number 10 Internal Audit Update. We return to Sebrina Beckstrom, Chief Audit Officer. She's going to provide an update on actions taken in the internal audit, external reviews and prior audit findings and recommendations. Ms. Beckstrom, it's back to you.

Ms. Beckstrom said as you've just heard, we've completed the IT Cybersecurity Training audit, the Travel Expenses and Reimbursement audit and the Credit Card Transactions audit. We have also completed two internal safety and security audits. Those are part of the nine that we do every year for our Safety and Security and Quality Assurance Division. Those two were related to personal security program and procurement, the elements within that program.

We also have an operator fitness for duty audit that we've just kicked off and Valley Metro employee mileage reimbursement process audit that is underway as well. As well as a change management audit for IT.

In the last, because we haven't met for a while, in the last three months three recommendations have been implemented, and we are currently still tracking ten recommendations that are in the process of being implemented.

Are there any questions related to any of these items?

Chair White said any questions? Ms. Beckstrom, question. Operator fitness for duty is that a new audit?

Ms. Beckstrom said it's an audit on the fiscal year '25 audit plan.

Chair White said thank you for the clarification.

Without any questions, this item is presented for information only.

11. Intergovernmental Agreements, contract Change Orders, Amendments, and Awards

Chair White said we'll move to Item number 11 Intergovernmental Agreements, Contract Change Orders, Amendments, and Awards.

Intergovernmental Agreements, Contract Change Orders, Amendments, and Awards that appear on the board agendas are provided for information. If any AFS members have questions regarding these items, please reach out to Valley Metro staff. Pat will be able to field that question for you if you don't know who to send that to so just direct those to Pat Dillon and she will make sure the appropriate member of Valley Metro's staff is engaged.

12. Report on Current Events and Suggested Future Agenda Items

Chair White said moving to Item number 12. We can take report on current events and suggested future agenda items. Do we have any from our members who are online? Any current events or suggested future agenda items for folks in the room?

Chair White said with that, I would just like to thank everybody again for your service on AFS. Congratulations on making it into the new year. We have a lot of work ahead of us. A lot of information that we are going to be processing as Councilmember Pastor referred to before 479 crossed the line so our fiscal responsibility and our partnership with Maricopa Association of Governments is really going to matter as we move forward each and every day. So let's just continue to find ways to be collaborative, fiscally responsible and engaged in our cities, towns, villages and making sure that we are providing the best transit options for the folks in the Valley.

The next meeting of the AFS is scheduled for Thursday, February 6, 2025, at 12:00 p.m.

Without further discussion, the meeting was adjourned at 1:14 p.m.

Meeting Minutes

January 16, 2025 **AGENDA ITEM 4A**

Joint Boards of Directors
Thursday, November 21, 2024
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants
Vice Mayor O.D. Harris, City of Chandler – **Chair**
Councilmember Jennifer Adams, City of Tempe **– Vice Chair**
Councilmember Max White, City of Avondale (phone)
Vice Mayor Clay Goodman, City of Buckeye (phone)
Councilmember Monica Dorcey, City of El Mirage (phone)
Councilmember Peggy McMahon, Town of Fountain Hills
Mayor Brigette Peterson, Town of Gilbert
Councilmember Lauren Tolmachoff, City of Glendale (phone)
Vice Mayor Laura Kaino, City of Goodyear (phone)
Chairman of the Board, Jack Sellers, Maricopa County (hone)
Councilmember Francisco Heredia, City of Mesa (phone)
Vice Mayor Jon Edwards, City of Peoria (phone)
Councilmember Laura Pastor, City of Phoenix
Councilmember Jeff Brown, Town of Queen Creek
Vice Mayor Kathy Littlefield, City of Scottsdale (phone)
Councilmember Aly Cline, City of Surprise
Councilmember Jimmy Davis, City of Tolleson (phone)
Mayor Michael LeVault, Town of Youngtown

Members Not Present
Mayor Rui Pereira, Town of Wickenburg

Valley Metro Rail Participants
Vice Mayor Francisco Heredia, City of Mesa – **Chair** (phone)
Councilmember Laura Pastor, City of Phoenix – **Vice Chair**
Vice Mayor O.D. Harris, City of Chandler
Councilmember Jennifer Adams, City of Tempe

The Chair called the meeting to order at 11:22 a.m.

Chair Harris said hello, everyone. So I'm going to call the meeting to order 11:22 and I'm going to have Pat now call the role, please.

Ms. Dillon said good morning, everyone.

City of Avondale, Councilmember Maxine White? Present.
City of Buckeye, Vice Mayor Clay Goodman? Present.
City of Chandler, Vice Mayor OD Harris? Here.
City of El Mirage, Councilmember Monica Dorsey? Present.
Town of Fountain Hills, Councilmember Peggy McMahon? Here.
Town of Gilbert, Mayor Brigette Peterson? Here. For the last time.
City of Glendale, Councilmember Lauren Tolmachoff?
City of Goodyear, Vice Mayor Laura Cano? Here.
Maricopa County, Chairman of the Board of Supervisors, Jack Sellers? Here.
City of Mesa, Vice Mayor Francisco Heredia? Here.
City of Peoria, Vice Mayor Jon Edwards? Here.
City of Phoenix, Councilmember Laura Pastor? Here.
Town of Queen Creek, Councilmember Jeff Brown? Good morning. I'm here.
City of Scottsdale, Vice Mayor Kathy Littlefield? Here.
City of Surprise, Councilmember Aly Cline? Here. For the last time.
City of Tempe, Councilmember Jennifer Adams?
City of Tolleson, Vice Mayor Jimmy Davis? Present.
Town of Wickenburg, Mayor Rui Pereira?
Town of Youngtown, Mayor Michael LeVault? Yes, Pat, I'm here.

Ms. Dillon said Chair, we're ready to proceed.

Chair Harris said thank you so much for doing the roll call. Before we get started the Joint agenda, I want to just take a moment and just recognize those that are leaving us, and I would like to give them an opportunity at this time to share some words with the Board. I will start with Chairman of the Board Maricopa County Supervisor Jack Sellers.

Chairman Sellers said oh, thank you. Well, this is my last meeting with Valley Metro. Certainly, I don't plan to go away. We have a lot of work to do yet in implementing Proposition 479 and I intend to be involved.

Chair Harris said thank you so much. I also would like to acknowledge Mayor Brigette Peterson. Before I acknowledge her, I just want to say it's been a pleasure serving with Jack. He has been all over Proposition 479. He is a transportation expert. He is the reason why our whole entire community is moving forward with transportation and the connectivity. Without Jack, without his voice on 479 it wouldn't of been able to get across the finish line. And his advocacy when we needed to do the extension, his advocacy is the reason why many of us still sitting here. And so I just want to take a moment and appreciate Jack and all his great service and the contributions. As he says, he's not going away. We know you're not going away. Because we would be calling on you after a while, sir.

Chairman Sellers said thank you, OD.

Chair Harris said you're welcome. And just thank you. I didn't know if anyone else wanted to -- well, anyone that's present would like to say anything to Jack. I covered it all. Now, I want to acknowledge my colleague to my left Mayor Brigette Peterson.

Mayor Peterson said thank you, OD. It's been a pleasure to serve Valley Metro. I've been here for a very long time. I took over for Mayor Jen Daniels in late 2016 and took off about eight months when I ran for mayor and have now served for four more years and one of my proudest moments as a board member was picking Jessica for this position. I think that we did an excellent job in that choice, and I think we've moved Valley Metro forward with the choice of choosing Jessica and it's been a pleasure to get to know all of the councilmembers and mayors that I've been able to serve with on Valley Metro and I can't believe it's been eight years really that time flew by. And I will probably not be staying involved even though everybody keeps asking me to run for office in my new city that I will be moving to, the city of Surprise. I'm going to a purple city, so I think it's very appropriate but thank you for everything. Thank you for the gift and thank everybody for their service. And Jack especially for Prop 479 because I don't think we would have gotten that over the finish line without Supervisor Sellers so thank you.

Chair Harris said thank you so much. And Mayor, I'm just glad that I'm not making as much as news as you was making. I took her place for a while. For weeks I was number one on the hit list. But truly thankful for your service and your advocacy. You have been a remarkable person to serve with and you've ran Gilbert in a positive way and we love, Chandler loves being next to Gilbert which we now have a new word Chilbert.

Mayor Peterson said Chilbert is Chandler, Gilbert together.

Chair Harris said yes. And no, we're not going to be naming our college after –

Mayor Peterson said Gilbert Chandler –

Chair Harris said it's going to be Chandler-Gilbert. It's not going to be Gilbert-Chandler, okay? So again, thank you for your work and your service as well.

Last is Councilmember Aly Cline from city of Avondale.

Councilmember Cline said from the city of Surprise. It was a surprise that you said I was from Avondale.

Chair Harris said sorry, Surprise.

Councilmember Cline said well, it's been a pleasure serving here. I've only been on this board for a couple of years stepping in after other people decided that it was time for them to move on to something else, but I've really enjoyed working with all of you here and made some great friends. And working with Jessica and the team here to bring ADA certification offsite to the beautiful city of Surprise has been one of the things I'm most proud of that we were able to accomplish as a team. And I'm looking forward to becoming a lady of leisure in January. And it won't -- she's not taking my district so anything I can do to help you when you get moved in let me know. I know the neighborhood and all the cool people to hang out with, so Surprise is a fast-growing city and they've got some younger people who are looking forward to make inroads into those demographics. So thank you for letting me be here. Thank you letting me be part of your team. I appreciate it.

Chair Harris said thank you so much for your service to the Valley Metro board. Truly your contributions whether it's one day or two years or five years the contributions matter. It helps us move forward as a community. This board is not just run by one city, its multiple cities working jointly together for the purpose of connectivity and we're here to serve the greater good of our communities. And so we thank you for your service. We love you. We appreciate you and I look forward to hanging out with you on your leisure time.

And I also I want to recognize Councilmember Pastor who just wants to share a couple words to all the wonderful people who are leaving our board at this time.

Councilmember Pastor said just want to thank everybody for their service. As I stated yesterday at our council, it is a space and place that is very unique to us and it's a certain club that we have as we ran for office and running for office is very difficult, it's hard, it's vulnerable and we have to do a lot of asks. So I want to thank my colleagues that have been serving on Valley Metro and understanding the necessity of transportation and the access that it provides to all our communities and advocating for the Prop 479 that we needed but we had key leaders in this and I want to thank Jack for serving on both but also being the key to really pushing us forward in this time and space.

Hopefully, we can all get together now that you guys have more time. I don't necessarily know if I have more time, but I can make more time and I think there will be two powerhouses in Surprise so I'm not anticipating you guys not participating in public comments or anything else. So I appreciate all of you for doing what you have done and the sacrifices that your family has given in order for you to serve. So thank you very much, appreciate you and with a lot of gratitude.

Ms. Dillon said Chair Harris, Councilmember White and Vice Mayor Littlefield have comments and Vice Mayor Goodman said thank you all and best of luck in your future endeavors.

Chair Harris said I will acknowledge those that are on the Zoom in the order in which you just presented to me, Pat.

Councilmember White said thank you so much. This is Councilmember Max White, city of Avondale. I just want to thank you all so much. I think seeing Supervisor Sellers now over in the transportation policy committee for MAG I did not realize how serious and how concentrated you have to be focused on this so thank you so much for leaving such a strong legacy of transit.

To Councilmember Cline and also to Mayor Peterson you have been great folks to get to know. So much so that I feel like we've become friends, and you all have been awesome guiding lights. I feel like our board of directors has provided so much energy. Thank you for the leadership that you all endowed us with bringing Jessica to Valley Metro and being able to ensure that we have sound judgment on looking forward to transit in the next 20 years. And I think that we have strong shoulders to stand on as we continue to rise and elevate Maricopa County together as a region and do what is right to provide access to people throughout our beautiful area in Maricopa County. Thank you so much, Chair.

Vice Mayor Littlefield said thank you so much. I wanted to add my thanks to all the people who spent so much time and effort in making this happen and moving us forward. This was probably my last meeting here, so I just wanted to say thank you I've enjoyed being a part of this and good luck. Thanks.

Ms. Dillon said my apologies, Vice Mayor. I was not aware that you may not be returning to our board. We do thank you for all the time that you've put into attending our board meetings and being a proponent for public transit across the Valley.

Vice Mayor Littlefield said thank you.

Chair Harris said we also thank you so much for your time and your service. And also your contributions to this board is very meaningful and we appreciate that. Everyone here plays a remarkable role in how this connectivity works in our community and our county and so we thank you so much for your service and your time, your advocacy. Appreciate it a lot.

Vice Mayor Littlefield said thank you. I've learned a lot.

Chair Harris said thank you everyone for your comments and those that had decided to, you know, share a private commentary to each one that's leaving we appreciate your time and obviously, the greatest gift that we got was Jessica. You know, a great strong leader, a champion and I think the board I can say, you know, with great strength that Jessica you have been a big part of the reason this community of transportation continues to move forward. We appreciate your leadership and what you continue to do to make sure that it stays moving forward and you were, you know, you were tasked with some pretty stressful moments, intense moments and everything was, you know, riding on your leadership. And I think that in those times of uncertainty you came, you rose to the top and we came out all right and now we put a lot of the things that behind us and now we look forward to the future and the future of your leadership and those that are departing left us a gift, you, and I'm glad I was able to say yes. I had just come on when you were kind of coming on. But I trusted the leadership that came before me and true in form we've elected great leaders, and we have another great leader in you, and we look forward to the future of what you will do with Valley Metro moving forward.

With that being said, if there are any committee members that would like to ask a question or make a comment during the meeting, please type your comment in the box so it can be read out loud.

1. Public Comment

Chair Harris said at this time we're going to move to the first item which is public comment. The public will be provided with an opportunity at this time to address the Committees on non-agenda items and all action agenda items for Joint RPTA and VMR meeting agendas up to three minutes will be provided per speaker unless I decide to give more discretion which is probably not going to happen. A total of 15 minutes for all speakers as a whole.

Is there any public comment at this time, Pat?

Ms. Dillon said yes, sir. Mr. Crowley is here today.

Chair Harris said come on up, Mr. Crowley. You will have three minutes as always.

Mr. Crowley said I heard that. I had not even thought of requesting even though I am going to cover a lot of stuff.

Chair Harris said thank you, sir. The time will begin when you start your first words so thank you so much. Please say your name.

Mr. Crowley said starting with Jack, I'd like to say thanks for all you've done but as at the board meeting yesterday I did point out that in that program it has major street improvements going to the freeways to break down the congestion. You see any bus routes or bus facilities being built? I'm feeling that if MAG really is dedicated to the transit part of it there'd be a bus part of that but not happening.

But then you did do on 30 of the agenda yesterday that $15 million to get charging and fueling stations on the electronic part of it and it says going to cities and towns. I'd like to suggest from the next document that I have that one of the places you could put that is the Park and Ride up there.

It also has in your agenda that you guys want to work with MAG on the plan. Well, you don't work with MAG. MAG's the one that's making the plan and gee, I wish you could be doing something because when it comes to doing things I've got what the MAG plan says you're doing from now on and I know that Brigette you know what it is, and I know Jack because they made the meeting two days ago. But one of my favorite parts on his major reduction in planned bus stops improvements beginning in 2011 due to funding shortfall. I bang the drum up here how many times saying hey, where is that and what's it going to be happening on it. And in the new plan I don't see where you're even getting it up to that standard. In fact, what I do see in the plans is that when it comes to the citizenry, things aren't done for them.

In your strategic announcement one of the major things, it says is you need to fund security and deal with the security. That's only rail. Security for the bus ridership is having a dang bus stop out there. You know, when it comes to the environment that they're in its hazardous when you're standing in direct sunlight in the Valley in the summer. Just a thought, ya'll. And you don't have but 1100, it's 1100 stops that you didn't even get complete in the half a plan that you came up with.

Well, I see that in here it also has the no plan for what is going to be happening. I hope that you understand that what you should be doing is for your ridership not for your constabulary.

Chair Harris said thank you much.

2. Chief Executive Officer's Report

Chair Harris said at this time, we will now have the Chief Executive report. Jessica.

Ms. Mefford-Miller said thank you, Mr. Chair. Good morning, members of the Board. And on behalf of Valley Metro staff, we do want to offer our gratitude to the leadership of our outgoing board members. We have done a lot of great work together. We've made a lot of changes, and we'll go through some of those in just a moment.

Mayor Peterson, thank you for your long-term leadership on the Valley Metro Board and including and especially the Audit Finance Subcommittee. I am so thankful for your support in me assuming this role and for welcoming my family into your town.

To Supervisor Sellers, as has been said a few times this morning, we're grateful for your leadership on Prop 479 and also the development of the Momentum Plan and gaining consensus of our regional leaders through the many iterations that have led up to bringing that initiative successfully to voters this past year. I'm also grateful for the leadership and the sound voice that you have given to this board for so many years. I look forward to continuing to work alongside you across the Valley.

To Councilmember Cline, thank you for highlighting the importance of accessible mobility across our region. We've done a lot in a short time. I want to assure you that we are continuing to put the mobility needs of some of our most important citizens at the forefront of what we do and you're going to hear about some of that today actually.

Councilmember Pereira couldn't join us today, but I have enjoyed visiting with him way out in Wickenburg and he too brings a sound regional perspective to this Board.

Councilmember Littlefield, thank you for your service from the city of Scottsdale, a very important partner now and into the future for Valley Metro.

And earlier this year we bid farewell to Councilmember Stipp who is completing his term on council in the town of Goodyear this month. Thank you for your service.

Now let's take a quick look at some of the work we're done together in the past year with your leadership. We began the month of January with the adoption of our strategic plan. This five-year strategic plan was the first strategic plan adopted by this board in nine years and it is guiding all of our activities and really putting our customer at the center of everything that we do.

Also, in January we launched a new service provider, Keolis, for our East Valley bus operations and maintenance program. We are also preparing to launch a new request for proposals for West Valley on-street services including paratransit, but and demand responsive service. That will hit the street this calendar year.

On January 27, 2024, we also opened Northwest Extension Phase Ii ahead of schedule, under budget and within scope to great delight and we've been operating that project since. I had the great pleasure of joining city of Phoenix leadership earlier this week to being the demolition of the Metrocenter development ushering in the region's largest transit-oriented development around our new Metrocenter station and rail terminus at the northwest of our system.

In February, we began public meetings to collect input on the Capital Extension and its connection to I-10 West. We also ushered in our Valley Metro exchange program. This is a cross-collaborative learning program for staff. We are expanding their exposure across our organization. We're breaking down silos. We are working together to do great things and honoring the invest in talent objective included in our strategic plan.

Following a February board study session in the month of March we ordered 20 new compressed natural gas buses as part of our fleet replacement strategy. We continued Operation Blue Ride with our partners across the bus system providing visibility and resources to our riders and our operators across every community that we serve.

In April, we were once again pleased to host the NCAA Men's Final Four in downtown Phoenix. And this time we ushered in a special pass program using our new fare collection system to deliver transit fares to all of the NCAA visitors. We look forward to continuing to expand pass programs and programs like that. We also logged more than 26,000 miles on bike across the Valley during Valley Bike month in April preventing over 11 tons of CO2 emissions from entering our air. We also distributed more than $1 million in small business assistance grants along our Phoenix construction corridors. That's Northwest Phase II and South Central Extension via our Small Business Financial Assistance program which is a near coming to a close.

In the month of May we hit a major milestone on the South Central Extension project with the installation of the Giving Tree. This was our first piece of art installed and now we have art at all of our station locations across this corridor. This is at Buckeye and Central Avenue, by the way.

In June, we conducted public engagement on potential stop locations for our next streetcar extension. The Rio East Dobson Extension in Tempe and Mesa. In the hottest summer on record, we continued to conduct heat relief education and outreach including water distribution and events to support our customers, community members and team.

In July, we were honored to welcome Second Gentleman Douglas Emhoff to celebrate the award of a $16 million RAISE planning a great, huge grant for planning services to support continued planning and design of the Rio East Dobson streetcar extension. We look forward to city of Mesa hearing this locally preferred alternative at their council next month. We also introduced a new tool, Swiftly, which is now providing us real time performance data not only to Valley Metro but also to member city staff. That's helping us facilitate informed decision making and honoring our leveraging data and technology strategic plan pillar.

In August, we began intensive public engagement surrounding our fare collection modernization system and you'll hear more from staff later today on that. We also in August launched our ADA mobile assessments in West Valley. I'm pleased to report we're continuing those mobile assessments with additional dates scheduled for next month. Thank you for your leadership, Councilmember Cline. We also awarded our construction manager at risk and art grant projects for the Capital Extension. Huge milestones. We're working with our partners now to advance that project. Just last week we completed our three-day value engineering workshop on Capital Extension. Also, in August we began a new contract for ADA eligibility and travel training with MTM Transit.

In September for the first time our Commute Solutions team hosted ride share pop-up events at locations region wide to encourage alternative mode use and by the way, we are seeing a significant growth in our van pool program in the past year.

I'm pleased to share that with you. Also, in September we were honored to receive an AdWheel Grand award at the American Public Transit Association annual awards for our work on Super Bowl LVII marketing campaign. Wonderful job to our marketing team. And to the whole team for pulling off that service last year. We have applied several times, and we finally got ourselves a win.

On October 26th we were pleased to, together with City of Phoenix, to launch Plaza 19. Plaza 19th is at our 19th Avenue and Dunlap light rail station, and we launched that with a community event and then we'll be scheduling ongoing activation of that important civic space throughout the year.

On October 30th we recognized 18 clean air champions at, hard to believe, our 37th annual Clean Air Awards campaign and luncheon.

This month, October also marked the one-year anniversary of our partnership with City of Mesa PD and their real time crime center that now has access and live streams, our CCTV feed. I'm grateful for the leadership of this board. We're also working closely with the cities of Phoenix and Tempe to bring our CCTV feed into their real time crime centers. This is one example of what I hope to be a continuing and deepening relationship with our law enforcement partners across the Valley including our bus communities.

You may have heard also this month we passed Prop 479 and are delighted. We've been working on this for years beginning with the Momentum Plan that is led by MAG and then working through the enabling legislation with two gubernatorial administrations and state legislatures of different compositions over time and we are delighted. It is such, I think, a testament to the importance of transportation across our community to receive nearly 60 percent of the vote. Wonderful. And we thank you for your leadership on that. What a relief. Let's not do that again for another 20 years.

On South Central we are now 95 percent complete and this month we initiated testing along the alignment for South Central. We have many months of testing and readiness work that we will undertake so you'll begin seeing trains running more often as we move toward our opening in mid-2025.

Finally, in the month of December we'll be busy though we do not have a board cycle. We'll be celebrating the holidays with our annual bus and train wraps. Are you applauding the no board cycle? It's all right. We might be too. That's fine. We will once again operate the Mesa Santa Express, a celebrated event in downtown Mesa the weekend of December 13th. We'll also be celebrating our Shop Local campaign promotion for the South Central Extension and Downtown Hub businesses. I look forward to a future holiday season in 2025 when perhaps we also offer a Santa train in celebration at our new southern terminus at Baseline and Central.

And we will end the year for the 10th time in a row riders can enjoy our free rides using our Coors Light free rides on New Year's Eve. What a great way to wrap a very busy and successful year. We are so grateful for the leadership of this Board.

Before I wrap, I want to give you a couple of quick updates on South Central Extension and Downtown Hub because we are moving very quickly. A big milestone, fast. But it might not feel fast enough. It's a big project. It's been a long time. We all have construction fatigue, but we are certainly rounding the corner next month in particular. We completed our last track pours in early October near Baseline and Central, so all of our track is laid, all of that track is now embedded in concrete. We're working now on some final construction work. We're working very closely with the City of Phoenix and the South Central community to try and complete the majority of that concrete and asphalt work so that we can deliver sidewalks and streets back to them by the middle of next month so that they can have a wonderful holiday shopping season on South Central Avenue.

Now, looking here, this is Buckeye and Central. It shows the great progress you're being made. This now looks like a rail corridor. We're not opening and we're taking great care to make sure patrons don't arrive at our stations which are still very much under construction. It's become instead of earthwork and underground utilities project this now has become more of an electrical project. We're working on all of our traction power substations, electrifying the stations themselves, working on our overhead catenary system as well so that we can begin operation. But from this moment forward this looks and feels like a real rail corridor, and it will soon operate as such.

There's more. Can't forget downtown Phoenix. Though much of the work was completed some time ago the excitement is building. We're now installing and powering up those overhead catenary systems. This shows work at CityScape. In the last few weeks, as I mentioned earlier, a systems integrated testing in the Downtown Hub area so you're seeing trains running downtown. We had the opportunity to place a train near City Hall yesterday for a photo opportunity. Really doing a little bit of teasing for that wonderful service that is to come. We're also working on the very detailed certification process with our Arizona state safety oversight and our partners at ADOT as well as FTA. One of the items before this Board today is our operations agreement with ACI. They are our rail contractor, and this agreement would support the opening of the South Central Extension and carry us forward to the final two years of that rail operations contract.

There's a lot of work to do between now and mid-2025. The team is working very hard. I want to commend them for the amount of work and coordination this has already taken. We're rounding the last lap, but we will finish strong.

Looking ahead. We don't have a December meeting cycle, but we'll be back in this room on January 23rd with a board of directors that might look a little different than the board of directors does today in terms of membership. But we'll be working closely with our member communities to support the new board members who are joining us. We'll also be working to schedule a board retreat in early calendar year 2025 when we have those new board members seated so that we can talk about a number of strategic programs and get your board feedback.

That concludes my remarks, Mr. Chair, members of the Board.

Chair Harris said great job. Cancel, cancel, cancel. Got it. Got everything I need to know. Got it good. Thank you to the Valley Metro team, the CEO for all the work that you're doing. Construction fatigue, construction PTSD, okay. It's both. But thank you for your hard work.

3. <u>Minutes</u>

Chair Harris said we'll move on to number 3 which is Minutes. The minutes from September 19, 2024, Joint Boards meeting are presented for approval. Request a motion and a second to approve the September 19th, 2024, meetings.

Motion by Councilmember Aly Cline, second by Councilmember Max White.

All those in favor? All those opposed? Thank you.

Any opposed? Seems like the ayes had it.

IT WAS MOVED BY COUNCILMEMBER CLINE, SECONDED BY COUNCILMEMBER WHITE, AND UNANIMOUSLY CARRIED TO APPROVE THE MINUTES OF SEPTEMBER 19, 2024.

4. Audit and Finance Subcommittee Update

Chair Harris said next is the Audit and Finance Subcommittee. I'm going to hand that over to Councilmember Max White for an update. Any updates?

Councilmember White said thank you, appreciate it. Hopefully, everyone can hear me okay and a have happy holiday season.

The Audit and Finance Committee we last met on Thursday, October 3rd -- (no audio)

Chair Harris said there is no questions that I have. Is there anyone on the Board or the Committee or on the Zoom that have any questions or concerns? Seeing none. Thank you so much for your presentation.

5. Annual Insurance Coverage Renewal

Chair Harris said we'll move on to the Annual Insurance Coverage. Thank you so much for your work and your committee work on this on the Finance committee. At this time, I'm going to hand it over to Jessica to talk about the annual insurance coverage. We know that this is no surprise to no one. Things are going up and we can't do nothing about it. Coverage is going up and it's getting a little bit more costly so Jessica, go ahead and take it away.

Ms. Mefford-Miller said thank you, Mr. Chair. I'd actually like to introduce Michael Wawro, Chief Legal Officer, to review this item. And we aim for no surprises here.

Mr. Wawro said thank you, Chair and board members. I couldn't think of a better gift to give our outgoing members than a final insurance renewal report. I know it's the highlight of everyone's year.

So the amounts that we're asking for in this year's insurance renewal as we always do are not to exceed amounts because we negotiate rates all the way up through the end of November until our insurance year starts again in December. And so that's why we're coming to you now. We actually just received a couple of new quotes last night for property and for first layer of excess coverage. They came back where we expected them to come back with our estimates or lower than. So we continue to get those and we'll continue to get a few more quotes by the end of the month.

Our insurance renewal report is included as background information in the packet today that breaks it down by our coverages, by the amount of coverage that we have the year over year increases for those coverages. We're going to be recommending the same coverages as we have in prior years. There aren't going to be any changes to the types of coverage that we have. We didn't have to retreat on any of our coverage amounts and we don't have any increase in our deductibles as a result of this year's renewal process.

Despite a very challenging insurance market because of a lot of external pressures in the economies around the world we had a very positive renewal cycle. Our fleet grew by over 20 percent. Our property values went up by over $35 million and still we only had a single digit increase year over year with our insurance. It's 7 percent, which is less than half the rate of last year's increase where we had 16 percent and for our six year running average that we've been tracking it's 67 percent less. We beat the average by 67 percent.

So very good numbers for Valley Metro's insurance coverage today. That includes an almost 10 percent decrease in one of our biggest lines for the rate of our inland marine rolling stock. So those are our trains and streetcars, the premium rate went down almost 10 percent. And so in a day and age where everything is getting more expensive to be able to tell you that we were able to get a decrease in our rate is really positive.

This year we're recommending the addition of a deadly weapons policy. That's the only addition that we're asking for. Based upon the recommendation of our broker it gives us an additional quarter million dollars of coverage for incidents that would include a deadly weapon. We have had several suspicious packages that we've responded to over the and luckily nothing came of those but we live in a world where guns and bombs and things like that are a reality and they're not going to go away. This gives us some additional ability to be able to handle crisis counseling and other services that could come along in an instance like that, so we are recommending that additional coverage.

Are there any questions about the lines of coverage from the background packet?

Councilmember Cline said actually, I don't have any questions about the specific lines. Would you say the overall decrease in your cost was because we're doing such a good job of managing our incidents and current expenses that we did good and therefore the evaluation was that we could reduce our rate?

Mr. Wawro said yes, absolutely. And I'm going to highlight for a moment, in just a moment if there aren't any other questions.

So Councilmember Cline, I think it is important to, you know, before we move on to thoughts of turkey and pumpkin pie that we spend a moment here because there's a lot that we should call out.

These numbers don't happen as an accident. They're based upon our loss runs and the loss run doesn't happen as an accident here. Really what we're looking at is a reflection of what the insurance market, what the International Underwriters feel about Valley Metro's financial health.

And this is a direct report card on the improvements that we've had over the last year. So it's thanks to the efforts to improve safety and security on the system. It's thanks to the increased expectation of our contractors and the increased performance levels that we're having here. It's thanks to the maintenance and having reliable vehicles out on the road that we can depend on. It's thanks to increases in IT security. It's thanks to finance and the better data. We come under a lot of scrutiny by the insurance marketplace, and we were able to provide them with good data this year. It's thanks to when we have increases in employee and staffing levels that HR is training and putting in employee best practices so that those don't become liabilities or exposures in the work comp space. It's thanks to leadership by our CEO, by our leadership team. It's thanks to the work that our teams do out on the frontline. It's thanks to the board.

Every time that we bring up a measure that the board passes that improves Valley Metro's performance those are reflected at the end of day or in this case at the end of the year in our insurance renewal. So this really is a report card of Valley Metro's financial strength and the report card is good this year.

Councilmember Cline said thank you. That's what I was hoping you were going to say because I know that it takes a lot of work to get insurance companies to reduce rates. They're really happy to increase rates every time something happens but when you have a really good opportunity to reduce rates it means you're doing something correct, and it takes a lot of little corrections to get a reduction. So having worked with people in that industry for a long time I really want to thank everybody who's involved in all of those processes and Jessica and your leadership obviously but in hearing what we had to say in the strategic plan and listening to the employees and what they had to say about safety and security. So thank you very much and as you said, I just think this is an awesome thing and not to be glossed over for our pumpkin pies but that you guys did a great job. So thank you to everyone who's in this room and online as to how they managed to help make that happen. That's a big positive for everybody so thank you.

Ms. Dillon said Chair Harris, Councilmember White has a question.

Chair Harris said she got her hand up. Go ahead, Councilmember.

Councilmember White said thank you so much, Chair. Thank you, Mr. Wawro for the review. I think there's some things we have to pull back and it is thanks to the fact that safety's a very big umbrella so when we talk about safety and making safety first, I think we put safety first in every category of thing that we look at. And so we have to make sure we're cognizant and I don't want it to fall on deaf ears. I'm not trying to reiterate. I'm trying to drill down the fact that rate insurance increases are just how the industry is going because of what's happened throughout the country and throughout the world. And we can get granular and look at different things like when you look at the auto liability and visible damage coverage it might be a little bit below, you know, a standard $1 million coming in at 750,000 but it's definitely the excess policy in line at this level of coverage. So I think another thing that the industry can look at and see with us. We actually look at the data. We actually understand the data and we really care about the information.

So I appreciate this. There's no, you know, when the City of Avondale took a look at this with me we don't have anything other than, you know, just to make sure everybody knows on this call in the audience there that there are difficulties in the insurance market so we should feel very good about the rates going down and be very cognizant about how we move forward and do business going forward. Again, keeping that safety first and making sure we're listening -- we're listening to the people and also serving them. Thank you so much.

Chair Harris said thank you, Councilmember Max White. I know that City of Chandler insurance went up. We have not had any incidents, but it went up. So we know that this is inevitable. It's good to hear that we're making good progress, you know, in items that's going down.

At this time, thank you for the report. At this time, I'm going to request a motion and a second to authorize the Chief Executive Officer to purchase renewal coverage for Valley Metro's insurance policy needs for December 1st, 2024, to November 30th, 2025, in the amount not to exceed $7,135,730. RPTA's obligation will not exceed $486,185 and the obligation will not exceed $6,649,545. Is there a motion?

Motion by Councilmember Pastor, second by Councilmember McMahon. All those in favor, say aye. All those opposed, say nay. Thank you. The ayes have it.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER MCMAHON AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO PURCHASE RENEWAL COVERAGE FOR VALLEY METRO'S INSURANCE POLICY NEEDS FOR DECEMBER 1, 2024, TO NOVEMBER 30, 2025, IN AN AMOUNT NOT TO EXCEED $7,135,730. RPTA'S OBLIGATION WILL NOT EXCEED $486,185. VMR'S OBLIGATION WILL OT EXEED $6,649,545.

6. <u>Printing Services Contract Authorization Increase and Contract Extension</u>

Chair Harris said moving on to the next part. Item 6, which is Printing Service Contract Authorization Increase to Contract Extension which my understanding is I'm going to hand this over to Jessica to give us more information about this extension.

Ms. Mefford-Miller said thank you, Mr. Chair. I'm going to invite Beth Thomas, our business manager for Communications and Strategic Initiatives to the podium to provide a brief presentation to you. This is a request for your action today to exercise two option years on an existing contract with seven different on-call firms for printing services. So we are requesting that we add both time already included in that original contract as well as additional spend and with so many exciting initiatives underway including the fare collection system modernization which has been big in FY25 and our coming opening of South Central Extension and Downtown

Hub we anticipate doing a lot of printing over the course of the next year. Ms. Thomas, would you walk us through this item.

Ms. Thomas said thank you, Mr. Chair and members of the Board. I appreciate the opportunity to talk a little bit more about the printing services contract. As Jessica mentioned, my name is Beth Thomas, and I am the business manager of the CSI division.

So what we are requesting today is an extension of the current printing contract. When it was implemented, it was for a period beginning in January 2022 and it will end in January 2025. At that point the base contract amount was $1,324,000 split between RPTA at 60 percent and Valley Metro Rail at 40 percent.

Looking forward in terms of what our expenses are going to be printing wise we've determined that we would need a total of $990,000. That would take us through 2027. Actually, January 16th, 2027, and that would be split between RPTA in the amount of $810,000 and the Valley Metro Rail in the amount of $180,000. Again, we're not asking for increases to budget. These are funds that are already in the budgets we're just requesting an increase to the contact authority and then extending out another two years.

Chair Harris said Chair recognizes Councilmember Pastor.

Councilmember Pastor said I know the money's in the budget. You're just asking for a renewal on top of an increase. Is that what I heard that?

Ms. Thomas said we're increasing the contract authority. So the contract authority is distributed among seven different printers and when this was originally put in place that amount was based on three years. Now, we're coming up at the end of the three years, so we need to have that contract authority increased in order to move forward.

Councilmember Pastor said it sounds like it's a renewal contract.

Ms. Mefford-Miller said it's an exercise of option years and when we exercise option years, we are adding time but in order to financially support those option years we also have to add budget.

Councilmember Pastor said by adding budget.

Ms. Mefford-Miller said the original budget was only -- the contract term previously authorized by this board was three years so we're going to hit the end of that next month. And then so to go beyond the three years we need your approval, but we also need your approval for the funds that would be spent in those two additional years. We're not increasing the rate of spending if that makes sense.

Councilmember Pastor said no. You have that budget. The original contract, I'm just going to use a number, was $500 so we reached the third year of expiration date of the contract. Five hundred dollars was the amount. You spent $400 and there's $100 still left in the contract but you need additional dollars in order to do the next extension of the three years so we're going to add more money and also use what's within the budget.

Ms. Mefford-Miller said yes, Councilmember.

Councilmember Pastor said I just had to break it down because in my head it was like boom, boom, boom. Now, I understand what's happening.

Ms. Thomas said and we did take into amount what we had spent through, you know, the point we evaluated this was in October. And so we took those into considerations moving forward what we would need. So the distribution as you can see is actually higher for the RPTA side versus the VMR and that's just because, again, with the usage of what was spent to date.

Chair Harris said so my only concern about this particular item not in terms of that we're going to need the service. My only concern is making sure we always put it back out for the public to look at. Not just exercising our extension but also recognizing that others may be interested in bidding on this same contract because it's not just the fact that the remaining amount that we're looking to, you know, roll over into the next contract, my concern is making sure that everyone in the community who see this as an option to bid on that they can do it versus just always doing it within extension. Because a lot of the contracts do have extensions in them. My concern is that if we always extend when there is an option to go out to the public I think we should always exercise the option to go out to the public while still considering what we can extend so that way the board is not just saying okay, we're going to extend it to these individuals but we also have went out to the public to see if there is any new things that's still out there in the community.

And that's my main concern about extension is making sure that we're still making sure there may be something new in the market that we may not know. There may be something cheaper in the market that could be had. I just want to always make sure that we're practicing that so just kind of moving forward what I would like to see happen is that for every extension that we consider that the committee does go back out into the market to see if there's anything that's out there in the market that we can be taken hold to and making sure that the public is still having that process and if there's a new company that comes that they feel they can give a better service for a lower price we need to allow the public to do that. If we feel that our current contract is, you know, fine and the extensions are going to meet our needs, we now have something to compare. I just would like to see more options not just assuming to extend, assuming to believe that they are the best in the market. I just want always to make sure we have that. Chair's going to acknowledge Councilmember Pastor at this time.

Councilmember Pastor said yes. I just want to make sure I read this correctly. There is seven, seven or eight contractors within this contract.

Ms. Thomas said there are seven printers. And they have different capabilities.

Councilmember Pastor said I think probably not on this item but probably I'll put it in a future item to discuss extensions on contracts.

Chair Harris said so let's make sure that we add that we will in the future as new business to add any new extensions that is coming that we're looking to option out and have it in there. Hopefully, we can see it by January or so.

Ms. Mefford-Miller said I wanted to share with board members. We had this conversation with Chair Harris in preparation for this morning's board meeting and one of the items we discussed was the potential of having a procurement study session at our 2025 board retreat. We've been looking at a number of different strategies within procurement including when we compete an item versus when we leverage an on-call contract to complete that work. So we would welcome that conversation and subsequent direction from this board.

Chair Harris said I think that will be good and the public would probably appreciate that a lot to be able to have and to know what's going on. Thank you so much. Good job.

At this time there is a motion and a second to authorize the Chief Executive Officer to extend the current printing services contract with Artisan Colour, BP Graphics, Capitol Litho Corp, Courier Graphics, Image Craft, Ironwood and Prisma Graphics to January 16, 2027. The contract authority increase requested for this extension is $990,000 for contract total of $2,314,000 where the RPTA portion will not exceed $1,604,400 and the Valley Metro portion will not exceed $709,600. Is there a motion?

Motion by Mayor Peterson, second by Councilmember Aly.

Is there any discussion? Let me just ask them. I didn't ask is there any discussion?

Vice Mayor Littlefield said I'd like to say something, yes. I agree with the discussion that we just had that it would be possibly beneficial to go back next time we have to review these things and review, make sure we are finding all of the possible areas where people can compete and bid on these contracts for the best possible price point. Thank you.

Chair Harris said all those in favor, say aye. All those opposed, say nay. Ayes have it. Thank you so much.

IT WAS MOVED BY MAYOR PETERSON, SECONDED BY COUNCILMEMBER CLINE, AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXTEND THE CURRENT PRINTING SERVICES CONTRACTS WITH ARTISAN COLOUR, BP GRAPHICS, CAPITOL LITHO CORP, COURIER GRAPHICS, IMAGE CRAFT, IRONWOOD AND PRISMA GRAPHICS TO JANUARY 16, 2024. THE CONTRACT AUTHORITY INCREASE REQUESTED FOR THIS EXTENSION IS $990,000 FOR CONTRACT TOTAL OF $2,314,000 WHERE THE REPTA

PORTION NOT EXCEED $1,604,400 AND THE VMR PORTION WILL NOT EXCEED $709,600.

7. Strategic Plan Actions for FY 2025 (Part 2)

Chair Harris said moving on to Item number 7 Strategic Actions I'm going to ask Jessica to introduce the item.

Ms. Mefford-Miller said thank you, Mr. Chair. I'm going to invite Jim Hillyard, Chief Administrative Officer, to the podium. Jim is going to provide a brief overview of our FY25 Order 1 strategic plan update. This is included in your packet and each of our executive team members who are sponsors of the various initiative and performance areas are also here to answer any questions the board may have. Mr. Hillyard.

Mr. Hillyard said thank you, Jessica. Good morning, Mr. Chairman, members. So as Jessica mentioned, the purpose of this presentation is to briefly acquaint you with the actions that we'll be taking in pursuit of our strategic goals in FY26. It's the second of two presentations touching on those actions. As you can see, the first was provided in the lower left-hand corner there in August for the five goals that really focus on our more external or public facing goals. Today, I'll touch on the goals noted in the upper left, the four goals that are really more organizational health related.

So for each goal we'll use the pyramidal graphic that you see before you to highlight the relationship between the goal, the initiatives, the essentially longer term strategies that we're using to achieve that goal and then at the bottom the actions that we're taking this fiscal year.

In the interest of your time, I won't talk about each of the actions in the presentation today. I'll just touch on one briefly for each slide but in doing so linger long enough that if you have questions about any of the other actions, please do flag me and either I or the action's executive sponsor will be happy to tell you more about that.

So Goal 2 is investing in talent, ensuring that we have the talented workforce needed to accomplish all of our other goals. In many respects maybe the most foundational action that we're working on this year is that of the second action initiative from the left class and compensation study. This is ensuring that we're defining our jobs and then establishing the pay ranges around those in a way that both allows us to be successful in the talent workforce and hiring new folks but also in facilitating the growth of our existing folks up through the organization. So that work is well underway with the assistance of a consultant, about 60 percent complete today and we anticipate coming back to you in the first quarter of FY25 with the findings of that study.

Next Goal 6 is Execution and Leadership really working to strengthen our organizational health. I'll touch on the action to the right that is delivering problem solving training. So one of the keys to facilitating problem solving process improvement within the organization is ensuring that staff at every level understand how the work that they do relates to our strategic goals and then giving them a dashboard that allows them to see how their team is doing in pursuit of that work which then begs the question how can we improve and make problem solving really a relevant thing for them to do. And so we're in the midst of that at the moment establishing dashboards starting at the leadership team level and then cascading all the way down the organization to that everyone can see how their work affects our strategic goals and then creates that pull for now how do we do better.

Moving on to the next goal. Goal 7 is really making this relationship a very effective one, board governance. Both of the actions that you see listed here are being led by Alexis. Maybe most topical on the left-hand side you see improving our new board member on boarding. So in the next month you'll be seeing a survey from Alexis seeking your feedback on our current on boarding process. We'd like to then use that feedback to make improvements to that material so that when we begin on boarding new board members in the new calendar year we're really teeing them up for the greatest success in guiding us.

Finally, Goal 9 is financial sustainability. So the one action that we're focused on this year is the development of a long-term financial forecasting system that really will help us see how Prop 479's revenues carry us out over the next, you know, 20 plus years. The first step in that is obtaining some software that helps us do that more effectively. You approved an issue of an RFP for that software in August and that RFP should be dropped any day now and then we'll be coming back to you seeking your approval of the award in the months to come.

So that's briefly touching on the actions that we have in motion associated with the four goals in front of you. If there are any questions or any things you'd like to hear more about I'd be happy to do that. So I'll pause for just a second before then pivoting into a brief introduction of our new quarterly report which is also intended to help you see what we're doing and the impact that it's having.

Chair Harris said keep going.

Mr. Hillyard said very well. So you have in your packet our new quarterly report. You'll notice in flipping through it that it's been organized around the nine strategic plan goals. And so we'll be coming back to you with this report once each quarter. You'll see the next one in February. Your city managers are also receiving it in TMC, RMC, the RTAG members are receiving it just in advance of the board meeting so that everyone has access to the information it contains.

A couple things to highlight. First, at the bottom of each goal section you'll see a table. That table has the current status of all the actions that we're working on this fiscal year so that you can keep track of our progress there. But then in some respects, more importantly before that you'll see the performance measures associated with each goal. We've got the graphic on the left and then on the right a brief set of comments either explaining what the measure is illustrating or providing a little bit of context for why we think it's moving in the direction that's moving. So we hope this format is useful to you. As everything else we do it's a work in progress and we'd love to improve it and so if as you get acquainted with it you have feedback for us we'd be delighted to incorporate it.

If there any questions on anything you're seeing in the quarterly report, I or the relevant executive leadership member would be happy to answer those now.

Chair Harris said thank you so much for your presentation. There is no action required on this item, so we appreciate your presentation.

Mayor Peterson said I would like to just make a comment.

Mayor Peterson said first, Jim Hillyard has no facial hair. Completely, completely threw me off. Right. And I'm going to retire before him. I'm just putting that out there. How many times this year have I said to you Jim, you're still here. It's a pleasure because you do great work as all the staff here does, but I just had to throw that out here, Jim. I wouldn't feel fulfilled if I didn't mention it.

Mr. Hillyard said you win, Mayor.

Mayor Peterson said thank you. I think I get the better end of the deal.

Chair Harris said he's definitely on some aging type stuff. That was 7.5.

8. <u>Fare Technology Modernization Update</u>

Chair Harris said let's go to 8. Fare and Technology Modernization Update. Headed over to our CEO.

Ms. Mefford-Miller said thank you, Mr. Chair. This is an informational item requested by the board and I'll invite Ken Kessler, Chief Financial Officer and also Hillary Foose, our Chief of Marketing Communications to provide a presentation on the great work our teams are doing to reach out to our community.

Mr. Kessler said thank you, Jessica. Chair, members of the board. Yeah. I'm here to give you an update on our Fare Modernization project. We're in exciting time. A lot of balls in the air on this project. A very large and complex project to change out our fare payment system technology. I could say we are pretty much there. All the old equipment is out of service and we're currently in the process of finishing the installation of all the remaining new equipment so it's pretty exciting time to see this change come to bear. It's a project that's been in the makings for about ten years now. So I'm delighted to see this come to fruition and even as we work through some of the challenges.

But just to kind of go through some of the highlights and overview of the project. So just do want to remind folks, you know, it's a regional project really in close collaboration with Valley Metro and the City of Phoenix as the main transit operators here in the region. There were a number of goals set out for this project at the outset to improve our payment options for customers moving away from, you know, decades old technology to modern technology, making it more convenient, improve our data collection and revenue reconciliation and really providing better control over media distribution and oversight of our reduced fare programs and allowing for longer term alternatives with a phased implementation and open architecture system that will allow us to implement additional features as we move into the future. And then ultimately, obviously the main goal is really making for a more equitable transit system, making it easier for customers to access the system through the fare payment.

So just to touch on some of the features and benefits of the system. I really want to emphasize and highlight that the fare pricing remains the same in the new system as it has in the old system, so the base one ride fare remains the same. We're moving away from pass products into a fare capping concept, which I'll get into a little more detail in a few slides, but that fare capping concept we call smart fare really maintains the past pricing we've had for the last ten years just provides a more convenient way for folks to access the discounts of those previous passes. And special importance to note that all the cash options remain for customers. So at the ticket vending machines on board at fare boxes, at retail locations where they can buy a cards or load value they still have the option to utilize cash.

So the system is account based so you'll have either a mobile fare or the Copper card and then that will allow you to access your account and load funds to that account kind of -- similar to like a debit account, you know, if you lose your card as long as you registered, you don't lose your value. In the old world those paper passes if you lose your pass, you lost that value and there's no getting it back. So we see that as a big benefit.

As I mentioned, smart fare out fare capping provides for equity in the pricing –

Chair Harris said just one second.

Ms. Mefford-Miller said Mr. Kessler, if I may. Let's move through this content quickly. The question from the board was related to public outreach so move through the overview and maybe right up to what we're going to engage our customers and community.

Mr. Kessler said sure. The public outreach I have one slide that kind of encapsulates all of the efforts here. So over the course of probably about the last year we've been engaging with either messaging or getting out into the community to inform folks that this change is coming. So there's been, you know, on system outreach. We've been out there on, you know, buses at transit centers, on light rail platforms, on trains and so forth. We've held a number of fare pop-up events over the past several months where we're out there holding events and we're providing the opportunity to folks to learn about the system. We've been handing out Copper cards to people, helping them register their account. Also helping them to apply for reduced fares onsite as well. We've held a number of town halls back in the summer, again, sharing the information about the coming changes. And then a number of community events that Valley

Metro has participated in to provide fare information, pass out Copper cards, help people apply for reduced fare ID's as well as, you know, learn about the system.

So a lot of efforts by the team here, Hillary's team, Dane Ryals, our Fare Programs Manager, as well kind of leading those efforts. And so we've made thousands of contacts with individuals out there to share this information in person and, you know, there's a lot of people right there. Our customer base is very, very large and wide reaching so, you know, it's hard to get in touch with every single individual but we've been out there with a lot of messaging on the system as well as these in-person events that we held to actually be in touch with our customers directly.

So we're working through the transition right now to the new Copper card and smart fare system and we're excited to have this change take place.

Chair Harris said thank you so much for your presentation. Is there any questions or concerns that the committee want to bring forward?

Councilmember Pastor said I just want to bring one thing about the change and we spoke about it yesterday at the City of Phoenix so I don't know if I need to put it here on record or that will just between the City of Phoenix and Valley Metro?

Mr. Kessler said you're welcome to bring it up here.

Councilmember Pastor said the Copper Card came up yesterday and there is some challenges on it especially with our seniors. And the other piece was, and I think it's going to be somewhere in here with some of our seniors that have ADA compliance. And so I just want to put that there. And then we can move.

Ms. Mefford-Miller said thank you, Councilmember. Mr. Kessler brought that feedback back to the team yesterday. We are aware and working to just try and deepen engagement. This fare transition not only is new fare media but it's also the first time our ADA reduced fare eligible customers actually have to have a special pass or permit. Previously, anybody could purchase a reduced fare regardless of whether or not they were eligible. So we are working to support these important customers through that process.

Chair Harris said thank you so much for the presentation.

9. Travel and Expenditures

Chair Harris said lastly, we have Item 9 Travel and Expenditures. At this time there's none to be presented.

10. Report on Current Events and Suggested Future Agenda Items

Chair Harris said we'll move to Item number 10 which is Report on Current Events and Suggested Future Agenda Items. Again, just as a reminder we need to look at all contract extensions possibly one year before an extension is needed due, you know, just trying to make sure that we're on top of it and then also anything that we're doing to complete RFP's for the future. So we want to get a year in advance on what extensions could be coming down the pipe.

11. Next Meeting

The next meeting of the Joint Boards is scheduled for Thursday, January 23, 2025, at 11:15 a.m.

Without further discussion, the meeting was adjourned at 12:36 p.m.

Executive Summary

DATE
January 16, 2025

AGENDA ITEM 4B

SUBJECT
Investment Management Services Authorization to Issue a Competitive Solicitation

COST AND BUDGET
Costs submitted in responses will be subject to either a price analysis or a cost analysis, including a comparison to the independent cost estimate. Specific costs and budget impact will be disclosed at the time of a request for award.

If investment returns are insufficient to fund the Investment Management Services, the source of funds shall be Public Transportation Funds.

RECOMMENDATION
Staff recommends that the TMC/RMC forward to the Board of Directors authorization for the Chief Executive Officer to issue a competitive solicitation for investment management services.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 9: Financial Sustainability
  - Initiative 9.3: Maximize revenue generation, including advertising, farebox recovery, and discretionary/competitive grant opportunities.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
TMC/RMC: January 8, 2025 approved
Boards of Directors: January 23, 2025 for action

CONTACT
Ken Kessler
Chief Financial Officer
Kkessler@valleymetro.org

ATTACHMENT
None

Background Information

Authorization to Issue a Competitive Solicitation – Investment Management Services

BACKGROUND DISCUSSION
Valley Metro currently utilizes investment management services from PFM Asset management to assist Valley Metro financial staff in the process of responsibly investing resources. PFM Asset Management assists Valley Metro management in the prudent management of the investment portfolio.

Valley Metro entered a cooperative contract competitively solicited by the City of Mesa for investment management services in the estimated amount of $75,000, plus a contingency of $48,000, for a total amount not to exceed $123,000 for the period of October 1, 2024, through the maximum term of the contract, June 30, 2026.

This action will enable Valley Metro to provide opportunities for outside vendors to offer investment management services through the competitive solicitation process so that such services are available when the current cooperative agreement expires on June 30, 2026.

Authorization to Issue Competitive Solicitation for Investment Management Services

1

Background

- Valley Metro currently utilizes PFM Asset Management for investment management services.
- Current cooperative contract competitively solicited by City of Mesa expires on 6/30/2026.
- Procurement of new contract for investment management services needed.

2

2

Recommendation

Staff recommends that the Boards of Directors authorize the Chief Executive Officer to issue a competitive solicitation for investment management services.

3

3

Executive Summary

DATE **AGENDA ITEM 5**
January 16, 2025

SUBJECT
Planning Support Services (PSS) On-call Contract: Exercising Contract Option Years

COST AND BUDGET
The two one-year options of the current PSS On-call contracts will increase the contract authority in the amount not to exceed $21 million and extend the contracts through June 2027.

The focus of exercising the two one-year contract options is to help deliver the Rio East-Dobson Streetcar Extension, I-10 West Light Rail Extension, Capitol Extension, the West Valley Bus and Paratransit Facility study and support the needs of member agencies. The additional contract authority amounts are included in the FY26 draft budget and in the Five-Year Operating Forecast and Capital Program. The projects supported by the PSS consultants are funded by a mix of federal, regional and local dollars.

Contract expenditures for years one through five are summarized below:

Contract Expenditures (7/2022 thru 6/2025)	
Original Contract Authority	$30,000,000
Deduct Actual Expenditures (FY23 and FY24)	-$9,032,185
Deduct Estimated Expenditures (FY25)	-$10,198,545
Estimated Contract Authority Remaining:	$10,769,270

Estimated 2, 1-Year Extension Expenditures (7/2025 thru 6/2027)	
Estimated Expenditures (FY26 and FY27)	$28,670,000
10% Contingency	$2,867,000
Deduct Estimated Contract Authority Remaining	-$10,769,270
Need for additional contract value thru 6/2027	$20,767,730
Request for additional contract value (Rounded)	**$21,000,000**

RECOMMENDATION
Staff recommends that the Boards of Directors authorize the Chief Executive Office to exercise the two, one-year extension options with the current PSS On-call firms (10 firms) for on-call consultant services for additional contract authority in an amount not to exceed $21 million through June 2027, for a total contract authority amount of $51 million.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 5: Deliver on stakeholder collaboration
    - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system
    - Initiative 5.4: Incorporate community voices in Valley Metro's portfolio of programs and projects, particularly feedback from diverse/hard-to-reach communities
    - Initiative 5.5: Communicate the value of transit to stakeholders and the general public region-wide

COMMITTEE PROCESS
RTAG: December 17, 2024, for information
TMC/RMC: January 8, 2025, approved
Boards of Directors: January 23, 2025, for action

CONTACT
Trevor Collon
Chief, Capital Development
tcollon@valleymetro.org

ATTACHMENT
None

Background Information

Request for Award

AGENDA ITEM 5

Planning Support Services (PSS) On-call Contract: Exercising Contract Option Years

BACKGROUND DISCUSSION

The Planning and Support Services (PSS) contracts provide consultant staff who serve as an extension of Valley Metro staff. The consultant staff is utilized to bring in specialized planning, environmental, engineering and graphic expertise as needed to aide VMR and RPTA. Consultant staff works with Valley Metro staff to develop transit corridors, facilities, and services, including:

- conducting alternatives analyses and feasibility studies
- analyzing environmental conditions and archaeological monitoring
- performing conceptual and preliminary engineering, and estimating capital costs
- developing ridership forecasts, travel demand models and related databases
- supporting transit service planning for local communities
- supporting federal grant applications
- supporting graphic needs
- other project development activities as necessary to further regional transit goals

Consultant staff from the PSS contracts supplement Valley Metro staff by providing specific expertise on an as needed basis. The specialized technical expertise that the PSS contract consultants support includes ridership forecasting, conceptual design, engineering, cost estimating, illustrations and data visualization, and environmental analyses such as archeological monitoring, traffic analysis, and noise and vibration surveys. These are areas in which it is not efficient to retain full-time in-house staff for important but periodic needs. The PSS contracts allow Valley Metro the flexibility to quickly scale up and down for transit planning projects and major transit initiatives as regional needs fluctuate.

PROCUREMENT INFORMATION

In August 2021, the Boards of Directors authorized the Chief Executive Officer to issue a competitive solicitation for PSS. In December 2021, Valley Metro issued a request for qualifications (RFQ) for on-call contracts to provide specialized services in the following categories. Proposers had the opportunity to submit qualifications on any or all categories that best fit their business model.

1. Service Planning Support
2. Project Development Support
3. Environmental Services Support
4. Graphics and Visualization Support

Outreach was conducted to promote competition and interest from diverse companies of varying sizes, backgrounds and expertise. A selection committee consisting of three Valley Metro staff and a representative each from the cities of Phoenix, Mesa and Goodyear, evaluated the proposals and selected the following firms:

- AECOM Technical Services, Inc.
- AZTEC Engineering Group, Inc.
- CivTech, Inc.
- HDR Engineering, Inc.
- Jacobs Engineering Group, Inc.
- Logan Simpson
- Parsons Transportation Group, Inc.
- STV New York, Inc.
- Torres Multicultural Communications, LLC
- WSP USA Inc.

The current PSS contract was initiated on July 1, 2022 and the three-year base term is set to expire on June 30, 2025 with a not-to-exceed value of $30 million. Based on current projects in the planning stage, Valley Metro anticipates the need to exercise both one-year extension options on the PSS On-call contracts and increase the total contract authority. Major studies that will need continued PSS support include the I-10 West Extension, the Rio East-Dobson Streetcar Extension, environmental and archaeological support for the Capitol Extension, and continued archaeological support for the South Central Extension/Downtown Hub. Beyond major capital planning projects, the PSS contracts are utilized by divisions throughout Valley Metro for Consultant support on a myriad of projects. Valley Metro anticipates that these needs will continue over the next two fiscal years. Projects beyond major transit corridor planning in the current PSS contracts have been approximately 50% of total contract expenditures. Valley Metro anticipates that these trends will continue into FY26 and FY27. Overall, Valley Metro anticipates that approximately 10% of the contract expenditures will be related to RPTA with the remaining 90% related to VMR.

Examples of projects that have utilized the existing PSS contracts are as follows:

- Continuation of major transit corridor planning, environmental and preliminary engineering studies:
    - South Central Extension/Downtown Hub
    - Capitol Extension
    - I-10 West Extension
    - Rio East-Dobson Streetcar Extension

- Continuing support to transit service planning by developing local service plans, monitoring ridership and other service planning research
    - East Valley bus contract RFP/solicitation support
    - West Valley bus contract RFP/solicitation support
    - Zero emission fleet transition
- Support planning for capital renewal and replacement of transit assets to maintain safe operations and state of good repair:
    - Light rail station sign audit
    - Streetcar fare equity analysis
    - Fare modernization study
    - Station access study
- Safety and security studies to improve Valley Metro's existing system:
    - Threat vulnerability assessment
    - Crime Prevention Through Environmental Design (CPTED) assessment
    - Collisions/signal timing study
- Support planning to improve the existing transit system to maximize the region's investment in transit:
    - Gilbert park-and-ride relocation study
    - West Valley bus and paratransit facility study
    - Transit modeling support

CONTRACT TYPE AND TERM

Executing the two, one-year options of the PSS On-call contracts for an additional contract authority of not-to-exceed $21 million, for a total contract authority of not-to-exceed $51 million. The contract options will begin on July 1, 2025, for two years.

Planning Support Services Contract Contract Option Years

1

Planning Support Services (PSS) Contract

- The PSS contract is an on-call contract with 10 firms
  - AECOM, AZTEC, CivTech, HDR, Jacobs, Logan Simpson, Parsons, STV, Torres Multicultural and WSP
- 3-year base term expires on June 30, 2025
- Anticipated work will continue into FY26 and FY27, necessitating continued Consultant support on several VM initiatives
- Current contract authority is not to exceed $30 million
  - Anticipated needs through FY27 are as follows:
    - $21 million in addition to current contract authority
    - Support for RPTA is not to exceed 10%

2

2

Contract Authority vs. Anticipated Needs

Contract Expenditures (7/2022 thru 6/2025)	
Original Contract Authority	$30,000,000
Deduct Actual Expenditures (FY23 and FY24)	-$9,032,185
Deduct Estimated Expenditures (FY25)	-$10,198,545
Estimated Contract Authority Remaining:	$10,769,270

Estimated 2, 1-Year Extension Expenditures (7/2025 thru 6/2027)	
Estimated Expenditures (FY26 and FY27)	$28,670,000
10% Contingency	$2,867,000
Deduct Estimated Contract Authority Remaining	-$10,769,270
Need for additional contract value thru 6/2027	$20,767,730
Request for additional contract value (Rounded)	**$21,000,000**

3

3

Recommendation

Staff recommends that Boards of Directors authorize the Chief Executive Officer to exercise two, one-year options with 10 firms for on-call planning support services in a total amount not to exceed $21 million, for a total contract authority of $51 million.

4

VALLEY METRO

4

Executive Summary

DATE
January 16, 2025

AGENDA ITEM 6

SUBJECT
Travel and Expenditures

PURPOSE
The monthly travel and expenditures are presented for information.

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

CONTACT
Ken Kessler
Chief Financial Officer
Kkessler@valleymetro.org

ATTACHMENTS
Valley Metro Travel Report
Valley Metro RPTA and Valley Metro Rail Monthly Accounts Payable over $25,000

Valley Metro
Travel Reimbursement Report

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.	
Contracts Specialist	NGIP 2024 Annual Forum	Charlotte, NC	8/24/24-8/28/24	$1,701.61	$478.95	$41.92	$848.24	$262.50	$70.00	1
Sr. Contracts Administrator	NIGP 2024 Annual Forum	Charlotte, NC	8/24/24-8/28/24	$1,902.11	$508.95	$116.91	$1,075.75	$200.50		
Communications Mgr	WTS Pacific West Reg Council	Los Angeles	9/26/24-9/28/24	$561.86	$227.96	$58.45	$204.20	$71.25		
Chief Executive Officer	APTA TRANSform Conference	Anaheim, CA	9/27/24-10/01/24	$1,871.62	$366.95	$132.43	$1,087.74	$250.00	$34.50	4
Deputy Chief Rail Operations	APTA TRANSform Conference	Anaheim, CA	9/28/24-10/01/24	$1,480.36	$287.95		$1,028.16	$164.25		
Director, Government Relations	APTA TRANSform Conference	Anaheim, CA	9/29/24-10/01/24	$1,177.58	$367.97	$83.28	$593.08	$125.25	$8.00	2
Senior Civil Engineer	Nat'l Transit Inst - BEB Familiarization	Pittsburgh, PA	10/06/24-10/08/24	$1,736.12	$677.96	$179.84	$670.32	$200.00	$8.00	2
Information Security Lead Engineer	2024 N.A. Critical Infrastructure Transportation Cybersecurity Consortium	New York, NY	10/06/24-10/09/24	$2,301.48	$886.95	$81.88	$1,108.65	$224.00		
Chief Information Officer	2024 N.A. Critical Infrastructure Transportation Cybersecurity Consortium	New York, NY	10/07/24-10/08/24	$2,388.52	$886.95	$154.07	$1,108.65	$224.00	$14.85	3
Sr Planner/Scheduler	The Runcutter Course	Palm Springs, CA	10/07/24-10/09/24	$848.28	$359.12		$274.16	$215.00		
Director, Contracts & Procurement	OpenGov 2024 Transform Conf	Arlington, TX	9/29/24-10/04/24	$1,876.71	$578.96		$1,129.00	$168.75		
Manager, Procurement	OpenGov 2024 Transform Conf	Arlington, TX	9/30/24-10/04/24	$2,037.23	$578.96	$80.52	$1,129.00	$168.75	$80.00	1
Chief Legal Officer	ACC 2024 Annual Meeting	Nashville, TN	10/05/24-10/09/24	$1,857.31	$520.96	$39.26	$1,102.59	$194.50		

Total this reporting period	$21,740.79
Year to Date	**$52,706.68**

Report reflects Out of State (AZ) Travel

** Misc*
[1] Baggage Fees
[2] Flight Wi-Fi Fee
[3] Hotel Internet
[4] FedEx

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over $25,000
October 2024

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10002810	10/24/2024	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	7,282,071.36
10002776	10/18/2024	City of Phoenix	Transportation Services for East/West Valley-Fixed & ADA Routes	5,577,275.65
90000339	10/18/2024	ADP Inc	PPE 10/13/2024 Payroll Liabilities	1,359,163.35
90000334	10/4/2024	ADP Inc	PPE 09/29/2024 Payroll Liabilities	1,359,118.50
10002755	10/4/2024	MTM Transit LLC	Paratransit Service & Fuel, Mobility Center Fuel & Trips	1,064,145.32
10002767	10/10/2024	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	963,259.03
10002777	10/18/2024	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	963,259.03
90000340	10/24/2024	Cigna Health and Life Insurance Company	Health Insurance Premiums	613,337.49
10002746	10/4/2024	Scheidt & Bachmann USA Inc	Hardware and Software Maintenance Support	591,613.68
10002764	10/10/2024	Origami Risk LLC	Risk Management Information System	570,816.19
10002762	10/10/2024	MJM Innovations	Pass Through Provider Costs/Broker Services	512,675.61
90000337	10/18/2024	ASRS	PPE 10/13/24 ASRS Contributions & LTD	369,898.77
90000333	10/4/2024	ASRS	PPE 09/29/24 ASRS Contributions & LTD	368,307.27
10002754	10/4/2024	MJM Innovations	Ridechoice Management Services	323,258.18
10002759	10/10/2024	HDR Engineering Inc	Community Relations Support Services	237,150.78
10002786	10/18/2024	QCM Technologies Inc	Information Technology Services - Cyber Security Program Support	209,400.05
10002736	10/1/2024	101 North First Ave LLC	101 Building Rent	202,072.42
10002808	10/24/2024	Keolis Transit Services LLC	Engines and Transmissions	140,432.10
90000345	10/31/2024	Surepays	RPTA Monthly Utilities	122,727.85
10002779	10/18/2024	ACRO Service Corporation	Staffing Services	108,771.69
10002807	10/24/2024	MTM Transit LLC	Paratransit Eligibility Assessment/Travel Training Services	99,330.69
10002773	10/18/2024	Vix Technology USA Inc	Customer Service Network Fees	92,738.50
90000338	10/18/2024	Wells Fargo Bank	Monthly Credit Card Charges	76,183.91
1002695	10/24/2024	CopperPoint Insurance Company	Monthly Rent and CAM Charges	69,983.45
1002684	10/18/2024	City of Glendale	PTF Expenditure Reimbursement	64,226.00
1002679	10/18/2024	Magnetry LLC	Marketing Services	53,810.50
10002794	10/24/2024	Clean Energy	CNG Facility Operations & Maintenance	46,955.23
1002669	10/10/2024	Regional Transportation Authority of Pi	Ajo 685 Long Route Trips	44,290.76
10002798	10/24/2024	SHI International Corp	IT Solutions and Services - Law/Vu	40,026.68
10002770	10/18/2024	Senergy Petroleum LLC	Bulk Fuel	38,429.99

1002685	10/18/2024	Hackett Advertising Public Relations In	Marketing Services	37,209.62
10002745	10/4/2024	QCM Technologies Inc	Information Technology Services - Application Support Engineer	35,039.30
1002681	10/18/2024	Peoria Ford	Non-Revenue Vehicle	34,283.69
1002689	10/18/2024	Carl Warren & Company	Claims Management Services	30,000.00
10002791	10/24/2024	ACRO Service Corporation	Staffing Services	29,545.30
1002686	10/18/2024	The Colibri Collective	Community Relations Support Services On-Call	29,187.50
1002662	10/10/2024	Imagine Technology Group LLC	Multi-function devices, software and service	29,073.74
1002651	10/4/2024	SHI International Corp	IT Solutions and Services - Deque Services	28,534.60
1002691	10/18/2024	AlphaVu LLC	Social network intelligence, analysis, and reporting	28,334.00
1002658	10/4/2024	ASRS	Service Purchase Invoice	28,094.76
				23,874,032.54

Valley Metro Rail, Inc
Monthly AP Payments over $25,000
October 2024

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50002587	10/10/2024	Kiewit Infrastructure West Co	CMAR Services for South Central-Downtown Hub	15,049,458.03
50002579	10/10/2024	Alternate Concepts Inc	Transportation Services - Direct Labor Costs	1,629,673.75
50002569	10/4/2024	Hill International Inc	PMCM Services	1,269,476.92
50002622	10/24/2024	Allied Universal Security Services	Field Security Officers	1,064,076.84
90000040	10/31/2024	Surepays	VMR Monthly Utilities	619,477.83
50002570	10/4/2024	Jacobs Engineering	Capital Extension Design	449,134.38
50002586	10/10/2024	J Banicki Construction Inc	Supplemental Construction Services	290,229.59
50002571	10/4/2024	PGH Wong Engineering Inc	System Design Services	255,406.51
50002606	10/18/2024	Siemens Mobility Inc	LRV Vehicle Communication and Video System Upgrade	247,427.97
50002572	10/4/2024	Siemens Mobility Inc	LRV Vehicle Communication and Video System Upgrade	211,100.01
50002597	10/18/2024	AECOM Technical Services Inc	Environmental Services Support	113,147.07
50002632	10/24/2024	SHI International Corp	IT Solutions and Services	100,168.62
50002604	10/18/2024	HDR Engineering Inc	Project Development Support	92,485.88
50002601	10/18/2024	DLT Solutions LLC	Aconex Project Control System	91,000.00
50002607	10/18/2024	Prestamos CDFI LLC	Small Business Financial Assistance Program	70,500.00
50002618	10/18/2024	SRP	Construction Utilities SCE	67,953.63
5002983	10/4/2024	thyssenkrupp rothe erde USA Inc	Z-Link Bearing	58,953.78
50002567	10/4/2024	George Bates Studio	SCE - Public Art Services - Fabrication Install	58,324.00
50002621	10/18/2024	City of Phoenix	Change Inventory for TVM's	45,000.00
50002578	10/4/2024	City of Phoenix	Fare Handling Fee	36,669.00
50002616	10/18/2024	City of Phoenix	Fare Handling Fee	36,669.00
50002577	10/4/2024	WEX Bank	Fleet Card Services	35,390.83
50002588	10/10/2024	PGH Wong Engineering Inc	System Design Services	30,353.25
50002619	10/18/2024	SRP	Construction Utilities SCE	26,810.12
				21,948,887.01

Valley Metro
Travel Reimbursement Report

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Deputy Chief, Bus & Paratransit Operations	APTA TRANSform Conference	Anaheim, CA	9/28/24-10/02/24	$2,117.25	$366.95	$136.42	$1,370.88	$243.00	
Engineering Technician	Autodesk University 2024	San Diego, CA	10/15/24-10/17/24	$1,308.51		$420.70	$672.81	$215.00	
Capital Planning Manager	Mpact: Transit & Community Conf	Philadelphia, PA	10/19/24-10/23/24	$2,152.10	$456.95	$30.09	$1,205.56	$394.50	$65.00 [3]
Avondale Council Member	Mpact: Transit & Community Conf	Philadelphia, PA	10/19/24-10/23/24	$1,839.14	$564.77	$25.20	$904.17	$345.00	
Principal Planner	Mpact: Transit & Community Conf	Philadelphia, PA	10/20/24-10/23/24	$1,846.37	$506.45	$9.25	$904.17	$276.50	$150.00 [1,3]
Planner/Scheduler	Mpact: Transit & Community Conf	Philadelphia, PA	10/20/24-10/23/24	$1,798.37	$514.95	$6.75	$904.17	$302.50	$70.00 [1]
Asst Mgr, Rail Operations	Interviewee Candidate	Phoenix, AZ	10/24/24-10/25/24	$894.73	$569.96	$39.75	$156.02	$129.00	
Asst Mgr, Rail Operations	Interviewee Candidate	Phoenix, AZ	10/27/24-10/28/24	$630.85	$273.47	$91.61	$136.77	$129.00	
Chief Transportation Officer	APTA CATS Peer Review Logistics	Charlotte, NC	11/03/24-11/08/24	$1,153.20	$957.95			$195.25	
Mgr, Bus Fleet & Technical Support	Gillig Bus Inspection	Oakland, CA	11/18/24-11/26/24	$2,657.99	$434.96	$298.39	$1,142.64	$782.00	
Transit Asset Mgmt Coord	Gillig Bus Inspection	Oakland, CA	12/02/24-12/04/24	$1,022.62	$506.96		$285.66	$230.00	
Mgr, Transit Asset Mgmt	Gillig Bus Inspection	Oakland, CA	12/02/24-12/04/24	$1,044.58	$506.96	$21.96	$285.66	$230.00	

Total this reporting period $18,465.71

Year to Date **$71,172.39**

Report reflects Out of State (AZ) Travel

** Misc*
[1] Baggage Fees
[2] Flight Wi-Fi Fee
[3] Workshop Luncheon

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over $25,000
November 2024

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10002892	11/22/2024	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	6,885,469.55
10002891	11/22/2024	City of Phoenix	Transportation Services for East/West Valley-Fixed & ADA Routes	5,577,275.65
10002855	11/8/2024	City of Phoenix	RTP Reimbursement	1,996,072.79
90000344	11/1/2024	ADP Inc	PPE 10/27/2024 Payroll Liabilities	1,452,234.17
90000353	11/30/2024	ADP Inc	PPE 11/24/2024 Payroll Liabilities	1,446,383.59
90000347	11/15/2024	ADP Inc	PPE 11/10/2024 Payroll Liabilities	1,379,374.15
10002852	11/8/2024	MTM Transit LLC	Paratransit Service & Fuel, Mobility Center Fuel & Trips	1,042,733.78
10002893	11/22/2024	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	963,259.03
10002828	11/1/2024	MJM Innovations	Ridechoice Management Services	733,367.77
90000348	11/22/2024	Cigna Health and Life Insurance Company	Health Insurance Premiums	641,504.75
10002851	11/8/2024	MJM Innovations	Broker Services/Pass Through Provider Costs	572,850.55
10002903	11/22/2024	Commute with Enterprise	Vanpool Services	459,392.31
10002844	11/8/2024	Scheidt & Bachmann USA Inc	Regional Farebox Project	444,706.35
10002814	11/1/2024	Commute with Enterprise	Vanpool Services	438,206.93
90000346	11/15/2024	ASRS	PPE 11/10/24 ASRS Contributions & LTD	376,433.11
90000343	11/1/2024	ASRS	PPE 10/27/24 ASRS Contributions & LTD	375,279.41
10002850	11/8/2024	MJM Innovations	Ridechoice Management Services	309,321.37
10002887	11/22/2024	MJM Innovations	Broker Services	299,220.07
1002737	11/15/2024	Hye Tech Network & Security Solutions L	Cisco Security EA Renewal	229,425.16
10002915	11/27/2024	101 North First Ave LLC	101 Building Rent	202,640.17
10002831	11/1/2024	101 North First Ave LLC	101 Building Rent	202,072.42
10002904	11/22/2024	HDR Engineering Inc	Community Relations Support Services	175,354.25
90000352	11/30/2024	Surepays	RPTA Monthly Utilities	156,633.42
10002834	11/1/2024	City of Phoenix	RTP Reimbursement	149,135.07
10002836	11/1/2024	Keolis Transit Services LLC	Engines and Transmissions	129,321.30
10002888	11/22/2024	MTM Transit LLC	Paratransit Eligibility Assessment/Travel Training Services	113,711.03
10002868	11/15/2024	Keolis Transit Services LLC	Engines and Transmissions	97,570.84
10002873	11/15/2024	DLT Solutions LLC	Oracle Products and Services-Subscription Costs ERPCloud Fusion	95,386.27
10002863	11/15/2024	Vix Technology USA Inc	Customer Service Network Fees	92,738.50
1002739	11/15/2024	Magnetry LLC	Marketing Services	91,827.75

1002725	11/8/2024	City of Scottsdale	ADA Service Reimbursment	91,109.04
10002869	11/15/2024	ACRO Service Corporation	Staffing Services	82,589.15
1002767	11/22/2024	CopperPoint Insurance Company	December 2024 Rent and CAM Charges	66,085.61
90000349	11/22/2024	Wells Fargo Bank	Monthly Credit Card Charges	56,438.26
10002842	11/8/2024	QCM Technologies Inc	Information Technology Services	52,555.50
1002764	11/22/2024	The Colibri Collective	Community Relations Support Services	43,502.54
10002823	11/1/2024	Senergy Petroleum LLC	Bulk Fuel	38,496.36
10002900	11/22/2024	CHK America Inc	Wayfinding Map Design Services	35,640.00
1002749	11/15/2024	Logic Compensation Group LLC	Class and Comp Study	35,325.00
1002760	11/22/2024	City of Scottsdale	Regional Fixed Route Service Operations	33,928.00
10002862	11/15/2024	Senergy Petroleum LLC	Bulk Fuel	33,158.04
1002770	11/22/2024	CopperPoint Insurance Company	Workers Compensation down payment	29,662.40
10002847	11/8/2024	Senergy Petroleum LLC	Bulk Fuel	28,246.71
10002894	11/22/2024	Keolis Transit Services LLC	Engines and Transmissions	27,886.99
10002897	11/22/2024	ACRO Service Corporation	Staffing Services	27,787.98
1002712	11/1/2024	STV Incorporated	Project Development Services	27,554.95
10002846	11/8/2024	Dell Marketing LP	IT Computer equipment, peripherals and supplies	26,235.09
1002763	11/22/2024	Hackett Advertising Public Relations In	Marketing Services	25,556.12
				27,890,659.25

Valley Metro Rail, Inc
Monthly AP Payments over $25,000
November 2024

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50002677	11/8/2024	Kiewit Infrastructure West Co	CMAR Services for South Central-Downtown Hub	12,104,150.43
50002670	11/8/2024	Alternate Concepts Inc	Transportation Services - Direct Labor Costs	2,068,720.29
50002702	11/22/2024	Brookville Equipment Corp	Streetcar Vehicles/spare parts	1,941,111.24
50002726	11/22/2024	Allied Universal Security Services	Field Security Officers	1,134,101.08
50002709	11/22/2024	Siemens Mobility Inc	Light Rail Vehicles - Spare Parts, Special Tools & Test Equipment	956,247.58
50002649	11/1/2024	Jacobs Engineering	Capitol Extension Design	626,810.20
90000041	11/30/2024	Surepays	VMR Monthly Utilities	575,097.63
50002727	11/27/2024	Hill International Inc	PMCM Services	560,911.95
50002705	11/22/2024	HDR Engineering Inc	Project Development Support	520,126.77
50002681	11/8/2024	Stacy and Witbeck Inc	Supplemental Construction Services	330,570.54
50002668	11/8/2024	Southwest Transit Partners	CAPEX Risk Services - Pre-Construction Services	283,830.89
50002722	11/22/2024	Southwest Transit Partners	CAPEX Risk Services - Pre-Construction Services	257,769.75
50002686	11/15/2024	AECOM Technical Services Inc	Design Services for South Central-Downtown Hub/Environmental Services S	242,388.79
50002699	11/22/2024	ARCADIS	Consulting Support Services	186,838.07
50002653	11/1/2024	Siemens Mobility Inc	Card-Printed Circuit Cards	185,333.16
50002647	11/1/2024	HDR Engineering Inc	Project Development Support	153,297.53
50002724	11/22/2024	City of Phoenix	Quarterly Advertising Revenue Payment	125,727.88
5003088	11/22/2024	Peoria Ford	New Vehicle Purchases	109,850.54
50002691	11/15/2024	PGH Wong Engineering Inc	System Design Services	100,920.56
50002707	11/22/2024	Knorr Brake Corporation	PAD - Brake Power Truck	91,855.40
50002698	11/15/2024	City of Phoenix	Regional Wireless Quarterly Billing	86,563.73
50002725	11/22/2024	City of Phoenix	Quarterly Advertising Revenue Payment	81,877.25
50002714	11/22/2024	Prestamos CDFI LLC	Small Business Financial Assistance Program	78,694.80
5003062	11/8/2024	Pressure Systems Inc	Pressure Washers with Trailers and Accessories	71,539.61
5003102	11/27/2024	Motorola Solutions Inc	Public Communication Equipment and Services	70,405.48
50002678	11/8/2024	PGH Wong Engineering Inc	System Design Services	62,512.85
5003083	11/22/2024	City of Mesa	Quarterly Advertising Revenue Payment	52,627.36
50002715	11/22/2024	City of Tempe	Quarterly Advertising Revenue Payment	52,267.51
50002679	11/8/2024	Priscila De Carvalho	SCE - Public Art Services - Fabrication Install	50,000.00
5003075	11/15/2024	STV Incorporated	Project Development Support	47,971.82

50002656	11/1/2024	URW LLC	Landscape Maintenance Services	44,143.51
50002728	11/27/2024	URW LLC	Landscape Maintenance Services	40,683.64
5003072	11/15/2024	DH Pace Company Inc	Doors, Locking Systems & Room Dividers	37,577.36
50002684	11/8/2024	Diego Perez Rangel	SCE - Public Art Services - Fabrication Install	37,160.00
50002723	11/22/2024	City of Phoenix	Fare Handling Fee	36,669.00
5003049	11/8/2024	All Fleet Services	Other Services allowable for Non-Revenue Vehicles	33,589.81
50002731	11/27/2024	City of Phoenix	Change Inventory for TVM's	33,000.00
5003039	11/1/2024	DH Pace Company Inc	Repair Replacement and Preventative Maintenance of Doors and Gates	32,406.80
50002658	11/1/2024	Forvis Mazars LLP	Year 1 - ACFR/Federal Audit	32,125.00
5003069	11/15/2024	Convergent Print Group LLC	Printing Services - Wraps	31,953.82
50002694	11/15/2024	Mythics LLC	P6 Licenses - Oracle Primavera Schedule Cloud Service	31,906.73
50002719	11/22/2024	WSP USA Inc	Community Relations Support Services On-Call	31,636.64
50002664	11/1/2024	WEX Bank	Fleet Card Services	30,379.63
50002708	11/22/2024	Penn Machine Company LLC	Gearbox	29,573.00
50002676	11/8/2024	Hugo E Medina	SCE - Public Art Services - Fabrication Install	27,950.00
50002687	11/15/2024	Brookville Equipment Corp	Window	25,136.58
50002732	11/27/2024	City of Phoenix	Change Inventory for TVM's	25,000.00
				23,771,012.21

Executive Summary

DATE
January 16, 2025

AGENDA ITEM 7

SUBJECT
Report on Current Events and Suggested Future Agenda Items

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
This item is presented for information only.

CONTACT
Jessica Mefford-Miller
Chief Executive Officer
jmeffordmiller@valleymetro.org

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

January 16, 2025

Valley Metro RPTA
Board of Directors
Thursday, January 23, 2025
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

Action Recommended

CONSENT AGENDA

1A. Minutes Minutes from the November 21, 2024, Board meeting are presented for approval.	1A. For action
1B. Federal Transit Administration Pass-Through Grant Agreements Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.	1B. For action
1C. Fuel Hedging Consulting Authorization to Issue a Competitive Solicitation Staff recommends that the Board of Directors authorize the Chief Executive Officer to issue a competitive solicitation for fuel hedging consulting.	1C. For action
1D. Comprehensive Operational Analysis Contract Award Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a one-year contract with four one-year options to extend with Transportation Management & Design, Inc. for a comprehensive operational analysis with an aggregate value of $639,148.	1D. For action

REGULAR AGENDA

2.	Report on Current Events and Suggested Future Agenda Items	2.	For information

Chair Harris will provide members the opportunity to report on current events and suggest future agenda items for consideration.

3.	Next Meeting	3.	For information

The next Board meeting is scheduled for **Thursday, February 20, 2025 at 11:15 a.m.**

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print or flash drive) are available upon request. For further information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web

Meeting Minutes

January 16, 2025 **AGENDA ITEM 1A**

Valley Metro RPTA Boards of Directors
Thursday, November 21, 2024
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants
Vice Mayor O.D. Harris, City of Chandler – **Chair**
Councilmember Jennifer Adams, City of Tempe **– Vice Chair**
Councilmember Max White, City of Avondale (phone)
Vice Mayor Clay Goodman, City of Buckeye (phone)
Councilmember Monica Dorcey, City of El Mirage (phone)
Councilmember Peggy McMahon, Town of Fountain Hills
Mayor Brigette Peterson, Town of Gilbert
Councilmember Lauren Tolmachoff, City of Glendale (phone)
Vice Mayor Laura Kaino, City of Goodyear (phone)
Chairman of the Board, Jack Sellers, Maricopa County
Councilmember Francisco Heredia, City of Mesa (phone)
Vice Mayor Jon Edwards, City of Peoria (phone)
Councilmember Laura Pastor, City of Phoenix
Councilmember Jeff Brown, Town of Queen Creek
Vice Mayor Kathy Littlefield, City of Scottsdale (phone)
Councilmember Aly Cline, City of Surprise
Councilmember Jimmy Davis, City of Tolleson (phone)
Mayor Michael LeVault, Town of Youngtown

Members Not Present
Mayor Rui Pereira, Town of Wickenburg

The chair called the meeting to order at 12:43 p.m.

Chair Harris said I'm going to get back into convening the meeting for the members to the November meeting.

1. Minutes

Chair Harris said minutes to approve the September 19, 2024, board meeting are presented for approval. There is a request for a motion and a second to approve the September 18 Valley Metro RPTA meetings. Is there a motion?

Motion by Councilmember White, second by Mayor Peterson.

All in favor, say aye. All those opposed, say nay. The ayes have it.

IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY MAYOR PETERSON, AND UNANIMOUSLY CARRIED TO APPROVE THE MINUTES OF SEPTEMBER 19, 2024 MEETING.

2. <u>April 2025 Proposed Service Changes</u>

Chair Harris said at this time Item number 2 April 2025 Proposed Services Changes. I'm going to hand it over to you, Jessica.

Ms. Mefford-Miller said thank you, Mr. Chair. There is a white paper in your packet about the April 2025 service changes. We have Aaron Xavier, our Manager of Service Planning here to answer any questions the board may have.

Chair Harris said are there any questions? All right. Seeing none. I'm requesting a motion and a second to authorize the CEO to amend member agency FY25 IGAs as necessary, and to execute change orders to the Keolis fixed route contract to accommodate the recommended April 2025 service changes. Is there a motion?

Motion by Mayor Peterson, second by Councilmember Cline. All those in favor, say aye. All those opposed, say nay. All right. The ayes have it.

IT WAS MOVED BY MAYOR PETERSON, SECONDED BY COUNCILMEMBER CLINE, AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO AMEND MEMBER AGENCY FY25 IGAs AS NECESSARY, AND TO EXECUTE CHANGE ORDERS TO THE KEOLIS FIXED ROUTE CONTRACT TO ACCOMMODATE THE RECOMMENDED APRIL 2025 SERVICE CHANGES.

3. <u>The Americans with Disabilities Act of 1990</u>

Chair Harris said Item number 3 American Disability Act of 1990. I'll hand this over to Jessica.

Ms. Mefford-Miller said thank you, Mr. Chair. I'd like to invite Mike Pal, Chief Transportation Officer to the podium. This item is being presented for information only to the board. Per a board request asking staff to provide an update on how Valley Metro honors the spirit, intent and law of the Americans with Disabilities Act. Mr. Pal.

Mr. Pal said thank you. Good afternoon, Chair and board members. Today I'm pleased to provide an overview of the ADA process and discuss Valley Metro's role in ensuring excellent customer experience for those who are differently abled. The ADA is civil rights legislation. It provides equal access for people who have disabilities. As an overview, the ADA defines minimum requirements. We seek to sincerely accommodate and anticipate the needs of our customers through our environments, customer experience and provision of service.

We have to provide accessibility to the system including accessible bus stops, light rail stations and signage.

Vehicles in revenue service must be ADA compliant. This includes kneeling buses, working destination signs, audible announcements and working ramps. Every bus and light rail vehicle also have priority seating areas for those who need it.

Upon hire operators are trained on different disabilities including hidden disabilities. Operators receive annual ADA refresher training which includes policies, procedures, disability and empathy training as well as specific training on how to use equipment on the bus and handle service animals. The original focus of the ADA was to ensure fixed route service was accessible. Over time advocates educated lawmakers that no matter how accessible a bus is some customers will still have challenges in using the fixed route service. Individuals with the same diagnosis or disability can have different functional abilities. For example, individuals with cerebral palsy may have different functional abilities to maneuver a wheelchair onto a bus. Hence the need for complementary paratransit service. Paratransit is complementary to fixed route bus that has six minimum service criteria that must be met.

Those include service area, hours and days of service, response time, fares, absence of capacity constraints and operating without regard to trip purpose, excuse me, purpose. In short, if I could use the bus to get to a destination paratransit has to be available for a similar type of trip.

Finally, complaints are received in multiple formats including by phone and electronic means. Valley Metro staff continually work to ensure people who are differently abled are receiving services as required. Valley Metro staff regularly review contractor responses to ADA complaints.

At this point, this concludes my overview of the ADA process. I'd be happy to take any questions or any comments.

Chair Harris said are there any questions or comments from the board? If not thank you so much for your presentation.

Councilmember Cline said first of all, I want to thank Valley Metro for expanding their outreach to the ADA communities by bringing off-sites for people to get signed up. I hope that will continue and that there will be other opportunities in other cities. We don't have a lot of access to light rail or buses in Surprise at this time and I don't expect it in in my lifetime. But I really think it's important to make the ability to sign up for those services for people who end up in other parts of the city where more of those services are available to be accessible on an ongoing basis. So anything you can do to continue that even without me to be the advocate saying please come, please come. I can always do a call to the public, if necessary, but I really think it's important that we continue that and I know that after our first and second very successful events that other cities were trying to find out how they could get hooked up with those kind of things. So I hope you continue that and I do appreciate the support that Valley Metro has provided to our ADA residents. Not every disability is visible. Not everybody who has a disability is in a wheelchair. And so it's very important that we continue to make those alternatives available for people who may not know or be able to speak on their own behalf. So thank you very much.

Mr. Pal said thank you, Councilmember Cline. And I'd like to just let you know in December we do have our next ADA assessment in city of Peoria. And we are planning some more early in 2025 so those are coming. We are not stopping at Surprise.

Councilmember Cline said let me know about it and we'll make sure that we (inaudible)

Mr. Pal said absolutely.

Chair Harris said Chair recognizes Councilmember White.

Councilmember White said thank you so much. I just wanted to thank you for the presentation. This is something that I know that I had asked for as well. Being in Avondale we are seeking to make every part of the lives of our community accessible, so people don't have to even identify the fact that they are disabled just services are provided. And I think this is kind of how we stream that. And I love the verbiage, the tone, the tenor, and the posture, because even as we receive this presentation, he said differently abled people and I think that is really where we need to kind to be forward-facing. We all have different abilities, skills and so as we try and incorporate and make life accessible for everybody the differently abled will definitely be served and I'm very grateful for the work Valley Metro is doing, and this really just helps us to continue to make Avondale and cities across the Valley accessible in some many ways, shapes and forms. I appreciate your work that's being done, and I truly appreciate this presentation. It's something that I have looked forward to hearing and I want us to continue our posture considering people with different levels of ability instead of making people feel that they are excluded. Just find as many ways as possible to make them included and provide access. Access is something very valuable and we are going that and I'm very proud to be part of this board and serve along with you all. Thank you.

Mr. Pal said thank you, Councilmember White.

Chair Harris said thank you so much for your presentation.
Great job.

4. <u>Report on Current Events and Suggested Future Agenda Items</u>

Chair Harris said Number 4 is Report on Current Events Suggested Future Agenda Items if there are any. I am just going to put this out there. I know that the Fairmont Scottsdale Princess is having their big tree lighting tonight and they're going to have Santa Claus there. They're going to have a band. They're going to have a lot of stuff at the Fairmont Princess tonight. That starts at 5pm. I think it ends around 8:00 tonight. So that's going to be something really cool to check out.

And then also Mr. Michael Pollack who owns Pollock Cinema. But he has a theater, a 2-dollar theater that's down in Tempe where tonight I think he's going to be turning on all his festival lights about 5:30 tonight. And about 6:00, 6:30 you and your family can kind of come and watch all the classic Christmas movies in this theater for free tonight. So get your kids, get your families to come on out to the Pollack theaters, cinema theaters in Tempe. It's going to be a really cool adventure. I do plan on going to showcase my face in some of these places so, you know. So I plan on being there so I just wanted to put that out there as well.

So as we look forward to the holidays I would like to wish all my colleagues a very special holidays this season. This is the time that we should be rejoicing and spending time with our family. And to my colleagues that are leaving I'm really just really, you know, you guys have my number, call me anytime and I just kind of wanted to put that energy out there for Mayor Brigette.

Mayor Peterson said I'll point out that this weekend in Gilbert is Gilbert Days so if you're planning to come to downtown Gilbert Saturday morning's probably not the morning to do it unless you want to sit through a parade or get stuck in traffic. Because Gilbert Road will be shut down from Guadalupe down past Elliot Road between 5 a.m. and 11 a.m. There's also a half marathon going on in on Recker Road in Gilbert that will tie up traffic from 6 a.m. probably until after 11 a.m. up and down Recker Road in the town of Gilbert.

And then finally on December 16th at 6 p.m. we will be re-opening our water tower park and lighting our water tower for the holidays. And so I'm looking forward to that. It's been a long time coming.

And Tuesday's my birthday but there's no big celebration.

Chair Harris said also come it think of it Chandler's having our parade, the tumbleweed Christmas tree lighting is happening in Chandler the first Saturday of December –

Mayor Peterson said the 7th.

Chair Harris said it is the 7th. How do you know so much? We're going to be locking down some of our streets too in Chandler as well. Arizona Avenue is going to be shutdown. We're going to have a parade and everything like that. It's going to be fun, and you guys should come out and have a good time in the city of Chandler. I see Councilmember Max White has her hand back up.

Councilmember White said Mr. Chair thank you so much for acknowledging me. I would just like to call to attention and congratulate Councilmember Peggy McMahon on being re-elected. I think it was a tight race so much so that she sent me a text that she didn't win. So and that is really the power of the people. You said you won by seven votes, so I just want to congratulate her and make a public comment that she won everybody so if I told you in an email that she lost, she did not lose, she won and congratulations for pulling that win off. That is amazing.

Since we're talking about all of our holiday events. The city of Avondale will be hosting our annual winter fest on Saturday, December 7th from 5 to 9 p.m. the really neat thing about this winter fest is our tree lighting is at 6 p.m. and in partnership with Valley Metro you will be able to order a WeRide that Saturday night to come to our festivities. And the only streets that will be closed is our civic center complex so you will still have free access to drive up and down Avondale Boulevard as needed. We won't be blocking off too many roads but please come out, enjoy yourself. If you can get to the city of Avondale, you can get a WeRide for two dollars one way there and if you leave by 7pm you will have transit. thank you so much and have a wonderful holiday season, everybody. Be safe and again congratulations Councilmember McMahon.

Councilmember McMahon said thank you very much. I appreciate it. And it's right. I thought that I'd lost the election. And so I reached out to a few people but we are in recount but I'm pretty confident the vote's going to stay the same.

And also, Fountain Hills is having its annual Thanksgiving Day parade. The Avenue will be closed. We're having the turkey trot and the whole nine yards so please feel free to come on out. It's a fun parade. It's really an old-fashioned parade. It's not really that long but it's very well attended. It's fun. Thank you.

Councilmember Cline said in Surprise because we have new people moving to the city and she might not know everything about the city. This city of Surprise was born the first weekend in December, so we always have a Surprise party the first weekend in December. And our tree lighting will be on December 6th. We will have one short street closed. That's Bullard because we also have a shopping thing, and we have sparkling Surprise that goes on for the entire month of December. So the actual party is the 6th and the 7th and we also have WeRide available in the city of Surprise so if you're out of the right downtown area our ride is available to get you to the event. The tree lighting will be at 6pm. I will be Mrs. Claus, Mrs. C and my husband, our last name ends with the letter C so we have been Mr. And Mrs. C around town on a regular basis, but Mrs. C will be reading to the children at the library just before the event starts. So if you want to come out and have cookies with Santa and Mrs. C or if you want to see our sparkling Surprise the entire month of December is a great place to come and have pictures and little things that have faces you can stick your face through and have pictures taken. And so we really celebrate the holiday season in Surprise for the entire month of December so please feel free to come out, grab a WeRide if you're parked a little farther away and come and see us in Surprise. And thank you very much for talking about what all you guys are doing. We just have one month that we're very excited about.

Chair Harris said thank you. With all the great shoutouts make sure you catch the Chandler Flex. It's going to be running during the holiday time.

Ms. Dillon said Councilmember Littlefield has her hand raised up and I believe that Vice Mayor Jimmy Davis also had his hand up.

Chair Harris said in that order that you just mentioned.

Vice Mayor Littlefield said thank you. And I just wanted to welcome everyone and invite them to come to our Scottsdale event. It will be on November 30th in our downtown and we will have many free events and singing things and lighting of the Christmas tree right over the bridge and it should be a lot of fun. It's always busy and fun and light. We have things in the canal that float down that you can watch, and all kinds of fun and exciting people will be there. We'll have sing-alongs. We'll have performers who will be doing Christmas carols and all of that kind of stuff right on the bridge over the canal and let the waters flow. So like to welcome everyone who would care to attend and hopefully I'll see some of you there. And Merry Christmas, Happy Holidays and hope your holidays are wonderful. Thank you.

Vice Mayor Davis said happy holidays everyone. I hope everyone does enjoy this holiday season with your families. And if you want to come to the best event in the Valley you've got to come to Luces de Navidad in Tolleson we'll teach you guys how to do events. So that's December 14th and 15th. We really do great events in Tolleson, so if you have not come down to events, do it. Happy holidays.

Chair Harris said is that it? I will see you guys next year. Have a great holiday. Have a great time with your family members. This concludes our meeting.

5. Next Meeting

The next meeting of the RPTA Board is scheduled for Thursday, January 23, 2025, at 11:15 a.m.

Without further discussion, the meeting was adjourned at 1:01 p.m.

Executive Summary

DATE **AGENDA ITEM 1B**
January 16, 2025

SUBJECT
Federal Transit Administration Pass-Through Grant Agreements

COST AND BUDGET
All expenses are in the approved FY 2025 Adopted Operating and Capital Budget and 5-Year Capital Program. The grant funds will offset expenses, reducing the net cost to the Public Transportation Fund and member agency budgets.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.

STRATEGIC PLAN ALIGNMENT
- Goal 9: Financial sustainability
    - Initiative 9.3: Maximize revenue generation, including advertising, farebox recovery, and discretionary/competitive grant opportunities.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
TMC: January 8, 2025 approved
Board of Directors: January 23, 2025 for action

CONTACT
Ken Kessler, Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Background Information

Request for Pass-Through Grant Agreement

AGENDA ITEM 1B

Federal Transit Administration Pass-Through Grant Agreements

BACKGROUND DISCUSSION
Valley Metro is being provided federal funds through the Federal Transit Administration (FTA) from five grant programs. The table below summarizes the funding available:

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	Section 5307 - PMS UZA	$14,610,820	$1,459,518	$1,713,500	$17,783,838
TBD	Section 5307 - PGA UZA	797,470	149,142	35,454	982,066
TBD	5339 - PMS	6,049,481	-	1,067,555	7,117,036
TBD	5339 - PGA UZA	619,290	-	109,286	728,576
TBD	Congressionally Directed Spending	1,882,000	-	368,882	2,250,882
Total		**$23,959,061**	**$1,608,660**	**$3,294,677**	**$28,862,398**

- Funds from the Section 5307 Urbanized Area Formula Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for preventive maintenance, fleet replacement, and capital cost of contracting for the vanpool program.
- Funds from the Section 5307 Urbanized Area Formula Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for preventive maintenance and paratransit fleet replacement.
- Funds from the Section 5339 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for paratransit vehicle replacements.
- Funds from the Section 5339 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for paratransit vehicle replacements.
- Congressionally Directed Spending is awarded for electric microtransit vehicles and electric bus charging stations.

The City of Phoenix is the designated recipient of all FTA grant funds for the region. Valley Metro undertakes projects approved for FTA grant funding, then submits requests to Phoenix for reimbursement of actual expenses incurred. Phoenix then executes a drawdown of funds from FTA to pass through the reimbursement to Valley Metro.

This item serves the Agency's strategic plan by providing financial sustainability by offsetting expenses and reducing the net cost to the Public Transportation Fund and member agency budgets.

1

FTA Pass-Through Agreements

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	Section 5307 - PMS UZA	14,610,820	1,459,518	1,713,500	17,783,838
TBD	Section 5307 - PGA UZA	797,470	149,142	35,454	982,066
TBD	5339 - PMS	6,049,481	-	1,067,555	7,117,036
TBD	5339 - PGA UZA	619,290	-	109,286	728,576
TBD	Congressionally Directed Spending	1,882,000	-	368,882	2,250,882
Total		23,959,061	1,608,660	3,294,677	28,862,398

2

2

FTA Pass-Through Agreements

- Funds from the Section 5307 Formula Program for the Phoenix-Mesa-Scottsdale UZA are awarded for preventive maintenance, fleet replacement, and capital cost of contracting for the vanpool program
- Funds from the Section 5307 Formula Program for the Phoenix West-Goodyear-Avondale UZA are awarded for preventive maintenance and paratransit fleet replacement
- Funds from the Section 5339 Grant Program for the Phoenix-Mesa-Scottsdale UZA are awarded for paratransit vehicle replacements
- Funds from the Section 5339 Grant Program for the Phoenix West-Goodyear-Avondale UZA are awarded for paratransit vehicle replacements
- Congressionally Directed Spending is awarded for electric microtransit vehicles and electric bus charging stations

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.

Executive Summary

DATE **AGENDA ITEM 1C**
January 16, 2025

SUBJECT
Fuel Hedging Consulting Authorization to Issue a Competitive Solicitation

COST AND BUDGET
Costs submitted in responses will be subject to either a price analysis or a cost analysis, including comparison to an independent cost estimate. Specific costs and budget impact will be disclosed at the time of a request for award.

The source of funds shall be Public Transportation Funds and member agency contributions.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to issue a competitive solicitation for fuel hedging consulting.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 9: Financial Sustainability
    - Initiative 9.5: Engage all staff to proactively identify cost-saving measures and implement resource justification during the annual budget process.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
TMC: January 8, 2025 approved
Board of Directors: January 23, 2025 for action

CONTACT
Ken Kessler
Chief Financial Officer
Kkessler@valleymetro.org

ATTACHMENT
None

Background Information

Fuel Hedging Consultant Authorization to Issue a Competitive Solicitation

BACKGROUND
Fuel hedging is a financial strategy that enables organizations to manage the risks associated with fuel price fluctuations by locking in prices for future consumption. This approach offers stability and predictability, which are critical for accurate budgeting and financial planning. By reducing exposure to market volatility, hedging ensures that operational costs are more consistent, significantly reducing the effect of external economic or geopolitical factors.

Our fuel consumption primarily involves natural gas, with smaller portions of diesel and unleaded fuel. While natural gas will be the primary focus of hedging activities, we will also evaluate opportunities to hedge diesel and unleaded fuel when it aligns with cost management objectives. Fuel hedging is strictly a financial function and will not interfere with or alter existing fuel purchasing and supply chain processes.

To implement this strategy, we plan to engage a third-party consultant with expertise in fuel hedging. This consultant will assist in developing a tailored hedging policy and strategy based on our fuel usage patterns, market conditions, and financial objectives. The policy will address risk tolerance, appropriate hedging instruments, compliance with state statutes, and governance practices. Once finalized, the proposed strategy will be presented to the Board of Directors for approval.

Fuel hedging is a proactive step toward managing financial risks and ensuring cost stability. By adopting this approach, we aim to improve our ability to plan for future expenses while maintaining operational efficiency.

We seek the Board's support to proceed with this initiative and issue a competitive solicitation to obtain the assistance of an expert to both develop and implement a comprehensive fuel hedging policy and manage the fuel hedging program on behalf of Valley Metro Rail by purchasing appropriate fuel hedging futures and similar instruments as determined appropriate based upon the Board approved policy.

Authorization to Issue Competitive Solicitation for Fuel Hedging Consulting

VALLEY METRO

1

Fuel Hedging Overview

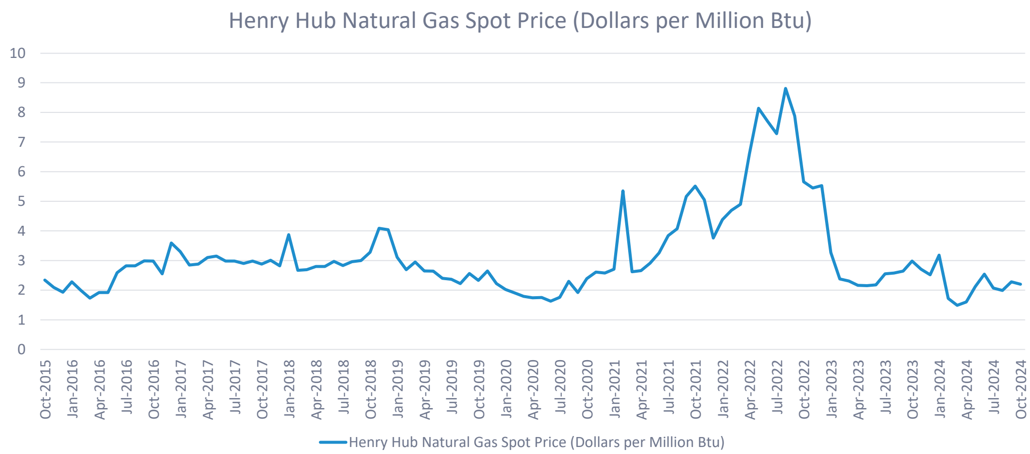
- **Fuel Hedging Benefits:** Mitigates fuel price volatility, ensuring cost stability and enabling more accurate budgeting.
- **Focus Fuels:** Primarily natural gas. Diesel and unleaded fuel will also be considered based on usage and market conditions.
- **Implementation Plan:** After consultant is awarded contract, develop a tailored fuel hedging policy and strategy for Board approval.
- **Financial Focus:** A risk management tool that complements existing fuel purchasing processes without affecting supply operations.

2

VALLEY METRO

2

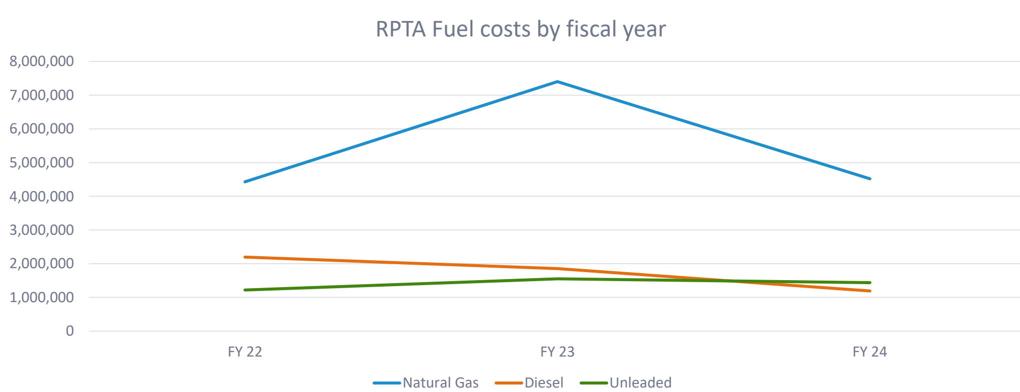
Natural Gas price history



3

3

RPTA fuel cost by year



4

4

Fuel cost by service type for last three fiscal years

Fuel Type	FY22	FY23	FY24
Natural Gas			
Fixed Route Bus	4,432,263	7,404,826	4,518,528
Diesel			
Fixed Route Bus	2,199,172	1,854,204	1,190,271
Unleaded			
Fixed Route Bus	167,583	193,923	104,209
Paratransit	1,054,572	1,357,493	1,190,271

5

VALLEY METRO

5

Recommendation

Staff recommends that TMC forward to the Board of Directors authorization for the Chief Executive Officer to issue a competitive solicitation for fuel hedging consulting.

6

VALLEY METRO

6

Executive Summary

DATE **AGENDA ITEM 1D**
January 16, 2025

SUBJECT
Comprehensive Operational Analysis Contract Award

COST AND BUDGET
The full-term cost is $581,043, with a contingency of $58,105, or 10% of the cost, for an aggregate contract value of $639,148.

Agency's contract obligation for FY 2025 is fully funded within the adopted FY 2025 Operating and Capital Budget. Contract obligations beyond FY 2025 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program.

The source of funds is Public Transportation Funds.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a one-year contract with four one-year options to extend with Transportation Management & Design, Inc. for a comprehensive operational analysis with an aggregate value of $639,148.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan:

- Goal 1: Deliver Excellent Customer Experience
  - Initiative 1.2: Prioritize a unified customer experience across various modes and services, moving from transactional to relational interactions
- Goal 4: Leverage Best Practices, Data and Technology
  - Initiative 4.3: Use analysis of route data and commuter patterns to determine best practice strategies to improve transit performance and safety
- Goal 8: Operational Excellence
  - Initiative 8.1: Optimize service performance to meet current and evolving regional travel needs

COMMITTEE PROCESS
RTAG: December 17, 2024, for information
TMC: January 8, 2025, approved
Board of Directors: January 23, 2025, for action

CONTACT
Aaron Xaevier
Service Planning & GIS Manager
AXaevier@valleymetro.org

ATTACHMENT
A copy of the contract is available upon request.

Background Information

AGENDA ITEM 1D
Comprehensive Operational Analysis 2024-RFP-030-1 – Request for Award

BACKGROUND DISCUSSION
This contract is needed to undertake an in-depth regional transit system planning study to support improvements to the region's transit system, including potential methods to address unmet transit needs, achieve regional transit priorities, and develop recommendations for phased improvements to make service more attractive, productive, and efficient for the region's transit passengers (the "Study").

The Study will be an integrated, multipronged evaluation of transit services in Maricopa County for the purpose of increasing transit mobility, effectiveness, resource efficiency, and equity for residents and riders. The Study is intended to serve as a service planning tool to empower the Agency and its member jurisdictions in making strategic service decisions.

The Study will be based on a comprehensive operational analysis of regional transit services comparing current business performance with historical data to review operations, focusing on consistency and operating costs, and will result in recommendations to improve transit services with a focus on productivity, mobility, and emerging transit markets, as well as future improvements aimed at addressing unmet transit needs and delineating transit priorities in the region.

PROCUREMENT INFORMATION
A Request for Proposal procurement was processed in accordance with the Agency's Joint Procurement Manual.

Four offerors submitted proposals deemed responsive and responsible. An evaluation committee of Agency staff and member city staff evaluated those offers on the following criteria with a maximum possible point total of 1,000:

- Approach to the Scope of Work (0 – 350 points)
- Experience and Qualifications of the Firm (0 – 250 points)
- Experience and Qualifications of the Assigned Personnel (0 – 250 points)
- Price (0 – 150 points)

After reaching consensus, the evaluation committee recommends an award to Transportation Management & Design, Inc. based on the following results:

- Transportation Management & Design 939.67 points
- Nelson/Nygaard Consulting, Inc. 881.99 points
- Jarrett Walker + Associates 650.56 points
- SRF Consulting Group 631.11 points

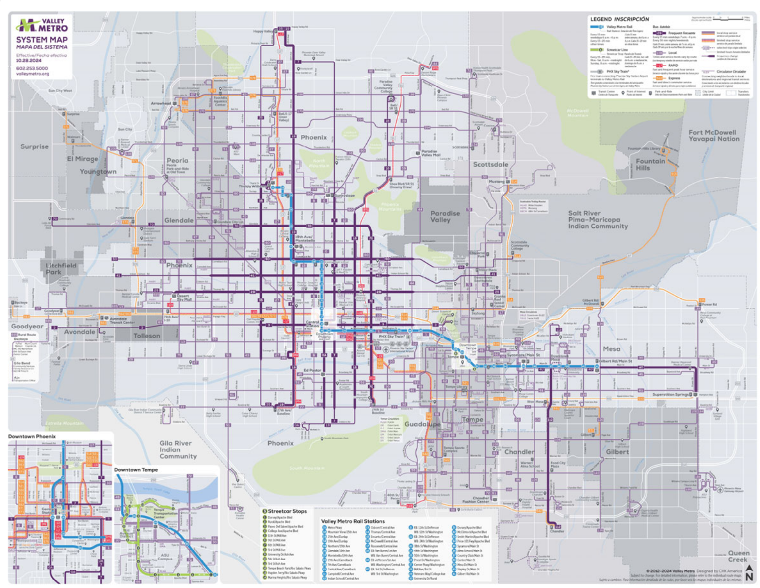
Comprehensive Operational Analysis (COA) Contract Award

1

Comprehensive Operational Analysis

What's that?

- A COA
  - Evaluates the **effectiveness, efficiency, and productivity** of regional transit
  - Identifies **areas and times for improvement**



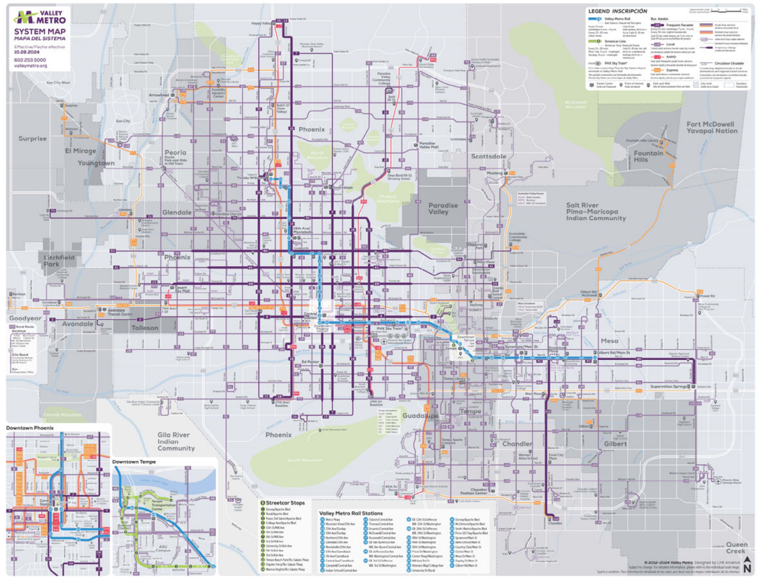
2

2

Comprehensive Operational Analysis

Purpose

- Optimize operations and Routes
- Enhance performance
- Achieve strategic goals



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RFP Response Summary

Evaluation committee comprised of agency and MAG staff, and member city staff

Four responsive offeror proposals

Transportation Management & Design
Nelson/Nygaard Consulting, Inc.
Jarrett Walker + Associates
SRF Consulting Group

4

4

RFP Response Summary

Committee evaluated offers on the following criteria (Total 1,000 points):

- Approach to the Scope of Work (0 – 350 points)
- Experience and Qualifications of the Firm (0 – 250 points)
- Experience and Qualifications of Assigned Personnel (0 – 250 points)
- Price (0 – 150 points)

5

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RFP Response Summary

After reaching consensus, the evaluation committee recommends an award to **Transportation Management & Design** based on the following results:

Firm	Cost	Av. Score (out of 1,000)	Rank
Transportation Management & Design	$586K	940	1
Nelson/Nygaard Consulting, Inc.	$595K	882	2
Jarrett Walker + Associates	$860K	651	3
SRF Consulting Group	$685K	631	4

6

6

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a one-year contract with four one-year options to extend with Transportation Management & Design, Inc. for a comprehensive operational analysis with an aggregate value of $639,148.

Executive Summary

DATE
Janaury 16, 2025

AGENDA ITEM 2

SUBJECT
Report on Current Events and Suggested Future Agenda Items

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

CONTACT
Jessica Mefford-Miller
Chief Executive Officer
jmeffordmiller@valleymetro.org

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

January 16, 2025

Valley Metro Rail
Board of Directors
Thursday, January 23, 2025
Valley Metro, 101 N. 1st Avenue, 10th Floor Boardroom
11:15 a.m.

CONSENT AGENDA

1A.	Minutes Minutes from the November 21, 2024, Board meeting are presented for approval.	1A. For action
1B.	Federal Transit Administration Pass-Through Grant Agreements Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.	1B. For action
1C.	Capitol Extension -Third Party Utility Work Orders Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute Work Orders Agreements for preliminary relocation efforts with 13 third party utility companies for an amount not to exceed $572,000.	1C. For action
1D.	Intergovernmental Agreement between Valley Metro and City of Phoenix for Bridge Inspections Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute an Intergovernmental Agreement between Valley Metro Rail, Inc and City of Phoenix for Bridge Inspections incurring costs not to exceed $870,000.	1D. For action

REGULAR AGENDA

2. <u>Rio East-Dobson Streetcar Extension (REDE) Locally Preferred Alternative (LPA)</u>	2. For action

Staff recommends that Board of Directors approve the REDE LPA, which would allow for the continuation of work in extending the Valley Metro streetcar further east in Tempe along Rio Salado Parkway from Marina Heights to Dobson Road in Mesa, and then south along Dobson Road to Main Street.

3. <u>South Central Extension/Downtown Hub Project (SCE/DH) Design Services Contract Authority</u>	3. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to increase the SCE/DH Light Rail Extension design contract with AECOM by a not to exceed amount of $1,100,000 to support the continued Design Services During Construction (DSDC) and contingency.

4. <u>South Central Extension/Downtown Hub (SCEDH) Construction Manager at Risk (CMAR) Additional Contract Authority</u>	4. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to provide additional contract authority for the SCE/DH CMAR contract with Kiewit for an aggregate amount of $76,588,501 to complete additional construction scope on the SCEDH Project.

5. <u>Report on Current Events and Suggested Future Agenda Items</u>	5. For information

Chair Heredia will provide members the opportunity to report on current events and suggest future agenda items for consideration.

6. <u>Next Meeting</u>	6. For information

The next Board meeting is scheduled for **Thursday, February 20, 2025 at 11:15 a.m.**

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print or flash drive) are available upon request. For further information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at www.valleymetro.org

Meeting Minutes

January 16, 2025 **AGENDA ITEM 1A**

Valley Metro Rail Boards of Directors
Thursday, November 21, 2024
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

VMR Meeting Participants
Vice Mayor Francisco Heredia, City of Mesa – **Chair**
Councilmember Laura Pastor, City of Phoenix – **Vice Chair**
Vice Mayor O.D. Harris, City of Chandler
Councilmember Jennifer Adams, City of Tempe

The chair called the meeting to order at 12:36 p.m.

Chair Heredia said we will convene the meeting and welcome members to this meeting.

1. Consent Agenda

Chair Heredia said first item on the agenda is the Consent Agenda presented for action. Any committee members have any questions or any item to discuss? These are Valley Metro Rail members.

Request a motion and a second to approve the Consent Agendas.

Motion by Councilmember Pastor, second by Vice Mayor Harris.

All in favor, say aye. Perfect. Thank you.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY VICE MAYOR HARRIS, AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA, ITEMS 1A THROUGH 1E.

2. Operations & Maintenance Center Sole Source Parts Inventory Contract Awards

Chair Heredia said Item number 2 I'll ask Jessica Medford-Miller to introduce this item.
Ms. Mefford-Miller said thank you, Mr. Chair. I'm going to invite Rob Rosenberg, our Deputy Chief of Maintenance of Way and Rail Vehicle Maintenance to introduce this item which is presented for your approval and action for purchase of LRV or light rail vehicle and maintenance of way parts. Mr. Rosenberg.

Mr. Rosenberg said thanks, Jessica. Thanks, members of the board. Chair. So this item before you is for the Valley Metro Rail for us to procure parts, sole source contract for parts that we can only get from the manufacturer. So what we're putting in front of you today is request 1, roughly $1.5 million, so we can procure those parts in order to keep the system in a state of good repair. Happy to take any questions on this.

Chair Heredia said thank you. Any questions on this item? No questions. So I request a motion and a second to authorize the CEO to execute three-year sole source contracts for LRV and MOW parts inventory with original equipment manufacturers (OEM) in an aggregate amount not to exceed $1,580,000.

Motion by Councilmember Pastor, second by Vice Mayor Harris.

All in favor, say aye. Motion passes.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY VICE MAYOR HARRIS, AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE THREE-YEAR SOLE SOURCE CONTRACTS FOR LRV AND MOW PARTS INVENTORY WITH ORIGINAL EQUIPMENT MANUFACTURERES (OEM) IN AN AGGREGATE AMOUNT NOT TO EXCEED $1,580,000.

3. ACI Rail Transportation Services Contract Amendment

Chair Heredia said move on to Item number 3 ACI Rail Transportation Services Contract. Jessica.

Ms. Mefford-Miller said thank you, Mr. Chair. This item being presented to the board is a request to exercise the final options years on our operations contract with ACI Alternative Concepts, Incorporated. This is the firm that is presently operating our light rail and streetcar services. Here to present this item for your consideration is Christopher Ramirez. Mr. Ramirez is our Deputy Chief of Rail Operations.

Mr. Ramirez said thank you, Jessica. Mr. Chair, members of the board. We're here today to look at the contract amendment for our Alternative Concepts, Incorporated contract. This is a two-year final option on this contract from 2025 to 2027 and it's adding additional funding to cover the South Central Extension/Downtown Hub and then also the expansion to a regional two-line light rail system.

Included with this contract amendment there also are language clarifications that are involved to safety and security and also performance metrics as well but the amendment to be noted does not include any potential union contract updates. Those are currently under negotiation for fiscal year '26.

Some of the metrics that have been added to this contract have been the early departures incorporated into the contract. This is a performance metric that we are looking at to try to enhance our customer experience. The complaint resolution process is an item that we've worked on with our transportation contractor as well. This is looking at our response to complaints, looking at closing the loop and also bringing a feedback process to the customers that we do have. The accident thresholds are also clearly defined with in this contract as part of our overall safety and security initiatives as well as key personnel benchmarks. And this isn't just looking forward to South Central this is to prepare ourselves for Cap Ex and future extensions moving on.

So with that, I also do want to acknowledge that the presentation displayed may have varied a little bit from the one in your packet but all of the points are the same and they are thoroughly covered within there.

I do want to take the time to thank member city staff as part of this. They were a key part of this process giving us great feedback along the way to bring us to this final point that we're at currently right now.

With that, I'm happy to answer any questions you may have.

Chair Heredia said perfect. Any questions or comments? Hearing none. Request a motion and a second to authorize this agenda item.

Motion by Vice Mayor Harris, second by Councilmember Pastor.

All in favor, say aye. Motion passes.

IT WAS MOVED BY VICE MAYOR HARRIS, SECONDED BY COUNCILMEMBER PASTOR, AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE AMENDMENT NO. 10 ON CONTRACT NO.: 16022-TS CONTRACTED RAIL TRANSPORTATION SERVICES WITH ALTERNATE CONCEPTS, INC., PROVIDING OPERATORS FOR LIGHT RAIL, STREETCAR, AND SPECIAL EVENT SERVICES. THE TOTLA OF THE AMENDMENT IS $49,000,000 PLUS A 10% CONTINGENCY, THE AGGREGATE AMOUNT WILL NOT EXCEED $53,900,000.

4. <u>Overview of the Small Business Financial Assistance Program (SBFAP)</u>

Chair Heredia said Jessica.

Ms. Mefford-Miller said thank you, Mr. Chair. I'd like to invite –

Vice Mayor Harris said wait a minute. Before we move forward. Chair?

Councilmember Pastor wanted to make a motion before we begin this discussion.

Ms. Dillon said there's no motion required for this item.

Vice Mayor Harris said she wants to make a motion.

Councilmember Pastor said I would like to continue this item. I would like to continue this item to January.

Chair Heredia said is that okay, Jessica?

Ms. Mefford-Miller said certainly, Mr. Chair.

Mr. Wawro said we take a motion to table, a second and a vote.

Councilmember Pastor said I motion to table this item to January.

Vice Mayor Harris said second.

Chair Heredia said all in favor, say aye. We'll table this agenda item to next meeting.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY VICE MAYOR HARRIS, AND UNANIMOUSLY CARRIED TO TABLE THE OVERVIEW OF THE SMALL BUSINESS FINANCIAL ASSISTANCE PROGRAM (SBFAP) UNTIL JANUARY 2025.

5. <u>Report on Current Events and Suggested Future Agenda Items</u>

Chair Heredia said the next item is Report on Current Events. Any current events from the team members? Hearing none.

6. <u>Next Meeting</u>

The next meeting of the Board is scheduled for Thursday, January 23, 2025, at 11:15 a.m.

Without further discussion, the meeting was adjourned at 12:43 p.m.

Executive Summary

DATE **AGENDA ITEM 1B**
January 16, 2025

SUBJECT
Federal Transit Administration Pass-Through Grant Agreements

COST AND BUDGET
All expenses are in the approved FY 2025 Adopted Operating and Capital Budget and 5-Year Capital Program. The grant funds will offset expenses, reducing the net cost to the Public Transportation Fund and member agency budgets.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.

STRATEGIC PLAN ALIGNMENT
- Goal 9: Financial sustainability
    - Initiative 9.3: Maximize revenue generation, including advertising, farebox recovery, and discretionary/competitive grant opportunities.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
RMC: January 8, 2025 approved
Board of Directors: January 23, 2025 for action

CONTACT
Ken Kessler, Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Background Information

Request for Pass-Through Grant Agreement

AGENDA ITEM 1B

Federal Transit Administration Pass-Through Grant Agreements

BACKGROUND DISCUSSION
Valley Metro is being provided federal funds through the Federal Transit Administration (FTA) from four grant programs. The table below summarizes the funding available:

Grant	**FTA Program**	**Federal Share**	**Local Share**	**Regional**	**Total**
TBD	CMAQ	6,760,817	-	1,690,205	8,451,022
TBD	STBGP-MAG-Flex	6,724,304	-	1,681,075	8,405,379
TBD	Section 5307	3,403,870	850,968	-	4,254,838
TBD	Section 5337-FGM	7,003,948	-	1,750,987	8,754,935
Total		23,892,939	850,968	5,122,267	29,866,174

- Funds from the Congestion Mitigation/Air Quality Grants Program are flexed from the Federal Highway Administration awarded for the South Central Extension Project Professional Services.
- Funds from the Surface Transportation Block Grant Program are flexed from the Federal Highway Administration awarded for the South Central Extension Project Professional Services.
- Funds from the Section 5307 Urbanized Area Formula Grants Program are awarded for Preventive Maintenance and Light Rail Safety Enhancements.
- Funds from the Section 5337 State of Good Repair Fixed Guideway Modernization Program are awarded for Systemwide Refurbishments.

The pass-through grant agreement for AZ-2020-027 with the City of Phoenix will expire on February 28, 2025. An extension until June 30, 2026 is needed as the purchase of LRVs includes equipment that has a long lead time for extensive engineering development and testing.

Grant	**FTA Program**	**Federal Share**	**Local Share**	**Regional**	**Total**
AZ-2020-027	CMAQ	4,556,127	275,396.39	-	4,831,523.39

The City of Phoenix is the designated recipient of all FTA grant funds for the region. Valley Metro undertakes projects approved for FTA grant funding, then submits requests to Phoenix for reimbursement of actual expenses incurred. Phoenix then executes a drawdown of funds from FTA to pass through the reimbursement to Valley Metro.

This item serves the Agency's strategic plan by providing financial sustainability by offsetting expenses and reducing the net cost to the Public Transportation Fund and member agency budgets.

1

FTA Pass-Through Agreements

New Grants

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	CMAQ	6,760,817	-	1,690,205	8,451,022
TBD	STBGP-MAG-Flex	6,724,304	-	1,681,075	8,405,379
TBD	Section 5307	3,403,870	850,968	-	4,254,838
TBD	Section 5337-FGM	7,003,948	-	1,750,987	8,754,935
Total		23,892,939	850,968	5,122,267	29,866,174

Grant Extension until June 30, 2026

Grant	FTA Program	Federal Share	Local Share	Regional	Total
AZ-2020-027	CMAQ	4,556,127	275,396.51	-	4,831,523.51

2

2

FTA Pass-Through Agreements

- Funds from CMAQ are flexed from the FHWA awarded for the SCE/DH project Professional Services
- Funds from STBGP are flexed from the FHWA awarded for the SCE/DH project Professional Services
- Funds from Section 5307 Grants Program are awarded for Preventive Maintenance and Light Rail Safety Enhancements
- Funds from the Section 5337 SOGR Program are awarded for Systemwide Refurbishments
- Grant agreement for AZ-2020-027 will expire on 2/28/25 and extension needed as purchase of LRVs includes equipment with long lead times for engineering development and testing

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.

Executive Summary

DATE **AGENDA ITEM 1C**
January 16, 2025

SUBJECT
Capitol Extension -Third Party Utility Work Orders

COST AND BUDGET
To initiate design efforts with the thirteen Third Party Utilities affected by the Capitol Extension project, staff requests board authority in the amount of $572,000.00 to determine the scope and extent of required utility relocations. The Capitol Extension project will be funded with Phoenix Transportation 2050 funds, regional Proposition 400 funds; Federal Congestion Mitigation and Air Quality funds, and anticipated Federal Capital Improvement Grant program funds.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute Work Orders Agreements for preliminary relocation efforts with 13 third party utility companies for an amount not to exceed $572,000.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 5: Stakeholder Collaboration
  - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
  - Initiative 5.3: Engage and diversify third party contractors and consultants for collaborative success on shared projects, setting clear expectations, priorities, and ensuring responsiveness.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
RMC: January 8, 2025 approved
Board of directors: January 23, 2025 for action

CONTACT
Trevor Collon, PE
Chief, Capital Development
tcollon@valleymetro.org

ATTACHMENT
None. The draft agreement is available upon request.

Background Information

AGENDA ITEM 1C

Work Order Agreements between Valley Metro Rail and 3rd Party Utilities.

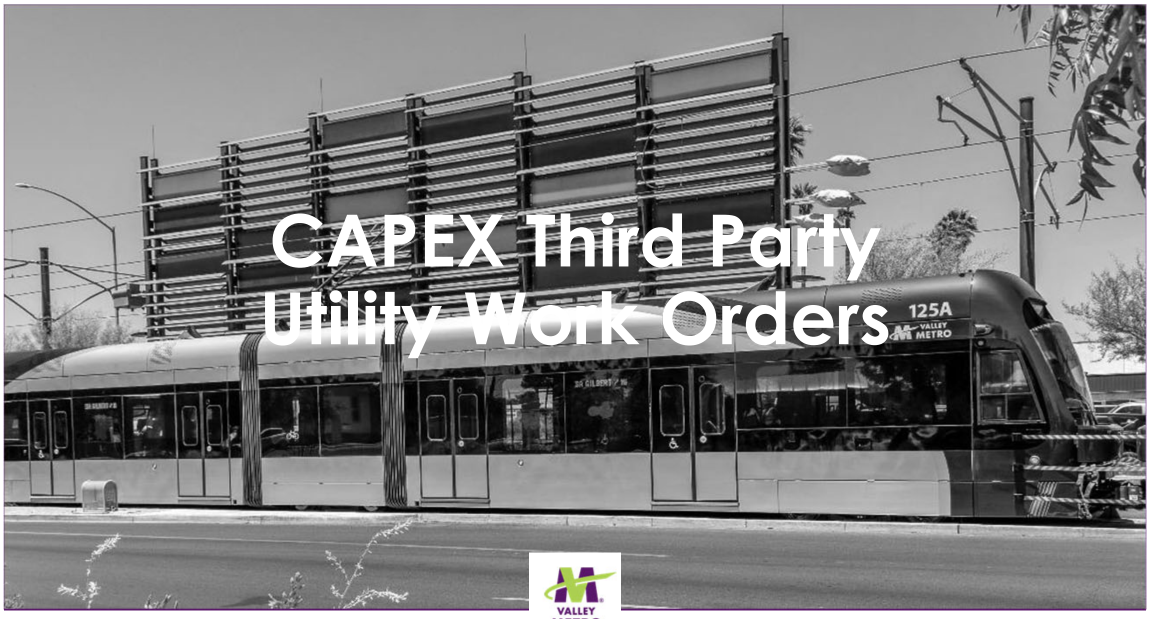
BACKGROUND DISCUSSION
The Capitol Extension (CAPEX) project is a 1.6-mile loop project extending the existing Valley Metro light-rail transit from downtown Phoenix to an area near the Arizona State Capitol. The project begins at Washington Street and 3rd Avenue connecting to the existing single-track couplet. The alignment continues running on Washington Street, loops south onto 15th Avenue, and then returns east on Jefferson Street. Along Jefferson Street, the alignment extends from 15th Avenue to 3rd Avenue where it connects to the existing downtown alignment.

Valley Metro Rail entered into contractual agreements with major third party utility owners in the form of a Master Utility Agreement (MUA). These MUAs outline roles, responsibilities, and expectations for each party. The MUAs utilize the assignment of a Work Order Agreement to initiate work on a project on a case specific basis. The Work Order Agreement outlines the scope of work and estimated costs to relocate utilities as needed by the project. In turn, VMR agrees to reimburse the utility for their costs; including Design, Permitting, Construction, Inspections, and Materials. Below is a list of the thirteen third party utility companies included with this Board action:

Third Party Utility Companies
ADOA
APS
AT&T/TCA
Lumen/LEVEL3
Cox Communications
Crown Castle
MCI/Verizon
Qwest (Long Distance)
Southwest Gas
T-Mobile/Sprint
WanRack LLC
Windstream Communications
ZAYO (Telecom Provider)

The requested authorization to spend $572,000.00 is to issue Work Orders to begin the design efforts of third party utility relocations on the Capitol Extension Project. These efforts will include early design; developing final design and construction work order estimates; reviewing potential conflicts; coordinating with the project team; and starting the permitting process for the relocation of utilities for the project.

As the design progresses, the third party utility companies, working closely with Valley Metro staff, will prepare a Work Order Agreements to complete final design and construction. At that time staff will seek Board approval to award these required Work Order Agreements.



CAPEX Third Party Utility Work Orders

VALLEY METRO

1

CAPEX
Third Party Utilities-Work Order Agreements

- Requesting authorization to execute 13 Utility Work Order Agreements with 3rd Party Utility Companies
  - Early Design
  - Develop Final Design and Construction Work Order Estimates
  - Review Potential Conflicts
  - Coordinating with the Project Team
  - Start Permitting Process
- Not-to-Exceed $572,000.00
- Future Board Action Required
  - Final Design and Construction Work Order Agreements

2

VALLEY METRO

2

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute Work Orders Agreements for preliminary relocation efforts with 13 third party utility companies for an amount not to exceed $572,000.

VALLEY METRO

Executive Summary

DATE
January 16, 2025

AGENDA ITEM 1D

SUBJECT
Intergovernmental Agreement between Valley Metro and City of Phoenix for Bridge Inspections

COST AND BUDGET
The projected costs for bridge inspections over a five-year period total approximately $870,000. The five-year period includes calendar years 2025-2029. Obligations beyond FY25 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2025 thru FY2029). The source of funding is Member City and Federal.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute an Intergovernmental Agreement between Valley Metro Rail, Inc and City of Phoenix for Bridge Inspections incurring costs not to exceed $870,000.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 8: Operational Excellence
    - Initiative 8.2: Codify a comprehensive maintenance and operations program delivering effective transit service with the ability to grow and adapt through FY 2030.
    - Initiative 8.4: Formalize a long-range operations and capital investment plan for the next 20 years aligned with state of good repair and future system and generational needs.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
RMC: January 8, 2025 approved
Board: January 23, 2025 for action

CONTACT
Trevor Collon, PE
Chief, Capital Development
tcollon@valleymetro.org

ATTACHMENT
None. The draft agreement is available upon request.

Background Information

Intergovernmental Agreement between Valley Metro and City of Phoenix for Bridge Inspections

BACKGROUND DISCUSSION
Since completion of the initial 20-mile light rail line, the City of Phoenix Street Transportation Department has provided expertise to Valley Metro to conduct regular inspections of light rail bridges. The period of performance for the current agreement between the City of Phoenix and Valley Metro ended on December 31, 2024. It is necessary to enter into a new agreement to ensure that light rail bridges are regularly inspected and remain in good condition.

This Agreement states that the city will perform inspections of bridges owned and operated by Valley Metro. This agreement clarifies scope of work and provides direction for inspection procedures. This Agreement carries forward the terms of the prior agreement.

This item serves the Agency’s strategic plan by supporting operational excellence by defining operations and maintenance roles and responsibilities to deliver effective transit service and support state of good repair needs. Below is a list of Valley Metro bridges that will be inspected within the scope of this agreement:

Valley Metro Bridge Inspections
Metro Parkway and I-17 Bridge
OMC Bridge
Tempe Town Lake Bridge
Price Freeway Bridge
Tempe Canal Bridge

Valley Metro/City of Phoenix

BRIDGE INSPECTION SERVICES INTERGOVERNMENTAL AGREEMENT

1

Bridge Inspection Services Intergovernmental Agreement

- Requesting authorization to execute Bridge Inspection Services Intergovernmental Agreement with City of Phoenix
  - Includes bridge inspection services of bridges operated on by Valley Metro Rail
  - City of Phoenix Street Transportation to provide inspections
  - Current agreement expired December 31, 2024
- Five-year agreement term at a total cost of $870,000

2

2

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute an Intergovernmental Agreement between Valley Metro Rail, Inc and City of Phoenix for Bridge Inspections incurring costs not to exceed $870,000.

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3

Executive Summary

DATE **AGENDA ITEM 2**
January 16, 2025

SUBJECT
Rio East-Dobson Streetcar Extension (REDE) Locally Preferred Alternative (LPA)

COST AND BUDGET
There are no expenses associated with this item. If the LPA is approved, the REDE project will advance to Preliminary Engineering and NEPA stages. These stages will be funded by $15.9 million in federal funds awarded to Valley Metro via a FY24 RAISE grant.

RECOMMENDATION
Staff recommends that Board of Directors approve the REDE LPA, which would allow for the continuation of work in extending the Valley Metro streetcar further east in Tempe along Rio Salado Parkway from Marina Heights to Dobson Road in Mesa, and then south along Dobson Road to Main Street.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 1: Deliver excellent customer experience
  - Initiative 1.5: Continue to innovate, integrate, and market mobility solutions to expand transit availability and equity
- Goal 5: Deliver on stakeholder collaboration and unify efforts from diverse interests
  - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system
  - Initiative 5.4: Incorporate community voices in Valley Metro's portfolio of programs and projects, particularly feedback from diverse/hard-to-reach communities
  - Initiative 5.5: Communicate the value of transit to stakeholders and the general public region-wide

COMMITTEE PROCESS
RTAG: December 17, 2024, for information
RMC: January 8, 2025, approved
Board of Directors: January 23, 2025, for action

CONTACT
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ATTACHMENT
None

Background Information

BACKGROUND DISCUSSION

The REDE LPA consists of the project's preferred mode and preferred route. The preferred transit mode is streetcar as it will be an extension of the existing streetcar system in Tempe. The preferred route is east on Rio Salado Parkway from the current streetcar terminus at Marina Heights to Dobson Road, south on Dobson Road and terminates at Main Street (Figure 1). The total distance is approximately 4.4 miles. The REDE project is identified in the Maricopa Association of Governments (MAG) Regional Transportation Plan (RTP) in Phase 2 (2031-2035) with an estimated construction cost of $402,960,000.

Figure 1**:** Rio East-Dobson Extension Locally Preferred Route Alignment

The REDE LPA originated from two separate but related studies: the Tempe/Mesa Streetcar Feasibility Study (TMSFS) and the Fiesta District Alternatives Analysis (FDAA). The TMSFS was completed in July 2020 by Valley Metro in collaboration with the cities of Tempe and Mesa. The study identified new potential streetcar corridors that could serve as extensions to the Valley Metro Streetcar in Tempe. The FDAA was completed in June 2020 by Valley Metro and the City of Mesa in coordination with MAG. The FDAA evaluated multiple corridors in West Mesa for potential high-capacity transit (HCT) improvements, including light rail, streetcar and enhanced bus service. The outcome of the TMSFS was the identification of five new potential streetcar corridors. The outcome of the FDAA was the identification of a single HCT corridor, whose preferred mode was left to be determined in another study. The preferred mode was later identified as streetcar in the Tempe/Mesa Streetcar Feasibility Study.

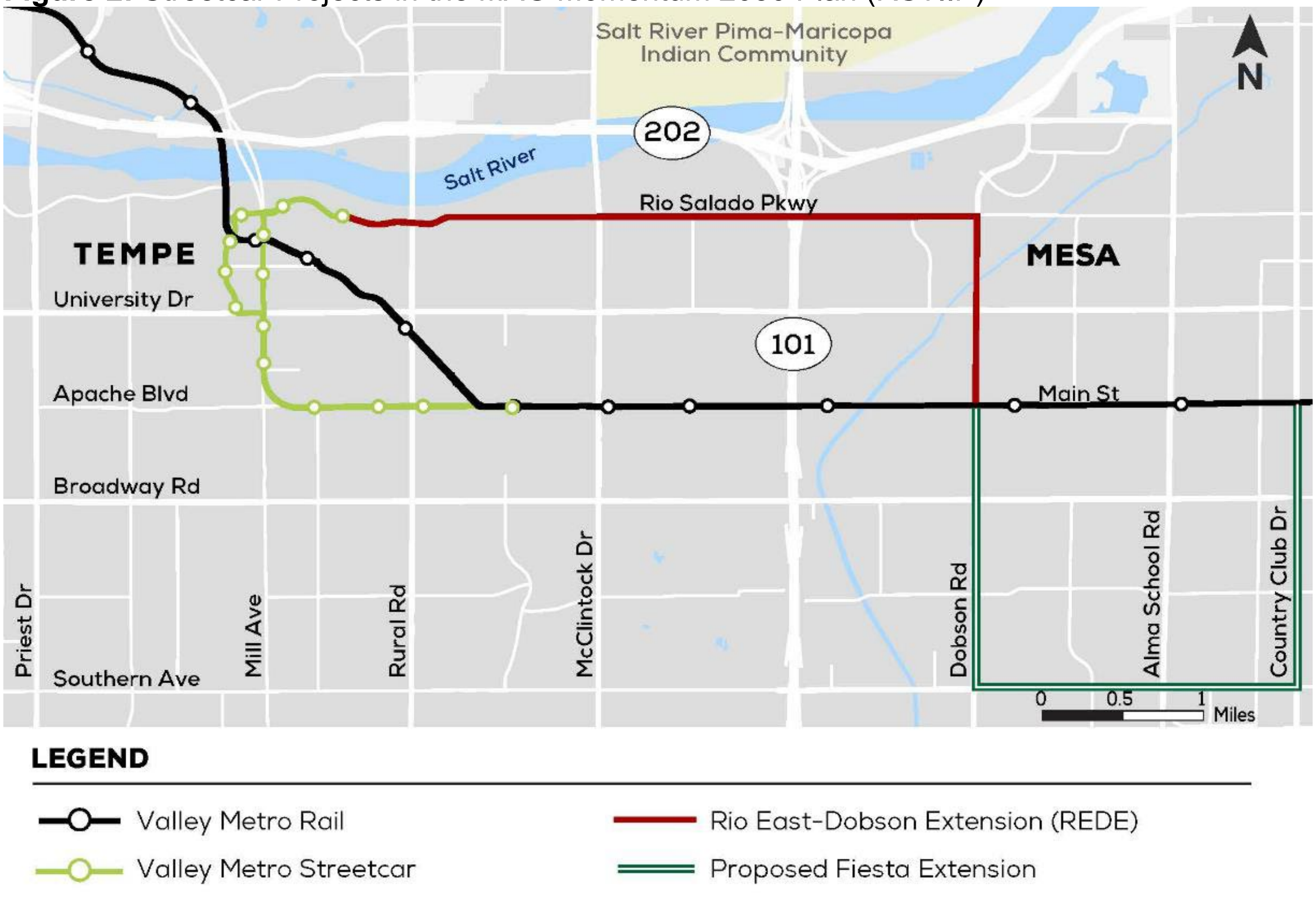
Stakeholder and community outreach took place throughout the TMSFS and FDAA studies and informed the ultimate recommendations of both studies. The TMSFS team conducted outreach in two stages, the first taking place from summer 2018 to February 2019 (consisting of five public meetings and numerous stakeholder outreach events) and the second taking place in early 2020 (consisting of two public meetings and numerous stakeholder outreach events). Community outreach for the FDAA began in fall 2018 and continued through early 2019. It included targeted individual meetings with businesses and commercial property owners, two public meetings and two online surveys. FDAA's final report was presented to Mesa City Council in November 2020. The final report of TMSFS was presented to Tempe City Council in May 2020 and to Mesa City Council in November 2020.

The cities of Tempe and Mesa used the recommendations of these two studies to respond to MAG's Call for Projects in 2020 to inform the new RSTIIP and the extension of the Proposition 400 regional sales tax passed by Maricopa County voters in 2004. MAG reviewed these three submittals and made adjustments to them based on funding constraints and regional needs. Consequently, two streetcar projects were added to the Momentum 2050 Regional Transportation Plan: the Rio East-Dobson Extension and the Fiesta Extension (Figure 2).

The Rio East-Dobson Extension (REDE) Locally Preferred Alternative (LPA) recommends a 4.4-mile extension of the existing Valley Metro Streetcar line. This project was identified through extensive research, community engagement and coordination with the cities of Mesa and Tempe and the Maricopa Association of Governments going back to 2018. Community outreach on the REDE project is ongoing, and the project team held a series of outreach events in summer 2024. A virtual open house was held from May 28 to June 28, 2024; this virtual engagement garnered over 1,000 users during the month it was online. Two in-person open houses were held as well in June 2024 (one in Mesa and one in Tempe). Combined, the in-person open houses welcomed 53 attendees. An additional round of outreach events is planned for spring 2025.

The selection of an LPA is a required milestone for transit projects that seek funding through the Federal Transit Administration's Capital Investment Grant program. The LPA consists of the project's preferred mode and preferred route. The recommended mode for the REDE project is streetcar. The recommended route is east on Rio Salado Parkway from the current streetcar terminus at Marina Heights to Dobson Road, south on Dobson Road and terminates at Main Street.

Figure 2: Streetcar Projects in the MAG Momentum 2050 Plan (RSTIIP)

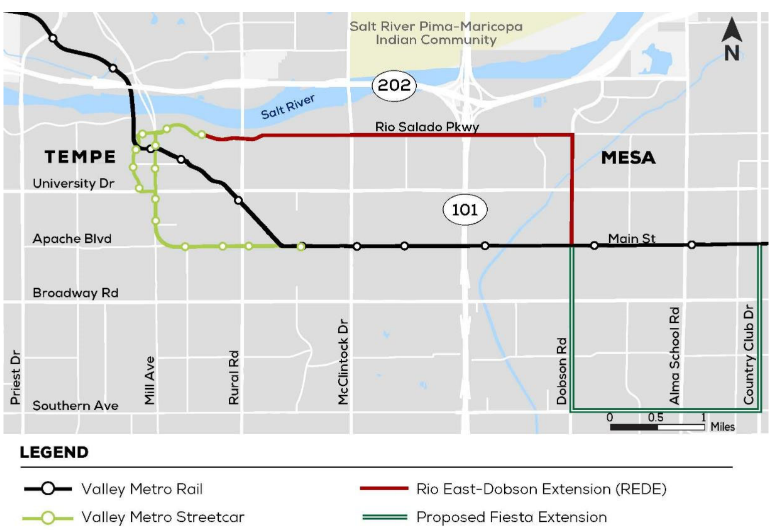


Rio East-Dobson Streetcar Extension Locally Preferred Alternative (LPA)

VALLEY METRO

1

Project Background



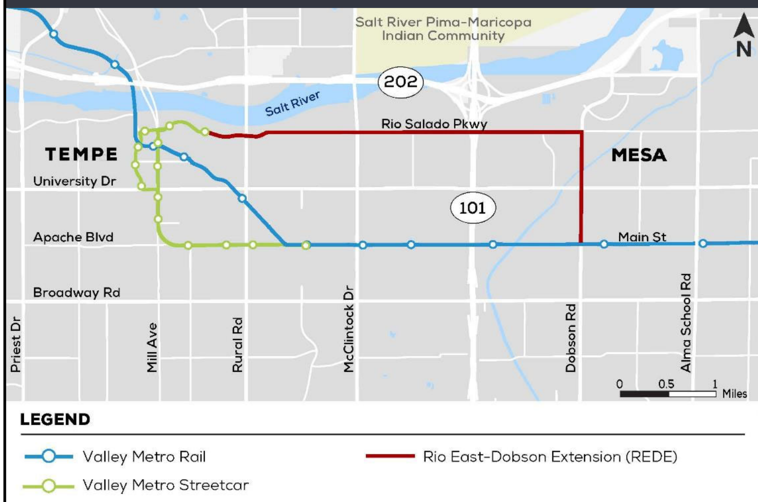
- 2 streetcar extensions are currently included in the MAG Momentum 2050 Plan
  - REDE (red line)
  - Fiesta (double green line)
- REDE and Fiesta stem from 2 previous studies
  - Tempe/Mesa Streetcar Feasibility Study
  - Fiesta District Alternatives Analysis

2

VALLEY METRO

2

REDE Locally Preferred Alternative



- **Mode:** Streetcar
- **Route:** Rio Salado Pkwy and Dobson Rd from Marina Heights to Main St. (red line on map)

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Recommendation

Staff recommends that Board of Directors approve the REDE LPA, which would allow for the continuation of work in extending the Valley Metro streetcar further east in Tempe along Rio Salado Parkway from Marina Heights to Dobson Road in Mesa, and then south along Dobson Road to Main Street.

4

4

Executive Summary

DATE **AGENDA ITEM 3**
January 16, 2025

SUBJECT
South Central Extension/Downtown Hub Project (SCE/DH) Design Services Contract Authority

COST AND BUDGET
AECOM's current total design contract authority is $54,611,387. Staff recommends that a not to exceed amount of an additional $1,100,000 in contract authority be allocated to AECOM to continue providing DSDC and for additional design requests and efforts to address unforeseen conditions for a revised total authorization of $55,711,387. The SCE/DH project is funded by Phoenix Transportation 2050 funds, regional Proposition 400 funds; Federal Congestion Mitigation and Air Quality funds, Surface Transportation Block Grant Program funds, American Rescue Plan funds and Federal Capital Improvement Grant program funds.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to increase the SCE/DH Light Rail Extension design contract with AECOM by a not to exceed amount of $1,100,000 to support the continued Design Services During Construction (DSDC) and contingency.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 5: Stakeholder Collaboration
  - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
  - Initiative 5.4: Incorporate community voices in Valley Metro's portfolio of programs and projects, particularly feedback from diverse/hard-to-reach communities.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
RMC: January 8, 2025 approved
Board of Directors: January 23, 2024 for action

CONTACT
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ATTACHMENT
None.

Background Information

South Central Extension/Downtown Hub Project (SCE/DH) Design Services Contract Authority

BACKGROUND DISCUSSION
The South Central Extension/Downtown Hub is approximately 5.5 miles in length and includes light rail construction within Downtown Phoenix and extends south along Central Avenue to Baseline Road.

AECOM initially entered into a Design Services contract with Valley Metro in May 2017.

To date, the Board has authorized $54,611,387 in contract authority for the SCE/DH project design services contract with AECOM, post design and Design Services During Construction (DSDC).

The previous actions of the Board related to this contract are summarized below:

Design Current Contract Authority				
Date	**Action**	**Cost**	**Contingency**	**Total Authority**
May 2017	Board Award for Design Services	$32,383,580	$3,238,358	$35,621,938
Oct 2017	Contract Amendment – Add Downtown Hub	$2,487,000	$248,700	$2,735,700
May 2019	Extend Design Services & Add DSDC	$12,048,863	$1,204,886	$13,253,749
Aug 2023	Add'l authorization for DSDC and Design Scope	$2,750,000	$250,000	$3,000,000
Total				**$54,611,387**

DSDC scope of services includes review of contractor submittals, responses to requests for information, design changes, final as-builts, and performance of all special inspections during project construction. DSDC was included in prior Board approvals, Board authorization is required to continue with services needed during the construction period because of the additional design changes and efforts to address unforeseen scope changes such as:

- Salt River Bridge lighting enhancements design and design services during construction
- USA Easement relocation application coordination with SRP and Bureau of Reclamation
- Simulation of train and traffic of Downtown in new 2-line train system to test concept of train operations and predict traffic impacts
- Conduct bus study to resume bus routes through CityScape intermixed with train traffic against routes set up during construction of SCE/DH and the City of Phoenix's Central Station Joint-use Redevelopment (CSJUR)
- 3rd Ave Loop Operator Break Room and Restroom Facilities
- Modifications at Washington/Central to prevent increased occurrences of unauthorized movements across the track
- Jackson underpass safety treatments
- Address unexpected 3rd party conflicts such as:
    - Roadway/track redesign to address APS conflict with track at Madison/1st Ave
    - Retaining wall redesign to address Verizon ductbank conflicts at Central/Madison
    - Changes to traction power substations to meet Safety/Security updates
    - Track redesign to address Salt River Project (SRP) irrigation conflicts within USA Land

The total expenditure authorization requested for the design contract, including previous Board authorizations, will be $55,711,387.

Items for Authorization	Cost
Existing Contract Authority	$54,611,387
Additional Authorization Requested	$1,000,000
10% Contingency	$100,000
TOTAL	**$55,711,387**

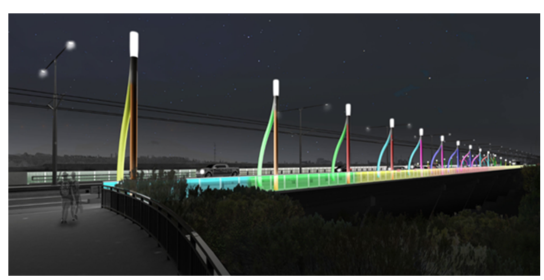
This action does not increase the overall project budget. These additional expenditures will be covered within the existing project budget with contingency.

SCE/DH Design Contract

1

South Central Extension/Downtown Hub (SCE/DH) Design Services Contract Authority

- Requesting authorization to increase the design contract with AECOM
  - Track redesign to mitigate 3rd Party conflicts
  - Salt River Bridge lighting enhancements
  - 3rd Ave operator break room and restroom facilities
  - Extend design services during construction
- Current total authorization is $54,611,387
- Requesting to increase to $55,711,387



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2

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to increase the SCE/DH Light Rail Extension design contract with AECOM by a not to exceed amount of $1,100,000 to support the continued Design Services During Construction (DSDC) and contingency.

3

Executive Summary

DATE **AGENDA ITEM 4**
January 16, 2025

SUBJECT
South Central Extension/Downtown Hub (SCEDH) Construction Manager at Risk (CMAR) Additional Contract Authority

COST AND BUDGET
To request authorization for the Chief Executive Officer (CEO) to provide additional contract authority for the SCEDH CMAR contract with Kiewit Infrastructure West Co. for an aggregate amount of $76,588,501 to complete additional construction scope. The SCEDH project is funded by Phoenix Transportation 2050 funds, regional Proposition 400 funds; Federal Congestion Mitigation and Air Quality funds, Surface Transportation Block Grant Program funds, American Rescue Plan funds and Federal Capital Improvement Grant program funds.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to provide additional contract authority for the SCE/DH CMAR contract with Kiewit for an aggregate amount of $76,588,501 to complete additional construction scope on the SCEDH Project.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 5: Stakeholder Collaboration
    - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
    - Initiative 5.4: Incorporate community voices in Valley Metro's portfolio of programs and projects, particularly feedback from diverse/hard-to-reach communities.

COMMITTEE PROCESS
RTAG: December 17, 2024 for information
RMC: January 8, 2025 approved
Board of Directors: January 23, 2025 for action

CONTACT
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ATTACHMENT
None

Background Information

AGENDA ITEM 4

South Central Extension/Downtown Hub (SCEDH) Construction Manager at Risk (CMAR) Additional Contract Authority

BACKGROUND DISCUSSION

The South Central Extension/Downtown Hub is approximately 5.5 miles in length and includes light rail construction within Downtown Phoenix and extends south along Central Avenue to Baseline Road.

Kiewit Infrastructure West Co. initially entered into a CMAR contract with Valley Metro in June 2017.

To date, the Board has authorized $942,586,758 in CMAR contract authority for South Central Extension/Downtown Hub preconstruction services, early procurement, early utilities, and full construction as summarized below.

CM@Risk Current Contract Authority				
Date	**Action**	**Cost**	**Contingency**	**Total Authority**
Jun-2017	Preconstruction Services	$2,400,000	$240,000	$2,640,000
Oct-2017	Preconstruction Services for Downtown Changes	$400,000	$40,000	$440,000
Dec-2018	Potholing/Archaeological investigation, 7th St/7th Ave Improvements & Procurement of Special Trackwork	$20,000,000	$2,000,000	$22,000,000
June-2019	Extend Preconstruction Services work by 75 workdays	$411,777	$41,178	$452,955
Sept-2019	Downtown Utility Relocations	$90,340,000	$9,034,000	$99,374,000
May-2020	Full Construction	$654,345,275	$65,434,528	$719,779,803
Aug-2023	Contract Authority Amendment	$89,000,000	$8,900,000	$97,900,000
Total		**$767,897,052**	**$76,789,706**	**$942,586,758**

This additional authorization addresses the following change orders and provides additional contingency for the current change order projections. Known changes include the following

- Schedule recovery costs which include many delay mitigation efforts and a significant construction sequencing effort.
- Salt River Bridge Lighting Enhancements (CNPA)
- 3rd Avenue Operator Facility & Break Room
- Added LRV Storage at McKinley Loop
- Street Lighting Changes (SRP/APS Approved Plans)
- Traffic Signal Controller Procurement
- Private Irrigation Additions
- Sewer Service Lateral Extensions
- Differing Site Condition Changes
- Train Control Red Signal Overrun Safety Changes
- Request For Information (RFI) Scope Changes
- Design Change Notice (DCN) Scope Changes

The total expenditure authorization requested for the CMAR contract, including previous Board authorizations, will be $1,019,175,259, as summarized below.

Items for Authorization	Cost
Existing Contract Authority	$942,586,758
Additional Authorization Requested	$69,625,910
10% Contingency	$6,962,591
TOTAL	**$1,019,175,259**

SCE/DH CMAR Contract

1

Additional CMAR Board Authorization

- Requesting authorization to increase Board Authorization for the CMAR from $942,586,758 to $1,019,175,259.
- Authorization covers:
  - Schedule recovery
  - Salt River Bridge lighting enhancement (CNPA)
  - 3rd Ave operator facility & breakroom
  - Traffic signal procurement
  - LRV storage at McKinley
  - Street lighting changes
  - Change order forecast

2

2

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to provide additional contract authority for the SCE/DH CMAR contract with Kiewit for an amount not to exceed $76,588,501 to complete additional construction scope on the SCEDH Project.

3

VALLEY METRO

3

Executive Summary

DATE **AGENDA ITEM 5**
January 16, 2025

SUBJECT
Report on Current Events and Suggested Future Agenda Items

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COMMITTEE ACTION
None

CONTACT
Jessica Mefford-Miller
Chief Executive Officer
jmeffordmiller@valleymetro.org

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date