



MEETINGS OF THE

Boards of Directors

Joint Meeting of Valley Metro RPTA and Valley Metro Rail	Valley Metro RPTA	Valley Metro Rail
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Date:
January 18, 2024

Starting Time
11:15 a.m.

Meetings to occur sequentially

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

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10th floor, call 602.262.7433.**



Agenda

January 11, 2024

Joint Boards of Directors Meeting Agenda Valley Metro RPTA and Valley Metro Rail

Thursday, January 18, 2024
Valley Metro, 101 N. 1st Avenue, 10th Floor

Boardroom/Webex
11:15 a.m.

Action Recommended

1. 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 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.

1. For Information

2. Chief Executive Officer's Report

Jessica Mefford-Miller, CEO, will brief the TMC/RMC on current issues.

2. For information

3. Audit and Finance Subcommittee Update

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

3. For information

CONSENT AGENDA

4A. Minutes

Minutes from the November 30, 2023 Joint Board meeting are presented for approval.

4A. For action



4B. Authorization to Issue a Competitive Solicitation for Videography Services

4B. For action

Staff recommends that the Boards of Directors authorize for the CEO to issue a competitive solicitation for videography services.

REGULAR AGENDA

5. 2023 Origin and Destination Study Results

5. For Information

Staff will present the results of the 2023 Origin and Destination Study.

6. FY 2025 – 2030 Strategic Plan Approval

6. For action

Staff recommends that the Boards of Directors approve the FY 2025 – 2030 Strategic Plan.

7. Travel, Expenditures and Solicitations

7. For information

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

8. Report on Current Events and Suggested Future Agenda Items

8. For information

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

9. Next Meeting

9. For information

The next meeting of the Boards of Directors meeting is scheduled for **Thursday, February 22, 2024 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.



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1**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.

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
602-262-7433
jmeffordmiller@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 2**SUBJECT**

Chief Executive Officer's Report

PURPOSE

Jessica Mefford-Miller, Chief Executive Officer, will brief the joint Boards of Directors on current issues.

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
602-262-7433
jmeffordmiller@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 3**SUBJECT**

Audit and Finance Subcommittee (AFS) Update

PURPOSE

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

BACKGROUND | DISCUSSION | CONSIDERATION

The draft minutes from the January 4, 2024 AFS meeting are attached for further details of the meeting.

COST AND BUDGET

None

COMMITTEE PROCESS

None

RECOMMENDATION

This item is presented for information only.

CONTACT

Ken Kessler
Chief Financial Officer
602-262-7433
kkessler@valleymetro.org

ATTACHMENT

Draft January 4, 2024 AFS meeting minutes



Minutes

January 11, 2024

AGENDA ITEM 3A

Audit and Finance Subcommittee
Thursday, January 4, 2024
Via WebEx/Phone
12:00 p.m.

Meeting Participants

Councilmember Clay Goodman, City of Buckeye – **CHAIR** (phone)
Councilmember Max White, City of Avondale
Mayor Brigitte Peterson, Town of Gilbert (phone)
Councilmember Laura Pastor, City of Phoenix
Vice Mayor Jennifer Adams, City of Tempe (phone)

Chair Goodman called the meeting to order at 12:01 p.m.

Chair Goodman said I'm going to call us to order. Welcome back everybody. Our first meeting for 2024. Real excited. Councilmember White is in person Can we have the roll call, please?

Ms. Dillon said yes.

Ms. Dillon said,

City of Buckeye, Councilmember Clay Goodman? Here.
City of Avondale, Councilmember Maxine White? Present.
Town of Gilbert, Mayor Brigitte Peterson? Here.
City of Phoenix, Councilmember Laura Pastor?

Ms. Dillon said Councilmember Pastor has not joined yet, but I will watch for her to join.

City of Tempe, Vice Mayor Jennifer Adams? Here.

Ms. Dillon said we're all set to proceed, sir.

Chair Goodman said great, thank you.

1. Public Comment

Chair Goodman said do we have any public comment?

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



Chair Goodman said Mr. Crowley, you have three minutes.

Mr. Crowley said Happy New Year and Merry Christmas. My Christmas is January 6th and I have some pebbles for the members but since you're not here next time I see you'll be able to pick whatever one you'd like.

When I look at your agenda and Agenda Item 4 and it's the midyear budget adjustment, my favorite part is the use of funds, the last line, VMR personnel, \$40 million. Interesting. Now, my understanding, the operating cost of the light rail is supposed to be paid by the member cities so is that just passthrough or what are you trying to do? I'd also like to point out the article in the paper of the December 12th that has the statement of light rail -- or not light rail but heavy rail that Mr. Stanton is giving money to ADOT for. Now, what cities are on the board? It says Queen Creek, Tempe, Phoenix, Goodyear, Avondale, oh, and Buckeye. Now, I've been up here a couple times saying, you know, you need to get that heavy rail being at least address on the Rail Committee but then being that they aren't going to be funded at all I'm wondering when they're going to be bifurcated so that we can deal with things.

Because I love that in yesterday's manager's meeting you had goal progress board reporting cycle. Number 3, security because it's that important to the board. There is no security on the buses, that's all rail. When Jessica gives her dissertations of the conditions of the system, et cetera yesterday I heard all kinds of thing at the joint meeting on rail, rail, rail this is what we're going to be doing but there was nothing on the bus. There was nothing saying to you, municipalities. You need to get it out there and get some money and do this work.

But then when I look at the budget adjustments, I see the first thing it says is Phoenix is asking for more. Well, I'm glad of what they do but your communities need to do things too. As in, where is the transit in Mesa? Where is the transit in Gilbert? Ray Road, Chandler has it. Is there connectivity over to the airport, no, there's no line. So all I'm asking is that you do things. But then, again, on the 14th with the light rail, I'm wondering if any of you are going to be participating in the pants off light rail is coming back and that will be on the 14th between the west side station and the east side country club. So enjoy and we will see you next time.

Chair Goodman said thank you, Mr. Crowley.

Just a question before we move on. Mr. Kessler, you've been asked that in the agenda item (inaudible) in the February meeting. Is that (inaudible) I just want to make sure.

Mr. Kessler said yes, Mr. Chair. The agenda does reflect that.

Chair Goodman said okay. Perfect. I just didn't want to skip anything.



2. Chief Financial Officer's Update

Mr. Kessler said thank you, Mr. Chair. Just one item for my update today.

Just an update on our public transportation fund revenues. That's the regional sales tax for transit in the county. We are still on a pretty good trajectory this year with the sales tax growth about 6 percent over the prior year, so we continue to see kind of steady growth, a little more consistent last year. I know we had a few months where we were kind of on a little bit of a roller coaster, you know, from very, very low percentage growth year over year to some more substantial growth. This year we're seeing a little steadier inflow of those revenues. So that's the only item I have for today's update. Thank you. Happy to answer any questions.

Chair Goodman said any questions? Hearing none.

3. Minutes

The minutes from the November 2, 2023, Audit and Finance Subcommittee meeting are presented for approval.

Chair Goodman said Hopefully, you've all had a chance to review those from our November meeting. I need a motion to approve.

Motion by Councilmember White, Mayor Peterson.

All those in favor signify by saying aye. Any opposed?

IT WAS MOVED COUNCILMEMBER WHITE, SECONDED BY MAYOR PETERSON, AND UNANIMOUSLY CARRIED TO APPROVE THE NOVEMBER 2, 2023 AFS MEETING MINUTES.

4. Regional Public Transportation Authority (RPTA) Fiscal Year 2024 (FY24) Mid-Year Budget Adjustment

Mr. Kessler said thank you, Mr. Chair. I'd like to introduce Tyler Olson, our Manager of Budget and Operations Controls to present this item.

Mr. Olson said thank you, Ken. Mr. Chair, members of the Subcommittee. I will do a quick walkthrough of the midyear budget adjustment for RPTA.

Just a bit of background. We begin developing our budget about nine months ahead of the fiscal year and so really, we're at a point now to true up that plan. Often that plan is changed a little bit by the time we get it approved so we have a couple of board adjustments that have taken place this fiscal year that we need to incorporate into our operating budget and then a couple more adjustments that we want to share with you.



By far the largest piece of this budget adjustment is for the City of Phoenix operated bus service. They operate a little over half of the bus service in the region and we fund a portion of that with their public transportation funds that are allocated to them as part of Prop 400, and we manage that through the Transit Lifecycle Program. I'll talk a little bit more about that. I do want to mention that we presented this to your city staff at last month's Financial Working Group and RTAG and then at the TMC/RMC yesterday.

Jumping into the items that the Board has already approved for this fiscal year totaling \$4.5 million. We did have a new bus contractor start this month, Keolis in our East Valley, providing that service to our East Valley members. At the time the budget was developed, we had a solicitation out on the street in which we were asking for bid for this new contract so rates were not known we used our best estimates and independent cost estimates as a part of that but not knowing what the market bears until you know, slight adjustment here from what the Board approved in that contract to incorporate into our fiscal year budget.

Same thing on our van pool contract. We re-procured those service and Enterprise was awarded that contract and the rates are just slightly higher than planned and they're also purchasing the vehicles through that contract so just correcting that.

So our Ride Choice program, demand service, trips are forecast to be higher than planned so and sort of performing very well, people are using it and on top of that we're welcoming a new member to this program. Litchfield Park has some trips planned for the year so total increase for that just over a million dollars.

The Phoenix operated bus service, again, the largest portion of this budget adjustment is \$28 million and really that amount is a hundred percent funded with Phoenix's PTF. We did receive an estimate from Phoenix very late in last year's budget process and we didn't want to add confusion to that by adding 28 million, you know, in June. It would be a little bit of a surprise knowing that the funds are available through the Lifecycle Program, a lot of unprogrammed money that Phoenix has to utilize for, again, the service that they operate. We just act as a fiduciary to really program that money for them to use and all the cities as part of RPTA.

All right. So total adjustment for our operating budget is \$33.4 million. Sources of funds, the largest would be to the public transportation fund followed by member city contributions and a slight increase for fares as well.

And then here's just a look at the expenses by program. Again, fixed route's up by \$31 million. That's the bulk of the changes we're talking about with smaller adjustments for demand and van pool.

So with that, that concludes my presentation on RPTA. I'd be happy to address any questions that the Subcommittee may have.

Chair Goodman said any questions? Hearing none.



5. Valley Metro Rail (VMR) Fiscal Year 2024 (FY24) Mid-Year Budget Adjustment

Mr. Kessler said thank you, Mr. Chair. Again, Tyler Olson will present this item to the Subcommittee.

Chair Goodman said Tyler, you're up.

Mr. Olson said thank you, Mr. Chair. Members of the Subcommittee. So Valley Metro Rail's capital program is what we're focused on today. No changes to the operating budget. As you know, we have quite a few construction projects going on and some winding down, so we're really just updating our budget to adjust for the timing of construction activities as well as some of the fleet for rail milestone payments.

I want to note that all construction projects have a previously approved multiyear project budget with FTA in agreement with member cities on the total contributions that they would require as well as the total expenses. We're not changing any of that. This is really just a true-up of current activities.

All right. So starting off with future project development. We did plan to do some significant work with the I-10 West Extension but that has been delayed due to ongoing discussions with regional stakeholders so we're pulling that back a little bit to correct for the rest of the year. Our construction team also recently received updated cash flows and project schedules for both South Central and Northwest Phase II extensions which resulted in adjustments upward based on the current state of construction activities.

For Tempe Streetcar, we received an updated milestone payment schedule for the remaining billings for the Brookville streetcar fleet. That's the contract that we have for the manufacturer of those along with some spare parts. And then Gilbert Road and systemwide improvements, those are also tied to vehicle milestone payments for Siemens who manufactures our light rail fleet. So total adjustment that we're asking for is \$65.3 million to capital.

Looking at the sources of funds. The majority of these increases are really utilizing member city contributions pulling those forward and as well as federal funds and a little bit of PTF. Again, no changes to the multiyear budgets. We're still all within the FTA approved budgets.

And here's just a recap of those expenses by project.

So with that, that concludes my presentation. I'd be happy to answer any questions you may have.

Chair Goodman said any questions? Hearing none.



6. Safety and Security Audit Updates

Mr. Kondrat said thank you, Mr. Chair and members of the Audit and Finance Subcommittee. I want to give a real brief overview of the Safety and Security Audits that Internal Audit performs.

Valley Metro's Agency Safety plan contains 22 safety elements, and the Security Emergency Preparedness plan contains 5 security elements that are based on ADOT's program standard and every three years we're required to complete audits of all 27 elements, so we basically do nine per year. And this past quarter we conducted four audits that completed our three-year requirement to audit all 27 elements. And so, starting on January 1st the cycle restarted and our first audit will commence at the beginning of March.

(Brief break for technical difficulties)

Mr. Kondrat said continuing on. Internal Audit completed four safety and security internal audits. The reports were issued in December. They're internal reports that we submit to ADOT.

The first audit had to do with security element number 4 which was security review process for the SEP which is the Security Emergency Preparedness plan. And we determined that Valley Metro complied with all the requirements and there were no deficiencies.

Safety element number 16 had to do with training and certification. Valley Metro demonstrated overall compliance with all the requirements. However, we did issue one cap that pertained to de-escalation training which is in process right now and should be completed within the next month or two.

Safety element number 20 had to do with drug and alcohol program. Again, Valley Metro demonstrated overall compliance with all the requirements. There was one cap issues which pertains to our rail transportation provider. It had to do with post-accident documentation that wasn't complete in all instances, and we will follow up on that in the next couple of months.

And then finally, safety element number 22 had to do with the Transit Asset Management Plan, and we determined that Valley Metro demonstrated overall compliance with all the requirements for the TAMP.

Are there any questions pertaining to the Internal Safety and Security Audits?

Chair Goodman said any questions for Mr. Kondrat?

Councilmember White said Larry, thank you so much for the presentation. I do have a question. As I was looking at the earmarks of what was reviewed, I just had anticipated



seeing kind of the breakdown of that information on the standard audit form. Was that not done because it's protected information?

Mr. Kondrat said if it affects the safety or security of the agency then, yes. But, yes, we submit an internal report to Valley Metro's safety and security department and also to the parties that are affected by it. And also, we submit the final report to ADOT. And yes, if they're safety or security sensitive information then it's protected.

Councilmember White said thank you.

Mr. Kondrat said you're welcome.

Chair Goodman said any other questions? Thank you.

7. Internal Audit Update

Mr. Kondrat said thank you, Mr. Chair and members of the Subcommittee.

We initiated the Conflict of Interest and Contract Change Orders and Authority audits. We've completed preliminary and planning work, and we are in the process of scheduling entrance meetings. We hope to have those take place next week and we hope to report out by the beginning of March.

Audit recommendations update. There was one recommendation implemented that had to do with the rail operators' certification and labor audit, Finding number 4. And there's still 13 recommendations in progress. I do want to make note that there's been a lot of progress with the four related to procurement since Jonathan can on board. He and his team have been working diligently to revise the procurement manual which is a bit of a herculean task seeing that there's 250 pages involved. And they've been also working with the FTA and other transit agencies to develop the best possible manual. And hopefully, they'll have it in draft form sometime this month where they can distribute it for review, internal review. And then hopefully, the end of February, the final product will come out.

That's all I have for updates. Are there any questions?

Chair Goodman said any questions?

Mayor Peterson said Chair, it's Brigitte Peterson. Larry, you mentioned an entrance meeting. What is that in reference to, please? I don't know that I've heard that before.

Mr. Kondrat said thank you for that question, Mayor Peterson. At the beginning of the audit after we do a little bit of preliminary work, we'll hold a meeting with all the auditees and anyone that has an interest in the audit. And we'll distribute an agenda to them, and we'll just go over what the objective and the scope of the audit are and the best points of



contact, how they want to be contacted whether it be by email or phone, what have you. And it's just a kickoff to the audit, basically.

And then we'll have an initial list of documentation that we'll request.

Hope that answers your question.

Mayor Peterson said it does. Thank you very much.

Mr. Kondrat said you're welcome.

Chair Goodman said thank you. Any other questions? Very good.

8. Intergovernmental Agreements, Contract Change Orders, Amendments, and Awards

Chair Goodman said these are in your packet. If members have questions, please contact Valley Metro staff.

9. Report on Current Events and Suggested Future Agenda Items

Chair Goodman said are there any current events or suggested future agenda items.

Hearing none.

The next meeting of the Audit and Finance Subcommittee is scheduled for February 8, 2024, at 12:00 p.m.

Without further discussion, the meeting was adjourned at 12:26 p.m.



Minutes

January 11, 2024

AGENDA ITEM 4

Joint Boards of Directors
Thursday, November 30, 2023
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants

Councilmember Bill Stipp, City of Goodyear - **Chair**
Councilmember O.D. Harris, City of Chandler – **Vice Chair**
Councilmember Max White, City of Avondale
Councilmember Clay Goodman, City of Buckeye
Councilmember Monica Dorsey, City of El Mirage (phone)
Vice Mayor Peggy McMahon, Town of Fountain Hills
Mayor Brigitte Peterson, Town of Gilbert
Supervisor Jack Sellers, Maricopa County
Councilmember Francisco Heredia, City of Mesa (phone)
Councilmember Jon Edwards, City of Peoria
Councilmember Laura Pastor, City of Phoenix
Councilmember Kathy Littlefield, City of Scottsdale (phone)
Councilmember Aly Cline, City of Surprise
Councilmember Doreen Garlid for Vice Mayor Jennifer Adams, City of Tempe
Mayor Rui Pereira, Town of Wickenburg (phone)
Mayor Michael LeVault, Town of Youngtown (phone)

Members Not Present

Councilmember Lauren Tolmachoff, City of Glendale
Vice Mayor Jeff Brown, Town of Queen Creek
Mayor Juan F. Rodriguez, City of Tolleson

Valley Metro Rail Participants

Councilmember Laura Pastor, City of Phoenix - **Chair**
Vice Mayor Francisco Heredia, City of Mesa – **Vice Chair** (phone)
Councilmember Doreen Garlid for Vice Mayor Jennifer Adams, City of Tempe
Councilmember O.D. Harris, City of Chandler

Chair Stipp called the meeting to order at 12:46 p.m.



Chair Stipp said I will call to order the Joint meeting of the Valley Metro RPTA and Valley Metro Rail.

Chair Stipp said Pat, please call the roll.

Ms. Dillon said thank you.

City of Avondale, Councilmember Maxine White? Here.
City of Buckeye, Councilmember Clay Goodman? Present.
City of Chandler, Councilmember OD Harris?
City of El Mirage, Councilmember Monica Dorsey?
Town of Fountain Hills, Vice Mayor Peggy McMahon? Here.
Town of Gilbert, Mayor Brigitte Peterson? Here.
Swift City, Councilmember Lauren Tolmachoff?
City of Goodyear, Councilmember Bill Stipp? Present.
Maricopa County, Supervisor Jack Sellers?
City of Mesa, Vice Mayor Francisco Heredia? Here.
City of Peoria, Councilmember Jon Edwards? Here.
City of Phoenix, Councilmember Laura Pastor? Here.
Town of Queen Creek, Vice Mayor Jeff Brown?
City of Scottsdale, Vice Mayor Kathy Littlefield? Here.
City of Surprise, Councilmember Aly Cline? Here.
City of Tempe, Councilmember Darlene Garlid? Here.
City of Tolleson, Mayor Rodriguez?
Town of Wickenburg, Mayor Rui Pereira? Here.
Town of Youngtown, Mayor Michael LeVault? Yes, Pat, I'm here.

Ms. Dillon said thank you.

1. Public Comment

Chair Stipp said it is the holiday season. I have given Mr. Crowley an extra one minute. He asked for nine, so we got four. Mr. Crowley, the floor is yours.

Mr. Crowley said I asked for six, but we'll just go with this. Here's a map of the West Valley and the bus routes on it and you guys are going to be discussing Route 685 and I just wonder when it leaves Desert Sky, how come it doesn't go down like 99th down to either Buckeye or Lower Buckeye and then across Tolleson and through the heart of Avondale. Oh, yeah, and then it gets into Goodyear and all along there we could have bus stops and expand the system and such, but all you guys are doing is whatever on Item 1E and that.



And then also you've got a proposal for map design and services for an amount of 1,200,000. Where am I going to get one of those maps? Because you don't do the bus book anymore so what is it that you're doing?

And then my favorite one of these is -- you know, you never started the clock? I still got four minutes. Thank you.

All right. We've got the overhaul contract for the light rail and it's for three years with two one-year options. With that legislation coming up and your strategic plan, they're not going to be getting much money out of the Prop 400. In fact, they're not going to be getting anything but repair services and when I worked out the amount of monies that you're going to be getting there. Originally, on the Prop 400 plan you requested a billion dollars for maintenance of the rail. Well, now you're only going to be getting three and a half percent of the 40 percent that transit is going to be getting. I need you bifurcated, and I need the rail to get that money directly and plan for those monies because right now, what's going to happen?

And I also don't see with strategic plan that you're planning on that. I also don't understand because it is now MAG that's creating it. I've always wanted it and the way the original plan was is for each of the jurisdictions were to get monies according to population and congestion. When I look at Tolleson, Avondale, Litchfield and Surprise, I know that you don't want to put any money into transit because there would be buses otherwise.

So I know that it's MAG that going to be putting it together but why aren't you coming up with the plans yourselves showing what it is that you want. That's the way we did it back in '89 so since '89 till now, I just turned 76, half of my life has been dealing with this and you people. And originally, it was connectivity and circulators. So when you say that we have nothing to do with the plan now because it's in the hands of MAG, well, why don't you get in to MAG and let them know what it is that you need and want. Each of your communities. Like I said, Tolleson, Avondale, Goodyear, would you like some bus stops and a bus? Well, you just put that route there. Not that hard.

And when it comes to the funding of it, oh, damn, that's going to be the State that decides on whether that is where the federal rural funding should go. You have enough of a piggy bank to cover it. You don't need to spend 53 million dollars on expanding your constabulary to address the hoy poloy on the rail and I don't know whether it's color, age or what that your son has the problem with but that's the citizens that are on the rail.

Chair Stipp said thank you, Blue.

Mr. Crowley said I also would like to point out that when it comes to connectivity –



Chair Stipp said Blue. Blue. The time's up.

Mr. Crowley said I've still got 45 seconds.

Ms. Dillon said not after -- not with those comments. Thank you.

Chair Stipp said thank you.

Mr. Crowley said I'm going to finish, please. I would like to know why Gilbert you haven't figured out that Ray Road –

Ms. Dillon said Mr. Crowley, your time is ended. Please sit down. Thank you.

Mr. Crowley said thank you. Have a pleasant.

2. Chief Executive Officer's Report

Ms. Mefford-Miller said thank you, Mr. Chair. Members of the Board. Today, this being our last board meeting of the calendar year I'd like to provide you with brief overview of some of our activities and accomplishments in 2023, it is hard to believe the year is coming to a close.

You know, before I review some of this. It's been a year of change. We've been developing the strategic plan that we just walked through. There's been a lot of change in the organizational structure, new team members but we haven't missed a beat. We have been pushing out new initiatives, keeping our focus on the customer, delivering capital programs all through the way. So let's celebrate a few of our accomplishments.

We began the year in January with our mobile testing program. That was agency staff, city staff and our riders out testing our new mobile fare which we launched just in time for us to host Super Bowl XVII. During Super Bowl, Valley Metro supported over 250,000 rides. That was a 60 percent increase over our normal ridership. The staff did great. We had over 150 volunteers serving 1500 hours across 400 team members supporting that week-long event.

We've had over 400 downloads of the Valley Metro app since the launch of mobile fare so our customers can now plan and pay for their trip using a single platform.

In February, we awarded \$75,000 in arts grants to more than a dozen organizations as part of our South-Central Arts Grants program. This program funds smaller scale projects. It's things like musical performance, dance. I had the opportunity to visit the unveiling of a mural at Lowell school on the South-Central corridor. We're already beginning to see some of these projects come to fruition and it is a fantastic expression of that community.



In March, we began a new Valley Metro ticketing partnership with our league champion Phoenix Rising soccer club and Phoenix Rising fans have been using Valley Metro. I've had the chance to go to a couple of games with my family and those train cars are packed with fans in red and black out supporting our team.

April was also a time when we celebrated Valley Metro bike month. This is an opportunity for us to promote some of the work that Valley Metro does for our Commute Solutions programs. We are assisting residents across the Valley with identifying safe routes to work and the other places they travel via biking and walking and on April 19th, we had the chance to bike to work. And so, I loved biking to work with a few hundred of my friends on the morning of April 19th.

Our Tempe streetcar was recognized in the month of April by the Women's Transportation Seminar, Phoenix chapter for their 2023 Innovation Transportation Project of the Year. Tempe streetcar celebrated a number of firsts for us. It is our first off-wire hybrid rail project. It is our first streetcar project and we are far exceeding ridership expectations and streetcar is now among our highest ridership (indiscernible) Fantastic. Congratulations, Councilmember Garlid.

And on May 11th, we recognized Ilana, she is a freshman at Pinnacle High School in Phoenix, as our 23rd annual Design a Transit Wrap contest winner. This is one of several different programs that Valley Metro has to reach out to school students from across the Valley and engage them through art and learning about public transportation. Ilana's art was titled Let Your Success Ride with Us and here you see a bus wrapped with Ilana's art and also a train car wrapped with Ilana's art over the course of one year. We also in spring expanded our bus advertising program to allow for more advertising on buses and trains with OUTFRONT Media and this is allowing us to capture more revenue, one of the strategic plan initiatives that we just reviewed.

In June, at last, we received our first low or no emissions Federal Transit Administration grant. That grant is being put to work to support the purchase of 20 battery electric buses and infrastructure beginning at the Tempe bus facility to include expansion into the Mesa bus operations and maintenance facility.

As part of our efforts to keep our customers safer and more secure as well as our team members, we kicked off Operation Blue Ride in collaboration with local law enforcement. And this operation is focused on creating more visible law enforcement presence on our buses and improving response time and awareness of security on board the buses.

In June, we had a study session focused on security which we touched on a little bit earlier.



And at last, on July 31st, the House, the Senate and Governor Hobbs signed enabling legislation for Proposition 400 E. This has been and is going to continue to be an important topic amongst this Board, our staff and our regional leaders and, of course, Proposition 479 is heading to voters in November. I don't yet have the day count but we'll be counting down those days and that education and outreach is going to be an absolutely critical task for staff and this Board.

We also hosted Senator Kelly and Mayor Gallego to celebrate the one-year anniversary of the Inflation Reduction Act. That's President Biden's clean energy plan for providing investments for a clean energy economy and we have already so many wonderful examples of this investment here at Valley Metro. We look forward to rolling out and then expanding our zero emissions program.

In September, we hit our one-million-dollar milestone with the South Central Small Business Financial Assistance program which we administer on behalf of the City of Phoenix. These are grants to small locally owned businesses along our light rail corridors that may be impacted by construction. This is a wonderful program. Those small businesses are why we exist, and we want them to be here serving our communities once we open.

We also awarded the East Valley bus operations and maintenance service contract to Keolis. In just a moment, I'll give you a little bit of an update on Keolis. And in October, we initiated our system testing on our Northwest Extension Phase II. I'll give you an update on that. We are in the height of our testing and with preparedness for an opening of Northwest in early 2024.

In November, we hosted the Mpact national conference November 5th through 8th. This was a huge conference. It was a wonderful conference. We had so many tours and programs throughout the Valley. It was fantastic to see our Valley through the lens of visitors from outside so many of who said wow Phoenix has so much going on, I had no idea you had such a fantastic transportation system, this is such a dynamic city. So it was good for us to put that conference on but I think as a staff, not just Valley Metro but our member cities, it was wonderful to participate in that and learn from our peers from other parts of the country but also give us a renewed energy as we celebrated and remark on the many accomplishments across the region.

On November 18th, we had a party. We hosted Fiesta on Central on South Central Avenue and this event really highlights and promotes businesses along the South Central corridor. It's a wonderful family-oriented event. Thanks to VMR Chair Pastor for being our master of ceremonies on that date. It was a good day.

And finally, as the holiday season is upon us, this is our annual transit wrap for bus and train celebrating transporting you to a magical world. It's fantastic, yeah. I love it. I think our team does a fantastic job of really giving the community things to celebrate.



That concludes our year. This was my first year here at Valley Metro. It was a wonderful year. We did a lot. 2024 is going to be equally packed and exciting. I want to provide you just a couple quick updates on major projects.

Our Keolis transition is moving along well. We are 31 days from implementation when Keolis will assume operations and maintenance responsibilities for bus service across East Valley from Trans Dev. We have a very detailed transition management program. Staff is doing a wonderful job of supporting that effort no less on the heels of a transition in paratransit providers in the month of October. We are on time. Our hiring is on schedule. 72 percent of our existing operators from Trans Dev have accepted positions, 77 percent of our other key positions namely mechanics have accepted offers. We do expect to be fully staffed when the now Keolis team members join our team in the late hours of New Years Eve.

And a capital projects update. I just want to give you a little more info on Northwest Extension Phase II because between now and the next time we come together in January, you'll be receiving invitations for us to celebrate the opening of Northwest Phase II.

We had the opportunity to support the City of Phoenix on November 17th for the dedication of the Thelda Williams Transit Center. This dedication unfortunately was a posthumous dedication as we did lose Councilmember Williams previously that week. But it was a wonderful event and I think a great celebration of her legacy and a wonderful preview of the Northwest Extension Phase II and the Thelda Williams Transit Center. Ms. Williams was a Phoenix councilmember and interim mayor two times and a Valley Metro board member.

On the south side, things are really starting to come together. Those stations we've got signage out letting customers know that there's not revenue service there because they look ready to go but we do plan revenue operations in 2025. This is our Lincoln station on 1st Avenue. You can see the art which is also our shade canopies at that station. It looks beautiful. If you have the opportunity to spend a little time wandering around downtown, I encourage you to check out these stations and on the southern portion of the corridor we've come out of the ground. We've actually have laid a lot of track and now the stations themselves are beginning to take shape so wonderful and it's fantastic that the community can start to really see this project come together that has been under construction for some time now.

Looking ahead we do not have a December board cycle though we are already at work on the January cycle. We look forward to presenting our strategic plan to you for adoption incorporating the feedback from today's study session on January 18 and we will kick the new year off bright and early with Transportation Management and Rail Management committees and Audit Finance Subcommittees on January 3rd and 4th.



This concludes my presentation and 2023 update. Are there any questions I may answer?

Chair Stipp said I'm not seeing any. Thank you.

3. Audit and Finance Subcommittee Update

Councilmember Goodman said thank you, Mr. Chair. Audit and Finance Committee did meet. I could tell because I could see lips moving. We had some technical issues. I appreciate Councilmember Pastor stepping in and conducting whatever business I couldn't hear. That concludes my report.

Councilmember Pastor said everything went well.

Chair Stipp said oh, good, all right. We look forward to the budget process starting in 2024.

4. Minutes

Chair Stipp said the next item on the agenda is approval of the minutes from the October 19th Joint meeting. Those have been in our packet. Pending any questions I will entertain a motion to approve.

Motion by Councilmember Pastor, second by Councilmember White.

Any other discussion? All in favor? Any opposed? The ayes have it.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER WHITE, AND UNANIMOUSLY CARRIED TO APPROVE THE OCTOBER 19, 2023 AFS MEETING MINUTES.

5. Insurance Coverage Renewal: Commercial Property and Liability and Workers Compensation and Employer's Liability

Mr. Wawro said thank you, Chair. I'll try to keep it under an hour.

We sent out earlier a report that details the insurance recommendations for this coming renewal cycle. I'll just give you a couple of really brief summary points on that.

So we'll be maintaining all of the same lines and types of coverages that we've had in the past years. We're not adding or removing any of those lines of coverage. What you're going to see is a typical average increase over the last five years we see about an average of a 21 percent increase year over year for insurance cost. This year it came in a little bit lower than that. We're at 14 percent.



Some of the rates actually went down, cyber, excess liability, those premiums came down, but you'll see also that some went up and that's not only because of the economic pressures that are really controlling all of our costs but also it's because I think a way for us to see where Valley Metro is making progress. We have more property to insure than we had before and so there's going to be an increased cost that comes with that. Our fleet expanded by 24 percent; our property values have gone up by \$108 million. That's an 85 percent increase in our bridges alone as we bring the Northwest Extension on that we just talked about. And we also had new employees. We had 37 new employees. And so, all of that progress also has a cost associated with that when it comes to insurance and that's why you're seeing the rates that we have for this year.

The other thing that I wanted to point out is that we were conducting an actuarial study this last year to evaluate our insurance rates and making sure that we're hitting the sweet spots where it comes to our deductibles and the amount of coverage that we have. One of the things that the actuarial study is looking at, we don't have a final report yet but I have draft numbers back, is that if we were to do fully self-insured on one or more of our lines of insurance and specifically, they were looking at the inland marine coverage. The reason that we looked at that is because there aren't very many insurers that will provide that coverage and so we want to be prepared in the future if we don't have any options and we have to go self-insured. And also, because of the increase self-insurance rates that we have to have so that we can afford insurance whether it makes sense for us to do the self-insurance.

Oh, in the marine, I'm sorry with the term there. In the marine is our light rail and streetcar vehicles. And so, we have challenges in coverage sometimes because those vehicles can run up to \$5 million apiece to cover. So the actuary looked at rates in going self-insured and it is possible to do that. I think that it's a discussion that we should have over the next several years because we'll have to set aside additional funds to be able to cover any losses ourselves. Right now, that's looking in the \$10 to \$15 million range that we would have to be able to do that which may make sense in the long term and so it is a discussion that we should probably have in the next couple of years.

Other than that, the information is included in the report, and I'd be happy to answer any questions if you had them from the report itself.

Chair Stipp said great. Thank you. Any questions on this? If not, I will entertain a motion that we authorize Chief Executive Officer to purchase renewal coverage for Valley Metro insurance needs for commercial property and liability insurance coverage including worker's compensation and employer's liability from December 1st, 2023, to November 30th, 2024, for an amount not to exceed \$6,641,371. RPTA's obligation will not exceed \$401,284. VMR's obligation will not exceed \$6,240,087. Do I have a motion?



Motion by Unidentified Speaker, second by Councilmember Pastor.

Any discussion? All in favor, say aye. Any opposed? The ayes have it.

IT WAS MOVED BY MAYOR PETERSON, SECONDED BY COUNCILMEMBER PASTOR AND UNANIMOUSLY CARRIED TO APPROVE THE INSURANCE COVERAGE RENEWAL: COMMERCIAL PROPERTY AND LIABILITY AND WORKERS COMPENSATION AND EMPLOYER'S LIABILITY.

6. Travel, Expenditures, and Solicitations

Chair Stipp said that is presented for our information only. If you have questions, you can forward that to the Valley Metro staff.

Anybody have anything to discuss? Seeing none.

7. Report on Current Events and Suggested Future Agenda Items

Chair Stipp said does anybody have any they'd like to see for the joint meeting?

Councilmember White said thank you so much, Chair. I just wanted to thank you for recognizing me. But I wanted to share the success that we had with offering WeRide for free in the city of Avondale. We had an average ridership about 350 people per day from the October to November 17th time frame that we offered We Ride for free in Avondale. Now that it's back to that charge of maybe a dollar for students, two dollars for our average rider, we are getting about 250 people riding per day. So I just wanted to give an update on the ridership that we have out in Avondale and heck, maybe even a suggestion for Valley Metro, maybe we can offer a day or two free to inspire ridership for our population once we're doing maybe a big unveiling or opening up new stations to possibly entice folks to jump on our product and enjoy public transit. But it worked out well and I just wanted to share that with you.

Chair Stipp said great. Thank you.

Councilmember Cline said so something possibly for a future agenda item, sir. Maybe this is something that was presented before I was on the board. Something on emergency preparedness down the road not that I plan any, you know, recent emergencies, but you never know and how it might impact the different means of transportation. Okay, because they may have different emergency issues whether it's no electricity or flood or famine or locusts. So just something that down the road that would say, you know, what processes, not that you want to give out your trade secrets as to what you plan to do, but just an overall on emergency preparedness. Thank you.



Ms. Mefford-Miller said perhaps we could schedule that in conjunction with an upcoming security update. Maybe it's a safety and security update. We did just hire our first emergency manager. This was a recommendation from the American Public Transit Association Safety and Security Peer Review that we conducted earlier this year. So Adrian Ruiz and her team are leaning into emergency preparedness.

Chair Stipp said great. Thank you. Any other items?

8. Next Meeting

The next meeting of the Joint Boards is scheduled for Thursday, January 18, 2024, at 11:15 a.m.

The meeting is adjourned.

Without further discussion, the meeting was adjourned at 1:15 p.m.



Information Summary

DATE

January 11, 2024

AGENDA ITEM 4B**SUBJECT**

Authorization to Issue a Competitive Solicitation for Videography Services

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to issue a competitive solicitation for videography services.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize the CEO to issue a competitive solicitation for videography services.

BACKGROUND | DISCUSSION | CONSIDERATION

As a way to maintain positive positioning of the regional transit system and to remain current in how we promote our services, video is considered a mainstay across various mediums, e.g. social media, website and broadcast media. Video is also used to capture and document milestone moments for the system, such as groundbreakings, ribbon cuttings and other special events. Video serves as a way to visually communicate how we support our local communities and riders through the services we provide.

Valley Metro is seeking to continue access to on-call service providers with a minimum of two local videography firms who are qualified to provide pre-production, production and post-production services for videos of varying lengths to capture agency and systemwide events, projects, services and rider testimonials. Videography firms should have the capabilities of planning, scoping, concept development, scriptwriting, scheduling and are able to travel to the site of the filming, provide all equipment including lighting and audio, retain voiceover talent and/or music. The firms should also have the ability to provide video accessibility features, e.g. closed captioning, sight-impaired descriptions.

With having videography firms "on-call," Valley Metro is able to select the firm that is most suited to the work and ensure that we have a firm available at the time of filming or the event. It also allows staff to manage the scope and set of projects as budget allows and provides flexibility to support new project(s) as they arise from cities or as needs or priorities change.



Since 2020, Valley Metro has had five videography firms available on an on-call contract. The current contract expires May 2024. The firms have supported such projects as the West Valley Flex Transit Study video, Commute Solutions videos, Transit Education videos, light rail and streetcar drone footage, new employee orientation videos and the Railvolution/Mpact conference promotion video. While all five firms received outreach, three were selected for projects across the contract duration for a cumulative cost of \$75,799.

Moving forward, Valley Metro is seeking to solicit participation in another on-call contract for videography services for a two-year base and three, one-year extensions, for up to five years. Staff anticipates a growth in projects, coming out of the pandemic and considering the growth of our regional system, including new services/pilots, rail expansion projects (including the opening of South Central Extension/Downtown Hub and the two-line system) and outreach and education to current and new markets.

COST AND BUDGET

The cost for videography services under this Request for Proposals is funded by both Valley Metro RPTA and Valley Metro Rail (VMR). Funds programmed in the FY25 Budget are \$85,000 split evenly between RPTA and VMR. Contract obligations beyond FY25 are incorporated into the Valley Metro Five-Year Operating Forecast and Capital Program. The total contract cost is estimated at \$170,000 for the two-year base term.

COMMITTEE ACTION

RTAG: December 19, 2023 for information

TMC/RMC: January 3, 2024 approved

Boards of Directors: January 18, 2024 for action

CONTACT

Susan Tierney

Communications Manager

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ATTACHMENT

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 5**SUBJECT**

2023 Origin and Destination Study Results

PURPOSE

To provide results of the 2023 Origin and Destination Study

RECOMMENDATION

This item is presented for information no action is required.

BACKGROUND | DISCUSSION | CONSIDERATION

The Origin and Destination Study (also known as the On-Board Survey) collects data about passenger travel patterns on fixed bus routes and light rail. Since 1986, Valley Metro has conducted an origin and destination study every three to five years.

The study results are useful to Valley Metro and its member agencies for several purposes:

- to better understand transit riders demographics and travel patterns, and changes in rider travel patterns over the years,
- to support the regional Title VI program and the Federal Transit Administration (FTA) National Transit Database (NTD) reporting,
- to fulfill the grant funding agreement obligation to the FTA for Before and After Studies, and
- for calibrating the regional travel demand model maintained by the Maricopa Association of Governments (MAG), as well as for network simulation for air quality forecasting and long-range plan.

Survey data collection for the most recent study was conducted in spring 2023 with consulting support from ETC Institute Inc. The goal was to obtain 16,000 weekday and 2,000 weekend surveys. The actual number of completed surveys surpassed the goals with 19,847 weekday surveys and 2,479 weekend surveys. Of these, 15,152 were completed with bus passengers and 7,174 were completed with rail passengers.

The study involved designing the survey instrument; developing a sampling plan; collecting, processing, and geocoding the collected data; weighting and expanding the data; analyzing the data; comparing the results with 2015 and 2019 survey data; and reporting the results. Throughout the survey process, the study was guided by a



Technical Advisory Group that included representatives of MAG, the cities of Phoenix, Glendale, Tempe, Mesa and Chandler.

Staff will present key results and findings from the study. The final study report is posted on the Valley Metro website at this address:

<https://www.valleymetro.org/about/agency/surveys-studies/origin-destination-surveys>

COST AND BUDGET

The estimated cost for this project was \$788,795 plus a 12% contingency of \$94,655 for a total of \$883,450. A subsequent request for oversampling by Chandler, Glendale and Scottsdale increased costs by \$32,000 to include an extra 1,000 surveys within those municipalities to provide more robust sampling results. This added expense was paid by the requesting cities and proportioned according to the amount of the oversample received, which itself was proportioned by the ridership within each jurisdiction in accordance with the broader sampling methodology. The study was completed for a cost of \$842,432, which includes the oversampling, as well as the cost to graphically design the report with a consultant.

Item	Cost
Initial Cost Estimate	\$788,795
Contingency	\$94,655
Total Original Estimated Cost	\$883,450
Final Study Cost (including Oversampling)	\$842,432
Oversampled City Reimbursement	-\$32,000
Net Agency Cost	\$810,432

The study was funded through a partnership with MAG and RPTA. Since the study is essential for updating the MAG regional transportation demand model, MAG provided \$200,000 toward the study through the approved FY23 Unified Planning Work Program (UPWP). Regional funds, which can only be used for planning and administration, covered the remaining costs. The FY 2023 and FY 2024 RPTA budget include this project.

COMMITTEE PROCESS

RTAG: December 19, 2023 for information

TMC/RMC: January 3, 2024 for information

Board of Directors: January 18, 2024 for information

**CONTACT**

Carol L Ketcherside AICP
Deputy Director, Service Planning & Innovation
CKetcherside@valleymetro.org

ATTACHMENT

PowerPoint Presentation



1

Outline

- Study Background & Purpose
- Travel Patterns
- Changing Riders and Needs
- Conclusions

2



2

Background & Purpose

Purpose of the Study

- Provide demographic data for FTA Title VI Civil Rights
- Support travel forecasting models (MAG models, STOPS)
- Support “Before and After” studies for rail capital projects
- Understand riders travel patterns and demographics

Survey riders' travel patterns on Valley Metro transit

- Light rail
- Streetcar
- Local buses
- Commuter buses
- Circulators

Study conducted every three to five years

- 2023
- 2019
- 2015
- 2010/11
- 2007

3



3

“Understand riders travel patterns and demographics”

- Who stayed/left since 2019?
- How have travel patterns changed?
- How have travel needs changed?
- How will this inform our adaptation to higher productivity?

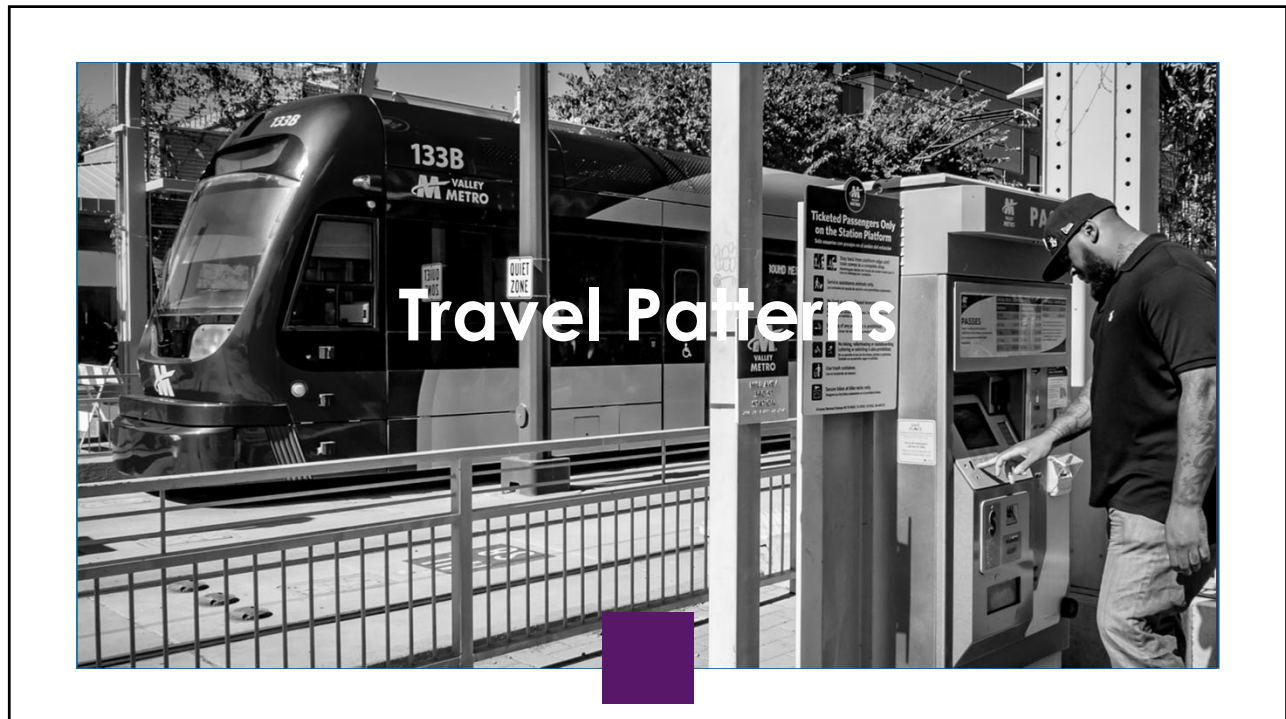
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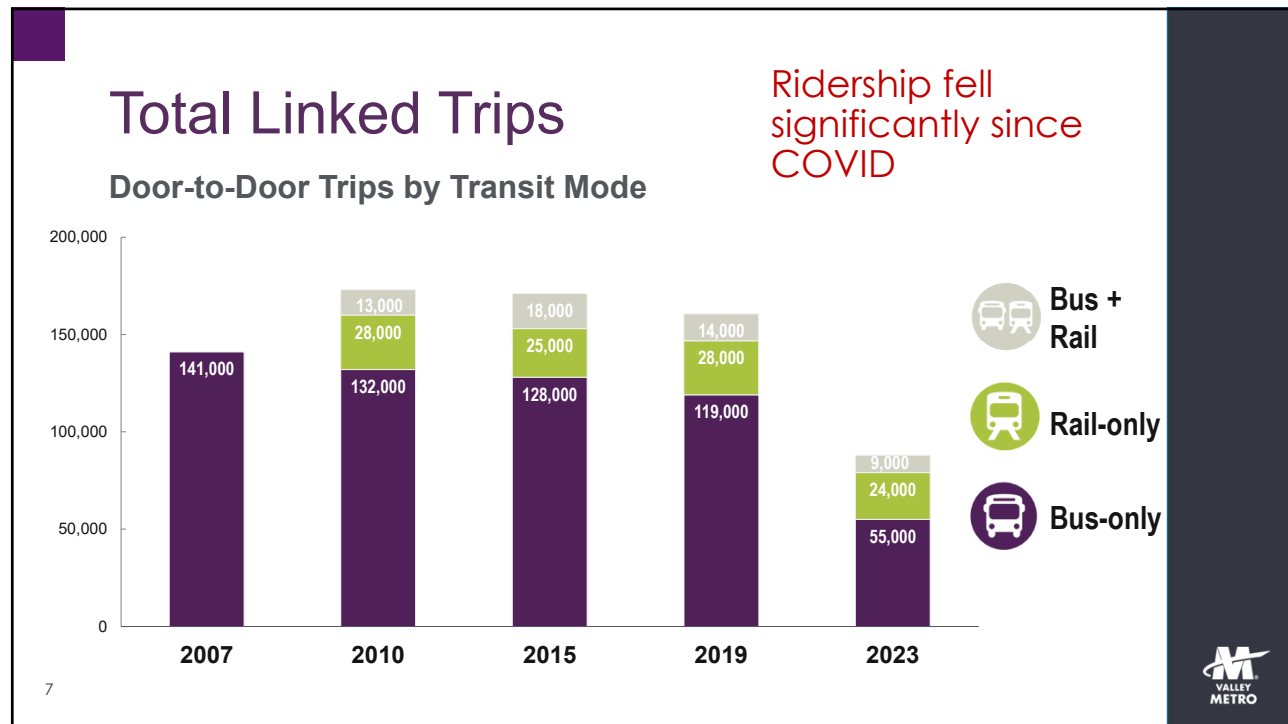
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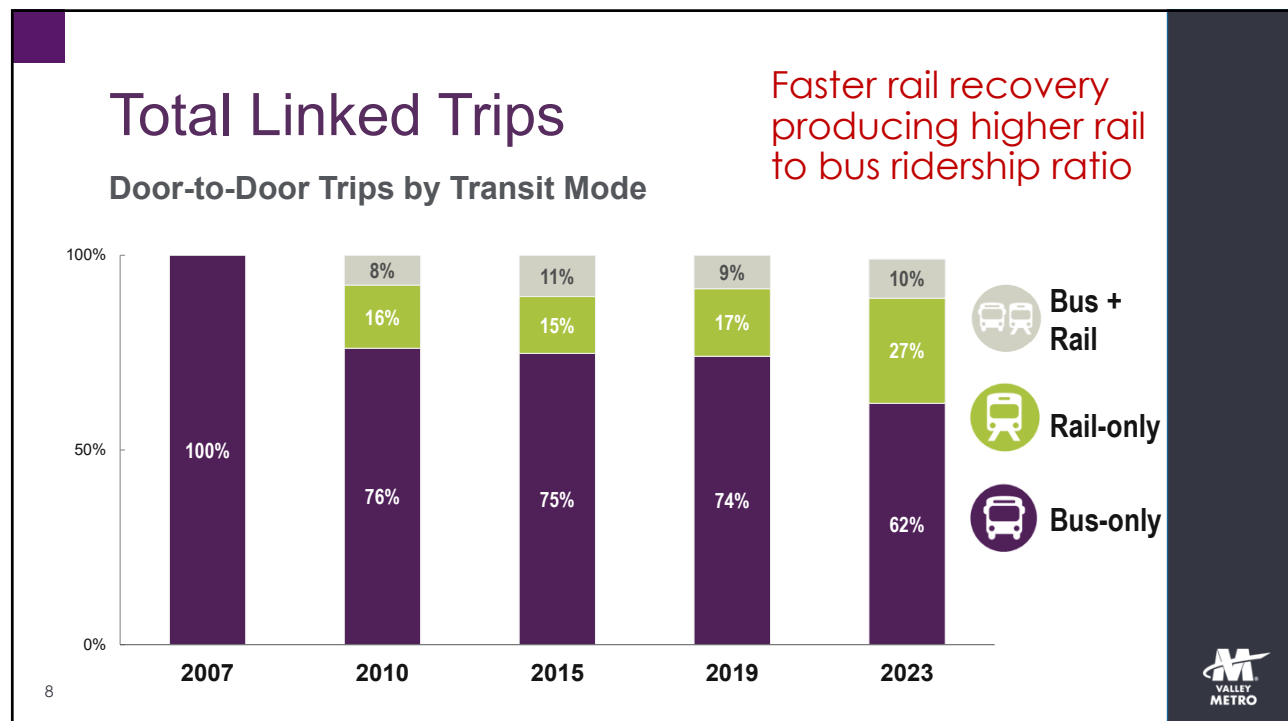
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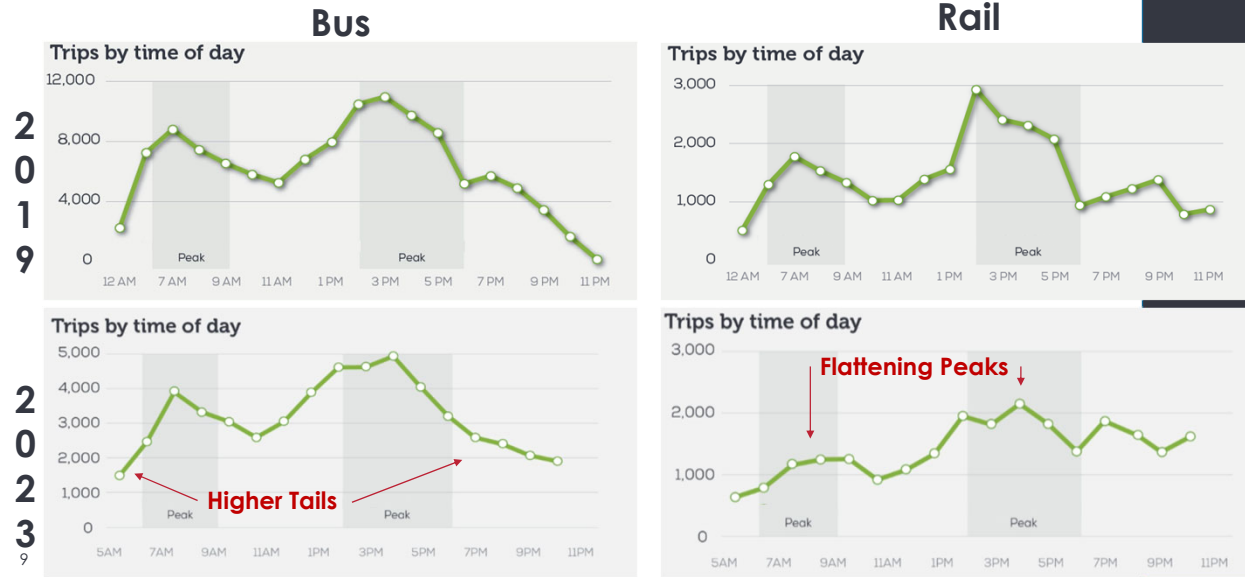


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Travel Time Distribution

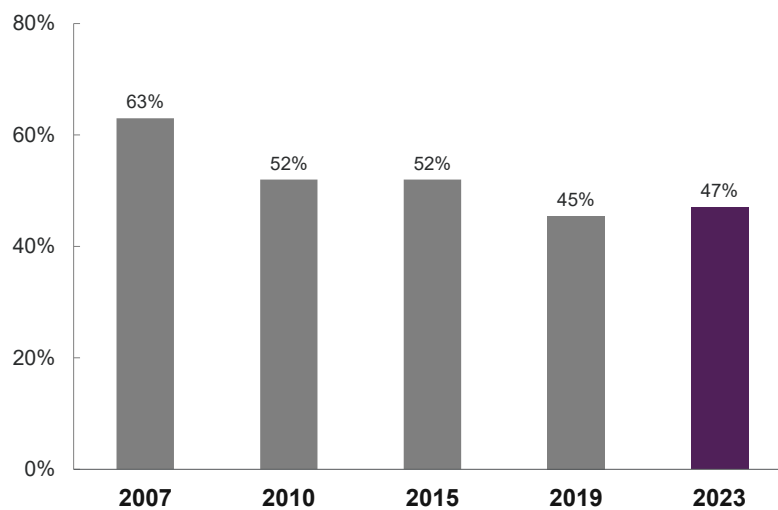


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Trips with Transfers

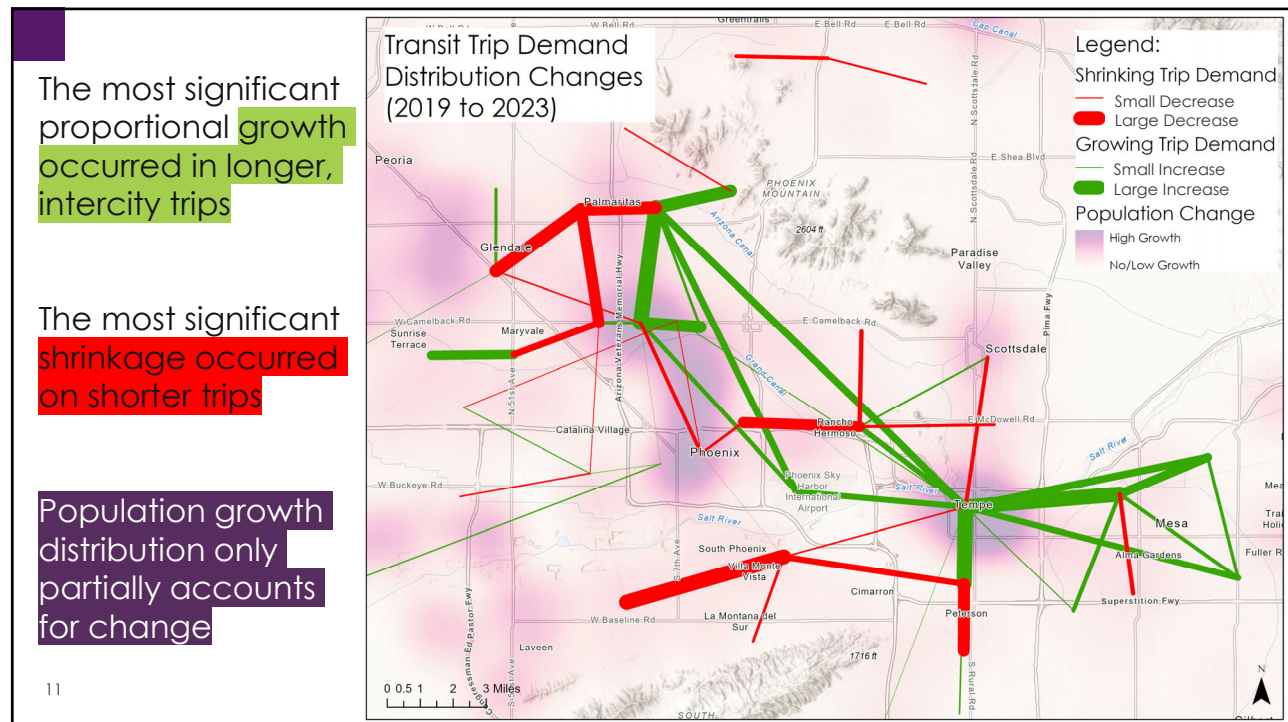
47%

of trips had at least one transfer in 2023, on par with previous years

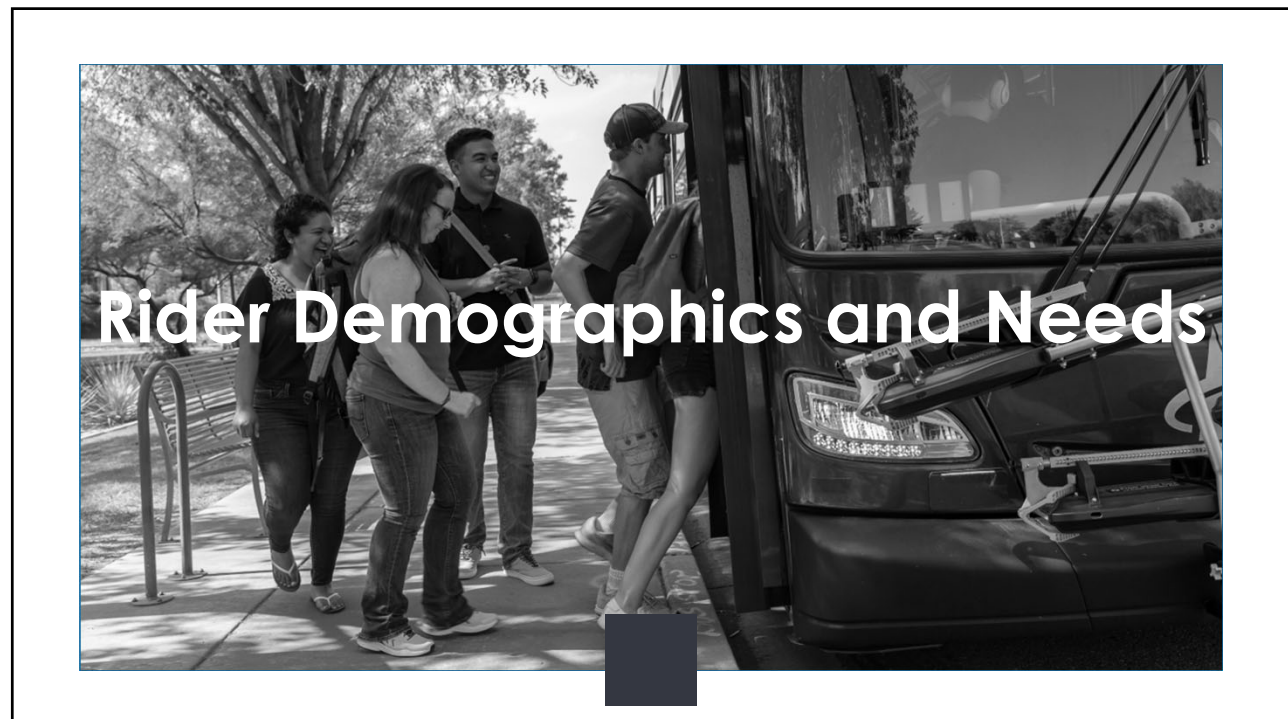


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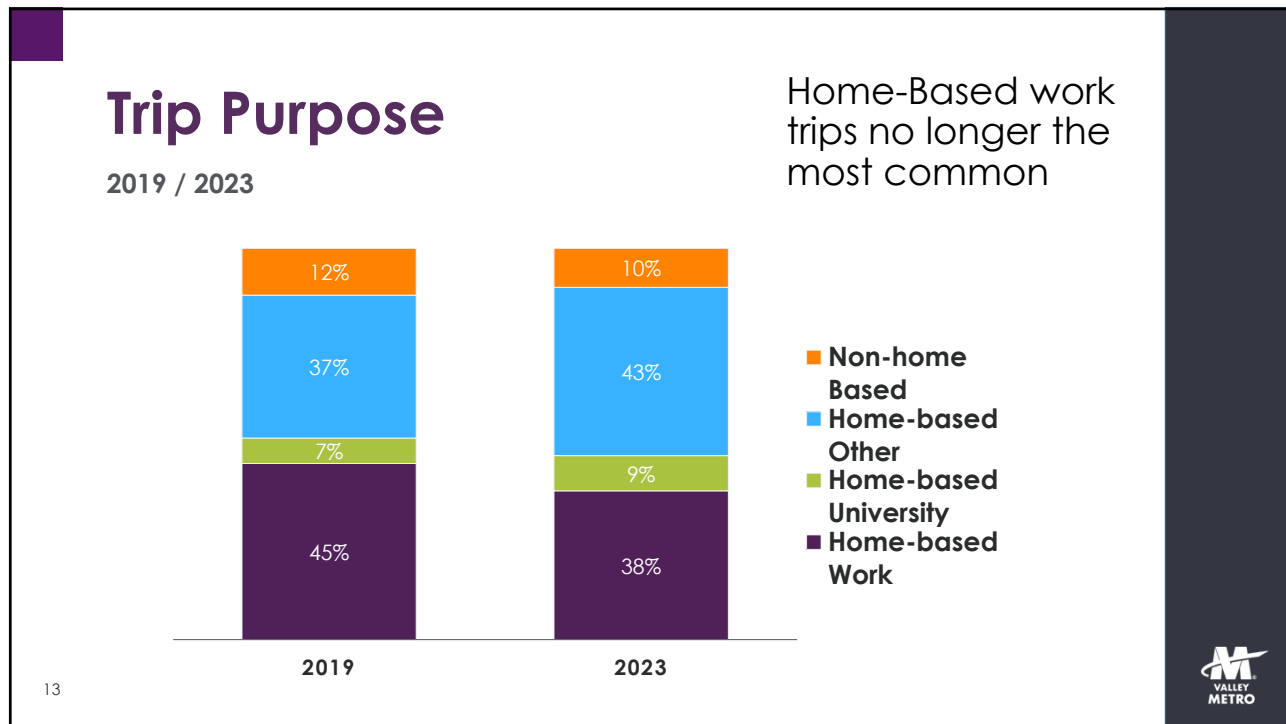
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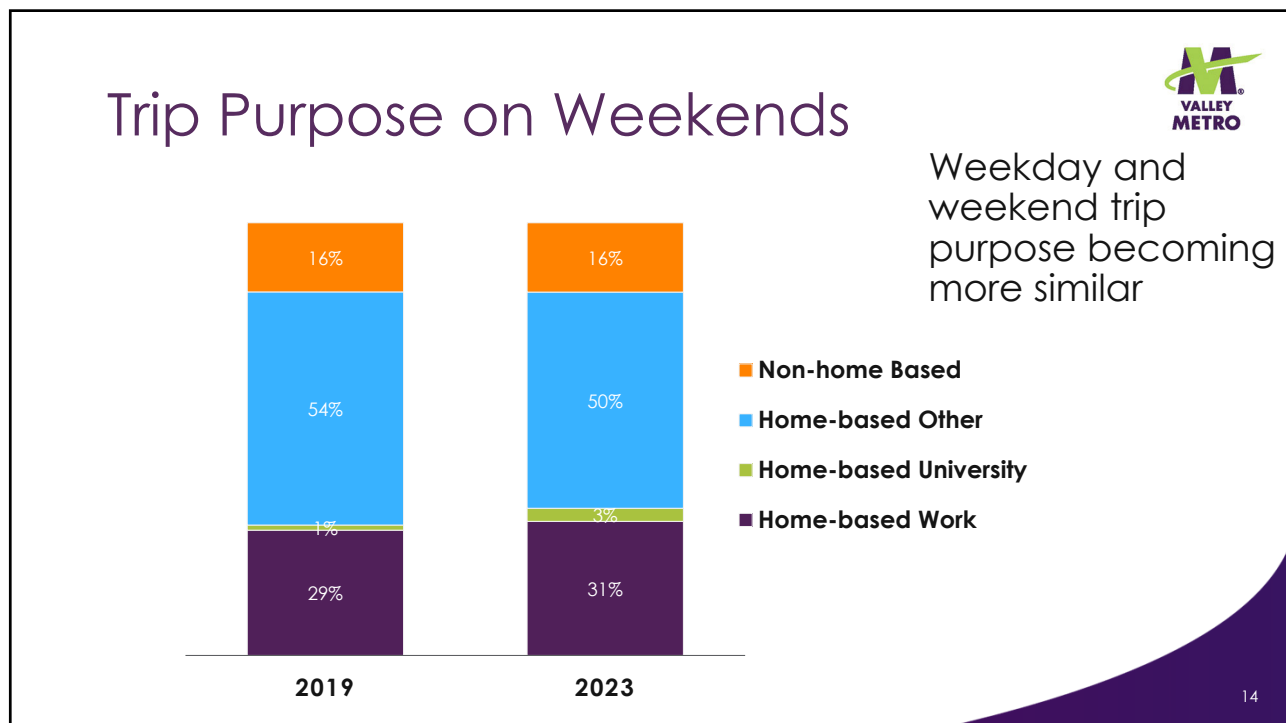
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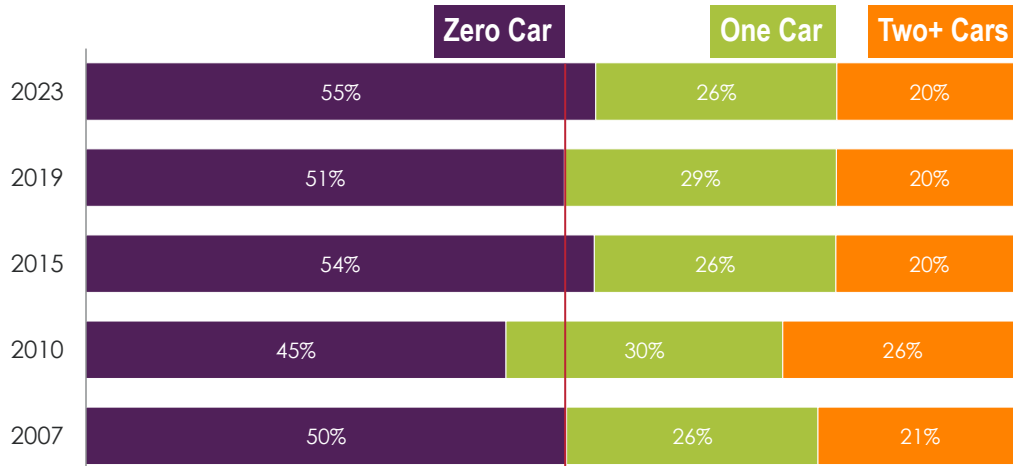
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14

Number of Vehicles in Household

Historical Trend

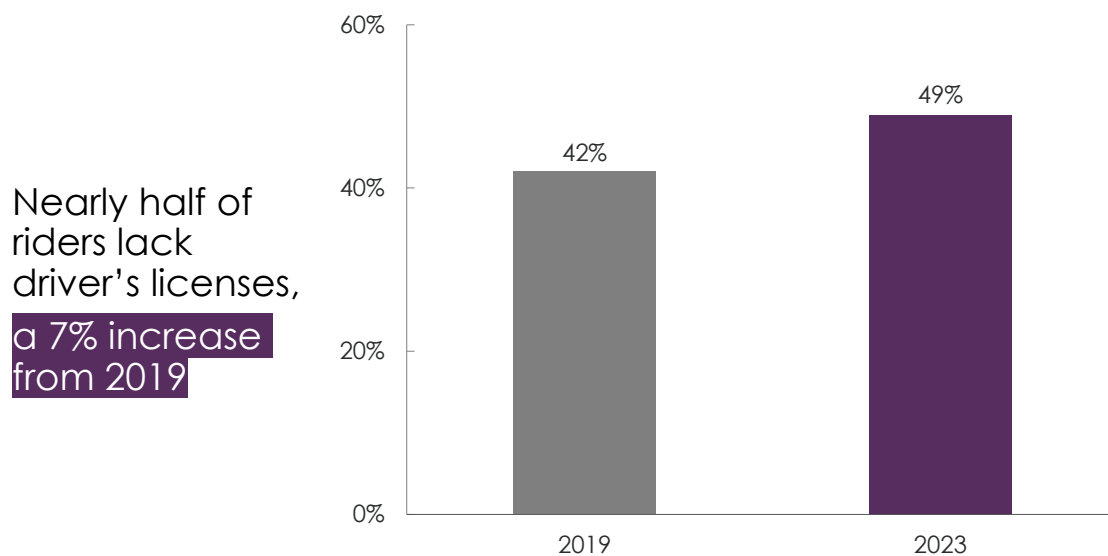


Similar level of car ownership to previous surveys



15

Percent of Riders without Driver's License



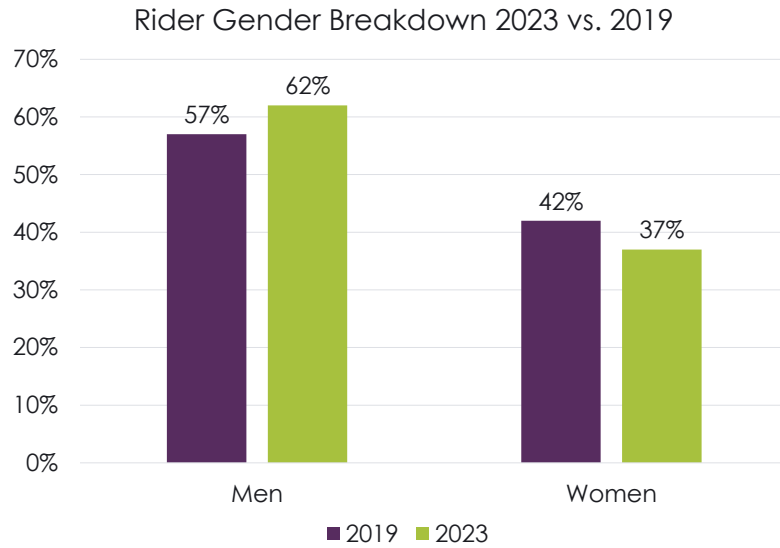
Nearly half of riders lack driver's licenses, a 7% increase from 2019



16

Rider Gender

The gender gap continues to widen, with men outnumbering women nearly 2:1



17



17

Rider Household Income



Income curve flattening in middle, and proportion of HHs making <\$10K/Y increased 10% from 2019

18



18

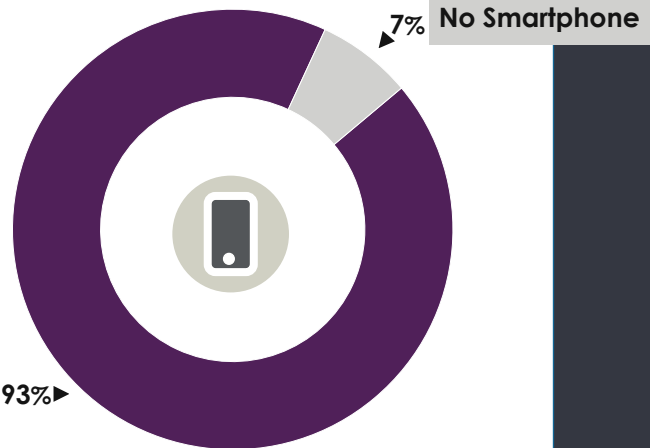
Smartphone Ownership

93%

of riders own a
smartphone
(up just 2% from
2019)

Own a Smartphone 93%

i 90% of all riders have a
smartphone and a data plan



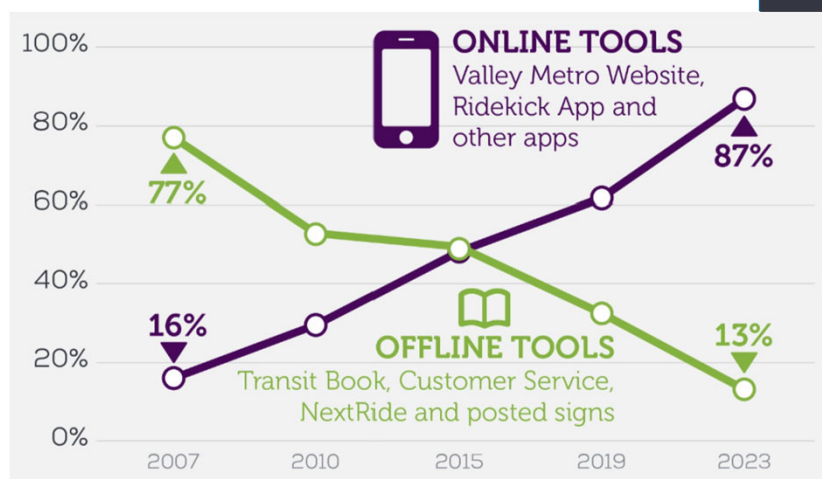
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19

Transit Information Source

The dramatic increase of digital wayfinding has continued with roughly 9 in 10 riders now relying on online transit info



20



20



21

Key Takeaways

More All-Purpose transit trips during the weekday

- Decrease in percent of work commutes trips
- More trips for errands, social, university, etc.
- Weekday and weekend patterns converging

The income curve has flattened in the middle, and spiked on the low end

- This marks a dramatic increase of lower income individuals

The gender gap has risen significantly

- Men outnumber women now nearly 2:1
- May trace back to perceptions of safety and comfort

22



22

Key Takeaways

Most riders still come from zero-car households

- No sharp increase in proportion as predicted
- Proportion of those who cannot drive did rise significantly

Riders continue migrating toward online transit info

- Riders overwhelmingly have smartphones with data plans
- The addition of real-time locations and mobile fares probably helped

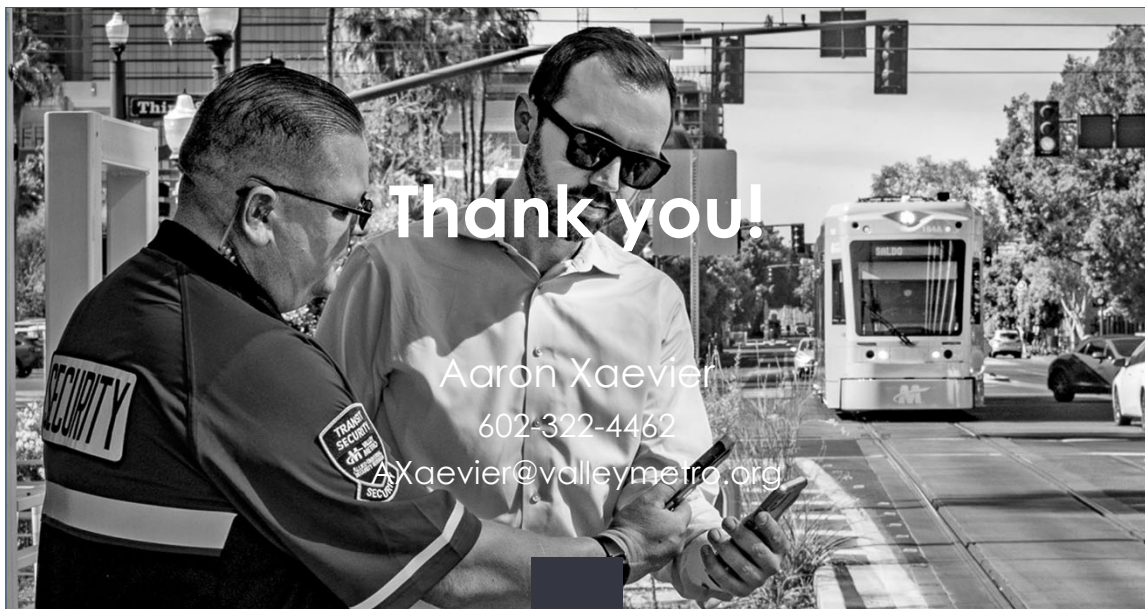
Trips involving rail jumped from 26% to 37% from 2019 to 2023

- Streetcar opening contributed to rise
- Rail's ridership recovery making it a growing share of ridership overall

23



23



Thank you!

Aaron Xaevier

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24



Information Summary

DATE

January 11, 2024

AGENDA ITEM 6**SUBJECT**

FY 2025 – 2030 Strategic Plan Approval

PURPOSE

To obtain the Board's approval for the FY 2025 – 2030 Strategic Plan.

RECOMMENDATION

Staff recommends that the TMC/RMC forward to the Boards of Directors approval of the FY 2025 – 2030 Strategic Plan.

BACKGROUND | DISCUSSION | CONSIDERATION

In March 2023, the Board authorized Valley Metro to enter into a contract with Guidehouse Inc to assist in the development of a FY 2025 – 2030 Strategic Plan. Drawing on surveys with Valley residents; interviews with peer agencies, Board members, city staff, and other stakeholders; and extensive data gathering and benchmarking; Guidehouse presented its Current State and Future State Assessments to Board members at the September Board retreat. This presentation proposed nine goals as priorities for the five-year period. Board members provide feedback on these goals. Valley Metro and Guidehouse then incorporated the Board's feedback into the draft goals and identified the specific initiatives that will be implemented to achieve each goal. These goals and initiatives were reviewed with the Board during its November Study Session. Additional feedback was provided on a handful of initiatives while support was expressed for the plan overall.

With the incorporation of the Board's feedback from the November Study Session, the FY 2025 – 2030 Strategic Plan is now presented to the Board for adoption. Upon adoption, Valley Metro staff will develop performance indicators for all goals and performance measures for the implementation of initiatives; where necessary, incorporate initiative implementation into the FY 2025 budget request; and commence quarterly strategic plan progress reports to the Board.

COST AND BUDGET

Funding for the development of the FY 2025 – 2030 Strategic Plan was included in the FY 2024 budget. Where required, funding to implement the approved plan's initiatives will be sought in the FY 2025 – 2030 budgets.

**COMMITTEE ACTION**

RTAG: December 19, 2023 for information

TMC/RMC: January 3, 2024 approved

Boards of Directors: January 18, 2024 for action

CONTACT

Jim Hillyard

Chief Administrative Officer

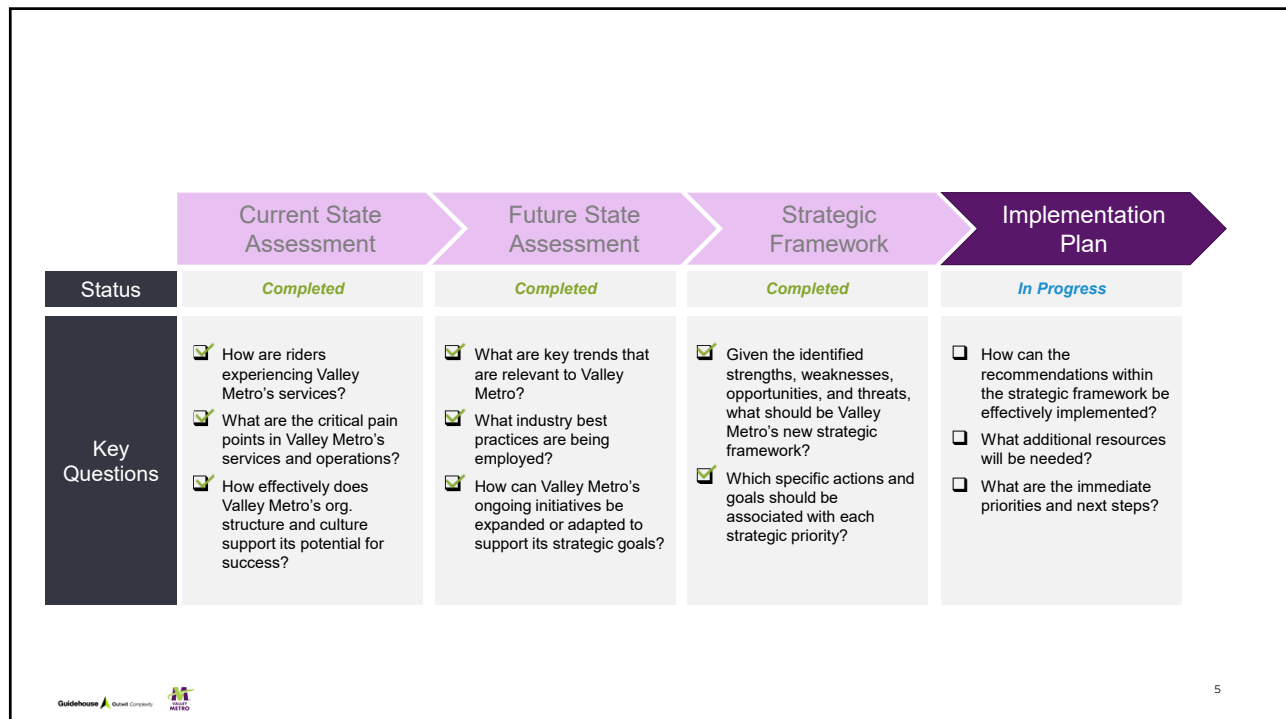
Jhillyard@valleymetro.org

ATTACHMENT

Valley Metro Strategic FY 2025 – 2030



1



5

2

Strategic Planning Process

April: Guidehouse orientation & information gathering

May – June: Surveys

- Member City Staff (17)
- Valley Metro Staff (160)
- Frontline Workers (Operators & Security: 157)
- Riders, Former Rider, Non-Riders (450)

July – August: Data Analysis and Peer System Benchmarking & Interviews

- Valley Metro Leadership (17)
- Board Members (14)
- Peer Agency Leaders (12)

September: Board Member Retreat – Current and Future State Assessments, Draft Goals

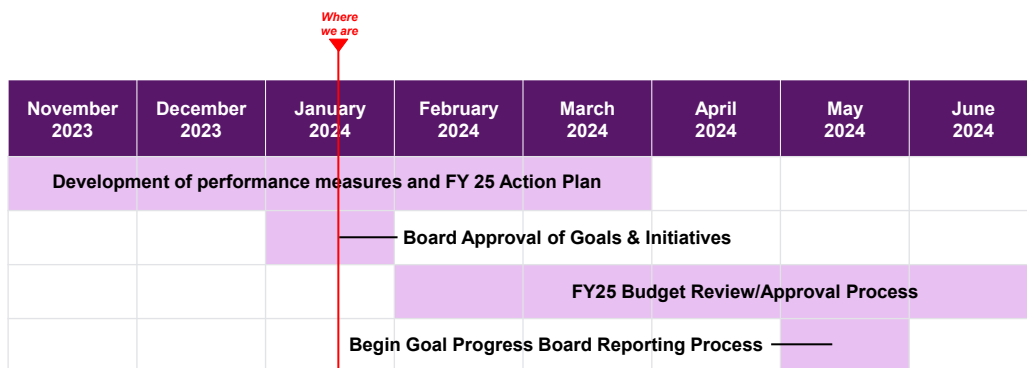
October: RTAG Presentation

November: TMC/RMC Presentation & Board Study Session – Goal & Initiative review

January Board Cycle: Adoption

3

Key Next Steps | FY 2025 Implementation



4

Goal Progress Board Reporting Cycle



Valley Metro Strategic Plan

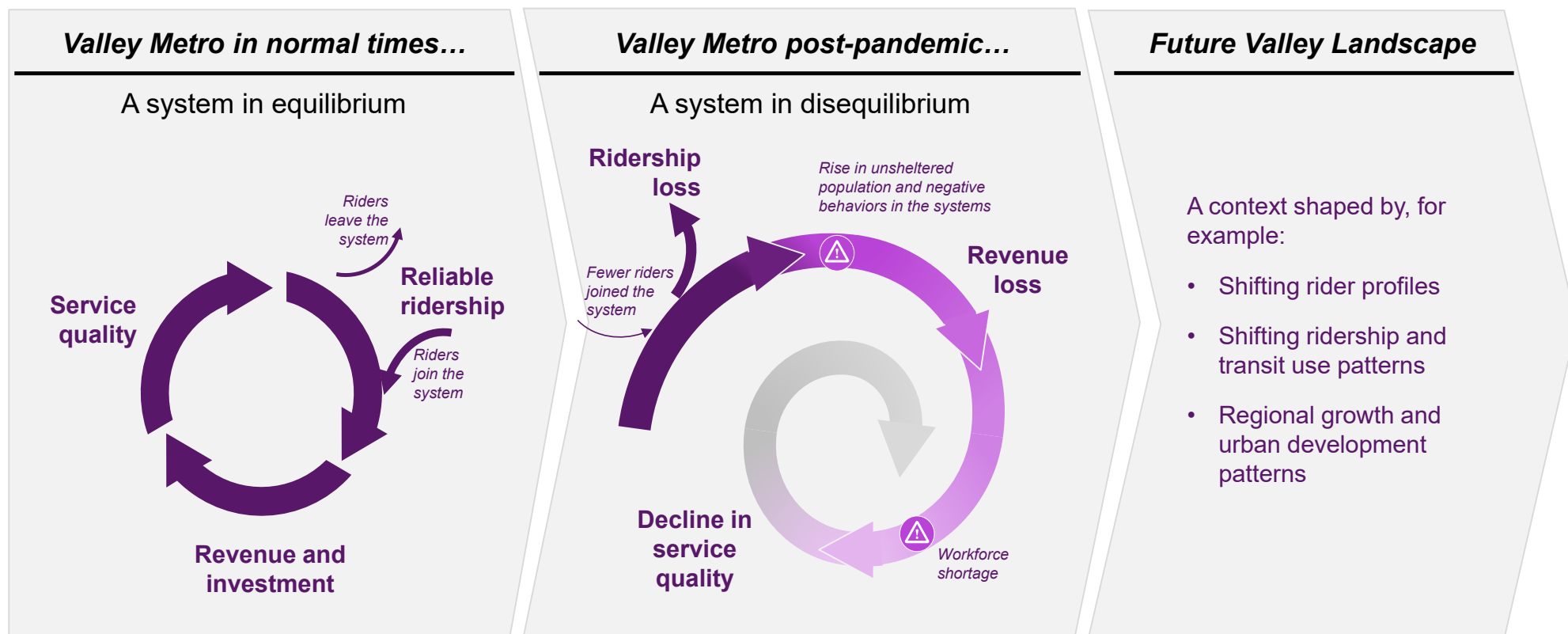
FY 2025 – 2030



Developed for Valley Metro by



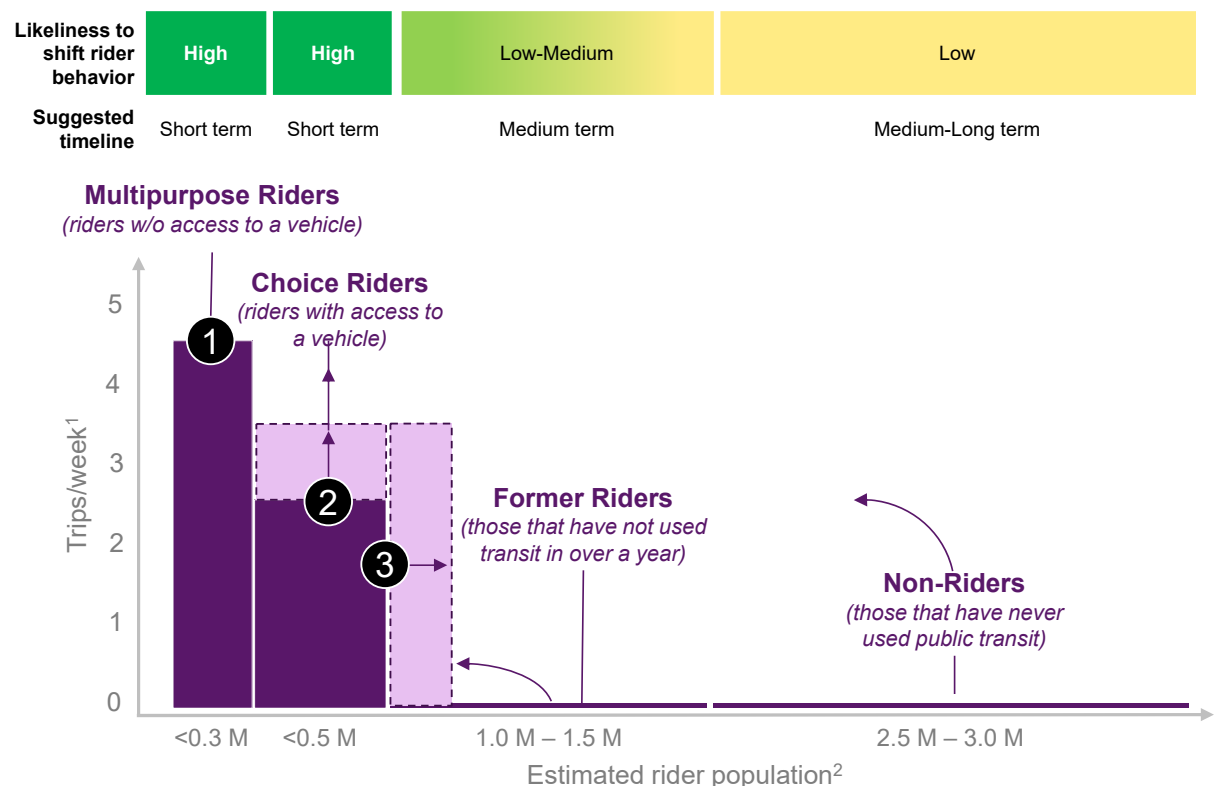
Valley Metro continues to see the knock-on effects of the pandemic, but future trends are shaping the landscape that we will soon find ourselves in



▶ A Strategic Plan is required to harness Valley Metro's organization and resources, to maximize our potential and meet the needs of our customers and the communities that we serve

Valley Metro's customers can be under segmented into groups; focusing on Multipurpose and Choice Riders will likely increase ridership in the near term

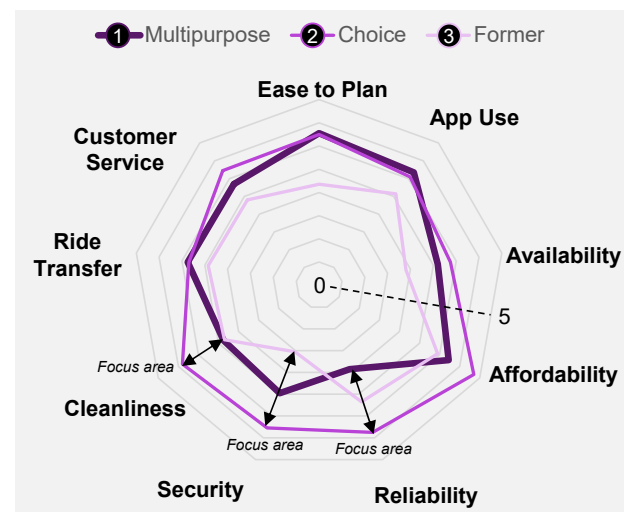
Valley Metro can increase satisfaction and ridership by targeting its strategy at key customer groups



[1] Based on survey responses, [2] Estimated based on Maricopa county's population and survey results. Population size estimates are not meant to be precise, but rather to offer a sense of magnitude for the various segments.

Valley Metro Strategic Plan 2023

Rider groups cite cleanliness, security, reliability, and availability as pain points

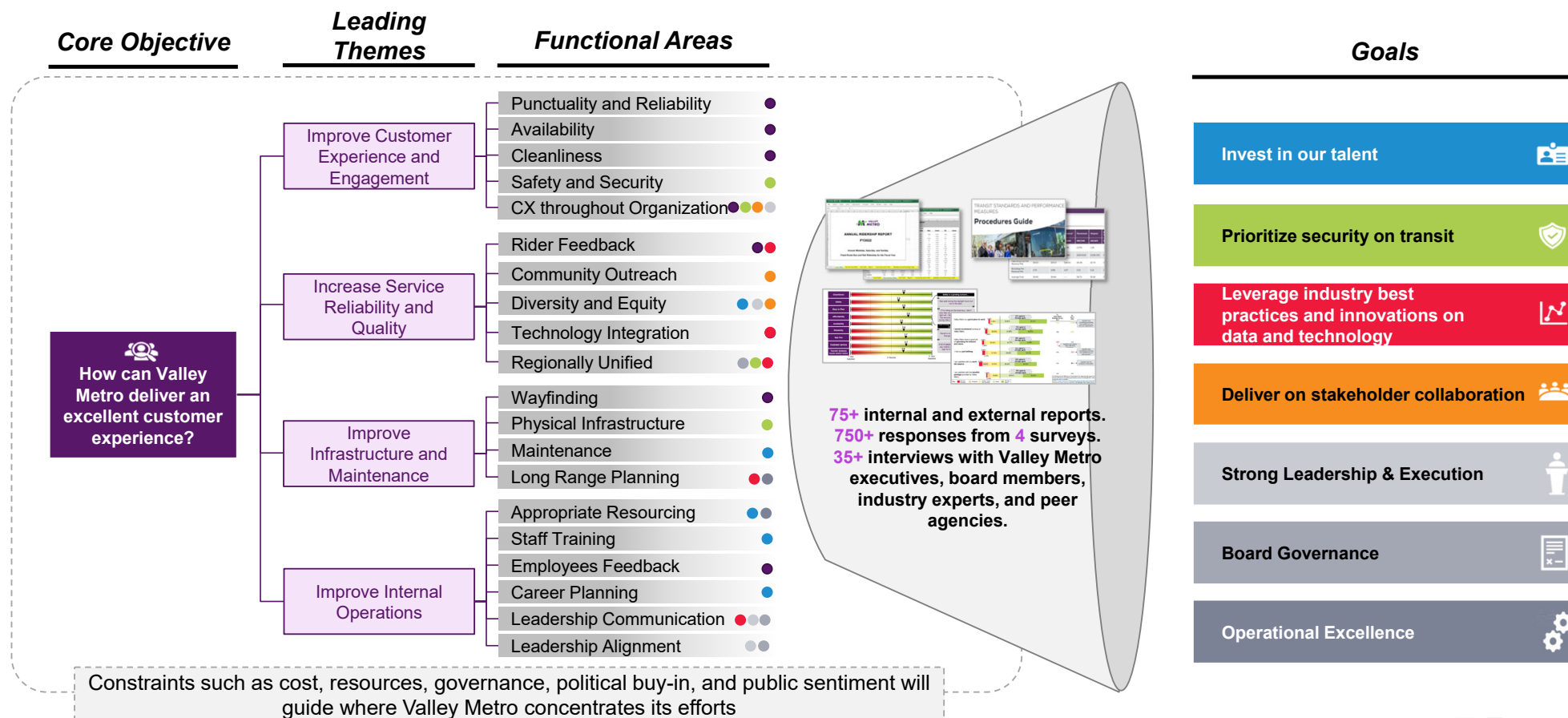


Customer group objectives:

- 1 **Multipurpose Riders:** Improving customer satisfaction
 - 2 **Choice Riders:** Increasing frequency of transit system use
 - 3 **Former Riders:** Conversion to Choice Riders
- ... by improving cleanliness, security and reliability.



A strategy must translate customer objectives into priority areas within Valley Metro's span of control and influence



Together, these Goals work towards Valley Metro's mission to Connect Communities and Enhance Lives



A Strategic Framework lays out these goals in a structure that conveys their relationships and interdependency to one another

Valley Metro's mission statement establishes why the agency exists and what service it provides.

Valley Metro's
Mission

The strategic goals complement each other and serve to bolster Valley Metro in its pursuit of providing excellent customer service. This, in turn, empowers the agency to fulfill its mission of connecting communities and enhancing lives.

Strategic Goals

The foundational goals enable the strategic goals to be pursued.

Foundational
Goals

[1] Valley Metro is examining its financial sustainability in a separate effort; and therefore, this particular area of investigation is not included in this report.

Valley Metro Strategic Plan 2023





Customer Experience | Initiatives

Customer Experience

Initiative

1.1 Incorporate human-centered design principles and practices into customer wayfinding and communications to ensure an easy-to-navigate regional system.

1.2 Prioritize a unified customer experience across various modes and services, moving from transactional to relational interactions.

1.3 Establish a holistic Customer Experience (CX) program and institutionalize customer experience across the organization.

1.4 Establish an “innovation lab” within CX, focused on developing solutions to enhance customer experience and create efficiencies.

1.5 Continue to innovate, integrate, and market mobility solutions (e.g., microtransit, customized service offerings, mobility hubs) to expand transit availability and equity.

 Invest in Talent | Initiatives**Initiative**

2.1 Assess and understand the staffing needs of the agency to deliver Valley Metro's mission and vision now and in the future.

2.2 Retain current employees through a workplace and culture that engages, supports, and develops staff.

2.3 Create structured paths for career growth within the organization, empower employees to explore these paths, and coach supervisors in how to support employee development. Invest in developing skills and abilities necessary for staff to advance.

2.4 Foster excitement about employment and growth opportunities with Valley Metro, our frontline contractors, and the transit industry overall. Engage underrepresented populations to provide pathways to job security and financial stability. Support the agency and our team by hiring personnel with the strengths, abilities, and diverse perspectives to meet Valley Metro's workforce needs today and tomorrow.

 Security | Initiatives

Prioritize Security on Transit

Initiative

3.1 Continue to expand partnerships with police departments of member cities to increase the monitoring and security of the system.

3.2 Create a safety and security culture that facilitates engagement and support at all levels.

3.3 Invest in a community partnership initiative that includes trained personnel (e.g., social workers) to support vulnerable populations, with an overall increased visible presence from the nontraditional security workforce.

3.4 Evaluate the physical infrastructure and security of regional transit assets and stations and make necessary improvements (e.g., crime prevention through environmental design (CPTED): better lighting, restrict hiding places, enhance security monitoring systems).

Data and Technology | Initiatives

Leverage Data & Technology

Initiative

4.1 Improve the automation and reliability of transit data to strengthen planning, operations, and rider communications (e.g., resolve data quality issues with passenger counts, establish a regional reporting platform).

4.2 Understand customer interaction through the enterprise capture, integration and data analysis to better serve riders.

4.3 Use analysis of route data and commuter patterns to determine best-practice strategies to improve transit performance and safety (e.g., transit signal priority, queue jumps, bus lanes).

4.4 Work with member cities and stakeholders to improve data sharing and access mobility data from private providers to inform Oooservice planning.

4.5 Utilize Enterprise Asset Management to improve system performance and decrease asset life-cycle costs.



Stakeholder Collaboration | Initiatives

Deliver on Stakeholder Collaboration

Initiative

- 5.1** Expand open and transparent communication channels with staff and frontline workers, providing ample opportunities to share feedback and new ideas.
- 5.2** Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
- 5.3** Engage and diversify third-party contractors and consultants for collaborative success on shared projects, setting clear expectations, priorities, and ensuring responsiveness.
- 5.4** Incorporate community voices in Valley Metro's portfolio of programs and projects, particularly feedback from diverse/hard-to-reach communities.
- 5.5** Communicate the value of transit to stakeholders and the general public region-wide.



Leadership & Execution | Initiatives

Leadership & Execution

Initiative

6.1 Strengthen ownership and accountability by assigning a sponsor for each goal, ensuring increased buy-in and focused, data-driven execution.

6.2 Engage staff at all levels by communicating and connecting the strategic plan to their work.

6.3 Integrate diversity, equity, and inclusion (DEI) principles into the organization by examining how DEI influences and shapes each of the strategic goal areas.

6.4 Embed problem solving and process improvement into Valley Metro management through dedicated effort on process optimization and change management strategies to encourage continuous improvement and increased efficiency.



Board Governance | Initiatives

Board Governance

Initiative

7.1 Update the Board of Directors' onboarding program, define engagement opportunities and refresh orientation of roles and responsibilities, agency priorities, current performance and financial information and expectations.

7.2 The Board and CEO will regularly assess board structure and engagement opportunities and adapt, as needed, to facilitate effective overnance within the transit/mobility space.

7.3 Obtain policy guidance from the Boards through regular updates on strategic plan progress, and other performance and financial information with member agencies, sharing high-level information and offering more detailed data to facilitate board support and understanding.

7.4 Emphasize shared duties, responsibilities and facilitate work across regional bodies (e.g., RPTA, member cities, MAG) to be effective advocates for transit and mobility solutions across the Valley.



Operational Excellence | Initiatives

Operational Excellence	Initiative
	8.1 Optimize service performance to meet current and evolving regional travel needs
	8.2 Codify a comprehensive maintenance and operations program delivering effective transit service with the ability to grow and adapt through FY 2030.
	8.3 Improve service quality through enhanced planning, performance management and continuous process improvement.
	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.



Financial Sustainability | Initiatives

Financial Sustainability

Initiative

9.1 Develop and maintain short and long-term financial forecasts and cash reserve policies to ensure an ongoing financially balanced program.

9.2 Support effective transit system design by identifying opportunities to improve or pursue resource allocation, fare collection enhancements, alternative service delivery models, and innovative mobility technologies to ensure sustainable lifecycle costs.

9.3 Maximize revenue generation, including advertising, farebox recovery, and discretionary/competitive grant opportunities.

9.4 For procurements, define the general scope of work and then support that with flexible language to achieve or meet the general scope and avoid restrictive requirements. Seek opportunities to create transparency of planned procurement activities by providing a two-year look ahead and employ efficiencies that reduce the procurement timeline.

9.5 Engage all staff to proactively identify cost saving measures and implement resource justification during annual budget process.



Information Summary

DATE

January 11, 2024

AGENDA ITEM 7**SUBJECT**

Travel, Expenditures and Solicitations

PURPOSE

The monthly travel, expenditures and solicitations are presented for information.

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COST AND BUDGET

None

COMMITTEE PROCESS

None

CONTACT

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Chief Financial Officer

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Kkessler@valleymetro.org

ATTACHMENTS

Valley Metro Travel Report

Valley Metro RPTA and Valley Metro Rail Monthly Accounts Payable over \$25,000

Active Requests for Proposals, Qualifications and Invitations for Bids

Valley Metro
Travel Reimbursement Report

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Deputy Director Maintenance	Siemens Facility Visit	Sacramento, CA	9/14/23-9/15/23	\$741.32	\$365.80	\$162.58	\$109.44	\$103.50	
Chief Executive Officer	2023 APTA EXPO	Orlando, FL	10/08/23-10/11/23	\$2,181.22	\$769.80	\$149.74	\$1,076.43	\$185.25	
Chief Transportation Officer	2023 APTA EXPO	Orlando, FL	10/08/23-10/11/23	\$2,139.67	\$827.10	\$94.89	\$1,076.43	\$141.25	
Manager, Rail Operations	2023 APTA EXPO	Orlando, FL	10/08/23-10/11/23	\$2,192.73	\$904.80		\$1,076.43	\$211.50	
Chief Maintenance Officer	2023 APTA EXPO	Orlando, FL	10/08/23-10/11/23	\$2,160.48	\$897.80	\$60.00	\$1,076.43	\$126.25	
Rail System Engineer	2023 APTA EXPO	Orlando, FL	10/08/23-10/11/23	\$1,763.88	\$569.96	\$129.86	\$838.56	\$225.50	
Rail Safety Specialist	2023 FTA Joint SSO + RTA Workshop	St. Louis, MO	11/14/23-11/16/23	\$1,007.75	\$493.95		\$353.80	\$160.00	
Rail Safety Specialist	2023 FTA Joint SSO + RTA Workshop	St. Louis, MO	11/14/23-11/16/23	\$1,106.05	\$493.95	\$98.30	\$353.80	\$160.00	

Total this reporting period

\$13,293.10

Year to Date

\$56,338.15

Report reflects Out of State (AZ) Travel

** Misc*

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over \$25,000
November 2023

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10001856	11/17/2023	First Transit Inc	Fixed Route Bus Operations/Maintenance	6,872,882.57
90000237	11/17/2023	ADP LLC	PPE 11/12/2023 Payroll Liabilities	1,271,049.95
90000232	11/3/2023	ADP LLC	PPE 10/29/2023 Payroll Liabilities	1,202,538.58
90000234	11/17/2023	Cigna Health and Life Insurance Company	Health Insurance Premiums	555,702.71
10001868	11/17/2023	National Express Transit Corporation	West Valley Contracted Fixed Route and Maintenance Services	485,530.97
10001878	11/22/2023	National Express Transit Corporation	West Valley Contracted Fixed Route and Maintenance Services	479,823.77
90000233	11/17/2023	ASRS	PPE 11/12/23 ASRS Contributions & LTD	336,595.75
90000231	11/3/2023	ASRS	PPE 10/29/23 ASRS Contributions & LTD	324,786.88
10001819	11/3/2023	Creative Software Solutions LLC	Administrative Broker Services Mobilization	271,948.82
10001853	11/17/2023	Creative Software Solutions LLC	Ridechoice Management Services	248,795.77
1001984	11/17/2023	Hye Tech Network & Security Solutions L	FY24 Cisco Security Enterprise Agreement	229,425.16
10001871	11/22/2023	101 North First Ave LLC	101 Building Rent	187,713.68
10001867	11/17/2023	Vix Technology USA Inc	Customer Service Network Fees	180,316.00
1002008	11/22/2023	Guidehouse Inc	Strategic Planning Services-Strategic Plan Consultants	170,000.00
10001860	11/17/2023	Second Generation Inc, dba Ajo Transpor	Monthly Rural Connector Services	169,395.06
90000241	11/30/2023	Surepays	RPTA Monthly Utilities	150,352.97
10001835	11/9/2023	Second Generation Inc, dba Ajo Transpor	Monthly Rural Connector Services	123,995.14
10001877	11/22/2023	MTM Transit LLC	Paratransit Eligibility Assessment/Travel Training Services	102,441.60
90000240	11/30/2023	Wells Fargo Bank	Monthly Credit Card Charges	90,916.41
10001847	11/17/2023	ACRO Service Corporation	Staffing Services	89,406.17
1001989	11/17/2023	QCM Technologies Inc	Cybersecurity Program Support	81,307.52
10001863	11/17/2023	Senergy Petroleum LLC	Bulk Fuel	80,713.70
1001991	11/17/2023	City of Scottsdale, Remittance Processi	PTF Expenditure Reimbursement	68,839.35
1002000	11/22/2023	CopperPoint Insurance Company	Dec 2023 Rent and CAM Charges	65,614.19
10001818	11/3/2023	ACRO Service Corporation	Staffing Services	59,747.10
10001857	11/17/2023	Immedia LLC	Audio-Visual Equipment and Services	36,621.24
1001965	11/9/2023	Hye Tech Network & Security Solutions L	Professional Services-Microsoft SQL Server	36,400.00
10001840	11/9/2023	Senergy Petroleum LLC	Bulk Fuel	31,950.93
10001902	11/22/2023	LawVu Limited	Workspace Matters Plan	31,849.98
10001875	11/22/2023	Krauthamer & Associates LLC	Recruitment Services	26,385.00
				14,063,046.97

Valley Metro Rail, Inc
Monthly AP Payments over \$25,000
November 2023

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50001693	11/17/2023	Kiewit Infrastructure West Co.	CMAR Services for South Central-Downtown Hub	15,215,321.23
5002148	11/3/2023	Southwest Gas Corporation	Southwest Gas Third Party Utilities	6,133,432.75
50001709	11/22/2023	Kiewit-McCarthy, a Joint Venture	CMAR Services for Northwest Phase II	2,460,766.47
5002159	11/9/2023	APS	APS Third Party Utilities	1,947,255.33
50001708	11/22/2023	Hill International Inc	PMCM Services	858,222.37
50001686	11/17/2023	Allied Universal Security Services	Fare Inspection and Security Services	663,621.64
90000029	11/30/2023	Surepays	VMR Monthly Utilities	508,693.40
50001690	11/17/2023	Brookville Equipment Corp	Street Car Spare Parts	346,766.42
50001685	11/17/2023	AECOM Technical Services Inc	Service Planning Support/Project Development Support	286,523.00
50001705	11/22/2023	DMS Facility Services Inc	Cleaning Services-Janitorial Facility Cleaning	284,275.12
50001659	11/3/2023	Centurylink	Third Party Construction Utilities	284,011.73
50001676	11/9/2023	HDR Engineering Inc	Community Relations Support Services On-Call	280,581.08
50001640	11/3/2023	ARCADIS	Consulting Support Services	244,352.09
50001666	11/9/2023	AECOM Technical Services Inc	Design Services for SCE-Downtown Hub	125,679.93
50001687	11/17/2023	ARCADIS	Consulting Support Services	100,793.44
50001677	11/9/2023	Jacobs Engineering	Design Services for NWE Phase II	78,467.64
50001644	11/3/2023	DMS Facility Services Inc	Cleaning Services-Janitorial Facility Cleaning	77,900.58
50001674	11/9/2023	DLT Solutions LLC	Aconex Project Control System	77,306.10
50001658	11/3/2023	Siemens Mobility	LRV Spare Parts and Tools	63,964.71
50001707	11/22/2023	HDR Engineering Inc	Service Planning Support	55,059.43
50001672	11/9/2023	CHK America Inc	Wayfinding Map Designs Services	53,480.00
50001655	11/3/2023	URW LLC	Landscape Maintenance Services	46,750.24
5002143	11/3/2023	STV Incorporated	Project Development Support - Dobson Ext	44,428.07
50001695	11/17/2023	Scheidt & Bachmann USA Inc	APE Hardware Maintnance	41,415.92
5002134	11/3/2023	Clifton Larson Allen LLP	Federal Funds/CAFR Audit	41,079.15
50001696	11/17/2023	URW LLC	Landscape Maintenance Services	39,759.30
5002155	11/9/2023	NASG Holdings LLC	Windows	36,651.60
50001664	11/3/2023	WEX Bank	Fleet Card Services	36,033.02
50001650	11/3/2023	PGH Wong Engineering Inc	System Design Services - NWE II	35,031.58
				30,467,623.34



Procurement Report - January Board Month
as of December 12, 2023

RECENTLY COMPLETED PROCUREMENTS

Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Jennifer H	RPTA	RFP	Autonomous Vehicle Research Services	No	June 2023	July 2023	N/A	\$250,000	2 years +3 options	Canceled

ACTIVE PROCUREMENTS

Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Lori N	RPTA	RFP	Vanpool Services	Yes	May 16, 2023	July 13, 2023	October 2023	\$35,600,000	5 years	Pending City of Phoenix Approval
Edwin N	VMR	RFQ	Capitol Extension Design	Yes	April 2023	June 2023	Cancelled	\$14,000,000	5 years +3 options	Canceled
Jennifer H	Joint	RFQ	Job Order Contracting (JOC) - Miscellaneous Construction Services	Yes	June 2023	August 2023	October 2023	\$20,000,000	3 years +2 options	Initiating Documents
Chris B	Joint	RFP	Facilities Maintenance Services	No	November 2023	December 7, 2023	February 2024	TBD	2 years +3 options	Solicitation Issued
Chris B	VMR	RFP	LRV Air Compressors	No	November 2023	December 5, 2023	January 2024	TBD	3 years +2 options	Solicitation Issued
Chris B	VMR	Sole Source	SCV Sole Source Parts (Brookville)	No	N/A	N/A	March 2023	\$1,000,000	5 Years	In Negotiation
Jennifer H	VMR	RFP	Capitol Extension CMAR 2-Step (RFQ & RFP)	Yes	June 2023	July 2023	February 2024	TBD	5 years +1 option	In Evaluation
Edwin N	VMR	RFQ	Capitol Extension - Public Art	No	July 2023	October 2023	Cancelled	TBD	5 years	Canceled
Rick W	RPTA	RFP	West Valley Fixed Route and Maintenance Services	Yes	October 2023	December 2023	March 2024	TBD	5 Years +5 x(1) year opts	Solicitation Issued
Barbara	Joint	RFP	Financial Auditing Services	No	January 2024	February 2024	April 2024	TBD	5 years	SOW Development
Edwin N	Joint	RFP	Classification and Total Compensation Study	No	November 2023	January 2024	April 2024	\$332,000	5 years	In Evaluation
Barbara	RPTA	RFP	Paratransit Eligibility Assessment and Fixed Route Travel Training Services	Yes	November 2023	December 2023	March 2024	\$1,500,000	5 years +5 year option	Solicitation Issued
Barbara	RPTA	RFP	Comprehensive Operational Analysis	Yes	January 2024	March 2024	May 2024	\$600,000	3 year +2 options	SOW Development
Danielle	VMR	IFB	Uniform and Laundry Services	No	December 2023	January 2024	April 2024	\$285,000	5 years	Canceled

FUTURE PROCUREMENTS

Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Chris B	VMR	RFP	LRV Electronic Repairs	Yes	TBD	TBD	TBD	TBD	TBD	Awaiting SOW from Customer
Chris B	VMR	Sole Source	LRV Brake System Overhaul \$5 to Knorr	No	N/A	N/A	November 2023	\$2,978,253	3 years +2 options	SOW Development
Chris B	VMR	Sole Source	LRV Accident and Body Repair	No	N/A	N/A	November 2023	\$1,600,000	5 years	SOW Development
Chris B	VMR	Sole Source	SCADA Support	No	N/A	N/A	January 2024	\$768,333	5 years	Awaiting Board Authorization to Develop SOW
Edwin N	RPTA	RFP	Employee Benefits Consulting Services	No	January 2024	March 2024	May 2024	\$375,000	3 years +2 options	Awaiting SOW from Customer
Edwin N	Joint	RFQ	General Consulting Support Services	Yes	January 2024	February 2024	April 2024	\$16,000,000	5 years +3 options	Awaiting SOW from Customer
Barbara	Joint	RFP	Insurance Brokerage and Consulting Services	No	January 2024	February 2024	April 2024	\$675,000	3 years +2 options	Awaiting SOW from Customer
Rick W	VMR	RFP	Annual Corrosion Control Services	No	TBD	TBD	TBD	TBD	TBD	Awaiting SOW from Customer
Barbara	Joint	RFP	Videography Services	No	TBD	TBD	April 2024	TBD	TBD	Awaiting SOW from Customer
Barbara	VMR	Sole Source	LRV Window Glass	No	N/A	N/A	April 2024	TBD	TBD	Awaiting SOW from Customer

FB - Invitation For Bids

RFP - Request for Proposals

RFQ - Request for Qualifications

COOP - Cooperative Contract

TBD - To Be Determined



Information Summary

DATE

January 11, 2024

AGENDA ITEM 8**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

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
602-262-7433

jmeffordmiller@valleymetro.org

ATTACHMENT

None.

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date



Agenda

January 11, 2024

**Valley Metro RPTA
Board of Directors**
Thursday, January 18, 2024
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

Action Recommended

CONSENT AGENDA

1A. Minutes

1A. For action

Minutes from the November 30, 2023 Board meeting are presented for approval.

1B. Joint Project Agreement (JPA) with the Arizona Department of Transportation (ADOT)

1B. For action

Staff recommends that the Board of Directors authorize the CEO to enter into a JPA with ADOT to administer TDM services on behalf of the State's I-10 Broadway Curve Project.

1C. Authorization to Issue a Request for Proposal - Competitive Solicitation for demand response scheduling and dispatch software

1C. For action

Staff recommends that the Board of Directors authorize the CEO to issue a Request for Proposal - Competitive Solicitation for demand response scheduling and dispatch software.

1D. Intergovernmental Agreement (IGA) Amendment: City of Mesa FY 2023-2024

1D. For action

Staff recommends that the Board of Directors authorize for the CEO to execute an amendment to the Mesa Transit Services Master Intergovernmental Agreement.

1E. Mesa Bus Operations and Maintenance Facility Asphalt Project

1E. For action

Staff recommends that the Board of Directors authorize the CEO to execute a contract with Sundland Asphalt & Construction, LLC, under a Mohave cooperative purchasing agreement for asphalt repairs at the Mesa Bus Operations and Maintenance Facility for an amount of \$158,000 with a contingency of \$52,000 for a not-to-exceed amount of \$210,000.

1F. Mesa Bus Operations and Maintenance Facility HVAC Replacement

1F. For action

Staff recommends that the Board of Directors authorize the CEO to execute a contract with McCarthy Building Company Inc., under a Mohave cooperative purchasing agreement for the HVAC replacement at the Mesa Bus Operations and Maintenance Facility for an amount of \$300,000.

1G. Mesa Bus Operations and Maintenance Facility Roll-up Door and Opener Replacement

1G. For action

Staff recommends that the Board of Directors authorize the CEO to execute a contract with DH Pace Company, under a Mohave cooperative purchasing agreement for the Roll-up Door and Opener replacement at the Mesa Bus Operations and Maintenance Facility for an amount of \$400,000.

REGULAR AGENDA

2. RPTA Fiscal Year 2024 (FY24) Mid-Year Budget Adjustment

2. For action

Staff recommends that the Board of Directors approve the Mid-Year Budget Adjustment update to the Valley Metro RPTA Operating Budget for FY24.



3. Report on Current Events and Suggested Future Agenda Items

3. For information

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

4. Next Meeting

4. For information

The next Board meeting is scheduled for **Thursday, February 22, 2024 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



Minutes

January 11, 2024

AGENDA ITEM 1A

Valley Metro RPTA
Thursday, November 30, 2023
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants

Councilmember Bill Stipp, City of Goodyear - **Chair**
Councilmember O.D. Harris, City of Chandler – **Vice Chair**
Councilmember Max White, City of Avondale
Councilmember Clay Goodman, City of Buckeye
Councilmember Monica Dorsey, City of El Mirage (phone)
Vice Mayor Peggy McMahon, Town of Fountain Hills
Mayor Brigitte Peterson, Town of Gilbert
Supervisor Jack Sellers, Maricopa County
Councilmember Francisco Heredia, City of Mesa (phone)
Councilmember Jon Edwards, City of Peoria
Councilmember Laura Pastor, City of Phoenix
Councilmember Kathy Littlefield, City of Scottsdale (phone)
Councilmember Aly Cline, City of Surprise
Councilmember Doreen Garlid, for Vice Mayor Jennifer Adams, City of Tempe
Mayor Rui Pereira, Town of Wickenburg (phone)
Mayor Michael LeVault, Town of Youngtown (phone)

Members Not Present

Councilmember Lauren Tolmachoff, City of Glendale
Vice Mayor Jeff Brown, Town of Queen Creek
Mayor Juan F. Rodriguez, City of Tolleson

Chair Stipp called the meeting to order at 1:15 p.m.

Chair Stipp said we will go right into the Valley Metro RPTA meeting.

1. **Consent Agenda**

Chair Stipp said the Consent Agenda is Items 1A through 1D. Item 1E has been pulled and will be considered separately.



So may I have a motion to approve the Consent Agenda Items 1A through 1D?

Motion by Councilmember White, second by Councilmember Edwards.

Any discussion? All in favor, say aye. Any opposed? The ayes have it.

IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY COUNCILMEMBER EDWARDS, AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.

Chair Stipp said 1E from the Consent Agenda is the Ajo service which is route 685 intergovernmental agreement. I believe staff has prepared for a presentation.

Ms. Mefford-Miller said thank you, Mr. Chair. This route is a little bit unique and so Tom Young is going to give us a quick overview and history on the Ajo service.

Mr. Young said thank you, Jessica. Good afternoon, Chair Stipp, members of the Board.

As Jessica said, I'm here to provide a brief background history on rural route 685. How we coordinated those services with RTA of Pima County and the most recent occurrences that resulted in us recommending an intergovernmental agreement with RTA of Pima County to provide the long trips from Gila Bend to Phoenix.

So rural route 685 service was implemented in 2005 as a flex service with RTA of Pima County running service from Ajo to Gila Bend and Valley Metro running service from Gila Bend to Phoenix. Flex service allows for customers along the route to actually call in and have the bus stop at additional stops other than just the scheduled stops. The two services connected at the Texaco Food Mart in Gila Bend.

Rural route 685 is funded primarily through a rural federal grant and operations and other administration and maintenance costs also have a large federal grant.

Daily ridership averages between five and 16 people on each of the five long trips from Ajo with an average of two to three people using the Buckeye service on each of the four trips per day.

Valley Metro worked with RTA of Pima County to ensure a joint procurement was awarded to the contract to make sure one provider did all the service. This eliminated the ability, or the need for people to transfer between the two services. It could be run straight through. Valley Metro continues to reimburse the contractor for service in



Maricopa County while RTA reimburses for all services in Pima County including SR85 to the Gila Bend transfer point.

Since the beginning of the current contract which commenced in November of '22, the contractor has submitted two requests for increase in rates due to insurance premium increases. RTA and Valley Metro could not support the increase in insurance rates therefore the contractor has given notice. Their last day to provide the service is January 20th, 2024.

This request is to enter into a intergovernmental agreement with RTA of Pima County for their alternative service contract to operate the long trips while we'll move the short Buckeye trips to our demand response service provider right here in Maricopa County.

So at this point, that's a brief history how we got to how we are today and I can answer any additional questions.

Chair Stipp said great. Thank you, Tom. Does anybody on the Board have any additional questions that Tom may not have covered?

Councilmember Edwards said so I just need a little more clarification. So given the fact that the ridership is so small are we looking or are they looking at different alternatives for getting these individuals to and from rather than having a full blown bus doing this service?

Mr. Young said it is a practice we look at all our routes and different alternatives to the services. I know based off this action over the next 12 months we're going to be looking a lot closer at this for different methods of providing –

Councilmember Edwards said so is this a 12-month contract?

Mr. Young said it will follow the grant process which the federal grants run through September of next year.

Councilmember Edwards said and is there any other partnership funding that we could look at or that has been looked at to maybe subsidize some of this? Because, again, my concern is the fact that, you know, this is a Pima County initiative but, you know, we're subsidizing some of this and so is that our normal process. I mean, I've never heard of this before where we're subsidizing a rural route through Maricopa funding.

Ms. Mefford-Miller said Stephanie, could you go back to the map slide, and I think this is helpful to the extent we can see it. So Valley Metro operates only the service in Maricopa County so we're not operating trips to Gila Bend and, in fact, most of what we're serving are trips that occur between Buckeye and Gila Bend. So it's trips that



begin and end within Maricopa County. There are some cross county trips, but we only bear the Maricopa portion. So the county boundary, if you can see, is much further south and close to Ajo. That dashed line is the service that Pima County under this new arrangement would actually be operating.

Councilmember Edwards said okay. And like I said, my biggest concern is the fact that if we're doing 2 to 15 residents it just seems like from a cost perspective, it's not cost effective for us to be engaged in this route. And that's my opinion.

Ms. Mefford-Miller said we do have some options and, of course, with our new West Valley operations and maintenance contract, we'll have more mobility tools still. This route is a little bit unique in that it is funded, the majority of the funding actually comes from a Federal Transit Administration rural route. We don't have many funding opportunities to support operations costs with federal funds. Rural route services are one of those areas that FTA does invest in but we are at just over I think 42 percent of Prop 400 funds are supporting it, so your point is well taken, Councilmember Edwards.

And as Tom mentioned, we're going to continue looking at better ways to provide this critical mobility. It's a small number of people but those trips are being made.

Councilmember Edwards said okay, thank you. So with that, Mr. Chair, I mean, if there's no other questions, I'll make a motion to approve 1E.

Motion by Councilmember Edwards, second by Councilmember Pastor.

Any other discussion? All in favor, say aye. Any opposed, say nay. The ayes have it.

IT WAS MOVED BY COUNCILMEMBER EDWARDS, SECONDED BY COUNCILMEMBER PASTOR, AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEM 1E.

2. Report on Current Events and Suggested Future Agenda Items

Chair Stipp said any others from either end of the table?

3. Next Meeting

The next Board meeting is scheduled for Thursday, January 18, 2024, at 11:15 a.m.

Chair Stipp said with that, I'd like to wish everyone on the Board and Valley Metro staff and everybody who has been working on public transit for this year a very blessed and happy holiday season.



The meeting was adjourned.

With no further discussion the meeting adjourned at 1:24 p.m.



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1B**SUBJECT**

Joint Project Agreement (JPA) with the Arizona Department of Transportation (ADOT)

PURPOSE

To request Board authorization for the Chief Executive Officer (CEO) to enter into a JPA with ADOT to administer Transportation Demand Management (TDM) services on behalf of the State's Interstate 10 (I-10) Broadway Curve Project.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to enter into a JPA with ADOT to administer TDM services on behalf of the State's I-10 Broadway Curve Project.

BACKGROUND | DISCUSSION | CONSIDERATION

Approximately two years ago, the Commute Solutions team at Valley Metro began discussions with the ADOT Broadway Curve project team to discuss mitigation strategies for the increased traffic volume along the corridor and to reduce the impact to the traveling public during construction. Together, Valley Metro and ADOT have developed a scope of work that Valley Metro can perform to assist in reducing commute traffic during the final two years of construction (or through Substantial Completion).

The suite of Transportation Demand Management (TDM) services that Commute Solutions can provide will include Employer and school outreach and meetings; marketing kit production and distribution; customization on the SharetheRide.com platform including incentivizing employers/commuters within the corridor; and paid marketing to support the effort. The JPA will reimburse expenses including TDM platform hosting and customization, staffing/personnel, marketing subcontractors, advertising and paid media, printing, postage, and outreach related items.

COST AND BUDGET

Valley Metro RPTA will be reimbursed in an amount not to exceed \$400,000 for eligible project campaign related costs, as noted above. All project funding reimbursed to RPTA will be from the Regional Area Road Fund (RARF), which is administered by ADOT, and programmed by the Maricopa Association of Governments (MAG).

**COMMITTEE PROCESS**

RTAG: December 19, 2023 for information

TMC: January 3, 2024 approved

Board of Directors: January 18, 2024 for action

CONTACT

Abigail Cooksey-Williams

TDM/Commute Solutions Manager

602-523-6053

acwilliams@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1C

SUBJECT

Authorization to Issue a Request for Proposal - Competitive Solicitation for demand response scheduling and dispatch software.

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to issue a Request for Proposal - Competitive Solicitation for demand response scheduling and dispatch software.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to issue a Request for Proposal - Competitive Solicitation for demand response scheduling and dispatch software.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro currently utilizes Trapeze Pass software for scheduling and dispatching its ADA Complementary Paratransit service. The current Pass software also includes additional modules to assist with service provision:

1. CERT – Manages ADA eligibility records.
2. Broker – Facilitates sending trips to multiple providers.
3. Driver Mate – connects to tablets in vehicles to allow trips to be sent to Operators electronically.
4. Notifications – Contacts customers the night before, and the day of, regarding trip status.

The Board has also authorized the following enhancements to the current system:

1. Web Application – Allows customers to make reservations and check trips through their web browser (still in implementation phase) – **initial completion date – July 10, 2023**
2. EZWallet – electronic payment of fares – **initial completion date – July 10, 2023**
3. Mobile Application – Allows customers to make reservations and check trips through their smartphones – **Initial completion date – October 10, 2023**
4. RideChoice Application – Modifications of the system to manage the RideChoice program, including sending trips to 15 – 20 service providers – **Initial completion date – November 1, 2023.**



None of the four enhancements above have been completed, with two of the four awaiting change orders from Trapeze, including a price increase.

Valley Metro has worked with Trapeze over the past 2 ½ years in preparation for implementing the joint administrative service broker, combining the ADA Paratransit and RideChoice reservations, scheduling, and program administration under one function. Trapeze has not delivered and cannot communicate its estimated delivery date for the projects, which has extended the implementation of the joint administration for the ADA Paratransit and RideChoice programs.

Valley Metro staff have lost confidence in Trapeze's ability to deliver a software product with the functionality to manage all demand response programs (ADA Paratransit, RideChoice, and Microtransit) in the foreseeable future without spending a significant amount of development fees for Trapeze modifications. Therefore, this action seeks authority to issue a Request for Proposal for software companies to manage demand response programs (ADA Paratransit, RideChoice, and Microtransit) on the same platform. Evaluation of proposals will incorporate multiple phases, including a demonstration phase to confirm stated capabilities.

COST AND BUDGET

The cost for the software replacement is estimated to be \$1,500,000 and will be included in the RPTA Adopted FY25 Operating and Capital Budget. Contract obligations beyond FY25 will be incorporated in the Adopted RPTA Five-Year Operating Forecast and Capital Program (FY2025 through FY2029)

COMMITTEE ACTION

RTAG: December 19, 2023, for information
TMC/RMC: January 3, 2024, approved
Board of Directors: January 18, 2024, for action

CONTACT

Tom Young
Deputy Chief, Bus and Paratransit Operations
tyoung@valleymetro.org

ATTACHMENTS

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1D**SUBJECT**

Intergovernmental Agreement (IGA) Amendment: City of Mesa FY 2023-2024

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute an amendment to the City of Mesa Transit Services Master Intergovernmental Agreement.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute an amendment to the Mesa Transit Services Master Intergovernmental Agreement.

BACKGROUND | DISCUSSION | CONSIDERATION

Each fiscal year the Regional Public Transportation Authority (RPTA) reconciles the revenue received from each member city to the cost of services, including but not limited to paratransit, RideChoice, and fixed route transit services. RPTA uses this analysis to determine which cities have overpaid and which have underpaid for service provided during the fiscal year.

The City of Mesa and RPTA entered into a Transit Services Master Intergovernmental Agreement for transit services. The agreement is amended with an annual service agreement each fiscal year. Neither the Transit Services Master Intergovernmental Agreement, FY 2023 or FY 2024 annual service agreement amendments included contractual language necessary for the City of Mesa to issue payment for amounts underpaid for service during fiscal year 2023. Therefore, an amendment to the Transit Services Master Agreement is needed to enable the City of Mesa to issue a payment to reimburse RPTA for fiscal year 2023 costs for fixed route and RideChoice transit services. The amounts owed for fiscal year 2023 costs are the result of RPTA not invoicing the City of Mesa for May and June 2023 as RPTA staff had mistakenly estimated final costs would be under budget to the extent that payments from Mesa for May and June would be unnecessary. This amendment will also enable the City of Mesa to issue payment in subsequent years if as a result of the year-end reconciliation it is determined that an underpayment has occurred.

Additionally, the amendment is necessary to increase the estimated cost to operate regionally funded fixed route bus, City of Mesa funded fixed route bus, paratransit, and RideChoice transit services for fiscal year 2024 to reflect the most recent updated estimates. The amounts shown in the existing fiscal year 2024 annual service agreement amendment were understated.

**COST AND BUDGET**

No changes in cost and budget.

COMMITTEE ACTION

RTAG: December 19, 2023, for information

TMC: January 3, 2024, approved

AFS: January 4, 2024, for information

Board of Directors: January 18, 2024, for action

CONTACT

Ken Kessler

Chief Financial Officer

602- 523-6043

kkessler@valleymetro.org

ATTACHMENT

Amended IGA – City of Mesa Amendment is available upon request.



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1E**SUBJECT**

Mesa Bus Operations and Maintenance Facility Asphalt Project

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute a contract with Sundland Asphalt & Construction, LLC, for Asphalt Repairs at the Mesa Bus Operations and Maintenance Facility for an amount of amount of \$158,000 with a contingency of \$52,000 for a not-to-exceed amount of \$210,000.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute a contract with Sundland Asphalt & Construction, LLC, under a Mohave cooperative purchasing agreement for asphalt repairs at the Mesa Bus Operatons and Maitnenance Facility for an amount of \$158,000 with a contingency of \$52,000 for a not-to-exceed amount of \$210,000.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro Facility Management has identified that the Mesa Bus Operations and Maintenance facility parking lots require asphalt repair or crack fill, seal coat, and re-striping to keep the facilities in a good state of repair. These lots are 20 years old and are at end of life. One of the parking lots is sinking and will become a trip and vehicle hazard if not addressed. Existing asphalt in the south two lots will be removed and replaced with new asphalt surface to a finished depth of three inches. The ground may require additional stabilization and will be addressed once asphalt is removed. Contingency is added to cover this scenario. New pavement markings will be added. The North parking lot requires crack sealing and new pavement markings.

Valley Metro is using a Cooperative Contract from Mohave Educational Services for these services. Cooperative Agreements are contracts that are solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for goods and services it requires.

An independent cost estimate including a cost comparison and price analysis have been completed. The proposed price has been deemed fair and reasonable based on the price analysis.



COST AND BUDGET

The cost for the repairs is an amount not to exceed \$210,000. The cost for the asphalt repairs is included in the Valley Metro Rail Proposed FY2024 Operating and Capital Budget. Contract obligations beyond FY2024 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2024 thru FY2028).

The source of funding is from member cities.

COMMITTEE PROCESS

RTAG: December 19, 2023, for information

TMC: January 3, 2024, approved

Board of Directors: January 18, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

602.652.5033

dcurry@valleymetro.org

ATTACHMENTS:

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1F**SUBJECT**

Mesa Bus Operations and Maintenance Facility HVAC Replacement

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute a contract with McCarthy Building Company Inc., for the HVAC replacement at the Mesa Bus Operations and Maintenance Facility for an not-to-exceed amount of \$300,000.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute a contract with McCarthy Building Company Inc., under a Mohave cooperative purchasing agreement for the HVAC replacement at the Mesa Bus Operations and Maintenance Facility for an amount of \$300,000.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro Facility Management has identified that the Mesa Bus Operations and Maintenance facility needs to remove and replace two (2) condensers and evaporative coils (HVAC) for the Administration building.

The existing HVAC systems are 20 years old and original to the building. The refrigerant is no longer manufactured for these units and parts are becoming increasingly more difficult to source. The number of necessary repairs is increasing as the units age.

The expected life expectancy (per Arizona Heat Pump Council) for commercial air conditioners in Arizona is 12 years, but with these units are now 20 years old and it is now time to replace.

Valley Metro is using a Cooperative Contract from Mohave Educational Services for these services. Cooperative Agreements are contracts that are solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for goods and services it requires.

An independent cost estimate including a cost comparison and price analysis have been completed. The proposed price has been deemed fair and reasonable based on the price analysis.



COST AND BUDGET

The cost for the repairs is an amount not to exceed \$300,000. The cost for the HVAC replacement repairs is included in the Valley Metro Rail Proposed FY2024 Operating and Capital Budget. Contract obligations beyond FY2024 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2024 thru FY2028).

The source of funding is from member cities.

COMMITTEE PROCESS

RTAG: December 19, 2023, for information

TMC: January 3, 2024, approved

Board of Directors: January 18, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

dcurry@valleymetro.org

ATTACHMENTS

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1G**SUBJECT**

Mesa Bus Operations and Maintenance Facility Roll-up Door and Opener Replacement

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute a contract with DH Pace Company, for the Roll-up Door and Opener replacement at the Mesa Bus Operations and Maintenance Facility for an not-to-exceed amount of \$400,000.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute a contract with DH Pace Company, under a Mohave cooperative purchasing agreement for the Roll-up Door and Opener replacement at the Mesa Bus Operations and Maintenance Facility for an amount of \$400,000.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro Facility Management has identified that the Mesa Bus Operations and Maintenance facility needs to remove and replace nineteen (19) roll-up doors and eighteen (18) openers (one (1) opener was replace last year) for the Maintenance and Wash buildings.

The existing doors and openers are original to the building (20 years old), and with age and use are starting to fail. The stamped metal on the doors is starting to fatigue and become a safety issue if the door fails. The openers are also starting to make noise and needing repairs more often.

This proposal also includes replacement of the fire shutters, which no longer are to code. The current code requires all fire shutters are 100% smoke proof. The existing doors are not, and in the event of a fire, although the doors are “grandfathered” in, as far as the code is concerned, they still would allow smoke to move throughout the building.

Valley Metro is using a Cooperative Contract from Mohave Educational Services for these services. Cooperative Agreements are contracts that are solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for goods and services it requires.



An independent cost estimate including a cost comparison and price analysis have been completed. The proposed price has been deemed fair and reasonable based on the price analysis.

COST AND BUDGET

The cost for the repairs is an amount not to exceed \$400,000. The cost for the Roll-up Door and Opener replacement is included in the Valley Metro Rail Proposed FY2024 Operating and Capital Budget. Contract obligations beyond FY2024 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2024 thru FY2028).

The source of funding is from member cities.

COMMITTEE PROCESS

RTAG: December 19, 2023, for information

RMC: January 3, 2024, approved

Board of Directors: January 18, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

dcurry@valleymetro.org

ATTACHMENTS

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 2**SUBJECT**

RPTA Fiscal Year 2024 (FY24) Mid-Year Budget Adjustment

PURPOSE

To request approval of the Mid-Year Budget Adjustment update to the Valley Metro RPTA Operating Budget for FY24.

RECOMMENDATION

Staff recommends the Board of Directors approve the Mid-Year Budget Adjustment update to the Valley Metro RPTA Operating Budget for FY24.

BACKGROUND | DISCUSSION | CONSIDERATION

In June of 2023, the Board approved the FY24 Operating and Capital Budget. The cost factors used to develop the budget have changed and adjustments are warranted to update the expenditures planned for the remainder of the fiscal year. Adjustments are being requested only on the operating budget.

Fixed route service costs for the East Valley program are higher than planned for the second half of FY24, due to the new Keolis contract award approved by the Board in August 2023. At the time of budget development, the contract was being reprocured and actual rates were not yet known.

The Vanpool costs have increased due to a new contract starting in January 2024. The new contract, approved by the Board in the October 2023 meeting, will incorporate comprehensive services, including supplying vans. The increase in the contract is more than offset by savings for Valley Metro no longer needing to purchase new vans.

The RideChoice program has continued to grow in demand, with all participating cities seeing higher trips than planned. This, coupled with the incorporation of new service for Litchfield Park, have resulted in the total trips for the year to be over 25% higher than plan.

Phoenix operates over half of the bus service in the region and RPTA acts as a fiduciary on behalf of the members for all Prop400 Public Transportation Funds (PTF) monies. Phoenix requested to increase the level of Public Transportation Funds for a portion of the service that they operate. All amounts are fully-incorporated into the Transportation Life Cycle Program and Phoenix has jurisdictional equity funding to cover the request.



Operating Activities:

Budget Item	Description	Increase (Decrease) Amt	Funding Source
East Valley Bus	New Keolis contract awarded by the Board in August. Rates higher than planned for second half of the fiscal year.	\$ 3,102,000	Member Cities PTF Federal
Vanpool	New Enterprise contract awarded by the Board in October. Enterprise to purchase fleet as part of new contract.	\$ 1,383,000	Fares Federal
Pre-Approved Mid-Year Adjustment Total		\$ 4,485,000	

Budget Item	Description	Increase (Decrease) Amt	Funding Source
RideChoice	Ridership is forecasted higher than plan due to increased demand and the incorporation of new service for Litchfield Park.	\$ 1,029,000	Member Cities PTF Federal
Phoenix Operated Bus	Phoenix requests to increase PTF funding for service that they operate. Phoenix has available JE funding through the Transit Life Cycle Program.	\$ 27,921,000	Phoenix PTF
Additional Mid-Year Adjustment Total		\$ 28,950,000	

Total Operations Budget Adjustment \$ 33,435,000

COST AND BUDGET

Changes proposed are incorporated into overall agency sources and uses of funds below:



SOURCES OF FUNDS (\$000,000)

Source of Funds	FY24	FY24 Amended	Change \$	Change %
Public Transportation Funds	\$150.6	\$179.5	\$28.9	19%
Regional Area Road Funds	5.1	5.1	0.0	0%
Member City Contributions	54.7	57.8	3.1	6%
Bus Advertising	0.8	0.8	0.0	0%
Federal Funds	12.6	13.4	0.9	7%
Federal Funds - COVID Relief	0.9	0.9	0.0	0%
Fares	7.0	7.5	0.5	7%
MAG Funds	0.2	0.2	0.0	0%
Other	0.1	0.1	0.0	0%
Regional Area Road Funds	0.5	0.5	0.0	0%
VMR Personnel Reimbursements	40.0	40.0	0.0	0%
AZ Lottery Funds	11.2	11.2	0.0	0%
Total Operating Sources	\$283.5	\$316.8	\$33.4	12%

USES OF FUNDS (\$000,000)

Uses of Funds	FY24	FY24 Amended	Change \$	Change %
Fixed Route Operations	\$143.4	\$174.4	\$31.0	22%
Demand Service Operations	53.8	54.8	1.0	2%
Vanpool Operations	1.2	2.5	1.4	120%
Planning	4.4	4.4	0.0	0%
Commute Solutions	1.5	1.5	0.0	0%
Administration and Finance	5.4	5.4	0.0	0%
Regional Services	22.1	22.1	0.0	0%
VMR RARF Disbursements	0.5	0.5	0.0	0%
AZ Lottery Funds Disbursements	11.2	11.2	0.0	0%
VMR Personnel	40.0	40.0	0.0	0%
Total Operating Uses	\$283.5	\$316.8	\$33.4	12%

**COMMITTEE PROCESS**

Financial Working Group: December 19, 2023 for information

RTAG: December 19, 2023 for information

TMC: January 3, 2024 approved

AFS: January 4, 2024 for information

Board of Directors: January 18, 2024 for action

CONTACT

Ken Kessler

Chief Financial Officer

kkessler@valleymetro.org

ATTACHMENT

None



1

Changes – Operating Activities

Budget Item	Description	Increase (Decrease) Amt	Funding Source
East Valley Bus	New Keolis contract awarded by the Board in August. Rates higher than planned for second half of the fiscal year.	\$ 3,102,000	Member Cities PTF Federal
Vanpool	New Enterprise contract awarded by the Board in October. Enterprise to purchase fleet as part of new contract.	\$ 1,383,000	Fares Federal
Pre-Approved Mid-Year Adjustment Total		\$ 4,485,000	

2

2

2

Changes – Operating Activities

Budget Item	Description	Increase (Decrease) Amt	Funding Source
RideChoice	Ridership is forecasted higher than plan due to increased demand and the incorporation of new service for Litchfield Park.	\$ 1,029,000	Member Cities PTF Federal
Phoenix Operated Bus	Phoenix requests to increase PTF funding for service that they operate. Phoenix has available JE funding through the Transit Life Cycle Program.	\$ 27,921,000	Phoenix PTF
Additional Mid-Year Adjustment Total		\$ 28,950,000	

Total Operations Budget Adjustment \$ 33,435,000

3



3

3

Sources of Funds – Operating (\$000,000)

Source of Funds	FY24	FY24 Amended	Change \$	Change %
Public Transportation Funds	\$150.6	\$179.5	\$28.9	19%
Regional Area Road Funds	5.1	5.1	0.0	0%
Member City Contributions	54.7	57.8	3.1	6%
Bus Advertising	0.8	0.8	0.0	0%
Federal Funds	12.6	13.4	0.9	7%
Federal Funds - COVID Relief	0.9	0.9	0.0	0%
Fares	7.0	7.5	0.5	7%
MAG Funds	0.2	0.2	0.0	0%
Other	0.1	0.1	0.0	0%
Regional Area Road Funds	0.5	0.5	0.0	0%
VMR Personnel Reimbursements	40.0	40.0	0.0	0%
AZ Lottery Funds	11.2	11.2	0.0	0%
Total Operating Sources	\$283.5	\$316.8	\$33.4	12%

4



4

4

Uses of Funds – Operating (\$000,000)

Uses of Funds	FY24	FY24 Amended	Change \$	Change %
Fixed Route Operations	\$143.4	\$174.4	\$31.0	22%
Demand Service Operations	53.8	54.8	1.0	2%
Vanpool Operations	1.2	2.5	1.4	120%
Planning	4.4	4.4	0.0	0%
Commute Solutions	1.5	1.5	0.0	0%
Administration and Finance	5.4	5.4	0.0	0%
Regional Services	22.1	22.1	0.0	0%
VMR RARF Disbursements	0.5	0.5	0.0	0%
AZ Lottery Funds Disbursements	11.2	11.2	0.0	0%
VMR Personnel	40.0	40.0	0.0	0%
Total Operating Uses	\$283.5	\$316.8	\$33.4	12%

5



5

5

Recommendation

Staff recommends that the Board of Directors approve the Mid-Year Budget Adjustment update to the RPTA Operating Budget for FY24.

6



6



Information Summary

DATE

January 11, 2024

AGENDA ITEM 3**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

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
602-262-7433
jmeffordmiller@valleymetro.org

ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date



Agenda

January 11, 2024

**Valley Metro Rail
Board of Directors
Thursday, January 18, 2024
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.**

Action Recommended

CONSENT AGENDA

1A. Minutes

1A. For action

Minutes from the November 30, 2023 Board meeting minutes are presented for approval.

1B. Federal Transit Administration Pass-Through Grant Agreements

1B. For action

Staff recommends that the Board of Directors authorize the CEO to execute IGAs with the City of Phoenix for the listed grants.

1C. SCADA Five-Year Support Contract

1C. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer (CEO) to execute a sole source contract with B&C Transit, Inc for a five-year hardware and software maintenance support agreement for the Rail Supervisory Control and Data Acquisition (SCADA) system for an amount not to exceed \$768,333.

1D. Business Assistance Consultants Contract Extensions

1D. For action

Staff recommends that the Board of Directors authorize the CEO to exercise the final two, one-year options with Altima Business Solutions; AZ Builders Exchange – BEX; Elaman 1234.com, LLC; GCI; and The Idea Gardener for business consulting services as part of the Valley Metro Business Assistance Program. No additional contract value required.



REGULAR AGENDA

- | | | | |
|----|---|----|------------|
| 2. | <u>Valley Metro Rail Fiscal Year 2024 (FY24) Mid-Year Budget Adjustment</u> | 2. | For action |
|----|---|----|------------|

Staff recommends that the Board of Directors approve the Mid-Year Budget Adjustment update to the Valley Metro Rail Capital Budget for FY24.

- | | | | |
|----|---|----|-----------------|
| 3. | <u>Report on Current Events and Suggested Future Agenda Items</u> | 3. | For information |
|----|---|----|-----------------|

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

- | | | | |
|----|---------------------|----|-----------------|
| 4. | <u>Next Meeting</u> | 4. | For information |
|----|---------------------|----|-----------------|

The next meeting of the Board meeting is scheduled for **Thursday, February 22, 2024 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



Minutes

January 11, 2024

AGENDA ITEM 1A

Valley Metro Rail
Thursday, November 30, 2023
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

Valley Metro Rail Participants

Councilmember Laura Pastor, City of Phoenix - **Chair**
Vice Mayor Francisco Heredia, City of Mesa – **Vice Chair** (phone)
Councilmember Doreen Garlid for Vice Mayor Jennifer Adams, City of Tempe
Councilmember O.D. Harris, City of Chandler

Chair Pastor called the meeting to order at 1:27 p.m.

Chair Pastor said I'm going to call this meeting to order.

1. **Consent Agenda**

Chair Pastor said we have the Consent Agenda items, Items 1A all the way all the way to 1D. Does anybody want to pull any of the Consent Items Agenda to discuss? If not, can I have a motion?

Motion by Councilmember Garlid, second by Vice Mayor Heredia.

Any discussion? No discussion. All those in favor, please say aye. Those that oppose? The ayes take it.

IT WAS MOVED BY COUNCILMEMBER GARLID, SECONDED BY VICE MAYOR HEREDIA, AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 1A-1D.

2. **Report on Current Events and Suggested Future Agenda Items**

Chair Pastor said anybody have a reporter on current events and suggested future items, agenda items? I hear none.



3. Next Meeting

The next meeting of the Board is scheduled for Thursday, January 18, 2024, at 11:15 a.m.

The meeting was adjourned.

Without further discussion, the meeting was adjourned at 1:28 p.m.



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1B**SUBJECT**

Federal Transit Administration Pass-Through Grant Agreements

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute Intergovernmental Agreements (IGAs) with the City of Phoenix to allow Valley Metro to be reimbursed for eligible activities.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute IGAs with the City of Phoenix for the listed grants.

BACKGROUND | DISCUSSION | CONSIDERATION

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

Grant	FTA Program	Federal share	Regional Share	Local Share	Total
TBD	CMAQ - CAPEX	\$771,527	\$192,882	\$0	\$964,409
TBD	CMAQ - Operations and Maintenance Center	\$2,792,931	\$168,820	\$0	\$2,961,751
Total		\$3,564,458	\$361,702		\$3,926,160

- Funds from the Congestion Mitigation and Air Quality (CMAQ) program are awarded for reimbursement of CAPEX project costs.
- Funds from the CMAQ program are awarded for reimbursement of Operations and Maintenance Center project costs.

The City of Phoenix is the designated recipient for 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.

**COST AND BUDGET**

All expenses are in the approved FY24 Adopted Operating and Capital Budget and 5-Year Capital Program. The grant funds will offset expenses, reducing the net cost to the Public Transportation Funds and the member agency budgets.

COMMITTEE PROCESS

RTAG: December 19, 2023 for information

RMC: January 3, 2024 approved

AFS: January 4, 2024

Board of Directors: January 18, 2024 for action

CONTACT

Ken Kessler

Chief Financial Officer

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ATTACHMENT

None

Information Summary

DATE

January 11, 2024

AGENDA ITEM 1C**SUBJECT**

SCADA Five-Year Support Contract

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute a sole source contract with B&C Transit, Inc for a five-year software and hardware support agreement for the Rail Supervisory Control and Data Acquisition (SCADA) system for an amount not to exceed \$768,333.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the Chief Executive Officer (CEO) to execute a sole source contract with B&C Transit, Inc for a five-year hardware and software maintenance support agreement for the Rail Supervisory Control and Data Acquisition (SCADA) system for an amount not to exceed \$768,333.

BACKGROUND | DISCUSSION | CONSIDERATION

B&C Transit, Inc is the original contractor that installed the SCADA system at the Rail Operations and Control Center (OCC). This system is for train control, train tracking and dispatch services. Valley Metro requires software and hardware support from B&C Transit for the upgraded SCADA system currently in place at the OCC. The SCADA system is used by Operations staff to monitor, direct, and control all movements of revenue (passenger) vehicles and non-revenue (maintenance, event, and supervisory) vehicles involved in LRT service.

The software support contract will allow Valley Metro to maintain the SCADA system and provide reliable service to Valley Metro customers. These services will address software enhancements, and delivery and installation of all software updates to maintain the software at the current release level.

Valley Metro negotiated a five-year fixed fee agreement with B&C that includes services for remote telephone and onsite support services. The contract also provides for emergency and after hour services. Due to the proprietary nature of the software and hardware, there is no other vendor that can supply the maintenance support besides B&C.



COST AND BUDGET

The cost for a five-year software and hardware support agreement for the SCADA system is an amount not to exceed \$768,333. This is not a federally funded procurement.

The cost for the hardware and software maintenance support agreement is included in the Valley Metro Rail Proposed FY 2024 Operating and Capital Budget. Contract obligations beyond FY2024 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2024 thru FY2028).

The source of funding is from member cities.

COMMITTEE PROCESS

RTAG: December 19, 2023, for information

RMC: January 3, 2024, approved

Board of Directors: January 18, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

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ATTACHMENTS

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 1D**SUBJECT**

Business Assistance Consultants Contract Extensions

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to exercise the final two, one-year options with Altima Business Solutions; AZ Builders Exchange – BEX; Elaman 1234.com, LLC; GCI; and The Idea Gardener for business consulting services as part of the Valley Metro Business Assistance Program. No additional contract value required.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to exercise the final two, one-year options with Altima Business Solutions; AZ Builders Exchange – BEX; Elaman 1234.com, LLC; GCI; and The Idea Gardener for business consulting services as part of the Valley Metro Business Assistance Program. No additional contract value required.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro, alongside its city partners, is committed to working closely with businesses along light rail construction corridors to offer business assistance programs that give business owners and managers useful tools, information and programs to thrive throughout the construction phase.

The Valley Metro “Our Community” Business Assistance Program leverages best practices from previous light rail extensions and is tailored to the unique business needs of the community along the light rail construction corridor. The program includes a business consulting component that offers professional assessment and consultation for a variety of business needs, at no cost to the stakeholder business, including marketing and social media assistance, accounting and financial planning and general business best practices and business systems.

Valley Metro utilizes the Business Assistance Consultants to administer the business consulting portion of the overall Business Assistance Program. As an example, a business along the current South Central Extension/Downtown Hub construction corridor expresses interest in this program to their assigned Valley Metro Business Assistance Coordinator. The business would first undergo an assessment to understand their business need(s) and where the business consulting services can best assist. A plan would then be developed and services can range from developing a business’ e-commerce website to helping them set-up or refine their Point of Sale/merchant system

to developing an employee recruitment or retention program, all depending on the business' specific need(s).

In late 2020, Valley Metro conducted a competitive solicitation process and, with Board action, awarded to seven Business Assistance Consultants in January 2021. Awards were made to the following firms in the following categories:

Accounting and Finance Services	General Business Services	Human Resources Services	Marketing and Advertising Services	Website Development/ SEO/Online Presence Services
Altima Business Solutions	Altima Business Solutions	AZ Builders Exchange – BEX	AZ Builders Exchange – BEX	AZ Builders Exchange – BEX
AZ Builders Exchange – BEX	AZ Builders Exchange – BEX	<i>Central Creative*</i>	<i>Central Creative*</i>	<i>Central Creative*</i>
<i>Central Creative*</i>	<i>Central Creative*</i>	Elaman1234.com, LLC	<i>CO+HOOTS*</i>	<i>CO+HOOTS*</i>
<i>CO+HOOTS*</i>	<i>CO+HOOTS*</i>		GCI	GCI
The Idea Gardener	Elaman1234.com, LLC		The Idea Gardener	The Idea Gardener
	The Idea Gardener			

**As the program progressed, two consultants, Central Creative and CO+HOOTS, declined to participate, noting the type of work and budgets did not align with their business plans.*

As specific business needs are identified, task orders are issued as follows:

- Valley Metro matches specific task orders with the appropriate consultants based on specific expertise, workload, and availability.
- Valley Metro prepares a scope of work and issues a task order request.
- The consultant prepares a proposal and cost.
- Final negotiations occur and the task order is initiated.
- If price negotiations are not successful, Valley Metro reserves the right to solicit the other firms on contract.

Since the program initiated in 2021, more than **80** business consulting projects have been provided to businesses along the South Central Extension/Downtown Hub (SCEDH) light rail project as noted below:



Accounting/ Finance	General Business	Human Resources	Marketing/ Advertising	Website/SEO/ Online
17	9	2	26	28

This program was also available to businesses along the Northwest Extension Phase II project; however, with the project opening in early 2024, this Board action is relative to the SCEDH corridor, with construction continuing into 2025.

COST AND BUDGET

No additional funds required. The current contract value of \$1,350,000, approved with the original Board action in January 2021, is sufficient to support the program through the life of the SCEDH project, anticipated to open in mid-2025. Thus far, expenditures have totaled nearly \$165,000 across the five active contracts, with several projects underway and anticipated across FY24 and FY25.

The source of funding is project-related from the SCEDH capital budget, which is funded by the City of Phoenix, Public Transportation Fund and federal funds.

COMMITTEE PROCESS

RTAG: December 19, 2023 for information

RMC: January 3, 2024 approved

Board of Directors: January 18, 2024 for action

CONTACT

Hillary Foose

Director, Communications & Strategic Initiatives

602-322-4468

hfoose@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

January 11, 2024

AGENDA ITEM 2**SUBJECT**

Valley Metro Rail Fiscal Year 2024 (FY24) Mid-Year Budget Adjustment

PURPOSE

To request approval of the Mid-Year Budget Adjustment update to the Valley Metro Rail Capital Budget for FY24.

RECOMMENDATION

Staff recommends that the Board of Directors approve the Mid-Year Budget Adjustment update to the Valley Metro Rail Capital Budget for FY24.

BACKGROUND | DISCUSSION | CONSIDERATION

In June of 2023, the Board approved the FY24 Operating and Capital Budget. The cost factors used to develop the budget have changed and adjustments are warranted to update the expenditures planned for the remainder of the fiscal year. Adjustments are being requested only on the capital budget.

Annual expenditures will increase for five capital projects in FY24 due to timing of scheduled work. Total project costs for all five remain within the overall project budgets.

Future Projects Development work focused around the preliminary engineering work for the I-10 West Extension has been delayed based on ongoing discussions with regional stakeholders. Costs for the remainder of the year will be much less than planned.

Project increases for the South Central Extension/Downtown Hub are primarily for construction contractor increases related to: settling previously unreconciled changes and completion of the added 3rd Ave. loop work, updated cash flow forecast from the contractor.

The adjustment for Northwest Extension Phase II is a result of settling previously unreconciled changes and cash flow forecast from the contractor.

The upward adjustment for Tempe Streetcar is due to the timing of vehicle milestone payments for the new fleet, along with spare parts.

The adjustment for Gilbert Road and Systemwide Improvements is due to timing of payments for revenue vehicles.

COST AND BUDGET

Changes proposed are incorporated into overall agency sources and uses of funds below:

Capital Activities:

Budget Item	Description	Increase (Decrease) Amt	Funding Source
Future Project Development	Preliminary engineering work on the I-10 West Extension delayed.	\$ (5,738,000)	PTF Federal Member Cities
South Central	No change to total project budget. FY24 annual costs increased due to timing of scheduled work along with programmed payments for revenue vehicles and CNPAs.	\$ 61,455,000	PTF Federal City of Phoenix
Northwest Ext II	No change to total project budget. FY24 annual costs increased due to timing of scheduled work.	\$ 2,520,000	Federal City of Phoenix
Tempe Streetcar	No change to total project budget. FY24 annual costs increased due to timing of scheduled work along with programmed payments for revenue vehicles and spare	\$ 3,400,000	PTF Federal
Gilbert Road	No change to total project budget. FY24 annual costs increased due to timing of programmed payments for revenue vehicles.	\$ 1,007,000	Federal City of Mesa
Systemwide Improvements	FY24 annual costs increased due to timing of programmed payments for revenue vehicles.	\$ 2,689,000	PTF Federal
Capital Total:		\$ 65,333,000	

SOURCES OF FUNDS (\$000,000)

Capital Revenues

Sources of Funds	FY24	FY24 Amended	Change \$	Change %
Federal Funds	121.3	148.4	27.1	22%
MAG Funds	0.5	0.5	0.0	0%
Member City Contributions	147.3	181.6	34.4	23%
Public Transportation Funds	70.4	74.3	3.8	5%
Regional Area Road Funds	0.5	0.5	0.0	0%
Total Capital Sources	\$340.0	\$405.4	\$65.3	19%

USES OF FUNDS (\$000,000)

Capital Expenditures

Uses of Funds	FY24	FY24 Amended	Change \$	Change %
Future Project Development	\$19.1	\$13.4	(\$5.7)	-30%
South Central Extension/Downtown Hub	\$224.1	\$285.6	\$61.5	27%
Northwest Extension Phase II	55.9	58.4	2.5	5%
Tempe Streetcar	0.1	3.5	3.4	3400%
Capitol Extension	12.9	12.9	0.0	0%
Gilbert Road Extension	1.3	2.3	1.0	77%
Systemwide Improvements	9.4	12.1	2.7	29%
State of Good Repair	17.2	17.2	0.0	0%
Total Capital Uses	\$340.0	\$405.4	\$65.3	19%

COMMITTEE PROCESS

Financial Working Group: December 19, 2023 for information

RTAG: December 19, 2023 for information

RMC: January 3, 2024 - this item was presented for information, consensus was reached to forward to the Board for action.

AFS: January 4, 2024 for information

Board of Directors: January 19, 2024 for action

CONTACT

Ken Kessler

Chief Financial Officer

(602) 523-6043

kkessler@valleymetro.org

ATTACHMENTS

None



1

Changes – Capital Activities

Budget Item	Description	Increase (Decrease) Amt	Funding Source
Future Project Development	Preliminary engineering work on the I-10 West Extension delayed.	\$ (5,738,000)	PTF Federal Member Cities
South Central	No change to total project budget. FY24 annual costs increased due to timing of scheduled work along with programmed payments for revenue vehicles and CNPAs.	\$ 61,455,000	PTF Federal City of Phoenix
Northwest Ext II	No change to total project budget. FY24 annual costs increased due to timing of scheduled work.	\$ 2,520,000	Federal City of Phoenix

2

2

Changes – Capital Activities

Budget Item	Description	Increase (Decrease) Amt	Funding Source
Tempe Streetcar	No change to total project budget. FY24 annual costs increased due to timing of scheduled work along with programmed payments for revenue vehicles and spare parts.	\$ 3,400,000	PTF Federal
Gilbert Road	No change to total project budget. FY24 annual costs increased due to timing of programmed payments for revenue vehicles.	\$ 1,007,000	Federal City of Mesa
Systemwide Improvements	FY24 annual costs increased due to timing of programmed payments for revenue vehicles.	\$ 2,689,000	PTF Federal
Capital Total:		\$ 65,333,000	

3



3

Sources of Funds - Capital (\$000,000)

Sources of Funds	FY24	FY24 Amended	Change \$	Change %
Federal Funds	121.3	148.4	27.1	22%
MAG Funds	0.5	0.5	0.0	0%
Member City Contributions	147.3	181.6	34.4	23%
Public Transportation Funds	70.4	74.3	3.8	5%
Regional Area Road Funds	0.5	0.5	0.0	0%
Total Capital Sources	\$340.0	\$405.4	\$65.3	19%

4



4

Uses of Funds - Capital (\$000,000)

Uses of Funds	FY24	FY24 Amended	Change \$	Change %
Future Project Development	\$19.1	\$13.4	(\$5.7)	-30%
South Central Extension/Downtown Hub	\$224.1	\$285.6	\$61.5	27%
Northwest Extension Phase II	55.9	58.4	2.5	5%
Tempe Streetcar	0.1	3.5	3.4	3400%
Capitol Extension	12.9	12.9	0.0	0%
Gilbert Road Extension	1.3	2.3	1.0	77%
Systemwide Improvements	9.4	12.1	2.7	29%
State of Good Repair	17.2	17.2	0.0	0%
Total Capital Uses	\$340.0	\$405.4	\$65.3	19%

5



5

Recommendation

Staff recommends that the Board of Directors approve the Mid-Year Budget Adjustment update to the Valley Metro Rail Capital Budget for FY24.

6



6

Information Summary

DATE

January 11, 2024

AGENDA ITEM 3**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

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
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ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date