Meetings of
BOARDS OF DIRECTORS

Joint Boards of Directors

Date:
January 22, 2026

Starting Time:
11:15 a.m.

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

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

Agenda

January 15, 2026

Joint Meeting Agenda
Valley Metro RPTA
And
Valley Metro Rail
Thursday, January 22, 2026
Valley Metro, 101 N. 1st Avenue, 10th Floor
Boardroom/You Tube
11:15 a.m.

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

CONSENT AGENDA

3A. Minutes	3A. For action
Minutes from the November 13, 2025 Joint Board meeting are presented for approval.	
3B. Federal Transit Administration Pass-Through Grant Agreement – Section 5310	3B. For action
Staff recommends that the Boards of Directors authorize the Chief Executive Officer to execute an IGA change order with the City of Phoenix for the listed grant(s).	

3C. Federal Transit Administration Pass-Through Grant Agreements – Extensions — 3C. For action

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

REGULAR AGENDA

4. Annual Federal Public Transportation Agenda and 2026 Reauthorization Priorities — 4. For action

Staff recommends that the Boards of Directors approve the annual Federal Public Transportation Agenda and 2026 Surface Transportation Reauthorization Priorities.

5. Executive Recruitment Search Firm Contract Award — 5. For action

Staff recommends that the Boards of Directors authorize the Chief Executive Officer to enter into a cooperative contract with Krauthamer & Associates, LLC, for executive and scarce skill recruitment services, that expires on October 12, 2026, with one one-year option to extend. The aggregate value of the contract will not exceed $250,000.

6. Fare Study Update — 6. For information

In October 2025, a Study Session was held with the Joint Boards of Directors to provide results from the Fare Study and seek Board guidance on proposed fare strategy options. During that session, the Joint Boards requested additional information across a variety of topics. This item is provided as a response to those requests.

7. Travel and Expenditures — 7. For information

The monthly travel and expenditures 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 Adams 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 Joint Boards is scheduled for **Thursday, February 19, 2026 at 11:15 a.m.**	

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats are available upon request. For further information, please call Valley Metro at 602-262-7433. Meeting information can be found by using this link www.valleymetro.org.

Executive Summary

DATE
January 15, 2026

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.

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

CONTACT
Jessica Mefford-Miller
Jmeffordmiller@valleymetro.org

ATTACHMENT
None

Executive Summary

DATE
January 15, 2026

AGENDA ITEM 2

SUBJECT
Chief Executive Officer’s Report

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
This item is presented for information only.

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

ATTACHMENT
None

Meeting Minutes

January 15, 2026 **AGENDA ITEM 3A**

Joint Boards of Directors
Thursday, November 13, 2025
Boardroom/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants
City of Tempe, Councilmember Jennifer Adams **(Chair)**
City of Avondale, Councilmember Max White **(Vice Chair)** (phone)
City of Phoenix, Councilmember Laura Pastor **(Treasurer)** (phone)
City of Buckeye, Councilmember Jamaine Berry (phone)
City of Chandler, Councilmember OD Harris (phone)
City of Glendale, Vice Mayor Lauren Tolmachoff
City of Goodyear, Vice Mayor Wally Campbell (phone)
City of Mesa, Councilmember Francisco Heredia (phone)
City of Peoria, Councilmember Jon Edwards (phone)
Town of Queen Creek, Councilmember Bryan McClure (phone)
City of Scottsdale, Councilmember Maryann McAllen
City of Surprise, Councilmember Earle Greenberg (phone)
Town of Wickenburg, Mayor BG Bratcher (phone)
Town of Youngtown, Mayor Michael LeVault (phone)

RPTA Members not Present
City of El Mirage, Councilmember Monica Dorcey
Town of Fountain Hills, Councilmember Peggy McMahon
Town of Gilbert, Councilmember Kenny Buckland
Maricopa County, Supervisor Steve Gallardo
City of Tolleson, Vice Mayor Jimmy Davis

Valley Metro Rail Board Members
City of Phoenix, Councilmember Laura Pastor **(Chair)** (phone)
City of Tempe, Councilmember Jennifer Adams **(Vice Chair)**
City of Mesa, Councilmember Francisco Heredia (phone)

The Chair called the meeting to order at 11:16 a.m. and asked Pat to call the roll.

Roll call by Pat Dillon.
City of Avondale, Councilmember Maxine White? Present.
City of Buckeye, Councilmember Jamaine Berry? Present.
City of Chandler, Councilmember OD Harris?
City of El Mirage, Councilmember Monica Dorsey?

Town of Fountain Hills, Councilmember Peggy McMahon?
Town of Gilbert, Councilmember Kenny Buckland?
City of Glendale, Vice Mayor Lauren Tolmachoff? Here.
City of Goodyear, Vice Mayor Wally Campbell?
Maricopa County Supervisor, Steve Gallardo? Present.
City of Mesa, Councilmember Francisco Heredia?
City of Peoria, Councilmember Jon Edwards? Present.
City of Phoenix, Councilmember Laura Pastor? Present.
Town of Queen Creek, Councilmember Bryan McClure? Here.
City of Scottsdale, Councilmember Mary Ann McAllen?
City of Surprise, Councilmember Earle Greenberg? Here.
City of Tempe, Councilmember Jennifer Adams? Here.
City of Tolleson, Vice Mayor Jimmy Davis?
Town of Wickenburg, Mayor B.G. Bratcher? Present.
Town of Youngtown, Mayor Michael LeVault? Present

Ms. Dillon said Chair, we do have 10 participants and we can proceed.

Chair Adams said Thank you. If a committee member would like to ask a question or make a comment during the meeting, please type your comment in the box and it will be read aloud and answered. All meeting attendees, please mute your computer, microphone, or phone.

1. Public Comment

Chair Adams said item one on our agenda is public comments.

The public will be provided an opportunity at this time to address the committees on non-agenda items and all action 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. Do we have any speakers today?

Ms. Dillon said yes, ma'am. Mr. Kevin James.

Chair Adams said come on up. Hello, Mr. James.

Mr. James said hello, thank you for the opportunity to speak today. The first thing I'd like to do is to relay that the first time we came here I had a group of about five people with me. And they had had some problems and then they had yelled at somebody in the Governor's office, the two U.S. Senator's office and I suggested we come here and address this body.

The responses from them range from open hostility to, oh, that's so cute, the Seattle liberal thinks it can make a difference. They're all singing a different tune today. And, in fact, one of them is on an advisory body in Peoria.

So your actions made a positive difference. And there's five, six people that don't think government sucks anymore. So thank you for that.

The other thing I'd like to address is the fare reduction for disabled people on express buses. It's my understanding -- well, the first time I rode a Valley Metro bus, I was there for the first time with a gentleman that was there also for the first time. He was dressed up right out of GQ except for the wheelchair. And he showed him his pass and he was unable to get the reduced fare because it was an express bus. And something then just kind of felt like this isn't quite right. And at the last meeting when you were discussing your fare structure and revisions, I had that same feeling, something just not right.

And I'm all for the Veterans reduced fare. That's great. But there are a lot more Veterans that make more money after their service than there are people who make more money after their disability. So thank you very much for the opportunity.

Chair Adams said thank you, Mr. James. Are there any other speakers that want to come forward right now?

Ms. Dillon said no, ma'am.

2. <u>Chief Executive Officer's Report</u>

Chair Adams said next is the Chief Executive Officer's Report. Jessica.

Ms. Mefford-Miller said good morning. Thank you, Madam Chair, members of the board. I do have a number of items that we would like to provide you with an update on today.

A key theme for this morning is going to be opportunities for Valley Metro is out engaging with the community, in some cases, engaging alongside our board members.

First, a note on our service performance. We are fortunate that our ridership continues to grow. We are continuing to experience double-digit ridership growth across all modes. This has been boosted by the opening of the South Central Extension. We're now five months into operation of that corridor, but we're seeing ridership across the entire system. At last, our express and rapid routes across the Valley are growing significantly. The lion's share of the ridership growth is actually driven by our primary arterial routes across the bus system, and this includes in all markets. That's West Valley, Central Phoenix, and East Valley. So year over year, relative to 2024, we have seen a 20 percent increase in ridership. We're very excited about that.

Speaking of the bus network, we are now one month into public engagement on the bus network redesign, which we call Your Voice, Your Ride. We have been working to visit with members of the public in their community at pop-up events, at scheduled public meetings. We also have a very significant online presence with information on the website, plus virtual events. We still have about 20 events remaining, and to date we've received now nearly 3,000 different comments from the community. We are collecting input through November 30th.

In this first wave of engagement, we are introducing the concept of a bus network redesign to the public, and we're having conversations with them about what is working, what isn't working for them on our current bus network.

We'll take that, along with the analysis we've been doing behind the scenes, and use that to craft draft strategies for enhancing service and making modifications to the bus network so that we can do a better job of getting people to the places they need to go when they need to get there in a time that is competitive.

The engagement on this process is iterative. We'll come up with plans, we'll share them with the public, we'll get their input, and then we'll go back to the drawing board and modify. Ultimately culminating in a bus network redesign plan later in 2026.

Our Commute Solutions team is also out working to educate and familiarize the public with using our services. We have many different audiences that we engage with on how to navigate the bus and the train, including students. We have a school outreach program. We also have a refugee training program where we are welcoming people who are new to our country and who are some of our most vulnerable neighbors and orienting them with how to actually navigate the Valley Metro Transit system. So kudos to the team for conducting these events.

Earlier this month, we celebrated the 38th, hard to believe, 38th now annual Clean Air Campaign Awards. This really celebrates the Commute Solutions portion of the Valley Metro operation, where we are our region's vanpool administrator, we are our carpool administrator, and our ride share program. We celebrate those clean air champions, including coordinators who work at employer job sites throughout the region, commuters who are biking, walking, and carpooling to work. Thank you to Chair Adams for providing remarks on that day about the future of Valley Metro. Also thank you to Mayor Bratcher, Vice Mayor Tolmachoff, and Councilmembers Pastor, Harris, McCallen, and Berry for joining us on that day. It was a lovely event.

Last Friday, the American Council on Engineering Companies came together for the Southwest region here in Arizona. At this event, they recognized a number of different infrastructure projects across Arizona. We are so fortunate that the South Central Extension, though it's still brand new, five months in, was recognized with the Grand Award, the Judges' Choice Award, and my favorite, the People's Choice Award, where participants vote on their favorite project in Arizona over the course of the year. The Northwest Extension Phase II also won an award for collaboration and partnerships. That references the collaborative delivery process between Valley Metro, City of Phoenix, and Kiewit-McCarthy Joint Venture that allowed us to deliver Northwest Phase II ahead of schedule and under budget.

Congratulations. Job well done to the teams who helped deliver that project, including Valley Metro and our contract partners.

I hope this week you have seen positive news in the media regarding our security communication campaign. Several months ago, we came to this board with an update on some of the great advances that we're having in security and the results that we're seeing. We did conduct a pulse survey. This is a repeat of a survey that we did in late 2022, early 2023, asking our customers how they feel about security across the system.

We also asked them specific questions on presence and what kind of behaviors they see that they don't want to experience, what kind of presence and assistance are they not receiving that they do want to see. And we are so encouraged that more than 80 percent of respondents indicate that they feel very safe on the system and the overwhelming majority, 82 percent, of Valley Metro customers are very likely to recommend our service to others. And that, we call it a net promoter score. Across any industry or business, having a net promoter score above 80 percent is just fantastic.

So we have taken to sharing our story. Now, outside of Valley Metro, we issued a news release last week. We have done a number of media engagements and interviews over the course of the week. You received an email last week from Hillary Foose, our Chief of Marketing and Communications, with content that you might wish to share. Thank you to some of our member cities, including Phoenix, who is promoting this using their channels. We encourage you to do the same. It's good news. We don't often get to share statistics like having a more than 50 percent reduction in incidents across the system, a 40 percent increase in security presence on light rail. And I'm delighted at that 82 percent net promoter score, and I look forward to seeing that continue to grow into the future.

Well done to Adrienne Ruiz, our Chief of Safety and Security, her team, but also to our police partners from each of our member communities who are working with us. We have a limited force. We've got a tiny but mighty security team. We have customer experience coordinators and Intercom security guards who work across light rail and streetcar, but beyond those boundaries, we're really relying on the support and engagement of our law enforcement partners. And with programs like Operation Blue Ride, we've seen tremendous progress. So thank you, Adrian.

Continuing on the theme of engaging with our partners, yesterday we had the pleasure, together with Downtown Phoenix Incorporated and Red Development, the City of Phoenix, and several social service providers, we officially cut the ribbon on the Downtown Community Resource Hub. This is a place where we have social services teams, City of Phoenix police, Valley Metro security, customer experience coordinators, and Valley Metro customer service agents actually stationed at this location to provide information and support to our customers.

This is also a point or a rallying point, if you will, where these teams who work together across the system from different entities can come together and collaborate. The effect has been palpable. The downtown guides, the customer experience coordinators, and those Intercom security guards are present and visible everywhere throughout downtown Phoenix and across the system. And they're contributing to creating a safe and secure environment.

Also in the vein of engaging the community, just yesterday, we kicked off the next phase of engagement on the Capital Extension Light Rail Project. We are continuing stakeholder meetings, public meetings. We've got another public meeting tonight, one again on Saturday. We also always conduct virtual meetings. We're continuing one-to-one and small group meetings with key stakeholders in the corridor as well. We anticipate continuing this phase of engagement through late January of 2026.

That concludes my report. I do want to remind the board that we will not have a formal board meeting in December. We would come back together on January 22nd. As always, please do reach out to staff or me if we can assist in any way during that time.

That concludes my report, Madam Chair. Thank you.

Councilmember Harris said Madam Chair?

Chair Adams said yes. Go ahead.

Councilmember Harris said this is O.D. great presentation, Jessica. Just wanted to ask, is it possible that with some of the ribbon-cutting that is happening that board members can be minimally invited to or be made aware of? If they're already doing it, thank you for continually to do that. But also, if they're not sending it out to all the board members, can we make sure that they're minimally getting that request in so we'll know what's going on? And we'll know when you're out there -- when we're out there to help promote, because I just kind of want to see a little bit more of that level of engagement to all the board members. Hey, we're doing this ribbon cutting. Any of the board members that does come, hey, feel free to come.

And then if they're acknowledged there, that's great, because they're all elected officials. It also furthers our work that we're doing at Valley Metro and the work that you're carrying for us, Jessica. But just kind of wanted to put that out there and see if we can continue to work on putting out information like that so the board members can be a little bit more involved as well.

Ms. Mefford-Miller said thank you, Councilmember Harris, for that suggestion. Great suggestion. We will ensure that all Valley Metro RPTA board members are aware of all of the community events, especially those ribbon cuttings and celebratory moments. Thank you.

Councilmember Harris said because I think they will probably want to come to some of that, especially if they're in that area. They probably would want to come if they were invited to come or are made aware that that's going to be happening. So just put it out there. But thank you.

Chair Adams said thank you, Councilmember Harris. Are there any other people that want to comment out there? Seeing none.

3. Audit and Finance Subcommittee Update

Chair Adams said we'll move on to Item three, Audit and Finance Subcommittee update. Vice Chair White, could you please provide an update on the board on items discussed at the October AFS meeting?

Vice Chair White said good afternoon. Thank you so much. I am giving this report from my vehicle. I am pulled over. But the Audit and Finance Subcommittee met on Thursday, November 6th at noon.

We received an update from our Chief Financial Officer, Mr. Kessler. The Public Transportation Fund Revenue Report was presented to us through October. And this year we are just about 4 percent – I'm sorry, we're just under about 4 percent over the prior year. And a little less than 3 percent under budget for the year through October. So continue to monitor these revenues. And then as the new tax goes into place later in the fiscal year, we'll monitor that against the projections in our budget as we go forward.

We approved our minutes from the October 2nd meeting. And then we also had an FY26 1st Quarter budget review.

Mr. Tyler Olson, our Budget and Operations Financial Controls Manager. He presented that for RPTA. The total operating expenses, 22 percent spend on the operating budget. All areas of operating budget are well within the 25 percent target. For Valley Metro Rail, 17 percent of the operating sources have been collected to date. Operating expenses are within plan at 23 percent. Overall, the capital and operating are within plan.

Item number five, we received the Vehicle Disposal Process Audit report from Larry Kondrat, our Internal Audit Manager. The audit was presented for approval. It was determined that Valley Metro has effective controls in place to ensure that policies and procedures are effective and comprehensive. Disposal decisions are timely and based on comprehensive support and methodology, and the disposal records are complete and accurate. There were no findings or recommendations associated with this audit.

We did conduct an executive sessions, and that was tied to a review of our audit. At that moment, we did approve that audit in the public meeting. We voted to accept that additional audit.

We had an internal audit update from Mr. Kondrat, our Audit Manager. Three audits have been completed, three audits are in progress, and there are 13 audit recommendations in progress as well.

I encourage everyone to take a look at the Audit and Finance Subcommittee packet. The Intergovernmental Agreements contract change order, Amendments and awards were in detail in that packet. And that way, if there are any questions, you can forward those to Valley Metro through your staff and have any connections or questions answered that way.

Our next Audit and Finance Subcommittee meeting is scheduled for Thursday, January 8th at 12 p.m., and we wish everyone a happy holiday season. That will conclude my report, Madam Chair.

Chair Adams said thank you so much, Max. Do we have any comments regarding Councilmember White's report? Going once, going twice? Okay.

4. <u>Consent Agenda</u>

Chair Adams said the next item, the Consent Agenda. The Consent Agenda is presented for action. Does the Committee have any questions, or are there any items that need to be pulled for separate discussion? I request a motion and a second to approve Consent Agenda items 3A through 3F.

IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY COUNCILMEMBER HARRIS AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 3A THROUGH 3F.

5. <u>Wayfinding Map Design Services Contract Award</u>

Chair Adams said item five, Wayfinding Map Design Services Contract Award. Jessica, would you like to introduce this item?

Ms. Mefford-Miller said I would. Thank you, Madam Chair, members of the Board. The contract before you is for an award for Wayfinding Map Services. I do want to distinguish that these are our wayfinding maps, things like our system maps that demonstrate the location of routes throughout the entire system. So it's a different product than what we would produce using geographic information systems or analysis. It actually uses those GIS maps and creates a graphic product that is easily translatable to the public.

So this is an award to continue producing this contract, and the award is being suggested by ConnectPoint Incorporated with a five-year term. Are there any questions on this item?

Chair Adams said are there any questions from the Committee? Seeing none. I request a motion and a second to approve the recommendation as presented on the screen.

IT WAS MOVED BY VICE MAYOR TOLMACHOFF, SECONDED BY COUNCILMEMBER MCALLEN AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO ENTER INTO A CONTRACT WITH CONNECTPOINT, INC., FOR WAYFINDING MAP DESIGN SERVICES, FOR A FIVE-YEAR TERM WITH NO OPTIONS TO EXTEND. THE AGGREGATE VALUE OF THE CONTRACT WILL NOT EXCEED $1,200,000.

6. Operations Cleaning Services Contract Amendment

Chair Adams said item number six, Operations Cleaning Services Contract Amendment. Jessica will now introduce item six.

Ms. Mefford-Miller said thank you, Madam Chair, members of the board. I'll cover this item. The item before you requests an extension of our current operations and cleaning services contract award for a period of six months. The current contract expires December 31st, 2005. We're requesting extending that six months to June 30th, 2026, to allow an ongoing procurement to take place that would replace this contract.

This item provides cleaning services to our operating facilities as well as our light rail and streetcar vehicles. May I answer any questions on this item?

Chair Adams said I don't see anyone with their hands up. So I request a motion and a second to approve the recommendation as presented on the screen.

IT WAS MOVED BY VICE MAYOR TOLMACHOFF, SECOND BY VICE MAYOR CAMPBELL AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT AMENDMENT WITH DMS FACILITY SERVICES, LLC, TO EXTEND THE CONTRACT THROUGH JUNE 30, 2026, AND INCREASE THE AGGREGATE VALUE OF THE CONTRACT NOT TO EXCEED $25,084,794.

7. Landscape Services and Paver Maintenance Contract Award

Chair Adams said item seven, Landscape Services Contract Amendment. Jessica will now introduce item 7.

Ms. Mefford-Miller said I'm going to take this item again and then hopefully, I'll be done for a little while.

The item before you this morning, Madam Chair and members of the board is an award of a new landscape services and paver maintenance contract. This is going before the joint board. While a lot of the work does occur on the rail system, it also includes our bus operations and maintenance facilities. This is a competitive contract for a three-year base contract with two option years for a not to exceed amount of $3,062,000.

The firm selected from that competitive process, which did include member city staff on the procurement, as most of our procurements do, resulted in selection of, again, the existing vendor, which is Mariposa Landscape Arizona Incorporated.

May I answer any questions on this contract?

Chair Adams said seeing none. I request a motion and a second to approve the recommendation as presented on the screen.

IT WAS MOVED BY COUNCILMEMBER MCCLURE, SECONDED BY COUNCILMEMBER GREENBERG AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO ENTER INTO A CONTRACT WITH MARIPOSA LANDSCAPE ARIZONA, INC., FOR LANDSCAPE SERVICES AND PAVER MAINTENANCE WITH A THREE-YEAR INITIAL TERM AND ONE TWO-YEAR OPTION TO EXTEND. THE AGGREGATE VALUE OF THE CONTRACT WILL NOT EXCEED $3,212,000.

8. Annual Insurance Coverage Renewal

Chair Adams said item eight, Jessica, you thought you were done. Jessica will introduce item 8.

Ms. Mefford-Miller said sure. We come up with a joint board each year in November, typically for our annual insurance renewal. You have received new information in your packet. I think now two days old. We get new quotes as our insurance expires. And so Michael Wawro, our Chief Legal Officer who has been working with our broker diligently to try and find the optimal rates for us. We'll provide an update.

Mr. Wawro said thank you. Chair, board members.

Really two factors that we look at for insurance this year. The market for transit liability continues to rise each year. That's no surprise to anyone here. And also, our growth drives what our insurance rates are. And that's the main driver this year. In -- in the last year, Valley Metro's exposures, that's insurance talk for our growth. We grew over 25 percent. In terms of people, programs, and property for the -- for the agency.

To give you a little context over the past six years, we have an average of a yearly average of 23 percent increase in insurance year-over-year. Last year we had a seven percent increase year-over-year for our insurance. This year in the most recent -- in the most recent information that we were able to provide the board just the other day, we have a three percent increase year-over-year for insurance premiums.

The only -- the only significant change that we are recommending in terms of our coverage is that we take the self-insured retention that we have for our excess liability line. And so in, in common terms, that's our deductible. The amount that we have to pay before insurance kicks in. We are recommending that as part of the package that that line moves up from a $750,000 deductible up to a $1 million deductible. It still puts us quite lower than the rest of the industry, but it gives us that data pricing that we're looking for in the premiums for -- for this year and why we're able to hold steady there.

We do still have -- I mean, from what you see why we give you the updates up until the last minute is we have a volatile market out there for insurance. We have a volatile market out there for insurance. Our broker will still continue to negotiate with the insurance providers up until the end of the month when our policies expire and start again on December 1st. And if we get better rates, we'll go ahead and lock those in as well. That's why we have the amounts presented to the board today is not to exceed amounts.

Over the next year I think one of the things that we need to do as an agency is to start to future proof where we're going with some of our insurance rates. And so, with our members help I'd like to hold meetings throughout the year where we can talk about whether we go into options like co-ops, captive insurance, changing our SIRs. So that we're better positioned to be able to hold steady and give you the best value on the -- on what is a really, turbulent market right now. And so with that, I'm happy to take any questions and we'll have a recommendation up here on the screen.

Chair Adams said do we have any questions for Michael? I request a motion and a second to approve the recommendations as presented on the screen.

IT WAS MOVED BY VICE MAYOR TOLMACHOFF, SECONDED BY COUNCILMEMBER MCALLEN AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO PURCHASE RENEWAL COVERAGE FOR VALLEY METRO'S INSURANCE POLICY NEEDS FOR DECEMBER 1, 2025, TO NOVEMBER 30, 2026, IN AN AMOUNT NOT TO EXCEED $7,372,788. RPTA'S OBLIGATION WILL NOT EXCEED $473,978. VMR'S OBLIGATION WILL NOT EXCEED $6,898,810.

9. Strategic Plan Update July - September 2025 Strategic Plan Quarterly Update

Ms. Mefford-Miller said there is no presentation, Madam Chair, members of the board, I would be happy to answer any questions or provide additional information on any of the strategic plan updates for the 1st quarter, July 1 through September 30.

Chair Adams said okay. Do we have any questions out there for Jessica? Seeing none. This item is presented for information only.

10. Travel and Expenditures

Chair Adams said we'll move on to number nine. Travel and expenditures. Do we have any questions from the Committee about travel and expenditures? This item is presented for information only.

11. Report on Current Events and Suggested Future Agenda Items

Chair Adams said we'll move on. Report on Current Events and Suggested Future Agenda Items. Do members of this Committee have any current events or suggested future agenda items for consideration? Seeing none.

12. Next Meeting

Chair Adams said the next Joint Board meeting is scheduled for Thursday, January 22nd, 2026, at 11.15 a.m.

With no further discussion the meeting adjourned at 11:48 a.m.

Executive Summary

DATE **AGENDA ITEM 3B**
January 15, 2026

SUBJECT
Federal Transit Administration Pass-Through Grant Agreement – Section 5310

COST AND BUDGET
Valley Metro is being provided additional federal funds through the Federal Transit Administration (FTA) from section 5310 formula grant programs in the amount of $129,214 for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for public transportation alternatives (RideChoice).

All expenses are in the approved FY 2026 Adopted Operating and Capital Budget.
The grant funds will offset expenses, reducing the net cost to the Public Transportation Fund and member agency budgets.

RECOMMENDATION
Staff recommends that the Boards of Directors authorize the Chief Executive Officer to execute an IGA change order with the City of Phoenix for the listed grant(s).

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

COMMITTEE PROCESS
RTAG: December 16, 2025 for information
TMC/RMC: January 7, 2026 approved
Boards of Directors: January 22, 2026 for action

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Background Information

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

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

Federal Transit Administration Pass-Through Grant Agreements

BACKGROUND DISCUSSION
The table below summarizes the funding available. The grant awards have already been approved by Maricopa Association of Governments Regional Council Approval.

Grant	FTA Program	Federal Share	Local Share	Regional	Total
AZ-2025-027-00	Section 5310 - PGA UZA	64,607	64,607	-	129,214
Total		$64,607	$64,607		$129,214

- Funds from the Section 5310 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for public transportation alternatives (RideChoice).

Executive Summary

DATE **AGENDA ITEM 3C**
January 15, 2026

SUBJECT
Federal Transit Administration Pass-Through Grant Agreements – Extensions

COST AND BUDGET
All expenses are in the approved FY 2026 Adopted Operating and Capital Budget and 5-Year Capital Program. The grant funds will offset expenses, reducing the net cost to the Public Transportation Fund and member agency budgets.

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

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

COMMITTEE PROCESS
RTAG: December 16, 2025 for information
TMC/RMC: January 7, 2026 approved
Boards of Directors: January 22, 2026 for action

CONTACT
Ken Kessler
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ATTACHMENT
None

Background Information

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

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

Federal Transit Administration Pass-Through Grant Agreements

BACKGROUND DISCUSSION

Valley Metro is being provided federal funds through the Federal Transit Administration (FTA) grant programs. The table below summarizes the funding available. The grant awards have already been approved by Maricopa Association of Governments Regional Council Approval.

Grant	Source	Extension
AZ-2020-051	Section 5339 Bus & Bus Facilities	12/31/2027
AZ-2021-051	Section 5337 State of Good Repair High Intensity	12/31/2027
AZ-2022-003	Section 5307 Capital Funds	12/31/2027
AZ-2023-026	Section 5307 Operating Funds	12/31/2027

- Funds from AZ-2020-051 ($380,000) will be used to fund Rural route vehicles that have been ordered from Model 1. The extension is needed to ensure that there is enough time to accept delivery of vehicle and to put them into revenue service before the grant expires on 9/30/2026.
- Funds from AZ-2021-051 ($3,393,200) and AZ-2022-003 ($3,393,200) are funding for articulated buses that have been ordered from New Flyer. Delivery of the vehicles is anticipated in late fiscal year 2027. The extension is needed to ensure that there is enough time to accept delivery of vehicle and to put them into revenue service before the grant expires on 9/30/2026.
- AZ-2023-026 ($2,511,939) is the remaining grant of operating assistance funds that will be used to cover Avondale and Goodyear UZA operating expenses until fully liquidated. The extension is needed to provide additional time to utlize the funding before the grant expires on 6/30/2026.

Executive Summary

DATE **AGENDA ITEM 4**
January 15, 2026

SUBJECT
Annual Federal Public Transportation Agenda and 2026 Reauthorization Priorities

COST AND BUDGET
None

RECOMMENDATION
Staff recommends that the Boards of Directors approve the annual Federal Public Transportation Agenda and 2026 Surface Transportation Reauthorization Priorities.

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

- Goal 5: Deliver on Stakeholder Collaboration
  - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
  - Tactic 5.3: Encourage broad engagement and collaboration with contractors to enhance success
- Goal 9: Financial Sustainability
  - Initiative 9.3: Maximize revenue generation, including advertising, farebox recovery, and discretionary/competitive grant opportunities.

COMMITTEE PROCESS
RTAG/Intergovs: December 16, 2025, for information
TMC/RMC: January 7, 2026, for approved
Boards of Directors: January 22, 2026, for action

CONTACT
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ATTACHMENT(S)
Annual Federal Public Transportation Agenda
2026 Surface Transportation Reauthorization Priorities

Background Information

To meet strategic funding objectives, each year staff works with its federal consultants to review and update Valley Metro's federal public transportation legislative agenda.

The purpose of the federal transportation agenda is to support Valley Metro's statutory role and responsibility as the regional public transportation authority for Maricopa County, to administer and implement regional programs and to guide responses to legislative and administrative policy proposals at the federal level. It is also to provide information to member cities, regional stakeholders and bring attention to the importance of federal funding, grants and other transit investments to the Phoenix metropolitan region.

This includes the development of public transit priorities and goals, critical strategy, guidance and coordination in securing discretionary grants from federal agencies as they become available and in the maximum amount possible.

The attached annual federal agenda includes the following goals:

- Encourage Congress to support annual budget and appropriations bills that fully fund authorized amounts for public transportation in the Infrastructure Investment and Jobs Act (IIJA);
- Enhance federal funding opportunities through competitive grant programs including but not limited to the Buses and Bus Facilities (BBF), Low or No Emission (Low-No) Vehicle & Infrastructure program, Integrated Mobility Innovation, Transit Oriented Development (TOD) grant programs, in addition to congressionally directed community project funding (earmarks);
- Maintain authorized funding levels for the Capital Investment Grant (CIG) program and increase the federal share of project funding to continue funding high-capacity transit (HCT) projects in the future that include the Capitol and I-10 West Extensions, West Phoenix and the Rio-East Dobson Streetcar Extension; and
- Encourage Congress to support transit funding, specifically federal funding flexibility for inflationary costs, supply chain impacts (e.g. vehicle and rolling stock), workforce development and new technologies to enhance mobility and increase ridership throughout the region.

<u>2026 Surface Transportation Program Reauthorization</u>

The existing five-year Surface Transportation Program, otherwise known as the Infrastructure Investment and Jobs Act (IIJA), is set to expire on September 30, 2026. FTA's formula programs are set in the surface transportation authorization bills. Valley Metro utilizes a variety of federal formula funds to fund bus and paratransit vehicles, RideChoice, travel training, congestion mitigation and air quality programs – such as vanpool – and preventive maintenance.

Valley Metro's reauthorization priorities include, but are not limited to, the following:

- Maintaining the investments established in the IIJA, supporting a baseline set at current funding levels plus inflation;
- Regulatory and National Environmental Policy Act (NEPA) reforms;
- Creating a new formula program based on the standard 5307 formula that fully funds crime prevention and security capital costs, that may extend to operating costs for police and other security personnel; and
- Capital Investment Grants (CIG) reforms for eligible high-capacity transit projects.

Staff anticipates and expects robust work to be done by our federal consultants, Cardinal Infrastructure, on our federal grant projects, including reauthorization and engagement with federal agencies other than USDOT, and ongoing activity to coordinate with Valley Metro stakeholders.

Valley Metro staff and Cardinal will continue to monitor developments, continually engage Arizona's congressional delegation and industry associations (e.g., APTA, Bus Coalition) to advocate and advance our region's federal funding and policy priorities.

Annual Federal Public Transportation Agenda and 2026 Reauthorization Priorities

1

Purpose

- Support Valley Metro’s statutory role and responsibility as the Regional Public Transportation Authority (RPTA) for Maricopa County
- Administer and implement regional programs and guide responses to legislative and administrative policy and funding proposals at the federal level
- Bring attention to the importance of federal funding, grants and other transit investments; provide information to member cities and regional stakeholders
- Convey Valley Metro’s Surface Transportation Reauthorization funding and regulatory priorities for the next five-year program

2

2

Goals

- Encourage Congress to support and maintain budget and appropriations bills; enhance opportunities through competitive grant programs
- Maintain authorized funding levels for the Capital Investment Grant (CIG) program and increase the federal share of project funding
- Support funding flexibility for inflationary costs, supply chain impacts (e.g. vehicle and rolling stock), workforce development and new technologies to increase ridership
- Creating a new formula program that fully funds crime prevention and security capital costs that can extend to operating costs for police and other security personnel
- Reduce/minimize regulatory constraints and support National Environmental Policy Act (NEPA) reforms to streamline transit projects

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Recommendation

The TMC/RMC forward to the Boards of Directors approval of the annual Federal Public Transportation Agenda and 2026 Surface Transportation Reauthorization Priorities.

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2025-2026

Surface Transportation Reauthorization Priorities

BUILDING ON SUCCESS, PLANNING FOR THE FUTURE

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FEDERAL FUNDING STABILITY

Stable Federal Funding at IIJA Levels Plus Inflation

Valley Metro supports a long-term Surface Transportation Authorization Act that builds upon current investment levels and adjusts those levels for inflation. Current total public transit and passenger rail funding (including guaranteed funding) must serve as the baseline for the Surface Transportation Authorization Act.

The American Public Transportation Association (APTA) recommends that Congress and the Administration provide $138 billion for public transit over five years. These critical investments in public transportation infrastructure will grow the economy, support American workers, save money for families, and make communities safer. If we invest in public transportation today, the benefits America will reap in the coming decades will repay that investment multiple times over. Every $1 invested in public transit generates $5 in long-term economic returns. Moreover, 77 percent of federal public transit investments flow to the private sector. Every $1 billion invested in public transportation creates or sustains 50,000 jobs across industries. These critical investments will help public transit agencies tackle the more than $140 billion state-of-good-repair backlog, meet growing mobility demands in our communities, and drive innovation and new technologies.

In the following sections, Valley Metro offers our specific recommendations regarding surface transportation reauthorization priorities, to the benefit of not only our transit system, but we believe, to the nation's transit system overall.

REGULATORY REFORMS

FTA Triennial Review Streamlining

Narrow the scope of the triennial reviews to previous deficiencies, the most common deficiencies across the industry as identified by FTA, and random sampling of the remaining areas of compliance. In our experience, the current triennial review requires weeks of advanced preparation and several days of on-sight compliance reviews, therefore distracting agencies from their core mission.

CRIME PREVENTION

Crime Prevention and Security Formula Funding

Create a new formula program based on the standard 5307 formula that fully funds crime prevention and security capital costs, and that provides operating costs for police and other security personnel. Eligible capital projects include lighting, camera surveillance, emergency telephone lines, mobile security apps, security features at public restroom entrances, and enhanced fare gates that reduce fare evasion.

Drug and Alcohol Testing for TNCs

Congress should work with FTA, as well as stakeholders from transit agencies, the disability community, and labor to ensure that a commonsense framework for drug and alcohol testing policies can be implemented and authorized in the next surface transportation bill. Transportation Network Companies (TNCs) are a contracted form of transportation that public agencies use to supplement their fixed route service. Valley Metro uses TNCs mostly for non-emergency medical transportation. Current law states that agencies must have drug and alcohol testing requirements in place for these drivers, but such a policy is impossible to comply with in the digital age of Uber and Lyft that utilize gig employees.

NEPA REFORMS

Bus Shelters

Minimize the amount of paperwork for Bus Shelter categorical exclusions by limiting FTA to a yes/no checklist asking if the shelter is in wetlands, adjacent to a historical property, or in a Superfund site. If the applicant can answer “no” to these questions, NEPA is complete.

Property Acquisition

Reduce regulatory constraints on early property acquisition during the NEPA process by expanding the eligible properties in Sec. 5323(q) beyond the right-of-way corridor.

Categorical Exclusions

Extend the authority for State DOTs to approve transit project categorical exclusions (23 USC 326). In existing law, State DOTs can be granted the authority to approve highway project categorical exclusions (CEs) to fulfill their NEPA obligations.

Maximizing the Use of CEs

Require FTA to minimize their requirements for documentation, studies, and memos to the greatest extent possible for any project seeking to be classified as a categorical exclusion.

Early Collaboration with State Historic Preservation Offices

Allow and encourage project sponsors to collaborate with State Historic Preservation Offices (SHPOs) directly before the formal Section 106 process. Section 106 of the National Historic Preservation Act requires federal agencies to consider the effects of federally funded projects on historic properties and provide the SHPOs a reasonable opportunity to comment.

CAPITAL INVESTMENT GRANTS (CIG) REFORMS

Robust CIG Funding

Provide robust, predictable funding for the CIG program. More businesses are locating near reliable high frequency transit to increase their potential employee pool. A robust federal investment leverages state and local dollars that invest in community redevelopment.

Small Starts Core Capacity Program

Combine the Small Starts and Core Capacity programs to fund smaller capital projects that increase ridership without the constraints of corridor-wide improvements. The rigidity of the Core Capacity program blocks its ability to fund many projects that boost ridership. DOT is given flexibility in how to evaluate these projects and their cost effectiveness, and projects increasing ridership could include infill stations, double tracking, advanced signalization improvements, acquisition of rolling stock elements that increase ridership, and public facing security and safety upgrades.

TOD Planning Grants

Expand eligibility of TOD planning grants to existing stations/corridors. This proposal would allow existing fixed guideways to seek TOD planning grants for existing or new infill stations.

Incentivizing Under Budget CIG Projects: CIG Contingency Reforms

FTA routinely does risk reviews of CIG projects and requires project sponsors to add extra contingency costs that increase the project budget, which the media portray as cost overruns. Contingency costs added after entry into engineering must be covered by local funding sources, but if the project is completed under budget, project sponsors have to split the refund based on the federal cost share. The proposal would provide a full refund of unused contingency costs if a project is under budget.

Reallocating Under Budget CIG Funds

Incentivize under budget CIG projects. Allow unused federal funds from an under-budget CIG project to be reallocated to any capital project eligible under section 5307 to incentivize under budget projects.

Project Development Time Frames

Extend project development to 3 years.
FTA strongly advises all agencies to begin the planning/design. and environmental analysis long before submitting a request to enter Project Development. Agency costs prior to entry in project development are not eligible for federal reimbursement, so the 2-year time frame forces agencies to absorb more early planning and NEPA costs. The 2-year time frame has been set in law for decades while project planning has become exponentially more complex since then.

All BRT Projects are Small Starts

Permit all BRT projects to use the less regulatory intensive Small Starts process. Under current law, BRT projects above $400 million or $150 million in CIG funds must follow a more rigid approval process. BRT projects with higher costs are not more complex, rather they are just longer routes. Congress should remove this arbitrary regulatory limit.

Multiple Project Streamlining

Congress should clarify the bundled CIG project provision in IIJA to eliminate duplicative requirements for agencies that build multiple projects at the same time or within a reasonable time period. The Biden Administration did not take advantage of this streamlining opportunity.

Grant Program for Street-Running Rail Safety Improvements

Establish a grant program to be administered by FTA that would focus on improvements to existing infrastructure for the purposes of reducing congestion, reducing conflicts with POVs and pedestrians, improving traffic flow, and reducing crash risk. Current street-running rail vehicles (SRRV) have lower on time performance and greater likelihood of collisions with personal occupancy vehicles (POV) and pedestrians when compared to light rail systems with dedicated rights of way (ROW). Eligible projects would include: Left turn gates, bollards, right of way development, crossing gates, signals, lights, horns, traffic signal priority, and other projects that remove conflicts between SRRV and POVs and establish more defined ROW for SRRVs.

Emphasis on improving system performance, safety and investing in existing infrastructure rather than constructing new liabilities.

TIME IS MONEY

Reducing the Total Project Cost in a CIG Project

To reduce CIG projects costs, the Secretary should provide federal funds earlier in the project design and engineering process if those funds will lower project costs. Several other conditions must be met to receive this obligation.

The Secretary shall obligate funds to reimburse for an activity covered by pre-award authority or a Letter of No Prejudice if the project sponsor has:

- Completed the covered activity;
- Demonstrated the obligation of federal funds will help reduce project costs;
- Received an overall project rating that is at least a Medium;
- Received a final NEPA action (combined FEIS/ROD, ROD, FONSI or makes a CE determination); and
- Met all other federal requirements necessary for the covered activity.

Savings Clause

The Secretary should require the return of all federal funds if a project sponsor exits from the CIG program or an FFGA or SSGA is not signed within 5 years of the obligation.

Pre-award Authority for this subsection includes vehicle purchases, engineering and design activities during the project design phase, the work necessary to complete the environmental review process, demolition, utility relocation, and real property acquisition, and procurement of long lead items for which market conditions play a significant role in the acquisition price. The long lead items include, but are not limited to, the procurement of rails, ties, and other specialized equipment, and commodities.

Executive Summary

DATE **AGENDA ITEM 5**
January 15, 2026

SUBJECT
Executive Recruitment Search Firm Contract Award

COST AND BUDGET
Cost for the full term is $225,000, plus a contingency of $25,000 or 10.0% of the full term cost. The aggregate contract value will not exceed $250,000.

For FY26, the contract obligation is fully funded within the adopted FY26 Operating and Capital Budget. Contract obligations beyond FY26 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY26 through FY30).

The sources of funds are Public Transportation Funds and member cities.

RECOMMENDATION
Staff recommends that the Boards of Directors authorize the Chief Executive Officer to enter into a cooperative contract with Krauthamer & Associates, LLC, for executive and scarce skill recruitment services, that expires on October 12, 2026, with one one-year option to extend. The aggregate value of the contract will not exceed $250,000.

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

- Goal 6: Leadership and execution

COMMITTEE PROCESS
Board of Directors: January 22, 2026, for action

CONTACT
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ATTACHMENT
A copy of the contract is available for review.

Background Information

Valley Metro leadership is charged with building a team that is capable, focused and empowered to deliver a transit system that brings value to communities across the Valley. In the months ahead, Valley Metro will align and resource critical leadership positions.

Staff recommends engaging external assistance through an outside recruiting firm experienced in public sector executive searches and within specific disciplines. The firm will support the Valley Metro Boards and executive team through the search processes, including recruitment planning, candidate search and selection, and candidate placement. Valley Metro Board members and member city staff will be active partners in these processes, assisting with interviews and assessments of technical skills and organizational fit. A detailed recruitment program for each position will be defined through the recruitment planning process.

PROCUREMENT INFORMATION
In accordance with the Agency's Joint Procurement Manual, standard competition was waived as a result of an approved Determination Memo and processed as a cooperative contract. The Retained Search Firms for Executive Recruitment, Contract No. CHRTA211131, contract was awarded using a competitive process consistent with Valley Metro's procurement processes set forth in the Joint Procurement Manual.

CONTRACT TYPE AND TERM
The contract is an indefinite delivery indefinite quantity contract. The contract will begin on or about January 23, 2026, and end on October 12, 2026, with one one-year option to extend.

Executive Summary

DATE **AGENDA ITEM 6**
January 15, 2026

Subject
Fare Study Update

COST AND BUDGET
This item is presented for information only. There are no costs associated with this update.

RECOMMENDATION
This item is presented for information only.

SUMMARY
The Valley Metro Joint Boards of Directors held a *Fare Policy and Fare Programs Review* Study Session in February 2023 during which the Boards were provided with an overview of 1) industry trends and transit fare alternatives for fare-free and discounted fare programs and 2) Valley Metro's existing fare policy and fare programs. The outcome of the Study Session was a directive to conduct a comprehensive fare study. Valley Metro, in collaboration with the City of Phoenix Public Transit Department, initiated the fare study in August 2023.

In October 2025, a Study Session was held with the Joint Boards of Directors to provide results from the Fare Study and seek Board guidance on proposed fare strategy options. During that session, the Joint Boards requested additional information across a variety of topics. This item is provided as a response to those requests.

STRATEGIC PLAN ALIGNMENT
Goal 1: Deliver excellent customer experience

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

COMMITTEE PROCESS
Joint Boards Meeting: January 22, 2026 for information

CONTACT
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ATTACHMENTS

Fare Study Presentation (Response to Board Requests) – PowerPoint
City Allocation Tables of Revenue & Ridership Impacts of Modelled Fare Options
Analysis Memo and Low-Income Maps for Valley Metro and Selected Peers
Fare Study Executive Summary
Fare Study Report available upon request

Fare Study

Response to Board Requests

1

Agenda

- Fare Strategies for Consideration
  - presented with additional Board-requested information
- Additional Board-Requested Items
- Recap and Next Steps

2

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Fare Strategies

for Consideration

1 **Veterans reduced fare program**
2 **Express/RAPID reduced fare alternatives**
3 Residential pass program
4 **Increased marketing of pass programs**
5 Transfer policy alternatives
6 **Special events program alternatives**
7 Semester Pass Program pricing alternatives
8 Review of pass pricing and multiples
9 Expansion of the Social Services Fare Program
10 Low-income fare program alternatives
Youth Programs and Marketing

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Veterans Reduced Fare Program

- Include veteran organizations in Social Services Fare Program or introduce a new reduced fare category
- Half of veterans already qualify for reduced fare
- Analyzed 50% discount with 100% participation

+0.2M
BOARDINGS
1% increase
in ridership

-$0.4M
IN REVENUE
2% decrease
in fare revenue

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Alternative: Veterans Free

- In October, Board requested analysis of what the impact would be of a Veterans Free policy
- Revenue loss more than double the half fare option because veterans already paying half fare through disability certification would become free

+0.9M
BOARDINGS
3% increase
in ridership

-$1.7M
IN REVENUE
7% decrease
in fare revenue

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Veterans Reduced Fare Program

- ***Next steps to advance a Veterans Reduced Fare Program at half fare***
  - Validate revenue/ridership analysis with latest data from FCSM
  - Vet with City of Phoenix leadership for concurrence
  - Initiate Title VI analysis
  - Conduct public outreach and hold public hearing
  - Return to Board for final approval and update to the Fare Policy
  - Seek third party sponsorship to mitigate revenue loss

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Express/RAPID Reduced Fare Alternatives

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- Currently no reduced fare on Express/RAPID
- Options:
    1. Reduced fare on Express/RAPID full fare: $1.50 one-ride
    2. Single Reduced fare for all services: $1 one-ride
    3. Align Express/RAPID with Local fares: $2 full/$1 reduced one-ride

+0.01M to **+0.04M**
BOARDINGS
0.05-0.1% increase
in ridership

-$0.1M to **-$0.4M**
IN REVENUE
0.4-1.4% decrease
in fare revenue

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Express/RAPID Reduced Fare Alternatives

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- Per the 2023 OD Survey, 26.7% of Express/RAPID ridership is reduced fare
- 83% of revenue and 80% of Express/RAPID ridership is attributable to Platinum (1.1% by Reduced Fare Platinum)
    - Many Platinum administrators choose not to provide reduced fare Platinum benefits to eligible riders for ease of administration
- City of Phoenix is planning a pilot for off-peak service on two RAPID routes in 2026. This will require a reduced fare for Express/RAPID service, at minimum, during the off peak

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Express/RAPID Reduced Fare Alternatives

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- Offering same reduced fare of $1.00 on RAPID/Express (Option 2) results in only an additional $40,000 revenue loss of Option 1 ($150,000 vs. $110,000). Option 2 would also keep Smart Fare caps intact
- ***Next steps to advance reduced fare at $1.00 on RAPID/Express (Option 2)***
  - Validate revenue/ridership analysis with latest data from FCSM
  - Vet with City of Phoenix leadership for concurrence
  - Initiate Title VI analysis
  - Conduct public outreach and hold public hearing
  - Return to Board for final approval and update to the Fare Policy

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Residential Pass Program

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- Significant residential development along transit corridors
- High perceived value of light rail access among residents
- Platinum Pass Program (pay for usage) available for developments
- Program structure changes considered:
  - Purchase passes for all residents/units at fixed fee per resident/unit
  - Volume discounts
- Changes for residential properties could have pricing and revenue impacts on Platinum and Group Fares programs

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Residential Pass Program

- ***Maintain Platinum Program as preferred residential pass program***
- Continue to market Platinum (22% growth since FCSM transition)
- In future, consider opportunities to further promote participation in all pass programs with focus on revenue protection and ridership growth
  - Consider new client promotion/discount (within parameters to be established under special events/promotional guidelines – see item 6)
  - Examine opportunities for bulk discounts but perhaps with conditions (e.g., pre-payment)

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Increased Marketing of Pass Programs

- New system provides opportunities to expand pass programs and build ridership
- Recent marketing efforts
  - Rebranding programs
  - New pass agreements
  - Creation of Fact Sheets
  - Direct outreach (letters, emails, phone)
  - New dedicated webpages for each program
- Opportunity to further increase marketing to residential, conventions, events, and other partners

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Increased Marketing of Pass Programs

- Targeted marketing to new residential developments was identified
  - High perceived value of light rail access
  - Over 25 recent developments within ¼ mile of light rail and over 300 dwelling units
  - Apartment Partner Program in Houston as example (travel training, advertising, listing in Metro directory, and promotional transit passes)
- Additional marketing related activities are referenced in later sections
  - Special events
  - Youth outreach

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Transfer Policy Alternatives

- Current policy requires payment for each boarding
  - Not currently enforced on light rail for 1-Rides
- Three alternatives for consideration:
  1. **Pay per boarding (current policy)**
  2. **Light rail transfers only**
  3. **Electronic transfers on all fixed route services**
- Introducing transfers provides limited benefits:
  - Daily Smart Fare is currently priced at one round trip
  - Capping alone provides more benefits than transfers alone and provides 86% of the benefit of offering both
  - Over half million daily fare capped boardings by 50,000 riders reached in September 2025

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Transfer Policy Alternatives

Transfer Policy Alternative	Annual Revenue Impacts	
	Transfer Policy Changes	Transfers Policy Changes with Low-Income Program
Pay per Boarding (Current Policy)	-	-$1.9M to -$2.2M *-7.0% to -8.1%*
Light Rail Transfers	-$0.2M *-0.7%*	-$2.1M to -$2.4M *-7.7% to -8.8%*
Electronic Transfers	-$1.5M *-5.7%*	-$3.3M to -$3.6M *-12.7% to -13.8%*

Implementation costs for all options - approximately $200K-$250K

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Transfer Policy Alternatives

- **Next steps to comply with current fare policy (Pay Per Boarding):**
  - Update TVM screens to provide a 2-line ride fare payment option
  - Update configuration/operation of inspection device to enforce light rail line A/B rules
  - Implement public information campaign
  - Begin enforcement

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Transfer Policy Alternatives

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- Continue discussions to enable Light Rail Transfers or Electronic Transfers (All Modes)
- If there is a desire to change transfer policy:
  - Validate revenue/ridership analysis with latest data from FCSM
  - Vet with City of Phoenix leadership for concurrence
  - Initiate Title VI analysis
  - Conduct public outreach and hold public hearing
  - Return to Board for final approval and update to the Fare Policy

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Special Event Program Alternatives

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- **Special Event Program opportunities:**
  - Offer menu of fare products and pricing for special events
    - Discount on pricing for 2-3 day events
    - Volume discounts for large events
  - Enable events to subsidize a portion of the pass
- **Other opportunities:**
  - Offer up to four free transit days (estimated revenue loss of $75,000 to $100,000 per day)
  - Offer promotional, special event passes directly to riders
  - Establish language in the fare policy that establishes limits/conditions for discounts/promotions (Special Events and Pass Programs)

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Special Event Program Alternatives

- **Next steps to update current special event pricing and provide flexibility to Valley Metro to establish pricing for larger events (e.g., 1,000+)**
  - Update and clarify current special event pricing
  - Introduce a discount on 2-3 day events

Current		Proposed	
Special Event Duration	**Daily Maximum Price (and Regional Fare Equivalent)**	**Special Event Duration**	**Daily Maximum Price (and discount)**
2 - 3 days	$4.00 (1-Day pass price)	2 - 3 days	$3.00 (25% discount)
4 - 15 days	$2.85 (7-Day pass price per day)	4 - 10 days	$2.50 (37.5% discount)
16 or more days	$2.00 (31-Day pass price per day)	11 or more days	$2.00 (50% discount)

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Special Event Program Alternatives

- Special Event pricing updates continued:
  - Enable events to share costs with attendees by subsidizing a portion of the cost of the pass
  - Enable Valley Metro to offer promotional passes directly to riders
  - Enable Valley Metro to offer up to 4 free transit days per year to promote regionally significant events/initiatives
  - Enable Valley Metro to establish pricing on a case-by-case basis for larger events (e.g., 1,000+) with focus on regional fare recovery goals and promoting transit use to events

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Special Event Program Alternatives

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Next Steps:

- Validate revenue/ridership analysis with latest data from FCSM
- Vet with City of Phoenix leadership for concurrence
- Initiate Title VI analysis
- Conduct public outreach and hold public hearing
- Return to Board for final approval and update to the Fare Policy

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Semester Pass Program Pricing Alternatives

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- Separate program from ASU Student U-Pass
- Current discount is 20% on full and reduced fare passes
- No passes purchased since FY22 but preparing to start sales again for Spring 2026
- Target market is community colleges but not limited to the community colleges
- Revisit Semester Pass Program:
  - Additional discount from Valley Metro combined with subsidy offered by Maricopa Community Colleges
  - Leverage data from new fare system

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Semester Pass Program Alternatives

- Annual College Revenue ≈ $1.5M (FY25)

Stored Value (Fare Capping Wallet)	**$45,000 (estimated)**
Pass Revenue	**$993,000** **$860,000 (Platinum)** **$133,000 (Group Fares – equivalent to 578 Semester passes)**
Light Rail One-Rides	**$90,000 (estimated)**
Farebox Cash	**$400,000 (estimated)**

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Semester Pass Program Alternatives

- **Valley Metro staff to continue discussions with Community Colleges on the subsidy and the product that best meets the needs of students and the colleges**
  - Current Semester Pass offered at 20% discount
    - Consider discount more in line with peers. Peer discounts range from 10% to 67%, 5 of the 7 programs greater than 20%
  - Valley Metro to evaluate effective discount of ASU U-Pass when considering Semester Pass discount
- If a new program or discount is proposed:
  - Validate revenue/ridership analysis with latest data from FCSM
  - Vet with City of Phoenix leadership for concurrence
  - Initiate Title VI analysis
  - Conduct public outreach and hold public hearing
  - Return to Board for final approval and update to the Fare Policy

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Review of Pass Pricing and Multiples

- Current pass multiples align with other peers
- New system provides greater insight into rider transit use

Smart Fare Category (September 2025)	Capped Boardings	Cards/Riders	Caps (i.e. Passes)
Local Daily	560,928	49,494	245,193
Local Weekly	68,343	7,703	13,007
Local Monthly	92,499	5,609	5,609
Express/RAPID Daily	2,199	344	1,696
Express/RAPID Monthly	208	40	40

- Next Steps:
  - Continue to assess Smart Fare pricing with new data
  - Review reduced Smart Fare and discounts
  - Include as part of triennial review under Fare Administration Policy

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Social Services & Low-Income Programs

- Serving low-income riders was considered in two ways:
  - Expansion of social services program (benefits through organizations)
  - Creation of low-income program (benefits directly through Valley Met
- Analyzed 50% discount with 25% participation:
  1. Income threshold set at 165% of FPL (SNAP in Arizona)
  2. Income threshold set at 200% of FPL

+0.5M to **+2.6M**
BOARDINGS
1-8% increase
in ridership

-$2.2M to **+$1.4M***
IN REVENUE
8% decrease to
5% increase
in fare revenue

** Assumes all participants are new riders so achieves revenue growth (very optimistic)*

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Social Services & Low-Income Programs

- There is no significant difference in ridership between bus and rail overall nor by low-income status

Measurement & Source	% Bus	% Rail
Overall Ridership		
FY23 Valley Metro TPR Report - % Split of Ridership	71.0%	29.0%
2023 OD Survey, Unlinked Trip Weighting (All Responses)	71.5%	28.5%
Low-Income Ridership		
2023 OD Survey, Unlinked Trip Weighting – Below 165% FPL	71.7%	28.3%
2023 OD Survey, Unlinked Trip Weighting – Below 165% FPL	71.6%	28.4%

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Social Services & Low-Income Programs

- Poverty rates in the Valley Metro service area were compared to that of several peers (details in companion document)
  - Poverty rates in the Valley Metro rail corridors are higher than that of the peers included in the analysis
  - Overall, the Valley Metro service area has the highest poverty rate amongst its peers
- Peers included:
  - DART in Dallas, TX
  - Metro Transit in Minneapolis, MN
  - RTD in Denver, CO
  - TriMet in Portland, OR
  - UTA in Salt Lake City, UT

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Youth Programs

- Annual Youth Revenue ≈ $2.8M (FY25)

Stored Value (Fare Capping Wallet)	$69,000
Pass Revenue	$1,800,000 $1,400,000 (Platinum) $423,000 (Group Fares) $39,000 (Social Service Program)
Light Rail One-Rides	$154,000
Farebox Cash	$730,000 (estimated)

- Two significant participants in the Platinum Program:
  - City of Tempe – funded by sales tax KH1
  - Phoenix Union High School District

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Youth Programs

- Census data was collected to examine Youth populations by jurisdiction across the Valley Metro service area
- Tempe Platinum issuance rate and cost per Platinum pass were used to estimate a cost per jurisdiction for a similar Youth pass program
- Numbers shown on next page are estimates only and would be impacted by a number of factors including service levels within each jurisdiction
- The estimates, in total ($3.2M), come close to the region's FY25 Youth revenue of $2.8M

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Jurisdiction	Total Population	Population Under 18	Share of Population Under 18	Estimated Annual Cost of a Youth Program
Avondale City	90,644	24,819	27.4%	$86,400
Buckeye City	99,844	27,208	27.3%	$94,700
Chandler City	278,123	64,956	23.4%	$226,100
El Mirage City	35,823	9,998	27.9%	$34,800
Gilbert Town	271,118	78,408	28.9%	$273,000
Glendale City	250,193	63,112	25.2%	$219,700
Goodyear City	102,891	22,936	22.3%	$79,800
Guadalupe Town	5,293	1,421	26.8%	$4,900
Mesa City	507,478	116,707	23.0%	$406,300
Peoria City	194,338	43,509	22.4%	$151,500
Phoenix City	1,624,832	391,964	24.1%	$1,364,600
Scottsdale City	242,169	33,997	14.0%	$118,400
Sun City CDP	38,018	453	1.2%	$1,600
Surprise City	149,519	35,506	23.7%	$123,600
Tempe City	186,419	26,714	14.3%	$93,000
Tolleson City	7,233	1,897	26.2%	$6,600
Youngtown Town	6,985	1,698	24.3%	$5,900

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Youth Marketing

School Outreach

- 2024 = 164 events
  - 11,700 students, teachers, families
- 2025 = 140 events
  - 10,100 students, teachers, families

Field Trip Pass

- Transit pass (with itinerary) for school groups of up to 35 students/teachers

Refugee Training

- Hands on training with such groups as IRC, Lutheran Services, AZ Immigration & Refugee Service
- 2024 = 30 trainings to 745 refugees

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Summary

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- Data shows no significant difference in impacts to bus versus rail of any of the options considered with exception of transfers.
- Impacts are generally consistent with overall ridership split between modes
- It is estimated that for every $100,000 in revenue loss, an additional 110,000 new paid boardings would be required

Fare Strategies Proposed to Advance to Next Steps

- Reduced Fare (50% discount) for Veterans
- Express/RAPID reduced fare of $1.00
- Increased marketing of pass programs
- Develop Special Event program and pricing to include free fare days, promotional passes and volume discounts

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Fare Policy Approval Process

- Fare pricing, products, and programs set in the Valley Metro Regional Public Transit Fare Policy and Uniform Fare Structure
- Policy updates also adopted by the City of Phoenix City Council
- Steps for updating the fare policy:
  - Vet with City of Phoenix leadership for concurrence
  - Initiate Title VI analysis
  - Conduct public outreach and hold public hearing
  - Return to Board for final approval and update to the Fare Policy

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Discussion / Questions

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Valley Metro Fare Study - Impacts of Modelled Fare Alternatives

Revenue Breakdown by Jurisdiction		Avondale	Buckeye	Chandler	El Mirage	Gila River IC	Gilbert	Glendale	Goodyear	Guadalupe	Mesa	Peoria	Phoenix	Scottsdale	Sun City	Surprise	Tempe	Tolleson	Youngtown
	% of Revenue ->	0.3%	0.0%	2.5%	0.0%	0.2%	0.6%	3.3%	0.1%	0.1%	9.4%	0.7%	68.0%	2.3%	0.0%	0.0%	12.4%	0.1%	0.0%
Low Income Program / Social Service Expansion	Social Service Program Expansion	$ (4,023)	$ (170)	$ (33,441)	$ (258)	$ (2,783)	$ (7,618)	$ (44,955)	$ (1,651)	$ (1,371)	$ (127,416)	$ (8,960)	$ (917,465)	$ (30,383)	$ (319)	$ (258)	$ (166,886)	$ (1,998)	$ (45)
	Low-Income Program (Eligibility at 165% FPL)	$ (5,587)	$ (236)	$ (46,446)	$ (358)	$ (3,865)	$ (10,581)	$ (62,437)	$ (2,294)	$ (1,904)	$ (176,967)	$ (12,444)	$ (1,274,257)	$ (42,199)	$ (444)	$ (358)	$ (231,786)	$ (2,775)	$ (62)
	Low-Income Program (Eligibility at 200% FPL)	$ (6,451)	$ (273)	$ (53,630)	$ (414)	$ (4,463)	$ (12,217)	$ (72,094)	$ (2,648)	$ (2,198)	$ (204,338)	$ (14,369)	$ (1,471,343)	$ (48,725)	$ (512)	$ (413)	$ (267,636)	$ (3,205)	$ (72)
Veterans Fare Program	Veterans - 50% Discount	$ (1,252)	$ (53)	$ (10,404)	$ (80)	$ (866)	$ (2,370)	$ (13,986)	$ (514)	$ (426)	$ (39,641)	$ (2,787)	$ (285,434)	$ (9,452)	$ (99)	$ (80)	$ (51,920)	$ (622)	$ (14)
	Veterans - Free	$ (5,155)	$ (218)	$ (42,854)	$ (331)	$ (3,566)	$ (9,762)	$ (57,609)	$ (2,116)	$ (1,756)	$ (163,281)	$ (11,482)	$ (1,175,715)	$ (38,935)	$ (409)	$ (330)	$ (213,861)	$ (2,561)	$ (57)
Transfer Policy Alternatives	Existing Transfer Policy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Light Rail Only Transfers	$ (566)	$ (24)	$ (4,707)	$ (36)	$ (392)	$ (1,072)	$ (6,327)	$ (232)	$ (193)	$ (17,933)	$ (1,261)	$ (129,125)	$ (4,276)	$ (45)	$ (36)	$ (23,488)	$ (281)	$ (6)
	Electonic Transfers, All Modes	$ (4,321)	$ (183)	$ (35,918)	$ (277)	$ (2,989)	$ (8,182)	$ (48,285)	$ (1,774)	$ (1,472)	$ (136,854)	$ (9,623)	$ (985,426)	$ (32,634)	$ (343)	$ (277)	$ (179,248)	$ (2,146)	$ (48)
Express/RAPID Reduced Fare	Express/RAPID - 50% Discount	$ (328)	$ (14)	$ (2,725)	$ (21)	$ (227)	$ (621)	$ (3,663)	$ (135)	$ (112)	$ (10,382)	$ (730)	$ (74,756)	$ (2,476)	$ (26)	$ (21)	$ (13,598)	$ (163)	$ (4)
	Express/RAPID - Local, Reduced Fare ($1.00)	$ (447)	$ (19)	$ (3,716)	$ (29)	$ (309)	$ (846)	$ (4,995)	$ (183)	$ (152)	$ (14,157)	$ (996)	$ (101,941)	$ (3,376)	$ (35)	$ (29)	$ (18,543)	$ (222)	$ (5)
	Express/RAPID - Align to Local Fares	$ (1,103)	$ (47)	$ (9,165)	$ (71)	$ (763)	$ (2,088)	$ (12,321)	$ (453)	$ (376)	$ (34,921)	$ (2,456)	$ (251,453)	$ (8,327)	$ (88)	$ (71)	$ (45,739)	$ (548)	$ (12)
Free Fare Promotional Days	4 Free Promotional Days per Year	$ (1,192)	$ (50)	$ (9,908)	$ (76)	$ (825)	$ (2,257)	$ (13,320)	$ (489)	$ (406)	$ (37,753)	$ (2,655)	$ (271,842)	$ (9,002)	$ (95)	$ (76)	$ (49,448)	$ (592)	$ (13)

Ridership Breakdown by Jurisdiction		Avondale	Buckeye	Chandler	El Mirage	Gila River IC	Gilbert	Glendale	Goodyear	Guadalupe	Mesa	Peoria	Phoenix	Scottsdale	Sun City	Surprise	Tempe	Tolleson	Youngtown
	% of Ridership ->	0.2%	0.0%	1.8%	0.0%	0.0%	0.4%	3.4%	0.1%	0.0%	11.1%	0.5%	61.3%	2.5%	0.0%	0.0%	18.5%	0.1%	0.0%
Low Income Program / Social Service Expansion	Social Service Program Expansion	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Low-Income Program (Eligibility at 165% FPL)	2,287	90	18,964	68	332	4,463	35,511	1,133	-	116,957	4,761	646,508	26,312	342	125	194,778	1,574	28
	Low-Income Program (Eligibility at 200% FPL)	2,634	104	21,840	78	382	5,140	40,897	1,305	-	134,695	5,483	744,557	30,303	393	144	224,318	1,813	33
Veterans Fare Program	Veterans - 50% Discount	520	20	4,314	15	75	1,015	8,078	258	-	26,606	1,083	147,073	5,986	78	28	44,310	358	6
	Veterans - Free	1,951	77	16,178	58	283	3,808	30,294	967	-	99,774	4,061	551,524	22,446	291	107	166,161	1,343	24
Transfer Policy Alternatives	Existing Transfer Policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Light Rail Only Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Electonic Transfers, All Modes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Express/RAPID Reduced Fare	Express/RAPID - 50% Discount	30	1	252	1	4	59	471	15	-	1,552	63	8,579	349	5	2	2,585	21	0
	Express/RAPID - Local, Reduced Fare ($1.00)	43	2	360	1	6	85	673	21	-	2,217	90	12,256	499	6	2	3,692	30	1
	Express/RAPID - Align to Local Fares	95	4	791	3	14	186	1,481	47	-	4,878	199	26,963	1,097	14	5	8,123	66	1
Free Fare Promotional Days	4 Free Promotional Days per Year	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive	Positive

Notes for both tables:

1. Impacts are not cumulative. Options were modeled in isolation. Implementation of more than one option will alter revenue impacts.
2. Numbers shown reflect the worst case results of modeled options. For full details on modelling results, see Fare Study Final Report.

Low Income Fare Program Study

Introduction
The aim of this study is to inform the consideration of a low-income fare program by mapping the distribution, and quantifying the concentration, of poverty in Valley Metro's service area. This data is compared to that of peer agencies where low-income fare programs are already in place. Additionally, we examine the distribution of different income levels within the Valley Metro service area, defining thresholds based on definitions of "low income" employed in other government programs.

Methodology
Peer Agencies
The following transit agencies that implement low-income fare programs were selected for comparison:

- Dallas Area Rapid Transit (DART), Dallas–Fort metroplex
- Metro Transit, Minneapolis–Saint Paul metropolitan area
- Regional Transportation District (RTD), Denver metropolitan area
- TriMet, Portland metropolitan area
- Utah Transit Authority (UTA), Salt Lake City metropolitan area

Data Sources
American Community Survey (ACS) 2023 5-year data for tract-level Median Household Income and Poverty Status data features were imported from ArcGIS Living Atlas of the World. Additionally, municipal boundaries were imported into the project for each of the peer cities, also from Living Atlas. The ACS features were authored by Esri, while each municipal boundary file was authored by each agency's local MPO, or by another trustworthy state department or agency. The transit route features, authored and maintained by the respective transit agencies included in this study, were also imported from ArcGIS Online.

Spatial Analysis
To calculate poverty rates within the service area of each agency, a ¾ Mile buffer was created around each transit stop. Then, every census tract intersecting with the buffer was selected and had its statistics summarized, calculating the gross population for whom poverty status is determined, and the gross population whose income in the past 12 months is below the federal poverty level. At the same time, every municipality which had a transit stop within it was selected; in turn, all census tracts that had their center within the boundaries of the selected municipalities were selected and had the same sums calculated.

To analyze the median income by tract within the Valley Metro service area and surrounding cities, the census tracts that had their center within each boundary were selected and exported as a table, after which the distribution of each sample was visualized as a box-and-whisker plot.

Results

Table 1
Total Population Under Poverty Line by Transit Agency

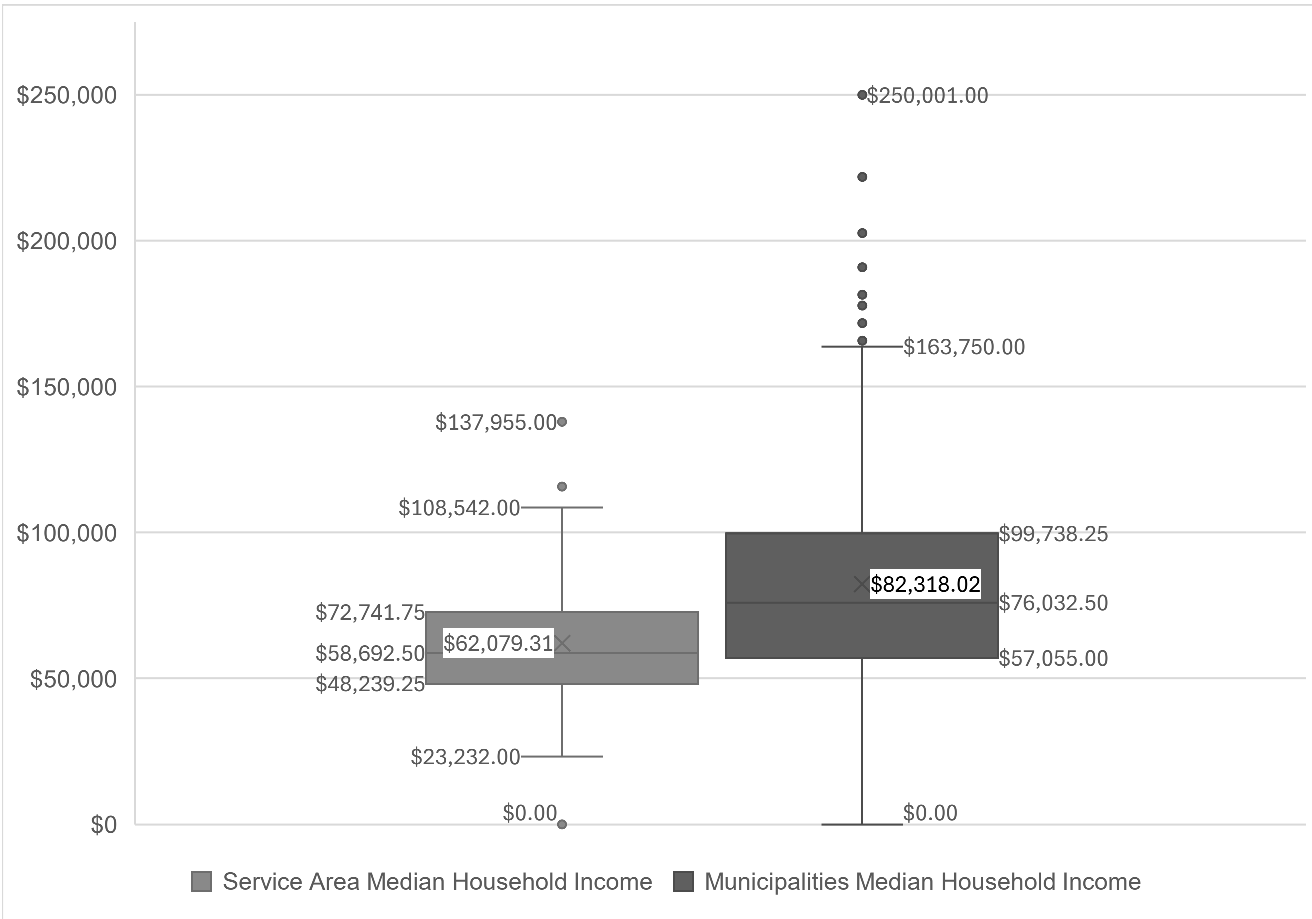
Transit Agency, Area	Total Pop. under Poverty Line	
	Within Municipal Boundaries	Within Service Area
Valley Metro, Phoenix	306,543	102,340
UTA, SLC	125,182	108,808
TriMet, Portland	121,870	85,513
Metro Transit, MSP	147,149	91,062
DART, DFW	453,180	178,026
RTD, Denver	166,141	85,028

Table 2
Poverty Rate by Transit Agency

Transit Agency, Area	Poverty Rate	
	Within Municipal Boundaries	Within Service Area
Valley Metro, Phoenix	13.7%	20.4%
UTA, SLC	9.7%	11.1%
TriMet, Portland	11.6%	12.4%
Metro Transit, MSP	13.0%	14.8%
DART, DFW	13.3%	14.3%
RTD, Denver	10.1%	11.0%

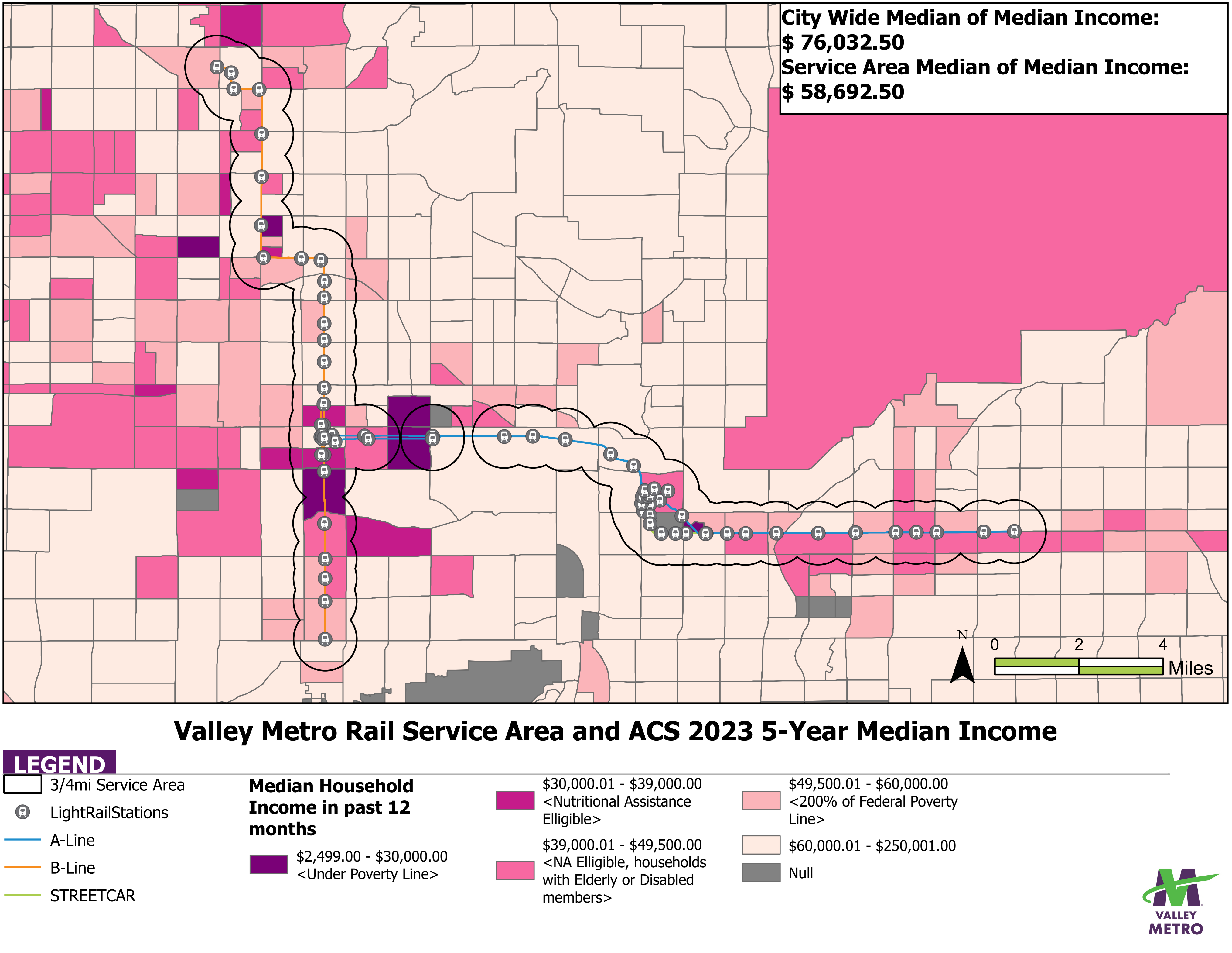
The municipalities where Valley Metro conducts rail service have a higher combined poverty rate than any other set of municipalities surrounding peer agency service areas. The same can be said of the poverty rate within Valley Metro's service area. Valley Metro exceeded the six-agency average for total population under the poverty line within municipal boundaries, while it was under the average within service areas. Valley Metro, TriMet, and DART exceeded the six-agency average for poverty rate at both the municipal and service-area level.

Figure 1
Distribution of ACS 2023 5-year Median Income by Tract in Member Cities and Service Area

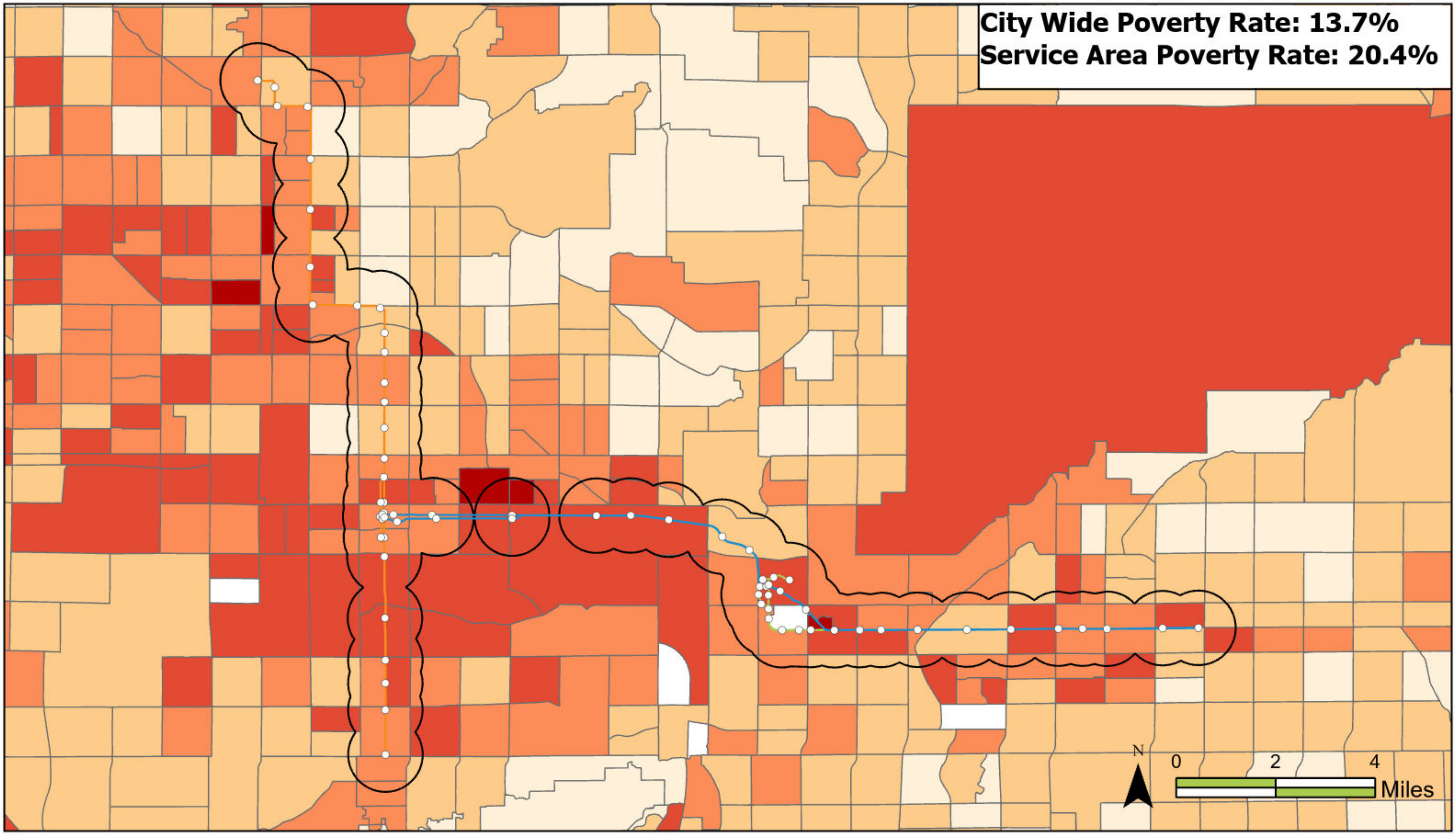


The Box-and-Whisker plot above depicts the distribution of median household income by tract for all tracts within the Valley Metro service area, and within the entirety of Phoenix, Tempe, and Mesa. Both distributions have a right-skewed distribution, characterized by a mean value (marked by an X mark) greater than the median value. This represents a greater number of census tracts in the lower quartiles of median income, with high-income outlier tracts raising the average. The mean, median, and maximum median tract income are all lower within the service area when compared to the municipality-wide values.

This comparison of summary statistics for median income by tract employed in this study is not statistically significant, but is meant as an inferential tool. For the statistical significance of the difference between these two samples to be tested would require the interpolation of a mean income for the entire sample based on number of households by income brackets.



Valley Metro Rail Service Area and ACS 2023 5-Year Median Income



Valley Metro Rail Service Area and ACS 2023 5-Year Poverty Rate

LEGEND

Light Rail & Streetcar Stations

A-Line

B-Line

Streetcar

3/4mi Service Area

Percent of Population whose income in the past 12 months is below poverty level

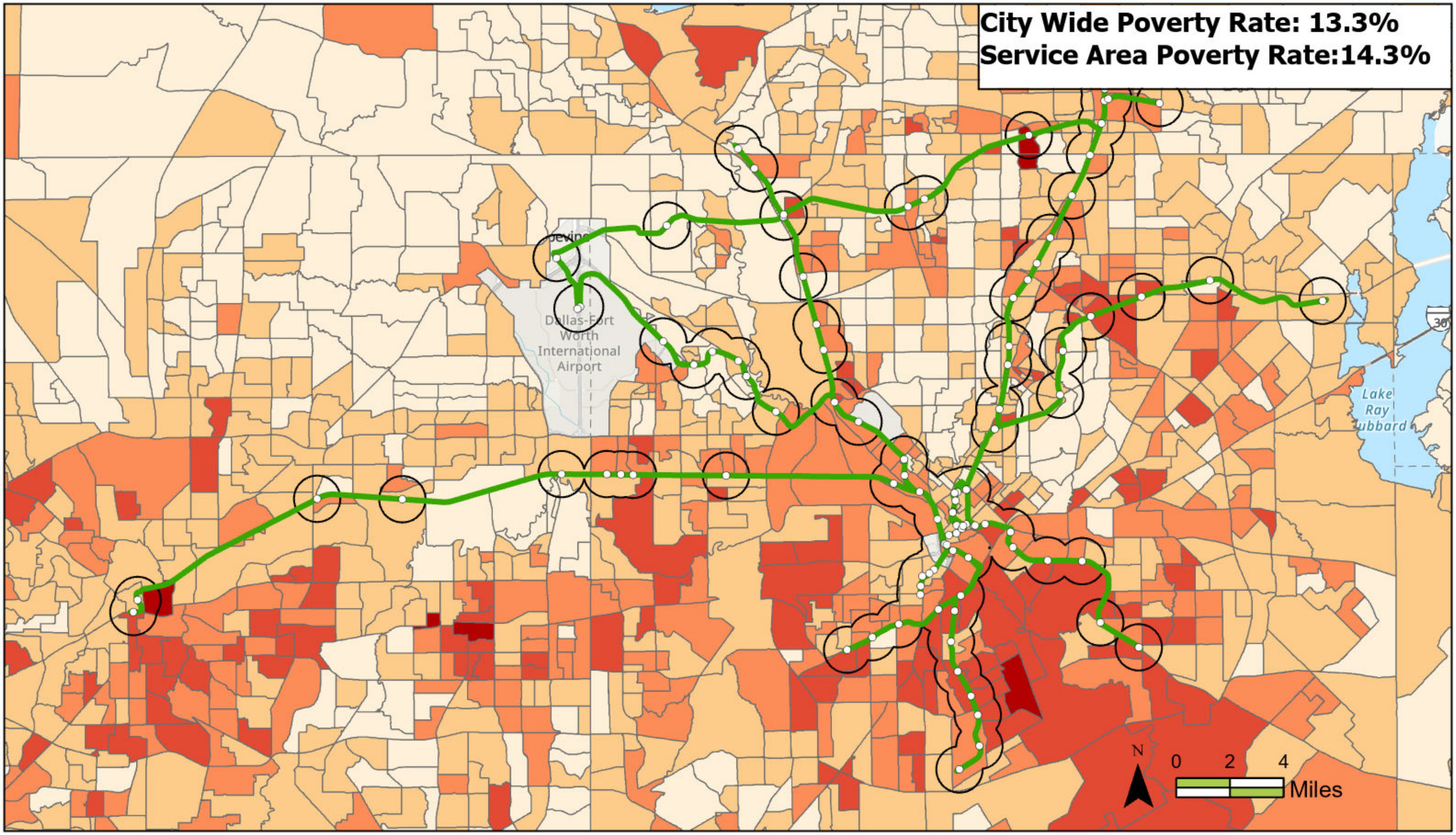
0% - 4.99%

5% - 14.99%

15% - 24.99%

25% - 49.99%

50% - 100%



DART Service Area and ACS 2023 5-Year Poverty Rate, Dallas–Fort Worth metroplex

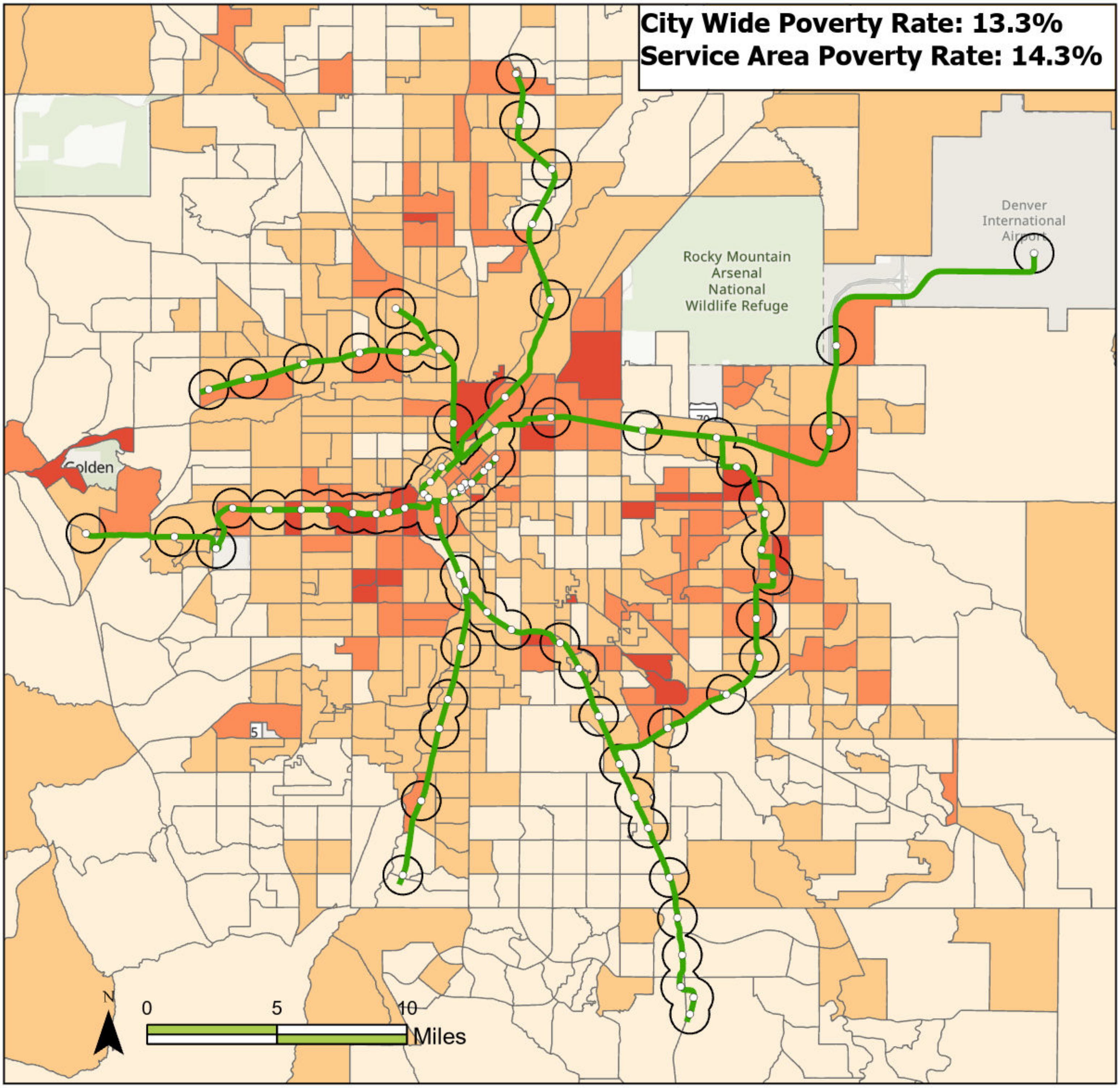
LEGEND

- Rail Stops
- Rail Routes
- 3/4mi Service Area

Percent of Population whose income in the past 12 months is below poverty level

- 0% - 4.99%
- 5% - 14.99%
- 15% - 24.99%
- 25% - 49.99%
- 50% - 100%

VALLEY METRO



RTD Service Area and ACS 2023 5-Year Poverty Rate, Denver

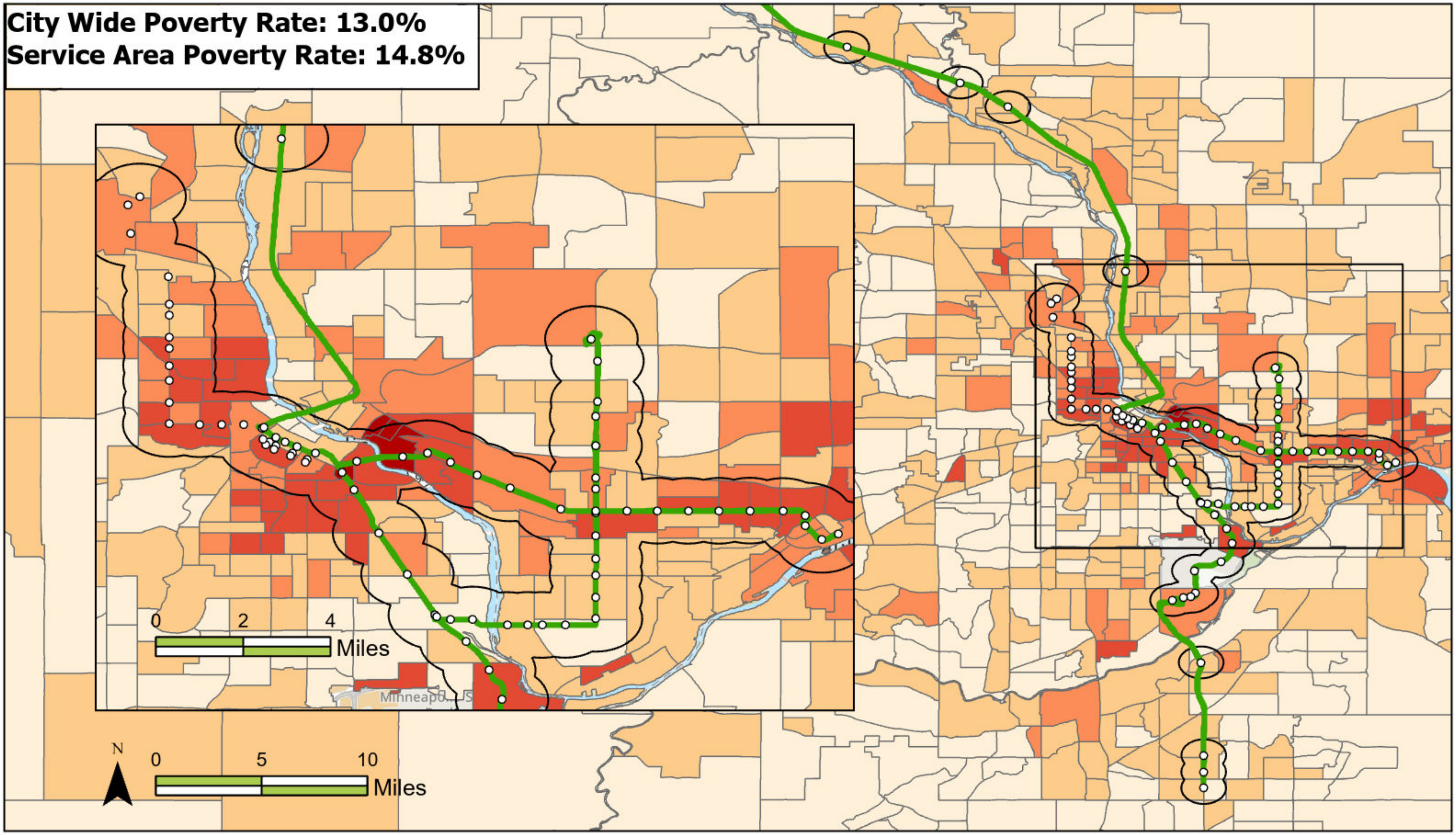
LEGEND

- Rail Stops
- Rail Routes
- 3/4mi Service Area

Percent of Population whose income in the past 12 months is below poverty level

- 0% - 4.99%
- 5% - 14.99%
- 15% - 24.99%
- 25% - 49.99%
- 50% - 100%

VALLEY METRO



Metro Transit Service Area and ACS 2023 5-Year Poverty Rate, Twin Cities

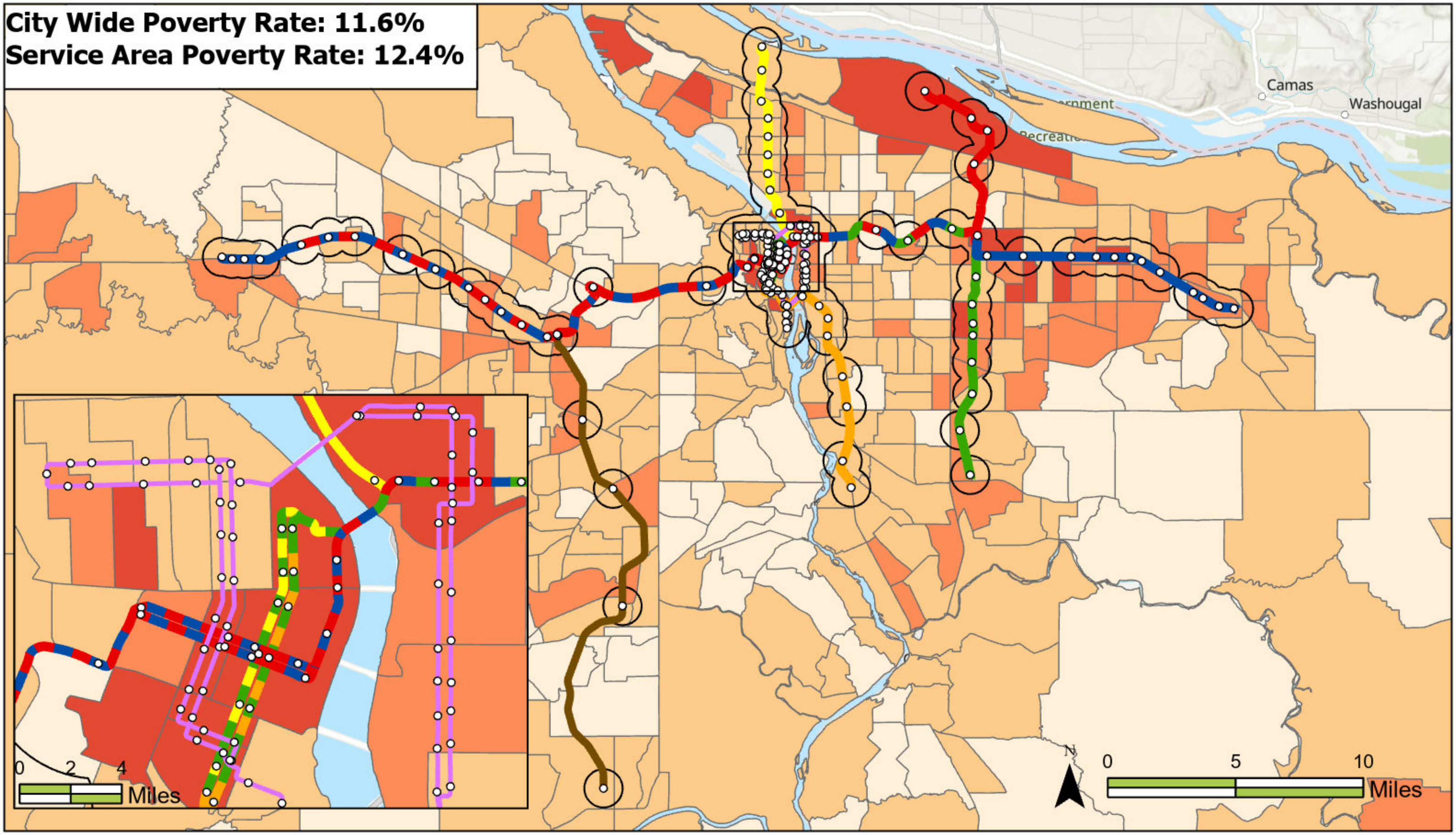
LEGEND

- Rail & BRT Stations
- Rail and BRT Alignments
- 3/4mi Service Area

Percent of Population whose income in the past 12 months is below poverty level

- 0% - 4.99%
- 5% - 14.99%
- 15% - 24.99%
- 25% - 49.99%
- 50% - 100%

VALLEY METRO



TriMet Rail Service Area and ACS 2023 5-Year Poverty Rate, Portland OR

LEGEND

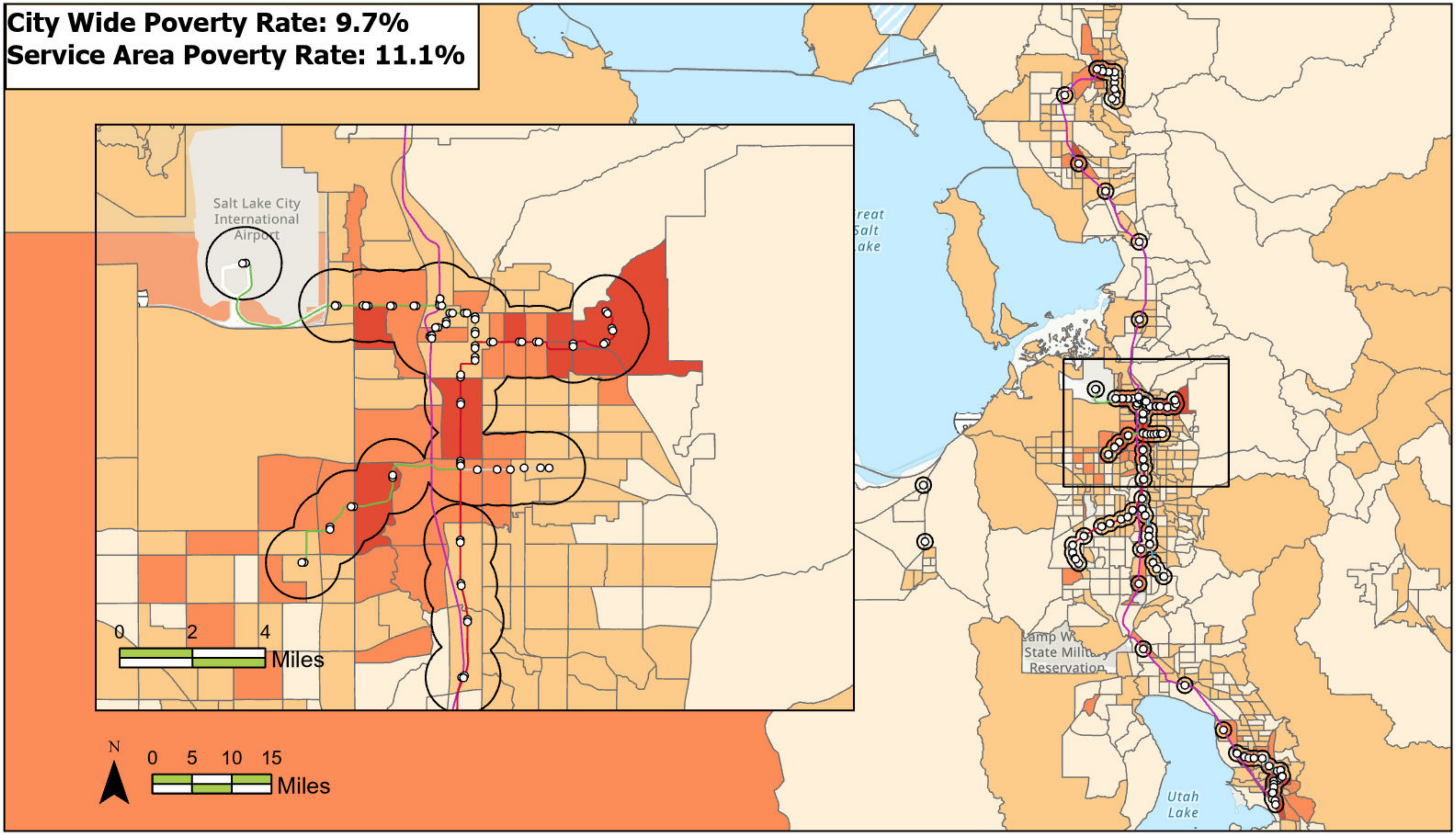
- ○ Street Car and MAX Stops
- ▭ 3/4mi Service Area

MAX Lines

- Yellow MAX Line
- WES (Westside Express Service)
- Red MAX Line
- Orange MAX Line
- Green MAX Line
- Blue MAX Line
- Street Car Lines

Percent of Population Whose Income in the past 12 months is below poverty level

- 0% - 4.99%
- 5% - 14.99%
- 15% - 24.99%
- 25% - 49.99%
- 50% - 100%



Utah Transit Authority Service Area and ACS 2023 5-Year Poverty Rate, Salt Lake City Metro Area

LEGEND

- UTA Stops
- 3/4mi Service Area

UTA Routes

- BRT
- Blue Line
- FrontRunner
- Green Line
- Red Line
- S Line

Percent of Population whose income in the past 12 months is below poverty level

- 0% - 4.99%
- 5% - 14.99%
- 15% - 24.99%
- 25% - 49.99%
- 50% - 100%

VALLEY METRO

December 2025

Valley Metro Fare Study

Executive Summary

VALLEY METRO

Prepared by:
Jacobs Engineering Group Inc./
NWC Partners

Fare Study Overview

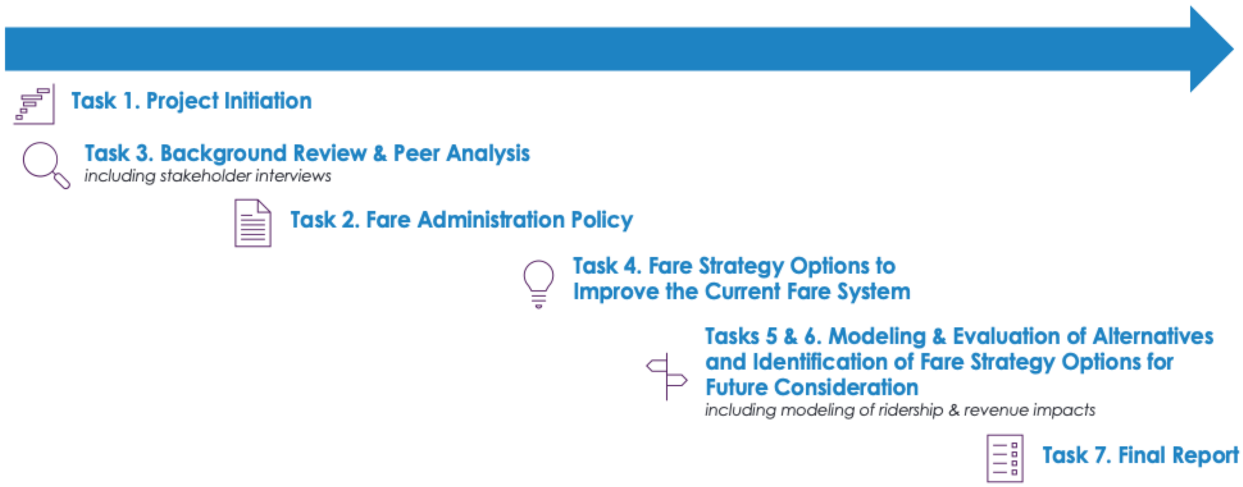
The Valley Metro Joint Boards of Directors held a *Fare Policy and Fare Programs Review* Study Session in February 2023 during which the Boards were provided with an overview of 1) industry trends and transit fare alternatives for fare-free and discounted fare programs and 2) Valley Metro's existing fare policy and fare programs. The outcome of the Study Session was a directive to conduct a comprehensive fare study. Valley Metro, in collaboration with the City of Phoenix Public Transit Department, initiated the fare study in August 2023 to review its fare system, identify fare strategy options and opportunities to improve its fare structure and better serve disadvantaged populations, and to establish a Fare Administration Policy to guide Valley Metro staff in planning and implementing future fare changes. With the opening of the light rail South Central Extension in June 2025, the scope of the fare study was expanded to look at options for reintroducing transfers, opportunities for residential pass programs in particular along the light rail corridor, and new special event pass options.

Given the timing of the fare study with the full launch of the Fare Collection System Modernization (FCSM) project in Fall 2024, the scope of the fare study was to review Valley Metro's fare policy, fare and pass structure, and pass programs and to identify fare strategy options for future consideration. The FCSM project has resulted in dramatic changes in customer experience, fare payment and collection, and enforcement of reduced fare eligibility. The FCSM project also provides improved data to help make informed decisions regarding changes to Valley Metro's fare structure, pricing, and programs. The results of the fare study as well as the Fare Administration Policy developed as part of the study are intended to provide guidance to Valley Metro as it considers fare changes in the future and as it continues the implementation of its new fare collection system. Based on Valley Metro Board input, Valley Metro may choose to implement some of the fare strategy options in the near term, while Valley Metro may consider implementing some of the other fare strategy options in the future as part of a fare adjustment.

Valley Metro engaged Jacobs and NWC Partners (the study team) to perform this fare study, with work commencing in August 2023. To guide the fare study, Valley Metro formed a Steering Committee that included representatives from Valley Metro and the City of Phoenix Public Transit Department.

The fare study consisted of seven tasks as shown in Figure 1.

Figure 1. Fare Study Process



Fare Study Goals & Objectives

Valley Metro identified goals and objectives, as shown in Figure 2, that helped in identifying fare strategy options for evaluation. In addition to guiding the fare study, these goals and objectives served as the starting point for the development of the guiding principles in the Fare Administration Policy.

Figure 2. Fare Study Goals and Objectives

Enhanced Customer Experience	Affordability and Accessibility	Financial Sustainability
• Sustain and grow ridership • Create fare structures and programs that are simple to understand and explain • Make fare payment easy and convenient • Simplify the operator's role in fare inspection and collection on bus • Minimize barriers and steps to fare inspection on rail to simplify the rider-inspector interface	• Reduce barriers to using transit by considering fare affordability and accessibility for all riders • Mitigate fare cost for transit-dependent riders • Evaluate current fare programs and potential new/discounted fare programs	• Promote and improve operational efficiency • Create balance between service quality, operating cost, and cost to rider • Reduce the overall cost of fare collection • Create fair and equitable Reduced fare program with adequate fraud controls • Minimize and/or mitigate decreasing fare revenue

Fare Administration Policy

The Steering Committee, with input from Valley Metro's Chief Executive Officer and its Director of Government Relations, developed a Fare Administration Policy to define the process, roles, and responsibilities for planning and approving fare adjustments, fare program changes, and new pilot fare programs. Three overarching objectives were identified for the Fare Administration Policy:

- Support long-term financial sustainability and promote system ridership by reviewing fares at least every three years, or more frequently as needed.
- Establish a process for reviewing and evaluating fare changes, including fare increases or reductions, changes to the fare structure, and the introduction of new fares, passes, and programs and/or fare payment technology.
- Comply with applicable laws and regulations, including Federal Title VI regulations and Arizona Revised Statutes.

The Steering Committee considered the Fare Study goals and objectives, and the initial Fare Administration Policy objectives to establish seven guiding principles for the Fare Administration Policy that are focused on enhancing customer experience and promoting the financial sustainability of Valley Metro:

- **Ridership:** The fare structure, fare programs, and fare payment technology provide flexible fare options to help sustain and grow ridership.
- **Fiscally Responsible:** Fares contribute to the operation of public transportation services and are critical to providing financial support to help sustain service. Regular review of fares provides riders with a greater sense of the predictability of potential fare adjustments and provides transit providers with steady, predictable fare revenue.
- **Simple:** The fare structure and programs are simple to understand and explain. Fare payment technology makes fare payment easy and convenient.
- **Value / Affordable:** Fares are affordable and mitigate transportation costs for transit-dependent riders while balancing the cost to the rider with service quality and operating costs.
- **Equitable:** Reduced fares and fare programs promote accessibility by reducing financial barriers to using transit.
- **Seamless:** Fare products, pricing, programs, and fare payment technology are coordinated throughout the region to provide a seamless experience between modes and transit providers.
- **Operational Efficiency:** Fare payment technology is leveraged to reduce the overall cost of fare collection, improve operational efficiency, simplify fare collection and inspection, and introduce fraud controls.

Background Review and Peer Analysis

The Background Review and Peer Analysis of Valley Metro's fare system comprises three areas of review intended to establish context for the fare policy alternatives and recommendations considered in the study.

1. **Current Fare System Review** – a review of Valley Metro's existing fare policy, fare media, structure, fare and pass programs, payment options, and fare trends.
2. **Peer Review** – a review and comparison of the base fares, fare structures, fare policies, fare programs, method of payments, transfer policies, and fare-related performance metrics to comparable peer transit systems.
3. **SWOTs (Strengths/Weaknesses/Opportunities/Threats) Analysis** – a review of internal factors (strengths and weaknesses) and external factors (opportunities and threats) that characterize current fare policy and/or will influence Valley Metro's future fare policy.

The peer review identified eight agencies for comparison, as operational peers of Valley Metro:

- DART in Dallas, Texas
- RTD in Denver, Colorado
- METRO in Houston, Texas
- Metro Transit in Minneapolis, Minnesota
- TriMet in Portland, Oregon
- UTA in Salt Lake City, Utah
- MTS in San Diego, California
- Sound Transit in Seattle, Washington

Key findings from the Background Review and Peer Analysis included:

- Similar to Valley Metro, most peers have service-based fares with a higher fare on premium services.
- Valley Metro (2013) and Houston METRO (2008) are the only agencies that have not updated their fares since 2019.
- Valley Metro is the only agency that does not offer transfers. Instead, Valley Metro offers a lower base fare ($2.00) than its peers and an affordable day pass priced at two single ride fares.
- Among the peers, Valley Metro has one of the lowest average fares and lowest farebox recovery ratios.
- Most of the peers offer a low-income fare program; however, peers with a low-income program typically have higher base fares.
- Valley Metro has one of the most extensive offerings of pass program options compared to its peers.

The Background Review and Peer Analysis identified several Strengths, Weaknesses, Opportunities, Threats (SWOTs). Identification of Strengths, Weaknesses, Opportunities and Threats can help an organization to focus on their strengths and emerging opportunities, while acknowledging and addressing their internal weaknesses and outside threats. An organization's strengths, weaknesses, opportunities, and threats are not mutually exclusive. Elements of external forces (e.g., state-mandated farebox recovery requirements) can be both an opportunity and a threat and cast current strengths (e.g., affordable fares) into potential near-term weaknesses. Key findings from the SWOT analysis are summarized in Figure 3.

Figure 3. Valley Metro Strengths, Weaknesses, Opportunities and Threats (SWOTs)

STRENGTHS
- Simple fare structure
- Affordable fares
- Platinum Program
- Introduction of Smart Fare (capping)
- Reduced fare management
- New fare collection system

WEAKNESSES
- 10+ years since last fare change
- Low farebox recovery
- Legacy fare policy
- Limited marketing and outreach of special programs

OPPORTUNITIES
- Expansion of special programs
- External partnership & regional integrations
- Expansion of reduced fare eligibility
- Open payments

THREATS
- Farebox recovery requirements
- Repeal of rental tax
- Demographics & transit usage
- Locally-controlled fares & service delivery

Fare Strategy Workshops and Fare Strategies for Future Consideration

Based on the Background Review and Peer Analysis, the study team, with input from the Steering Committee, identified potential fare strategy options for Valley Metro to explore and discuss during four workshops. Given the fare product and policy changes planned with the implementation of the FCSM project, the fare strategy options explored were primarily focused on programs, including pass programs and programs for disadvantaged populations. In addition to identifying new and alternative program options, the fare study identified opportunities to better promote and enhance existing pass programs with the implementation of the FCSM project. Valley Metro has implemented many of the best practices related to pass programs and, in fact, leads the transit industry in deploying pass programs.

The workshops were structured to generate discussion among the Steering Committee members with the purposes of:

- Reviewing Valley Metro's current programs, including SWOT assessment and peer comparison
- Exploring fare strategy options implemented by other transit agencies, including identification of important considerations and lessons learned by other agencies
- Identifying fare strategies for future consideration
- Identifying additional information needed to support future decision making, including data analysis and modeling

Workshop #1 focused primarily on free/reduced fare programs and the Social Services Fare Program (previously the Homeless Service Provider Program). Topics covered included:

- Federal half fare requirements,
- Introduction of reduced fares on peak only services (e.g., extending reduced fare to Express/RAPID commuter bus service),
- Expansion of the Reduced Fare Program to include low-income riders, individuals receiving workforce assistance, and veterans, and
- Other focused programs administered by outside organizations (e.g., expansion of the Social Service Fare Program [previously the Homeless Service Provider Program]).

Workshop #2 focused primarily on pass programs, including Platinum Pass Program, Group Fares Program (previously the Corporate Pass Program), and special events. Topics covered included:

- Review of Valley Metro institutional and bulk purchase pass programs,
- Comparison of peer pass programs, and
- SWOT assessment for Valley Metro's programs, with focus on opportunities for improvement.

Workshop #3 focused primarily on different approaches to transfer privileges. Topics covered included:

- History of transfers at Valley Metro,
- Peer transfer rules and privileges, and
- Evaluation of seven transfer scenarios, including advantages and disadvantages, fare revenue impacts, and performance against guiding principles.

Workshop #4 focused primarily on residential pass and special event pass programs. Topics covered included:

- Residential pass program opportunities for major developments along light rail
- Peer residential pass programs, including advantages and disadvantages of different types of pass programs, and
- Peer special event pass options, including bulk purchase programs and discounts, promotions offered directly by the transit agency and revenue sharing on ticket sales negotiated with the event.

The Steering Committee identified eight fare strategy options for future consideration. Each strategy was modeled to assess ridership and revenue impacts and to provide a general order of magnitude to help guide future discussions and decision-making. A preliminary review of potential Title VI impacts was also conducted by looking at the demographics of the affected riders. Refinement of the ridership and revenue impacts is recommended to reflect changes in fare payment behavior, ridership, and fare revenue now that the FCSM project has fully launched. A complete Title VI Fare Equity Analysis would also be required to determine whether the proposed fare changes, whole or in part, would result in a disparate impact on minority riders or disproportionate impact on low-income riders before Board approval of any fare changes.

The eight options are:

1. Introduction of a low-income fare program
2. Expansion of the Social Services Fare Program
3. Introduction of a veterans reduced fare program
4. Introduction of reduced fare on Express/RAPID routes
5. Changes to Semester Pass Program pricing
6. Review of pass pricing and multiples
7. Review of the transfer policy
8. Increased flexibility and marketing of pass programs

Given the timing of the fare study with the full launch of the FCSM project in Fall 2024, many of the fare strategy options should be considered after the full implementation of the FCSM project and potentially as part of a future fare adjustment. Other fare strategies, such as additional marketing and outreach about pass programs, could be implemented sooner pending available resources.

The FCSM project has result in dramatic changes in customer experience, fare payment and collection, and enforcement of reduced fare eligibility. These changes have impacted ridership and fare revenue. As such, refinement of the ridership and revenue impacts is recommended prior to implementation of any of the fare strategy options identified. It would also be important consider the cumulative impacts an option with other fare strategy options.

Introduction of a Low-Income Fare Program

Over the last 10 years, many transit agencies have introduced low-income fare programs across the United States to provide discounted fares to low-income adults who are not eligible for reduced fare. The introduction of these programs has also been a valuable way to increase affordability of fares and mitigate the impact of fare increases on low-income riders.

While there are substantial benefits to participants in low-income fare programs, introducing a low-income fare program results in a decrease in fare revenue and increase in administrative costs. Without sufficient funding, introducing a low-income fare program can impact fare revenue and service levels and possibly require a fare increase and/or reduction in service levels. Hence, agencies may consider implementing a low-income fare program in combination with a fare increase to cross-subsidize fares.

To provide general guidance if Valley Metro considers introducing a low-income fare program in the future, the Steering Committee identified two scenario options for further analysis:

1. Low-income fare at the reduced fare rate (50% discount), with program income eligibility set at 165% of the Federal Poverty Level (FPL) to align with the income threshold for the Supplemental Nutrition Assistance Program (SNAP) in Arizona
2. Low-income fare at the reduced fare rate (50% discount), with program income eligibility set at 200% of the FPL

Both scenario options assume that 25% of income-eligible riders would ultimately participate. This assumption is broadly consistent with the level of participation observed at other transit agencies. The actual fare revenue and ridership impacts would likely fall somewhere in the middle of the range provided, assuming a 25% adoption rate is achieved. If adoption were to increase, the fare revenue and ridership impacts would be generally linear with the impacts of 50% participation, approximately double those shown for 25% adoption. It is expected though that those who use Valley Metro more frequently would be more likely to enroll as they have a greater financial incentive.

Table 1: Introduction of a Low-Income Fare Program - Ridership and Revenue Results

	Ridership (% of Fixed-Route Boardings)	Revenue (% of Fixed-Route Fare Revenue)
Introduction of a Low-Income Fare Program: At 165% of FPL and 25% adoption	+445,000 to +1,055,000 (+1.3% to +3.1%)	-$790,000 to -$1,875,000 (-3.0% to -7.0%)
Introduction of a Low-Income Fare Program: At 200% of FPL and 25% adoption	+510,000 to +1,215,000 (+1.5% to +3.5%)	-$910,000 to -$2,165,000 (-3.5% to -8.1%)

In addition to considering the impacts on revenue, Valley Metro will need to consider the capacity of staff and the financial costs of introducing and administering a low-income fare program. The use of conditional eligibility (e.g., acceptance of SNAP eligibility) can help minimize costs by relying on income verification conducted by other governmental agencies rather than requiring Valley Metro staff to conduct their own income verification. However, it will be important to consider how the recent introduction of work requirements for SNAP participants may impact enrollment in SNAP. Valley Metro could also consider working with community-based and nonprofit organizations to verify eligibility. However, these still come with administrative and operating costs and tradeoffs that must be considered regarding Valley Metro's level of control in defining income eligibility and oversight.

In addition to considering a low-income fare program, Valley Metro should also consider the benefits of fare capping and how it has helped promote equity without requiring income verification that inhibits participation. The introduction of fare capping expands access to the discounts embedded into longer period passes to those who cannot afford the upfront cost of longer period passes.

By definition, a low-income fare program would not result in a disproportionate burden (or benefit in the case of a fare reduction) from a Title VI perspective as the recipients of the benefit are low-income riders. Among minority riders, those who are low-income is essentially the same as the low-income share of the overall ridership, so a disparate impact of a low-income fare program is unlikely.

Expansion of Social Services Fare Program

Valley Metro's Social Services Fare Program, previously the Homeless Service Provider Program, provides a 50% discount on full fare products to 501(c)(3) organizations and governmental agencies serving individuals experiencing homelessness or at risk of homelessness.

Expansion of the Social Services Fare Program to include 501(c)(3) organizations and governmental agencies that serve low-income individuals could enable Valley Metro to expand access to discounted fare products to those who are in most need, while minimizing the administrative burden on Valley Metro for income verification and management of the program.

Several transit agencies offer discounted fare products to 501(c)(3) organizations and governmental agencies, similar to Valley Metro's Social Services Fare Program. However, these agencies do not limit recipients to only individuals experiencing homelessness or at risk of homelessness. The discount provided ranges widely from 10% to 75% and may depend on the size of demand and financial capacity of the transit agency.

In Salt Lake City, Utah Transit Authority (UTA) replaced its Homeless Program with its Human Service Fare Program in 2020. UTA expanded the availability of discounted passes to include 501(c)(3) organizations or equivalent organizations that serve low-income individuals within the service area and increased the discount from 50% to 75%. This new structure also broadened the availability of discounted passes to any individual participating in a service provider's program that is at or below 150% of the FPL, which aligns with UTA's definition for low-income in the UTA Title VI Compliance Policy. These passes are sold directly to service providers who are required to provide these passes to participants in their program free of charge. The pilot program started with a select few service providers and subsequently expanded to more than 70 service providers and governmental agencies whose mission aligns with UTA's goal to assist low-income households within the service area. In addition to the Human Service Fare Program, adult, low-income individuals can also apply for UTA's Reduced Fare Program that provides a 50% discount on fixed-route service.

Two scenario options were analyzed to expand the populations eligible through Valley Metro's Social Services Fare Program:

- Expansion of Social Services Fare Program at current 50% discount: 501(c)(3) organizations and government agencies serving low-income individuals to purchase full fare products at a 50% discount
- Expansion of Social Services Fare Program at a 75% discount: 501(c)(3) organizations and government agencies serving low-income individuals to purchase full fare products at a 75% discount

Both scenario options are based on UTA's experience implementing its Human Service Fare Program and the size of Valley Metro's current Social Services Fare Program. Through discussions with UTA, UTA staff indicated that with the broader program eligibility criteria, the number of participating organizations increased from ~40 to ~120, roughly a 300% increase in number of participating organizations. The existing Social Services Fare Program is estimated to represent 1,321,000 boardings (3.8% of systemwide fixed-route boardings) and $677,000 (2.6% of systemwide fixed-route fare revenue). The worst-case scenario assumes that 100% of the incremental ridership and revenue in the program were from existing full fare Valley Metro riders; the best-case scenario assumes that 100% of the incremental ridership and revenue in the program comes from riders new to Valley Metro. The actual results of expanding the Social Services Fare Program would likely fall somewhere in between these outcomes and would be impacted by the share of riders new to Valley Metro and the share of existing riders already using reduced fare products. It is worth also noting that the fare revenue impacts do not account for potential increase in administrative costs from expanding the program, which may erode any increase in potential fare revenue.

Table 2: Expansion of Social Services Fare Program - Ridership and Revenue Results

	Ridership (% of Fixed-Route Boardings)	Revenue (% of Fixed-Route Revenue)
Expansion of the Social Services Fare Program: 200% increase in the size of the Social Services Fare Program at a 50% discount*	Worst Case: No Change in Ridership Best Case: +2,640,000 (+7.7%)	Worst Case: -$1,350,000 (-5.1%) Best Case: +$1,350,000 (+5.1%)
Expansion of Social Services Fare Program: 200% increase in the size of the Social Services Fare Program the Social Services Fare Program at a 75% discount*	Worst Case: No Change in Ridership Best Case: +2,640,000 to +3,060,000 (+7.7% to +8.9%)	Worst Case: -$2,360,000 (-9.0%) Best Case: +$350,000 to +$450,000 (+1.3% to +1.7%)

* For expansion of the Social Services Fare Program, "Worst Case" assumes 100% of the incremental ridership and revenue in the program were from existing full fare Valley Metro riders, while "Best Case" assumes 100% of the incremental ridership and revenue in the program comes from riders new to Valley Metro.

If a decision were made to move forward with expansion of the Social Services Fare Program, Valley Metro would need to define the income threshold for recipients as well as other program requirements, such as reporting and auditing. All of which would impact participation in the program, demand, staffing, and administrative costs.

Assuming program eligibility is close to that of a low-income fare program, a Title VI analysis is unlikely to find a disparate impact or disproportionate burden, but rider eligibility for participation would be the key deciding factor.

Introduction of a Veterans Reduced Fare Program

The Steering Committee and some stakeholders interviewed at the onset of the fare study identified U.S. veterans as a subset of Valley Metro ridership that should potentially be eligible for reduced fares, if not for financial assistance, then in acknowledgement of their service. For programs where a veteran organization is verifying veteran status, offering a reduced fare can also provide an opportunity for the organization to check in with the veteran about other assistance that they might need.

Among Valley Metro and several of its peers, veterans are eligible for reduced fares only to the extent they have a qualifying disability as determined by the Veterans Administration (VA). Only two peer agencies grant veterans the ability to pay the reduced fare (TriMet in Portland, OR) or ride free (METRO in Houston, TX) based solely on being a veteran and regardless of the VA's disability rating. Other agencies use the VA's disability rating to determine disability status and thus eligibility for reduced fare. While Valley Metro requires a 30% disability rating, two of its peers (Metro Transit in Minneapolis, MN and TriMet) require only a 10% disability rating. Other peers offer reduced fare to veterans with a disability rating of either 40% (Sound Transit in Seattle, WA) or 50% (DART in Dallas, TX, RTD in Denver, CO, METRO in Houston, TX, and MTS in San Diego, CA). UTA in Salt Lake City, UT is the only agency that does not use the VA's disability rating for proof of disability status.

Approximately 5% of Valley Metro systemwide fixed-route ridership are veterans with approximately half of them qualifying for an existing reduced fare discount (senior or person with a disability). The ridership and revenue impacts vary based on the level of participation. The ridership and revenue impact differ based on the assumed level of participation in a veterans reduced fare program. Results in the lower end of the range assume that 50% of eligible veterans would participate while the high end of the range assumes 100% participation.

Table 3: Introduction of a Veterans Reduced Fare Program - Ridership and Revenue Results

	Ridership (% of Fixed-Route Boardings)	Revenue (% of Fixed-Route Revenue)
Introduction of a veterans reduced fare program	+120,000 to +240,000 (+0.4% to +0.7%)	-$210,000 to -$420,000 (-0.8% to -1.6%)

In addition to considering the impacts on revenue, Valley Metro would need to consider the capacity of staff and the financial costs of expanding reduced fare eligibility to veterans. The additional category of eligibility could be added to the reduced fare application process introduced with the FCSM (in person or website application) which would put the burden on transit center/Mobility Center staff and would increase costs for application processing done by the third party FCSM call center. Alternatively, access to discounted fares for veterans could be offered by granting veteran organizations eligibility to participate in an expanded Social Services Fare Program. However, veterans would have to be a client of an eligible organization to receive the benefit, and Valley Metro would incur administrative costs in overseeing and auditing a growing list of social services agencies.

While extending reduced fare benefits to all veterans would disproportionately benefit non-minority and non-low-income riders, it would be unlikely to result in a Title VI impact given the proportion of riders who are veterans not already qualified for a reduced fare.

Introduction of a Reduced Fare on Express/RAPID Routes

The Steering Committee expressed interest in examining alternative pricing structures for Express/RAPID commuter bus service to simplify fares, address affordability on Express/RAPID routes, and rebuild ridership. Express/RAPID ridership represents just 1% of Valley Metro fixed-route ridership and 3.5% of fixed-route revenue.

As a subrecipient of FTA funds, Valley Metro is required to offer half fare to seniors, people with disabilities, and Medicare cardholders on the full peak fare, during off-peak periods. Currently, Valley Metro's Express/RAPID services operate only during the peak and, as such, Valley Metro is not required to provide a reduced fare on Express/RAPID routes. However, However, as City of Phoenix considers a pilot to offer off-peak service on two RAPID lines in 2026, an Express/RAPID half fare would need to be introduced at a minimum on the off-peak RAPID pilot service.

Among the peer agencies, only Valley Metro and Metro Transit in Minneapolis, MN have chosen not to offer a reduced fare for at least some product types (e.g., one-rides or monthly passes) and/or during the peak period on premium services. Since the premium services for all of the peers operate all day, most peers extend the discounts all day for simplicity. Metro Transit is the only peer with peak/off-peak fares.

Three variations of extending reduced fare discounts to Express/RAPID services were modeled:

1. Introduce a reduced fare at 50% of the Express/RAPID full fare
2. Establish a single, reduced fare for all services at 50% of the Local fare (i.e., reduced fare riders would pay the same $1.00 1-Ride fare on Local and Express/RAPID routes)
3. Eliminate the distinct pricing of the Express/RAPID fare and align Express/RAPID with Local fares currently set at $2.00 (full fare)/$1.00 (reduced fare) for a 1-Ride.

Table 4: Introduction of Reduced Fare on Express/RAPID Routes - Ridership and Revenue Results

	Ridership (% of Fixed-Route Boardings)	Revenue (% of Fixed-Route Revenue)
Introduction of Reduced Fare on Express/RAPID Routes: Introduction of a reduced fare at 50% of the Express/RAPID full fare	+13,500 (+0.04%)	-$112,000 (-0.4%)
Introduction of Reduced Fare on Express/RAPID Routes: Single, reduced fare for all services at 50% of the Local fare	+20,100 (+0.06%)	-$148,000 (-0.6%)
Introduction of Reduced Fare on Express/RAPID Routes: Elimination of the Express/RAPID premium fare	+44,200 (+0.13%)	-$370,000 (-1.4%)

Aside from the revenue impacts of a change to Express/RAPID fares, the costs to implement one of these changes would be minimal, consisting of re-configurating the FCSM back office, updating system signage (primarily on-board buses), modifying other regional marketing materials (website, brochures) about fares, and conducting targeted outreach.

Given the small proportion of fixed-route ridership that is Express/RAPID, it is unlikely that any of the variations would result in a Title VI impact.

Changes to Semester Pass Program Pricing

In recent years, there have been no sales of Semester passes since they were effectively replaced with 31-Day passes and shorter duration multi-day passes for college students when American Rescue Plan Act (ARPA) funds were used to subsidize these passes for college students during COVID. To re-energize the Semester Pass Program, the Steering Committee expressed an interest in making the pass pricing more attractive overall and minimizing the barrier to entry of a high initial pass price at the beginning on the semester.

Both full fare and reduced fare Semester passes are available, with pricing based on 4.5 x 31-Day passes, with a 20% discount ($230 and $115, respectively). Full fare and reduced fare summer semester passes are also available, with pricing based on 3 x 31-Day passes, with a 20% discount ($154 and $77, respectively). The main target market for the Semester Pass Program is students at community colleges. In FY23, the sales of all Valley Metro products at the eight community colleges in the Valley Metro service area amounted to roughly $80,000. Of this amount, approximately 87% of revenue was from full fare, Local 31-Day passes, 12% of revenue was from reduced fare, Local 31-Day passes, and the remaining 1% of revenue was from Local 1-Day passes. No Semester passes were sold. Commissions on the sale of products at the community colleges amounted to 4% of revenue, or $3,200 for the fiscal year.

One scenario option identified was to convert the 4% commission paid to the community colleges into an additional discount (note: the provision of commissions through Valley Metro's current outlets ceased with the implementation of FCSM). Given that the total commission paid to community colleges was only $3,200 in FY23, converting the commission to an additional discount is unlikely to incentivize the purchase of Semester passes. Regardless of an additional 4% discount on Semester passes, the incremental cost savings of purchasing a full fare Semester pass are unlikely to outweigh the flexibility benefits for students of purchasing individual full fare passes, especially given the 50% subsidy on full fare passes provided by the community colleges up to a certain number/amount.

The following tables show the savings of purchasing a Semester pass compared to four and a half (4.5) 31-Day passes at a 50% subsidy provided by the community colleges.

Table 5: Semester Pass vs. 31-Day Pass Savings – Full Fare

Full Fare Product	List Price	Comm. College Fare Reduction (50%)	Student Out of Pocket Cost	Semester Pass Savings Compared to 31-Day Pass
Semester pass	$230	($115)	$115	$29
Semester pass, with 4% price reduction	$220	($110)	$110	$34
Four and a Half, 31-Day passes	$288	($144)	$144	

Table 6: Semester Pass vs. 31-Day Pass Savings – Reduced Fare

Reduced Fare Product	List Price	Comm. College Fare Reduction (70%)	Student Out of Pocket Cost	Semester Pass Savings Compared to 31-Day Pass
Semester pass	$115.00	($80.00)	$35.00	$9.00
Semester pass, with 4% price reduction	$110.00	($77.50)	$32.50	$11.50
Four and a Half, 31-Day passes	$144.00	($100.00)	$44.00	

Now that the FCSM has launched, Valley Metro may want to revisit whether there is a need for a Semester Pass Program. If there is a desire to retain the Semester Pass Program, Valley Metro should coordinate with the community colleges to determine how to better align institutional subsidies and Valley Metro discounts to maximize Semester pass pricing benefits for students. Valley Metro may also want to consider a greater discount. The discount provided by most peers range from a 20% to 60% discount. As part of the coordination with the colleges, Valley Metro should also collaborate with community colleges to better market the Semester pass once the parties have agreed to re-introduce the Semester pass.

Valley Metro may also want to consider alternative pricing strategies for community colleges, including pricing based on historical utilization, similar to the approach for the ASU U-Pass. This would enable Valley Metro to embed a discount on par with those of Valley Metro's peers without establishing a new reduced fare category subject to Valley Metro administration.

Review of Pass Multiples

Day, weekly, and monthly caps implemented under the FCSM are based on the 1-Day, 7-Day, and 31-Day pass prices of $4.00, $20.00, and $64.00, respectively (for full fare products). This equates to a 5-day and 16-day multiple, respectively, on the daily price for the weekly and monthly caps. The Steering Committee and some interview respondents questioned if these pass multiples, particularly on the monthly cap, may be too high in the post-COVID era where riders may not be commuting every day for work.

An increasing number of agencies are increasing the discount on longer period passes (e.g., monthly passes or monthly fare capping) for reduced fare riders. Denver, Portland, and San Diego offer ~70% discount on monthly passes for reduced fare riders, while offering a 50% discount on single ride and day passes. Offering greater discount on monthly passes can help provide a greater subsidy for those who are transit reliant.

With improved data from the FCSM, the rate at which each of the three fare caps are attained by various categories of riders (full fare, seniors, youth, people with disabilities) can be examined and additional options identified for making fares more affordable for financially burdened riders.

Review of the Transfer Policy

With the opening of Valley Metro Rail's South Central extension, Valley Metro light rail operations switched from a single line light rail network to Line A & Line B, two-line operations. For those riders that previously rode from North Phoenix to points East, including Tempe/Mesa (or vice versa) a previous trip involving a single rail boarding now requires traveling on two trains.

This change to light rail operations led to discussions internally around Valley Metro's existing pay-per-boarding policy. For a subset of riders, this operational change results in paying for two boardings rather than a single boarding, increasing costs for some riders. Riders purchasing Rail 1-Ride tickets were of particular interest as a subset of these riders would need to interact with the ticket vending machines (TVMs) multiple times to purchase multiple tickets and over the course of their trip.

This change in light rail operations and the resulting impact on rider experience was the impetus to consider the potential impacts of re-introducing transfers between Valley Metro services.

The Steering Committee identified three scenario options for future consideration.

- **Pay per boarding (current policy):** Under this option, there would be no transfers on any modes, and riders would pay for each boarding. This is the current policy in the Valley Metro Regional Public Transit Fare Policy and Uniform Fare Structure.
- **Light rail transfers only:** Under this option, light rail riders would receive a free transfer between Line A and B. However, light rail riders would not be entitled to free transfers to/from bus and streetcar services.
- **Electronic transfers on all fixed-route services:** Under this option, riders using electronic fare media (Copper, Mobile, Platinum) would be receive free transfers between light rail, bus, and streetcar modes. Riders purchasing 1-Ride tickets from light rail or streetcar TVMs, and riders paying the cash fare on-board the bus would not receive free transfer privileges.

These scenarios were selected because they provide consistency in transfer policies for bus and rail riders, maximize use of FCSM, do not reintroduce the operational and revenue leakage issues with paper transfers and day passes, and result in the least impact on fare revenue.

The table below summarizes the fare revenue impacts of the transfer scenarios. Offsetting the revenue loss for introducing electronic transfers on all fixed-route services would require increasing the Local base fare $0.20 from $2.00 to $2.20.

Table 7: Transfer Scenario Fare Revenue Impacts

Transfer Scenario Option	Approx. Annualized Fare Revenue Impact*		Full Fare Price, to maintain revenue neutrality
	Dollars	Percentage	
Pay per boarding (current policy)	-	-	No Change ($2.00)
Light rail transfers only	- $190,000	- 0.7%	No Change ($2.00)
Electronic transfers on all fixed-route services	- $1,450,000	- 5.7%	~ $2.20

* Annualized revenue impact based on FY2024 fixed-route fare revenue

Introducing free electronic transfers would increase electronic fare adoption. Increased electronic fare adoption would increase the fare revenue loss both from introduction of transfers and riders benefiting from Smart Fare capping. Introducing a low-income fare program would also increase the fare revenue loss.

As Valley Metro considers potential transfer scenarios, it is also worth considering the benefits provided by Smart Fare capping vs. transfers, and whether there is a need to provide both to riders. For Valley Metro, the rider impacts of offering fare capping vs. transfers are very similar, due in large part to the daily fare cap set at twice the single ride fare.

In addition to fare revenue impacts, there would be implementation costs to change transfer rules in FCSM and/or simplify the fare payment for light rail riders purchasing 1-Ride tickets. For the three scenario options, order-of-magnitude costs associated with needed FCSM configuration changes were estimated at $200,000 to $250,000 for all three options. These costs would include potential changes to light rail TVM screen flows to enable riders purchasing 1-Ride tickets to purchase 2-line ride fare payment upfront, configuration of fare inspection devices to enforce light rail line A/B rules, and/or FCSM back office fare calculations to enable free transfer privileges. Should the fare policy change to allow free transfers for multiple seat rides, a Title VI analysis that takes into consideration transfer and fare capping rate along with electronic media adoption would be required.

Increased Marketing of Pass Programs

Platinum, Group Fares & Social Services Fare Programs

The Steering Committee and study interview respondents identified opportunities to increase the marketing of specialized pass programs, which has been historically lacking in the region. Coincidentally, while this fare study was underway, increased marketing (or awareness) naturally arose to prepare the region for the FCSM. The launch of the FCSM has not only required the dissemination of information about Valley Metro's pass programs but has sparked renewed interest in what these programs have to offer employers and organizations across the region. Efforts undertaken to prepare the region for changes to the pass programs with the launch of the FCSM included:

- Rebranding of programs – Programs have been rebranded to reflect the range of organizations, including rebranding of Corporate Pass Program (now Group Fares Program) and Homeless Service Provider Pass Program (now Social Services Fare Program).
- New pass agreements – New agreements were required to be established between Valley Metro and participating organizations as all agreements were previously held by the City of Phoenix.
- Creation of fact sheets – A new fact sheet was created for the Platinum, Group Fares, and Social Services Fare programs. The fact sheets highlight the benefits of the program, member eligibility, and program rules/requirements.
- Direct outreach – Direct outreach (letters, emails) followed up by numerous phone calls with organizations to answer questions about not only the changes introduced by FCSM but to increase awareness of alternative pass programs that may be better suited to an organization's needs.
- Webpages – New dedicated pages were created on the Valley Metro website for each program.

With the pass program transition to FCSM now complete, Valley Metro staff are able focus on promoting the pass programs and expanding participation by communicating the specific benefits the programs offer to new employers and organizations.

In addition to increased marketing, the FCSM project has helped Valley Metro streamline the programs, simplify billing and invoicing, and enable organizations to self-administer their accounts. These improvements have enabled Valley Metro to minimize barriers to participation in its pass programs, particularly the Platinum Pass Program. Since the official launch of the Platinum Pass Program in the FCSM system in June 2024, 55 additional Platinum accounts have been established.

Residential Pass Program

With the light rail extension and significant residential development along light rail and major transit corridors, the Steering Committee identified opportunities to promote transit to these residents through marketing and promoting transit pass options, particularly the Platinum Pass Program.

Rather than creating a new program specifically for the residential developments, the Steering Committee was supportive of promoting the Platinum Pass Program. In 2021, Valley Metro expanded the types of organizations that can participate in the Platinum Pass Program to include Transit-Oriented Developments. The Platinum Pass Program provides the flexibility to developments to determine who receives a pass while minimizing financial risks for Valley Metro by post-billing based on actual use. These benefits were affirmed by a current development participating in the Platinum Pass Program.

Developing marketing materials on the Platinum Pass Program for residential developments along with targeted marketing to new developments would help in communicating the benefits and attracting new developments. There are significant development investments along light rail corridor and major transit corridors. Along light rail, there are over 25 recent developments within ¼ mile of light rail station and over 300 dwelling units. Light rail access has high perceived value of light rail access, and offering transit passes to residents an opportunity to attract residents and promote transit use.

Special Event Pass Program/Ticket Partnership Program

Valley Metro supports two different event-based programs: 1) Special Event Pass Program and 2) Ticket Partnership Program. The first is tailored for specific short-term events held in the greater Phoenix area. The latter is intended for venues and/or organizations with recurring events like Talking Stick Arena (now Mortgage Matchup Center) or the Phoenix Suns.

Special Event Pass Program

Valley Metro has updated the Special Event Pass Program agreement which defines the requirements of the program such as number of participants, type of media, event duration, pricing, and so forth. In addition, an FCSM enhancement coming in 2025 will link the mobile app with the system's institutional portal to further improve upon the process of providing mobile app-based special event passes.

The Steering Committee identified opportunities to build upon the Special Event Pass Program to make the program easier to market and attract events to participate. The opportunities would establish a menu of options to address both small and large events with guardrails to support regional fare recovery goals. These opportunities include a few updates to the Special Event Pass Program pricing and the Valley Metro Regional Public Transit Fare Policy and Uniform Fare Structure. These updates could include:

- Update the daily maximum price for events to provide discounts to shorter events, particularly 2-3 day events.
- Enable events to share costs with attendees by subsidizing a portion of the cost of the pass.
- Enable Valley Metro to offer promotional passes directly to riders.

- Improve the communication and marketing materials to address confusion regarding how the daily maximum price is used to determine maximum pricing for the event based on the event duration.
- Establish flexibility for events with greater than 1,000 attendees to establish pricing that supports regional fare recovery goals.

The ability to provide promotional passes directly to riders would enable Valley Metro to promote and market transit for special events, while minimizing the impact on existing fare revenue since promotional passes would not accumulate towards fare caps. Providing flexibility in pricing for events with greater than 1,000 attendees would provide ability for Valley Metro to balance priorities while supporting regional fare recovery goals.

New daily maximum pass pricing proposed is shown in Table 8. In addition to lowering the daily maximum price for shorter events, the proposed pricing would adjust the special event duration buckets.

Table 8: Proposed Changes to Special Event Pass Program

Current		Proposed	
Special Event Duration	Daily Maximum Price (and Regional Fare Equivalent)	Special Event Duration	Daily Maximum Price (and discount)
2 - 3 days	$4.00 (1-Day pass price)	2 - 3 days	$3.00 (25% discount)
4 - 15 days	$2.85 (7-Day pass price per day)	4 - 10 days	$2.50 (37.5% discount)
16 or more days	$2.00 (31-Day pass price per day)	11 or more days	$2.00 (50% discount)

Similar to today, special events with 100 or more participants that fully subsidize and sponsor public transportation for attendees would be post-billed based on actual rides taken up to the event maximum price per pass. The event maximum price would continue to be calculated by multiplying the special event duration by the daily maximum price.

For special events that want to subsidize a portion of the cost of the pass for attendees and for promotional passes offered by Valley Metro directly to riders, the cost of the pass could be calculated by multiplying the special event duration by the daily maximum price. Pricing would not account for the actual rides taken.

Ticket Partnership Program

For events with 5,000 or more attendees, the Ticket Partnership Program enables event attendees to use their event tickets issued for the event to use Valley Metro Rail at no additional charge. Today, tickets are visually validated so there is limited data collected.

In the future, there may also be opportunities for the Ticket Partnership Program to integrate event tickets and fare payment to determine pricing. With ticket integration, the rider would scan their ticket on the validator as fare payment. Ticket integration that enables electronic fare validation is beyond the FCSM scope at this time, but Valley Metro has engaged its fare collection vendor and Mortgage Matchup Arena in discussions to provide this functionality.

Free Fare Days

The Steering Committee proposes amending the Valley Metro Regional Public Transit Fare Policy and Uniform Fare Structure to authorize the Valley Metro CEO in coordination with the City of Phoenix to offer up to four (4) free transit days per fiscal year.

Free fare days provides an opportunity for Valley Metro to promote transit. The introduction of a free fare day is estimated to result in $75,000 to $100,000 revenue loss per day. In offering free fare days, Valley Metro could seek sponsorships to help offset revenue losses.

Executive Summary

DATE **AGENDA ITEM 7**
January 15, 2026

SUBJECT
Travel and Expenditures

PURPOSE
The monthly travel and expenditures are presented for information.

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

CONTACT
Ken Kessler
Chief Financial Officer
Kkessler@valleymetro.org

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

Valley Metro
Travel Reimbursement Report

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Sr IT Internal Auditor	APTAtech	Miami, FL	8/03/25-8/06/25	$1,843.20	$588.36	$64.86	$919.98	$270.00	
Oracle ERP Application Analyst	2025 Latinos in Transit Leadership Summit	Albuquerque, NM	10/02/25-10/05/25	$1,577.87	$513.60	$8.93	$839.34	$216.00	
Operations Comm Specialist	APTA 2025 TRANSform Conference	Boston, MA	9/12/25-9/17/25	$2,785.82	$577.46	$190.06	$1,581.30	$362.00	$75.00 [1]
Capital Program Biz Manager	WTSI International Conference	Philadelphia, PA	10/11/25-10/16/25	$1,944.82	$736.97	$73.01	$939.09	$120.75	$75.00 [1]

Total this reporting period	$8,151.71
Year to Date	**$75,248.14**

Report reflects Out of State (AZ) Travel

** Misc*

[1] Baggage Fees

[2] Flight Wi-Fi Fee

[3] Flight Cost Difference

[4] Car Rental/Rideshare

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over $25,000
Oct 2025

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10003988	10/24/2025	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	7,692,449.71
10004010	10/30/2025	City of Phoenix	Transportation Services for East/West Valley-Fixed & ADA Routes	4,374,951.83
10004011	10/30/2025	City of Phoenix	RTP Reimbursement	2,855,029.96
10003914	10/3/2025	Scheidt & Bachmann USA Inc	Regional Farebox Project	1,944,685.50
90000449	10/3/2025	ADP Inc	PPE 09/28/2025 Payroll Liabilities	1,612,541.74
90000453	10/17/2025	ADP Inc	PPE 10/12/2025 Payroll Liabilities	1,522,620.19
90000458	10/31/2025	ADP Inc	PPE 10/26/2025 Payroll Liabilities	1,503,140.36
10003982	10/24/2025	MTM Transit LLC	Operations and Maintenance Services for Paratransit	1,297,089.68
10003949	10/10/2025	Keolis Transit Services LLC	Preventative Maintenance Services	959,239.93
90000454	10/24/2025	Cigna Health and Life Insurance Company	Health Insurance Premiums	760,591.74
10004012	10/30/2025	City of Phoenix	Sale of FTA funded fleet	602,883.00
10003910	10/3/2025	Commute with Enterprise	Vanpool Services	544,465.48
10003968	10/17/2025	MJM Innovations	Broker Services	425,864.93
90000448	10/3/2025	ASRS	PPE 09/28/25 ASRS Contributions & LTD	406,494.46
90000457	10/31/2025	ASRS	PPE 10/26/25 ASRS Contributions & LTD	400,881.53
90000451	10/17/2025	ASRS	PPE 10/12/25 ASRS Contributions & LTD	399,789.86
10003940	10/10/2025	MJM Innovations	Broker Services	342,308.07
10003942	10/10/2025	Origami Risk LLC	GRC - Risk Management Information System	252,716.21
10004001	10/30/2025	J Banicki Construction Inc	JOC-Supplemental Construction Services	235,648.93
90000459	10/31/2025	Surepays	RPTA Monthly Utilities	151,537.60
10003919	10/3/2025	Vix Technology USA Inc	Customer Service Network	110,788.87
10003924	10/3/2025	Keolis Transit Services LLC	Engines and Transmissions	88,456.08
10003916	10/3/2025	Dell Marketing LP	IT Computer equipment, peripherals and supplies	75,334.90
1003345	10/24/2025	CopperPoint Insurance Company	Rent and CAM Charges	74,527.88
10003983	10/24/2025	Alesig Consulting LLC	CAS - Next Ride	74,502.00
10003943	10/10/2025	Guidesoft Inc	Temporary Staff - IT related	59,701.20
10003994	10/24/2025	QCM Technologies Inc	Information Technology Services	58,864.20
90000452	10/17/2025	Wells Fargo Bank	Monthly Credit Card Charges	48,280.58
10003962	10/17/2025	Senergy Petroleum LLC	Bulk Fuel	39,617.77
10003939	10/10/2025	Senergy Petroleum LLC	Bulk Fuel	39,426.76

1003316	10/3/2025	Hye Tech Network & Security Solutions L	Technology and Audio/Visual Solutions	36,908.02
10003973	10/17/2025	Franklin Covey Client Sales Inc	Franklin Covey - All access pass plus	35,821.78
10003937	10/10/2025	WEX Health Inc	Flexible Spending	33,237.75
10003933	10/10/2025	Magnetry LLC	Marketing Services	32,050.00
1003346	10/24/2025	Hye Tech Network & Security Solutions L	Technology and Audio/Visual Solutions	31,666.67
10003977	10/17/2025	Valley Metro RPTA	Platinum Pass Program Services	29,768.50
				29,153,883.67

Valley Metro Rail, Inc
Monthly AP Payments over $25,000
Oct 2025

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50003723	10/17/2025	Kiewit Infrastructure West Company	CMAR Services for South Central-Downtown Hub	6,787,663.80
50003739	10/17/2025	Inter-Con Security Systems Inc	Field Security Officers	1,466,705.52
50003727	10/17/2025	Siemens Mobility Inc	Light Rail Vehicles	1,227,118.13
50003697	10/10/2025	Jacobs Engineering	Capitol Extension Design	805,568.51
90000052	10/31/2025	Surepays	VMR Monthly Utilities	684,650.01
50003764	10/30/2025	Siemens Mobility Inc	ECON Avi	527,426.62
50003677	10/3/2025	DMS Facility Services Inc	Facilities Maintenance Services	398,987.33
50003745	10/24/2025	Hill International Inc	PMCM Services	294,294.51
50003761	10/30/2025	Jacobs Engineering	Capitol Extension Design	275,565.84
50003766	10/30/2025	AECOM Technical Services Inc	Design Services for South Central Downtown Hub	261,156.55
50003673	10/3/2025	AECOM Technical Services Inc	Evvironmental Services Support	203,998.89
50003760	10/30/2025	Hill International Inc	PMCM Services	191,920.47
5003799	10/3/2025	APS	Third Party Utilities for SCE	150,577.27
50003682	10/3/2025	PGH Wong Engineering Inc	System Design Services	129,768.76
50003729	10/17/2025	URW LLC	Landscape Maintenance Services	126,866.86
50003725	10/17/2025	Knorr Brake Corporation	Brake Caliper	108,370.59
50003681	10/3/2025	Penn Machine Company LLC	Tire, Kit, Mounting	106,280.00
50003716	10/17/2025	DLT Solutions LLC	Architecture Engineering	98,020.55
50003740	10/24/2025	ARCADIS	Consulting Support Services	86,529.64
50003756	10/24/2025	City of Phoenix	Vix FCMS charges	65,035.00
50003710	10/17/2025	AECOM Technical Services Inc	Environmental Services Support	59,378.19
50003700	10/10/2025	PGH Wong Engineering Inc	System Design Services	58,669.42
50003754	10/24/2025	Southwest Transit Partners	CAPEX Services- Pre-Construction Services	50,897.58
50003708	10/10/2025	WEX Bank	Fleet Card Services	42,453.83
50003702	10/10/2025	US Train Products LLC	Pump, Gauge, Filter	41,097.20
50003722	10/17/2025	Jacobs Engineering	Capitol Extension Design	32,137.40
50003712	10/17/2025	Award Winning Restorations	Accident Repairs	30,352.04
5003840	10/17/2025	Visiontron Corporation	Car Barrier and Plate	29,385.50
50003701	10/10/2025	Siemens Mobility Inc	Main Fan	29,292.00
50003751	10/24/2025	WSP USA Inc	Community Relations Support Services On-Call	26,999.85
50003720	10/17/2025	HDR Engineering Inc	Project Development Support	25,023.43
				14,422,191.29

Valley Metro
Travel Reimbursement Report

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.	
Manager, Rail Operations	APTA OPWG in Person Meeting	Salt Lake City, UT	10/22/25-10/24/25	$1,378.19	$388.96		$808.23	$181.00		
Planner/Sustainability Specialist	Mpact Transit & Community Conference	Portland, OR	10/24/25-10/29/25	$1,475.34	$467.96		$678.63	$283.75	$45.00	3
RPTA Board Member	Mpact Transit & Community Conference	Portland, OR	10/25/25-10/29/25	$1,888.89	$397.17	$89.88	$904.84	$387.00	$110.00	3
Enterprise IT Project Mgr	AI Coalition Summit 2025	San Jose, CA	11/04/25-11/07/25	$1,624.67	$525.96	$182.96	$665.25	$250.50		
Capital Planning Manager	Mpact Transit & Community Conference	Portland, OR	10/24/25-10/29/25	$1,427.42	$405.97	$14.10	$678.60	$283.75	$45.00	3
Planner	Mpact Transit & Community Conference	Portland, OR	10/26/25-10/31/25	$1,614.43	$472.60	$44.48	$678.60	$283.75	$135.00	1,3

Total this reporting period $9,408.94

Year to Date **$84,657.08**

Report reflects Out of State (AZ) Travel

** Misc*
[1] Baggage Fees
[2] Flight Wi-Fi Fee
[3] Mobile Workshop
[4] Car Rental/Rideshare

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over $25,000
Nov 2025

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10004054	11/7/2025	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	7,590,146.97
10004155	11/26/2025	City of Phoenix	Transportation Services for East/West Valley-Fixed & ADA Routes	4,374,951.83
90000467	11/26/2025	ADP Inc	PPE 11/23/2025 Payroll Liabilities	1,561,226.30
90000461	11/14/2025	ADP Inc	PPE 11/09/2025 Payroll Liabilities	1,507,127.52
10004050	11/7/2025	MTM Transit LLC	Paratransit Service & Fuel, Mobility Center Fuel & Trips	1,254,954.02
10004074	11/14/2025	Keolis Transit Services LLC	Preventative Maintenance Services	959,239.93
10004026	11/3/2025	MJM Innovations	Broker Services	803,112.86
90000462	11/21/2025	Cigna Health and Life Insurance Company	Health Insurance Premiums	763,487.98
10004102	11/21/2025	National Express Transit Corporation	West Valley Contracted Fixed Route and Maintenance Services	638,452.18
10004037	11/7/2025	Commute with Enterprise	Vanpool Services	552,222.63
90000465	11/26/2025	ASRS	PPE 11/23/25 ASRS Contributions & LTD	415,940.69
10004068	11/14/2025	MJM Innovations	Broker Services	415,104.16
90000460	11/14/2025	ASRS	PPE 11/09/25 ASRS Contributions & LTD	400,078.21
10004069	11/14/2025	MJM Innovations	Broker Services	259,452.44
10004154	11/26/2025	101 North First Ave LLC	101 Building Rent	205,579.59
10004034	11/3/2025	101 North First Ave LLC	101 Building Rent	205,009.08
10004032	11/3/2025	PFM Solutions LLC	Annual License Fee - Financial Modeling Software	194,967.00
1003379	11/7/2025	Regional Transportation Authority of Pi	Ajo 685 Long Route Trips	194,838.91
10004041	11/7/2025	Scheidt & Bachmann USA Inc	Hardware & Software Maintenance	157,447.16
90000468	11/30/2025	Surepays	RPTA Monthly Utilities	148,871.66
10004148	11/26/2025	MTM Transit LLC	Eligibility Assessment/Training costs	140,981.40
10004159	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	135,488.50
10004027	11/3/2025	MTM Transit LLC	Eligibility Assessment/Training costs	132,398.38
10004167	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	129,189.52
10004166	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	128,510.24
10004161	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	126,690.27
10004138	11/26/2025	HDR Engineering Inc	Community Relations Support Services	120,535.81
10004170	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	118,346.26
10004164	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	117,427.36
10004163	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	116,908.64

10004162	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	114,047.75
10004023	11/3/2025	Vix Technology USA Inc	Customer Service Network	108,781.53
1003376	11/7/2025	City of Scottsdale, Remittance Processi	PTF Expenditure Reimbursement	108,398.07
10004165	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	101,926.62
10004152	11/26/2025	Woolpert Inc	Earth Observation Solutions - Google Maps	96,200.00
10004056	11/14/2025	Magnetry LLC	Marketing Services	94,958.00
10004020	11/3/2025	Scheidt & Bachmann USA Inc	Hardware & Software Maintenance	89,936.43
10004030	11/3/2025	Guidesoft Inc	Temporary Staff - IT related	83,422.25
1003399	11/26/2025	CopperPoint Insurance Company	Rent and CAM Charges	74,670.56
10004049	11/7/2025	MJM Innovations	Pass Through Provider Costs	73,663.03
10004084	11/21/2025	CHK America Inc	Wayfinding Map Design Services	72,930.00
10004072	11/14/2025	Guidesoft Inc	Temporary Staff - IT related	54,423.40
10004091	11/21/2025	QCM Technologies Inc	Information Technology Services	48,349.20
90000466	11/26/2025	Wells Fargo Bank	Monthly Credit Card Charges	46,843.62
10004022	11/3/2025	Senergy Petroleum LLC	Bulk Fuel	44,485.04
10004151	11/26/2025	Clean Energy	CNG Facility Operations & Maintenance	43,488.36
10004160	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	41,191.95
10004168	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	40,095.24
10004042	11/7/2025	Senergy Petroleum LLC	Bulk Fuel	37,660.94
10004015	11/3/2025	Immedia LLC	Audio Visual Services	34,335.46
10004098	11/21/2025	Senergy Petroleum LLC	Bulk Fuel	33,364.42
10004171	11/26/2025	Valley Metro RPTA	Platinum Pass Program Services	33,300.00
1003391	11/21/2025	CopperPoint Insurance Company	Workers Comp Premium Renewal	32,999.50
1003389	11/21/2025	Hye Tech Network & Security Solutions L	Technology and Audio/Visual Solutions	31,666.67
10004087	11/21/2025	HDR Engineering Inc	Community Relations Support Services	31,428.36
10004169	11/26/2025	Keolis Transit Services LLC	Engines and Transmissions	29,266.25
10004019	11/3/2025	QCM Technologies Inc	Information Technology Services	29,002.00
10004144	11/26/2025	Senergy Petroleum LLC	Bulk Fuel	28,853.02
10004047	11/7/2025	National Express Transit Corporation	West Valley Facility Lease	28,807.13
10004106	11/21/2025	National Express Transit Corporation	West Valley Facility Lease	28,807.13
10004096	11/21/2025	WEX Health Inc	Flexible Spending	26,749.70
				25,612,739.13

Valley Metro Rail, Inc
Monthly AP Payments over $25,000
Nov 2025

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50003817	11/14/2025	Siemens Mobility Inc	Light Rail Vehicle	3,047,361.13
50003791	11/7/2025	Alternate Concepts Inc	Transportation Services - Direct Labor Costs	2,248,063.53
50003879	11/26/2025	Inter-Con Security Systems Inc	Field Security Officers	1,520,680.16
50003840	11/21/2025	Kiewit Infrastructure West Company	CMAR Services for South Central-Downtown Hub	1,093,143.42
50003851	11/21/2025	Vix Technology USA Inc	TVM Spare Parts	912,793.49
50003864	11/26/2025	DMS Facility Services Inc	Facilities Maintenance Services	902,020.12
90000053	11/30/2025	Surepays	VMR Monthly Utilities	573,873.92
50003867	11/26/2025	Jacobs Engineering	Capital Extension Design	532,134.16
5003883	11/7/2025	APS	Third Party Utilities for SCE	390,431.75
50003813	11/14/2025	HDR Engineering Inc	Project Development Support	278,691.47
50003818	11/14/2025	Stacy and Witbeck Inc	Supplemental Construction Services	226,805.09
50003806	11/7/2025	City of Phoenix	Advertising Revenue Payment	175,578.25
50003837	11/21/2025	Hill International Inc	PMCM Services	172,096.46
5003892	11/14/2025	Altec Industries Inc	Utility Equipment - Digger Derricks, Bucket Trucks	167,186.71
5003886	11/7/2025	Southwest Gas Corporation	Third Party Utilities for SCE	154,407.79
50003816	11/14/2025	PGH Wong Engineering Inc	System Design Services	148,711.16
5003907	11/21/2025	APS	Third Party Utilities for SCE	118,500.00
5003889	11/7/2025	CMF Leasing Co	Non-Revenue Vehicle Purchase	104,349.84
5003909	11/21/2025	STV Incorporated	Project Development Support	81,564.63
5003916	11/21/2025	Powerex - Iwata Air Technology Inc	Air Compressor	80,000.00
50003844	11/21/2025	PGH Wong Engineering Inc	System Design Services	74,518.87
50003861	11/26/2025	City of Phoenix	Vix FCMS charges	65,035.00
50003839	11/21/2025	Jacobs Engineering	Project Development Support	61,201.05
50003858	11/21/2025	SRP	Third Party Utilities for SCE	61,162.66
50003854	11/21/2025	Southwest Transit Partners	CAPEX CM Risk Services - Pre-Construction Services	60,126.13
50003847	11/21/2025	URW LLC	Install plants, shrubs, and granite	59,801.23
50003801	11/7/2025	City of Tempe	Advertising Revenue Payment	57,539.95
50003868	11/26/2025	Knorr Brake Corporation	Brake Caliper	54,388.28
5003877	11/7/2025	City of Mesa	Advertising Revenue Payment	51,543.24
50003804	11/7/2025	WEX Bank	Fleet Card Services	39,561.08

50003830	11/21/2025	Aphidoidea LLC	Downtown Transfer Hub- Public Art Services - Fabrication Install	33,975.00
50003845	11/21/2025	SHI International Corp	Software License, Maintenance and Support	33,622.49
50003855	11/21/2025	StrataTech Education Group	HVACR Training	31,500.00
50003866	11/26/2025	Grainger	Industrial Supplies	31,233.74
50003808	11/7/2025	SRP	Third Party Utilities for SCE	30,925.73
50003800	11/7/2025	Stacy and Witbeck Inc	Supplemental Construction Services	29,848.81
50003869	11/26/2025	PGH Wong Engineering Inc	System Design Services	27,951.62
50003807	11/7/2025	City of Phoenix	Advertising Revenue Payment	27,838.56
5003859	11/3/2025	All Fleet Services	Repair Services & Regular Maintenance for Non-Revenue Vehicles	27,752.35
50003795	11/7/2025	Award Winning Restorations	Accident Repairs	27,606.90
50003814	11/14/2025	Jacobs Engineering	Project Development Support	25,831.59
				13,841,357.36

Executive Summary

DATE
January 15, 2026

AGENDA ITEM 8

SUBJECT
Report on Current Events and Suggested Future Agenda Items

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
This item is presented for information only.

CONTACT
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ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date