

# Meetings of BOARDS OF DIRECTORS



## Joint Boards of Directors

### Valley Metro RPTA

### Valley Metro Rail

## REVISED INFORMATION

Date:  
August 27, 2026

Starting Time:  
**11:15 a.m.**

### **Meetings to occur sequentially**

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

**If you require assistance accessing the meetings on the 10<sup>th</sup> floor, please go to the 14<sup>th</sup> floor or call 602.262.7433.**

# Agenda

August 19, 2026

**REVISED August 24, 2026**



Meeting Agenda  
Valley Metro RPTA Board of Directors  
and  
Valley Metro Valley Metro Rail Board of Directors  
Thursday, August 27, 2026  
Valley Metro, 101 N. 1<sup>st</sup> Avenue, 10<sup>th</sup> Floor  
Boardroom/You Tube  
11:15 a.m.

## Action Recommended

### 1. [Public Comment](#)

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

1. For Information

### 2. [Minutes](#)

Minutes from the June 18, 2026 Joint Boards meeting are presented for approval.

2. For action

### 3. [Audit and Finance Subcommittee Update](#)

A member of the Audit and Finance Subcommittee will provide an update on the discussions and actions taken at the April AFS meeting.

3. For information

### 4. [Chief Executive Officer's Report](#)

Jessica Mefford-Miller, CEO, will brief the Joint Boards on current issues.

4. For information



5. [Fare Policy Changes](#)

5. For action

Authorization for the Chief Executive Officer to initiate fare policy changes for reduced fare on Express/RAPID service and special events program products and pricing.

6. [Non-Revenue Fleet Maintenance Services Contract Amendment](#)

6. For action

Authorization for the Chief Executive Officer to execute a contract amendment with All Fleet Services, LLC, to increase the aggregate value of the contract not to exceed \$1,515,000.

7. [Marketing and Advertising Support Services Contract Award](#)

7. For action

Authorization for the Chief Executive Officer to enter into contracts with Bodewell Group, LLC, Magnetry, LLC, and Pulsar Advertising, Inc., for marketing and advertising support services, with a five-year term and no options to extend. The aggregate value of the contracts will not exceed \$5,282,507.

8. [Fare Support Call Center Insourcing](#)

8. For action

Authorization for the Chief Executive Officer to initiate a phased transition to an internally managed Fare Support Call Center and fulfillment operations to enhance customer service, strengthen operational oversight and improve long-term sustainability.

9. [Strategic Plan Quarterly Update](#)

9. For information

Valley Metro updates the Boards of Directors on strategic plan progress via quarterly reports and rotating quarterly updates presented in February, May, August, and November. The attached quarterly report includes graphs illustrating the performance indicators associated with each goal, notes providing context for select measures, and initiative updates.



10. [Travel and Expenditures](#)

10. For information

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

11. [Report on Current Events and Suggested Future Agenda Items](#)

11. For information

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

12. [Next Meeting](#)

12. For information

The next regularly scheduled meeting of the Joint Boards of Directors is scheduled for **Thursday, October 22, 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. The supporting information for this agenda and the You Tube streaming link can be found on our web site at [www.valleymetro.org](http://www.valleymetro.org).

# Executive Summary



## DATE

August 19, 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](mailto:jmeffordmiller@valleymetro.org)

## ATTACHMENT

None

# Meeting Minutes



August 24, 2026

## AGENDA ITEM 2

**Joint Boards of Directors**  
Thursday, June 18, 2026  
Valley Metro  
101 N. 1st Avenue,  
10th Floor Boardroom/Webex  
11:15 a.m.

### **RPTA Board Members**

Councilmember Jennifer Adams, City of Tempe – Chair  
Councilmember Max White, City of Avondale – Vice Chair  
Councilmember Jamaine Berry, City of Buckeye  
Councilmember O.D. Harris, City of Chandler  
Councilmember Monica Dorcey, City of El Mirage  
Councilmember Peggy McMahon, Town of Fountain Hills  
Councilmember Kenny Buckland, Town of Gilbert  
Councilmember Lauren Tolmachoff, City of Glendale  
Councilmember Wally Campbell, City of Goodyear  
Supervisor Steve Gallardo, Maricopa County  
Councilmember Francisco Heredia, City of Mesa  
Councilmember Jon Edwards, City of Peoria  
Councilmember Ann O'Brien, City of Phoenix  
Councilmember Jeff Brown, Town of Queen Creek  
Vice Mayor Maryann McAllen, City of Scottsdale  
Vice Mayor Earle Greenberg, City of Surprise  
Vice Mayor Jimmy Davis, City of Tolleson  
Mayor BG Bratcher, Town of Wickenburg  
Mayor Michael LeVault, Town of Youngtown

### **Valley Metro Rail Board Members**

Councilmember Jennifer Adams, City of Tempe – Vice Chair  
Councilmember Francisco Heredia, City of Mesa  
Councilmember Ann O'Brien, City of Phoenix

Chair Adams called the meeting to order at 11:22 a.m. A quorum was present.

#### **1. Public Comment**

Chair Adams opened public comment for non-agenda items and action items on the Joint RPTA and VMR agendas. Three individuals provided comments.

Noah-James Markham commented on RideChoice and paratransit customer service, future light rail expansion, autonomous vehicle options for RideChoice, rail vehicle cleanliness, and multilingual passenger information.



Jared Kluge commented on dedicated bus/BRT facilities, fare validators aboard rail vehicles, expanded rail and bus connections, cooling and misting at transit stops, pedestrianization of Mill Avenue, and intercity express bus connections.

Errin Khav commented on real-time rail tracking at end-of-line stations, service-delay information, shade at the downtown Jefferson hub, and tap-to-pay. Chair Adams requested staff follow up regarding the concerns raised.

## 2. Chief Executive Officer's Report

Ms. Mefford-Miller provided updates on agency outreach, ridership and accessible transportation services. Valley Metro had conducted 233 public outreach events reaching approximately 7,000 residents and continued to see double-digit year-over-year growth on fixed-route service. Vanpool participation had grown 16 percent, with more than 360 vans in service. Ms. Mefford-Miller reported that approximately 30 percent of RideChoice customers were booking trips through the Valley Metro Connect mobile application. Call center wait times remained elevated during implementation but were improving as customers became familiar with the new system and additional contractor staff were trained.

Preliminary results from the 2026 systemwide rider satisfaction survey showed overall satisfaction of 89 percent, compared with 81 percent in 2018. High-rated areas included value of service, driver courtesy and the Valley Metro app; improvement opportunities included service frequency, route coverage, bus stop cleanliness and call center service. Staff will return with a detailed report and action plans.

Ms. Mefford-Miller recognized Chair Adams for her service as Board Chair and as a member of the Valley Metro RPTA and Valley Metro Rail Boards. Chair Adams thanked Board members and staff and reflected on her transportation career and Valley Metro accomplishments.

Ms. Mefford-Miller said Chair Adams, we are very grateful for your leadership and contributions. You have represented the city of Tempe very well on these boards and you have also provided strategic direction through some challenging, exciting times here at the Valley Metro organization. I'll return the floor to you, Madam Chair.

Chair Adams said that's very kind of you. Those of you that don't know my background is I have been in transportation for 30 years. I was a deputy public works director, and to see these cards, the 25-year celebration of the rail, I helped build line section five through Tempe B and so, and I actually wrote on the 1st railcar ever before I was in service, so I'm very proud of my accomplishments and transportation and this is near and dear to my heart, so I'll always have a special place for you all. So for fellow board members, Valley Metro leadership and staff, as this is my final Valley Metro board I want to thank all of you for the opportunity to serve alongside such dedicated regional leaders. It has been an honor to represent Tempe and work together to strengthen transit across our region. During my time on the Board, I am proud to have helped enhance safety and security throughout the system.



Growing ridership following the challenges of the pandemic advocate for advocate for federal funding that helped advance the streetcar extension and promote transit orientated oriented along our rail corridors. These efforts reflect our shared commitment to creating a transit system that is safe, accessible, and connected to the needs of our communities we serve. What I'm most proud of is the spirit of collaboration that makes this work possible. Value metro's success is a reflection of strong partnerships among our cities, staff, and community stakeholders.

Thank you to the Valley Metro team for your commitment and hard work every day. Serving on this board has been a privilege and I'm grateful for the relationships and accomplishments we have shared. I look forward to watching Valley Metro continue to grow and serve our region for years to come. Thank you so much for giving me the pleasure and honor to serve.

3. Audit and Finance Subcommittee Update

Councilmember White reported that the Audit and Finance Subcommittee met June 4. The Subcommittee received the April financial update, an internal audit update, and the results of the internal audit peer review. The Subcommittee also accepted the performance review of Chief Auditor Sabrina Beckstrom. This item was presented for information only.

4. Consent Agenda

Chair Adams presented Consent Agenda Items 4A through 4F for action. No items were pulled for separate discussion.

**IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY VICE MAYOR DAVIS AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 4A THROUGH 4F.**

5. FY27 Information Technology Hardware and Maintenance Reauthorization

Ms. Angie Devore, Interim Chief Administrative Officer, presented the FY27 information technology hardware and maintenance reauthorization. The request supports technology infrastructure, including networking equipment, storage systems, building security and end-user devices. FY27 costs were projected to increase approximately 7 percent, primarily due to replacement of end-of-life firewalls, switches and routers.

Councilmember White asked whether the hardware could be moved to the cloud. Staff explained that the largest cost was for on-premises firewalls that protect the agency network. Councilmember Harris requested the agency's information technology/acceptable use policy be provided to all Board members; staff agreed.

**IT WAS MOVED BY MAYOR BRATCHER, SECONDED BY COUNCILMEMBER MCMAHON AND UNANIMOUSLY CARRIED TO APPROVE THE RECOMMENDATION AS PRESENTED.**



6. FY27 Annual and Multi-Year Software Subscription and Maintenance Purchases Reauthorization

Ms. Devore presented the FY27 Annual And Multi-Year Software Subscription and Maintenance purchases reauthorization covering 27 software tools. FY27 software subscription and maintenance costs were projected to decrease by approximately \$1.1 million, or 18 percent, compared with FY26.

The authorization included targeted investments for customer-assistance AI tools, enterprise AI tools, and data classification and governance. Staff stated that agency use of AI is governed by acceptable-use and security controls and that Valley Metro agency data is not used to train public AI models. Staff also discussed work to improve real-time rail location information in the Valley Metro app.

**IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY MAYOR BRATCHER AND UNANIMOUSLY CARRIED TO APPROVE THE RECOMMENDATION AS PRESENTED.**

7. Operations Premium Services Contract Award

Mr. Rob Rosenberg, Deputy Chief of Rail Maintenance, presented a cleaning services contract covering Valley Metro Rail vehicles, stations, park-and-rides, Tempe Streetcar and the Mesa Bus Operations and Maintenance Facility. The proposed contract was for a three-year base term with two one-year options and a not-to-exceed amount of \$22.8 million, approximately \$800,000 per year less than the existing contract.

Board members discussed funding sources, the competitive procurement process, contract access through the Board portal, and cleaning practices. Staff stated that every light rail vehicle placed into revenue service is cleaned and sanitized when it returns from service and that roving cleaners also provide daytime service.

**IT WAS MOVED BY COUNCILMEMBER O'BRIEN, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE RECOMMENDATION AS PRESENTED.**

8. Executive Session

The Joint Boards voted to enter executive session to discuss the Joint Board Subcommittee annual evaluation of the Valley Metro Chief Executive Officer and the agency organizational chart, as authorized by Arizona law.

**IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY MAYOR BRATCHER AND UNANIMOUSLY CARRIED TO ENTER INTO EXECUTIVE AS LISTED.**



9. Joint Board Subcommittee Recommendation Regarding Chief Executive Officer Performance Evaluation

Following executive session, the Joint Boards considered the Joint Board Subcommittee recommendation regarding the performance evaluation of the Chief Executive Officer.

**IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE JOINT BOARD SUBCOMMITTEE RECOMMENDATION REGARDING THE PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER.**

10. Travel and Expenditures

The monthly travel and expenditures for Valley Metro RPTA and Valley Metro Rail were presented for information only. No action was requested.

11. Report on Current Events and Suggested Future Agenda Items

Board members shared community announcements and requested future items. Councilmember Harris requested a future agenda item regarding Valley Metro's AI policies and technologies. Vice Mayor Davis requested information about hosting a Valley Metro outreach event in Tolleson and discussion of agency policy for art calls, including consideration of local artists.

12. Next Meeting

The next meeting of the Joint Boards is scheduled for Thursday, August 27, 2026 at 11:15 a.m.

With no further discussion, the meeting adjourned at 2:12 p.m.

# Executive Summary

**DATE**

August 24, 2026

**AGENDA ITEM 3****SUBJECT**

Audit and Finance Subcommittee Update

**PURPOSE**

A member of the Audit and Finance Subcommittee will provide an update on the actions from the August 5, 2026 meeting.

**COST AND BUDGET**

None

**COMMITTEE PROCESS**

None

**RECOMMENDATION**

This item is presented for information only.

**CONTACT**

Jessica Mefford-Miller

Chief Executive Officer

[jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org)

**ATTACHMENT**

None.

# Executive Summary

**DATE**

August 24, 2026

**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](mailto:jmeffordmiller@valleymetro.org)

**ATTACHMENT**

None

**AGENDA ITEM 4**

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 5****SUBJECT**

Fare Policy Changes

**COST AND BUDGET**

There are no costs associated with this item.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to initiate fare policy changes for reduced fare on Express/RAPID service and special events program products and pricing.

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

TMC/RMC: August 5, 2026, approved

Boards of Directors: August 27, 2026, for action

**CONTACT**

Dane Ryals

Fare Program Manager

[dryals@valleymetro.org](mailto:dryals@valleymetro.org)

**ATTACHMENT**

Fare Policy Changes – PowerPoint

Valley Metro RPTA Fare Policy and Uniform Fare Structure



# Background Information

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. In January 2026, additional information requested by the Board was presented for feedback.

In April 2026, the Board approved a final review, Title VI analysis and public outreach for two proposed Fare Policy changes. If approved, the reduced fare for Express/RAPID service would be effective as of the October 26, 2026 service changes and the special events program changes would be effective upon approval from the Valley Metro Joint Boards of Directors and City of Phoenix Council.

## Reduced Fare for all Express/RAPID Service

Currently, youth ages 6 to 18, seniors aged 65 and over, persons with disabilities, and people who have been issued a Medicare card by the Social Security Administration are eligible for reduced fares on Local bus, light rail and streetcar service. The proposed fare policy change would extend reduced fare benefits to Express/RAPID bus service.

Starting October 26, 2026\*, the I-17 and I-10 West RAPID routes will operate in both directions Monday through Friday by adding reverse-commute trips during peak hours and extending service into off-peak periods. With the introduction of all day service, FTA guidelines require offering a reduced fare of no more than 50% of the peak hour fare.

*\*Service change pending approval.*

## Proposed Express/RAPID Reduced Fare

|                            |                |                                                        |
|----------------------------|----------------|--------------------------------------------------------|
| <b>1-Ride</b>              | <b>\$1.50</b>  | <b>0.5 x Base Fare, rounded down to nearest \$0.25</b> |
| <b>1-Day*</b>              | <b>\$3.00</b>  | <b>2 x Express/RAPID 1-Ride reduced fare</b>           |
| <b>Monthly (Calendar)*</b> | <b>\$48.00</b> | <b>32 x 1-Ride Express/RAPID reduced fare</b>          |
| <b>31-Day**</b>            | <b>\$48.00</b> | <b>32 x 1-Ride Express/RAPID reduced fare</b>          |

\*These maximum fares charged will be provided through Smart Fare. The 1-Day passes may also be issued to fare programs.

\*\*For fare programs only.



### Special Events Program Products and Pricing

Historically, the Special Events Pass Program has been underutilized, with organizers often seeking bulk discounts for short-term, 2-3-day events. The proposed changes would provide more flexibility with special events with the goal of promoting ridership and/or support large regionally significant events, initiatives or celebrations.

The proposed Special Events Program changes include:

- Introduce bulk pricing for 2–3-day events with 100 or more participants. Post-event, the event sponsor is charged for actual rides taken via these pass products, up to a maximum price of \$3.00/day times the number of days the pass is valid. For events of four or more days, the daily cap adjusts to a lower rate consistent with the average daily pricing of other pass types (see table below).

| Special Event Duration | Daily Maximum Price Per Pass | Event Maximum Price Per Pass  |
|------------------------|------------------------------|-------------------------------|
| 2 – 3 days             | \$3.00                       | \$3.00 X number of event days |
| 4 – 10 days            | \$2.50                       | \$2.50 X number of event days |
| 11 or more days        | \$2.00                       | \$2.00 X number of event days |

- The agency may create special event pass products to offer to customers directly or to special event sponsors to promote and market transit for large special events of 1,000 or more attendees. Pass pricing is set by the agency, in alignment with the current average fare to support regional fare recovery goals. Event pass products are valid on all Local service (Local bus, light rail, streetcar) but are not valid on Express/RAPID service.
- Valley Metro, in coordination with the City of Phoenix Public Transit Department, may authorize up to four free transit days per fiscal year to promote ridership and/or support large regionally significant events, initiatives or celebrations. Free transit days must be approved by the Valley Metro CEO and City of Phoenix Public Transit Director.



1

## Fare Study Recap

- **Fall 2023:** Study began
- **October 2025:** Board study session
- **January 2026:** Responses to Board requests
- **April 2026:** Recommendations to the Board
- **June/July 2026:** Public Outreach
- **August 2026:** Fare Policy for action

2



2

## Reduced Fare on Express/RAPID

- Currently no reduced fare for Express/RAPID
- 83% of revenue is attributable to Platinum program
- Required for RAPID off-peak service starting in October 2026

|                            |         |                                                 |
|----------------------------|---------|-------------------------------------------------|
| <b>1-Ride</b>              | \$1.50  | 0.5 x Base Fare, rounded down to nearest \$0.25 |
| <b>1-Day*</b>              | \$3.00  | 2 x Express/RAPID 1-Ride reduced fare           |
| <b>Monthly (Calendar)*</b> | \$48.00 | 32 x 1-Ride Express/RAPID reduced fare          |
| <b>31-Day**</b>            | \$48.00 | 32 x 1-Ride Express/RAPID reduced fare          |

\*These maximum fares charged will be provided through Smart Fare. The 1-Day passes may also be issued to fare programs.

\*\*For fare programs only.

3



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## Special Events Program Modifications

- Event pricing for events with 100+ attendees
  - \$3 per day maximum or lower, based on event duration
- Allow event organizers to subsidize part or all the cost for special event passes

| Special Event Duration | Daily Maximum Price Per Pass | Event Maximum Price Per Pass  |
|------------------------|------------------------------|-------------------------------|
| 2 – 3 days             | \$3.00                       | \$3.00 X number of event days |
| 4 – 10 days            | \$2.50                       | \$2.50 X number of event days |
| 11 or more days        | \$2.00                       | \$2.00 X number of event days |

4



4

## Special Events Program Modifications

- Allow Valley Metro to create special event pass products to offer directly to customers for regional events with 1,000+ attendees
- Allow up to four (4) free transit days to promote ridership and/or support large regionally significant events, initiatives or celebrations
  - Coordinated between Valley Metro CEO and City of Phoenix Public Transit Director



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## Recommendation

Authorization for adoption of changes to the Regional Fare Policy, including reduced fare for Express/RAPID service effective October 26, 2026, and Special Events program modifications.

6



6

# Questions



# VALLEY METRO REGIONAL PUBLIC TRANSPORTATION AUTHORITY PUBLIC TRANSIT FARE POLICY AND UNIFORM FARE STRUCTURE

## FARE STRUCTURE

Effective as of October 26, 2026.

Valley Metro's fare collection system gives customers the option to use smartcards and mobile fare to access the benefits of Smart Fare. Cash fares are available through the purchase of a single ride on board buses via the farebox and through fare vending machines for light rail and streetcar service.

Multi-ride passes are earned through the deduction of value from a smartcard or mobile fare application for each boarding, up to a daily, weekly (Monday through Sunday) and monthly (e.g., January, February, etc.) maximum per below. 1-Day, 7-Day and 31-Day passes loaded onto smartcards or mobile fare applications remain available for select fare programs.

### Full Fare

| Fare Type                       | Fare Structure | Fare Policy Rules/Multiples             |
|---------------------------------|----------------|-----------------------------------------|
| <b>LOCAL BUS and LIGHT RAIL</b> |                |                                         |
| <b>1-Ride (Base Fare)</b>       | \$2.00         | 1-Ride fare for Local Bus or Light Rail |
| <b>1-Day*</b>                   | \$4.00         | 2 x base fare                           |
| <b>Weekly (Monday-Sunday)*</b>  | \$20.00        | 5 x 1-Day                               |
| <b>7-Day**</b>                  | \$20.00        | 5 x 1-Day                               |
| <b>Monthly (Calendar)*</b>      | \$64.00        | 32 x Local base fare                    |
| <b>31-Day**</b>                 | \$64.00        | 32 x Local base fare                    |
| <b>EXPRESS/RAPID</b>            |                |                                         |
| <b>1-Ride (Base Fare)</b>       | \$3.25         | 1-Ride fare for Express/RAPID           |
| <b>1-Day*</b>                   | \$6.50         | 2 x Express/RAPID base fare             |
| <b>Monthly (Calendar)*</b>      | \$104.00       | 32 x Express/RAPID base fare            |
| <b>31-Day**</b>                 | \$104.00       | 32 x Express/RAPID base fare            |



|                           |        |                           |
|---------------------------|--------|---------------------------|
| <b>STREETCAR</b>          |        |                           |
| <b>1-Ride (Base Fare)</b> | \$1.00 | 1-Ride fare for Streetcar |

### Reduced Fare

| Fare Type                                        | Fare Structure | Fare Policy Rules/Multiples                                  |
|--------------------------------------------------|----------------|--------------------------------------------------------------|
| <b>REDUCED-<br/>LOCAL BUS AND<br/>LIGHT RAIL</b> |                |                                                              |
| <b>1-Ride</b>                                    | \$1.00         | 0.5 x Base Fare, rounded down to nearest \$0.05              |
| <b>1-Day*</b>                                    | \$2.00         | 2 x 1-Ride Local reduced fare                                |
| <b>Weekly (Monday-Sunday)*</b>                   | \$10.00        | 5 x 1-Day Local reduced fare                                 |
| <b>7-Day**</b>                                   | \$10.00        | 5 x 1-Day Local reduced fare                                 |
| <b>Monthly (Calendar)*</b>                       | \$32.00        | 32 x 1-Ride Local reduced fare                               |
| <b>31-Day**</b>                                  | \$32.00        | 32 x 1-Ride Local reduced fare                               |
| <b>REDUCED<br/>EXPRESS/RAPID</b>                 |                |                                                              |
| <b>1-Ride</b>                                    | \$1.50         | 0.5 x Base Fare, rounded down to nearest \$0.25              |
| <b>1-Day*</b>                                    | \$3.00         | 2 x Express/RAPID 1-Ride reduced fare                        |
| <b>Monthly (Calendar)*</b>                       | \$48.00        | 32 x 1-Ride Express/RAPID reduced fare                       |
| <b>31-Day**</b>                                  | \$48.00        | 32 x 1-Ride Express/RAPID reduced fare                       |
| <b>REDUCED<br/>STREETCAR</b>                     |                |                                                              |
| <b>1-Ride</b>                                    | \$0.50         | 0.5 x Streetcar Base Fare rounded down to the nearest \$0.05 |

\* These maximum fares charged will be provided through Smart Fare. The 1-Day passes may also be issued to Corporate/special programs.

\*\* For Corporate/special programs only.

Local maximums/passes are valid on local services (Bus and Light Rail) and Streetcar. Express/RAPID maximums/passes are valid on all services.

Tap/scan of smartcard/mobile fare application is required prior to each boarding even if a maximum has been met, a pass product is used, or a free fare period is in effect. Each tap/scan is valid for a single boarding in a single direction of travel for a limited period of time, consistent with the operational end to end time of the service being used.



To earn multi-ride passes via Smart Fare, customers are required to use a Valley Metro Copper card, subject to a one-time card issuance charge, or the Valley Metro app.

### Smart Fare

With Smart Fare, customers pay a fare (Full Fare or Reduced) per boarding until they have reached the maximum fare for the day, calendar week and calendar month. For example, a customer earns a Local daily maximum once \$4.00 in fares have been paid for the day. After \$4.00 has been deducted from the customer's stored value balance, every subsequent boarding on eligible service until 3am the following day is free of charge. Customers are still required to tap/scan prior to each boarding even if a maximum has been earned.

|                                                     | Full Fare<br>Local<br>Bus/Light<br>Rail/Streetcar | Reduced Fare<br>Local<br>Bus/Light<br>Rail/Streetcar | Express/RAPID | Reduced Fare<br>Express/RAPID |
|-----------------------------------------------------|---------------------------------------------------|------------------------------------------------------|---------------|-------------------------------|
| <b>Daily<br/>Maximum</b>                            | \$4.00                                            | \$2.00                                               | \$6.50        | \$3.00                        |
| <b>Weekly<br/>Maximum<br/>(Mon-Sun)</b>             | \$20.00                                           | \$10.00                                              | N/A           | N/A                           |
| <b>Monthly<br/>Maximum<br/>(calendar<br/>month)</b> | \$64.00                                           | \$32.00                                              | \$104.00      | \$48.00                       |

Local and Streetcar fares contribute to the Local and Express/RAPID maximums. Express/RAPID fares contribute to the Express/RAPID maximum only. The Local maximum, when reached, allows free travel on Local and Streetcar services for the remainder of the Smart Fare period. The Express/RAPID maximum, when reached, allows free travel on Local, Streetcar and Express/RAPID services for the remainder of the Smart Fare period. There are no Streetcar only fare maximums but Streetcar fares contribute to and benefit from Local and Express/RAPID Smart Fare maximums.

### Reduced Fares

Youth ages six to 18, seniors aged 65 and over, persons with disabilities and people who have been issued a Medicare card by the Social Security Administration are eligible for reduced fares. Customers eligible for reduced fares can purchase a one-ride from fare vending machines or pay cash for a one-ride fare on bus but are required to have in their possession proof of reduced fare eligibility. To earn multi-ride passes via Smart Fare, reduced fare customers are required to use a Valley Metro reduced fare Copper card, subject to a one-time card issuance charge, or a mobile



fare account to which the reduced fare eligibility has been assigned.

### **Rural Route Fare**

Rural Route fares are based on distance travelled. 1-Way travel within the same city is \$2.00; 1-Way travel within multiple cities is \$4.00. Reduced fare is available to passengers meeting the reduced fare criteria. Rural route fares are payable in cash or pre-purchased coupons only.

### **Free Fare**

Children five years of age or younger are not charged a fare for local bus/rail, Express/RAPID or streetcar service when accompanied by a responsible, fare-paying adult. Free fares do not apply to Dial-a-Ride service. Free fares are also provided via the Group Field Trip Program (see below) for preschool through elementary school classes using local bus/rail service during non-peak hours of service. Neighborhood circulators are also free to ride.

### **Free Transit Days**

Valley Metro, in coordination with the City of Phoenix Public Transit Department, may authorize up to four (4) free transit days per fiscal year to promote ridership and/or support large regionally significant events, initiatives or celebrations. Free transit days must be approved by the Valley Metro CEO and City of Phoenix Public Transit Director. Tap/scan of smartcard/mobile fare application is required prior to each boarding even if a free fare period is in effect.

### **Changes in Fare Structure**

The Fare Administration Policy approved by the Board in April 2026 establishes guiding principles and defines the process, roles, and responsibilities for planning and approving fare adjustments, fare program changes, and pilot programs.

The Valley Metro RPTA Board of Directors must approve changes to regional fare structure and programs. The Valley Metro Rail Board of Directors can approve or be presented with information regarding changes relevant to the rail/high-capacity transit program, however, it is not required.

## **PROGRAMS**

### **Semester Passes – Regional Local Bus and Light Rail**

Semester Passes can be purchased by high schools for students at no cost to students and by full-time students enrolled in high schools, technical, trade, college or graduate courses at participating schools. Passes can be placed on a reloadable Copper card, subject to a one-time card issuance charge, or the Valley Metro app. Passes are good for unlimited rides on fixed route services for the designated semester.



| Fare Type                  | Fare Structure | Fare Policy Rules/Multiples<br><i>Fare calculations are rounded to nearest dollar</i> |
|----------------------------|----------------|---------------------------------------------------------------------------------------|
| <b>SEMESTER PASS</b>       |                |                                                                                       |
| <b>Spring/Fall</b>         | \$230.00       | Local 31-Day pass x 4.5 months less 20% discount                                      |
| <b>Reduced Spring/Fall</b> | \$115.00       | 0.5 x Spring/Fall Semester pass                                                       |
| <b>Summer</b>              | \$154.00       | Local 31-Day pass x 3.0 months less 20% discount                                      |
| <b>Reduced Summer</b>      | \$77.00        | 0.5 x Summer Semester pass                                                            |

### **Platinum Program**

Platinum cards are available to companies, agencies or organizations for their employees, students, tenants, residents or other individuals permitted to participate by the company, agency or organization. The card is charged the appropriate fare for each boarding on Local and Express/RAPID bus and rail service including streetcar. After the end of each month, an invoice issued for each boarding up to the monthly maximum per card, either Local or Express/RAPID, depending on the service type for which the card was used. An itemized statement is provided with the invoice and a more detailed report of actual boardings charged each month can be purchased for an additional cost. The company, agency or organization is solely responsible for the cost of the program.

### **Social Services Fare Program**

Social services providers or government agencies are eligible to receive Full Fare passes at half price. An agency or organization must be a homeless service provider with IRS 501(c)(3) status or a governmental agency that provides community or social service assistance to homeless persons. Clients must meet the definition of “homeless” or “homeless individual or homeless person” as set forth in Title 42, Chapter 119, Subchapter I and Section 11302 of the United States Code.

### **Arizona State University (ASU) U-Pass Program**

The U-Pass is provided to ASU students by ASU. ASU pays a fixed rate per fiscal year, which is subject to adjustment annually to align with regional fare recovery goals.

### **Ticket Partnership Program**

With the Ticket Partnership Program, patrons possessing tickets or identifiable media issued by event officials from a participating event will be able to ride Valley Metro Rail on the day of the event at no additional charge. Event tickets will be honored as valid Valley Metro Rail fare for a pre-determined time in advance of the event and through the end of the transit day. Participating event venues/events pay an amount per attendee commensurate with the current average fare to support regional fare recovery goals. A qualifying event generates a minimum of 5,000 attendees; similarly, for a venue, a



single event at this facility must generate a minimum of 5,000 attendees. This program can be extended to bus route(s) if the aforementioned criteria is maintained, and the service can be supported by operations. Valley Metro must receive notice of interest in the Ticket Partnership Program from event organizers at least four months in advance of the event and agreements must be completed by 60 days prior to the event.

### **Group Field Trip Program**

Free fares are provided via the Group Field Trip Program for preschool through elementary school classes using local bus/rail service during non-peak hours of service (8:30 a.m. – 2:30 p.m.). The card allows for up to 35 students and adults to travel on regional bus, light rail or streetcar Monday – Friday for field trips. Trip planning and program administration occurs through Valley Metro Customer Service.

### **Tempe Youth Transit Pass Program (administered by City of Tempe)**

The Tempe Youth Transit Pass allows youth ages six to 18 residing in the City of Tempe to ride fixed route services for free. The card issued is a Platinum card effective for 12 months and subsidized by the City of Tempe. Application requirements and authorized distribution points are established by the City of Tempe.

### **Special Event Pass Program**

The Special Event Pass Program supports major special events and conventions in Maricopa County interested in sponsoring public transportation travel for their attendees. This program is available to events of two or more days in length and 100 or more participants.

The event sponsor is charged an up-front cost for cards. Customization of the card's exterior graphics is available with adequate lead time, as determined by card volume and customization requirements. In lieu of cards, passes may be distributed using the Valley Metro app with a minimum lead time of three months.

Post-event, the event sponsor is charged for actual rides taken via these pass products, up to a maximum price of \$3.00/day times the number of days the pass is valid. For events of four or more days, the daily cap adjusts to a lower rate consistent with the average daily pricing of other pass types (see table below).

Event sponsors are responsible for payment to Valley Metro. They may subsidize some of the cost and collect the remaining cost from event attendees. Event sponsors may not charge event attendees more than the event maximum price (see table below).

Interested event sponsors must complete an application and an agreement to take part in this program.



| Special Event Duration | Daily Maximum Price Per Pass | Event Maximum Price Per Pass  |
|------------------------|------------------------------|-------------------------------|
| 2 – 3 days             | \$3.00                       | \$3.00 X number of event days |
| 4 – 10 days            | \$2.50                       | \$2.50 X number of event days |
| 11 or more days        | \$2.00                       | \$2.00 X number of event days |

### Event Pass Products

The agency may create special event pass products to offer to customers directly or to special event sponsors to promote and market transit for large special events of 1,000 or more attendees. Pass pricing is set by the agency, in alignment with the current average fare to support regional fare recovery goals. Event pass products are valid on all Local service (Local bus, light rail, streetcar) but are not valid on Express/RAPID service.

### Group Fares Program

Group Fares Program participants are able to sell or offer fare media to their employees, students, members or clients. Participating organizations are provided with marketing materials to help promote the sale of cards.

### REFUNDS

No refunds are given for any fare media products or unused stored value. If a customer has registered an account, any remaining stored value may be transferred to a new card, should the customer's card become lost, stolen or damaged. In such a case, customer should notify the Fare Support Call Center immediately or use their valleymetrofares.org account to deactivate the lost, stolen or damaged card.

### VALLEY METRO PARATRANSIT (DIAL-A-RIDE)

| Fare Type   | Fare Structure | Fare Policy Rules/Multiples                 |
|-------------|----------------|---------------------------------------------|
| Paratransit |                |                                             |
| 1-Ride      | See base fares | 2 x base fare of comparable transit service |

### ADA Paratransit (Dial-a-Ride)

There are several ADA Dial-a-Ride providers serving the Maricopa County region. ADA certified passengers pay a flat-rate fare for ADA trips to the Dial-a-Ride provider serving the area where their trip begins. ADA trip rates vary by provider.

### ADA Platinum Program

Valley Metro offers the free use of local and Express/RAPID bus and rail service including streetcar to individuals certified as ADA eligible under this program. ADA



Platinum program participants receive a photo ID card. A Personal Care Attendant (PCA) may also ride for free when accompanying the ADA Platinum cardholder. The card itself is initially free, but there is a charge to replace a lost or stolen card.

### **City of Phoenix Monthly Dial-a-Ride Pass**

City of Phoenix Dial-a-Ride customers with a monthly Dial-A-Ride pass may use local and Express/RAPID bus and rail service including streetcar for free.

### **Non-ADA Paratransit (Dial-a-Ride)**

A number of cities offer additional Dial-a-Ride services for seniors, persons with disabilities and other residents over and above ADA-required Dial-a-Ride. Non-ADA Dial-a-Ride is funded locally by the cities who offer it. Eligibility for service, service hours, service area(s), fares and other policies do vary.

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 6****SUBJECT**

Non-Revenue Fleet Maintenance Services Contract Amendment

**COST AND BUDGET**

Additional contract authority of \$305,000. The aggregate contract value will not exceed \$1,515,000.

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The sources of funds are member cities.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to execute a contract amendment with All Fleet Services, LLC, to increase the aggregate value of the contract by \$305,000, not to exceed \$1,515,000.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 1: Deliver excellent customer experience
  - Ensuring support vehicles are serviced and maintained on a regular basis will enhance overall operation and reliability of the service.
- Goal 8: Operational excellence
  - The ability to respond to and support both bus and light rail systems, ensures a high level of operational efficiency.

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

TMC/RMC: August 5, 2026, approved

Boards of Directors: August 27, 2026, for action

**CONTACT**

Gregg Thompson

Deputy Chief, Bus Maintenance

[gthompson@valleymetro.org](mailto:gthompson@valleymetro.org)

**ATTACHMENT**

A copy of the contract amendment is available for review.



# Background Information

This contract is needed for Valley Metro to use All Fleet for non-revenue vehicle maintenance as they ensure reliable, timely service that keeps support vehicles safe and operational. With expert preventative maintenance and quick repairs, All Fleet reduces downtime, lowers costs, and extends vehicle life—helping Valley Metro run smoothly behind the scenes.

Valley Metro's existing contract for non-revenue fleet maintenance services is set to expire October 11, 2027. The current Contractor, All Fleet Services, LLC, delivers these maintenance services for a total of 162 vehicles (31 RPTA vehicles and 131 VMR vehicles). The Contractor provides preventive maintenance and general repair services for non-revenue vehicles, including but not limited to brakes, suspension, HVAC systems, interior repairs, windshield replacements, electrical systems, engines, tires, and accident-related repairs. Additionally, the contractor handles vehicle pick-up and drop-off, towing services when needed, and oversees all aspects of vehicle maintenance and repair.

Valley Metro awarded this contract in August 2022, effective October 12, 2022, with an initial three-year term and one optional two-year extension. At the commencement of this contract the non-revenue fleet comprised of 126 vehicles and to date has experienced a 28% increase. With additional vehicles, additional maintenance is needed. In addition, automotive parts costs have risen over 12% despite the contract's requirement for a 20% discount off list price. In addition, there has been a steady increase of uninsured vehicle accidents repairs.

The original base contract for 3 years was \$700,000. The recent two-year extension added contract authority for an additional \$510,000. Staff is requesting additional contract authority of \$305,000 to support the increased maintenance needs of the expanded fleet through the remainder of the contract. Current and forecasted annual spending is outlined in Table 1 below:

**Table 1**

| Year                                 | Incured Cost       |
|--------------------------------------|--------------------|
| October 2022-October 2023            | \$230,000          |
| October 2023-October 2024            | \$245,000          |
| October 2024-October 2025            | \$260,000          |
| October 2025-October 2026 (Forecast) | \$370,000          |
| October 2026-October 2027 (Forecast) | \$410,000          |
| <b>Total</b>                         | <b>\$1,515,000</b> |

## CONTRACT TYPE AND TERM

The contract is an Indefinite-Delivery Indefinite-Quantity with fixed pricing for a five-year term. The contract began on October 12, 2022, and will end on October 11, 2027, with no options to extend.

# Non-Revenue Fleet Maintenance



1

## Non-Revenue Fleet Maintenance

Services provided by All Fleet for non-revenue vehicle maintenance as they ensure reliable, timely service that keeps support vehicles safe and operational. With expert preventative maintenance and quick repairs, All Fleet reduces downtime, lowers costs, and extends vehicle life -helping Valley Metro run smoothly behind the scenes.



2



2

## RECOMMENDATION

Authorization for the Chief Executive Officer to execute a contract amendment with All Fleet Services, LLC, to increase the aggregate value of the contract by \$305,000, not to exceed \$1,515,000.

3



# Executive Summary



## DATE

August 19, 2026

## AGENDA ITEM 7

## SUBJECT

Marketing and Advertising Support Services Contract Award

## COST AND BUDGET

Cost for the full term is \$4,802,279, plus a contingency of \$480,228 or 10% of the full-term cost. The aggregate contract value will not exceed \$5,282,507. The split is approximately \$3,169,504 for RPTA and \$2,113,003 for VMR.

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The sources of funds are Public Transportation Funds, federal grant(s) and member cities.

## RECOMMENDATION

Authorization for the Chief Executive Officer to enter into contracts with Bodewell Group, LLC, Magnetry, LLC, and Pulsar Advertising, Inc., for marketing and advertising support services, with a five-year term and no options to extend. The aggregate value of the contracts will not exceed \$5,282,507.

## STRATEGIC PLAN ALIGNMENT

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

- Goal 1: Deliver excellent customer experience
  - o Tactic 1.5: Continue to innovate, integrate, and market mobility solutions to expand availability
- Goal 5: Stakeholder collaboration
  - o Tactic 5.5: Communicate the value of transit to all stakeholders and the public

## COMMITTEE PROCESS

RTAG: July 21, 2026, for information

TMC/RMC: August 5, 2026, for action

Boards of Directors: August 27, 2026, for action

## CONTACT

Caitlin Eberle

Marketing Manager

[ceberle@valleymetro.org](mailto:ceberle@valleymetro.org)

## ATTACHMENT

Copies of the contracts are available for review.



# Background Information

## **BACKGROUND DISCUSSION**

This contract is needed to meet the marketing and media buying needs of Valley Metro internal departments and member cities. The service augments Valley Metro's in-house Marketing and Communications teams to effectively and in a timely and targeted manner promote our range of transit services, communicate with passengers and stakeholders as well as implement strategic marketing efforts driven by the Strategic Plan, budget initiatives, agency milestones and Board/CEO priorities. Historically, firms have supported creative development, media buying, photography and videography, marketing strategy, design and guidance on industry best practices.

In August 2022, contracts with four firms were awarded through the State of Arizona Cooperative Program based on the firm's demonstrated quality, talent and diversity, which met the needs of the agency and its member cities. The contract authority across the four-year program totaled \$3,205,000, of which \$2,935,055 has been utilized (through June 30, 2026), with two months remaining.

The contracts began at the end of August 2022, three months into FY23. Because time was required to onboard the vendors and establish working relationships, the contract was only used for three small projects totaling \$21,552 through December 2022. During the second half of FY23, use of contracted firms gradually increased, resulting in total FY23 expenditures of \$316,792.

Years two through four, the last three fiscal years, represent complete fiscal years and more accurately reflect current marketing and advertising efforts. The average annual expenditure for marketing and advertising services, including media buys, has been \$872,754 over the last three full fiscal years, which serves as the baseline for the new contract. The current contracts expire on August 31, 2026.

The new, not-to-exceed contract pricing was established using the historical average and reflecting the new contractor rates and escalations established as part of the solicitation process. There are annual escalations in contractor rates and media buying assets that are consistent with price indexes for the advertising industry and media markets.

|                              | Annual Cost        |
|------------------------------|--------------------|
| Year 1                       | \$898,160          |
| Year 2                       | \$926,920          |
| Year 3                       | \$958,834          |
| Year 4                       | \$992,694          |
| Year 5                       | \$1,025,672        |
| <b>Years 1 - 5<br/>Total</b> | <b>\$4,802,279</b> |
| 10%<br>Contingency           | \$480,228          |
| <b>Aggregate<br/>Total</b>   | <b>\$5,282,507</b> |

The current contractors have contributed to the planning, development and implementation of the following campaigns during the past year. A similar set of initiatives are planned into the new year, with any additional priorities stemming from the agency Strategic Plan and/or regional needs or priorities.

- Fare System Education and Promotion
- Bus and Rail Safety Campaign
- Bus, Rail and Streetcar Ridership Campaigns
- Security Storytelling
- Bus Network Redesign Media Buy
- Rider, Frontline Staff and Community Storytelling
- Commute Solutions/Travel Reduction Program Campaigns and Media Buys
- Capital Program Opening Celebrations and Associated PR/Storytelling
- Mega Event Promotion (NCAA Women's Final Four)

To demonstrate the effectiveness of these collaborations, the following examples highlight key campaigns executed in partnership with the current firms and their associated results.

| CAMPAIGN                                                                                                                                                                                                                            | RESULTS                                                                                                                                                                                                                                                                                                                         | COST      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| <b>Bus Ridership Campaign</b><br><b>Phase 1 (Nov. – Dec. 2024)</b><br><b>Phase 2 (Mar. – June 2025)</b><br><i>Increase public understanding of the value, benefits, accessibility and ease of using bus services. Highlight the</i> | <ul style="list-style-type: none"> <li>• Ridership experienced growth through the entire campaign period, with Express/RAPID routes seeing a 6% increase and targeted local routes showing an average ridership gain of 16%</li> <li>• App downloads increased by 29% during the campaign dates compared to the same</li> </ul> | \$250,000 |

|                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <p><i>availability and benefits of the bus system and boost ridership on Express/RAPID commuter services and key local bus routes.</i></p>                                                                                                                                                                | <p>period the previous year, suggesting strong interest and follow-through</p> <ul style="list-style-type: none"> <li>Facebook/Instagram (FB/IG) saw overall 16.4 million impressions. Phase 2 impressions realized an increase of 36% over Phase 1</li> <li>Local routes and Express/RAPID, both saw click-through rates (CTR's) of 1.47% or higher, exceeding the industry average by more than 63%</li> </ul>                                                                                                                                                                                                                                   |                 |
| <p><b>South Central Extension/ Downtown Hub (SCE/DH) Event Promotion</b><br/> <b>May – June 2025</b><br/> <i>Promote and encourage attendance at the SCE/DH opening events at three locations, with targeted media along the new extension and general awareness marketing throughout the system.</i></p> | <ul style="list-style-type: none"> <li>Attendance at the opening events exceeded 5,000 people</li> <li>Approximately 13,000 riders were served during the opening weekend and over 134,000 rides logged in the first month</li> <li>The digital campaign generated over 7.3 million impressions with 6 million from FB/IG advertising</li> <li>Print/digital media in <i>Phoenix New Times</i>, <i>Prensa</i> (Spanish), and <i>Arizona Informant</i> generated more than 783,000 impressions</li> <li>Sentiment around the opening celebration was overwhelmingly positive, with 99.2% of responses categorized as positive or neutral</li> </ul> | <p>\$50,000</p> |
| <p><b>ShareTheRide.com Website Refresh Campaign</b><br/> <b>August – September 2025</b><br/> <i>Create awareness for the updated ShareTheRide.com website and newly developed app. Campaign goals were to drive traffic to the ShareTheRide.com website, promote app downloads for the</i></p>            | <ul style="list-style-type: none"> <li><b>1,090 new ShareTheRide app downloads</b></li> <li><b>Average of 1,797 unique users logged at least one trip in August and September, resulting in a 24% increase over the average (1,451) for the previous six months</b></li> <li><b>FB/IG campaign ads garnered over 3.8 million impressions with a CTR of 1.40% (56% above industry average)</b></li> </ul>                                                                                                                                                                                                                                           | <p>\$25,000</p> |

|                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| <i>new ShareTheRide app and encourage signups and on both the website and the app.</i>                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>• <b>Google/YouTube delivered 1.2 million impressions and an exceptional 70%+ video view rate (vs. 10-15% industry average)</b></li> </ul>                                                                                                                                                                                                                                                                |           |
| <b>Safety Campaign<br/>April – June 2026</b><br><i>Educate and inform Valley Metro riders, drivers and pedestrians, on the best safety practices when encountering bus and light rail by highlighting a set of ‘rules’. Continued building brand recognition and campaign awareness by leveraging the existing creative assets with prioritized outreach in areas with higher incident rates.</i> | <ul style="list-style-type: none"> <li>• Landing page visits increased 286% in comparison to same period in 2025</li> <li>• This campaign phase generated nearly 8 million impressions</li> <li>• The campaign CTR of .09% aligns with standard industry benchmarks (.05-.10%) for awareness campaigns</li> <li>• Campaign engagement overall sentiment was extremely high at 99.3% positive/neutral</li> </ul>                                  | \$50,000  |
| <b>Security Storytelling Campaign Phase 1<br/>April – June 2026</b><br><i>Educational campaign to promote and highlight the significant investments in Valley Metro’s security program and the positive results (incidents are down and public/rider perception is positive).</i>                                                                                                                 | <ul style="list-style-type: none"> <li>• Landing page visits far exceeded previous year at over 12,500, representing over 413% increase</li> <li>• Three videos were released for the digital campaign which generated over 2.9 million impressions</li> <li>• The FB/IG CTR is .78%, 11x the industry standard benchmark of .05-.10% for awareness campaigns</li> <li>• Campaign sentiment is extremely high at 99% positive/neutral</li> </ul> | \$100,000 |

## MEDIA BUYING AND REPORTING

A key service provided under these contracts is media buying, a specialized function that is not currently available through internal staff resources. Media buying plays a critical role in the success of advertising and marketing campaigns by ensuring messages reach the appropriate audiences through the most effective channels, at the right time and within budget.



In addition to providing specialized expertise, contractors are often able to secure more favorable advertising rates than the agency could obtain independently due to their established relationships with media vendors and their purchasing power across multiple clients.

While each campaign is designed to achieve specific goals and objectives, measuring performance and demonstrating a strong return on investment remains essential. The agency routinely monitors and reports on a variety of performance indicators, including ridership trends, app downloads, website traffic, customer and community sentiment, social media engagement, call center activity, impressions, click-through rates, cost-per-click, market research findings and other relevant metrics.

Marketing and Advertising Support Services will be utilized as funding permits and only to develop and implement campaigns that support agency and member city goals and priorities.

### PROCUREMENT INFORMATION

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

Twenty-one (21) offerors submitted proposals and twenty (20) offers were deemed responsive and responsible. An evaluation committee of Agency staff evaluated those offers on the following criteria with a maximum possible point total of 1,000:

- Capacity and Experience of Offeror/Personnel (0 – 500 points)
- Methodology (0 – 300 points)
- Price (0 – 200 points)

There were seven categories defined in the solicitation. The 20 responsive and responsible offers were evaluated on the capacity and experience of the offeror/personnel and methodology, then scored separately for each category for price. Then, the combined score for each category was used to determine its ranking. Six of the 20 offerors were determined to be in the competitive range and participated in a best and final offer process. The final rankings of the six offers per category are shown below:

| Category                         | Magnetry, LLC | Pulsar Advertising, Inc. | Bodewell Group, LLC | Reister Sonoran, LLC | Colibri Collective, LLC | American Eagle Co. Inc. dba Q+M |
|----------------------------------|---------------|--------------------------|---------------------|----------------------|-------------------------|---------------------------------|
| Capacity of Offeror/Personnel    | 465           | 464                      | 462                 | 418                  | 413                     | 376                             |
| Methodology                      | 278           | 281                      | 283                 | 257                  | 242                     | 234                             |
| Average Pricing - All Categories | 200           | 176                      | 146                 | 154                  | 156                     | 164                             |
| <b>TOTAL</b>                     | <b>943</b>    | <b>921</b>               | <b>891</b>          | <b>829</b>           | <b>811</b>              | <b>774</b>                      |



After reaching consensus, the evaluation committee recommends awarding to Bodewell Group, LLC, Magnetry, LLC, and Pulsar Advertising, Inc. based on the results per category.

**CONTRACT TYPE AND TERM**

The contract is an indefinite delivery, indefinite quantity contract with firm fixed price provisions. The contract will begin on or about September 1, 2026, for a five-year term with no options to extend.

# Marketing and Advertising Support Services Contract Award



1

## Why is Marketing and Advertising Support Services Contract Needed?

- Supports marketing initiatives for in-house departments and member cities
- Expands capacity for specialized marketing and communications services
- Provides professional media buying expertise and rates not available in-house
- Services will be utilized as funding allows



Safety Campaign kiosk poster



**Bus riders,  
your voice matters.**

**Share with us**

Enter for a  
chance to win



Bus Network Redesign  
web advertisement



2

2

## Agencies will support the following initiatives:

- Fare system education
- Bus Network Redesign
- Bus, rail & streetcar ridership
- Commute Solutions/regional travel reduction
- Rider, frontline & community storytelling
- Bus & rail safety education
- Security storytelling
- Capital program communications
- Mega event promotion

3



Streetcar Fare Campaign billboard

People Moving People  
Campaign social mediaRail Ridership  
Campaign kiosk

3

## Performance & Accountability

Campaign performance will be evaluated using measurable outcomes, including:

- Ridership trends
- App downloads
- Website engagement
- Media impressions and reach
- Public engagement and sentiment
- Campaign-specific performance metrics

4



Smart Fare Campaign social media ad

ShareTheRide.com Campaign  
social media ad

Security Storytelling social media video ad



4

## About the Contractors

- Bodewell Group, LLC
- Magnetix, LLC
- Pulsar Advertising, Inc.
- Combined 65 years in business
- Extensive transit & government marketing experience



5



5

## Recommendation

Authorization for the Chief Executive Officer to enter into contracts with Bodewell Group, LLC, Magnetix, LLC, and Pulsar Advertising, Inc., for marketing and advertising support services, with a five-year term and no options to extend. The aggregate value of the contracts will not exceed \$5,282,507.



6

Bus Ridership Campaign bus wrap



6

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 8****SUBJECT**

Fare Support Call Center Insourcing

**COST AND BUDGET**

Total FY27 costs, including contractor services, one-time implementation expenses, and startup of internal operations, are projected to be approximately \$1,530,000. Upon full insourcing in FY28, the program is expected to generate annual savings of approximately \$1.1 million.

For FY27, all costs are fully funded within the adopted FY27 Valley Metro Operating and Capital Budget. Program operations costs beyond FY27 are incorporated into the Agency's Five-Year Operating and Capital Forecast (FY27-31).

**RECOMMENDATION**

Authorization for the Chief Executive Officer to initiate a phased transition to an internally managed Fare Support Call Center and fulfillment operations to enhance customer service, strengthen operational oversight and improve long-term sustainability.

**COMMITTEE PROCESS**

Procurement & Business Practices Ad Hoc Committee: June 22, 2026

Boards of Directors: August 27, 2026, for action

**CONTACTS**

Elizabeta McLean

Manager, Customer Service

[emclean@valleymetro.org](mailto:emclean@valleymetro.org)

**ATTACHMENT**

Fare Support Call Center Insourcing – PowerPoint



# Background Information

In 2023, Valley Metro launched Phase 1 of the Fare Collection System Modernization (FCSM) project, introducing mobile fare in the Valley Metro app. With the new mobile fare, a Fare Support Call Center was opened to support Valley Metro app and fare-related questions from customers. In 2024, the FSCC started supporting reduced fare application processing, card fulfillment and the launch of Phase 2 of the FCSM project in the fall of 2024.

The FSCC was part of the original project contract to support the region's account-based fare collection system. Valley Metro currently utilizes an outsourced operating model through Vix Technology for Fare Support Call Center and fulfillment-related services. The current vendor-supported operation includes:

- Customer call center services
- Valley Metro app technical support
- Fare media customization and fulfillment
- Reduced fare eligibility processing
- Copper card issuance and reduced fare copper card issuance, and support
- Salesforce administration
- Interactive Voice Response (IVR) support (In-process)
- Ticket Office Terminal (TOT) support and administration
- Printing, packaging, and mailing services
- Inventory management support

The Fare Support Call Center serves as a critical customer touchpoint and directly affects the customer experience for fare media and account support services.

## **Fare Support Call Center Current Structure & Costs**

The current outsourced staffing model includes 10 contractor-supported FTE positions under Vix Technology. The current outsourced staff includes:

- Program Manager (1)
- Call Center Manager (1)
- Call Center Supervisor (1)
- Call Center Lead (1)
- Call Center Agents (4)
- Fare Programs Supervisor (1)
- Fare Programs Customer Service Representative (1)

The current contract also includes associated infrastructure and facility costs such as rent, telephony systems, IT support, Salesforce licensing, staging systems and printing/packaging support.



The outsourced operating model has an estimated annual operating cost of **approximately \$1.53 million.**

| Category                   | Current Annual Cost |
|----------------------------|---------------------|
| Labor                      | \$971,496           |
| Rent / Facility Costs      | \$264,000           |
| Telephony / IT / Equipment | \$189,372           |
| Infrastructure & Licensing | \$78,216            |
| Printing & Packaging       | \$29,724            |
| Total Cost                 | ~\$1.53M            |

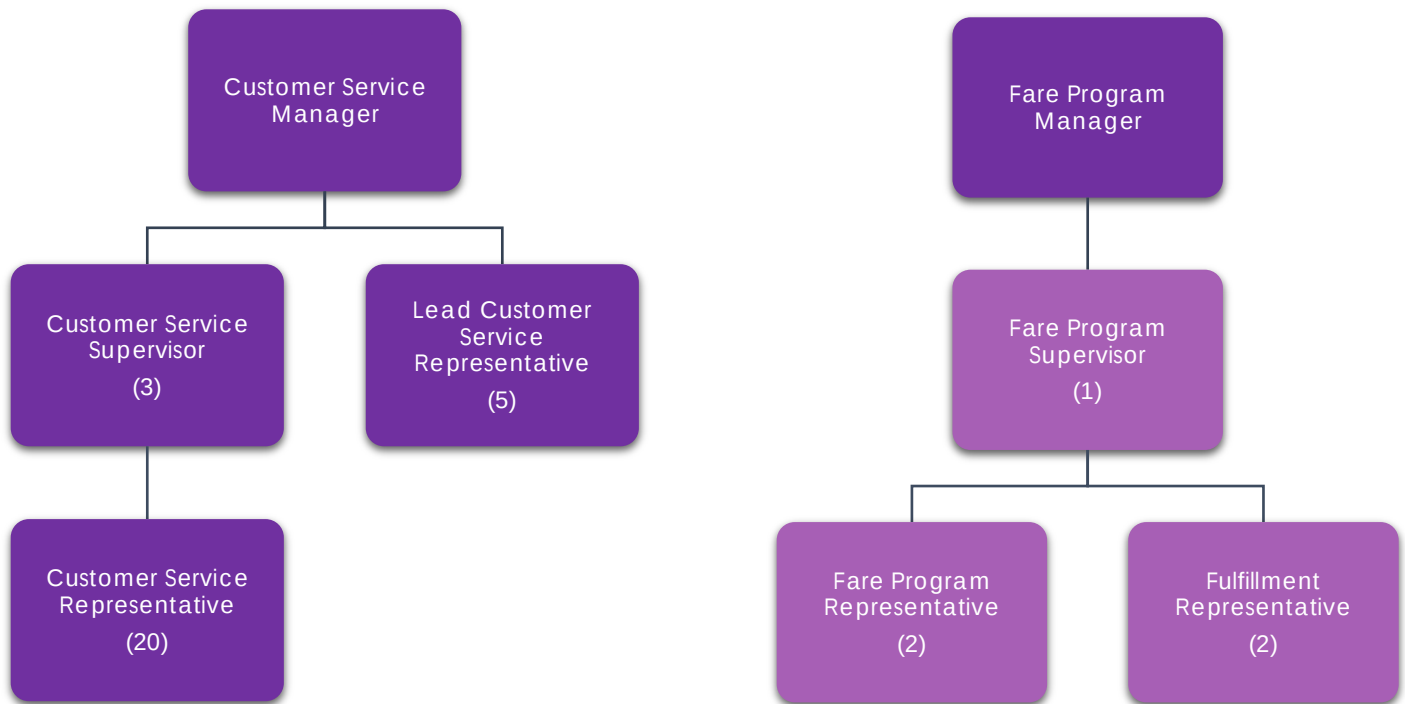
### **Proposed Insourcing Future Structure & Costs**

The proposed future-state organizational structure is designed to maximize existing Valley Metro staffing resources while minimizing the need for new positions or additional labor costs. All proposed positions are budgeted within the Customer Service department and will be designed to support Fare Support operations.

Under the proposed model, Valley Metro would:

- Operate customer support internally
- Consolidate overlapping operational functions
- Cross-train Customer Service staff
- Utilize existing Valley Metro facilities
- Manage customer fulfillment activities internally
- Strengthen operational accountability and responsiveness

The insourced staffing model would include the Valley Metro Customer Service team, as well as 5 roles dedicated to reduced fare processing, card fulfillment and escalated customer support cases. All positions would be filled using positions currently in the Customer Service budget.



### Proposed Facilities Strategy

Operations will be accommodated within existing Valley Metro facilities, including:

- Downtown Cityscape HUB space
- Operations and Maintenance Center (fare media storage)
- Existing Valley Metro Call Center infrastructure

No additional facility acquisition or lease expenses are anticipated.

### Implementation Timeline

- **Phase 1** (Q1-2027) Planning & Organizational Alignment
  - o Finalize organizational structure
  - o Confirm report
  - o Define fulfillment scope
  - o Coordinate with HR and Finance
  - o Confirm Downtown HUB operational configuration
  - o Confirm Operations and Maintenance Center fare media storage
- **Phase 2** (Q2-2027) Systems & Operational Transition
  - o Salesforce support planning
  - o IVR transition planning
  - o TOT support planning
  - o Develop fulfillment workflows



- o Define ticketing and issue-management responsibilities
- o Recruit and hire Fare Program Representatives & Fulfillment Representatives
- **Phase 3** (Q3-2027) Training & Knowledge Transfer
  - o Crosstrain Customer Service staff
  - o Develop standard operating procedures
  - o Fulfillment process training
  - o Operational documentation development
- **Phase 4** (Q4-2027) Go-Live & Stabilization
  - o Transition operational ownership
  - o Monitor operational performance
  - o Address workflow or staffing gaps
  - o Stabilize support operations

### Implementation and Future State Costs

| Transition Costs                            |                   |
|---------------------------------------------|-------------------|
| One-time implementation cost                | <b>\$50,000</b>   |
| Facility setup                              | <b>\$5,000</b>    |
| Workstations and equipment                  | <b>\$20,000</b>   |
| Secure storage installations & moving media | <b>\$10,000</b>   |
| IVR configuration/support*                  | <b>TBD</b>        |
| Operational documentation                   | <b>Staff time</b> |
| Employees cross-training                    | <b>Staff time</b> |

*\*The current self-service IVR may be transitioned to Webex, which would include additional one-time transition costs.*

| Category                   | Current Annual Cost | Future Annual Cost          |
|----------------------------|---------------------|-----------------------------|
| Labor                      | \$971,496           | Existing budgeted positions |
| Rent / Facility Costs      | \$264,000           | -                           |
| Telephony / IT / Equipment | \$189,372           | -                           |
| Infrastructure & Licensing | \$78,216            | \$78,216                    |
| Printing & Packaging       | \$29,724            | \$29,724                    |
| Technology/System Support  | -                   | \$150,000                   |
| Additional CRM/TOT/IVR     | -                   | \$18,500                    |
| Contractor Support         | -                   | \$150,000                   |
| <b>Total Cost</b>          | <b>~\$1.53M</b>     | <b>~\$425,440</b>           |



By leveraging existing staff, infrastructure, and cross-functional expertise, the proposed insourced model minimizes organizational disruption while positioning the agency to achieve approximately \$1.1 million in annual savings and greater operational efficiency.

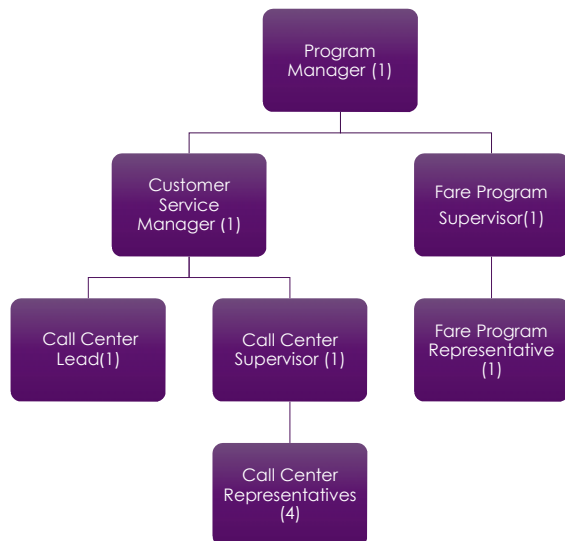
# Fare Support Call Center Insourcing



1

AD1

## Current Model: Call Center & Card Fulfillment



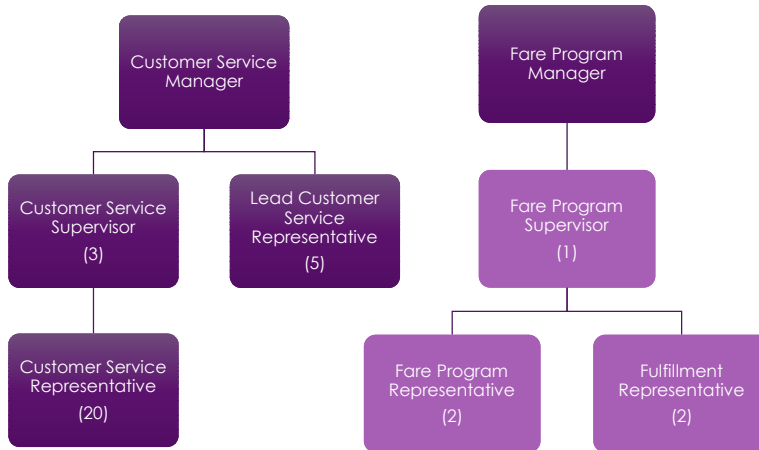
- Customer Service
  - Fare support - phone, email, web portal, website
  - Mobile app
  - General and account-specific inquiries
- Fare media & Fulfillment
  - Copper card and reduced fare copper card issuance
  - Reduced fare eligibility process
  - Inventory management
  - Printing, packaging & mailing
- Technology
  - Interactive Voice Response (IVR)
  - Ticket Office Terminal (TOT) support
  - CRM/Salesforce support

2



2

## Proposed Model: In-House Operation AD1



- Maximizes Existing Resources through workforce reallocation
- Leverages Operational Expertise
- Minimizes Organizational Disruption
- Supports Existing Budget Structure
- Utilizes Existing Facilities
  - Cityscape HUB
  - Operations & Maintenance Center
  - Valley Metro Call Center

3

3

AD1

## Implementation Timeline and Costs

| Implementation Timeline |                                     |
|-------------------------|-------------------------------------|
| August 2026             | Board approval received to proceed  |
| Q1 2027                 | Planning & Organizational Alignment |
| Q2 2027                 | Systems & Operational Transition    |
| Q3 2027                 | Training & Knowledge Transfer       |
| Q4 2027                 | Go-Live & Stabilization             |
| Q1 2028                 | Performance Monitoring              |

| Transition Costs                            |          |
|---------------------------------------------|----------|
| One-time implementation cost                | \$50,000 |
| Facility setup                              | \$5,000  |
| Workstations & equipment                    | \$20,000 |
| Secure storage installations & moving media | \$10,000 |
| <sup>1</sup> IVR configuration/support      | TBD      |

### Key Deliverables and Cost

- Transition Cost
- Cross-Functional Alignment
- Knowledge Transfer
- Workforce Transition
- System and Operational Readiness
- Fulfillment Enablement

<sup>1</sup> The current self-service IVR may be transitioned to Webex, which would include additional one-time transition costs.

4

4

AD1

## Financial Analysis and ROI

| Category                   | Current Annual Cost | Future Annual Cost          |
|----------------------------|---------------------|-----------------------------|
| Labor                      | \$971,496           | Existing budgeted positions |
| Rent / Facility Costs      | \$264,000           | -                           |
| Telephony / IT / Equipment | \$189,372           | -                           |
| Infrastructure & Licensing | \$78,216            | \$78,216                    |
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| Technology/System Support  | -                   | \$150,000                   |
| Additional CRM/TOT/IVR     | -                   | \$18,500                    |
| Contractor Support         | -                   | \$150,000                   |
| <b>Total Cost</b>          | <b>~\$1.53M</b>     | <b>~\$425,440</b>           |

Insourcing Reduces Annual Costs by ~\$1.1M

5



5

## Financial Analysis and ROI

| Rough Order of Magnitude Cost Impact                      |             |
|-----------------------------------------------------------|-------------|
| <sup>1</sup> One-time implementation costs*               | \$50,000    |
| Year 1 cost avoidance (1 <sup>st</sup> yr VM cost \$412K) | \$1.12M     |
| <sup>2</sup> Year 2 cost avoidance                        | \$1.15M     |
| <sup>2</sup> Year 3 cost avoidance                        | \$1.19M     |
| <sup>2</sup> Year 4 cost avoidance                        | \$1.22M     |
| <sup>2</sup> Year 5 cost avoidance                        | \$1.26M     |
| Months (years) to return on investment                    | < 12 months |

<sup>1</sup>The current self-service IVR may be transitioned to Webex, which would include additional one-time transition costs.

<sup>2</sup>Assumes 3% escalation

6



6

## Weighted Matrix Analysis

| Criteria | Weight | Description / Rationale                             | Insource | Outsource |
|----------|--------|-----------------------------------------------------|----------|-----------|
| Cost     | 35%    | Significant recurring operational savings           | 5        | 2         |
| Quality  | 25%    | Improved Internal alignment & responsiveness        | 4        | 3         |
| Control  | 20%    | Greater ownership and accountability                | 5        | 2         |
| Risk     | 12%    | Transition Introduces moderate Implementations risk | 2        | 3         |
| Agility  | 8%     | Faster operational & policy change                  | 5        | 4         |
| Total    | 100%   |                                                     | 4.39/5   | 2.53/5    |

*Insourcing surpasses outsourcing in terms of cost, control, quality, and flexibility*

7



7

AD1

## Recommendation

Valley Metro recommends a phased transition to internally managed Fare Support Call Center and Card Fulfillment operations to enhance customer service, strengthen operational oversight, and improve long-term sustainability. By leveraging existing staff, infrastructure, and cross-functional expertise, the proposed model minimizes organizational disruption while positioning the agency to achieve approximately \$1.1 million in annual savings and greater operational efficiency.

8



8



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 9****SUBJECT**

Strategic Plan Quarterly Update

**COST AND BUDGET**

There are no costs associated with this update.

**RECOMMENDATION**

This item is presented for information.

**COMMITTEE PROCESS**

Boards of Directors: August 27, 2026, for information

**CONTACT**

Hillary Foose  
Chief, Marketing & Communications  
[hfoose@valleymetro.org](mailto:hfoose@valleymetro.org)

**ATTACHMENT**

Quarterly Report



# Background Information

In January 2024 the Boards of Directors approved Valley Metro's FY 2025 – FY 2030 Strategic Plan. The approved plan included nine strategic goals. Each goal included supporting "initiatives." Annual action plans are now developed to accomplish strategic goals and initiatives.

Valley Metro updates the Boards of Directors on strategic plan progress via quarterly reports and rotating quarterly updates presented in February, May, August, and November. The attached quarterly report includes graphs illustrating the performance indicators associated with each goal, notes providing context for select measures, and initiative updates.

FY26 Valley Metro®

# QUARTERLY REPORT

Agency Strategic Plan  
FY26 Q4 | April – June 2026



# Strategic Plan

The FY25-30 Strategic Plan is setting the course for the agency to focus on the most critical elements of delivering an excellent customer experience, investing in talent and prioritizing safety and security on transit. Over the past year, we've made significant progress toward advancing the goals outlined in the plan.





GOAL:

# Deliver Excellent Customer Experience

## • FY26 INITIATIVES

### INCORPORATE A HOLISTIC CUSTOMER EXPERIENCE

| ACTION                                              | STATUS                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enhance the Customer Service call center experience | <p>Developed the FY27 roadmap in collaboration with Customer Service, focusing on opportunities to improve existing resources by leveraging current maintenance agreements and internal team resources.</p> <p>Working with the City of Phoenix to gather its perspective and support its involvement throughout the project.</p> |

### INCORPORATE HUMAN-CENTERED DESIGN

| ACTION                                                                                          | STATUS                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Create an engagement feedback loop through Comprehensive Opportunity Analysis (COA) opportunity | Phase 2 of the engagement plan is under review and is tentatively scheduled for implementation from September through November 2026, pending member city review.                                                                       |
| Map customer journeys for service enhancements                                                  | All ride-alongs have been completed and staff are working with AlphaVu to analyze themes related to customer pain points and opportunities to improve the customer experience. The analysis is expected to be complete in August 2026. |

### SUPPORT EFFECTIVE TRANSIT SYSTEM DESIGN THROUGH OPPORTUNITY AND INNOVATION

| ACTION                                                                        | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Embed cost-containment in culture and business strategy                       | Collaborated with Maricopa Association of Governments (MAG), member cities and the joint ad-hoc committee to evaluate the feasibility and estimated savings associated with cost containment for the West Valley Express bus service, Paratransit and RideChoice® and regional support services.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Evaluate insourcing opportunities                                             | Two items under consideration for insourcing, including rail station painting and fare support customer service call center, were presented to the Board Joint Ad-Hoc Committee in June 2026. Both were recommended to move forward to the August Board meetings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Streamline procurement practices and remain responsive to Board and community | <p>On June 21, 2026, the Joint Boards of Directors took the following actions:</p> <ul style="list-style-type: none"> <li>Adopted a unified delegation of authority across Regional Public Transportation Authority (RPTA) and Valley Metro Rail (VMR).</li> <li>Adopted the FTA micro-purchase and simplified acquisition limits, as amended.</li> <li>Directed that simplified acquisition transactions be reported to the Board after the fact for information and transparency.</li> <li>Directed that on-call and task order contracts exceeding the simplified acquisition threshold be routed to the Board for approval.</li> </ul> <p>These changes will be incorporated into the new Joint Procurement Manual, effective approximately July 1, 2026.</p> |



## GOAL: Invest in Talent

### • FY26 INITIATIVES

#### FOSTER EXCITEMENT ABOUT EMPLOYMENT AND GROWTH OPPORTUNITIES

| ACTION                                                                      | STATUS                    |
|-----------------------------------------------------------------------------|---------------------------|
| Establish "People Networks" to promote collaboration and sense of community | No new updates to report. |

#### RETAIN CURRENT EMPLOYEES

| ACTION                                                                                  | STATUS                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Create structured input opportunities for frontline staff to drive service improvements | The frontline playbook is being used to engage rail frontline staff and lessons learned will be applied to bus operations by the end of 2026.                                                                                                                                            |
| Develop an employee engagement strategy informed by Culture Survey and best practices   | An employee engagement strategy will be developed by a staff-led ad hoc working group, as outlined in the next action, "Implement action plans from Culture Survey."                                                                                                                     |
| Implement action plans from Culture Survey                                              | Staff-led ad-hoc working groups were established in response to the employee culture survey, focusing on process improvement, employee recognition and internal communications. Their work will continue through summer 2026, with implementation of action plans beginning in the fall. |

#### CREATE STRUCTURED PATHS FOR CAREER GROWTH

| ACTION                                                                     | STATUS                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Leverage new class and compensation structure to retain and attract talent | <p>Career pathway initiatives are ongoing and are being implemented in phases, including planning for career pathway resources, manager development and employee communications.</p> <p>Launched the FY27 Developmental Needs Survey to identify employee development priorities and initiated a pilot program to evaluate the feasibility of a skills assessment tool.</p> |



GOAL:

## Prioritize Security on Transit

### • FY26 INITIATIVES

#### CREATE A SAFETY AND SECURITY CULTURE

| ACTION                                                                                   | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implement structured performance monitoring program for the contracted security provider | <p>Performance monitoring is robust and the contractor provides detailed reports on a bi-weekly basis to VM security leadership. Reports cover a broad range of data points that depict conditions on our system.</p> <p>The newly created “Own Your Zone” program is in the process of being implemented with security contractors. It is a proactive approach to engaging riders by focusing on keeping security contractors in consistent, familiar “zones” to develop familiarity and trust with the people using our system. It increases security contractor pride and responsibility for the people they serve.</p> |

#### INVEST IN COMMUNITY PARTNERSHIPS

| ACTION                                                                        | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Establish teams, pending funding and programs to guide key groups to services | <p>Created co-branded placards with Valley Metro and Be Connected featuring a QR code linking to Be Connected, the service used by the Arizona Coalition for Military Families to connect veterans and their families with crisis resources. The placards have been installed at emergency call boxes on all light rail platforms.</p> <p>The partnership has generated more than 80 QR code click-throughs since April 2026 and both organizations have begun promoting the initiative. A formal launch is planned for fall 2026, when funding for outreach personnel is in place.</p> |

#### EVALUATE THE PHYSICAL INFRASTRUCTURE

| ACTION                                                                            | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Develop Crime Prevention Through Environmental Design (CPTED) implementation plan | <p>Cross-divisional Tiger teams continue to track implementation and are finalizing recommendations for next steps in FY27.</p> <p>A Job Task Analysis is underway to evaluate the staffing model for Valley Metro’s contracted security provider, one of the recommendations from the 2025 CPTED study.</p> <p>The findings of the Video Surveillance Study are under review to inform implementation strategies being developed by the rail maintenance team.</p> |



GOAL:

## Leverage Data and Technology

### • FY26 INITIATIVES

#### IMPROVE AUTOMATION AND RELIABILITY OF TRANSIT DATA

| ACTION                                                           | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Initiate AI exploration and proof of concept pilot               | <p>Actively leveraging AI-powered tools to improve efficiency across the organization, including Asana AI, ChatGPT, Webex AI, AlphaVu, Adobe AI and the Valley Metro website chatbot.</p> <p>Evaluating an AI-powered passenger counting system that uses existing onboard cameras to improve ridership data collection.</p> <p>Exploring RideCo AI capabilities to enhance paratransit operations and customer service.</p> |
| Broaden access to advanced analytics and intelligence agencywide | <p>Data portal was built by Business Intelligence team to replace an excel report. This will reduce number of manual entry items. Portal was presented to Operations teams for their feedback.</p> <p>Identified and validated automation opportunities for the portal.</p> <p>Instituted weekly meeting to create additional governance to the portal, which is expected to go live on October 1.</p>                       |

#### INTEGRATE AND MARKET MOBILITY SOLUTIONS

| ACTION                                                   | STATUS                                                                                                             |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Design a network responsive to customer inputs and needs | Staff are engaging with member cities throughout the summer and refining the public engagement plan for fall 2026. |



GOAL:

## Deliver on Stakeholder Collaboration

### • FY26 INITIATIVES

#### INCORPORATE COMMUNITY VOICES

| ACTION                                                | STATUS                                                                                                                                                                                                                                                   |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Establish an inclusive Community Engagement Framework | Used the Community Engagement Framework to develop engagement plans for the West Phoenix Extension, Rio East-Dobson Streetcar Extension (REDE) and upcoming transit education in the East Valley and Phase 2 of the Bus Network Redesign (BNR) outreach. |
| Evaluate the potential for advisory committees        | Identifying and evaluating organized community and business groups to support engagement and gather feedback for the West Phoenix Extension.                                                                                                             |

#### COMMUNICATE THE VALUE OF TRANSIT

| ACTION                                                            | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Develop a partnerships outreach strategy to onboard new ridership | <p>Staff are gathering community input on the fare study recommendations and the future direction of the fare collection system through a public survey open through July 17, 2026.</p> <p>Pursued a ticketing partnership with Fan Fusion, with interest in launching in a future year. Staff also are developing a new technology solution that leverages the new back-end fare system for the Mortgage Matchup Center partnership, with a potential launch at the start of the Phoenix Suns season in fall 2026.</p> |



GOAL:

## Board Governance

### • FY26 INITIATIVES

#### FACILITATE WORK ACROSS REGIONAL BODIES

| ACTION                                                                        | STATUS                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Support Prop. 400 transition to Prop. 479 and adopt funding policy framework. | <p>MAG is expected to adopt the interim draft FY27 Transit Life Cycle Program in June 2026 to establish FY27 funding allocations and adjust the High Capacity Transit schedule.</p> <p>A second update is planned after the MAG Managers Work Group provides recommendations in fall 2027.</p> |
| Advance legislative agenda through Board and stakeholder engagement           | Developed the FY27 Federal Advocacy Toolkit and distributed it to member agencies. The congressional delegation fly-in will be rescheduled.                                                                                                                                                    |

#### UPDATE BOARD MEMBER ON-BOARDING

| ACTION                             | STATUS                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improve Board content and delivery | <p>Implemented improvements based on Board survey feedback, including providing regular policy and legislative affairs updates.</p> <p>Launched a Board Member Portal with current governance, meeting and onboarding resources.</p> <p>Developed budget, policy and funding materials to support informed decision-making by member agencies.</p> |

#### OBTAIN POLICY GUIDANCE FROM THE BOARDS

| ACTION                           | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Streamline procurement processes | <p>On June 21, 2026, the Joint Boards of Directors:</p> <ul style="list-style-type: none"><li>• Adopted a unified delegation of authority across RPTA and VMR.</li><li>• Adopted the FTA micro-purchase and simplified acquisition limits, as amended.</li><li>• Directed that simplified acquisition transactions be reported to the Board after the fact for information and transparency.</li><li>• Required on-call and task order contracts exceeding the simplified acquisition threshold to be routed to the Board for approval.</li></ul> <p>These changes will be incorporated into the new Joint Procurement Manual, effective approximately July 1, 2026.</p> |



GOAL:

## Operational Excellence

### • FY26 INITIATIVES

#### STRATEGIES TO IMPROVE TRANSIT PERFORMANCE AND SAFETY

| ACTION                                                                      | STATUS                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Leverage technology to increase surveillance and incident response          | A Job Task Analysis is underway to evaluate the roles and responsibilities of the Dispatch Control Center within the Operations Control Center.                                                                                                                                                                                                                         |
| Enhance security of Supervisory Control and Data Acquisition (SCADA) system | The core router has been received and installed. Staff are completing the configuration and expect it to be operational by next quarter. Installation of network switches is underway and is expected to be completed within the next six months.                                                                                                                       |
| Identify and deploy technologies that support agencywide cost containment   | Staff welcomed the Maricopa County Department of Transportation (MCDOT) Connected Vehicle Acceleration Zone (CVAZ) team to the Operations and Maintenance Center in late June to review technical specifications and identify installation locations on light rail vehicles. Installations are scheduled for completion this fall, followed by testing and calibration. |

#### IMPROVE SERVICE QUALITY

| ACTION                                                                     | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Develop implementation plan for the Run Time and Collision Reduction Study | <p>The cross-divisional Tiger team continues to meet regularly to advance implementation efforts.</p> <p>An initial group of intersections has been prioritized for signage and striping upgrades, with materials ordered.</p> <p>Valley Metro issued a Request for Information (RFI) to identify technologies and solutions for in-cab collision detection and avoidance on light rail vehicles.</p> <p>Valley Metro is planning a broader rollout of intersection improvements in FY27 using already budgeted funds, with the potential to accelerate deployment pending the outcome of a more than \$20 million BUILD grant application.</p> <p>In partnership with member cities, Valley Metro continues to implement intersection improvements throughout the system to reduce delays and improve travel time reliability.</p> |

#### OPTIMIZE SERVICE PERFORMANCE

| ACTION                                                        | STATUS                                                                                                             |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Complete Bus Network Redesign, driven by rider and city input | Staff are engaging with member cities throughout the summer and refining the public engagement plan for fall 2026. |



GOAL:

## Financial Sustainability

### • FY26 INITIATIVES

#### ENGAGE STAFF TO IDENTIFY COST-SAVING MEASURES

| ACTION                                                         | STATUS                                                                                                                                  |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Increase cost control through greater access to financial data | Provided budget dashboard refresher training to divisions, including directors, managers and budget contributors, during third-quarter. |

#### MAXIMIZE REVENUE GENERATION

| ACTION                       | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Diversify revenue generation | <p>Valley Metro completed the RFP process, culminating in Board approval of the renewable natural gas (RNG) revenue contract, which is expected to generate up to \$1.3 million in annual revenue.</p> <p>Following Board approval of the fare study recommendations, staff are working with stakeholders to begin the fare policy change process, which is expected to increase fare revenue.</p> <p>In June 2026, the Board approved the Advertising Sales Services contract with Lamar Transit LLC, generating \$1.6 million in revenue during the first year and an estimated \$9.9 million over the first five years, helping offset the cost of bus and rail operations.</p> |

#### DEVELOP LONG-TERM FINANCIAL FORECAST

| ACTION                                        | STATUS                    |
|-----------------------------------------------|---------------------------|
| Establish annual business model for Divisions | No new updates to report. |

## DIVISION SPECIFIC UPDATES

### COMMUNICATIONS AND STRATEGIC INITIATIVES HIGHLIGHTS

- Prepared and distributed significant service messaging for the larger-scale events in spring 2026, including Women's Final Four, Red Bull Showrun, Diamondbacks season start and other regional events including the Tempe Festival for the Arts.
- As part of the agency's Community Engagement Framework, division held an executive brainstorming with Tempe and Mesa for the future of Rio East-Dobson Streetcar Extension and structured partnering with various City of Phoenix departments to help build out the West Phoenix Extension engagement plan.
- Created and pushed out a series of videos sharing details of our rail and bus security program to support our security storytelling campaign, sharing program elements and incident trend data to help reassure that our system is safe and welcoming.
- Initiated the Rider Satisfaction Survey, with the last one being pre-pandemic (2018) and the results have shown positive improvement with an overall satisfaction rating of 89%, up eight points from 2018. Results and associated action plans will be shared with city staff and Board beginning in late summer/fall.
- Completed Phase 3 of the bus ridership campaign on May 31, with results showing three out of the five targeted, local routes increasing ridership by an average of 3%; Express/RAPID increased by 12%. The campaign also helped to generate a 32% increase in app downloads, a 53% increase in website visits, above-average click-thru rates and a 97% positive/neutral sentiment rating. In this same timeframe, staff also initiated ridership campaigns for streetcar and light rail.

### SERVICE PLANNING HIGHLIGHTS

- In response to feedback from the first round of engagement and discussions around the initial BNR service proposals, Service Planning worked with Communications and Strategic Initiatives (CSI) and Legislative Affairs to develop a comprehensive, four-step city-focused engagement plan to ground the recommendations in findings from the service evaluation and public feedback to reach consensus on the recommendations going forward to the public in fall 2026. This effort features 30+ meetings with city staff in large and small-group formats.
- Service Planning worked with Operations, Maintenance and Procurement to identify millions in savings from moving West Valley Express service to the East Valley Bus contract.
- Scheduling has begun the process of coordinating with Keolis and the union to establish a regular process for collaborating on run cuts and rosters for East Valley bus service, modeled after the process established for the rail service last year.
- A Memorandum of Understanding (MOU) has been signed with Maricopa County Department of Transportation (MCDOT) to install and operate next-generation Transit Signal Prioritization (TSP) on light rail. The process for coordinating those installs has begun with the goal of completing onboard and wayside installation by the end of the calendar year.
- East Valley bus on-time performance recently reached 90% due to continuous improvement efforts by the scheduling team.



Your Voice. Your Ride.  
Su Voz. Su Viaje.

Enter for a chance to win

**Bus riders,  
your voice matters.**

Share with us

**VALLEY METRO**

## DIVISION SPECIFIC UPDATES

### TRANSPORTATION HIGHLIGHTS

- Coordinated with our transportation contract partners (Keolis, WeDriveU and ACI) to provide additional rail capacity for over 50 local events and fulfilled over 20 special bus requests in support of community events and outreach.
- Updated real-time ride-check module to provide transportation staff with a mobile tool to review service performance in the field and work more effectively with our contract partners to address root causes and identify long-term sustainable solutions to mitigate those operational risks. Over 40 checklists have been completed to date.
- Began integration of the RideCo platform into our Paratransit and RideChoice trip scheduling and operations. Currently over 30% of our RideChoice trips are being booked through the mobile app. Since the soft launch of the Paratransit booking module in mid-June, mobile app trip bookings are approaching 5% of the total and are increasing each week.
- Since the RideCo transition started, Paratransit on-time performance has increased to nearly 90% for pick-ups and drop-offs.
- Call Center upgrades are in progress to allow customers to know their position in the call queue and allow for a call-back option so customers will have the option if they do not want to actively wait on hold.
- Customer Experience Representatives began supporting seasonal heat relief efforts staffing several hydration stations throughout our rail service area.

### CAPITAL DEVELOPMENT HIGHLIGHTS

- Planning and Community Engagement efforts for the West Phoenix light rail extension will kick off in June and July. The focus of the next 18-24 months is refining the locally-preferred alternative (LPA) route along with other important technical background work while pursuing robust engagement with the Maryvale community.
- Advanced conceptual engineering work continues on the Rio East- Dobson Streetcar Extension (REDE) with project-specific community engagement targeted for early 2027.
- The team remains focused on projects related to system state of good repair and systemwide improvements including Town of Gilbert Park-and-Ride, Mesa Bus Stop Improvements, rail system HVAC replacements, station painting and many other projects.
- Implementation efforts continue related CPTED and Collision Reduction/Travel Time Optimization.



## DIVISION **SPECIFIC UPDATES**

### **AGENCY BUSINESS, TECHNOLOGY & SERVICE HIGHLIGHTS**

#### **WEBEX CONTACT CENTER (WCC) HIGHLIGHTS**

- Modern cloud-based contact center is replacing aging on-premises infrastructure.
- Improved real-time dashboards and reporting for supervisors.
- Greater flexibility to quickly update call flows and routing.
- Increased reliability, scalability and business continuity.
- Foundation for future AI capabilities and digital customer engagement (chat, SMS, etc.).

#### **NETWORK VIDEO RECORDER (NVR) UNIFICATION PROJECT HIGHLIGHTS**

- Replaced end-of-life (EOL) NVR systems with a modern, supported platform.
- Unified video surveillance across the 101 Building, Mobility Center and Mesa Bus Facility.
- Simplified administration and maintenance through centralized management.
- Improved system reliability, supportability and scalability for future expansion.

#### **AI CHATBOT**

- The Valley Metro website chatbot soft launched April 13, followed by customer-facing website messaging May 12, an internal newsletter announcement and updated after-hours customer service messaging May 27 and a social media campaign June 3.
- Replaced the third-party Automated Transit Information System (ATIS) trip planner with an in-house solution, resulting in estimated annual savings of approximately \$150,000 beginning July 1.

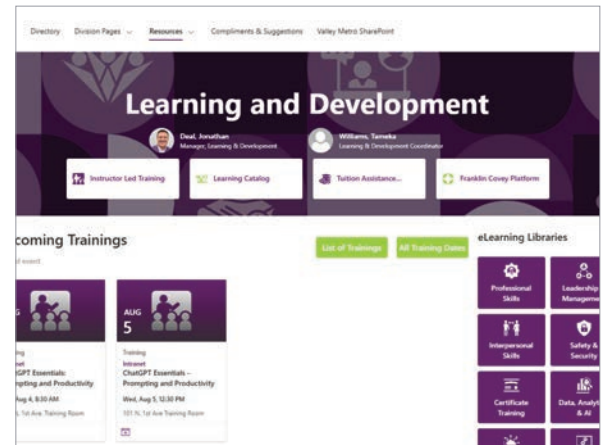
### **FINANCE & PROCUREMENT HIGHLIGHTS**

- Completed the development and Board adoption of the FY27 budget, ensuring alignment with strategic goals, fiscal sustainability, stakeholder priorities and regulatory requirements.
- Finalized the development of fare study recommendations and began the process to implement approved fare policy changes.
- Completed the successful transition of fare revenue administration and distribution from the City of Phoenix to Valley Metro, strengthening financial controls and operational efficiency. Staff supported the efforts to prepare and present insourcing opportunities to the Joint Board Ad Hoc Committee on Procurement and Business Practices.
- Staff participated in meetings with Phoenix and Vix to begin developing the potential scope for Fare Collection System Modernization (FCSM) Phase III features, which potentially includes virtual cards, card management in the app, open payments and family/group passes.
- Staff is working with Legal and outside counsel to finalize the Joint Procurement Manual.
- The team coordinated with MAG on the transition from Proposition 400 to Proposition 479 Transit Life Cycle Program funding policies, including Proposition 400 closeout activities, development of regional financial forecasts and representation at MAG working groups to ensure accurate and sustainable regional transit funding plans.

# DIVISION SPECIFIC UPDATES

## HUMAN RESOURCES HIGHLIGHTS

- The Learning & Development intranet site was updated to modernize the platform and improve navigation to training resources and learning opportunities.
- Launched the FY27 Open Enrollment process with HR offering virtual and in-person benefits meetings across all operational shifts to expand employee access to benefits education and enrollment support.
- Continued FY27 employee wellness offerings with seminars on Coping and Resilience in Challenging Times and Meal Preparation for Healthy Eating.
- Launched the agency-wide FY26 Performance Evaluation Review cycle (July 1–June 30). Human Resources updated standard operating procedures (SOPs) and hosted informational meetings to support a consistent performance evaluation process.



## SAFETY & SECURITY HIGHLIGHTS

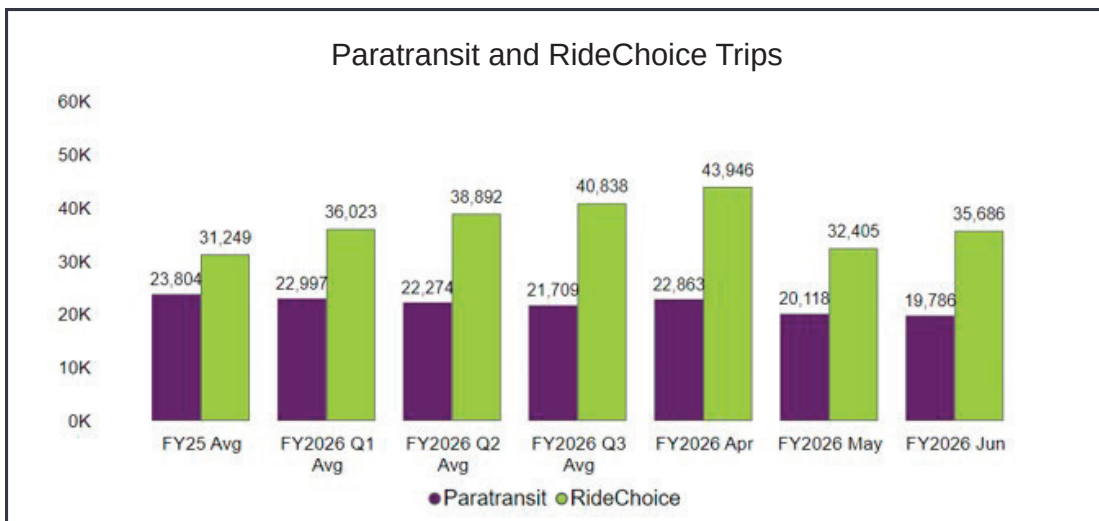
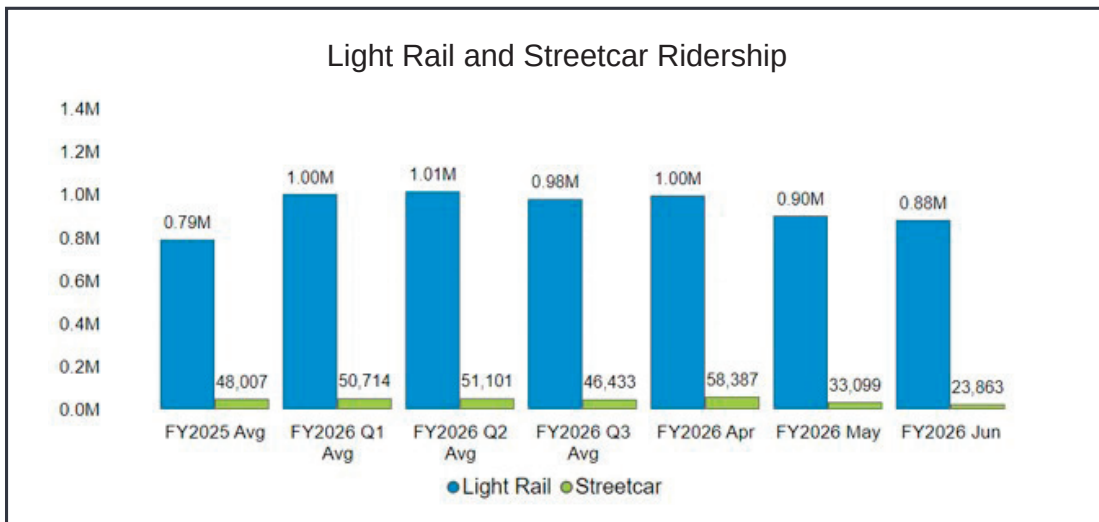
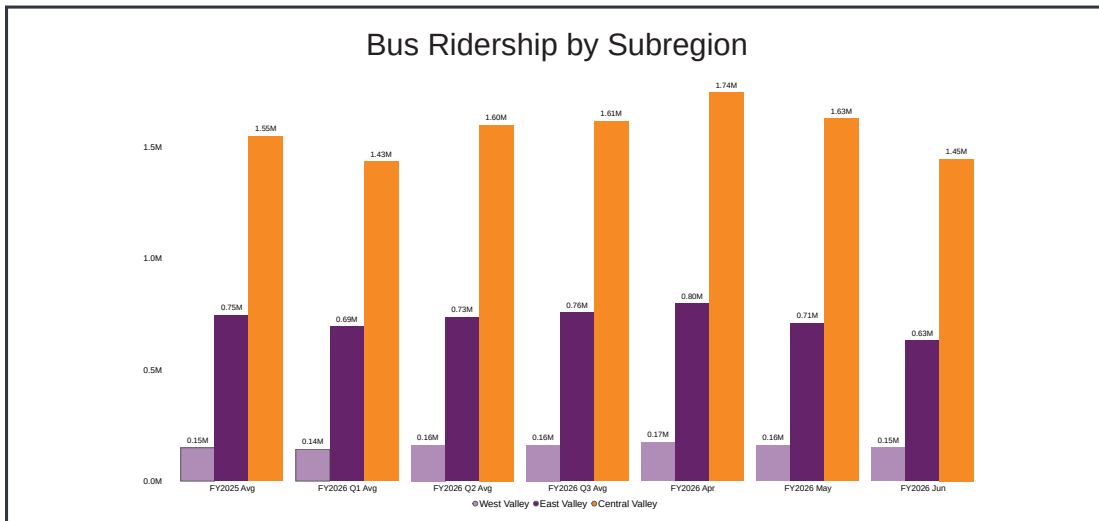
- Keolis' Operator Training Program was expanded to provide more hands-on training, enhanced safety curriculum, daily competency assessments, improved instructor-to-student ratios and dual-site training at Tempe and Mesa to better prepare new operators for safe revenue service.
- The Valley Metro Bus Safety Department updated its accident tracking framework to create separate reporting categories for certain non-preventable, zero-damage incidents, such as minor mirror-to-mirror contact and construction zone events. This change improves data integrity by allowing member cities and executive leadership to identify and analyze preventable collision trends in monthly safety metrics more clearly. The updated framework has been implemented across both bus and paratransit services for consistency.
- Inter-Con maintained staffing above 99% of contracted hours during the quarter.
- The Veteran's Be Connected QR code generated 286 clicks, scrolls and engagements during April and May.



# APPENDICES

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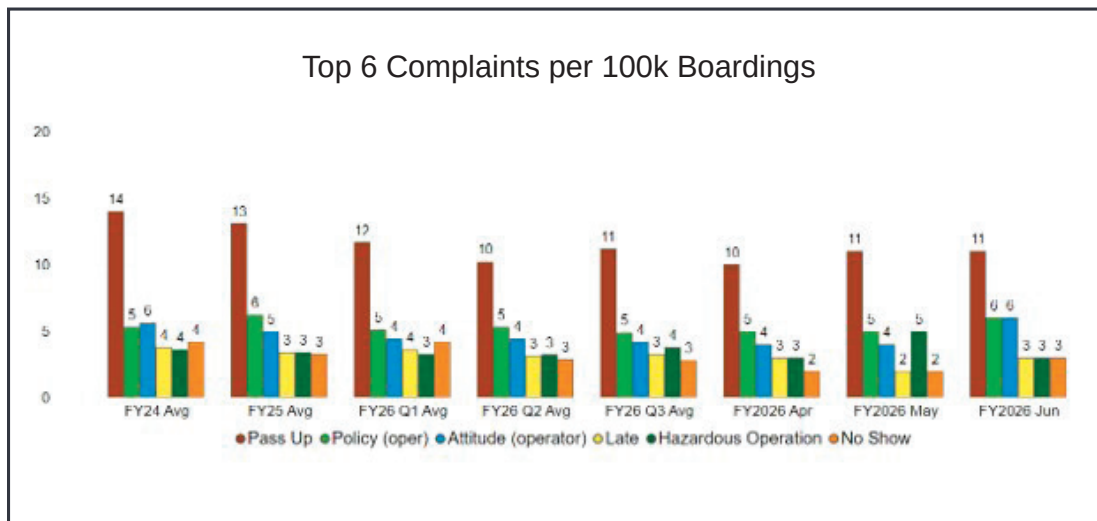
## Deliver Excellent Customer Experience



# APPENDICES

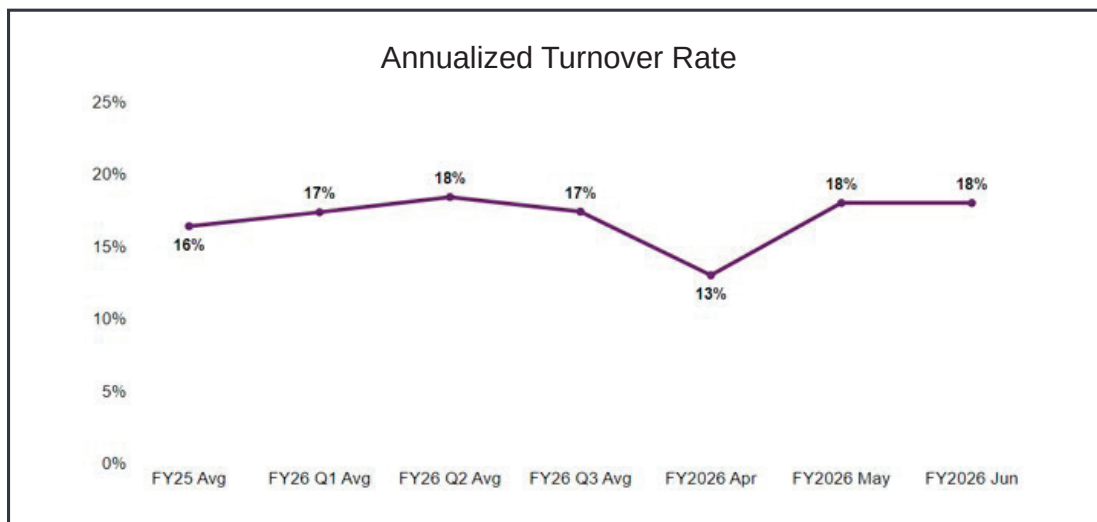
GOAL:

## Deliver Excellent Customer Experience



GOAL:

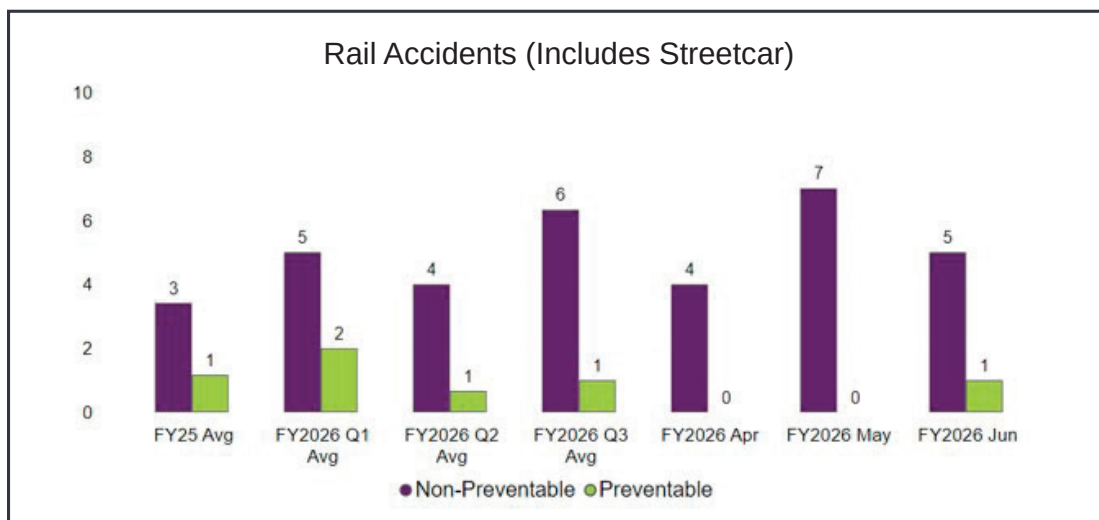
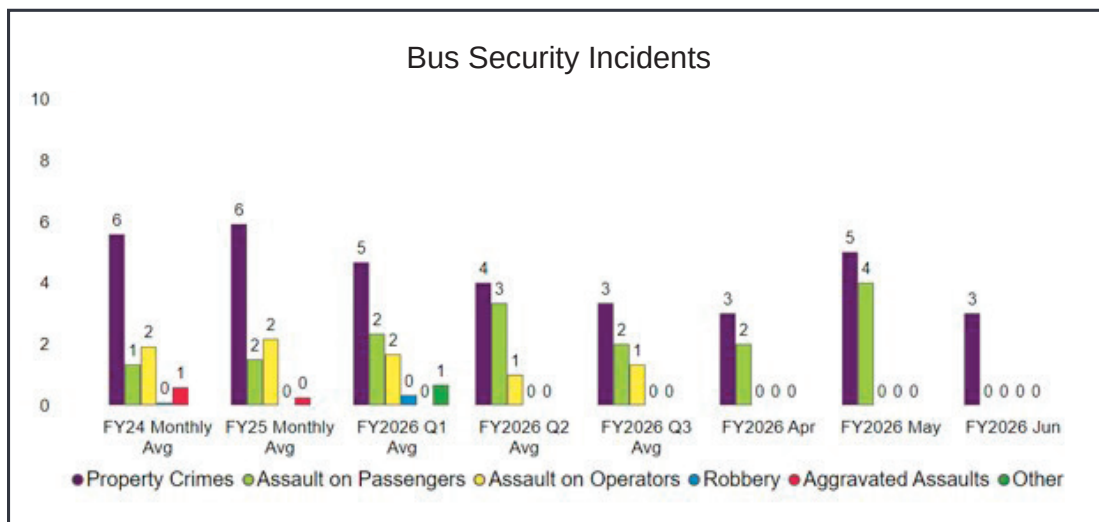
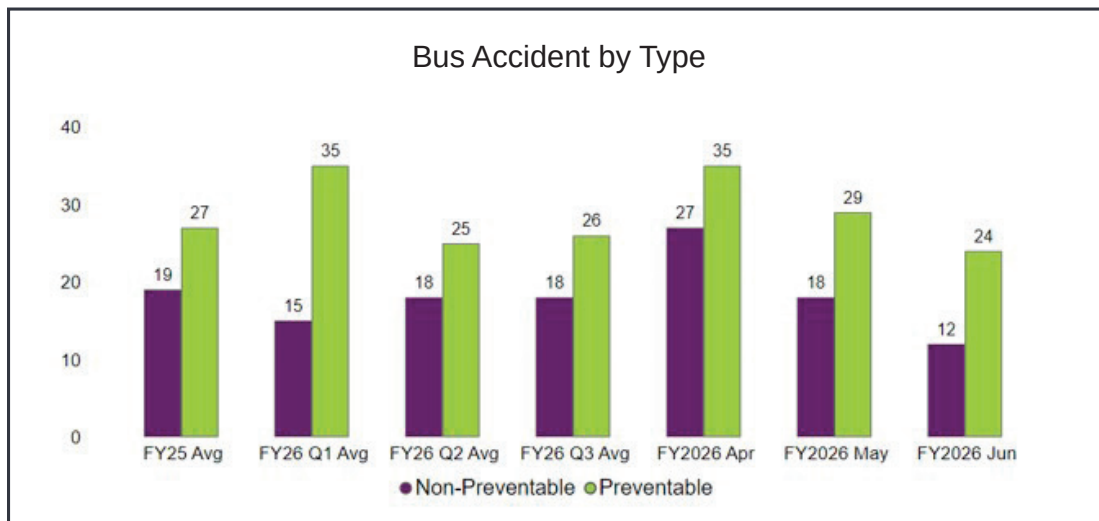
## Invest in Talent



# APPENDICES

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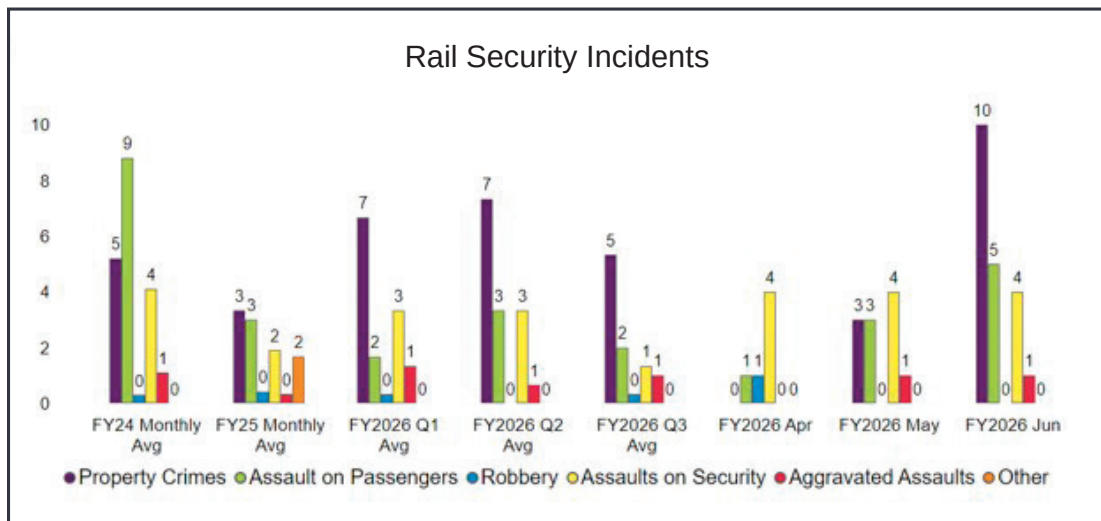
## Prioritize Security on Transit



# APPENDICES

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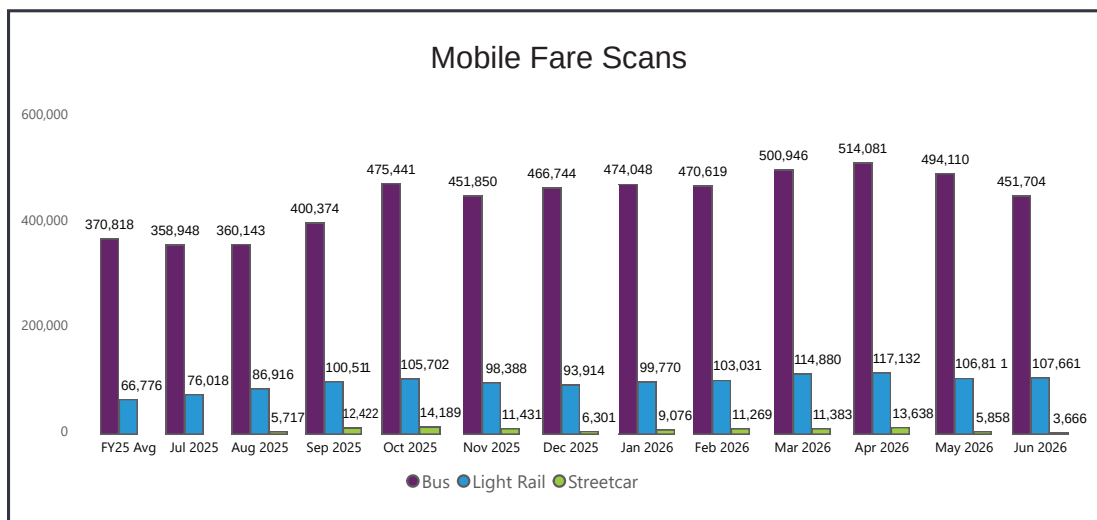
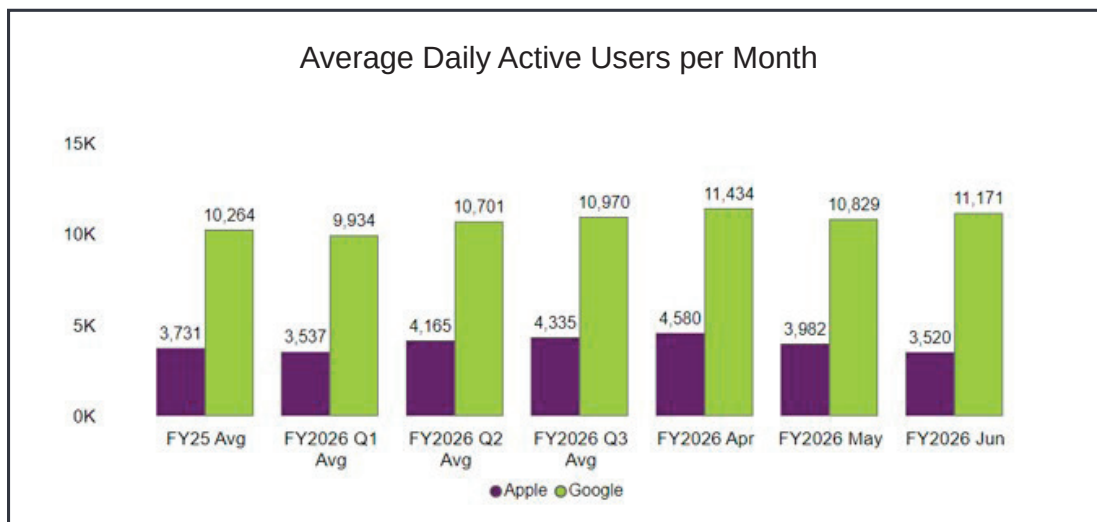
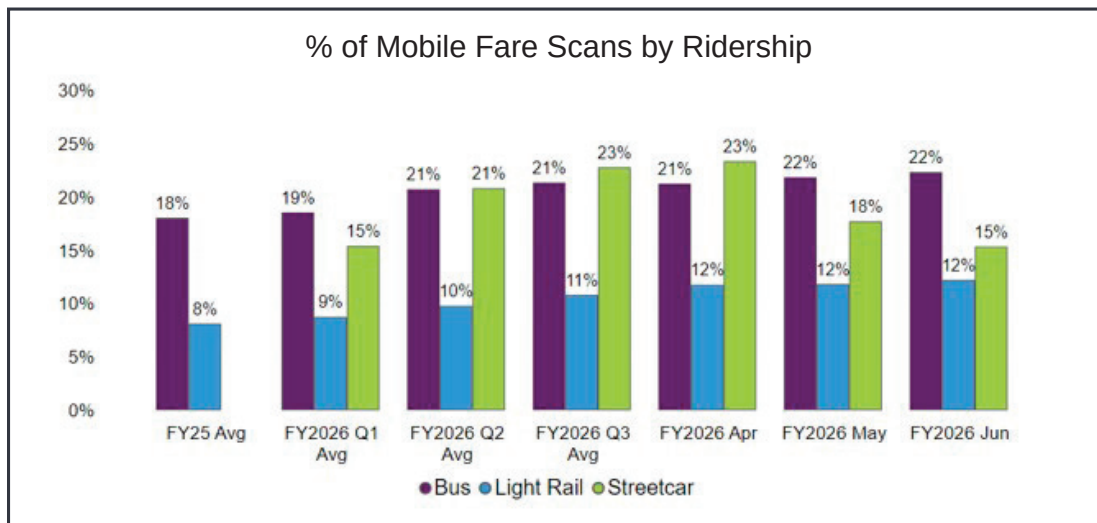
## Prioritize Security on Transit



# APPENDICES

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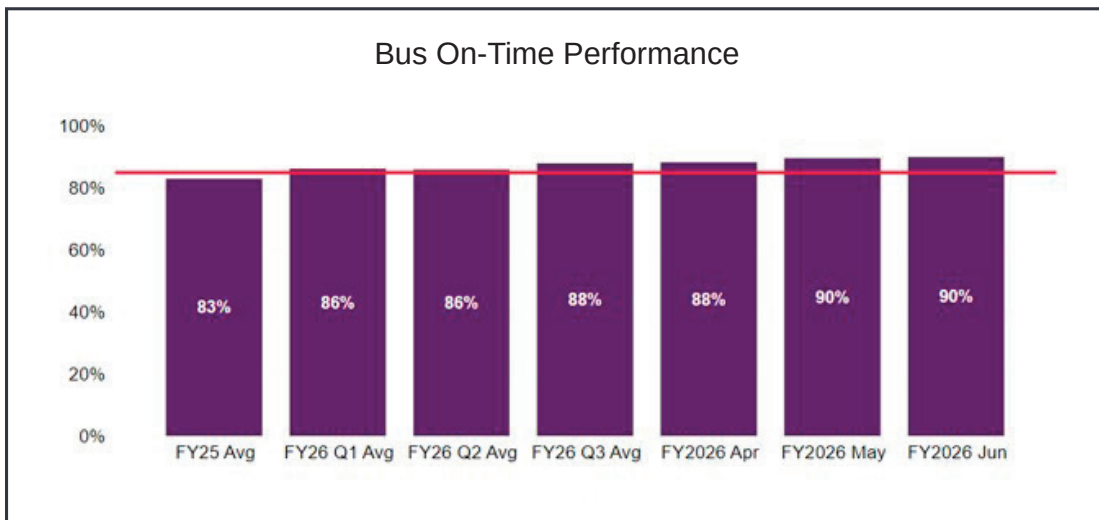
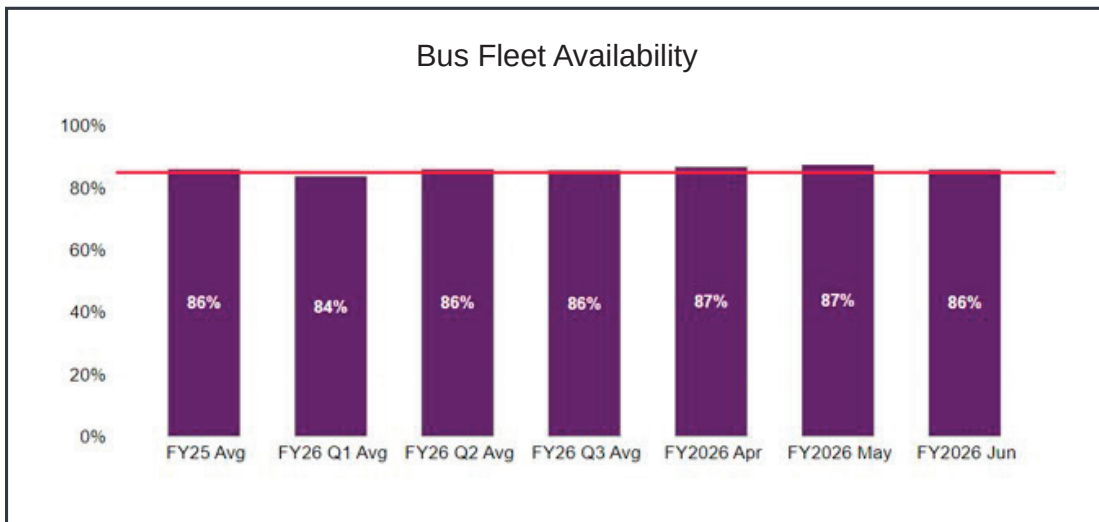
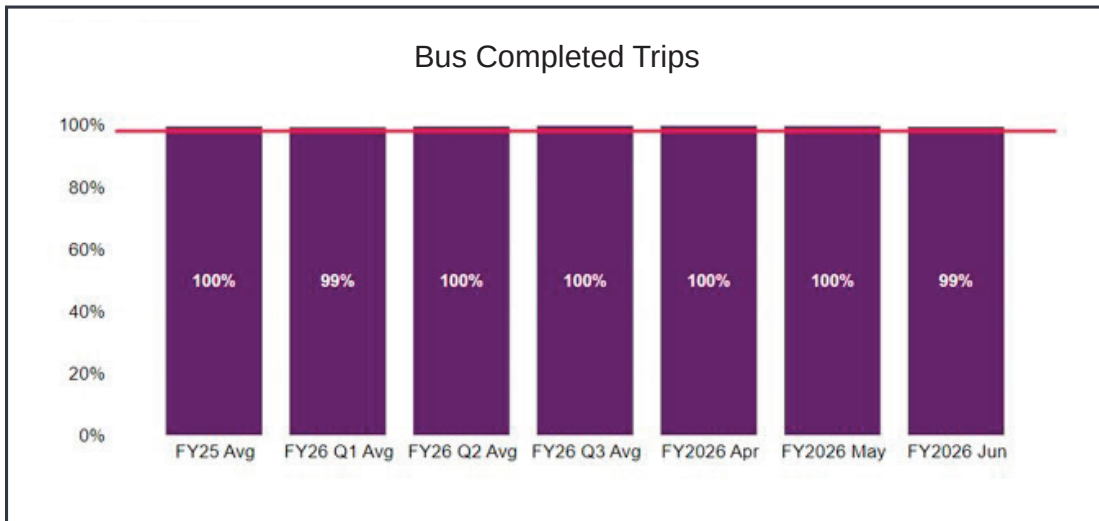
## Leverage Data and Technology



# APPENDICES

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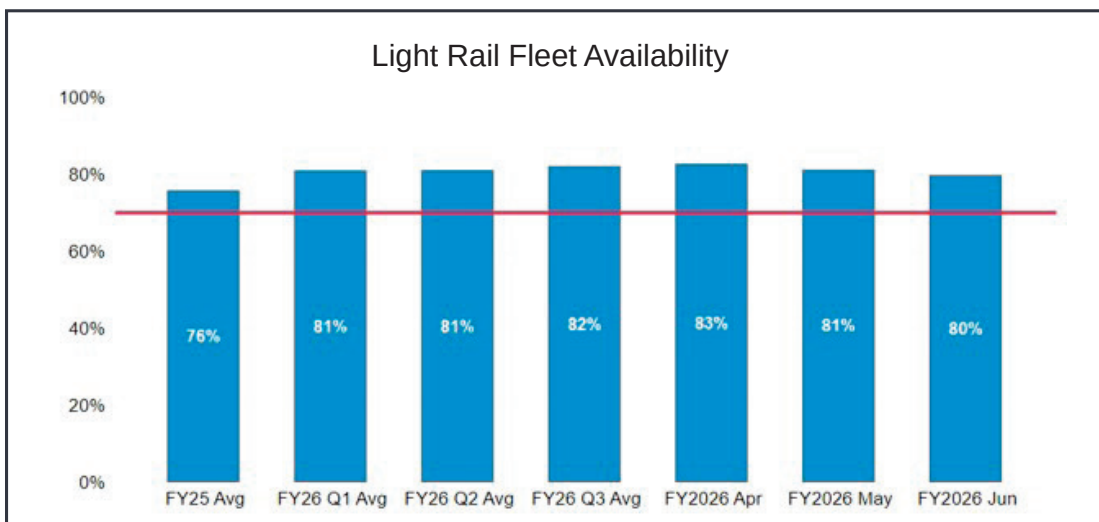
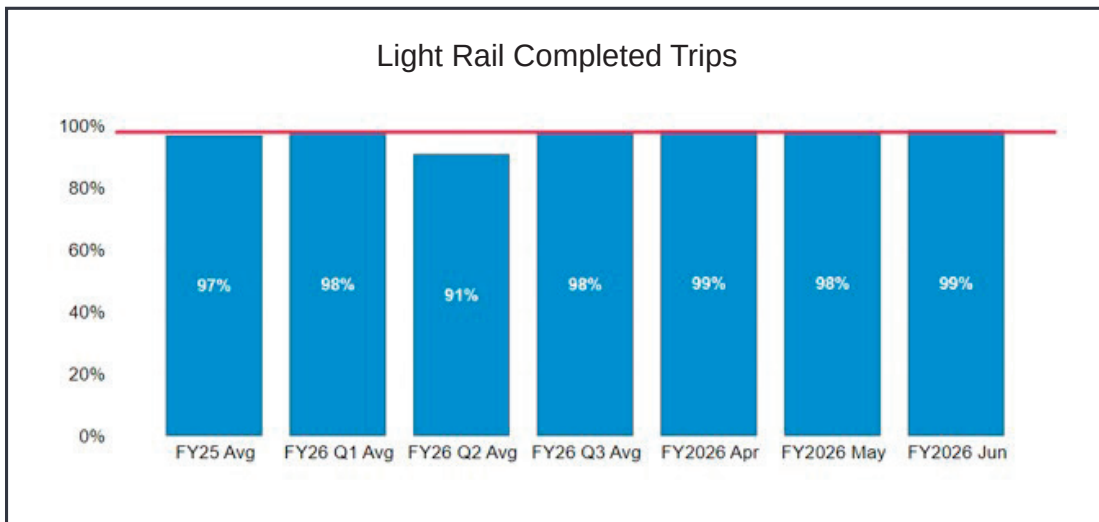
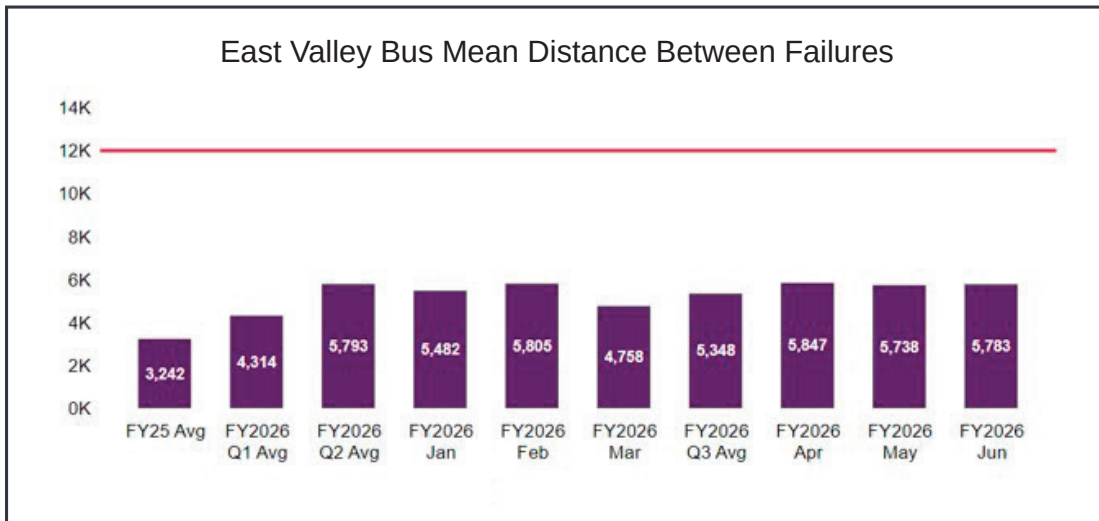
## Operational Excellence



# APPENDICES

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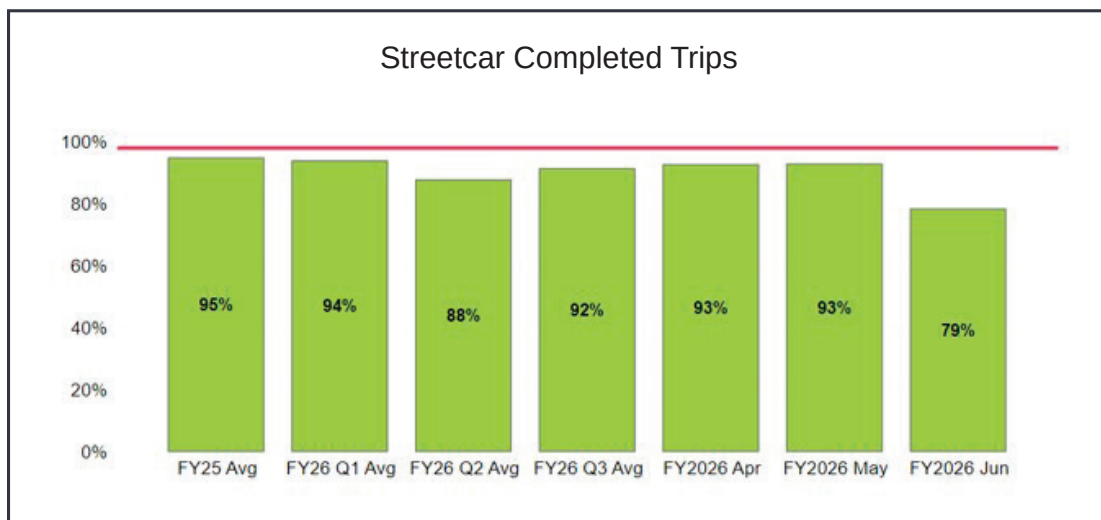
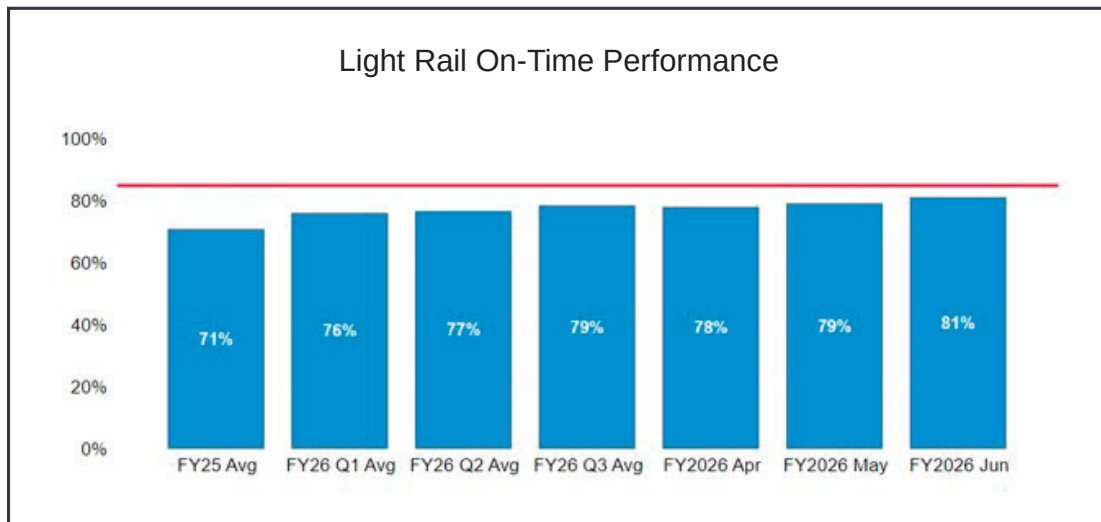
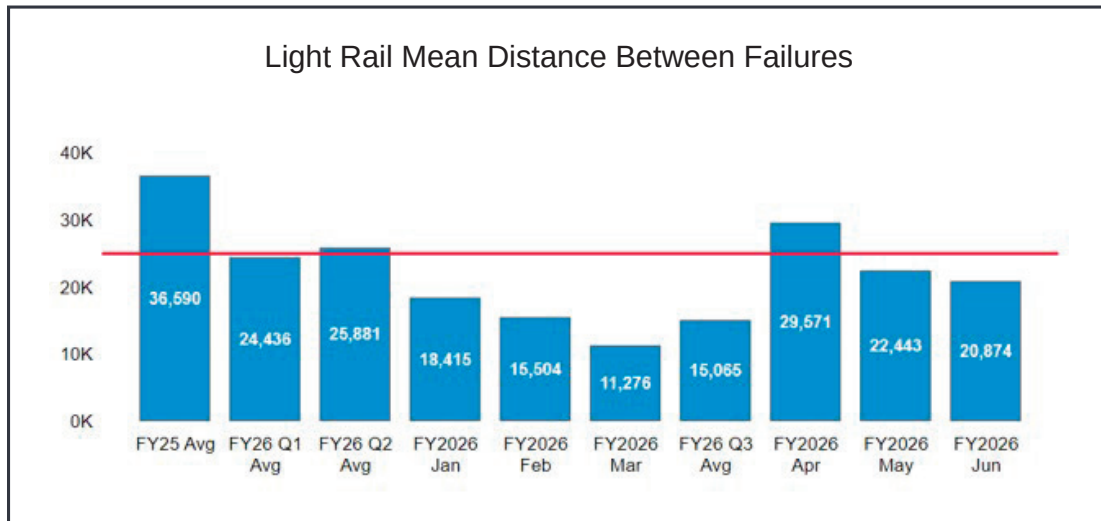
## Operational Excellence



# APPENDICES

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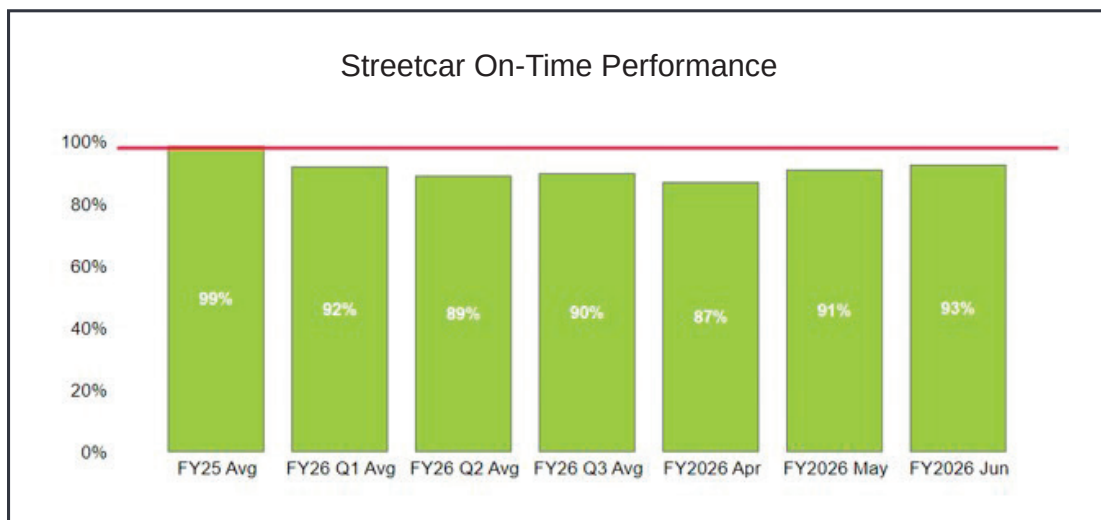
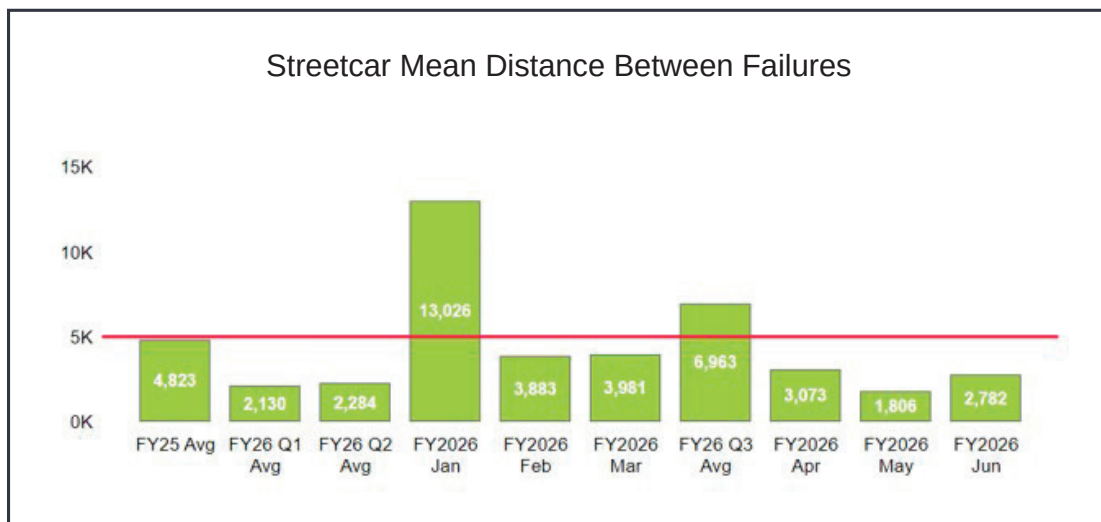
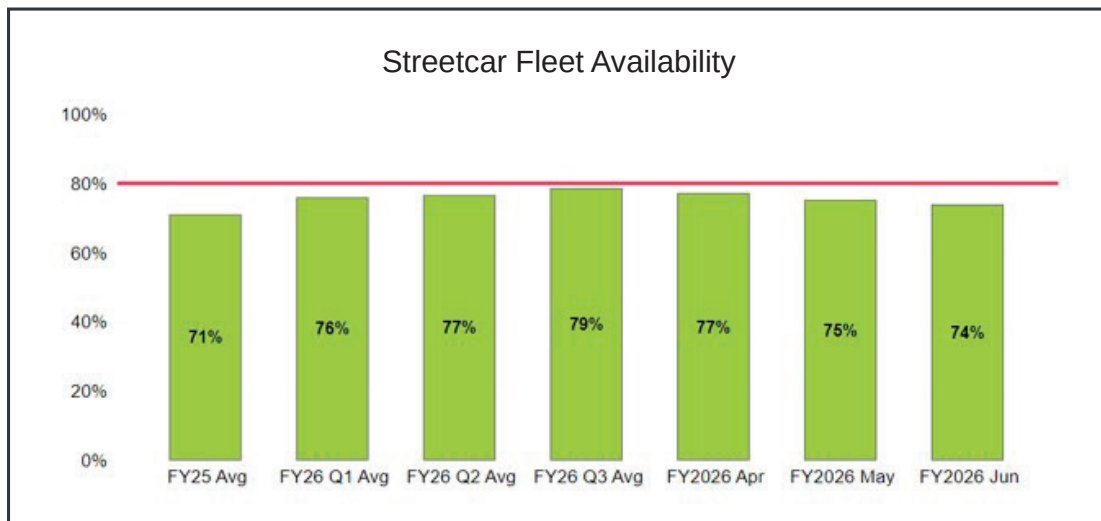
## Operational Excellence



# APPENDICES

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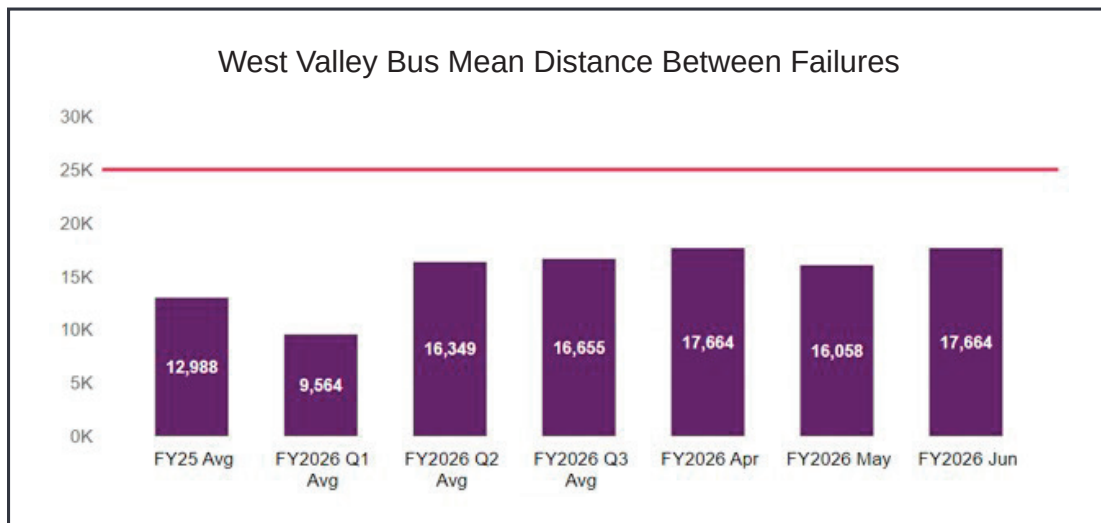
## Operational Excellence



# APPENDICES

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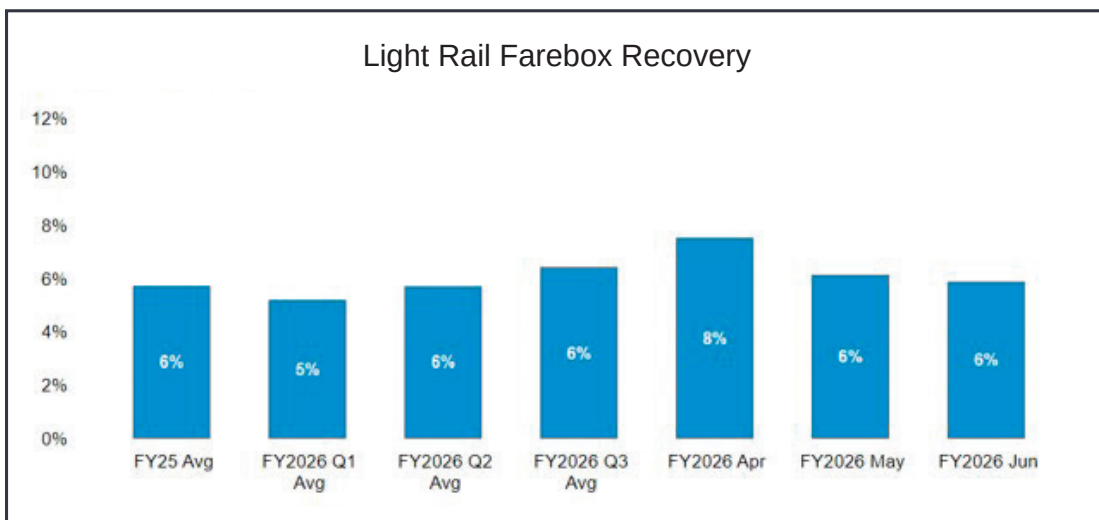
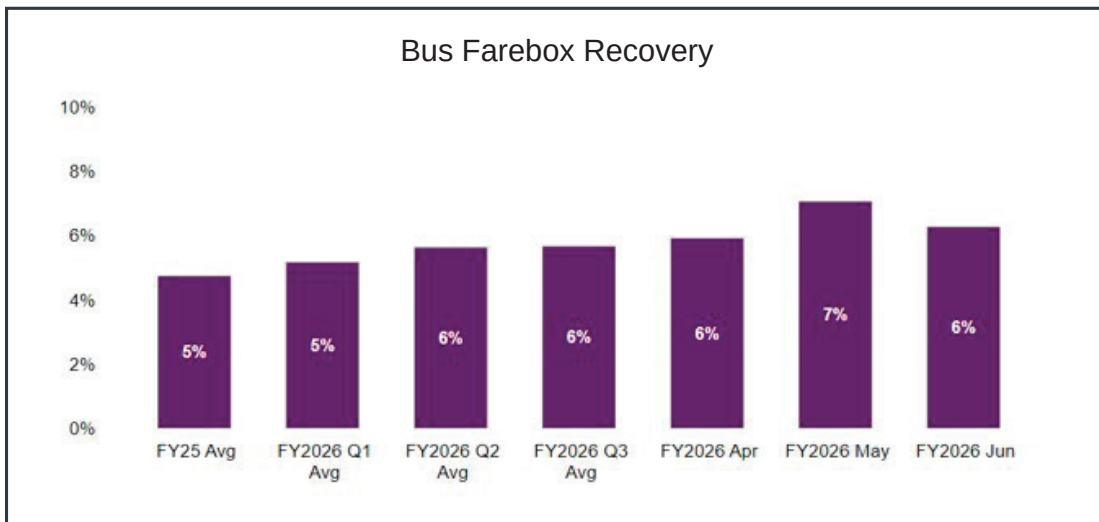
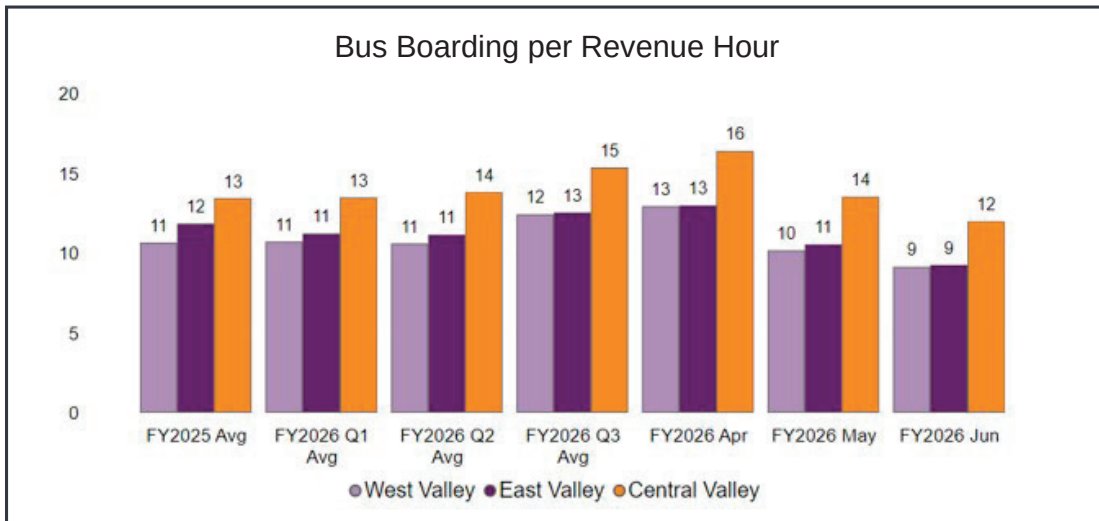
## Operational Excellence



# APPENDICES

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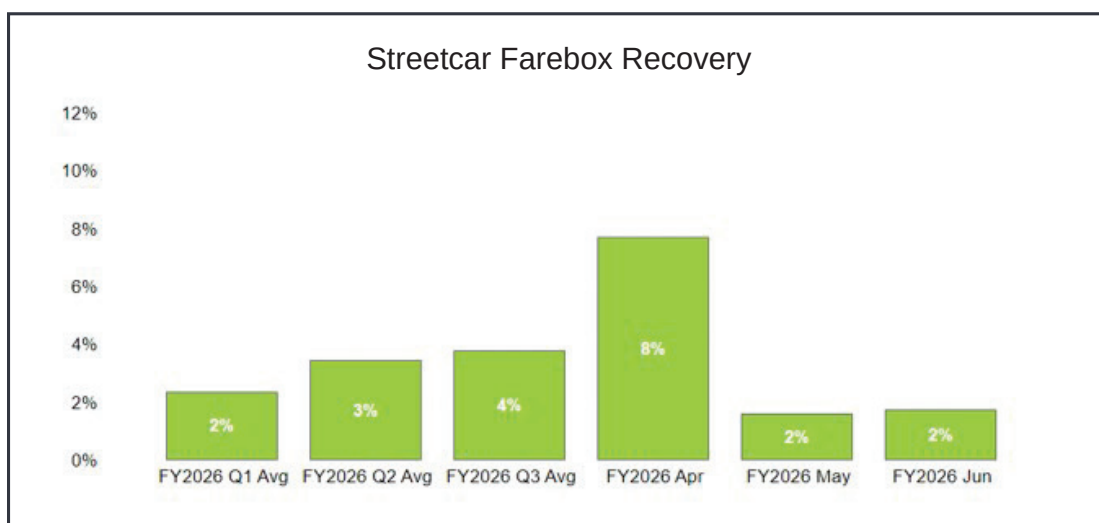
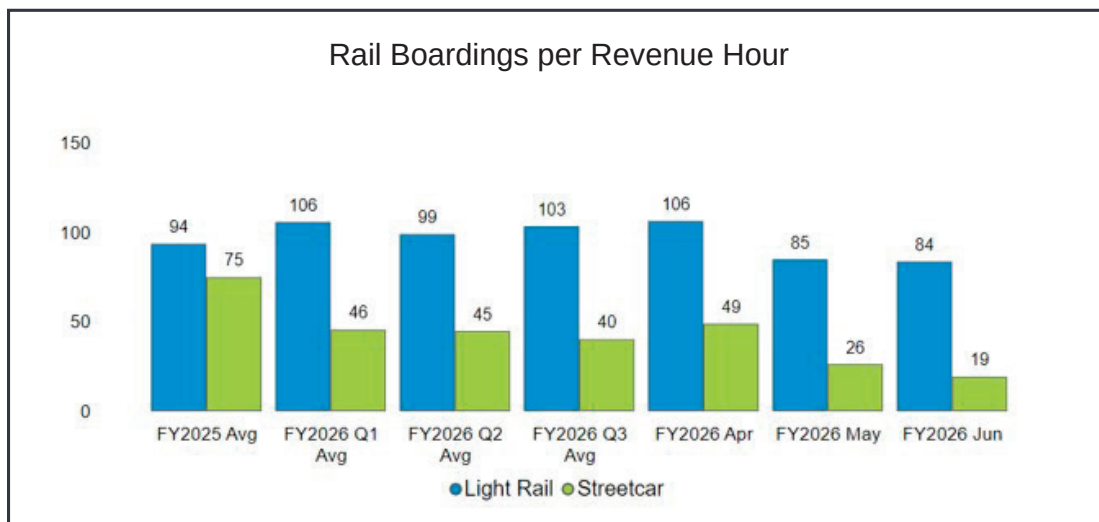
## Financial Sustainability



# APPENDICES

GOAL:

## Financial Sustainability



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 10****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](mailto: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.   |
|----------------------------------------|-----------------------------------------------|--------------------|-------------------|-------------------|----------|-----------------|----------|----------|---------|
| Manager, Customer Service              | APTA MCX Workshop                             | Savannah, GA       | 02/22/26-02/25/26 | \$2,000.08        | \$740.56 | \$79.92         | \$873.60 | \$236.00 | \$70.00 |
| Coordinator, Digital Communication     | APTA Marketing & Communication Workshop       | Savannah, GA       | 02/22/26-02/25/26 | \$1,856.15        | \$691.37 | \$55.18         | \$873.60 | \$236.00 |         |
| Deputy Chief, Capital Planning         | 2026 ACEC Engineering Excellence Awards (EEA) | Washington DC      | 05/04/26-05/06/26 | \$1,639.04        | \$635.80 | \$13.50         | \$797.74 | \$192.00 |         |
| Capital Program Administration Manager | 2026 WTS International Conference             | Los Angeles, CA    | 05/02/26-05/07/26 | \$1,626.22        | \$366.80 | \$100.93        | \$938.49 | \$220.00 |         |
| Rail Vehicle Engineer                  | Light Rail Users Group                        | Calgary, AB Canada | 05/05/26-05/06/26 | \$2,010.73        | \$920.33 | \$28.56         | \$470.34 | \$591.50 |         |
| Chief, Capital Development             | 2026 ACEC Engineering Excellence Awards       | Washington DC      | 05/01/26-05/06/26 | \$1,750.74        | \$686.80 |                 | \$871.94 | \$192.00 |         |
| Deputy Chief of Rail Maintenance       | Light Rail Users Group                        | Calgary, AB Canada | 05/05/26-05/06/26 | \$1,763.30        | \$762.41 |                 | \$462.77 | \$538.12 |         |
| Interim Chief Transportation Officer   | APTA Mobility                                 | Salt Lake City, UT | 05/17/26-05/19/26 | \$1,672.61        | \$340.81 | \$97.00         | \$993.30 | \$241.50 |         |
|                                        |                                               |                    |                   |                   |          |                 |          |          |         |

Total this reporting period

\$14,318.87

**Year to Date**

**\$175,727.11**

*Report reflects Out of State (AZ) Travel*

- \* Misc
- <sup>1</sup> Baggage Fees
- <sup>2</sup> Flight Wi-Fi Fee
- <sup>3</sup> Fuel (car rental)
- <sup>4</sup> Car Rental/Rideshare
- <sup>5</sup> ATPTA Reimbursement

**Valley Metro Regional Public Transportation Authority**  
**Monthly AP Payments over \$25,000**  
**May 2026**

| <b>Payment Number</b> | <b>Date</b> | <b>Supplier or Party Name</b>           | <b>Transaction Description</b>                          | <b>Amount</b> |
|-----------------------|-------------|-----------------------------------------|---------------------------------------------------------|---------------|
| 10004761              | 5/28/2026   | Gillig LLC                              | Transit Buses                                           | 9,818,557.08  |
| 10004739              | 5/21/2026   | Gillig LLC                              | Transit Buses                                           | 6,545,704.72  |
| 90000526              | 5/29/2026   | ADP Inc                                 | PPE 5/24/2026 Payroll Liabilities                       | 1,537,440.93  |
| 90000522              | 5/19/2026   | ADP Inc                                 | PPE 5/10/2026 Payroll Liabilities                       | 1,514,503.93  |
| 10004712              | 5/14/2026   | MTM Transit LLC                         | Operation and Maintenance Services for Paratransit      | 1,396,493.12  |
| 10004762              | 5/28/2026   | MJM Innovations                         | Broker Services                                         | 1,015,636.47  |
| 10004722              | 5/14/2026   | Keolis Transit Services LLC             | Preventative Maintenance Services                       | 929,047.60    |
| 90000518              | 5/14/2026   | Cigna Health and Life Insurance Company | Health Insurance Premiums                               | 774,623.20    |
| 10004687              | 5/7/2026    | Commute with Enterprise                 | Vanpool Services                                        | 593,631.97    |
| 10004696              | 5/7/2026    | MJM Innovations                         | Broker Services                                         | 515,556.78    |
| 90000523              | 5/29/2026   | ASRS                                    | PPE 5/24/26 ASRS Contributions & LTD                    | 401,363.23    |
| 90000515              | 5/1/2026    | ASRS                                    | PPE 4/26/26 ASRS Contributions & LTD                    | 400,257.69    |
| 90000520              | 5/15/2026   | ASRS                                    | PPE 5/10/26 ASRS Contributions & LTD                    | 400,193.28    |
| 10004742              | 5/21/2026   | MJM Innovations                         | Broker Services                                         | 340,869.56    |
| 10004741              | 5/21/2026   | National Express Transit Corporation    | West Valley - Transit Services/Preventative Maintenance | 320,063.28    |
| 1003672               | 5/21/2026   | Hye Tech Network & Security Solutions L | Technology and Audio/Visual Solutions                   | 218,322.44    |
| 10004765              | 5/28/2026   | 101 North First Ave LLC                 | 101 Building Rent                                       | 178,046.62    |
| 10004729              | 5/21/2026   | Scheidt & Bachmann USA Inc              | Hardware and Software Maintenance Support               | 157,447.16    |
| 10004740              | 5/21/2026   | Vix Technology USA Inc                  | Customer Service Network                                | 124,749.70    |
| 10004768              | 5/28/2026   | Keolis Transit Services LLC             | Engines and Transmissions                               | 122,661.07    |
| 10004766              | 5/28/2026   | Keolis Transit Services LLC             | Engines and Transmissions                               | 120,404.00    |
| 10004770              | 5/28/2026   | Keolis Transit Services LLC             | Engines and Transmissions                               | 118,235.32    |
| 10004728              | 5/21/2026   | QCM Technologies LLC                    | Information Technology Services                         | 110,804.73    |
| 90000527              | 5/31/2026   | Surepays                                | RPTA Monthly Utilities                                  | 106,884.30    |
| 10004689              | 5/7/2026    | Immedia LLC                             | Audio Visual Services                                   | 92,956.65     |
| 10004706              | 5/14/2026   | Scheidt & Bachmann USA Inc              | Hardware and Software Maintenance Support               | 89,936.43     |
| 10004733              | 5/21/2026   | Dell Marketing LP                       | IT computer equipment, peripherals and supplies         | 75,619.22     |
| 10004736              | 5/21/2026   | Senergy Petroleum LLC                   | Bulk Fuel                                               | 64,882.24     |
| 1003669               | 5/21/2026   | Carahsoft Technology Corporation        | OpenGov License                                         | 64,157.35     |
| 10004725              | 5/21/2026   | CDW Government LLC                      | Software, Maintenance and Support                       | 62,097.67     |

Valley Metro Regional Public Transportation Authority

|          |           |                                         |                                                 |               |
|----------|-----------|-----------------------------------------|-------------------------------------------------|---------------|
| 10004769 | 5/28/2026 | Keolis Transit Services LLC             | Engines and Transmissions                       | 59,642.29     |
| 1003664  | 5/14/2026 | Regional Transportation Authority of Pi | Ajo 685 Long Route Trips                        | 54,485.52     |
| 10004692 | 5/7/2026  | Senergy Petroleum LLC                   | Bulk Fuel                                       | 50,038.91     |
| 10004714 | 5/14/2026 | Origami Risk LLC                        | Risk Management Information System              | 49,218.28     |
| 10004697 | 5/7/2026  | Transportation Management & Design Inc  | Project Management and Needs Assessment         | 46,094.98     |
| 1003655  | 5/7/2026  | WestGroup LLC                           | Marketing Research Services                     | 37,182.50     |
| 1003654  | 5/7/2026  | CopperPoint Insurance Company           | Workers Comp Premium Renewal                    | 34,552.10     |
| 10004757 | 5/28/2026 | Dell Marketing LP                       | IT computer equipment, peripherals and supplies | 34,072.66     |
| 90000519 | 5/14/2026 | Wells Fargo Bank                        | Monthly Credit Card Charges                     | 30,272.80     |
| 10004734 | 5/21/2026 | Greater Phoenix Economic Council        | Membership                                      | 30,000.00     |
| 10004708 | 5/14/2026 | Senergy Petroleum LLC                   | Bulk Fuel                                       | 29,954.27     |
| 10004748 | 5/21/2026 | National Express Transit Corporation    | West Valley lease                               | 29,527.31     |
| 10004760 | 5/28/2026 | Senergy Petroleum LLC                   | Bulk Fuel                                       | 26,761.27     |
| 10004683 | 5/1/2026  | Nationwide Retirement Solutions Inc     | PPE 426/26 Plan                                 | 26,107.63     |
| 10004704 | 5/14/2026 | Nationwide Retirement Solutions Inc     | PPE 5/10/26 Plan                                | 26,107.63     |
| 10004755 | 5/28/2026 | Nationwide Retirement Solutions Inc     | PPE 5/24/26 Plan                                | 26,107.63     |
|          |           |                                         |                                                 | 28,801,273.52 |

**Valley Metro Rail, Inc**  
**Monthly AP Payments over \$25,000**  
**May 2026**

| <b>Payment Number</b> | <b>Date</b> | <b>Supplier or Party Name</b>      | <b>Transaction Description</b>                     | <b>Amount</b> |
|-----------------------|-------------|------------------------------------|----------------------------------------------------|---------------|
| 50004308              | 5/14/2026   | Alternate Concepts Inc             | Transportation Services - Direct Labor Costs       | 2,067,711.04  |
| 50004292              | 5/7/2026    | Alternate Concepts Inc             | Transportation Services - Direct Labor Costs       | 1,917,722.78  |
| 50004299              | 5/7/2026    | Siemens Mobility Inc               | Traction Control Unit                              | 1,192,069.70  |
| 50004331              | 5/21/2026   | Kiewit Infrastructure West Company | CMAR Services for South Central-Downtown Hub       | 821,628.00    |
| 5004339               | 5/21/2026   | STV Incorporated                   | Project Development Support                        | 631,681.35    |
| 90000059              | 5/31/2026   | Surepays                           | VMR Monthly Utilities                              | 542,139.69    |
| 50004336              | 5/21/2026   | SDB Contracting Services           | JOC-Supplemental Construction Services             | 464,686.12    |
| 50004324              | 5/21/2026   | Alternate Concepts Inc             | Transportation Services - Direct Labor Costs       | 399,151.10    |
| 50004337              | 5/21/2026   | Siemens Mobility Inc               | LRV Vehicle Communication and Video Upgrade        | 219,065.89    |
| 50004304              | 5/7/2026    | City of Phoenix                    | Advertising Revenue Distribution                   | 198,650.47    |
| 50004333              | 5/21/2026   | Magnetry LLC                       | Marketing Services                                 | 158,374.87    |
| 50004310              | 5/14/2026   | B & C Transit Inc                  | SCADA Support                                      | 143,325.00    |
| 50004315              | 5/14/2026   | Siemens Mobility Inc               | Door Control Unit                                  | 114,900.00    |
| 5004316               | 5/7/2026    | Powerex-Iwata Air Technology Inc   | Air Compressor                                     | 107,000.00    |
| 50004343              | 5/21/2026   | Infenix                            | Program and Construction Management Services       | 68,571.86     |
| 50004328              | 5/21/2026   | DLT Solutions LLC                  | Oracle Products and Services Subscription - Aconex | 68,101.06     |
| 50004306              | 5/14/2026   | AECOM Technical Services Inc       | Environmental Services Support                     | 64,855.47     |
| 50004335              | 5/21/2026   | QCM Technologies LLC               | Information Technology Services                    | 62,892.18     |
| 50004296              | 5/7/2026    | Kinkisharyo International LLC      | Gasket, Valve Cap                                  | 62,300.00     |
| 50004295              | 5/7/2026    | J Banicki Construction Inc         | JOC-Supplemental Construction Services             | 60,903.95     |
| 50004314              | 5/14/2026   | Knorr Brake Corporation            | Brake Caliper                                      | 59,458.30     |
| 5004341               | 5/21/2026   | Mariposa Landscape Arizona Inc     | Landscape Services                                 | 56,820.15     |
| 50004300              | 5/7/2026    | City of Tempe                      | Advertising Revenue Distribution                   | 56,558.58     |
| 50004297              | 5/7/2026    | Knorr Brake Corporation            | Brake Caliper                                      | 56,545.03     |
| 50004322              | 5/14/2026   | WEX Bank                           | Fleet Card Services                                | 54,506.82     |
| 5004306               | 5/7/2026    | City of Mesa                       | Advertising Revenue Distribution                   | 50,058.53     |
| 50004332              | 5/21/2026   | Knorr Brake Corporation            | Brake Caliper                                      | 49,329.00     |
| 50004344              | 5/21/2026   | City of Phoenix                    | Vix FCMS charges                                   | 39,477.00     |
| 50004346              | 5/28/2026   | Award Winning Restorations         | Accident Repair                                    | 38,696.55     |
| 50004287              | 5/1/2026    | J Banicki Construction Inc         | JOC-Supplemental Construction Services             | 38,396.51     |
| 50004327              | 5/21/2026   | Communications Supply Corporation  | Emergency Phone / Lights                           | 29,368.66     |
| 50004342              | 5/21/2026   | Clash-Tech LLC                     | Troubleshooting Track                              | 25,264.16     |
|                       |             |                                    |                                                    | 9,920,209.82  |

**Valley Metro  
Travel Reimbursement Report**

| Job Title                           | Purpose of Travel                            | Location        | Dates Traveled    | Total Travel Cost | Airfare  | Other Transport | Lodging    | Meals    | Misc.   |
|-------------------------------------|----------------------------------------------|-----------------|-------------------|-------------------|----------|-----------------|------------|----------|---------|
| Assistant Manage, Rail Operations   | APTA Rail Conference                         | Baltimore, MD   | 06/28/26-07/01/26 | \$3,464.65        | \$944.80 | -               | \$2,158.10 | \$361.75 |         |
| Chief, Capital Development          | APTA Rail Conference                         | Baltimore, MD   | 06/28/26-07/01/26 | \$2,158.42        | \$980.80 | \$44.88         | \$877.74   | \$255.00 |         |
| Senior Rail Systems Engineer        | APTA Rail Conference                         | Baltimore, MD   | 06/28/26-07/01/26 | \$2,164.92        | \$888.80 | \$138.38        | \$877.74   | \$255.00 | \$5.00  |
| Capital Development                 | APTA Rail Conference                         | Baltimore, MD   | 06/28/26-07/01/26 | \$2,142.46        | \$980.80 | \$28.92         | \$877.74   | \$255.00 |         |
| Principal Capital Planner           | APTA Rail Conference                         | Baltimore, MD   | 06/28/26-07/01/26 | \$1,919.34        | \$786.60 | -               | \$877.74   | \$255.00 | -       |
| Deputy Chief, Design & Construction | Leadership APTA                              | Baltimore, MD   | 06/28/26-07/01/26 | \$3,757.60        | \$998.79 | -               | \$2,294.81 | \$464.00 |         |
| Manager, Rail Operations            | APTA Rail Conference                         | Baltimore, MD   | 06/28/26-07/01/26 | \$2,474.93        | \$880.61 | -               | \$1,311.32 | \$283.00 |         |
| Auditor                             | Transit Rail Incident Incident Investigation | Los Angeles, CA | 07/12/26-07/17/26 | \$2,531.59        | \$328.80 | \$113.45        | \$1,720.84 | \$368.50 |         |
| GIS Coordinator                     | ESRI User Conference                         | San Diego, CA   | 07/12/26-07/17/26 | \$2,594.22        | \$524.81 | \$144.31        | \$1,362.10 | \$473.00 | \$90.00 |
| Data Engineer                       | ESRI User Conference                         | San Diego, CA   | 07/12/26-07/20/26 | \$2,305.92        | \$282.40 | \$143.42        | \$1,362.10 | \$473.00 | \$45.00 |
|                                     |                                              |                 |                   |                   |          |                 |            |          |         |
|                                     |                                              |                 |                   |                   |          |                 |            |          |         |

Total this reporting period

\$25,514.05

**Year to Date**

**\$25,514.05**

*Report reflects Out of State (AZ) Travel*

\* Misc

<sup>1</sup> Baggage Fees

<sup>2</sup> Flight Wi-Fi Fee

<sup>3</sup> Fuel (car rental)

<sup>4</sup> Car Rental/Rideshare

<sup>5</sup> APTA Reimbursement

**Valley Metro Regional Public Transportation Authority**  
**Monthly AP Payments over \$25,000**  
**July 2026**

| <b>Payment Number</b> | <b>Date</b> | <b>Supplier or Party Name</b>           | <b>Transaction Description</b>                               | <b>Amount</b> |
|-----------------------|-------------|-----------------------------------------|--------------------------------------------------------------|---------------|
| 10004916              | 7/9/2026    | Keolis Transit Services LLC             | Fixed Route Bus Operations/Maintenance/Professional Services | 7,965,420.29  |
| 10004932              | 7/16/2026   | Model 1 Commercial Vehicles Inc         | Mobility Vehicles & Vehicle Conversion Services              | 2,844,448.00  |
| 90000538              | 7/9/2026    | ADP Inc                                 | PPE 7/05/2026 Payroll Liabilities                            | 1,636,275.70  |
| 10004958              | 7/19/2026   | City of Phoenix                         | PTF Expenditure Request                                      | 1,634,715.35  |
| 90000544              | 7/23/2026   | ADP Inc                                 | PPE 7/19/2026 Payroll Liabilities                            | 1,569,117.81  |
| 10004908              | 7/9/2026    | MTM Transit LLC                         | Operation and Maintenance Services for Paratransit           | 1,348,422.20  |
| 10004989              | 7/30/2026   | MTM Transit LLC                         | Operation and Maintenance Services for Paratransit           | 1,309,802.65  |
| 10004926              | 7/16/2026   | Town of Gilbert                         | PTF Expenditure Request                                      | 1,161,970.00  |
| 10004988              | 7/30/2026   | MJM Innovations                         | Broker Services                                              | 1,021,286.02  |
| 1003772               | 7/16/2026   | City of Glendale                        | PTF Expenditure Request                                      | 934,753.00    |
| 10004947              | 7/16/2026   | Keolis Transit Services LLC             | Preventative Maintenance Services                            | 929,047.60    |
| 10004969              | 7/23/2026   | MJM Innovations                         | Broker Services                                              | 884,202.49    |
| 10004953              | 7/19/2026   | Model 1 Commercial Vehicles Inc         | Mobility Vehicles & Vehicle Conversion Services              | 878,382.00    |
| 10004933              | 7/16/2026   | MJM Innovations                         | Broker Services                                              | 846,759.26    |
| 90000539              | 7/19/2026   | Cigna Health and Life Insurance Company | Health Insurance Premiums                                    | 830,220.81    |
| 1003763               | 7/16/2026   | Carahsoft Technology Corporation        | Swiftly Software                                             | 657,980.47    |
| 10004919              | 7/16/2026   | Commute with Enterprise                 | Vanpool Services                                             | 605,152.20    |
| 10004907              | 7/9/2026    | MJM Innovations                         | Broker Services                                              | 506,041.76    |
| 10004927              | 7/16/2026   | Trapeze Software Group                  | EAM Cloud Software Subscription                              | 503,723.61    |
| 90000541              | 7/23/2026   | ASRS                                    | PPE 7/19/26 ASRS Contributions & LTD                         | 419,311.48    |
| 90000537              | 7/9/2026    | ASRS                                    | PPE 7/05/26 ASRS Contributions & LTD                         | 411,956.22    |
| 10004913              | 7/9/2026    | Guidesoft Inc                           | Temporary Staff - IT related                                 | 369,016.07    |
| 10004931              | 7/16/2026   | National Express Transit Corporation    | West Valley - Transit Services/Preventative Maintenance      | 320,318.28    |
| 1003739               | 7/2/2026    | City of Peoria                          | PTF Expenditure Request                                      | 299,651.00    |
| 10004923              | 7/16/2026   | Scheidt & Bachmann USA Inc              | Hardware and Software Maintenance Support                    | 247,383.59    |
| 1003770               | 7/16/2026   | City of Scottsdale, Remittance Processi | PTF Expenditure Request                                      | 234,213.34    |
| 10004936              | 7/16/2026   | Alliant Insurance Services Inc          | Insurance Brokerage Services                                 | 205,000.00    |
| 10004893              | 7/9/2026    | DH Pace Company Inc                     | Security Surveillance and Detection                          | 188,658.15    |
| 1003769               | 7/16/2026   | City of Avondale                        | PTF Expenditure Request                                      | 188,435.34    |
| 10004968              | 7/23/2026   | Model 1 Commercial Vehicles Inc         | Mobility Vehicles & Vehicle Conversion Services              | 146,397.00    |

Valley Metro Regional Public Transportation Authority

|          |           |                                         |                                                         |            |
|----------|-----------|-----------------------------------------|---------------------------------------------------------|------------|
| 10004930 | 7/16/2026 | Vix Technology USA Inc                  | Customer Service Network                                | 143,265.44 |
| 10004935 | 7/16/2026 | MTM Transit LLC                         | Eligibility Assessment/Training costs                   | 135,177.59 |
| 90000545 | 7/31/2026 | Surepays                                | RPTA Monthly Utilities                                  | 132,867.06 |
| 10004944 | 7/16/2026 | Keolis Transit Services LLC             | Engines and Transmissions                               | 129,393.67 |
| 10004949 | 7/16/2026 | Keolis Transit Services LLC             | Engines and Transmissions                               | 122,932.01 |
| 10004922 | 7/16/2026 | QCM Technologies LLC                    | Information Technology Services                         | 116,334.46 |
| 10004940 | 7/16/2026 | Woolpert Inc                            | Earth Observation Solutions                             | 104,800.00 |
| 1003755  | 7/9/2026  | American Public Transportation Associat | Membership                                              | 92,500.00  |
| 10004956 | 7/19/2026 | Guidesoft Inc                           | Temporary Staff - IT related                            | 85,186.78  |
| 10004983 | 7/30/2026 | Northwind Technologies                  | IT Software and Subscriptions                           | 82,171.25  |
| 10004877 | 7/2/2026  | J Banicki Construction Inc              | JOC-Supplemental Construction Services                  | 82,117.37  |
| 10004964 | 7/23/2026 | Senergy Petroleum LLC                   | Bulk Fuel                                               | 77,064.99  |
| 10004948 | 7/16/2026 | Keolis Transit Services LLC             | Engines and Transmissions                               | 71,166.91  |
| 90000540 | 7/19/2026 | Wells Fargo Bank                        | Monthly Credit Card Charges                             | 70,023.81  |
| 10004952 | 7/19/2026 | QCM Technologies LLC                    | Information Technology Services                         | 62,834.39  |
| 10004909 | 7/9/2026  | Alesig Consulting LLC                   | IT Equipment Software and Services                      | 61,097.00  |
| 10004974 | 7/30/2026 | National Express Transit Corporation    | West Valley - Transit Services/Preventative Maintenance | 59,054.62  |
| 10004897 | 7/9/2026  | Nationwide Retirement Solutions Inc     | PPE 7/05/26 Plan                                        | 58,627.27  |
| 1003801  | 7/30/2026 | Regional Transportation Authority of Pi | Ajo 685 Long Route Trips                                | 55,140.80  |
| 10004934 | 7/16/2026 | MJM Innovations                         | Pass Through Provider Costs                             | 54,984.82  |
| 10004966 | 7/23/2026 | Insight Public Sector Inc               | Software license and Tech Services                      | 54,132.37  |
| 1003785  | 7/23/2026 | AzTA (Arizona Transit Association)      | Membership                                              | 53,820.00  |
| 10004954 | 7/19/2026 | Advanced Network Management Inc         | Network Management Software license                     | 53,313.64  |
| 1003777  | 7/16/2026 | Regional Transportation Authority of Pi | Ajo 685 Long Route Trips                                | 52,305.44  |
| 10004981 | 7/30/2026 | DLT Solutions LLC                       | HRIS Mission critical support                           | 50,175.00  |
| 10004929 | 7/16/2026 | Senergy Petroleum LLC                   | Bulk Fuel                                               | 46,370.84  |
| 1003800  | 7/30/2026 | Verizon Wireless                        | Wireless Phone Service                                  | 41,235.06  |
| 10004888 | 7/2/2026  | Valley Metro RPTA                       | Platinum Pass program services and smart card stock     | 38,111.00  |
| 10004950 | 7/16/2026 | Valley Metro RPTA                       | Platinum Pass program services and smart card stock     | 36,000.50  |
| 10004891 | 7/9/2026  | CDW Government LLC                      | Software and Support Services                           | 34,775.63  |
| 1003773  | 7/16/2026 | CopperPoint Insurance Company           | Workers Comp Premium Renewal                            | 34,552.10  |
| 1003737  | 7/2/2026  | Verizon Wireless                        | Wireless Phone Service                                  | 32,660.89  |
| 1003748  | 7/9/2026  | Hye Tech Network & Security Solutions L | Technology and Audio/Visual Solutions                   | 31,666.67  |
| 10004960 | 7/23/2026 | Nationwide Retirement Solutions Inc     | PPE 7/19/26 Plan                                        | 28,637.27  |
| 10004878 | 7/2/2026  | QCM Technologies LLC                    | Information Technology Services                         | 26,476.94  |
| 10004895 | 7/9/2026  | Immedia LLC                             | Audio Visual Services                                   | 26,164.89  |

33,535,200.17

**Valley Metro Rail, Inc**  
**Monthly AP Payments over \$25,000**  
**July 2026**

| <b>Payment Number</b> | <b>Date</b> | <b>Supplier or Party Name</b>      | <b>Transaction Description</b>                   | <b>Amount</b> |
|-----------------------|-------------|------------------------------------|--------------------------------------------------|---------------|
| 50004499              | 7/19/2026   | Alternate Concepts Inc             | Transportation Services - Direct Labor Costs     | 2,278,582.87  |
| 50004437              | 7/2/2026    | Alternate Concepts Inc             | Transportation Services - Direct Labor Costs     | 1,880,025.94  |
| 50004495              | 7/16/2026   | Inter-Con Security Systems Inc     | Field Security Officers                          | 1,514,953.98  |
| 50004512              | 7/23/2026   | Kiewit Infrastructure West Company | CMAR Services for South Central-Downtown Hub     | 1,388,493.48  |
| 5004483               | 7/16/2026   | Altec Industries Inc               | Utility Equipment-Digger, Derricks, BucketTrucks | 967,085.15    |
| 50004526              | 7/30/2026   | Kiewit Infrastructure West Company | CMAR Services for South Central-Downtown Hub     | 824,334.09    |
| 50004460              | 7/9/2026    | Alternate Concepts Inc             | Transportation Services - Direct Labor Costs     | 647,348.49    |
| 5004506               | 7/23/2026   | STV Incorporated                   | Project Development Support                      | 554,926.53    |
| 50004489              | 7/16/2026   | SDB Contracting Services           | JOC-Supplemental Construction Services           | 551,886.14    |
| 90000061              | 7/31/2026   | Surepays                           | VMR Monthly Utilities                            | 482,741.26    |
| 50004443              | 7/2/2026    | HDR Engineering Inc                | Project Development Support                      | 466,918.45    |
| 50004468              | 7/9/2026    | DMS Facility Services Inc          | Operations Cleaning Services                     | 444,357.74    |
| 50004485              | 7/16/2026   | DMS Facility Services Inc          | Operations Cleaning Services                     | 440,130.62    |
| 50004507              | 7/19/2026   | Trackforce Inc                     | Guard Tek Portal                                 | 245,485.48    |
| 50004442              | 7/2/2026    | DMS Facility Services Inc          | Operations Cleaning Services                     | 228,295.59    |
| 50004501              | 7/19/2026   | DMS Facility Services Inc          | Operations Cleaning Services                     | 228,295.59    |
| 50004515              | 7/23/2026   | Siemens Mobility Inc               | Communication and Video Upgrade                  | 211,100.01    |
| 50004498              | 7/16/2026   | City of Phoenix                    | Advertising Revenue                              | 201,743.60    |
| 50004475              | 7/9/2026    | Siemens Mobility Inc               | Tariff ELIN Bulk Part                            | 201,580.89    |
| 50004488              | 7/16/2026   | Penn Machine Company LLC           | Tire - Truck mounting kit                        | 131,227.00    |
| 50004473              | 7/9/2026    | Knorr Brake Corporation            | Brake Caliper                                    | 119,898.38    |
| 50004476              | 7/9/2026    | Stacy and Witbeck Inc              | JOC-Supplemental Construction Services           | 119,025.00    |
| 50004453              | 7/2/2026    | Infenix                            | Program Management and Construction Services     | 115,139.72    |
| 50004525              | 7/30/2026   | HDR Engineering Inc                | Project Development Support                      | 110,223.00    |
| 50004509              | 7/23/2026   | AECOM Technical Services Inc       | Environmental Services Support                   | 104,550.00    |
| 50004455              | 7/2/2026    | Jacobs Engineering Group Inc       | Project Development Support                      | 102,148.37    |
| 50004518              | 7/23/2026   | Infenix                            | Program Management and Construction Services     | 96,414.39     |
| 50004444              | 7/2/2026    | Stacy and Witbeck Inc              | JOC-Supplemental Construction Services           | 96,388.21     |
| 5004455               | 7/2/2026    | Riddle Painting & Coatings Company | Paint at passenger stations-safety stripe        | 90,600.00     |
| 50004487              | 7/16/2026   | HDR Engineering Inc                | Project Development Support                      | 75,921.16     |

# Valley Metro Rail

|          |           |                                  |                                                 |               |
|----------|-----------|----------------------------------|-------------------------------------------------|---------------|
| 50004496 | 7/16/2026 | Jacobs Engineering Group Inc     | Project Development Support                     | 72,035.68     |
| 50004467 | 7/9/2026  | DLT Solutions LLC                | Oracle Products and Service Subscription-Aconex | 68,101.06     |
| 50004464 | 7/9/2026  | CDW Government LLC               | Software and Support Services                   | 57,952.75     |
| 5004464  | 7/2/2026  | Mariposa Landscape Arizona Inc   | Landscape Services and Paver Maintenance        | 53,337.09     |
| 50004491 | 7/16/2026 | City of Tempe                    | Advertising Revenue                             | 52,048.22     |
| 50004457 | 7/2/2026  | WEX Bank                         | Fleet Card Services                             | 51,113.06     |
| 5004490  | 7/16/2026 | STV Incorporated                 | Project Development Support                     | 48,610.13     |
| 5004487  | 7/16/2026 | City of Mesa                     | Advertising Revenue                             | 48,461.54     |
| 5004493  | 7/16/2026 | Mariposa Landscape Arizona Inc   | Landscape Services and Paver Maintenance        | 48,057.16     |
| 50004535 | 7/30/2026 | WEX Bank                         | Fleet Card Services                             | 43,826.53     |
| 5004516  | 7/30/2026 | Noble Supply & Logistics LLC     | Transit Edge Level 4                            | 42,287.11     |
| 50004522 | 7/30/2026 | City of Phoenix                  | Vix FCMS charges                                | 39,477.00     |
| 50004470 | 7/9/2026  | HDR Engineering Inc              | Project Development Support                     | 39,279.79     |
| 50004449 | 7/2/2026  | Sherwood Electromotion Inc - USA | LRV-Traction Motor                              | 37,975.00     |
| 5004491  | 7/16/2026 | Motorola Solutions Inc           | Radios                                          | 37,590.80     |
| 50004500 | 7/19/2026 | Award Winning Restorations       | Accident Repair                                 | 29,435.41     |
| 5004460  | 7/2/2026  | STV Incorporated                 | Project Development Support                     | 27,364.56     |
| 5004459  | 7/2/2026  | WestGroup LLC                    | Marketing Research Services                     | 25,000.00     |
|          |           |                                  |                                                 | 15,741,774.02 |

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 11****SUBJECT**

Report on Current Events and Suggested Future Agenda Items

**COST AND BUDGET**

There are no costs associated with this item

**RECOMMENDATION**

This item is presented for information only.

**CONTACT**

Jessica Mefford-Miller

Chief Executive Officer

[jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org)

**ATTACHMENT**

None

# Agenda



August 19, 2026

Valley Metro RPTA  
Board of Directors  
Thursday, August 27, 2026  
Boardroom/You Tube  
Valley Metro, 101 N. 1<sup>st</sup> Avenue, 10<sup>th</sup> Floor  
11:15 a.m.

## Action Recommended

### CONSENT AGENDA

1A. [Minutes](#)

1A. For action

Minutes from the June 18, 2026, Board meeting are presented for approval.

1B. [Vanpool Services Contract Amendment](#)

1B. For action

Authorization for the Chief Executive Officer to execute a contract amendment with Commute with Enterprise to extend the contract through December 31, 2028.

1C. [Comprehensive Operational Analysis \(Bus Network Redesign\) Contract Amendment](#)

1C. For action

Authorization for the Chief Executive Officer to execute a contract amendment with Transportation Management and Design, Inc. to extend the contract through February 28, 2028.

### REGULAR AGENDA

2. [2026 MAG RTP Performance Audit](#)

2. For action

Pursuant to Arizona Revised Statutes (A.R.S) §28-6313, authorization for the Chief Executive Officer to provide written comments to the Transportation Policy Committee (TPC) related to the performance audit of the Maricopa Association of Governments (MAG) Regional Transportation Plan (RTP) and Regional Strategic Transportation Infrastructure Investment Plan (RSTIIP).



3. [2026 Prop 400 Transit Life Cycle Program \(TLCP\) - Bus Update](#) 3. For action

Approval of the Prop 400 Transit Life Cycle Program Update.

4. [Report on Current Events and Suggested Future Agenda Items](#) 4. For information

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

5. [Next Meeting](#) 5. For information

The next regularly scheduled meeting of the Joint Boards is scheduled for **Thursday, October 22, 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. The supporting information for this agenda and the You Tube streaming link can be found on our web site at [www.valleymetro.org](http://www.valleymetro.org).



# Meeting Minutes

August 19, 2026

**AGENDA ITEM 1A**

**Valley Metro RPTA  
Board of Directors**  
Thursday, June 18, 2026  
Valley Metro  
101 N. 1st Avenue, 10th Floor Boardroom/Webex  
11:15 a.m.

## **RPTA BOARD MEMBERS**

Councilmember Jennifer Adams, City of Tempe – Chair  
Councilmember Max White, City of Avondale – Vice Chair  
Councilmember Jamaine Berry, City of Buckeye  
Councilmember O.D. Harris, City of Chandler  
Councilmember Monica Dorsey, City of El Mirage  
Councilmember Peggy McMahon, Town of Fountain Hills  
Councilmember Kenny Buckland, Town of Gilbert  
Councilmember Lauren Tolmachoff, City of Glendale  
Councilmember Wally Campbell, City of Goodyear  
Supervisor Steve Gallardo, Maricopa County  
Councilmember Francisco Heredia, City of Mesa  
Councilmember Jon Edwards, City of Peoria  
Councilmember Ann O'Brien, City of Phoenix  
Councilmember Jeff Brown, Town of Queen Creek  
Vice Mayor Maryann McAllen, City of Scottsdale  
Vice Mayor Earle Greenberg, City of Surprise  
Vice Mayor Jimmy Davis, City of Tolleson  
Mayor BG Bratcher, Town of Wickenburg  
Mayor Michael LeVault, Town of Youngtown

Chair Adams called the meeting to order at 2:13 p.m.

### **1. Meeting Minutes**

Chair Adams said the minutes from the May 21, 2026 Board meeting are presented for approval.

**It was moved by Councilmember Edwards, seconded by Councilmember White and unanimously carried to approve THE MAY 21, 2026 BOARD MEETING MINUTES**



2. City of Mesa Bus Stop Improvements Project Design, Construction and Funding Agreement

Ms. Mefford-Miller introduced the item and asked Mr. Collins, Chief of Capital Development, to present. Mr. Collins said the item is an intergovernmental agreement between Valley Metro RPTA and the City of Mesa. Mesa received congressionally directed funding for bus stop improvements, primarily the installation of bus shelters. Combined federal and local funding provides a project budget of approximately \$2.5 million.

Mr. Collon said the City requested Valley Metro perform the work using federally compliant contracts. The project is expected to install shelters at approximately 60 to 80 locations throughout Mesa.

In response to a Board question regarding shade, Mr. Collins said the shelter design developed by Mesa provides shade and solar lighting at night, allowing installation without electric service. He noted that many of the proposed locations currently have only a bus stop sign and no shelter, and the improvements are intended to enhance the customer experience.

**IT WAS MOVED BY COUNCILMEMBER MCMAHON, SECONDED BY MAYOR BRATCHER AND UNANIMOUSLY CARRIED TO APPROVE THE RECOMMENDATION, AND THE MOTION CARRIED.**

3. Operations and Maintenance for Paratransit Contract Amendment

Ms. Mefford-Miller introduced the proposed extension of the current paratransit operations and maintenance contract. She said the contract supports all paratransit trips in the East Valley, most trips in the West Valley, and regional trips serving communities that self-deliver service, including Phoenix, Peoria and Glendale. Valley Metro evaluated several procurement options and concluded that extending the current contract offered the best combination of performance and value. Member city staff from all 19 communities provided input that informed the proposed extension.

Mr. Chris Ramirez, Interim Chief Transportation Officer, reviewed the contract with MTM. He said MTM was selected through a competitive procurement in which price represented approximately 20% of the evaluation and technical qualifications and ability to perform represented the remaining 80%. During the contract term, a collective bargaining agreement was implemented, resulting in wage and benefit changes and a requested price escalation for an extension.

Mr. Ramirez said Valley Metro began renewal discussions with MTM in September 2025. Even with negotiated price increases, MTM remained below the pricing of the other original proposers. Staff analysis also found that extending the contract would preserve an established working relationship, avoid transition and institutional-



knowledge risks, maintain performance expectations and key performance indicators, and provide greater rate certainty for the next three years. Staff acknowledged risks associated with retaining an incumbent contractor but noted MTM has remained responsive to agency and customer needs.

**IT WAS MOVED BY COUNCILMEMBER MCMAHON, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE RECOMMENDATION.**

4. Election of FY27 Board Officers and Subcommittee Members

The slate of FY27 Board officers and subcommittee members was presented for action. A motion was made and seconded to approve the slate as presented, and the motion carried.

Councilmember White asked whether the Board Treasurer automatically serves as Chair of the Audit and Finance Subcommittee. Staff clarified that the Treasurer has the opportunity to serve as Chair, but the appointment is made jointly by the chairs of Valley Metro RPTA and Valley Metro Rail.

Vice Mayor Davis asked about his term on the Audit and Finance Subcommittee. Staff confirmed that his term had expired and advised that the Board could amend the action to include him in an open position. The motion was amended to include Vice Mayor Davis of Tolleson on the Audit and Finance Subcommittee.

**IT WAS MOVED BY COUNCILMEMBER TOLMACHOFF, SECONDED BY COUNCILMEMBER DORCEY AND UNANIMOUSLY CARRIED TO APPROVE THE SLATE OF BOARD OFFICERS AND SUBCOMMITTEE MEMBERS FOR THE FY27.**

**THE AMENDED MOTION TO INCLUDE VICE MAYOR DAVIS ON THE AUDIT AND FINANCE SUBCOMMITTEE WAS APPROVED.**

Board Officers (July 1, 2026 – June 30, 2027)

- RPTA Board Chair – Councilmember Max White, City of Avondale
- RPTA Board Vice Chair – Councilmember OD Harris, City of Chandler
- RPTA Board Treasurer – Supervisor Steve Gallardo, Maricopa County

Audit and Finance Subcommittee – 2 Year Term (July 1, 2026 – June 30, 2028)

- Councilmember Peggy McMahon, Town of Fountain Hills
- Open position



Valley Metro RPTA and Valley Metro Rail Joint Board Subcommittee  
(July 1, 2026 – June 30, 2027)

- Councilmember Max White, City of Avondale
- Councilmember Lauren Tolmachoff, City of Glendale

5. Report on Current Events and Suggested Future Agenda Items

No additional current events or future agenda items were identified. The next Board meeting is Thursday, August 27 at 11:15 a.m.

A motion and second were requested to adjourn the meeting.

With no further discussion the meeting adjourned at 2:25 p.m.

# Executive Summary



## DATE

August 19, 2026

**REVISED August 24, 2026**

## AGENDA ITEM 1B

## SUBJECT

Vanpool Services Contract Amendment

## COST AND BUDGET

No additional contract authority is requested.

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The sources of funds are federal grants and fare revenues.

## RECOMMENDATION

Authorization for the Chief Executive Officer to execute a contract amendment with Enterprise Leasing Company of Phoenix, LLC, to extend the contract through December 31, 2028.

## STRATEGIC PLAN ALIGNMENT

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

- Goal 1: Deliver excellent customer experience
  - o Tactic 1.2: Prioritize a unified customer experience across modes
  - o Tactic 1.5: Innovate, integrate, and market mobility solutions to expand availability
- Goal 5: Stakeholder collaboration
  - o Tactic 5.5: Communicate the value of transit to all stakeholders and the public

## COMMITTEE PROCESS

RTAG: July 21, 2026, for information

TMC: August 5, 2026, approved

Board of Directors: August 27, 2026, for action

## CONTACT

Angela Wilkie

Program Coordinator, Commute Solutions

[awilkie@valleymetro.org](mailto:awilkie@valleymetro.org)

## ATTACHMENT

A copy of the contract is available for review.



# Background Information

This contract amendment is needed to extend the current Vanpool Services Contract for the final two one-year options.

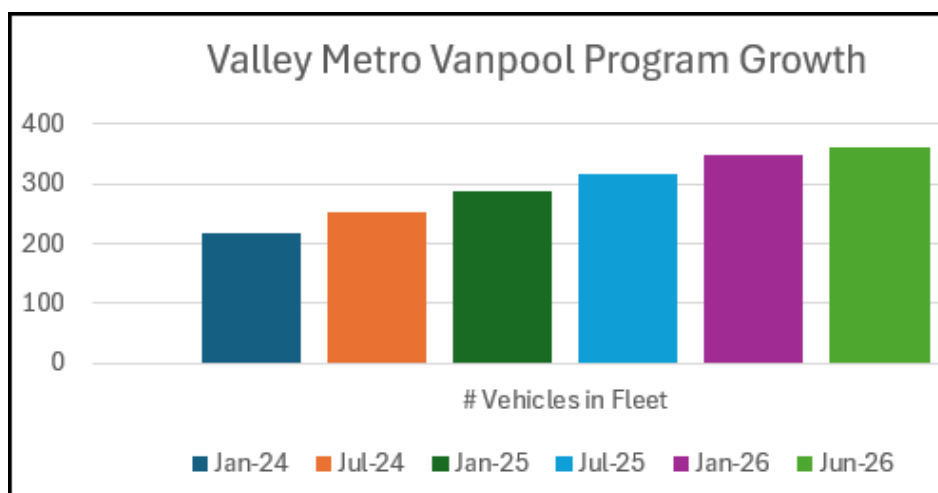
The Vanpool Services Contract offers vendor-owned vehicles and the flexibility of expanding and contracting with the market and the ability to innovate quickly to new fleet models. This vanpool program model is the industry standard and allows customers the ability to choose from a variety of 8 – 15 passenger vans, hybrid models, and electric vehicles, when available. It provides a variety of fuel-efficient vehicles providing additional savings for the riders as well as having a positive environmental impact on the region.

The contractor, Commute with Enterprise, offers many services including the following: Provision of staff to administer and market the program, provide a variety of vehicles including hybrid, vehicle insurance and indemnification, vehicle maintenance, roadside assistance, rider invoices, National Transit Database reporting, additional monthly reporting, website updates, conducting formation meetings and driver orientations, and conducting MVD checks.

The Valley Metro vanpool program continues to offer a convenient, stress-free, environmentally friendly alternative to driving alone to work. Vanpool groups range from six to 15 people who live and work near each other. Two people volunteer to serve as drivers. Riders pay a monthly fare that covers all operational costs, at an amount set by Valley Metro. The vanpool riders split the cost of fuel.

Today, nearly 2,000 Valley residents commute daily via Valley Metro's vanpool program. With an average commute distance of more than 40 miles one way, this program is taking thousands of vehicles off our roads during rush hour traffic. The 361 active vanpools typically travel to and from locations where fixed-route bus and rail are not as available.

There continues to be a steady increase of vanpool groups returning to the office and new groups joining the program. The number of active vanpool groups has grown by 16% over the past year and continued growth is anticipated.



#### Contract Authority and Spend Summary

| Description                                               | Amount              |
|-----------------------------------------------------------|---------------------|
| Current Board Authorized Contract Authority               | \$34,576,000        |
| Current Board Authorized Contingency                      | \$0                 |
| Aggregate Contract Value                                  | \$34,576,000        |
| <b>FY24 Spend (January 1, 2024 through June 30, 2024)</b> | \$1,495,036         |
| FY25 Spend                                                | \$5,726,991         |
| FY26 Spend (July 1, 2025 through May 31, 2026)            | \$6,331,183         |
| <b>Current Spend</b>                                      | <b>\$13,553,210</b> |

Note: Contract authority does not obligate the agency. The agency is obligated only once a purchase order is issued for a budgeted line item.

For additional context, the following chart reflects expected contract costs from solicitation performed in 2023 and actual costs for the last two calendar years. The contract costs are based on calendar year which cross over two fiscal years.

|               | Expected<br>Contract Costs | Actual Costs    |
|---------------|----------------------------|-----------------|
| Year 1 (CY24) | \$ 5,210,000               | \$ 4,137,388.97 |
| Year 2 (CY25) | \$ 6,447,100               | \$ 6,438,891.84 |
| Year 3 (CY26) | \$ 7,293,400               |                 |
| Year 4 (CY27) | \$ 7,541,400               |                 |
| Year 5 (CY28) | \$ 8,084,100               |                 |
| <b>TOTAL</b>  | <b>\$ 34,576,000</b>       |                 |



The vanpool program is funded with 5307 federal funds (40%) and rider fares. Vehicle costs charged to Valley Metro by the contracted vendor typically increase 5% beginning in January of each calendar year.

A solicitation for a new contract will begin in late 2027, to begin on January 1, 2029.

**CONTRACT TYPE AND TERM**

The contract is fixed price with price escalation contract. The contract began on January 1, 2024, and will end on December 31, 2028, with no additional options to extend.

# Vanpool Services Contract Amendment



1

## Background Information



- Contract extension ensures continued operation of the Valley Metro vanpool program
  - Supporting 361 vanpool groups and nearly 2,000 daily riders
- Serves the Agency's strategic plan through delivering excellent customer experience, stakeholder collaboration, operational excellence and financial sustainability.
- The vanpool program is funded with 5307 federal funds and rider fares.
- Time extension only; no additional contract authority required.

2



2

## Vanpool Cost and Environmental Savings (FY25)

### Vanpool Cost and Environmental Savings:



3



3

## Vanpools by City

- |                       |                      |
|-----------------------|----------------------|
| • Apache Junction – 2 | • Phoenix – 68       |
| • Avondale – 7        | • Queen Creek – 17   |
| • Buckeye – 40        | • San Tan Valley – 3 |
| • Chandler – 28       | • Scottsdale – 1     |
| • Gilbert – 22        | • Surprise – 19      |
| • Glendale – 25       | • Tempe – 2          |
| • Goodyear – 19       | • Tolleson – 1       |
| • Laveen – 3          | • Tonopah – 1        |
| • Marana – 2          | • Tucson – 2         |
| • Maricopa – 15       | • Wickenburg – 1     |
| • Mesa – 46           | • Wittman – 1        |
| • Peoria – 22         | • Yuma – 14          |

4



4

## Recommendation

Authorization for the Chief Executive Officer to execute a contract amendment with Enterprise Leasing Company of Phoenix, LLC, to extend the contract through December 31, 2028.

5



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 1C****SUBJECT**

Comprehensive Operational Analysis (Bus Network Redesign) Contract Amendment

**COST AND BUDGET**

No additional contract authority is requested.

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The source of funds is Public Transportation Funds.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to execute a contract amendment with Transportation Management and Design, Inc. to extend the contract through February 28, 2028.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 1: Deliver excellent customer experience
  - o Tactic 1.2: Prioritize a unified customer experience across modes
- Goal 4: Leverage industry best practices and innovations on data and technology
  - o Tactic 4.3: Analyze route data to improve transit performance
- Goal 8: Operational excellence
  - o Tactic 8.1: Optimize service performance

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

TMC: August 5, 2026, approved

Board of Directors: August 27, 2026, for action

**CONTACT**

Aaron Xaevier

Service Planning & GIS Manager

[AXaevier@valleymetro.org](mailto:AXaevier@valleymetro.org)

**ATTACHMENT**

A copy of the contract amendment is available for review.



# Background Information

This contract is needed to continue Valley Metro's in-depth regional transit system planning in the Bus Network Redesign (BNR) to support improvements to the region's transit system. It seeks to address unmet transit needs of the public, achieve greater operational efficiency, and develop recommendations for improvements to make service more productive and cost effective.

The BNR is an integrated, multipronged evaluation of transit services in Maricopa County for the purpose of increasing transit mobility, effectiveness, resource efficiency, and equity for residents and riders. It will serve as a service plan to empower and guide Valley Metro and its member jurisdictions in making strategic service decisions over the next 5 to 7 years.

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

The timeline for the project going forward is as follows:

- Finalize proposals with cities for outreach through August 2026
- Present draft network plan for outreach to the Board in September 2026
- Solicit public feedback on draft network proposals mid-September 2026 through November 2026
- Finalize schedule optimization and proposals early 2027
- Present final plan to Board of Directors in spring 2027

After this extension to February 2028 there would be contractual authority for two more one-year extensions.

An amendment to the contract for additional scheduling work was approved by the Board February 2026. A financial summary of the amendment is shown below, as well as a summary of expenses by year.

| Amendment Summary                         | Amount    |
|-------------------------------------------|-----------|
| Original Contract Authority               | \$581,043 |
| Original Contingency                      | \$58,105  |
| Contract Authority Increase February 2026 | \$260,000 |
| Current Contract Authority                | \$841,528 |
| Current Contingency                       | \$58,105  |



### Contract Expense by Year

| Contract Year                 | Year 1<br>(actual) | Year 1<br>(current) | Year 1<br>(forecast) | Year 1<br>(forecast) | Year 1<br>(forecast) | Total     |
|-------------------------------|--------------------|---------------------|----------------------|----------------------|----------------------|-----------|
| Current and<br>Forecast Spend | \$379,486          | \$308,028           | \$154,014            | \$0                  | \$0                  | \$841,528 |

Currently, the project is within budget. However, the timeline has been adjusted to accommodate member city requests for more time to review and refine draft service proposals in preparation for public outreach. The agency extended the timeline for review roughly six months to accommodate this request and to avoid conducting outreach in the summer. The work approved in the amendment noted above has also extended the contract timeline. That work requires a firm set of BNR service recommendations, which will not be ready until after fall outreach. The approval of a final report was originally the final step of the project, but this optimization work will take several months to complete and extend beyond that report approval.

### CONTRACT TYPE AND TERM

The contract is a firm-fixed-price contract. The contract began on March 1, 2025, and will end on February 28, 2028.

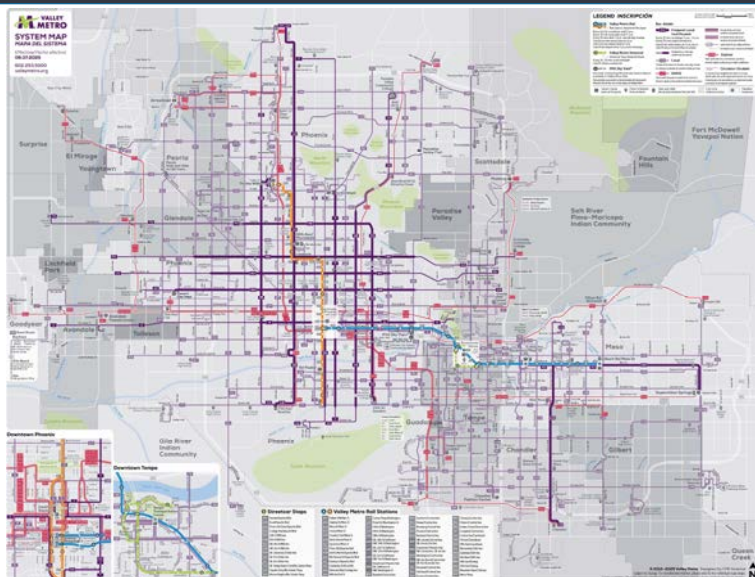
# VM Bus Network Redesign Contract Extension



1

## Bus Network Redesign Overview

- Opportunity to **match service delivery with market demand**, realigning network with customer needs and expectations
- Holistic review of service efficiency and effectiveness – make best use of resources in the face of funding constraints



2

2

## Bus Network Redesign Current Status

- Meeting with cities throughout the summer to discuss:
  - Public input
  - Service analysis
  - Service planning best practices
- Refining proposals with city staff
- Initiated schedule optimization work



3

## Look ahead

- Finalize proposals with cities for outreach through August 2026
- Present draft network plan to the Board in September 2026
- Solicit public feedback on draft network proposals mid-September through November 2026
- Finalize schedule optimization and proposals early 2027
- Present final plan to Board of Directors in spring 2027



4

## Staff Recommendation

Authorization for the Chief Executive Officer to execute a contract amendment with Transportation Management and Design, Inc. to extend the contract to February 28, 2028. After this extension to February 2028 there would be contractual authority for two more one-year extensions.



# Executive Summary



## DATE

July 29, 2026

## AGENDA ITEM 2

## SUBJECT

2026 MAG RTP Performance Audit

## COST AND BUDGET

None

## RECOMMENDATION

Pursuant to Arizona Revised Statutes (A.R.S) §28-6313, authorization for the Chief Executive Officer to provide written comments to the Transportation Policy Committee (TPC) related to the performance audit of the Maricopa Association of Governments (MAG) Regional Transportation Plan (RTP) and Regional Strategic Transportation Infrastructure Investment Plan (RSTIIP).

## STRATEGIC PLAN ALIGNMENT

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

- Goal 4: Leverage industry best practices and innovations on data and technology
  - o Tactic 4.1: Improve automation and reliability of transit data
  - o Tactic 4.3: Analyze route data to improve transit performance
  - o Tactic 4.4: Improve data sharing and access mobility data from private providers
- Goal 7: Board Governance
  - o Tactic 7.4: Emphasize shared duties, responsibilities and facilitate work across regional bodies (e.g., RPTA, member cities, MAG) to be effective advocates for transit and mobility solutions across the Valley.
- Goal 8: Operational Excellence
  - o Tactic 8.3: Improve service quality through enhanced planning, performance management and continuous process improvement.

## COMMITTEE PROCESS

RTAG: July 21, 2026, for information

TMC/RMC: August 5, 2026, for action

Boards of Directors: August 27, 2026, for action

## CONTACT

Jessica Mefford-Miller

Chief Executive Officer

[jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org)

## ATTACHMENTS

\*2026 Arizona Auditor General's Performance Audit of the MAG RTP

Valley Metro Audit Response to the Arizona Auditor General/Sikich CPA, LLC

Valley Metro Letter to Transportation Policy Committee

\*available on our website with the meeting packet



# Background Information

The enabling statutes for Proposition 400 and 479 require that, beginning in 2010 and every five years thereafter, the Arizona Auditor General hire an independent auditor with expertise in multimodal transportation systems and regional transportation planning to conduct a performance audit of the regional transportation system.

Pursuant to Arizona Revised Statutes (A.R.S.) §28-6313, the Auditor General initiated its most recent five-year performance audit on May 19, 2025. The Auditor General contracted with Sikich CPA LLC to conduct the 2025 RTP and RSTIIP performance audit.

Over the last year, Sikich's work has included interviewing staff at the Maricopa Association of Governments (MAG) and Valley Metro; reviewing the 2003 RTP, MOMENTUM 2050, RSTIIP, MAG's congestion management plan, and MAG's system performance reports; and Valley Metro transit standards and performance measures. In addition, Sikich reviewed a sample of freeway, arterial, and transit projects initiated or completed between fiscal years 2021 and 2025 and projects planned for completion between fiscal years 2026 and 2030.

The audit includes one finding and five recommendations for MAG; and one finding and four recommendations for Valley Metro. Valley Metro's responses to the recommendations are included in the attached letter.

State law requires that within forty-five (45) days of the release of the audit, the regional public transportation authority (RPTA), the state transportation board, and the county board of supervisors submit written recommendations to the transportation policy committee that the findings are agreed to or disagreed with and the recommendations should be implemented, implemented with modifications, or not implemented.

Lastly, state law also requires that MAG hold a public hearing on the audit findings and recommendations within forty-five (45) days of the audit's release.

101 N. 1st Ave. Suite 1300  
Phoenix, AZ 85003  
valleymetro.org  
(602) 262-7433



June 12, 2026

Sikich CPA LLC  
ATTN: Amy Sherwood, CPA, CISA  
333 John Carlyle Street, Suite 500  
Alexandria, VA 22314

Subject: MAG RTP Performance Audit Revised Final Report Draft

Dear Ms. Sherwood,

Valley Metro has completed its review of the revised final report draft of the performance audit of the Maricopa Association of Governments (MAG) Regional Transportation Plan (RTP) dated June 5, 2026.

Valley Metro's response to the finding is outlined below and on the subsequent pages for each of the four audit recommendations. Please note our responses are contingent upon Valley Metro Regional Public Transportation Authority's Board of Directors approval.

**Chapter 4: Light rail and streetcar boarding data**

Valley Metro reported inconsistent light rail and streetcar boarding data, resulting in potential difficulties for management in making informed decisions regarding service level adjustments and future budgets, and a lack of public transparency regarding its performance

Valley Metro's response: The finding is agreed to.

Response explanation: The finding relative to inconsistent boarding data is accepted; however, it has not impacted service levels or budget development. The ridership reporting process consists of a series of interconnected monthly reports. These reports are used internally and externally to communicate ridership trends and operational performance. The reporting structure functions as a pipeline, with monthly ridership reports serving as the primary data source. Subsequent reports rely on this dataset and incorporate the finalized ridership figures into additional reporting. Retroactive revisions to monthly ridership reports had not been transferred to downstream dependent reports, resulting in discrepancies. Additional procedures for reconciliation are being undertaken, and downstream reports will be replaced by a dashboard platform that is updated simultaneously to improve automation, consistency, and validation of reported information.

**Recommendation 6:** Incorporate corrected boarding data into the fiscal years 2022 through 2025 Annual Ridership Reports, Transit Performance Ridership Reports, and Boardings per Station Reports, and re-issue them to the public.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: The audit recommendation to update boarding data will be implemented. Valley Metro has identified the months with impacted data and will have revised materials on our website no later than May 31, 2026.

**Recommendation 7:** Develop and implement procedures to ensure the consistency of reported performance data, including defined roles and responsibilities for performance data management and reporting.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: To eliminate inconsistencies identified, all ridership reporting outputs will be consolidated under a single controlled reporting framework and, to improve reporting efficiency, review procedures will be developed and implemented no later than May 31, 2026.

**Recommendations 8:** Develop and implement procedures to ensure the consistency of reported performance data, including defined timeframes for completing reconciliation and validation processes.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: To ensure consistency and timely completion of ridership reporting, formalized reconciliation and validation review procedures will be developed and will be implemented no later than May 31, 2026.

**Recommendation 9:** Develop and implement procedures to ensure the consistency of reported performance data, including training for staff on these processes.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: To support the implementation of updated ridership reporting procedures, staff training will be conducted, including incorporating standardized work flows, no later than May 31, 2026.

Valley Metro recognizes the value of the audit to the residents of our region and welcomes any opportunity to improve our processes and to increase efficiency and effectiveness wherever possible. We will continue to evaluate performance on an ongoing basis to ensure that we are implementing the RTP in the most efficient and effective way possible.

Thank you for allowing Valley Metro the opportunity to respond to the revised draft Performance Audit Report findings. If you have any questions, please don't hesitate to contact me at [jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org).

Sincerely,

Jessica Mefford-Miller  
Chief Executive Officer

Cc: Trevor Collon, Chief, Capital Development  
Ken Kessler, Chief Financial Officer  
Christopher Ramirez, Interim Chief Transportation Officer  
Darren Curry, Chief, Maintenance  
Sebrina Beckstrom, Chief, Internal Audit  
Alexis Tameron Kinsey, Chief, Policy and Government Relations  
Michael Eshleman, Deputy Chief, Service Planning

101 N. 1st Ave. Suite 1300  
Phoenix, AZ 85003  
valleymetro.org  
(602) 262-7433



July 14, 2026

Transportation Policy Committee  
ATTN: Phoenix Mayor Kate Gallego, Chair  
Maricopa Association of Governments  
302 N 1<sup>st</sup> Avenue, Suite 200  
Phoenix, Arizona 85003

Subject: MAG RTP 2026 Performance Audit Report

Dear Members of Transportation Policy Committee,

Valley Metro has completed its review of the Arizona Auditor General's Performance Audit Report of the Maricopa Association of Governments (MAG) Regional Transportation Plan (RTP) dated June 22, 2026, made available on their website on June 30, 2026.

Valley Metro's response to the one finding is outlined below and on the subsequent pages for each of the four audit recommendations. Please note our responses are contingent upon approval from Valley Metro Regional Public Transportation Authority (RPTA) Board of Directors.

**Chapter 4:** Light rail and streetcar boarding data

Valley Metro reported inconsistent light rail and streetcar boarding data, resulting in potential difficulties for management in making informed decisions regarding service level adjustments and future budgets, and a lack of public transparency regarding its performance

Valley Metro's response: The finding is agreed to.

Response explanation: The finding relative to inconsistent boarding data is accepted; however, it has not impacted service levels or budget development. The ridership reporting process consists of a series of interconnected monthly reports. These reports are used internally and externally to communicate ridership trends and operational performance. The reporting structure functions as a pipeline, with monthly ridership reports serving as the primary data source. Subsequent reports rely on this dataset and incorporate the finalized ridership figures into additional reporting. Retroactive revisions to monthly ridership reports had not been transferred to downstream dependent reports, resulting in discrepancies. Additional procedures for reconciliation are being undertaken, and downstream reports will be replaced by a dashboard platform that is updated simultaneously to improve automation, consistency, and validation of reported information.

**Recommendation 6:** Incorporate corrected boarding data into the fiscal years 2022 through 2025 Annual Ridership Reports, Transit Performance Ridership Reports, and Boardings per Station Reports, and re-issue them to the public.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: The audit recommendation to update boarding data will be implemented. Valley Metro has identified the months with impacted data and will have revised materials on our website no later than May 31, 2026.

**Recommendation 7:** Develop and implement procedures to ensure the consistency of reported performance data, including defined roles and responsibilities for performance data management and reporting.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: To eliminate inconsistencies identified, all ridership reporting outputs will be consolidated under a single controlled reporting framework and, to improve reporting efficiency, review procedures will be developed and implemented no later than May 31, 2026.

**Recommendations 8:** Develop and implement procedures to ensure the consistency of reported performance data, including defined timeframes for completing reconciliation and validation processes.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: To ensure consistency and timely completion of ridership reporting, formalized reconciliation and validation review procedures will be developed and will be implemented no later than May 31, 2026.

**Recommendation 9:** Develop and implement procedures to ensure the consistency of reported performance data, including training for staff on these processes.

Valley Metro's response: The audit recommendation will be implemented.

Response explanation: To support the implementation of updated ridership reporting procedures, staff training will be conducted, including incorporating standardized work flows, no later than May 31, 2026.

Valley Metro recognizes the value of the audit to the residents of our region and welcomes any opportunity to improve our processes and to increase efficiency and effectiveness wherever possible. We continue to evaluate performance on an ongoing basis to ensure that we are implementing the RTP in the most efficient and effective way possible.

Please don't hesitate to contact me at [jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org) should you have any questions.

Sincerely,

Jessica Mefford-Miller  
Chief Executive Officer

Cc: RPTA Board of Directors  
Valley Metro Rail, Inc. (VMR) Board of Directors  
Ken Kessler, Chief Financial Officer  
Sebrina Beckstrom, Chief, Audit and Compliance  
Michael Eshleman, Deputy Chief, Planning and Development

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 3****SUBJECT**

2026 Prop 400 Transit Life Cycle Program (TLCP) - Bus Update

**COST AND BUDGET**

The proposed changes to the Prop 400 TLCP bus model have already been incorporated into the approved FY2027 Operating and Capital Budgets and the Five-Year Operating and Capital Forecasts. Revenues and expenditures forecast within the TLCP are balanced as required by State Statute.

**RECOMMENDATION**

Approval of the Prop 400 Transit Life Cycle Program Update.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 9: Financial Sustainability
  - o Initiative 9.1: Develop and maintain short and long-term financial forecasts and cash reserve policies to ensure an ongoing financially balanced program.

**COMMITTEE PROCESS**

RTAG: July 21, 2026 for information

TMC: August 5, 2026 approved

Board of Directors: August 27, 2026 for action

**CONTACT**

Ken Kessler

Chief Financial Officer

[kkessler@valleymetro.org](mailto:kkessler@valleymetro.org)

**ATTACHMENT(S)**

Valley Metro Reserve Fund Policy

# Background Information

## BACKGROUND | DISCUSSION | CONSIDERATION

The TLCP was developed in 2005 to provide guidance on implementing the transit component of the Regional Transportation Plan (RTP). The TLCP includes Guiding Principles, policies, procedures, and financial forecasts to ensure that the program is balanced. Information presented in the TLCP is a 20-year summary encompassing the life of the Maricopa County Transportation Excise Tax authorized by Proposition 400.

Following the last Board-approved TLCP update in May 2025, ADOT issued its official revenue forecast in October 2025. However, due to the expiration of Prop 400, this 2026 Update utilizes current FY26 actual revenues rather than the October 2025 ADOT forecast. Based on the current actuals, total Prop 400 PTF revenues for RPTA reflect a decrease of \$0.6 million compared to the 2024 ADOT Forecast baseline used in the previous update.

| Fiscal Year  | 2024 Forecast        | Actuals              | \$ Change           | % Change      |
|--------------|----------------------|----------------------|---------------------|---------------|
| FY25         | \$144,658,000        | \$145,083,000        | \$ 425,000          | 0.3%          |
| FY26         | 89,548,000           | 88,521,000           | (1,027,000)         | (1.1)%        |
| <b>Total</b> | <b>\$234,206,000</b> | <b>\$233,604,000</b> | <b>\$ (602,000)</b> | <b>(0.3)%</b> |

*NOTE: Lagging Prop 400 revenues are still being received, so FY26 is not yet final.*

### Short Range Transit Plan

The Short Range Transit Plan (SRTP) was developed in cooperation with member city transit staff and includes service improvements ready for implementation over the next two years. It also includes many potential improvements that are not ready for implementation.

Going forward, Prop 479 PTF will be available as the regional funding source for service expansion projects, if eligible. Since this TLCP Update pertains only to how the remaining Prop 400 will be used and does not pertain to Prop 479, no SRTP update will be submitted alongside this TLCP update.

### Prop 400 Closeout

As we neared the end of Prop 400 in early CY2026 and gained more clarity on Prop 479, there were subregional meetings to decide on an approach to equitably use the remaining JE balances.

By unanimous agreement of member city staff, it was determined that jurisdictions with negative Jurisdictional Equity (JE) would have their balances zeroed out. For each subregion, the available JE would be allocated proportionally based on cities' existing positive JE balances. If the subregion determined that a jurisdiction had no ability to use its JE, that JE would be allocated to the other jurisdictions in the subregion with positive balances based on the jurisdictions' respective shares of the subregion's JE.

Cities would have until the end of FY30 to fully utilize Prop 400 JE balances and the balances would be revisited in the fall or winter of 2026 and on a periodic basis thereafter.

Here is how the remaining JE balances were allocated and programmed by subregion using the agreed-upon closeout methodology:

### Region

| Subregion    | JE Allocated        | JE Programmed      | Remaining JE        |
|--------------|---------------------|--------------------|---------------------|
| Central      | \$ 2,096,000        | \$1,915,000        | \$ 181,000          |
| East         | 18,916,000          | 3,286,000          | 15,629,000          |
| West         | 2,258,000           | 1,516,000          | 742,000             |
| <b>Total</b> | <b>\$23,270,000</b> | <b>\$6,718,000</b> | <b>\$16,552,000</b> |

*NOTE: The available balances do not include a \$7M set-aside for Scottsdale.*

### Central Valley

| Jurisdiction | JE Allocated       | JE Programmed      | Remaining JE     |
|--------------|--------------------|--------------------|------------------|
| County C     | \$ -               | \$ -               | \$ -             |
| Phoenix      | 2,096,000          | 1,915,000          | 181,000          |
| <b>Total</b> | <b>\$2,096,000</b> | <b>\$1,915,000</b> | <b>\$181,000</b> |

### East Valley

| Jurisdiction    | JE Allocated        | JE Programmed      | Remaining JE        |
|-----------------|---------------------|--------------------|---------------------|
| Chandler        | \$ 2,029,000        | \$ -               | \$ 2,029,000        |
| County E        | -                   | -                  | -                   |
| Fountain Hills  | 427,000             | -                  | 427,000             |
| Gilbert         | 1,593,000           | 603,000            | 990,000             |
| Guadalupe       | -                   | -                  | -                   |
| Mesa            | 5,022,000           | 1,902,000          | 3,120,000           |
| Paradise Valley | 3,537,000           | -                  | 3,537,000           |
| Queen Creek     | -                   | -                  | -                   |
| Scottsdale      | 4,411,000           | 782,000            | 3,629,000           |
| Tempe           | 1,897,000           | -                  | 1,897,000           |
| <b>Total</b>    | <b>\$18,916,000</b> | <b>\$3,286,000</b> | <b>\$15,629,000</b> |

*NOTE: The available balances do not include a \$7M set-aside for Scottsdale*

## West Valley

| Jurisdiction    | JE Allocated       | JE Programmed      | Remaining JE     |
|-----------------|--------------------|--------------------|------------------|
| Avondale        | \$ 988,000         | \$ 988,000         | \$ -             |
| Buckeye         | -                  | -                  | -                |
| County W        | -                  | -                  | -                |
| El Mirage       | 404,000            | 400,000            | 4,000            |
| Gila Bend       | -                  | -                  | -                |
| Glendale        | -                  | -                  | -                |
| Goodyear        | -                  | -                  | -                |
| Litchfield Park | -                  | -                  | -                |
| Peoria          | 857,000            | 123,000            | 734,000          |
| Surprise        | -                  | -                  | -                |
| Tolleson        | 9,000              | 5,000              | 4,000            |
| Wickenburg      | -                  | -                  | -                |
| Youngtown       | -                  | -                  | -                |
| <b>Total</b>    | <b>\$2,258,000</b> | <b>\$1,516,000</b> | <b>\$742,000</b> |

## *2026 Update vs. 2025 Update*

### Capital Program

In this update, \$400,000 of El Mirage's JE was programmed for a Park & Ride facility. Additional Prop 400 PTF was programmed for Scottsdale to support the higher unit cost and the need to purchase additional replacement buses.

### Operating Program

Several cities elected to apply part or all of their allocated amount to cover these expenses to offset member city contributions for Demand Service costs.

The overall fund balance at the end of the program, including reserves, is anticipated to be about \$46.8 million, down from \$47.3 million in the 2025 update. The following table summarizes the changes in fund balance.

| Comparison of Net Revenues & Expenditures |                         | 2025 Update      | 2026 Update      | Change         |
|-------------------------------------------|-------------------------|------------------|------------------|----------------|
|                                           | Operations Revenues     | \$2,180.5        | \$2,177.8        | \$(2.7)        |
|                                           | Capital Revenues        | 923.7            | 944.8            | 21.1           |
| <b>Total Revenue</b>                      |                         | <b>\$3,104.2</b> | <b>\$3,122.6</b> | <b>\$18.4</b>  |
|                                           | Operations Expenditures | 1,926.4          | 1,920.6          | (5.8)          |
|                                           | Capital Expenditures    | 1,130.5          | 1,155.1          | 24.6           |
| <b>Total Expenditures</b>                 |                         | <b>\$3,056.9</b> | <b>\$3,075.8</b> | <b>\$18.9</b>  |
| <b>Net Revenues Less Expenditures</b>     |                         | <b>\$ 47.3</b>   | <b>\$ 46.8</b>   | <b>\$(0.5)</b> |

In the 2026 update, lower PTF assumptions reduced operating revenues, which were more than offset by lower costs for bus, ADA, and Regional Services. However, there were additional fleet



acquisition costs and additional JE programming. Ultimately, these combined changes resulted in a \$0.5 million reduction in the Prop 400 PTF balance compared to the previous update. The TLCP Guiding Principles require that jurisdictional equity be maintained for the bus program. The policy requires that each subregion have a positive jurisdictional equity balance and be no more than 2.5 percent under their policy allocation. In the current model, each subregion meets these requirements. No subregion is currently overallocated. Additionally, the policy stipulates that, regardless of subregional percentages, no jurisdiction can be under-allocated by \$7.5 million or more without the explicit approval of that city. In the current model, every jurisdiction is within policy.

### **ISSUES FOR FURTHER CONSIDERATION**

A key remaining item in the closeout of the Prop 400 TLCP is the programming of remaining reserve funds. In alignment with the board-approved Valley Metro Reserve Fund Policy, these reserves are maintained to safeguard operational continuity, financial flexibility, and long-term sustainability. Valley Metro staff will continue to coordinate closely with MAG throughout the Prop 400 closeout and Prop 479 transition, evaluating opportunities to program uncommitted Prop 400 PTF reserves as financial clarity improves.



**Valley Metro RPTA  
Prop 400 Transit Life Cycle Program  
2026 Model Update**

The background image shows a group of people walking on a sidewalk next to a bus, with trees and a building in the background. The entire slide has a purple overlay.



1



**Prop 400 PTF Background**

The background is a solid purple color.

2

## Transportation Excise Tax

Proposition 400 was approved in November 2004

- Half-cent sales tax for Maricopa County
  - Extension of tax approved in 1985 for freeway improvements
- Provides funding for freeway, arterial, and transit improvements
- Funding allocations are in State statutes, and revenues cannot be transferred between programs
  - 33.3% for transit program
  - 56.2% for freeway program
  - 10.5% for arterial program

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3

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## Prop 400 TLCP Policy Allocations

RPTA Board adopted policies for the Prop 400 TLCP in October 2005

- Transit PTF allocated to bus and rail programs
  - 56.76% annually to bus program
  - 43.24% annually to rail program
- Each program has a financial model to ensure balanced revenues and expenditures

4



4

4

## Jurisdictional Equity

TLCP Guiding Principle to maintain jurisdiction equity

- Applies to Prop 400 revenues for the bus program only
- Policy allocations were determined based on projects and planning cost estimates from 2003 Regional Transportation Plan
- Actual and forecasted costs for services, fleet, and capital facilities are allocated to cities
- Each sub-region to have a positive balance and be less than 2.5% underallocated
- Each jurisdiction to be within \$7.5 M of policy allocation

5



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## Prop 400 PTF Overview

6

## 2026 RPTA TLCP Update Overview

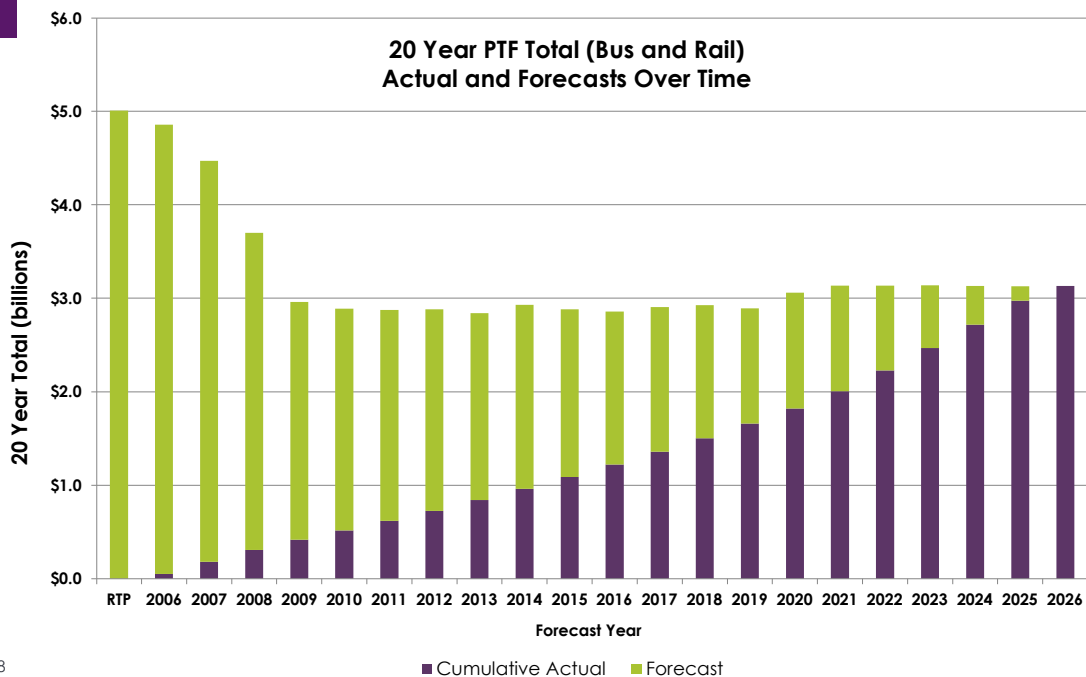
- AZ Dept of Transportation (ADOT) PTF Forecast in Oct 2025
- Actuals and projections
- Prop 400 Closeout Discussions & Methodology
- Prop 400 JE may be used to:
  - Reduce member cities' contributions for service
  - Fund member cities' capital transit projects

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## Bus Prop 400 PTF: Actuals vs. 2024 ADOT Forecast

\$ in Millions

| Fiscal Year  | 2024 Forecast        | Actuals              | \$ Change           | % Change      |
|--------------|----------------------|----------------------|---------------------|---------------|
| FY25         | \$144,658,000        | \$145,083,000        | \$ 425,000          | 0.3%          |
| FY26         | 89,548,000           | 88,521,000           | (1,027,000)         | (1.1)%        |
| <b>Total</b> | <b>\$234,206,000</b> | <b>\$233,604,000</b> | <b>\$ (602,000)</b> | <b>(0.3)%</b> |

NOTE: Lagging Prop 400 revenues are still being received, so FY26 is not yet final.

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## Prop 400 Closeout Meetings

- Subregional meetings held in early 2026 to determine equitable allocation of remaining JE balances.
- City staff unanimously agreed on the allocation approach.
  - Jurisdictions with negative JE balances will be reset to zero.
  - Cities have until the end of FY30 to use remaining Prop 400 JE balances.
- JE balances and programming will be revisited beginning in late 2026.

10



10

## Regional PTF Costs in 20-Year Plan

\$ in Millions

| Category                    | Amount         |
|-----------------------------|----------------|
| Regional services           | \$148.8        |
| ADA certification           | 38.3           |
| Planning and administration | 8.0            |
| Regional ITS                | 24.6           |
| Vanpool vans                | 2.5            |
| Debt service                | 22.8           |
| Minimum cash balance        | 30.2           |
| <b>Total Regional Costs</b> | <b>\$275.2</b> |

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# Prop 400 JE Programming

12

## Changes Since 2025 TLCP

### Revenues

- Updated 2024 Official AZ Dept of Transportation (ADOT) PTF Forecast with Prop 400 PTF Actuals

### Operating

- Temporary cost shifts to PTF for ADA/paratransit service

### Facilities plan changes

- New: El Mirage P&R

### Fleet plan changes

- Additional replacement buses for Scottsdale with higher unit costs

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## Programming Prop 400 JE by Subregion

| Subregion    | JE Allocated        | JE Programmed      | Remaining JE        |
|--------------|---------------------|--------------------|---------------------|
| Central      | \$ 2,096,000        | \$1,915,000        | \$ 181,000          |
| East         | 18,916,000          | 3,286,000          | 15,629,000          |
| West         | 2,258,000           | 1,516,000          | 742,000             |
| <b>Total</b> | <b>\$23,270,000</b> | <b>\$6,718,000</b> | <b>\$16,552,000</b> |

NOTE: The available balances do not include a \$7M set-aside for Scottsdale.

14



14

## Programming Prop 400 JE

### Central Valley

| Jurisdiction | JE Allocated       | JE Programmed      | Remaining JE     |
|--------------|--------------------|--------------------|------------------|
| County C     | \$ -               | \$ -               | \$ -             |
| Phoenix      | 2,096,000          | 1,915,000          | 181,000          |
| <b>Total</b> | <b>\$2,096,000</b> | <b>\$1,915,000</b> | <b>\$181,000</b> |

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## Programming Prop 400 JE

### East Valley

| Jurisdiction    | JE Allocated        | JE Programmed      | Remaining JE        |
|-----------------|---------------------|--------------------|---------------------|
| Chandler        | \$ 2,029,000        | \$ -               | \$ 2,029,000        |
| County E        | -                   | -                  | -                   |
| Fountain Hills  | 427,000             | -                  | 427,000             |
| Gilbert         | 1,593,000           | 603,000            | 990,000             |
| Guadalupe       | -                   | -                  | -                   |
| Mesa            | 5,022,000           | 1,902,000          | 3,120,000           |
| Paradise Valley | 3,537,000           | -                  | 3,537,000           |
| Queen Creek     | -                   | -                  | -                   |
| Scottsdale      | 4,411,000           | 782,000            | 3,629,000           |
| Tempe           | 1,897,000           | -                  | 1,897,000           |
| <b>Total</b>    | <b>\$18,916,000</b> | <b>\$3,286,000</b> | <b>\$15,629,000</b> |

NOTE: The available balances do not include a \$7M set-aside for Scottsdale.

16



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## Programming Prop 400 JE

### West Valley

| Jurisdiction    | JE Allocated       | JE Programmed      | Remaining JE     |
|-----------------|--------------------|--------------------|------------------|
| Avondale        | \$ 988,000         | \$ 988,000         | \$ -             |
| Buckeye         | -                  | -                  | -                |
| County W        | -                  | -                  | -                |
| El Mirage       | 404,000            | 400,000            | 4,000            |
| Gila Bend       | -                  | -                  | -                |
| Glendale        | -                  | -                  | -                |
| Goodyear        | -                  | -                  | -                |
| Litchfield Park | -                  | -                  | -                |
| Peoria          | 857,000            | 123,000            | 734,000          |
| Surprise        | -                  | -                  | -                |
| Tolleson        | 9,000              | 5,000              | 4,000            |
| Wickenburg      | -                  | -                  | -                |
| Youngtown       | -                  | -                  | -                |
| <b>Total</b>    | <b>\$2,258,000</b> | <b>\$1,516,000</b> | <b>\$742,000</b> |

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## Comparison of Net Revenues & Expenditures

\$ in Millions

| Comparison of Net Revenues & Expenditures | 2025 Update      | 2026 Update      | Change          |
|-------------------------------------------|------------------|------------------|-----------------|
| Operations Revenue                        | \$2,180.5        | \$2,177.8        | \$ (2.7)        |
| Capital Revenue                           | 923.7            | 944.8            | 21.1            |
| <b>Total Revenue</b>                      | <b>\$3,104.2</b> | <b>\$3,122.6</b> | <b>\$18.4</b>   |
| Operations Expenditures                   | 1,926.4          | 1,920.6          | (5.8)           |
| Capital Expenditures                      | 1,130.5          | 1,155.1          | 24.6            |
| <b>Total Expenditures</b>                 | <b>\$3,056.9</b> | <b>\$3,075.8</b> | <b>\$18.9</b>   |
| <b>Net Revenues less Expenditures</b>     | <b>\$ 47.3</b>   | <b>\$ 46.8</b>   | <b>\$ (0.5)</b> |

18



18

## Issues for Further Consideration

- **Valley Metro Reserve Fund Policy**
  - Board approved policy, requiring sufficient reserves to be in place for ongoing operations
- **Prop 400 Closeout & Transition to Prop 479**
  - Coordination with MAG on consideration of future reserve funding

19



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## Recommendation

Approval of the Prop 400 Transit Life Cycle Program Update.

20



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# **VALLEY METRO**

## **RESERVE FUND POLICY**

### **Adopted January 21, 2016**

#### **Introduction:**

Written adopted financial policies relative to designated reserves and reserve funds have many benefits, and represents a critical element of sound fiscal management. Reserves and reserve funds are prudent fiscal management tools, which are a cornerstone of long-term financial planning. A written and adopted policy provides for and facilitates attainment of program and financial goals relative to the prudent accumulation and management of designated reserves and reserve funds. It is the intent of this policy to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are consistent with the Agency's mission and vision statements and the Agency's Strategic Plan. This policy shall be known and may be cited as the Valley Metro Reserve Fund Policy.

#### **Objectives:**

This Reserve Fund Policy has been developed to consider and appropriately provide for the following:

1. To ensure continued operation and solvency of the Agency to carry out its mission and strategic plan.
2. To maintain a financially viable Agency that can maintain stable levels of service.
3. To maintain and enhance the sound fiscal condition of the Agency.
4. To maintain financial flexibility in order to be able to continually adapt to change, and permit an orderly adjustment to unanticipated events.
5. To maintain a diversified and stable long-term financial plan.
6. The accumulation and maintenance of an amount equal to the stated target fund level for each specific reserve fund.
7. The review of this policy on an annual basis in order to determine appropriate changes, additions and/or deletions.

### **Reserve Fund Policy:**

In order to achieve the objectives of this Policy, the Chief Financial Officer shall adhere to the following guidelines:

1. Reserve funds may be established from time to time by the Board of Directors as an important component of sound financial management to meet both short and long- term financial objectives, and to ensure prudent financial management practices.
2. Reserve funds may be designated by the Board of Directors as a “restricted reserve fund” or “non-restricted reserve fund”.
3. Restricted reserve funds shall be segregated, and limited in use to specific and designated purpose(s) as defined and established by the Board of Directors.
4. Assets of a restricted reserve fund shall be held separately from the General Fund, and shall only be used for the stated purpose(s) of the specific reserve fund.
5. Non-restricted reserve funds do not require the physical segregation of funds.
6. The reserve funds may be invested in financial institutions and instruments in accordance with the Agency’s Investment Policy.
7. All investment earnings from restricted and non-restricted reserve funds shall be credited to the respective reserve funds from which the investment funds were derived, unless otherwise stated herein.
8. Board of Directors approval shall be required prior to the expenditure of restricted reserve funds, unless otherwise stated herein. Expenditure of restricted reserve funds may be approved as part of the annual budget adoption process. In such case budget documents will identify the amount of reserves to be expended.
9. The Chief Financial Officer shall present to the Board and Budget and Finance Subcommittee (BFS) a quarterly report of each reserve fund balance status and four quarter rolling forecast of projected reserve fund balances.
10. The Chief Financial Officer shall maintain a written Reserve Fund Policy approved by the Board of Directors.
11. The Chief Financial Officer shall annually review the Reserve Fund Policy with the Board of Directors at a public meeting in order to determine appropriate changes, additions, and/or deletions.
12. The Chief Financial Officer shall ensure that the Reserve Fund targets are met, or forecast to be met, for each year of the five-year operating and capital budgets.

### **Reserve Funds:**

The Board of Directors hereby establishes and designates the following reserve funds:

1. General Fund Operating Reserve. See Attachment A.
2. Capital Reserve Fund. See Attachment B.
3. Working Capital Reserve Fund. See Attachment C.
4. Vanpool Reserve Fund. See Attachment D.
5. Emergency Reserve Fund. See Attachment E.
6. Debt Service Reserve Fund. As prescribed in Bond Resolution(s). See Attachment F.

**Target Fund Levels:**

The Board of Directors shall establish a stated target fund level for each designated reserve fund. See Attachment G for a set of established target fund levels for designated reserve funds.

**Annual Evaluation:**

The Chief Financial Officer shall perform a review and analysis of each designated reserve funds for presentation to the Board of Directors at a public meeting upon the occurrence of the following:

1. Upon consideration by the Board of Directors of the annual budget.
2. Upon any significant change to and/or expenditure(s) from a designated reserve fund.
3. Upon determination that a fund balance is less than the established target fund level for a designated reserve fund.

## **ATTACHMENT A**

### **GENERAL FUND OPERATING RESERVE**

#### **Fund Purpose:**

The purpose of the General Fund Operating Reserve is to accumulate sufficient reserve funds necessary to satisfy the general cash flow demands and requirements of the Agency's general operations. This reserve fund will preserve credit worthiness, ensure adequate financial resources are available for timely payment of Agency obligations, and provide liquidity throughout the fiscal year.

#### **Policy:**

In order to achieve the objectives of this policy the Chief Financial Officer shall adhere to the following guidelines:

1. This reserve fund shall be known as the "General Fund Operating Reserve".
2. The General Fund Operating Reserve shall be designated as a non-restricted reserve fund.
3. The Chief Financial Officer is authorized to approve the expenditure of General Fund Operating Reserve, without prior approval of the Board of Directors, in response to day-to-day cash flow requirements.
4. This policy shall be reviewed on an annual basis for long-term adequacy and use restrictions.

#### **Target Fund Level:**

The target fund level for the General Fund Operating Reserve is to maintain a balance in the General Fund, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of 17 percent of annual budgeted operating expenditures, unless otherwise directed by the Board of Directors at a public meeting. This target fund level was established based upon the following general guidelines:

1. The Agency shall maintain a balance in the General Fund equal to approximately two (2) months budgeted expenditures for the fiscal year in the following funds:
  - a. 1000 - Finance & Management Services
  - b. 2000 - Transit Service Operations
  - c. 3000 - Communications & Government Relations
  - d. 3200 - TDM Division
  - e. 3300 - Transit Planning Division
  - f. 5000 - Office of the CEO
  - g. 6200 - Regional Services
2. Undesignated fund balance for Bus PTF and RARF may be used to replenish this reserve fund.

## **ATTACHMENT B**

### **CAPITAL RESERVE FUND**

#### **Fund Purpose:**

The purpose of the Capital Reserve Fund is to accumulate sufficient reserve funds necessary to ensure timely acquisition, replacement and upgrade of the Agency's capital assets, excluding major infrastructure construction projects.

#### **Policy:**

In order to achieve the objectives of this policy, the Chief Financial Officer shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Capital Reserve Fund".
2. The Capital Reserve Fund shall be designated as a restricted reserve fund.
3. Each adopted budget of the Agency shall contain a transfer from the General Fund to the Capital Reserve Fund in an amount approved by the Board of Directors.
4. Monies transferred into the Capital Reserve Fund shall be expended solely for the construction of new non-major system infrastructure, and the purchase of fleet and capital equipment.
5. The Chief Financial Officer is authorized to approve the expenditure of Capital Reserve Funds, without prior approval of the Board of Directors, in accordance with approved budget authorizations.
6. This policy shall be reviewed on an annual basis for long-term adequacy and use restrictions.

#### **Target Fund Level:**

The target fund level for the Capital Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of 20 percent of non-federal capital funds budgeted excluding major capital infrastructure construction projects, unless otherwise directed by the Board of Directors at a public meeting.

1. Undesignated fund balance in excess of the General Fund Operating Reserve for Bus PTF and LRT PTF may be used to replenish this reserve fund. Proceeds from the sale of capital assets, excluding any remaining federal interest, may also be used to replenish this reserve fund. No RARF may be used to replenish this reserve fund.

## **ATTACHMENT C**

### **WORKING CAPITAL RESERVE FUND**

#### **Fund Purpose:**

The purpose of the Working Capital Reserve Fund is to accumulate sufficient reserve funds necessary to satisfy the general cash flow demands and requirements of the Agency's major capital infrastructure programs. Major projects are defined as multi-year infrastructure construction projects that exceed \$20 million in total project costs.

#### **Policy:**

In order to achieve the objectives of this policy, the Chief Financial Officer shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Working Capital Reserve Fund".
2. The Working Capital Reserve Fund shall be designated as a non-restricted reserve fund.
3. The Chief Financial Officer is authorized to approve the expenditure of Working Capital Reserve Fund, without prior approval of the Board of Directors, in response to day-to-day cash flow requirements.
  - a. Reserve funds for major light rail projects undertaken by Valley Metro Rail may be advanced to VMR to meet cash flow demands using available LRT PTF funds. Such advanced reserve funds may not be used by VMR for operating cash flow.
  - b. Bond proceeds funds may fulfill the Working Capital Fund reserve requirements.
4. All investment earnings from the Working Capital Reserve Fund shall be credited to the appropriate capital revenue fund (e.g. LRT PTF or Bus PTF).
5. This policy shall be reviewed on an annual basis for long-term adequacy and use restrictions.

#### **Target Fund Level:**

The target fund level for the Working Capital Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of 17 percent of the budgeted PTF-funded expenditures for the major capital infrastructure projects, unless otherwise directed by the Board of Directors at a public meeting.

1. The Agency shall maintain a balance in the Working Capital Reserve Fund equal to approximately two (2) months budgeted expenditures for the fiscal year.
2. Undesignated fund balance in excess of the General Fund Operating Reserve for Bus PTF and LRT PTF may be used to replenish this reserve fund. No RARF may be used to replenish this reserve fund.
3. Upon completion of each project any remaining working capital funds will be returned to the undesignated fund balance from which it originated.

## **ATTACHMENT D**

### **VANPOOL RESERVE FUND**

#### **Fund Purpose:**

The purpose of the Vanpool Reserve Fund is to accumulate sufficient reserve funds necessary to ensure timely acquisition, replacement and upgrade of the Agency's Vanpool fleet.

#### **Policy:**

In order to achieve the objectives of this policy, the Chief Financial Officer shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Vanpool Reserve Fund".
2. The Vanpool Reserve Fund shall be designated as a restricted reserve fund.
3. Each adopted budget of the Agency shall identify Vanpool Fare Revenue in excess of expected expenditures, which shall be transferred to the Vanpool Reserve Fund.
4. Monies transferred into the Vanpool Reserve Fund shall be expended solely for the replacement and expansion of Vanpool fleet.
5. The Chief Financial Officer is authorized to approve the expenditure of Vanpool Reserve Funds, without prior approval of the Board of Directors, in accordance with approved budget authorizations.
6. This policy shall be reviewed on an annual basis for long-term adequacy and use restrictions.

#### **Target Fund Level:**

The target fund level for the Vanpool Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to the cost of replacing a minimum of 20 percent of the current vanpool fleet, unless otherwise directed by the Board of Directors at a public meeting.

1. In addition to excess vanpool fare revenue, excess funds in the Capital Reserve Fund may be transferred to replenish this reserve fund. Undesignated fund balance in excess of the General Fund Operating Reserve for Bus PTF may be used to replenish this reserve fund if required and approved by the Board of Directors.

## **ATTACHMENT E**

### **EMERGENCY RESERVE FUND**

#### **Fund Purpose:**

The purpose of the Emergency Reserve Funds is to accumulate sufficient financial reserves necessary to ensure a timely response by the Agency to natural disasters and/or other emergencies. This reserve fund will provide for rapid response and continued operation of the Agency's essential services during periods of natural disasters and/or other emergencies.

#### **Policy:**

In order to achieve the objectives of this policy the Chief Financial Officer shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Emergency Reserve Fund".
2. The Emergency Reserve Fund shall be designated as a restricted reserve fund.
3. The Emergency Reserve Fund shall be expended solely for the purpose of responding to and maintaining Agency operations during a natural disaster and/or emergency.
4. The Chief Financial Officer is authorized to approve the expenditure of Emergency Reserve Funds, without prior approval of the Board of Directors, for purposes of restoration and/or maintenance of essential services in response to a natural disaster or other emergency.
5. Upon expenditure of any Emergency Reserve Funds, the Chief Financial Officer shall notify the Board of Directors at the earliest possible opportunity.
6. Expenditures from this designated reserve fund which are subsequently recovered, either partially or fully, from FEMA, OES, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Emergency Reserve Fund.
7. All investment earnings from the Emergency Reserve Fund shall be credited to the Agency's General Fund.
8. This policy shall be reviewed on an annual basis for long-term adequacy and use restrictions.

#### **Target Fund Level:**

The target fund level for the Emergency Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$1,000,000, unless otherwise directed by the Board of Directors at a public meeting.

## **ATTACHMENT F**

### **DEBT SERVICE RESERVE FUND**

#### **Fund Purpose:**

The purpose of the Debt Service Reserve Funds is to accumulate sufficient financial reserves necessary to ensure the Agency can meet its semi-annual debt service obligations to bondholders. The specific accounts and sub-accounts are created by the Master Resolution adopted by the Board of Directors on May 21, 2009. Supplemental Resolutions adopted associated to specific bond issuances and the accompanying Final Official Statements further define the amounts that must be deposited to each account and sub-account.

#### **Policy:**

In order to achieve the objectives of this policy the Chief Financial Officer shall adhere to the following guidelines:

1. This reserve fund shall be known as the “Debt Service Reserve Fund”.
2. The Master Resolution adopted by the Board of Directors created the following accounts as defined in section 601(b):
  - (b)The Authority hereby directs the Depository holding the Bond Account to create within the Bond Account the following Subaccounts (each a "Subaccount" and collectively, the "Subaccounts"): Senior Debt Service Subaccount, Senior Reserve Subaccount, Subordinated Debt Service Subaccount, Subordinated Reserve Subaccount, and Third Lien Debt Service Subaccount.
3. The Debt Service Reserve Fund shall be designated as a restricted reserve fund.
4. The Debt Service Reserve Fund shall be expended solely for the purpose of meeting the debt service obligations to bondholders, as identified in each Supplemental Resolution.
5. Payments from the Debt Service Reserve Fund are made by the Trustee in accordance with the Master Resolution and Final Official Statement for each bond issue.
6. This policy shall be reviewed on an annual basis for long-term adequacy and use restrictions.

#### **Target Fund Level:**

The target fund level for the Debt Service Reserve Fund is defined within each adopted Supplemental Resolution and corresponding Final Official Statement.

## ATTACHMENT G

### SUMMARY OF RESERVE FUND TARGET FUND LEVELS

| RESERVE FUND                          | TYPE              | TARGET LEVEL                                       |
|---------------------------------------|-------------------|----------------------------------------------------|
| <b>General Fund Operating Reserve</b> | Unrestricted      | <b>17% of operating expenditures</b>               |
| <b>Capital Reserve Fund</b>           | Restricted        | <b>20% of non-federal capital project revenues</b> |
| <b>Working Capital Reserve Fund</b>   | Unrestricted      | <b>17% of major infrastructure project costs</b>   |
| <b>Vanpool Reserve Fund</b>           | Restricted        | <b>20% of vanpool fleet replacement costs</b>      |
| <b>Emergency Reserve Fund</b>         | Restricted        | <b>\$1,000,000</b>                                 |
| <b>Debt Service Reserve Fund</b>      | <b>Restricted</b> | <b>As prescribed in Bond Resolution(s)</b>         |

**Reserve Fund Balance Report**

| Type                           | Fiscal year 26 | Fiscal Year 27 | Notes                                                                      |
|--------------------------------|----------------|----------------|----------------------------------------------------------------------------|
| General Fund Operating Reserve | 45,781,170     | 45,189,060     |                                                                            |
| Capital Reserve                | 6,883,400      | 11,331,950     |                                                                            |
| Working Capital Reserve        | 3,840,941      | -              | No expected PTF disbursements in FY 2027 for capital construction projects |
| Vanpool Reserve                | 2,487,375      | 2,327,886      |                                                                            |
| Emergency Reserve              | 1,069,584      | 1,107,751      |                                                                            |
| Debt Service Reserve           | -              | -              | ** Final debt service payment paid on July 1, 2025                         |

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 4****SUBJECT**

Report on Current Events and Suggested Future Agenda Items

**COST AND BUDGET**

None

**RECOMMENDATION**

This item is presented for information only.

**BACKGROUND | DISCUSSION | CONSIDERATION**

None

**COMMITTEE PROCESS**

None

**CONTACT**

Jessica Mefford-Miller

Chief Executive Officer

[jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org)

**ATTACHMENT**

None

# Agenda



August 19, 2026

**REVISED August 24, 2026**

Valley Metro Rail Board of Directors  
Board of Directors  
Thursday, August 27, 2026  
Boardroom/You Tube  
Valley Metro, 101 N. 1<sup>st</sup> Avenue, 10<sup>th</sup> Floor  
11:15 a.m.

## CONSENT AGENDA

1A. [New Replacement Vehicle Purchases Contract Amendment – Chevrolet](#)

1A. For action

Authorization for the Chief Executive Officer to enter into a cooperative contract with Courtesy Chevrolet for an amount not to exceed \$406,770 for the purchase of non-revenue replacement vehicles.

1B. [New Replacement Vehicle Purchases Contract Amendment – Ford](#)

1B. For action

Authorization for the Chief Executive Officer to execute a contract amendment with PFVT Motors, LLC dba Peoria Ford for the purchase of nonrevenue vehicles for an amount not to exceed \$559,051.

1C. [Rail Testing Services Contract Award](#)

1C. For action

Authorization for the Chief Executive Officer to enter into a contract with Smith-Emery Laboratories, Inc, for rail testing services, with a five-year term and no options to extend. The aggregate value of the contract will not exceed \$400,000.

1D. [Light Rail Vehicle and Streetcar Brake Parts Supply Sole Source Contract Award](#)

1D. For action

Authorization for the Chief Executive Officer to enter a contract with Knorr Brake Company for brake parts supply services with a three-year initial term and two one-year options to extend. The aggregate value of the contract will not exceed \$1,000,000.

1E. [Federal Transit Administration Pass-Through Grant Agreement – Extension \(5309\)](#)

1E. For action

Authorization for the Chief Executive Officer to execute an intergovernmental agreement extension with the City of Phoenix for the listed grant.

## REGULAR AGENDA

2. [Station Painting Insourcing](#)

2. For action

Authorization for the Chief Executive Officer to initiate a phased transition to an internally managed Light Rail Station Painting Program to support a comprehensive maintenance and operations program.

3. [Proposition 400 Transit Life Cycle Program \(TLCP\) - Rail Update](#)

3. For action

Approval of the Prop 400 Transit Life Cycle Program Update.

4. [Fiscal Year 2027 \(FY27\) Election of Valley Metro Rail Board Officers and Subcommittee Positions](#)

4., For action

The Board will vote to elect Board officers and Board subcommittee positions for FY 2027.

5. [Report on Current Events and Suggested Future Agenda Items](#)

5. For information

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



6. [Next Meeting](#)

6. For information

The next regularly scheduled meeting of the Joint Boards is scheduled for **Thursday, October 22, 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. The supporting information for this agenda and the You Tube streaming link can be found on our web site at [www.valleymetro.org](http://www.valleymetro.org).



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 1A****SUBJECT**

New Replacement Vehicle Purchases Contract Award - Chevrolet

**COST AND BUDGET**

Cost for the full term is \$406,770 for the replacement of 13 non-revenue vehicles.

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The sources of funds are federal funds and Public Transportation Funds.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to enter into a cooperative contract with Courtesy Chevrolet for the purchase of non-revenue replacement vehicles for an aggregate value not to exceed \$406,770.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 1: Advance performance-based operation
  - o Tactic A: Operate an effective, reliable, high-performing transit system

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

RMC: August 5, 2026, approved

Board of Directors: August 27, 2026, for action

**CONTACT**

Gregg Thompson

Deputy Chief, Bus Maintenance

[gthompson@valleymetro.org](mailto:gthompson@valleymetro.org)

**ATTACHMENT**

A copy of the contract is available for review.

# Background Information

This purchase replaces non-revenue support vehicles that have exceeded their useful life based on both age and accumulated mileage. The existing vehicles have an average age of approximately 10 years and 135,000 miles, placing these vehicles beyond their optimal performance window and increasing the likelihood of mechanical failures, higher maintenance costs, and reduced reliability in supporting rail operations.

Staff have reduced the current year's non-revenue replacement budget by more than \$400,000 through a comprehensive needs assessment, right-sizing vehicles based on actual utilization, and incorporating former Vanpool vehicles into the replacement cycle rather than sending them to surplus. Additionally, transitioning to Chevrolet vehicles through the Arizona State Purchasing cooperative contract has provided further cost efficiencies.

Regular replacement of non-revenue vehicles is a critical component of a sustainable asset management strategy. As vehicles age, they experience increased wear on key systems, diminished parts availability, and declining efficiency—factors that collectively drive higher lifecycle costs and elevate operational risk.

The vehicles being replaced are outlined in Table 1 below:

**Table 1**

| Department      | Vehicle Type          | Year | Mileage |
|-----------------|-----------------------|------|---------|
| Safety/Security | Chevrolet Trailblazer | 2005 | 111,742 |
| Rail Operations | Ford Explorer         | 2013 | 164,970 |
| Rail Operations | Ford Escape           | 2014 | 138,047 |
| Rail Operations | Ford Taurus           | 2015 | 111,862 |
| Rail Operations | Ford Escape           | 2016 | 164,530 |
| Rail Operations | Ford Escape           | 2017 | 160,526 |
| Rail Operations | Ford Escape           | 2017 | 136,160 |
| Rail Operations | Ford Escape           | 2017 | 109,522 |
| Rail Operations | Ford Explorer         | 2017 | 156,180 |
| Safety/Security | Ford Explorer         | 2017 | 122,960 |
| Safety/Security | Ford Escape           | 2018 | 128,188 |
| Rail Operations | Ford Escape           | 2019 | 128,188 |
| Rail Operations | Ford Escape           | 2019 | 117,445 |



Table 2 reflects the type, quantity and cost of the vehicles to be purchased.

**Table 2**

| Vehicle Type                      | Quantity | Cost Each    | Total            |
|-----------------------------------|----------|--------------|------------------|
| Chevrolet Equinox                 | 6        | \$30,338     | \$182,028        |
| Chevrolet Equinox with light bars | 7        | \$32,106     | \$224,742        |
|                                   |          | <b>Total</b> | <b>\$406,770</b> |

It is planned this purchase will use Federal 5307 funds with a 20% match using PTF. Allocations are outlined in Table 3.

**Table 3**

| Fund | Grant Amount 80% | Match Amount 20% | Total     |
|------|------------------|------------------|-----------|
| 5307 | \$325,416        | \$81,354         | \$406,770 |

#### **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 New Vehicles Purchases, contract number CTR059315, was awarded using a competitive process consistent with the Agency'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 May 1, 2026, and end on March 16, 2027, with no options to extend.

# Non-Revenue Chevy Vehicles



1

## Non-Revenue Chevy Vehicles

Replace non-revenue support vehicles that have exceeded their useful life based on both age and accumulated mileage.



2



2

## Recommendation

Authorization for the Chief Executive Officer to enter into a cooperative contract with Courtesy Chevrolet for an amount not to exceed \$406,770 for the purchase of non-revenue replacement vehicles.

3





# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 1B****SUBJECT**

New Replacement Vehicle Purchases Contract Amendment - Ford

**COST AND BUDGET**

Additional contract authority of \$104,401 for the purchase of 10 non-revenue replacement vehicles, increasing the aggregate contract value to \$559,051

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The sources of funds are federal funds and Public Transportation Funds.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to execute a contract amendment with PFVT Motors, LLC dba Peoria Ford for the purchase of non-revenue vehicles and increasing contract authority by \$104,401, for an aggregate value not to exceed \$559,051.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 1: Advance performance-based operation
  - o Tactic A: Operate an effective, reliable, high-performing transit system

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

RMC: August 5, 2026, approved

Board of Directors: August 27, 2026, for action

**CONTACT**

Gregg Thompson

Deputy Chief, Bus Maintenance

[gthompson@valleymetro.org](mailto:gthompson@valleymetro.org)

**ATTACHMENT**

A copy of the contract amendment is available for review.

# Background Information

This purchase replaces existing Maintenance of Way (MOW) non-revenue vehicles that have exceeded their useful life based on both age and accumulated mileage. These vehicles have an average age of approximately 11 years and 141,000 miles, which places these vehicles beyond their optimal performance window and increases the likelihood of mechanical failures, higher maintenance costs, and reduced reliability in supporting rail operations.

Regular replacement of non-revenue vehicles is a critical component of a sustainable asset management strategy. As vehicles age, they experience increased wear on key systems, reduced parts availability, and declining efficiency, all of which contribute to higher lifecycle costs and operational risk. For MOW functions in particular, reliability is essential, as these vehicles directly support track inspections, emergency response, and infrastructure maintenance activities. Unplanned downtime can delay critical repairs, impact service continuity, and introduce safety risks.

On November 13, 2025, the Board approved the purchase of eight non-revenue vehicles for an aggregate contract value not to exceed \$454,650. Following Board approval, a portion of the project funding was reallocated to support higher-priority operational needs. Staff now requests an increase of \$104,401 to the previously authorized contract as well as two additional vehicles, resulting in a revised aggregate contract value not to exceed \$559,051. The vehicles being replaced are outlined in table 1 below:

**Table 1**

| Department | Vehicle Type | Year | Mileage |
|------------|--------------|------|---------|
| MOE        | Ford F-150   | 2008 | 105,000 |
| MOW        | Ford F-150   | 2013 | 124,791 |
| MOW        | Ford F-150   | 2018 | 200,899 |
| MOW        | Ford F-250   | 2016 | 188,830 |
| MOW        | Ford F-250   | 2019 | 125,903 |
| MOW        | Ford F250    | 2019 | 137,428 |
| Facilities | Ford F-250   | 2019 | 144,089 |
| MOW        | Ford Connect | 2012 | 123,910 |
| MOW        | Ford Connect | 2016 | 126,830 |
| Facilities | Ford F-150   | 2013 | 136,762 |

Table 2 reflects the type, quantity and cost of the vehicles to be purchased.

**Table 2**

| Vehicle Type | Quantity | Cost Each    | Total             |
|--------------|----------|--------------|-------------------|
| Ford F-150   | 9        | \$54,686     | \$ 492,174        |
| Ford F-250   | 1        | \$66,877     | \$ 66,877         |
|              |          | <b>Total</b> | <b>\$ 559,051</b> |

The planned funding for this purchase will be Federal 5307 funds with a 20% match using PTF. Allocations are outlined in Table 3.

**Table 3**

| Fund | Grant Amount 80% | Match Amount 20% | Total     |
|------|------------------|------------------|-----------|
| 5307 | \$447,241        | \$111,810        | \$559,051 |

The agency is obligated only once a task order or purchase order is issued for a budgeted line item.

### **CONTRACT TYPE AND TERM**

The contract is an indefinite delivery indefinite quantity contract. The contract began on December 1, 2025, and will end on March 16,2027, with no options to extend.

# Non-Revenue Ford Vehicles



1

## Non-Revenue Ford Vehicles

Replace non-revenue support vehicles that have exceeded their useful life based on both age and accumulated mileage.



2



2

## Recommendation

Authorization for the Chief Executive Officer to execute a contract amendment with PFVT Motors, LLC dba Peoria Ford for the purchase of non-revenue vehicles and increasing contract authority by \$104,401, for an aggregate value not to exceed \$559,051.

3



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 1C****SUBJECT**

Rail Testing Services Contract Award

**COST AND BUDGET**

Cost for the five-year term is \$400,000. The aggregate contract value will not exceed \$400,000.

For FY27, the contract obligation is fully funded within the adopted FY27 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The sources of funds are member cities.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to enter into a contract with Smith-Emery Laboratories, Inc, for rail testing services, with a five-year term and no options to extend. The aggregate value of the contract will not exceed \$400,000.

**STRATEGIC PLAN ALIGNMENT**

- Goal 8: Operational excellence
  - o Tactic 8.2: Codify a comprehensive maintenance and operations program

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

RMC: August 5, 2026, approved

Board of Directors: August 27, 2026, for action

**CONTACT**

Rob Rosenberg

Deputy Chief, Rail Maintenance

[rosenberg@valleymetro.org](mailto:rosenberg@valleymetro.org)

**ATTACHMENT**

A copy of the contract is available for review.

# Background Information

Valley Metro Rail has a combination of girder rail and T-rail that requires annual inspection and non-destructive testing for defects. The contractor will provide all labor, supervision, supplies, machinery, and services to complete the testing. This procurement included the SCE and NWEII new alignments and the streetcar track. 21.5 miles of T-rail and 20 miles of girder rail.

Over time, rail can develop discontinuities originating from either manufacturing defects or from in service use. These discontinuities can be disastrous if they go undetected. Annually Valley Metro's contractor will perform ultrasonic testing to preserve the integrity of the rail. It uses high frequency, directional sound waves to measure material thickness to find head and web separation, horizontal split head, fractures, bolt hole cracks in the rail that are direct, fixated or embedded. The work performed will follow ISO/IEC 17025 testing standards and include measurement of track strength, and rail wear. The contractor is to provide the employees that are capable and trained in the operation of the contractor's testing equipment. Employees must also be trained in the Federal Railroad Administration (FRA) track safety trained. Detailed reports concerning the rail conditions are to be provided detailing the point of defect and measurements identified.

This item has been reviewed and approved by Valley Metro Rail Maintenance staff.

| Year 1   | Year 2   | Year 3   | Year 4   | Year 5   | Total     |
|----------|----------|----------|----------|----------|-----------|
| \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$400,000 |

## PROCUREMENT INFORMATION

An Invitation for Bid procurement was processed in accordance with the Agency's Joint Procurement Manual.

Two offerors submitted proposals deemed responsive and responsible. Staff evaluated the offers based on price and recommends an award to Smith-Emery Laboratories, Inc.

## CONTRACT TYPE AND TERM

The contract is a firm fixed-price, with economic adjustment, contract. The contract will begin on or about January 1, 2027, for a five-year term with no options to extend.

# Rail Testing Services Contract Award



1

## Rail Testing Services Contract Award

Valley Metro Rail has a combination of girder rail and T-rail that requires annual non-destructive rail testing for defects. The contractor will provide all labor, supervision, supplies, machinery, and services to complete the testing.



2

2

## Recommendation

Authorization for the Chief Executive Officer to enter into a contract with Smith-Emery Laboratories, Inc, for rail testing services, with a five-year term and no options to extend. The aggregate value of the contract will not exceed \$400,000.

3



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 1D****SUBJECT**

Light Rail Vehicle and Streetcar Brake Parts Supply Sole Source Contract Award

**COST AND BUDGET**

Cost for the full-term contract is \$1,000,000 and the aggregate contract value will not exceed \$1,000,000.

For FY27, the contract obligation is fully funded within the adopted FY26 Operating and Capital Budget. Contract obligations beyond FY27 are incorporated into the Agency's Five-Year Operating Forecast and Capital Program (FY27 through FY31).

The source is member cities.

**RECOMMENDATION**

Authorization for the Chief Executive Officer to enter a contract with Knorr Brake Company for brake parts supply services with a three-year initial term and two one-year options to extend. The aggregate value of the contract will not exceed \$1,000,000.

**STRATEGIC PLAN ALIGNMENT**

- Goal 8: Operational excellence
  - o Tactic 8.2: Codify a comprehensive maintenance and operations program

**COMMITTEE PROCESS**

RTAG: July 21, 2026, for information

RMC: August 5, 2026, approved

Board of Directors: August 27, 2026, for action

**CONTACT**

Rob Rosenberg

Deputy Chief, Rail Maintenance

[rosenberg@valleymetro.org](mailto:rosenberg@valleymetro.org)

**ATTACHMENT**

A copy of the contract is available for review.

# Background Information

Valley Metro's Operations and Maintenance Center requires a parts inventory of brake components to support its light rail vehicle and streetcar fleet. The selected vendor is the Knorr Brake Company, the original equipment manufacturer and is uniquely qualified to provide these components while ensuring full compatibility and proper interface with the vehicles.

The brake components are engineered to function as an integrated system with other vehicle components. Due to safety, reliability, and performance requirements, these parts cannot be sourced from untested suppliers. This contract is for inventory replenishment only. All installation and maintenance labor will be performed by Valley Metro Rail staff.

## **PROCUREMENT INFORMATION**

In accordance with the Agency's Joint Procurement Manual, standard competition was waived through an approved Determination Memo under the Sole Source – Competition Impracticable provision. The contractor is the original equipment manufacturer of the light rail vehicle and streetcar brake system components and is the only known source capable of providing parts that are fully compatible with the existing fleet.

## **CONTRACT TYPE AND TERM**

The contract is an indefinite delivery indefinite quantity contract. The contract will begin on or about September 1, 2026, and end August 31, 2031, with no options to extend.

# LRV and StreetCar Brake Parts Supply Contract Award



1

## LRV and StreetCar Brake Parts Supply Contract Award

Valley Metro's Operations and Maintenance Center requires a parts inventory of brake components to support its light rail vehicle and streetcar fleet. The selected vendor is the Knorr Brake Company, the original equipment manufacturer and is uniquely qualified to provide these components while ensuring full compatibility and proper interface with the vehicles.

Caliper



Electro-Hydraulic Unit



Electronic Control Unit



2



2

## Recommendation

Authorization for the Chief Executive Officer to enter a contract with Knorr Brake Company for brake parts supply services with a three-year initial term and two one-year options to extend. The aggregate value of the contract will not exceed \$1,000,000.

3



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 1E****SUBJECT**

Federal Transit Administration Pass-Through Grant Agreement – Extension (5309)

**COST AND BUDGET**

Valley Metro has Federal Transit Administration (“FTA”) funding of \$27,499,128 remaining from section 5309 grant program.

All expenses are in the approved FY 2026 Adopted 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**

Authorization for the Chief Executive Officer to execute an intergovernmental agreement extension with the City of Phoenix for the listed grant.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 9: Financial sustainability
  - o Tactic 9.3: Maximize revenue generation.

**COMMITTEE PROCESS**

RTAG: May 19, 2026 for information

RMC: June 3, 2026 approved

Board of Directors: August 27, 2026 for action

**CONTACT**

Ken Kessler

Chief Financial Officer

[kkessler@valleymetro.org](mailto: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 Funds and member agency budgets.

The table below summarizes the extension needed to spend down remaining funding.

| Grant       | FTA Program  | Remaining Grant Balance | Extension |
|-------------|--------------|-------------------------|-----------|
| AZ-2021-001 | Section 5309 | \$27,499,128            | 6/30/2028 |

- The remaining grant balance for the South Central Extension project will be used to cover the remaining project costs. The extension is needed to provide additional time to complete outstanding work, pay for the light rail vehicles, and pay for real estate costs before the grant expires on August 5, 2026.

# Federal Transit Administration Pass-Through Grant Agreement- Extension



1

## FTA Pass-Through Grant Agreements

| Grant       | FTA Program  | Remaining Grant Balance | Extension |
|-------------|--------------|-------------------------|-----------|
| AZ-2021-001 | Section 5309 | \$27,499,128            | 6/30/2028 |

- Current IGA end date is 8/5/2026
- Funding for South Central Extension project
- Additional time to complete outstanding work, pay for the light rail vehicles, and pay for real estate costs

2



2

## Recommendation

Authorization for the Chief Executive Officer to execute an IGA extension with the City of Phoenix for the listed grant.

3



# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 2****SUBJECT**

In House Station Light Rail Station Painting Program

**COST AND BUDGET**

Total FY27 costs, including contractor services, one-time implementation expenses, and startup of internal operations, are projected to be approximately \$1,259,744. Upon full insourcing in FY28, the program is expected to generate annual savings of approximately \$1,200,000.

For FY27, all costs are fully funded within the adopted FY27 Valley Metro Operating and Capital Budget. Program operations costs beyond FY27 are incorporated into the Agency's Five-Year Operating and Capital Forecast (FY27-31).

**RECOMMENDATION**

Authorization for the Chief Executive Officer to initiate a phased transition to an internally managed Light Rail Station Painting Program to support a comprehensive maintenance and operations program.

**COMMITTEE PROCESS**

Procurement & Business Practices Ad Hoc Committee: June 22, 2026

RTAG: July 20, 2026, for information

Intergov: July 20, for information

Board of Directors: August 27, 2026, for action

**CONTACTS**

Rob Rosenberg

Deputy Chief, Rail Maintenance

[rosenberg@valleymetro.org](mailto:rosenberg@valleymetro.org)

**ATTACHMENT**

In House Light Rail Station Painting Program Insourcing – PowerPoint

# Background Information

Transitioning light rail station painting activities from the current Job Order Contracting (JOC) model to an internally staffed and managed maintenance program. A comprehensive operational and financial evaluation indicates that insourcing station painting will significantly reduce long-term costs while improving operational control, scheduling flexibility, asset appearance standards, and responsiveness to system maintenance needs.

Based on current projections, the existing outsourced model will cost approximately \$10.7 million over a five-year period. By comparison, the proposed in-house model is projected to cost approximately \$4.95 million during the same period, including personnel, vehicles, equipment, materials, and implementation costs.

The proposed approach generates an estimated five-year cost avoidance of \$5.76 million while establishing internal capabilities that can be leveraged for future system expansion and ongoing asset preservation initiatives.

## **I. Current State:**

Passenger station painting is currently delivered through Valley Metro's Job Order Contracting (JOC) program. Work is performed through a combination of contractor self-performance and subcontracted services.

Under the current model:

- Station locations, priorities, and schedules are established by the Facilities Maintenance Manager.
- Project administration and contractor oversight are performed through Capital Development's Office Engineer and JOC Project Manager.
- Individual projects require proposal development, review, approval, and task-order execution before work can commence.
- Painting activities compete with other contractor priorities and available resources.
- The projected five-year expenditure for the current outsourced model is approximately \$10,703,219, assuming repainting of four light rail stations annually.

While this delivery method provides access to external resources, it introduces additional administrative oversight, procurement lead times, and contractor markups that increase total lifecycle costs.

## **II. Future State:**

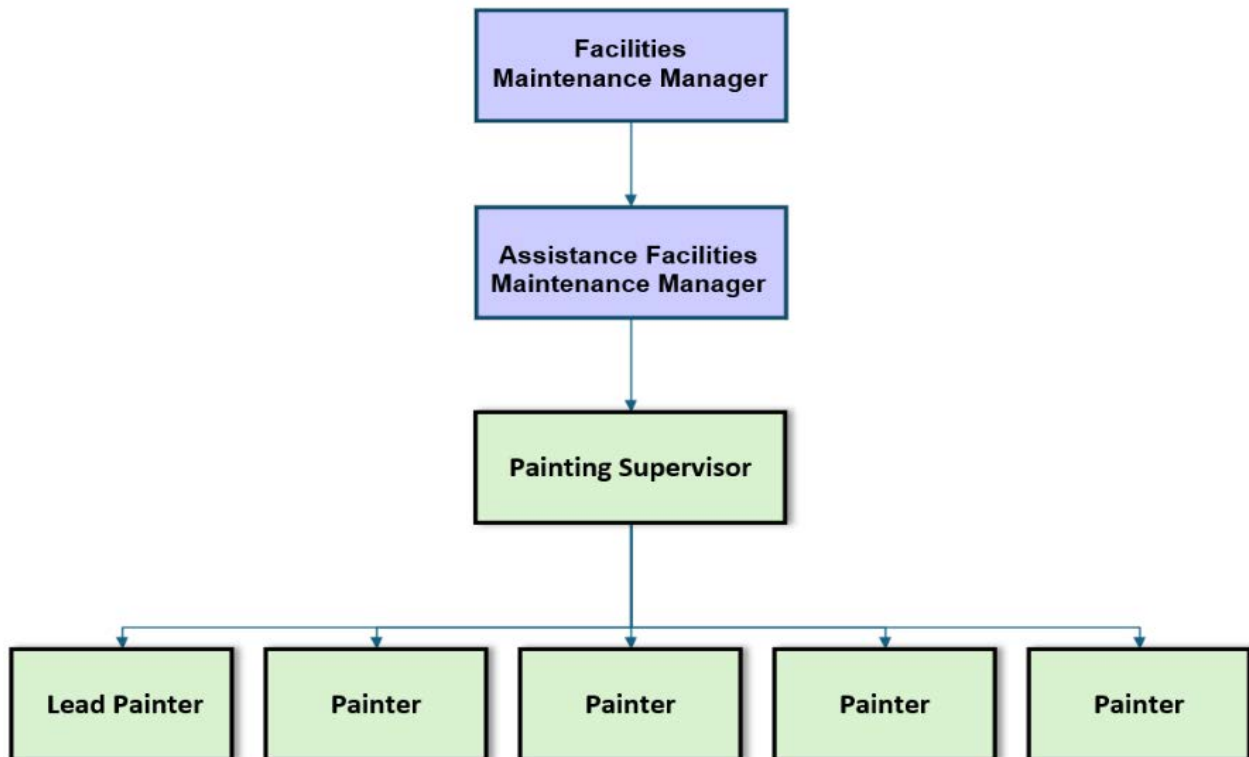
The proposed future state establishes a dedicated in-house station painting team responsible for delivering all scheduled station painting activities throughout the Valley Metro light rail system.

The proposed model includes:

- Hiring six full-time employees, including supervisory and field staff.
- Procurement of specialized vehicles, tools, equipment, and safety resources.
- Development of internal work procedures, quality standards, and training programs.
- Direct scheduling and management of painting activities by Operations and Maintenance personnel.
- Elimination of recurring contractor overhead, profit margins, and procurement-related delays.

The projected five-year cost of the in-house model is approximately \$4,947,722.

In addition to reducing expenditures, the proposed structure creates a dedicated maintenance capability that can respond quickly to emerging asset conditions, graffiti remediation requirements, customer experience initiatives, and system expansion needs.



### III. Organizational Impact:

The transition to an internal painting program will require coordination across several departments; however, impacts are manageable and largely limited to startup activities.

| Department                             | Impact      | Discussion                                                                                                                                                                                                      |
|----------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Operations Maintenance</b>          | Significant | Responsibilities include supervision of personnel, work planning, performance management, and integration of painting activities into existing maintenance operations.                                          |
| <b>Human Resources</b>                 | Moderate    | Responsibilities include recruitment, onboarding, classification support, and workforce development.                                                                                                            |
| <b>Non-Revenue Vehicle Maintenance</b> | Moderate    | Additional fleet assets will require preventive maintenance and lifecycle management. Existing processes and resources are sufficient to absorb the incremental workload.                                       |
| <b>Capital Development</b>             | Positive    | Current contractor management, proposal review, and task-order administration responsibilities associated with station painting will be eliminated, allowing staff to focus on core capital delivery functions. |

#### IV. Implementation Timeline and Costs

The total startup funding needed is \$1,259,774, which covers all initial expenditures necessary for establishment and commencement of operations.

Staff: \$586,564

Tools/Equip/Materials: \$484,210

Vehicles: \$189,000

|                       | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|-----------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Staffing</b>       |    |    |    |    |    |    |    |    |    |     |     |     |
| Hire Supervisor       |    |    |    |    |    |    |    |    |    |     |     |     |
| Hire Technicians      |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Vehicles</b>       |    |    |    |    |    |    |    |    |    |     |     |     |
| Order                 |    |    |    |    |    |    |    |    |    |     |     |     |
| Delivery              |    |    |    |    |    |    |    |    |    |     |     |     |
| Commisioning          |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Equipment</b>      |    |    |    |    |    |    |    |    |    |     |     |     |
| Order                 |    |    |    |    |    |    |    |    |    |     |     |     |
| Delivery              |    |    |    |    |    |    |    |    |    |     |     |     |
| Commisioning          |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Tools/Supplies</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| Training              |    |    |    |    |    |    |    |    |    |     |     |     |
| Commencement          |    |    |    |    |    |    |    |    |    |     |     |     |

#### Vehicles:

A box truck and a flatbed truck will be utilized to support station painting activities. The box truck will be used to transport painting materials, tools, equipment, and supplies, while the flatbed truck will be used to haul larger equipment, lifts, scaffolding, and bulk materials as needed.

#### Equipment:

A transport trailer and various lift equipment will be used to perform station painting activities. The transport trailer will be utilized to move materials, tools, and equipment between work locations, while lift equipment will provide safe and efficient access to elevated surfaces requiring preparation and painting.

#### Tools:

The following tools and equipment will be used to perform painting work: a generator, paint sprayer, air compressor, electric and pneumatic tools, and various hand tools. These resources will support surface preparation, paint application, equipment operation, and general construction activities necessary to complete the painting work safely and efficiently.

### V. Budget and Financial Analysis

A financial comparison of the two delivery models demonstrates a compelling business case for insourcing.

#### Five-Year Cost Comparison

- Current Outsourced Model: \$10,703,219
- Proposed In-House Model: \$4,947,722
- Five-Year Cost Avoidance: \$5,755,497

- Percentage Reduction in Cost: 53.8%

The implementation of the in-house program requires approximately \$673,436 million in startup investment, including vehicles, tools, equipment, and materials.

### Payback Period

Based on projected annual savings of approximately \$1.15 million, the initial investment is expected to be recovered in approximately 13 months.

This analysis demonstrates that the proposed in-house model not only lowers operating costs but also provides rapid financial recovery and sustained long-term value.

|                       | Year 1        | Year 2          | Year 3          | Year 4          | Year 5          |
|-----------------------|---------------|-----------------|-----------------|-----------------|-----------------|
|                       | In House      | In House        | In House        | In House        | In House        |
| Total Each Year       | \$ 765,254.00 | \$ 865,749.00   | \$ 892,072.00   | \$ 911,219.00   | \$ 945,218.00   |
| Total Through 5 Years |               | \$ 2,199,213.00 | \$ 3,091,285.00 | \$ 4,002,504.00 | \$ 4,947,722.00 |

## VI. Weighted Analytical Matrix

A weighted decision matrix was utilized to objectively evaluate the outsourced and insourced delivery models. Evaluation criteria were selected based on their strategic importance to Valley Metro's operational goals, financial stewardship, customer experience objectives, and asset management responsibilities.

### Methodology

Each criterion was assigned a percentage weight reflecting its relative importance. Both alternatives were then scored on a five-point scale, where:

5 = Excellent

4 = Good

3 = Acceptable

2 = Below Expectations

1 = Poor

Scores were multiplied by their assigned weights to calculate a weighted total for each option.

| Criteria | Weight | Description / Rationale                                                                                                                                                                                                              | Insource | Outsource |
|----------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------|
| Cost     | 40%    | Cost was assigned the highest weighting due to the significant financial impact of the decision. The in-house model achieved the highest score because it delivers substantial long-term savings and eliminates contractor overhead. | 5        | 3         |
| Control  | 25%    | Direct management of staff, priorities, schedules, and quality standards provides significantly greater operational control than the contractor-based model.                                                                         | 5        | 2         |
| Agility  | 15%    | Internal resources can be reassigned and scheduled more rapidly in response to changing operational priorities, customer concerns, or emerging maintenance requirements.                                                             | 4        | 3         |
| Quality  | 12%    | Dedicated Valley Metro personnel enable greater oversight, consistency, accountability, and adherence to established appearance standards.                                                                                           | 4        | 3         |
| Risk     | 8%     | While insourcing introduces workforce management responsibilities, these risks are considered manageable and are outweighed by the operational and financial benefits.                                                               | 2        | 4         |
|          | 100%   |                                                                                                                                                                                                                                      | 4.49     | 2.83      |
|          |        |                                                                                                                                                                                                                                      |          |           |

## VII. Risk Analysis and Mitigation

Although the proposed transition introduces new operational responsibilities, identified risks are manageable and can be mitigated through established organizational practices.

| Owner                     | Risk                    | Mitigation Strategy                                                                                                                              |
|---------------------------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Operations<br>Maintenance | Workforce<br>Management | Establish a dedicated Painting Supervisor position responsible for workforce oversight, training, performance management, and safety compliance. |

|                 |                                          |                                                                                                                             |
|-----------------|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Human Resources | Recruitment and Staffing                 | Utilize existing recruitment processes, workforce planning tools, and onboarding programs to support staffing requirements. |
| Maintenance     | Fleet and Equipment Maintenance          | Integrate new vehicles and equipment into existing preventive maintenance schedules and asset management programs.          |
| Maintenance     | Knowledge Transfer and Startup Readiness | Develop standardized operating procedures, training programs, and quality assurance processes prior to program launch.      |

## VIII. Recommendation

Based on the financial analysis, operational assessment, and weighted decision matrix results, it is recommended that Valley Metro transition light rail station painting activities from the current outsourced JOC model to a dedicated in-house operation.

The proposed program is projected to reduce five-year expenditures by approximately \$5.76 million and recover startup costs in just over one year. In addition to significant financial benefits, the in-house model provides enhanced operational control, improved responsiveness, greater scheduling flexibility, and stronger accountability for asset appearance standards.

This initiative aligns with Valley Metro's commitment to fiscal responsibility, asset stewardship, and delivering exceptional customer experience throughout the transit system.

Success of the program will be evaluated through the following key performance indicators:

- Completion of four passenger station painting projects annually.
- Annual program expenditures maintained at or below approved budget levels.
- Achievement of established quality and appearance standards.
- Reduction in contractor-related administrative workload.
- Positive customer and stakeholder feedback regarding station appearance and condition.

# In-House Light Rail Station Painting Program



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## In-House Light Rail Station Painting Program

- Hire six full-time employees, including supervisory and field staff
- Purchase specialized vehicles, tools, equipment and safety resources
- Current outsourced model - \$10,703,219
- Proposed In-House model - \$4,947,722
- Five-Year cost avoidance - \$5,755,467
- Resulting in a 53.8% reduction



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## Recommendation

Authorization for the Chief Executive Officer to initiate a phased transition to an internally managed Light Rail Station Painting Program to support a comprehensive maintenance and operations program.

3





# Executive Summary

**DATE**

July 29, 2026

**AGENDA ITEM 3****SUBJECT**

Proposition 400 Transit Life Cycle Program (TLCP) - Rail Update

**COST AND BUDGET**

The proposed changes to the TLCP rail model have already been incorporated into the approved FY2027 Operating and Capital Budgets and the Five-Year Operating and Capital Forecasts. Revenues and expenditures forecast within the TLCP are balanced as required by State Statute.

**RECOMMENDATION**

Approval of the Prop 400 Transit Life Cycle Program Update.

**STRATEGIC PLAN ALIGNMENT**

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

- Goal 9: Financial Sustainability
  - o Initiative 9.1: Develop and maintain short and long-term financial forecasts and cash reserve policies to ensure an ongoing financially balanced program.

**COMMITTEE PROCESS**

RTAG: July 21, 2026 for information

RMC: August 5, 2026 approved

Board of Directors: August 27, 2026 for action

**CONTACT**

Ken Kessler

Chief Financial Officer

[kkessler@valleymetro.org](mailto:kkessler@valleymetro.org)

**ATTACHMENT**

None

# Background Information

## BACKGROUND | DISCUSSION | CONSIDERATION

The TLCP was developed in 2005 to provide guidance on implementing the transit component of the Regional Transportation Plan (RTP). The TLCP includes Guiding Principles, policies, procedures, and financial forecasts to ensure that the program is balanced. Information presented in the TLCP is a 20-year summary encompassing the life of the Maricopa County Transportation Excise Tax authorized by Proposition 400.

Following the last Board-approved TLCP update in May 2025, ADOT issued its official revenue forecast in October 2025. However, due to the expiration of Prop 400, this 2026 Update utilizes current FY26 actual revenues rather than the October 2025 ADOT forecast. Based on the current actuals, total Prop 400 PTF revenues for VMR reflect a decrease of \$0.5 million compared to the 2024 ADOT Forecast baseline used in the previous update.

| Fiscal Year  | 2024 Forecast        | Actuals              | \$ Change          | % Change      |
|--------------|----------------------|----------------------|--------------------|---------------|
| FY25         | \$110,201,000        | \$110,525,000        | \$ 324,000         | 0.3%          |
| FY26         | 68,218,000           | 67,438,000           | (780,000)          | (1.1)%        |
| <b>Total</b> | <b>\$178,419,000</b> | <b>\$177,963,000</b> | <b>\$(456,000)</b> | <b>(0.3)%</b> |

*NOTE: Lagging Prop 400 revenues are still being received, so FY26 is not yet final.*

### Rail/High-Capacity Transit Program

The most significant change in the 2026 TLCP Update is the prioritization of the West Phoenix Extension (WPE) ahead of the Capitol and I-10 West Extensions, which are now deferred. Unused Prop 400 PTF originally slated for the Capitol capital project and I-10 West planning is reallocated to cover the WPE planning and capital phases. Planning expenditures for the WPE commenced in FY26, with capital funding scheduled to begin in FY30 and revenue service projected for FY37.

The 2026 Update also replaces two totaled light rail vehicles (LRVs) under the State of Good Repair (SOGR) program. Additionally, it programs higher estimated costs for the two Northwest Phase II LRVs. Lastly, cost projections have been adjusted for the Tempe Streetcar and South Central Extension concurrent non-project activities (CNPAs).

The remaining Prop 400 projects are shown below by fiscal year.

| Prop 400 Projects Remaining | 2025 TLCP Open Year | 2026 TLCP Open Year |
|-----------------------------|---------------------|---------------------|
| Tempe Streetcar             | 2022                | 2022                |
| Northwest Phase II          | 2024                | 2024                |
| South Central               | 2025                | 2025                |
| Capitol                     | 2029                | TBD                 |
| West Phoenix                | N/A                 | 2037                |

**NOTES:**

- All unused Prop PTF from the Capitol Extension is being reprogrammed to West Phoenix now that West Phoenix has been prioritized by the City of Phoenix.
- Tempe Streetcar, Northwest Extension II, and the South Central Extension are currently in revenue service but still have outstanding costs.

Prop 400 PTF programming after 2026 is as follows:

| Project                 | 2027           | 2028         | 2029         | 2030          | Total         |
|-------------------------|----------------|--------------|--------------|---------------|---------------|
| Northwest Phase II      | \$ -           | \$0.9        | \$2.8        | \$ -          | \$ 3.7        |
| West Phoenix            | -              | -            | -            | 48.8          | 48.8          |
| South Central           | (13.2)         | -            | -            | -             | (13.2)        |
| Capitol                 | 0.1            | -            | -            | -             | 0.1           |
| Corridor Planning (WPE) | 5.2            | 4.7          | 4.9          | 1.9           | 16.7          |
| <b>Total</b>            | <b>\$(7.9)</b> | <b>\$5.6</b> | <b>\$7.7</b> | <b>\$50.7</b> | <b>\$56.1</b> |

*NOTE: Negative amounts indicate reimbursements of Prop 400 PTF.*

**ISSUES FOR FURTHER CONSIDERATION**

The rail program financial model is fully programmed for current projects as well as the West Phoenix Extension. There is also uncertainty relating to real estate litigation for the Northwest Phase II and South Central Extensions. Until these obligations are finalized, the amount of Prop 400 PTF available for the West Phoenix Extension will continue to fluctuate.



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## Transportation Excise Tax

Proposition 400 was approved in November 2004

- Half-cent sales tax for Maricopa County
  - Extension of tax approved in 1985 for freeway improvements
- Provides funding for freeway, arterial, and transit improvements
- Funding allocations are in State statutes, and revenues cannot be transferred between programs
  - 33.3% for transit program
  - 56.2% for freeway program
  - 10.5% for arterial program

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## Prop 400 TLCP Policy Allocations

RPTA Board adopted policies for the Prop 400 TLCP in October 2005

- Transit PTF allocated to bus and rail programs
  - 56.76% annually to bus program
  - 43.24% annually to rail program
- Each program has a financial model to ensure balanced revenues and expenditures

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## 2026 Update Overview

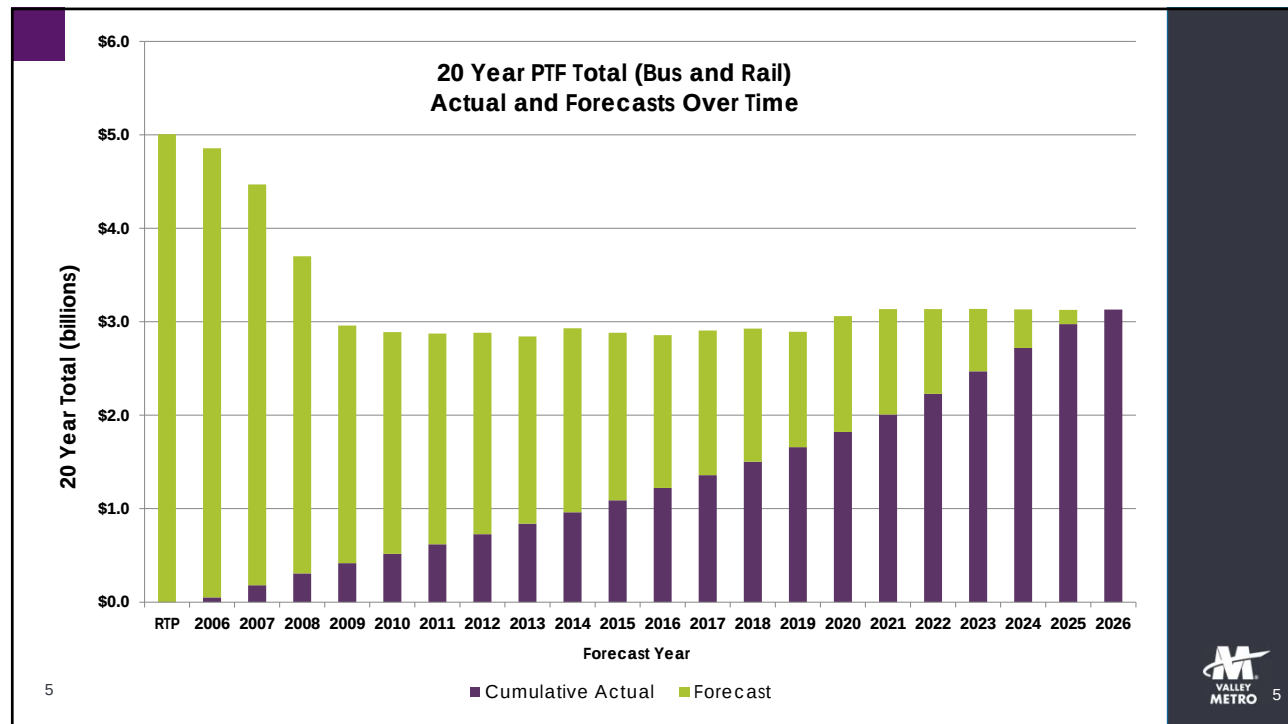
- Most recent approved update to the TLCP was September 2025
- Updated AZ Dept of Transportation (ADOT) PTF Forecast in October 2025
- Updated revenue and expenditure estimates
- Updated capital project timelines
- Prioritization of West Phoenix Extension
- LRV purchases (SOG & NWEII)

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**Rail Prop 400 PTF: Actuals vs. 2024 ADOT Forecast**  
\$ in Millions

| Fiscal Year  | 2024 Forecast        | Actuals              | \$ Change          | % Change      |
|--------------|----------------------|----------------------|--------------------|---------------|
| FY25         | \$110,201,000        | \$110,525,000        | \$ 324,000         | 0.3%          |
| FY26         | 68,218,000           | 67,438,000           | (780,000)          | (1.1)%        |
| <b>Total</b> | <b>\$178,419,000</b> | <b>\$177,963,000</b> | <b>\$(456,000)</b> | <b>(0.3)%</b> |

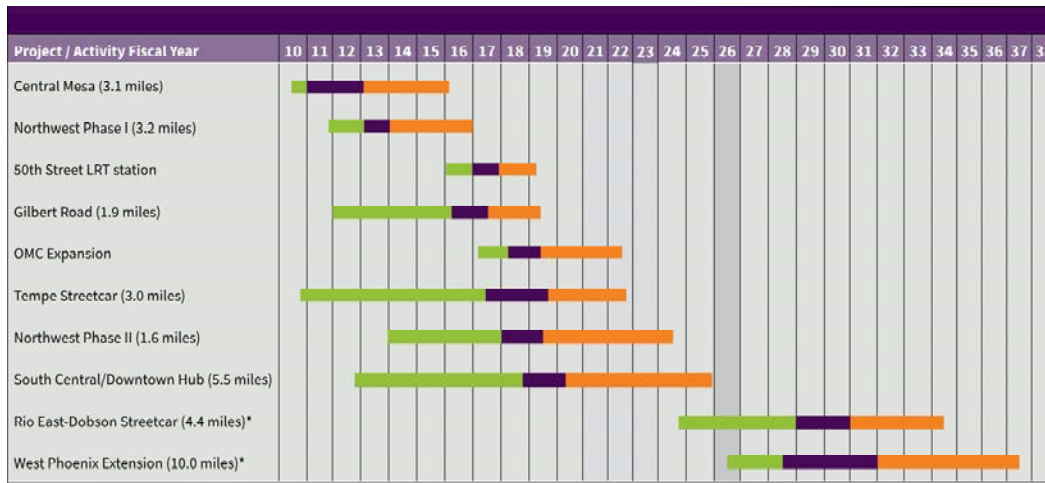
*NOTE: Lagging Prop 400 revenues are still being received, so FY26 is not yet final.*

6

VALLEY METRO

6

## Capital Project Schedule



### LEGEND

Project Development Design Construction and Testing

\*The West Phoenix and Rio East-Dobson Streetcar Extensions are in the project development phases. Project schedules will be refined as development continues.

7 NOTE: Rio East-Dobson is not funded with Prop 400.



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## Start of Revenue Service by Fiscal Year

### Changes Since 2025 Update

| Prop 400 Projects Remaining | 2025 TLCP Open Year | 2026 TLCP Open Year |
|-----------------------------|---------------------|---------------------|
| Tempe Streetcar             | 2022                | 2022                |
| Northwest Phase II          | 2024                | 2024                |
| South Central/DH            | 2025                | 2025                |
| Capitol                     | 2029                | TBD                 |
| West Phoenix                | N/A                 | 2037                |

### NOTES:

- All unused PTF from the Capitol Extension is being reprogrammed to West Phoenix now that West Phoenix has been prioritized by Phoenix.
- Tempe Streetcar, Northwest Extension II, and the South Central Extension are currently in revenue service but still have outstanding costs.

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## Changes from 2025 Update

- SOGR: Replace two totaled LRVs
- Higher costs for the two NWEI LRV vehicles
- Modified concurrent non-project activities (CNPA) costs for SCE & TSC
- Capitol Extension and I-10 West projects deferred & West Phoenix reprioritized (advanced to 2037 revenue service)
  - Unused Capitol Extension capital and I-10 WEST planning PTF reallocated to West Phoenix
    - West Phoenix planning costs began in FY26
    - West Phoenix capital costs begin in FY30

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## Prop 400 Programming After FY2026

\$ in Millions

| Project                 | 2027           | 2028         | 2029         | 2030          | Total         |
|-------------------------|----------------|--------------|--------------|---------------|---------------|
| Northwest Phase II      | \$ -           | \$0.9        | \$2.8        | \$ -          | \$ 3.7        |
| West Phoenix            | -              | -            | -            | 48.8          | 48.8          |
| South Central           | (13.2)         | -            | -            | -             | (13.2)        |
| Capitol                 | 0.1            | -            | -            | -             | 0.1           |
| Corridor Planning (WPE) | 5.2            | 4.7          | 4.9          | 1.9           | 16.7          |
| <b>Total</b>            | <b>\$(7.9)</b> | <b>\$5.6</b> | <b>\$7.7</b> | <b>\$50.7</b> | <b>\$56.1</b> |

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## 2026 Update Corridor Cost Estimates

\$ in Millions

| Corridor Extensions                 | 2025<br>Total    | Base             | Utilities      | 2026<br>Total    | Change           |
|-------------------------------------|------------------|------------------|----------------|------------------|------------------|
| Central Mesa                        | \$ 181.6         | \$ 181.0         | \$ 0.6         | \$181.6          | \$ -             |
| Northwest Phase I                   | 323.1            | 292.0            | 31.1           | 323.1            | -                |
| Gilbert Road                        | 178.0            | 180.2            | -              | 180.2            | 2.2              |
| Tempe Streetcar                     | 206.9            | 200.4            | 5.7            | 206.1            | (0.8)            |
| Northwest Phase II                  | 381.2            | 308.8            | 77.9           | 386.7            | 5.5              |
| South Central/DH                    | 1,369.6          | 1,144.9          | 226.7          | 1,371.6          | 2.0              |
| Capitol                             | 379.5            | 26.7             | -              | 26.7             | (352.8)          |
| I-10 West                           | -                | -                | -              | -                | -                |
| West Phoenix                        | -                | 76.8             | -              | 76.8             | 76.8             |
| <b>Subtotal Corridor Extensions</b> | <b>\$3,019.9</b> | <b>\$2,410.8</b> | <b>\$342.0</b> | <b>\$2,752.8</b> | <b>\$(267.1)</b> |

11 NOTE: Includes Prop 400 project costs through FY30.



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## 2026 Update Other Capital Costs

\$ in Millions

| Other Capital Costs                 | 2025<br>Total  | Base           | Utilities     | 2026<br>Total  | Change        |
|-------------------------------------|----------------|----------------|---------------|----------------|---------------|
| LRV Acquisition                     | \$103.4        | \$103.2        | \$ -          | \$103.2        | \$(0.2)       |
| 50th Street Station                 | 23.6           | 23.6           | -             | 23.6           | -             |
| OMC Expansion                       | 60.8           | 60.9           | -             | 60.9           | 0.1           |
| CP/EV Regional Reimbursements       | 272.4          | 198.8          | 73.6          | 272.4          | -             |
| State of Good Repair                | 77.6           | 85.6           | -             | 85.6           | 8.0           |
| Systemwide Improvements             | 37.7           | 38.1           | -             | 38.1           | 0.4           |
| Corridor Planning/CPDA              | 82.6           | 151.6          | -             | 151.6          | 69.0          |
| Design Standards & System Planning  | 96.9           | 94.3           | -             | 94.3           | (2.6)         |
| <b>Subtotal Other Capital Costs</b> | <b>\$755.0</b> | <b>\$756.1</b> | <b>\$73.6</b> | <b>\$829.7</b> | <b>\$74.7</b> |

12 NOTE: Includes Prop 400 project costs through FY30.



12

## 2026 Update Capital Revenues

\$ in Millions

| Revenues                        | 2025 Update      | 2026 Update      | Change           | % Change     |
|---------------------------------|------------------|------------------|------------------|--------------|
| PTF                             | \$1,354.1        | \$1,355.0        | \$ 0.9           | 0.1%         |
| FTA 5309                        | 1,136.4          | 944.1            | (192.3)          | -16.9%       |
| CMAQ                            | 441.4            | 504.7            | 63.3             | 14.3%        |
| Other federal                   | 51.0             | 52.1             | 1.1              | 2.2%         |
| Phoenix T2050                   | 770.3            | 697.0            | (73.3)           | -9.5%        |
| Mesa                            | 16.2             | 16.8             | 0.6              | 3.7%         |
| Glendale                        | 0.1              | 0.1              | -                | 0.0%         |
| Tempe                           | 18.3             | 19.3             | 1.0              | 5.5%         |
| Chandler                        | 0.8              | 0.8              | -                | 0.0%         |
| MAG / RPTA                      | 19.9             | 19.9             | -                | 0.0%         |
| Interest / Other                | 21.4             | 31.2             | 9.8              | 45.8%        |
| <b>Subtotal Capital Revenue</b> | <b>\$3,829.9</b> | <b>\$3,641.0</b> | <b>\$(188.9)</b> | <b>-4.9%</b> |

13 NOTE: Includes Prop 400 project revenues through FY30.



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## 2026 Update Cash Flow Summary

\$ in Millions

|                                                           | Prop 400<br>TLCP Totals | Funding<br>Surplus/<br>(Shortfall) |
|-----------------------------------------------------------|-------------------------|------------------------------------|
| Total Program Revenues                                    | \$3,643.4               |                                    |
| Total Base Program Cost                                   | (3,184.9)               |                                    |
| Funding surplus before PTF utility expenses and financing |                         | 458.5                              |
| Non-Prior Right Utility Relocations                       | (415.7)                 | 42.8                               |
| <u>Financing</u>                                          | <u>Proceeds</u>         | <u>Debt Service</u>                |
| Series 2009/2016/2019                                     | \$83.6                  | (\$102.2)                          |
| Series 2014                                               | 134.8                   | (156.4)                            |
| Advance Funds by Phoenix                                  | 60.0                    | (62.3)                             |
| Total Financing                                           | \$278.4                 | (\$320.9)                          |
| Total Program Cost 2026                                   | (\$3,643.1)             |                                    |
| <b>Net Fund Balance</b>                                   |                         | <b>\$0.3</b>                       |

14 NOTE: Includes Prop 400 project revenues and expenditures through FY30.



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## Issues for Further Consideration

- Rail financial model is fully programmed
- Ongoing capital project costs remain, including real estate litigation.
- Remaining Prop 400 PTF balance for West Phoenix is still being finalized.

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## Recommendation

Approval of the Prop 400 Transit Life Cycle Program Update.

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# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 4****SUBJECT**

Fiscal Year 2027 (FY27) Election of Valley Metro RPTA Board Officers and Subcommittee Positions

**COST AND BUDGET**

There is no cost associated with this item.

**RECOMMENDATION**

Letters of interest were received and based on those letters the slate of Board Officers and Subcommittee members listed below are presented for approval.

**Board Officers (July 1, 2026 – June 30, 2027)**

- VMR Board Chair – Councilmember Francisco Heredia, City of Mesa
- VMR Board Vice Chair – Councilmember Ann O'Brien, City of Phoenix

**Valley Metro RPTA and Valley Metro Rail Joint Board Subcommittee (July 1, 2026 – June 30, 2027)**

- Councilmember Francisco Heredia, City of Mesa
- Councilmember Ann O'Brien, City of Phoenix

**COMMITTEE PROCESS**

Board of Directors: August 19, 2026

**CONTACT**

Pat Dillon

Manager, Executive and Board Initiatives

[pdillon@valleymetro.org](mailto:pdillon@valleymetro.org)

**ATTACHMENT**

Letters of interest are available upon request

# Executive Summary

**DATE**

August 19, 2026

**AGENDA ITEM 5****SUBJECT**

Report on Current Events and Suggested Future Agenda Items

**COST AND BUDGET**

None

**RECOMMENDATION**

This item is presented for information only.

**BACKGROUND/DISCUSSION/CONSIDERATION**

None

**COMMITTEE ACTION**

None

**CONTACT**

Jessica Mefford-Miller

Chief Executive Officer

[jmeffordmiller@valleymetro.org](mailto:jmeffordmiller@valleymetro.org)

**ATTACHMENT**

None