Meetings of
BOARDS OF DIRECTORS

Joint Boards of Directors

Valley Metro RPTA

Valley Metro Rail

Date:
September 18, 2025

Starting Time:
11:15 a.m.

Meetings to occur sequentially

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

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

Agenda

September 11, 2025

Joint Meeting Agenda
Valley Metro RPTA
And
Valley Metro Rail
Thursday, September 18, 2025
Valley Metro, 101 N. 1st Avenue, 10th 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.	Chief Executive Officer's Report Jessica Mefford-Miller, CEO, will brief the Joint Boards of Directors on current issues.	2. For information
3.	Audit and Finance Subcommittee Update Councilmember White, AFS Chair, will provide an update on the discussions and actions taken at the September AFS meeting.	3. For information

CONSENT AGENDA

4A.	Minutes Minutes from the August 28, 2025, Joint Boards meeting are presented for approval.	4A. For action

4B. Non-Revenue Fleet Maintenance Services Contract Amendment — 4B. For action

Staff recommends that the Boards of Directors authorize the Chief Executive Officer to execute a contract amendment with All Fleet Services, LLC, to extend the contract through October 11, 2027, and increase the aggregate value of the contract not to exceed $1,210,000.

4C. October 2025 Service Changes — 4C. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to implement the October 2025 Valley Metro bus and rail service changes.

4D. FY 2026 Intergovernmental Agreement with Maricopa Association of Governments (MAG) — 4D. For action

Staff recommends that the Boards of Directors authorize the Chief Executive Officer to enter into an agreement for the Management and Administration of the Transit Life Cycle Program (TLCP) for FY 2026.

REGULAR AGENDA

5. Joint Ad-hoc Committee — 5. For action

It is recommended that the Boards of Directors establish an Ad Hoc Committee to review business practices and contracting and procurement strategy and report back to the Boards of Directors with their findings, observations or recommendations, including opportunities identified for efficiencies to Valley Metro's business practices, contracting and procurement practices.

6. Travel and Expenditures — 6. For information

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

7.	Report on Current Events and Suggested Future Agenda Items Chair Adams will provide members the opportunity to report on current events and suggest future agenda items for consideration.	7. For information
8.	Next Meeting The next meeting of the Joint Boards meeting is scheduled for **October 16, 2025 at 11:15 a.m.**	8. For information

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

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 1

SUBJECT
Public Comment

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

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

CONTACT
Jessica Mefford-Miller
Jmeffordmiller@valleymetro.org

ATTACHMENT
None

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 2

SUBJECT
Chief Executive Officer's Report

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
This item is presented for information only.

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

ATTACHMENT
None

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 3

SUBJECT
Audit and Finance Subcommittee (AFS) Update

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

BACKGROUND | DISCUSSION | CONSIDERATION
The Audit and Finance Subcommitte met on Thursday, September 4, 2025.

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Meeting Minutes

September 11, 2025 **AGENDA ITEM 3A**

Audit and Finance Subcommittee
Thursday, September 3, 2025
Boardroom/Webex
12:00 p.m.

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

The Chair called the meeting to order at 12:00 p.m. Pat will you please call the roll.

Yes ma'am, good afternoon, everyone.

City of Avendale Councilmember Max White. Present.
Town of Fountain Hills Councilmember Peggy McMashon. Present.
City of Phoenix Councilmember Laura Pastor. Present.
City of Tempe Councilmember Jennifer Adams? Present.
City of Tolleson Vice Mayor Jimmy Davis?

Ms. Dillon said Chair we are ready to proceed. We do have a quorum.

Chair White said thank you so much Pat. Thank you members. If a committee member would like to ask a question or make a comment during the meeting, please type your comment in the box and it will be read allowed and answer all meeting attendees, please mute your computer or microphone or phones.

1. Public Comment

Chair White said we'll move to item number one public comment. The public will be provided with an opportunity at this time to address the committee on non-agenda items and all action items for the joint RPTA VMR meeting agendas. Up to 3 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.

Chair White said do we have any public comment today?

Ms. Dillon said no ma'am, not today.

DRAFT

Chair White said thank you so much. I appreciate that.

2. Chief Financial Officer's Report

Chair White said we'll move to item number two Chief Financial Officers' Report. Mr. Ken Kessler, our CFO will be providing this report, Mr. Kessler.

Mr. Kessler said thank you Madam Chair. Today's report, we do have PTF sales tax revenues through July we've received from the states. Happy to report, we're just a tick under 7% over prior year actuals, so getting off to a good start for the new fiscal year and just pretty much right at budget, so good news there for sales tax revenues. As we start the new fiscal year.

That concludes my report, happy to take any questions.

Chair White said do we have any questions online welcome council members if you'd like to make any comments or questions? Seeing none, we'll move to item number three.

3. Minutes

Chair White said this item we will need to take action on. It's the minutes from the August 7, 2025 AFS meeting they're presented for approval. If you need a moment, go ahead and take a look at these minutes to determine if we need any corrections or additions.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER ADAMS AND UNANIMOUSLY CARRIED TO APPROVE THE AUGUST 7, 2025 AFS MEETING MINUTES.

4. FY27 Budget Development Process Timeline

Chair White said we'll move to item number four FY27 Budget Development Process Timeline. I believe Mr. Kesler is going to be presenting this item.

Mr. Kessler said thank you Madam Chair members of the committee. I'll just introduce this item, Tyler Olsen, our Manager of Budget Operation Financial Controls, will go through the slide deck. This is for FY27, yes, we are embarking on the FY27 budget process. So Tyler will run us through the budget development process timeline for the development of our FY27 budget. Tyler, take it away.

Mr. Olson said thank you so much Ken. Madam Chair members of the AFS. I'll walk you through our budget development timeline. Just want to note we did share this with your city staff at Financial Working Group last month and as we continue to do through the whole process, sharing the same information with them.

DRAFT

Starting off with our deliverables, essentially, we have the preliminary operations budget. It's really for the transit services that your member cities fund through the annual IGAs. We'll later deliver the comprehensive annual budget which includes both operating and capital.

And followed by the five-year forecast for both operating and capital, which really are for information only. We do not have authority to spend beyond the current fiscal year. A little more on the preliminary transit service budget, it's really intended to find our core assumptions for the year. It's all about service. That's what we do.

So starting off with service levels, Valley Metro planning service team works very closely with your cities throughout the year, defining what that service looks like and not only current year but upcoming years, whether that's a Short Range Transit Program or the annual IGA process.

And we also take a look at the staffing needs to support those levels of service. Also any initiatives around the strategic plan. I want to make sure we get some of those in there and then of course we have some contingency because it's so early on in the process. Costs and contingency generally move downward as we move throughout this process.

As we gather more information, we find the numbers further and seek input from member cities and our committees. Our goal is really to provide this by the end of October, essentially to fit within your city's budget process, which starts early just like ours. So here's a quick look, at kind of where we're at. This month we'll present the key assumptions to your city staff at Financial Working Group, and then we'll present that same information, to AFS in October.

Then we'll ship that document out to the Financial Working Groups by the end of October. And then from that point in time, we're really refining those numbers further as I mentioned continuing to have those discussions with your city staff for service levels. We will send a preliminary IGA with mileage assumptions to city staff directly to seek their input in December.

We send out a draft of that document in February, we like to make sure that your cities have seen it early and have had that chance to provide input. In January we'll come back to Financial Working Group, revisit those key assumptions, what has changed, moved up or down from what we first thought, federal revenues, whatever that might be, and then essentially present that same information again to AFS. We start our annual presentations of the budget in March, so it's high level through the March cycle.

In April we get into the numbers a bit more. If you remember from last year, the initiatives in the Strategic Plan, each one is tied to what's really driving our budget, increases or decreases by line item, and talk about that a bit more and then present the full budget for action in May.

A quick look at the five-year plan, against sharing information with your cities early, a Financial Working Group and RTAG in March, giving AFS a look before the Board for the five year plan and then bringing that to the May cycle.

DRAFT

Here's just a quick recap of those dates on one slide here and that concludes my update. I'd be happy to address any questions that the committee may have.

Chair White said I'll open up the questions for our Councilmembers participating online. Are there any questions?

Thank you so much, seeing and hearing no questions. I just have a commentary. Do you think there is time to have a budget workshop in May for the full Board to discuss the five-year plan? because I know the budget discussion became real interesting during our life cycle and I want to think about that five-year plan intentionally?

Mr. Olson said yes, but I'd say whatever you would like is your pleasure, we'd happy to present whatever level you'd like, whether that's a, a workshop ahead of a board meeting or whatever that maybe.

Chair White said potentially is may not be necessary, just want to put it on the radar because we had quite a lot of robust discussion last year. I want to make sure we give people the right environment to have those discussions.

Mr. Olson said absolutely. Thank you so much.

Chair White said item number four was for information only

5. Contract Change Orders Audit Results

Chair White said we will move to item number five, and this is Contract Change Order Audit Results. Our Chief Auditor Ms. Sebrina Beckstrom will present this item.

Ms. Beckstrom said thank you Madam Chair. As you just mentioned, I'm here to present the results of the contract change orders audit for acceptance. The objective of the audit was to determine the effect whether effective controls are in place for the identification pricing and approval of change orders, and if value Metro had consistent practices for tracking and managing change orders. We reviewed a sample of contracts active during fiscal year 25 and all associated change orders and supporting documentation. We determined the Valley Metro had effective controls in place for the identification, pricing and approval of change orders and had consistent practices across the processes. There were no issues identified or findings as a result of the audit, and I'm happy to answer any questions.

Chair White said I don't have any questions. I'd like to again commend those that manage the contracts. When you have a random sample, you really don't know what you're going to find, but having no findings is the best thing to find. I'm sure from the auditor's perspective. Any concerns, questions?

DRAFT

Seeing none we'll move on. Thank you so much. We do need a motion to accept this, so I will entertain a motion in a second to accept the Contract Change Order Audit Report.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER ADAMS AND UNANIMOUSLY CARRIED TO ACCEPT THE CONTRACT CHANGE AUDIT REPORT.

The motion carries and we have accepted this Contract Change Order Audit. Thank you so much.

6. Internal Audit Update

Chair White said we'll move to item number six, our Internal Audit Update. Our Chief Auditor Ms. Beckstrom will introduce this item.

Ms. Beckstrom said thank you Madam Chair. I'd like to invite our Audit Manager Larry Kondrat to address this item.

Chair White said welcome Mr. Kondrat.

Mr. Kondrat said thank you Madam Chair, and members of the subcommittee. I'm here to present this month's internal audit update for our FY25 audits.

We completed the contract change orders audit that Sabrina just presented. And we also completed one internal safety and security audit that resulted in two corrective action plans or caps.

And in progress right now, we're reviewing the final draft audit reports for the IT patch management and travel expenses and reimbursements audits.

The vehicle disposal process audit we're completing test work on that, and we hope to draft a audit report next week. The external auditors notified me that the construction management contract audit, the completion date or projected completion date has been pushed back to the end of October. And then the internal safety and security audits, there are currently three underway right now. Two of them, the draft auditor reports have been completed and they've been distributed throughout Valley Metro for their review.

We hope to close those out very shortly. And currently there are 15 audit recommendations in progress. Six of them were issued within the last month. They're all IT related.

That concludes my presentation, and I'd be happy to answer any questions related to our update.

Chair White said are there any questions from participants? Hearing and seeing no questions.

This item is presented for information only. Thank you so much Mr. Kondrat.

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

Chair White said moving to item number seven, Intergovernmental Agreement Contract Change Orders, Amendments, and Awards.

If you have the packet with you, you can take a look through. We have comprehensive information there, and I did test the theory that if you reach out to Valley Metro, they will answer all of your questions.

I tested that one yesterday. I had tons of questions, so I wanted to thank you all for being ready to, to answer them. Please make sure you forward those questions regarding item number seven to Pat and she'll be able to provide you any clarification prior to our director's meeting later on this month.

8. Report on Current Events and Suggested Future Agenda Items

Chair White said moving to item number eight Report On Current Events And Suggested Future Agenda Items. I'd like to ask the committee if there are any current events or suggested future agenda items that need to come for consideration in front of the AFS committee. Hearing none.

Vice Mayor Davis, we wish you all the best. We know your calendar is super busy where you are right now. Be safe.

Other than that, we can move to adjourn our meeting with our next meeting of the AFS scheduled for Thursday October second at 12:00 P.M. This meeting's adjourned.

Have a great afternoon. Thank you all. Take care.

With no further discussion the meeting adjourned at 12:15 p.m.

DRAFT

Meeting Minutes

September 11, 2025 **AGENDA ITEM 4A**

Joint Boards of Directors
Thursday, August 28, 2025
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants
City of Tempe, Councilmember Jennifer Adams **(Chair)**
City of Avondale, Councilmember Max White **(Vice Chair)**
City of Phoenix, Councilmember Laura Pastor **(Treasurer)**
City of El Mirage, Councilmember Monica Dorcey
Town of Fountain Hills, Councilmember Peggy McMahon
City of Goodyear, Vice Mayor Wally Campbell
Maricopa County, Supervisor Steve Gallardo
City of Mesa, Councilmember Francisco Heredia
City of Peoria, Councilmember Jon Edwards
Town of Queen Creek, Councilmember Bryan McClure
City of Scottsdale, Councilmember Maryann McAllen
City of Surprise, Councilmember Earle Greenberg
City of Tolleson, Vice Mayor Jimmy Davis
Town of Wickenburg, Mayor BG Bratcher
Town of Youngtown, Mayor Michael LeVault

RPTA Members not Present
City of Buckeye, Councilmember Jamine Berry
City of Chandler, Councilmember OD Harris
Town of Gilbert, Councilmember Kenny Buckland
City of Glendale, Vice Mayor Lauren Tolmachoff

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

The Chair called the meeting to order at 11:20 a.m.

Chair Adams said I would like to call this meeting to order on August 28th, 2025. Pat will now do roll call.

Ms. Dillon said good morning, everyone. We're going to take a couple of things out of order this morning. We are calling the joint meeting to order right now so that we can accommodate public comment, and then we will switch to the study session that is on the calendar for this morning. So I will take roll, and then we can get started.

Roll call by Pat Dillon.
City of Avondale, Councilmember Maxine White?
City of Buckeye, Councilmember Jamaine Berry?
City of Chandler, Councilmember OD Harris?
City of El Mirage, Councilmember Monica Dorsey? Present.
Town of Fountain Hills, Councilmember Peggy McMahon? Present.
Town of Gilbert, Councilmember Kenny Buckland?
City of Glendale, Vice Mayor Lauren Tolmachoff?
City of Goodyear, Vice Mayor Wally Campbell? Present.
Maricopa County Supervisor, Steve Gallardo? Webex.
City of Mesa, Councilmember Francisco Heredia? Here.
City of Peoria, Councilmember Jon Edwards? Present.
City of Phoenix, Councilmember Laura Pastor?
Town of Queen Creek, Councilmember Bryan McClure? Here.
City of Scottsdale, Councilmember Mary Ann McAllen? Present.
City of Surprise, Councilmember Earle Greenberg? Here.
City of Tempe, Councilmember Jennifer Adams? Present.
City of Tolleson, Vice Mayor Jimmy Davis? Present.
City of Avondale, Councilmember White is here as well.
Town of Wickenburg, Mayor B.G. Bratcher? Present.
Town of Youngtown, Mayor Michael LeVault? Yes, Pat, I'm here.
MS. DILLON: Yes, yes, sir. I saw you. Thank you.

1. Public Comment

Chair Adams said the public will be provided an opportunity at this time to speak on non-agenda items or all action items for the Joint RPTA and VMR meetings 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.

I believe we have a special group that wants to speak today from SAAVI Services for the Blind.

Ms. Dillon said Mr. James.

Mr. James said my name is Kevin James. I reside in the city of Surprise. Thank you for giving us the opportunity to comment today. First off, I'd like to say Pat has been wonderful to deal with. Very impressive. You've got a gem there.

My request today is with when you call in on a telephone, it'll say press 1 or whatever that is real easy if you've got a touchtone phone but if you've got a flat screen smartphone, how do you find the 1? So there are plenty of places that have the option of press 1 or say 1 or whichever number it is. So we would our ask of the board is to direct staff to find out how difficult and how much it would be to transition to that touch or say system on -- within your organization.

And the follow-up request would be if there was possible to have a rough draft or preliminary findings on that at the meeting in September so we could attend that. And my last ask as part of that would be to have the cost estimate also put as a percentage of total Valley Metro revenue. Thank you for the opportunity to speak today and I'll yield the rest of my time. Thank you.

Chair Adams said thank you.

Ms. Dillon said Eddie Evans.

Mr. Evans said my name is Eddie Evans. I'm 72 years old and 10 years ago I started losing my vision. It wasn't till a year ago that my 13th eye care doctor diagnosed me with retinitis pigmentosus which is genetic and damages the retina. And slowly over 10 years my vision has gotten worse and worse to where now I can't even see the face on my cell phone.

So I interact with my cell phone with voice commands. I use Dial-a-Ride to go to SAAVI. I use paratransit to go to the LDS temple in Mesa. And both require that I touch a number to make a reservation or check the status of a reservation.

I have been left on the street with no pickup, and I have had to have people help me dial paratransit in order to find out why no one came to pick me up. I am learning TalkBack which is a tool but I'm finding it extremely challenging to find the keypad as well as the numbers in order to do this on my own.

And I do -- I review all my bank and credit card transactions, and all of those services have touch or say. And I would benefit greatly from having touch or say in order to complete my transactions.

The other thing I ought to point out. I wasn't with SAAVI a year ago. Early September I contacted Valley Metro, talked with a George who said he was in quality control, told him my dilemma, wanted to know if there was any way to have touch or say. He said he would pass it on to IT and that someone would call me. Four months later I called again, talked with George, he said he would pass it on to IT and someone would call me.

Three months later I called, got Monique and told her the situation. She said she would pass it on to IT, someone would call me. And about three, four weeks ago I called again, got another lady who filled out an internal email as a complaint, even though I wasn't complaining I was just trying to get a resolution. And she documented my situation and Monique responded with a voicemail to me that it was being passed on to someone within Valley Metro.

So I've literally been trying without SAAVI for a year to find a solution that assists me in being able to be more independent and communicate with Dial-a-Ride and paratransit. I have also registered with Ride Choice, but they also require you to push numbers and not do touch or say. So that's all I wanted to comment on.

Chair Adams said thank you so much. Do we have another speaker?

Ms. Dillon said yes Mr. Don Knowles.

Mr. Knowles said good morning. My name is Donald Knowles. I'm a resident in the city of Peoria. I am also a full-time employee of SAAVI Services for the Blind. I'm an instructor and I work full-time. I'm also a service-connected disabled Marine Corps Veteran who has decided to continue working.

I am no light perception blind, total blind, and I've continued my -- I changed my career from construction. I had an accident, ended up blind, and I continued on, received my master's degree in blind and low vision studies.

And my ask to the council is, as a homeowner and taxpayer of the city of Peoria, the most difficult challenge I've faced as a blind individual is transportation.

I have taken the paratransit system and on the face of it, it's a great idea. In actuality of taking that transportation daily, it's been a challenge to say the least. There's been more times than I can count, 30 to 40 times in the last four or five years, that I've waited in excess of three hours for my ride to pick me up and then it was another two and a half hours to get me home and after working all day. And many, many times it takes two and a half hours to get to work from Peoria to 7th and Thomas.

So my ask is the City of Peoria has not pursued Ride Choice as an option, especially for our working disabled. And I am a senior as well. I'm over 65 and I asked that this be looked into and find out what the options are to present a program in the city of Peoria for the blind community, especially that's who I'm speaking for, to get to work and to get to the store and to get to other places.

Currently, I'm getting to work the best I can. I can no longer take paratransit. It just is not an option. I was on the verge of quitting my employment and I teach 30 students a week a day, really. And I don't want to quit this job. I've worked hard for it, and I know that I'm appreciated where I work, but the paratransit system is not an option for me. And I ask that the Ride Choice be looked into as a viable option for the working blind and disabled of the city of Peoria. Thank you.

Ms. Dillon said thank you, sir. The next person to speak is Marion Walker.

Ms. Walker said hello. My name is Marion Walker. I'm 71 years old. I reside in Mesa. I just started using public transit in January. So far, I have two concerns.

My first concern is they put my ID number with the wrong name. The name that they put was Dustin. And each time they would pick me up, they would ask for Dustin, Dustin. And when I keep calling and telling them, they told me there's nothing they can do because it's basically on AI and that it was a Uber problem, not the metro problem. So I tried to call Uber, but that was not an option. I just got AI all the time. So I gave up on that.

My second concern is when I did use an Uber three weeks ago today, I got out of class. I got into my Uber, and my instructors (sic) is Marion. He doesn't speak English. So I went anyway. He got me to where I live, but me -- he dropped me at the wrong house. And when I got out, I thought I was at my house. And then I, as I was swinging my cane, I noticed there was gravel and we -- my husband and I don't have gravel in the front yard.

At that point, I began to panic because I thought, is this even the right neighborhood? But I counted the speed bumps, so I knew I thought I was in the right neighborhood. So finally, I have a tracking device on my phone, and I called my husband. Luckily, I was in the wrong number, which was number 12 instead of 15, which was my number.

Those are my only two concerns. I appreciate everything I've learned, and I want to be independent for as long as I can. I'm completely blind. I've been completely blind for a year and seven months. And I don't want to lose the independence that I have by being fearful to travel on public transit. And that's all I have to say. Thank you for listening.

Ms. Dillon said thank you. Kimberly Fetterman.

Ms. Fetterman said yes, thank you. My name is Kimberly Fetterman, and I am a resident of the city of Peoria for the last 26 years. I went blind six years ago and was working for USAA for 18 years and tried to magnify my screen as big as I could and I couldn't do it anymore. So I got training, and then I got employed by SAAVI Services for the Blind. And I love the advocacy that we have here because we want to stay independent.

Where I live, I can't take paratransit to get to my place of work, which is 7th Street and Thomas. In order for me to get there, I would have to get from my house, which is 107th Avenue and Deer Valley to Union Hills and 83rd Avenue. From there, I have to wait for a paratransit to pick me up.

When I do that, I've had an experience where people have come up and approached me thinking that I'm a vulnerable person and asked me for money. I've had to sit out there in the heat when it's, you know, 100 and some degrees out there, waiting an hour to get that paratransit ride to get into SAAVI. And then the same thing with coming home. They dropped me off at that Walmart there because they won't come into my house. Before the pandemic came, they came to my house all the way, and they would take me into SAAVI. I don't know

what happened in between but as my colleague Don Knowles said that Ride Choice is on demand transportation where we can get to that ride when we call right away. We don't have to do it the day ahead of time.

And even in the city of Peoria, when I would get their rides, there was many times to go to like the doctor's office. They would say that if there's availability, they would be able to pick me up. I said, well, I'm going to the doctor. What happens then? Sorry, they wouldn't be able to pick me up. So I appreciate everything that you guys are doing.

My one question would be to find out the cities that are doing the Ride Choice successfully that I know of are Mesa, Scottsdale Tempe. How are you guys doing it? You know, what is it affecting the cities and how can we get that implemented into the city of Peoria? So thank you guys so much for the opportunity to speak.

Ms. Dillon said thank you. Beverly Smith.

Ms. Smith said my name is Beverly Smith, and I live in the city of Glendale. I'm 77 years old. I had a chance to ride RideChoice for a short time before they quit the pilot program. When I learned that I was going to have to do regional Dial-a-Ride and it was a bus, I was scared to death. I'd never written on a bus like that before. The first time I rode it, I thought I'm not going to ride this anymore because it's not comfortable. The seat, they hit the bumps and the speed bumps and the dips and whatever. And they bounce you all around. I do have a bad back. It's getting worse because I'm doing the regional Dial-a-Ride.

I heard that it was the RideChoice was given $400,000 for the pilot program and they only used 40,000. What happened to the rest of the money?

I would like to see Ride Choice come back to Glendale. It takes me sometimes it takes me two hours to get to SAAVI services, and I need that program. I am partially sighted. I do have some sight, but for how long? I don't know. I want the tools to be able to be independent when and if I go totally blind, and that's the only place I can go.

Sometimes it takes me two hours from my house to SAAVI and two hours from SAAVI home. I only live 13 miles away. It dosen't take that long in a car. It takes, like, half an hour, maybe.

I appreciate you listening to me and thank you for all you've done.

Ms. Dillon said thank you, ma'am. Chair, that is the end of the public comment request for today.

Chair Adams said Councilmember Pastor has a comment.

Councilmember Pastor said yes. I wanted to thank the SAAVI members who have made their way to Valley Metro. I know it was probably a little bit of a ride for you, but I also want to mention

that SAAVI sits in the city of Phoenix in my district, District 4, so I will work with the SAAVI executives also to listen and hear what are some of the challenges.

I do want to say, and I hope I get his name right, that Tom Young, I believe, was the one who was teaching me how to cook as I was experiencing what it meant or how you live in a world without sight, and I had to learn how to cook. I had to learn how to walk. I had to learn to count and realize where I was going and had to use all my different senses in order for me to move and operate as if I had sight.

It was very challenging for me, and I heard somebody talk about wanting to be independent and not wanting to be fearful in getting into a car or bus and know and trust that that's what was happening. I can tell you I was very fearful at that moment in experience without sight, so I commend all of those that are here and are living and breathing and thriving in your environment, so thank you for coming and voicing your opinion.

Chair Adams said yes. I believe the CEO has some comments about this situation.

Ms. Mefford-Miller said thank you, Madam Chair, members of the board, and thank you especially to Mr. James, Mr. Evans, Mr. Knowles, Ms. Walker, Ms. Fetterman, and Ms. Smith for joining us today to share your experiences, concerns, and aspirations for using Valley Metro and other mobility services across the region. Our goal is that you would enjoy the freedom of mobility.

I would like to report on a couple of things we have been working on thanks to the work of Ms. Dillon in coordination with Matus Mrocek of IT. When she received an initial public comment regarding interactive voice response, they jumped to work. I am pleased to report that our phone numbers will be upgraded to include voice response by September 30th so that you can now dial or say 1, for example, to get to your next queue. I realize that's just one of the concerns that we heard today.

What we will do, Mr. Tom Young, who's our Deputy Chief of Bus and Paratransit Operations, is waiting in the wings to have conversations so that we can understand how we can solve some of these individual challenges better. Your presence today is timely. We do have a couple of items on the agenda related to paratransit.

One is the purchase of new dispatch software that we are hoping will help us achieve efficiencies and be more responsive to our customers. I hear you on the wait times on paratransit and on the long time in the vehicle on paratransit.

I've also heard about Ride Choice, and it's been a little while since we've done an accessible transportation presentation to the board perhaps it would be timely to schedule such a presentation in the near future. There is an array, kind of a patchwork, of mobility services including Ride Choice and paratransit and there are a number of operators.

We also have some policy changes coming up so I think the presence of the SAVI Services clients and team members today is very timely and I would welcome an opportunity to share that and also to receive direction from the board because the landscape of mobility for our elderly and disabled neighbors does look different from community to community. We would welcome the opportunity to have that conversation.

Chair Adams said would we be able to revisit this situation like in two months when you have some more time to get things ironed out and hear from the group about what their experiences are?

Ms. Mefford-Miller said certainly, Madam Chair.

Councilmember Davis said I'm glad to hear that you are upgrading the phone systems. I have a rare autoimmune disease and so part of that I actually experienced blindness for about a month and so I feel for you and some of the struggles. I've been lucky enough to get my autoimmune disease under control and so my vision is good most days. Today is one of those days where things are a little blurry. So I understand needing to rely on things like transportation. I couldn't drive during that time. Councilwoman Pastor mentioned cooking. I remember distinctly a time having to walk my sister through how to cook me something because I also have to eat a very particular diet. So it's very important that we do make all of our transportation options as accessible as possible.

Councilmember Edwards said thank you, Madam Chair. For those members -- the residents that are there from Peoria, I apologize for not being able to meet with you personally today. I have asked Pat to give my information to you and to get your information to me so that I can have members of the city staff in Peoria reach out to you and do everything we possibly can to help rectify the issues that you're having going forward. Thank you, Madam Chair.

Councilmember Greenberg said to the gentleman from Surprise, how did you get here today? If you want to hang around till the end of the meeting, I'll drive you home. Oh, okay. All right.

Councilmember White said Madam Chair, it sounds like we are going to have a study session then or I would propose a study session after 60 days is completed to see the before and after. And also to include a grid of all of our member agencies level of service so that riders will have an understanding of what's offered in different areas in the in the 19 municipalities or towns that we serve so they might know how to connect. If you can get maybe, you know, from Surprise into Phoenix or, you know maybe you're coming from Buckeye, Surprise, Buckeye to Avondale, maybe we could find connectors that'll help them too. Thank you.

Chair Adams said thank you. Any other comments or questions from the board? Okay. So we have a plan. Two months we're going to reconvene and see how things are going. That'll be your little a checklist here. So thank you for joining us today.

The joint meeting was suspended at 11:35 a.m. to open the Study Session.

The joint meeting reconvened at 12:34 p.m.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 4B

SUBJECT
Non-Revenue Fleet Maintenance Services Contract Amendment

COST AND BUDGET
Cost for the extension period is $510,000, and the aggregate contract value will not exceed $1,210,000.

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

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

RECOMMENDATION
Staff recommends that the Boards of Directors authorize the Chief Executive Officer to execute a contract amendment with All Fleet Services, LLC, to extend the contract through October 11, 2027, and increase the aggregate value of the contract not to exceed $1,210,000.

STRATEGIC PLAN ALIGNMENT
This item relates to and supports the following goals and strategies in the 2025 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 the bus and light rail systems ensures a high level of operational efficiency.

COMMITTEE PROCESS
RTAG: August 26, 2025, for information
TMC/RMC: September 3, 2025, approved
Boards of Directors: September 18, 2025, for action

CONTACT
Gregg Thompson
Deputy Chief, Bus Maintenance
gthompson@valleymetro.org

ATTACHMENT
A copy of the contract amendment is available upon request.

Background Information

BACKGROUND DISCUSSION
Valley Metro's existing contract for non-revenue fleet maintenance services is set to expire on October 11, 2025. 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, 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 with an original term of three years and one optional two-year extension. Staff is recommending exercising the available two-year extension at an additional cost of $255,000 per year, for a total cost of $510,000.



1

Non-Revenue Fleet Maintenance Services Contract Amendment

- 162 vehicles in total
- Preventive Maintenance and general repairs
- Accident-related repairs
- Towing
- Vehicle pick-up and drop-off

2

2

Recommendation

Staff recommends that the Boards of Directors authorize the Chief Executive Officer to execute a contract amendment with All Fleet Services, LLC, to extend the contract through October 11, 2027, and increase the aggregate value of the contract not to exceed $1,210,000.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 4C

SUBJECT
October 2025 Service Changes

COST AND BUDGET
Items here include only service changes for Valley Metro-operated services and routes, and routes funded through the regional Public Transportation Fund (PTF). Costs for changes that do not impact Valley Metro-operated routes and routes not funded through PTF are excluded from this memorandum. Contract adjustments for minor bus service changes that do not require an amendment to the IGAs will be made through the year-end reconciliation process.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to implement the October 2025 Valley Metro bus and rail service changes.

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

- Goal 4: Data Collaboration and Technology
  - Tactic 4.2: Understand customer interaction through the enterprise capture, integration, and data analysis to better serve riders.
- Goal 5: Stakeholder Collaboration
  - Tactic 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
- Goal 8: Operational Excellence
  - Tactic 8.3: Improve service quality through enhanced planning, performance management, and continuous process improvement.

COMMITTEE PROCESS
RTAG: August 26, 2025, for information
TMC/RMC: September 3, 2025, approved
Boards of Directors: September 18, 2025, for action

CONTACT
Michael Eshleman
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meshleman@valleymetro.org

ATTACHMENT
Service Changes PowerPoint

Background Information

BACKGROUND
The October 2025, changes were coordinated and analyzed through the five-year Short Range Transit Program as well as the Board-adopted Transit Standards and Performance Measures. In addition, the fixed-route service changes are reviewed in coordination with the Valley Metro Service Planning Working Group with is composed of representatives from Valley Metro member agencies. Valley Metro also worked with each affected member agency regarding the proposed changes and funding impacts prior to arriving at recommendations.

This summary includes the recommended bus service changes for Valley Metro-operated services and routes as well as routes funded through the regional Public Transportation Fund (PTF). Changes that only affect the locally-funded service operated by other agencies (e.g. Phoenix) are not addressed herein. Overall, the proposed changes include fixed-route realignment.

Service Changes

Regional Express Route Realignment: Valley Metro Express services provide commuter-oriented services to downtown Phoenix during weekday peak hours. These routes were realigned in the downtown Phoenix area to accommodate the construction of the South Central Extension/Downtown Hub and Central Station. Rail construction work was completed in the summer and Central Station will open in the fall, allowing these routes to be rerouted to an alignment closer to their pre-construction service alignment. This realignment brings the routes closer to the previous high demand areas of the routing for ridership and responds to recent survey input requesting service closer to the court buildings and Cityscape. A study has been conducted to determine the best alignment for these re-routings as well. The map of these reroutings can be found in the attached PowerPoint presentation. The routes listed below will be rerouted:

- Route 514 Scottsdale Express
- Route 521 Central Tempe Express
- Route 522 South Tempe Express
- Route 531 Mesa/Gilbert Express
- Route 533 Mesa Express
- Route 535 Northeast Mesa Express
- Route 542 Chandler Express
- Route 562 Goodyear Express
- Route 563 Avondale/Buckeye Express
- Route 571 Surprise Express
- Route 573 West Glendale Express
- Route 575 North Glendale Express
- GAL Grand Avenue Limited

Rail Service Adjustments: Following the implementation of the two-line rail system in June 2025 a few adjustments are suggested to improve the operations of the system and to meet budgetary constraints. These changes are:

- Frequency reductions during off-peak times which are on the edges of current high frequency span (i.e., before 6:00 a.m. and after 6:30 p.m.). This will reduce the operating cost within budget in a manner which has minimal impact on riders based on current ridership data by trip.
- Schedule adjustments to improve OTP and facilitate transfers at the Downtown Hub. Actual operational times were used to adjust assumptions used in initial schedule. This will make scheduled times more accurate and allow for coordinated transfers that minimize travel time for those switching between lines.
- All-day opening of the Central/Wash station. This allows riders to walk around corner to transfer and not cross any streets. The Central/Washington station has better shade and amenities than Cityscape. This is projected to add one minute of additional time to the NB schedule. See the PowerPoint slide which illustrates the new WB to NB transfer movement of passengers with this stop open.

Public Outreach

An extensive public outreach was conducted in May 2025, via online comment, email, social media, and a remote public hearing via webinar. The outreach covered all proposed service changes regardless of funding source or operator.

- **Input Opportunities:**
  - Virtual public hearing conducted mid-May 2025
  - Online comment card
  - Via email at input@valleymetro.org
  - Social media

- **Communication Channels:**
  - Advertisements will be placed in the *Arizona Republic*, *East Valley Tribune*, *La Prensa Hispana*, *La Voz* and *Arizona Informant*. They included information regarding the proposed route changes, public comment period and public hearing.
  - Transit vehicle announcements (Route Scout)
  - A-frame signage at key transit locations
  - Email notices to riders and Trip Reduction Program employers
  - Press release resulting in news coverage
  - Social media posts
  - Website (valleymetro.org/service changes)
  - Internal communication to staff and contractors



1

Readjustment of EV Express/RAPID Service Downtown

Routes 514, 521, 522, 531, 533, 535, 542, I-10 East RAPID, SR-51 RAPID and South Mountain East RAPID: Service will operate closer to Cityscape downtown, serving two new bus stops east of 3rd Avenue.



2

2

Readjustment of WV Express/RAPID Service Downtown

Routes 562, 563, 571, 573 and I-10 West RAPID - These routes are proposed for adjustment in Downtown Phoenix to follow one of two options.

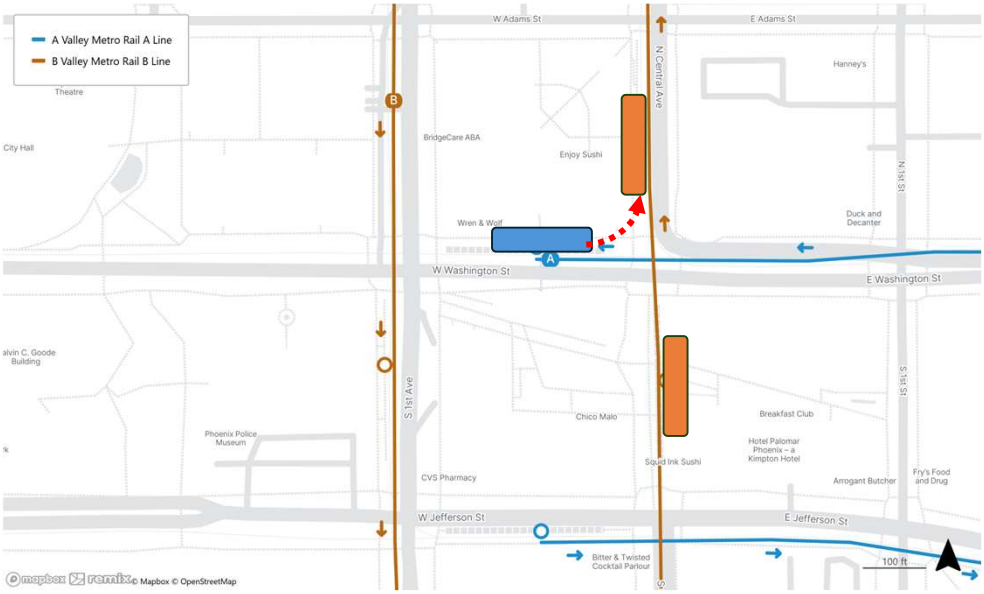


Option 1 has been chosen for implementation in October.

3

3

Rail Transfer WB to NB with Washington/Central Open



4

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to implement the October 2025 Valley Metro bus and rail service changes.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 4D

SUBJECT
FY26 Memorandum of Understanding with the Maricopa Association of Governments (MAG)

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
Staff recommends that the Boards of Directors authorize the Chief Executive Officer to enter into an agreement with MAG for the Management and Administration of the Transit Life Cycle Program (TLCP) for FY2026.

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

- Goal 5: Deliver on Stakeholder Collaboration
  - Initiative 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
- Goal 7: Board Governance
  - Initiative 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 9: Financial Sustainability
  - Initiative 9.1: Develop and maintain short and long-term financial forecasts and cash reserve policies to ensure an ongoing financially balanced program.

COMMITTEE PROCESS
TMC/RMC: September 3, 2025, approved
Boards of Directors: September 18, 2025, for action

CONTACT
Alexis Tameron Kinsey
Chief Policy and Government Relations Officer
atameronkinsey@valleymetro.org

ATTACHMENT
None

Background Information

The administration of the dedicated half-cent excise tax for transportation is guided by Arizona law. Arizona law also requires the adoption of a budget process to ensure that costs do not exceed total revenues estimated to be available over the term of the excise tax. This requirement is administered through life cycle programs.

The Transit Life Cycle Program (TLCP) was developed by Valley Metro RPTA in 2005, encompassing the life of the half-cent excise tax allocated to transit authorized by Proposition 400. Administered and managed by Valley Metro RPTA, the Proposition 400 TLCP included guiding principles, policies, procedures, and financial forecasts to ensure that the program remained balanced.

Under Proposition 400, Valley Metro RPTA had statutory responsibility for the budget process and fulfilled this responsibility through the administration and management of the Transit Life Cycle Program.

On August 1, 2024, Governor Katie Hobbs signed Senate Bill SB 1102 (Proposition 479 enabling legislation) into law. Pursuant to SB 1102, Valley Metro RPTA retains statutory authority over the public transportation fund, however MAG now has the statutory responsibility for the budget process for the portion of half-cent excise tax revenues allocated to the public transportation fund, which includes the administration and management of the Transit Life Cycle Program. The budget process administered through life cycle programs does not apply to Valley Metro's annual operating and capital budget.

Half-cent sales tax revenue collections under Proposition 400 will end on December 31, 2025, and revenue collections under Proposition 479 start January 1, 2026. As a result, fiscal year 2026 (FY26), which starts July 1, 2025, and ends June 30, 2026, spans the end of Proposition 400 and the beginning of the Proposition 479 collection cycles and life cycle programs.

<u>Fiscal Year 2026 and TLCP Management</u>
FY26 is considered a transition year for the TLCP. Specifically, regional funding for the second half of FY26 will continue to support the same Proposition 400 projects, programs and funding policies through the first half of the year. Implementation of the new funding policies under Proposition 479 is anticipated to begin in FY27.

Valley Metro and MAG have been coordinating closely on both the development of Proposition 479's TLCP and the transition period. An MOU was jointly developed and articulates the agreement that Valley Metro will administer and manage the FY26 TLCP and fulfill the statutory budget responsibilities for the transit allocation of the half-cent sales tax, known as the Public Transportation Fund.

Additionally, Valley Metro responsibility for the budget process for any half-cent sales tax revenues attributed to Proposition 400 and allocated to the Public Transportation Fund will extend throughout the closeout of Proposition 400.



FY26 TLCP MOU with MAG

1

FY26 Memorandum of Understanding with the Maricopa Association of Governments (MAG)

- The Transit Life Cycle Program (TLCP) was developed by Valley Metro RPTA in 2005 for Proposition 400; provided statutory responsibility for the administration and management of the Transit Life Cycle Program.
- Under SB 1102, Valley Metro RPTA retains statutory authority over the public transportation fund, however MAG now has the statutory responsibility for the budget process for the TLCP.
- FY26 is considered a transition year for the TLCP; spans the end of Prop 400 and start of Prop 479 collections.
- It is recommended that Valley Metro continue the responsibility for the TLCP for FY26 and Prop 400 closeout; implementation of the new funding policies under Proposition 479 anticipated to begin in FY27.

2

2

Recommendation

Staff recommends that the Boards of Directors authorize the Chief Executive Officer to enter into an agreement with MAG for the Management and Administration of the Transit Life Cycle Program (TLCP) for FY2026.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 5

SUBJECT
Joint Ad Hoc Committee

COST AND BUDGET
There are no budgetary costs anticipated for this review.

RECOMMENDATION
It is recommended that the Boards of Directors establish an Ad Hoc Committee to review business practices and contracting and procurement strategy and report back to the Boards of Directors with their findings, observations or recommendations, including opportunities identified for efficiencies to Valley Metro's business practices, contracting and procurement practices.

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

- Goal 1: Financial Sustainability
  - Initiative 9.4: For procurements, define the general scope of work and then support that with flexible language to achieve or meet the general scope and avoid restrictive requirements. Seek opportunities to create transparency of planned procurement activities by providing a two-year look ahead and employ efficiencies that reduce the procurement timeline.
- Goal 2: Board Governance
  - Initiative 7.2: The Board and CEO will regularly assess board structure and engagement opportunities and adapt, as needed, to facilitate effective governance within the transit/mobility space.
  - Initiative 7.3**:** Obtain policy guidance from the Boards through regular updates on strategic plan progress, and other performance and financial information with member agencies, sharing high-level information and offering more detailed data to facilitate board support and understanding.
- Goal 3: Strong Leadership and Execution
  - Initiative 6.4: Embed problem solving and process improvement into Valley Metro management through dedicated effort on process optimization and change management strategies to encourage continuous improvement and increased efficiency.

COMMITTEE PROCESS
Boards of Directors: September 18, 2025 for action

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

Background Information

BACKGROUND DISCUSSION

On March 20, 2025, Valley Metro's Boards of Directors held a joint boards' retreat and discussed governance, business and management items such as contracting and procurement processes, including identifying opportunities for improvement and efficiency.

During the April 17, 2025, Joint Boards Meeting, Vice Mayor Tolmachoff requested, at the conclusion of the FY26 budget process, a future study session to review and look at the potential to insource some contracted functions or resources. Councilmember Pastor also suggested an Ad Hoc committee be convened to discuss Valley Metro's business practices relative to contracting and procurement processes.

During the June 12, 2025, Joint Boards Meeting, Vice Mayor Tolmachoff requested that the future items related to reviewing contracted resources and the potential to insource functions when feasible and create an Ad Hoc committee to discuss business practices including contracting strategy and procurement processes be in the Boards' work plan for FY26.

AD HOC COMMITTEE

Staff recommends a Joint Boards' Ad Hoc Committee be established to review Valley Metro's business strategy and practices relative to contracting and procurement, and review existing and potential future contractual agreements to identify opportunities for efficiencies by insourcing goods and services, if and when it makes financial sense to do so.

Suggested Mission

To review, provide guidance and recommendations to the Chief Executive Officer and Boards of Directors on business contracting practices, inclusive of insourcing and outsourcing of goods and services, and procurement strategy that contributes to Valley Metro's Strategic Plan foundational goals in FY2026 on Financial Sustainability and Board Governance.

Suggested Goals

- Develop inventory of contracted goods and services for review
- Identify opportunities for efficiencies
- Provide guidance and/or recommendations of goods and services for insourcing or outsourcing
- Review and provide recommendations of the following policies or practices:
    - Business contract strategy
    - Procurement methods, timeline and costs
    - Contract management, including length, options and amendments
- Report back to the Boards of Directors at least once a quarter on progress to date

Suggested Ad Hoc Composition

Staff recommends the Ad Hoc Committee be comprised of 5 individuals, 3 members representing the Regional Public Transportation Authority (RPTA) and 2 members representing Valley Metro Rail (VMR), be geographically balanced, and commit to meet at least once a quarter, providing updates to the Boards of Directors on progress throughout FY2026.

Suggested Committee Appointment and Implementation

Following Boards' input and action to create this Ad Hoc Committee, staff will seek letters of interest from Board Members to serve and compile a list of potential nominees for appointment by their respective Boards at the September 18, 2025, meeting. Immediately following the September Board meetings, staff will convene the Committee and begin work.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 6

SUBJECT
Travel and Expenditures

PURPOSE
The monthly travel and expenditures are presented for information.

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

CONTACT
Ken Kessler
Chief Financial Officer
Kkessler@valleymetro.org

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

Valley Metro
Travel Reimbursement Report

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.	
Chief Executive Officer	APTA Rail Conference	San Francisco, CA	6/29/25-7/02/25	$1,854.02	$253.18	$96.78	$1,361.24	$217.00	($74.18)	1,3
Deputy Chief, Service Planning	APTA Rail Conference	San Francisco, CA	6/29/25-7/02/25	$1,599.52	$308.60		$1,020.92	$270.00		
Chief of Capital Development	APTA Rail Conference	San Francisco, CA	6/29/25-7/02/25	$1,599.52	$308.60		$1,020.92	$270.00		
Capital Planning Manager	Mpact Nat'l Steering Comm Mtg	Austin, TX	6/24/25-6/26/25	$881.34	$362.60	$19.88	$333.86	$165.00		
Planner	APTA Rail Conference	San Francisco, CA	6/29/25-7/02/25	$1,610.28	$246.60	$72.76	$1,020.92	$270.00		
Deputy Chief, Design & Construction	APTA Rail Conference	San Francisco, CA	6/29/25-7/02/25	$1,599.52	$308.60		$1,020.92	$270.00		
Small Biz Outreach Administrator	COMTO Legislative Conference	New York, NY	7/11/25-7/16/25	$3,071.11	$570.56	$47.30	$2,077.25	$376.00		
Deputy Chief, Design & Construction	2025 Nat'l Meeting & Training	New York, NY	7/10/25-7/16/25	$681.71	$476.96			$204.75		
Chief Transportation Officer	Transit Bus System Safety Course	New York, NY	7/20/25-7/25/25	$2,800.77	$666.97	$250.55	$1,377.25	$506.00		
Capital Program Biz Manager	Transit Academy	Pittsburgh, PA	7/20/25-7/25/25	$2,480.59	$691.00	$107.81	$1,366.28	$315.50		
GIS Coordinator	ESRI User Conference	San Diego, CA	7/14/25-7/18/25	$1,851.48	$340.95	$92.85	$1,089.68	$328.00		
Manager, Executive & Board Initiatives	Transit Academy	Pittsburgh, PA	7/20/25-7/25/25	$2,550.00	$691.00		$1,453.50	$335.50	$70.00	1

Total this reporting period $22,579.86

Year to Date **$22,579.86**

Report reflects Out of State (AZ) Travel

** Misc*
[1] Baggage Fees
[2] Flight Wi-Fi Fee
[3] Flight Cost Difference

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

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10003706	7/19/2025	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	7,557,368.74
10003716	7/25/2025	City of Phoenix	Transportation Services for East/West Valley-Fixed & ADA Routes	4,374,951.83
10003700	7/19/2025	City of Phoenix	RTP Reimbursement	1,736,179.24
90000426	7/25/2025	ADP Inc	PPE 07/20/2025 Payroll Liabilities	1,534,216.99
90000422	7/11/2025	ADP Inc	PPE 07/06/2025 Payroll Liabilities	1,517,537.84
10003731	7/19/2025	MTM Transit LLC	Paratransit Service & Fuel, Mobility Center Fuel & Trips	1,464,052.50
10003711	7/19/2025	Keolis Transit Services LLC	Fixed Route Bus Operations/Maintenance/Professional Services	959,239.93
10003689	7/19/2025	MJM Innovations	Broker Services	947,590.20
10003670	7/11/2025	City of Phoenix	Sale of FTA funded fleet	833,532.00
90000425	7/25/2025	Cigna Health and Life Insurance Company	Health Insurance Premiums	726,968.31
10003678	7/19/2025	QCM Technologies Inc	Information Technology Services	659,214.17
10003656	7/11/2025	Commute with Enterprise	Vanpool Services	542,317.50
90000424	7/25/2025	ASRS	PPE 07/20/25 ASRS Contributions & LTD	404,348.76
90000421	7/11/2025	ASRS	PPE 07/06/25 ASRS Contributions & LTD	389,838.35
10003739	7/30/2025	MJM Innovations	Broker Services	335,599.41
1003162	7/11/2025	City of Peoria	ADA PTF funds reimbursement	289,518.00
10003709	7/19/2025	National Express Transit Corporation	West Valley Contractred Fixed Route and Maintenance Services	279,186.43
10003651	7/3/2025	101 North First Ave LLC	101 Building Rent	204,017.74
10003742	7/30/2025	101 North First Ave LLC	101 Building Rent	204,017.74
10003691	7/19/2025	Alliant Insurance Services Inc	Insurance Brokerage Services	198,000.00
10003661	7/11/2025	Scheidt & Bachmann USA Inc	Regional Farebox Project/Hardware & Software Maintenance	197,219.25
10003628	7/3/2025	HDR Engineering Inc	Community Relations Support Services	183,192.26
90000430	7/31/2025	Surepays	RPTA Monthly Utilities	143,011.79
10003703	7/19/2025	Keolis Transit Services LLC	Engines and Transmissions	118,895.53
10003738	7/30/2025	National Express Transit Corporation	West Valley Contractred Fixed Route and Maintenance Services	101,774.88
10003641	7/3/2025	Vix Technology USA Inc	Customer Service Network	95,396.17
10003627	7/3/2025	DLT Solutions LLC	Oracle Products and Services - Subscription Costs - ERP Cloud	95,386.25
1003163	7/11/2025	City of Scottsdale	ADA PTF funds reimbursement	95,042.41
10003734	7/30/2025	HDR Engineering Inc	Community Relations Support Services	88,969.20
1003169	7/11/2025	American Public Transportation Associat	Membership Dues	87,250.00

1003196	7/25/2025	CopperPoint Insurance Company	Rent and CAM Charges	74,537.82
10003648	7/3/2025	Transportation Management & Design Inc	Project Management	72,604.70
1003141	7/3/2025	CopperPoint Insurance Company	Rent and CAM Charges	71,718.36
10003668	7/11/2025	Guidesoft Inc	Temporary Staff - IT related	68,852.86
10003643	7/3/2025	MJM Innovations	Pass Through Provider Costs	66,393.06
10003685	7/19/2025	Senergy Petroleum LLC	Bulk Fuel	65,884.27
10003680	7/19/2025	Scheidt & Bachmann USA Inc	Hardware & Software Maintenance	63,866.68
10003632	7/3/2025	Dell Marketing LP	IT Computer equipment, peripherals and supplies	62,850.45
10003660	7/11/2025	QCM Technologies Inc	Information Technology Services	62,593.40
10003710	7/19/2025	National Express Transit Corporation	West Valley - Preventative Maintenance	57,614.26
1003200	7/25/2025	City of Avondale	ADA PTF funds reimbursement	54,141.32
10003681	7/19/2025	SHI International Corp	Software License, Maintenance and Support	53,232.80
1003202	7/25/2025	Regional Transportation Authority of Pi	Ajo 685 Long Route Trips	48,745.98
1003189	7/19/2025	City of Scottsdale	ADA PTF funds reimbursement	48,724.36
90000423	7/14/2025	Wells Fargo Bank	Monthly Credit Card Charges	40,472.02
1003151	7/3/2025	STV Incorporated	Project Development Support	38,901.66
1003147	7/3/2025	Verizon Wireless	Wireless Phone Service	33,248.44
10003729	7/25/2025	MJM Innovations	Pass Through Provider Costs	33,246.73
1003175	7/19/2025	Logic Compensation Group LLC	Classification & Compensation Study	29,568.75
1003165	7/11/2025	CopperPoint Insurance Company	Workers Comp Premium	29,507.40
10003708	7/19/2025	Valley Metro RPTA	Platinum Pass Program Services	26,623.50
1003195	7/25/2025	Convergent Print Group LLC	Printing Services	26,606.23
10003676	7/19/2025	CDW Government LLC	Software and Support Expenses	26,490.96
				27,520,259.43

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

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50003453	7/14/2025	Kiewit Infrastructure West Company	CMAR Services for South Central-Downtown Hub	27,450,845.14
50003520	7/30/2025	City of Phoenix	LM contribution South Central	21,126,721.00
50003515	7/30/2025	Kiewit Infrastructure West Company	CMAR Services for South Central-Downtown Hub	15,798,752.00
50003441	7/11/2025	Siemens Mobility Inc	Light Rail Vehicles	8,002,063.51
50003450	7/11/2025	Inter-Con Security Systems Inc	Field Security Officers	1,473,031.23
50003492	7/25/2025	DMS Facility Services Inc	Facilities Maintenance Services	1,339,166.11
50003514	7/30/2025	Jacobs Engineering	Capitol Extension Design	1,144,407.91
50003519	7/30/2025	Centurylink	Third Party Utilities for SCE	1,018,768.41
50003497	7/25/2025	SDB Contracting Services	JOC-Supplemental Construction Services	903,466.17
50003463	7/19/2025	J Banicki Construction Inc	JOC-Supplemental Construction Services	852,206.98
5003650	7/19/2025	Cox Communications	Third Party Utilities for SCE	785,858.63
50003429	7/11/2025	ARCADIS	Consulting Support Services	686,665.65
90000049	7/31/2025	Surepays	VMR Monthly Utilities	628,106.29
50003407	7/3/2025	SDB Contracting Services	JOC-Supplemental Construction Services	577,990.71
5003640	7/11/2025	Southwest Gas Corporation	Third Party Utilities for SCE	560,041.62
50003513	7/30/2025	J Banicki Construction Inc	JOC-Supplemental Construction Services	505,282.98
50003494	7/25/2025	HDR Engineering Inc	Project Development Support	503,825.94
50003438	7/11/2025	Hill International Inc	PMCM Services	474,303.66
50003401	7/3/2025	Hill International Inc	PMCM Services	468,551.73
50003413	7/3/2025	Centurylink	Third Party Utilities for SCE	429,258.00
50003427	7/11/2025	Allied Universal Security Services	Field Security Officers	372,833.23
50003434	7/11/2025	DMS Facility Services Inc	Facilities Maintenance Services	359,054.51
50003405	7/3/2025	PGH Wong Engineering Inc	System Design Services	345,507.81
50003512	7/30/2025	HDR Engineering Inc	Project Development Support	343,045.60
5003612	7/3/2025	Southwest Gas Corporation	Third Party Utilities for SCE	342,751.00
50003465	7/19/2025	PGH Wong Engineering Inc	System Design Services	321,250.83
50003426	7/11/2025	AECOM Technical Services Inc	Design Services for South Central-Downtown Hub	285,796.05
5003673	7/30/2025	Teleport Communications America LLC	Third Party Utilities for SCE	280,500.00
5003627	7/3/2025	STV Incorporated	Project Development Support	273,793.00
5003626	7/3/2025	Entertainment Solutions of Arizona Inc	Event Planning Services	267,697.00

50003495	7/25/2025	J Banicki Construction Inc	JOC-Supplemental Construction Services	241,233.49
50003459	7/19/2025	DMS Facility Services Inc	Facilities Maintenance Services	234,811.37
50003474	7/19/2025	Siemens Mobility Inc	LRV Vehicle Communication and Video System Upgrade	211,100.01
50003490	7/25/2025	AECOM Technical Services Inc	Design Services for South Central-Downtown Hub	183,464.11
50003487	7/19/2025	SRP	Third Party Utilities for SCE	166,765.48
50003505	7/25/2025	City of Phoenix	Advertising Revenue	166,142.14
50003484	7/19/2025	City of Phoenix	Regional Support & Fare Handling Fees	124,450.00
50003485	7/19/2025	City of Phoenix	Regional Support & Fare Handling Fees	124,450.00
50003486	7/19/2025	City of Phoenix	Regional Support & Fare Handling Fees	124,449.00
50003473	7/19/2025	Trapeze Software Group	EAM Software license	122,891.78
5003668	7/30/2025	APS	Third Party Utilities for SCE	119,445.83
50003482	7/19/2025	Southwest Transit Partners	CAPEX CM Risk Services - Pre-Construction Services	104,721.99
50003509	7/30/2025	AECOM Technical Services Inc	Project Development Support	98,738.73
50003398	7/3/2025	DLT Solutions LLC	Aconex Project Control System	97,951.12
5003654	7/19/2025	Teleport Communications America LLC	Third Party Utilities for SCE	88,795.40
50003491	7/25/2025	ARCADIS	Consulting Support Services	87,323.13
50003467	7/19/2025	SDB Contracting Services	JOC-Supplemental Construction Services	68,268.33
50003403	7/3/2025	Kiewit Infrastructure West Company	CMAR Services for South Central-Downtown Hub	68,031.00
50003423	7/3/2025	City of Phoenix	Regional Wireless Billing	66,323.33
50003508	7/25/2025	City of Phoenix	Vix FCMS charges	65,035.00
50003466	7/19/2025	QCM Technologies Inc	Information Technology Services	64,874.84
5003660	7/25/2025	City of Mesa	Advertising Revenue	58,984.63
50003499	7/25/2025	City of Tempe	Advertising Revenue	58,665.87
50003464	7/19/2025	Knorr Brake Corporation	Brake Caliper	58,187.00
50003488	7/19/2025	SRP	Third Party Utilities for SCE	57,377.76
50003469	7/19/2025	Stacy and Witbeck Inc	JOC-Supplemental Construction Services	53,110.70
50003470	7/19/2025	URW LLC	Landscape Maintenance Services	51,897.71
50003437	7/11/2025	HDR Engineering Inc	Project Development Support	51,512.86
50003506	7/25/2025	City of Phoenix	Regional Wireless Billing	45,490.54
5003616	7/3/2025	PRO EM Operations LLC	Opening events infrastructure - SCE	42,868.36
50003428	7/11/2025	Aphidoidea LLC	Downtown Transfer Hub- Public Art Services - Fabrication Install	41,398.00
50003476	7/19/2025	WSP USA Inc	Community Relations Support Services On-Call	41,388.79
5003663	7/25/2025	STV Incorporated	Project Development Support	40,985.62
50003451	7/11/2025	WEX Bank	Fleet Card Services	38,385.45
50003456	7/19/2025	Award Winning Restorations	Accident Repairs	37,941.48

Valley Metro Rail

50003501	7/25/2025	Voith US Inc VTI	Coupling/Rubber Wedge/Axle	36,747.60
50003424	7/3/2025	Valley Metro RPTA	SCE Opening Commemorative Copper Cards	31,800.00
50003516	7/30/2025	Knorr Brake Corporation	Hydraulic Leveling Cylinder	31,248.00
50003507	7/25/2025	City of Phoenix	Advertising Revenue	28,707.36
50003461	7/19/2025	HDR Engineering Inc	Project Development Support	26,648.66
5003643	7/11/2025	AZ Event Support LLC	SCE Opening Event Support	25,961.00
5003655	7/19/2025	Suns Legacy Partners LLC	Phoenix Suns Marketing Partnership Agreement	25,125.00
				91,435,241.17

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 7

SUBJECT
Report on Current Events and Suggested Future Agenda Items

COST AND BUDGET
There are no costs associated with this item

RECOMMENDATION
This item is presented for information only.

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

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date
Paratransit Services Overview	August 28, 2025	October 2025

Agenda

September 11, 2025

Valley Metro RPTA
Board of Directors
Thursday, September 18, 2025
Boardroom/You Tube
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

Action Recommended

CONSENT AGENDA

1A.	Minutes	1A. For action
	Minutes from the August 28, 2025, Board meeting are presented for approval.	
1B.	Federal Transit Administration Pass-Through Grant Agreements	1B. For action
	Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute IGAs and change orders with the City of Phoenix for the listed grants.	
1C.	Renewable Natural Gas Credits Authorization to Issue a Competitive Solicitation	1C. For action
	Staff recommends that the Board of Directors authorize the Chief Executive Officer to issue a competitive solicitation for a renewable natural gas revenue contract.	
1D.	Fuel Hedging Contract Award	1D. For action
	Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a one-year contract with four one-year options with Linwood Capital, LLC, (“Contractor”), for fuel hedging in an aggregate amount of $237,600.	

1E.	FY26-30 Short Range Transit Program	1E. For action

Staff recommends the Board of Directors acceptance of the FY26-30 Short Range Transit Program report and share it with Maricopa Association of Governments (MAG) in support of the Transportation Improvement Program process.

1F.	2025 Transit Life Cycle Program (TLCP) - Bus Update	1F. For action

Staff recommends that the Board of Directors for approve the Transit Life Cycle Program Update.

REGULAR AGENDA

2.	Articulated Bus Purchase Contract Award	2. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a cooperative contract with NFI Group, Inc. (New Flyer) to procure 17 articulated heavy-duty CNG buses, with an aggregate value not to exceed $26,184,619.

3.	Mobility Center Lease Extension	3. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a 126-month (10-year/6 month) lease extension (Seventh Amendment to Office Lease) with CopperPoint Holdings, Inc. ("Landlord") for the base rent in an amount not to exceed $6,961,742.71.

4.	Report on Current Events and Suggested Future Agenda Items	4. For information

Chair Adams 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 Board meeting is scheduled for **Thursday, October 16, 2025 at 11:15 a.m.**

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

Meeting Minutes

September 11, 2025 **AGENDA ITEM 1A**

Valley Metro RPTA Boards of Directors
Thursday, August 28, 2025
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

Meeting Participants
City of Tempe, Councilmember Jennifer Adams **(Chair)**
City of Avondale, Councilmember Max White **(Vice Chair)**
City of Phoenix, Councilmember Laura Pastor **(Treasurer)**
City of El Mirage, Councilmember Monica Dorcey
Town of Fountain Hills, Councilmember Peggy McMahon
City of Goodyear, Vice Mayor Wally Campbell
Maricopa County, Supervisor Steve Gallardo
City of Mesa, Councilmember Francisco Heredia
City of Peoria, Councilmember Jon Edwards
Town of Queen Creek, Councilmember Bryan McClure
City of Scottsdale, Councilmember Maryann McAllen
City of Surprise, Councilmember Earle Greenberg
City of Tolleson, Vice Mayor Jimmy Davis
Town of Wickenburg, Mayor BG Bratcher
Town of Youngtown, Mayor Michael LeVault

RPTA Members not Present
City of Buckeye, Councilmember Jamine Berry
City of Chandler, Councilmember OD Harris
Town of Gilbert, Councilmember Kenny Buckland
City of Glendale, Vice Mayor Lauren Tolmachoff

Chair Adams called the meeting to order at 1:19 p.m.

1. Consent Agenda

Chair Adams said the first item on this agenda is the Consent Agenda which is presented for approval. Does the Committee have any questions or are there any items that need to be pulled for separate discussion? I request a motion and second to approve Consent Agenda Items 1A through 1E although I'm seeing a hand up.

IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY COUNCILMEMBER DORCEY AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 1A THROUGH 1E.

2. Demand Response Scheduling Software Contract Award

Chair Adams said item number 2 on our agenda is Demand Response Scheduling Software Contract Award. Jessica is to present.

Ms. Mefford-Miller said thank you, Madam Chair, members of the board. I will ask Tom Young, our Deputy Chief of Bus and Paratransit Operations, to talk with you about what demand response scheduling software means for our riders and our operation. Tom, please.

Mr. Young said thank you, Jessica. Chair Adams, members of the board. As Jessica mentioned, this item is a recommendation of award of a contract for new demand response software. Specifically, the demand response software -- or the demand response programs we actually operate here at Valley Metro is our ADA Paratransit program, our Ride Choice program, our route deviated service which is actually our Rural Route 685 and then we're building to take on microtransit here in the near future. So if we go back several years ago the board actually approved the implementation of a joint administrative contract to manage all of Valley Metro's demand response services.

The current demand response software that we use was not capable of actually adding the additional demand response beyond our ADA service so today we continue to operate the program separately and basically do duplicative operations.

The new software that we're proposing it will allow us to actually pull the joint program together, consolidate the administrative functions of all the demand response services and also help us educate customers between what's the best service for them to use on the trip. So it's a goal that we've been working towards for almost three years now and the new software will allow us to do this.

In addition to managing all the demand response programs under the same platform, it's also going to bring the ability for customers to make their reservations without having to make a phone call whether it be voice activated whether it be through a mobile app or online. They can make all their reservations, check their trip schedules, cancel them. And in addition, it will allow for electronic fare payments so that our customers don't have to have cash. That's an item that we tried to implement under our current software, once again, and it wasn't capable of doing it.

So after reviewing seven proposals we're recommending the board authorize the Chief Executive Officer to execute a contract with RideCo USA incorporated for a total of five years at $2,143,831.

I can answer any questions

Chair Adams said does the board have any questions? Yes. Councilmember White.

Councilmember White said thank you so much. I really appreciate this presentation. I -- I would like to publicly say I believe RideCo is our vendor for WeRide. I can't talk enough about it. But I will make a commentary good or bad I think there's an opportunity we heard from one of the public comments today that in the pre-COVID environment they were able to get picked up at their home and now that's no longer an availability.

I don't think this will interrupt our movement of this item on the agenda however, having had an experience as somebody who may go from using mobility devices to not having to I think all of you have seen me on a walker or with a cane in the past. We do want to make sure we can get our vendor to go as close to wherever that person's physical location may be.

So hopefully by taking on RideCo they will be able to have more access to apps and RideCo will see where that individual is because they requested the ride and maybe that rider will be able to download their specific location maybe giving location access which is something each of us as individual smartphone users have to do on our own but be able to get to the people where they physically are. I think that's the only opportunity I've ever had with RideCo is missing a ride because I could not get to the spot where they were and they don't go to the spot where I was. So that's a real-world problem but other than that excellent agency.

IT WAS MOVED BY COUNCILMEMBER WHITE, SECONDED BY COUNCILMEMBER PASTOR AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO ENTER INTO A CONTRACT WITH RIDECO USA FOR DEMAND RESPONSE SCHEDULING SOFTWARE WITH A ONE-YEAR INITIAL TERM AND FOUR ONE-YEAR OPTIONS TO EXTEND THE AGGREGATE VALUE WILL NOT EXCEED $2,143,831.

3. Paratransit Vehicle Replacements Contract Award CHAIR ADAMS:

Chair Adams said item number 3, paratransit vehicle replacements contract award. Jessica to present.

Ms. Mefford-Miller said thank you. I want to invite Gregg Thompson, Deputy Chief of Bus and Paratransit Maintenance to the podium. So here we are talking about how we put some of those federal formula dollars to work to make transit more accessible. Gregg.

Mr. Thompson said thank you, Jessica. Madam Chair, members of the board. Good afternoon, today I'm asking that the board authorize the Chief Executive Officer to enter into a contract with Model 1 Commercial Vehicles for the purchase of 26 cutaway paratransit style vehicles for amount not to exceed $4,023,996.

The overall purchase of 26 vehicles includes 21 for the paratransit ADA service: 20 being like for like vehicle replacements, one of the vehicles -- one an additional -- one

single vehicle replaces one that was taken out of service a while ago due to an accident and then there are five buses that are very similar in size and shape that will replace five Rural Route 685 vehicles. They're very similar the Rural Route 685 vehicles are a slightly larger wheelbase. They will come equipped with bike racks and electronic destination signs and because of the size one extra seat. We had to get the vehicles a little bit larger because the smaller ones with the collision avoidance systems do not allow for the fitment of a bike rack. So that's -- that's really the -- the difference in those. And then there's a -- a price difference.

All vehicles being replaced if they have all exceeded the FTA recommended minimum useful life of 150,000 miles or five years.

And regular replacement of revenue vehicles aligns with the agency's strategic plan by delivering excellent customer experiences and by increasing the fleet's reliability and safety and supports goal aid of operational excellence.

Regular vehicle replacement also aligns with the agency's long-term fleet replacement plan that builds consistency in financial future planning.

The cost of the vehicles are outlined in Table 1 and Table 2 in your board memo packets. Table 1 reflects the vehicle type funded about 85 percent by federal funds and the remaining 15 percent funded with the local PTF funds. And then Table 2 reflects that one singular vehicle that was replaced due to an accident with the -- the proceeds of the subrogation funds and then the remaining difference of $105,253 coming from PTF.

We've also included a four percent contingency in that to cover any volatility in the market or increase in cost and goods.

The vehicles will be procured through the Arizona State Procurement Office, and they meet all regulatory terms and conditions.

Staff recommends that the Board of Directors authorize the Chief Executive Officer to begin the solicitation process for 26 paratransit style cutaway buses for an amount not to exceed $4,023,996. And I will take any questions

Chair Adams said are there any questions for from the Committee? Yes. Councilmember White.

Councilmember White said thank you so much for your presentation. I have three questions. The number you're stating is different than the number on the screen.

Mr. Thompson said it is, and I apologize for that. We actually restated our contingency. We went from four percent -- we went from five percent to four percent because we're closer to the bus purchase. So my apologies that was a typo.

Councilmember White said okay. Because that was the second question. Thank you. In the packet we have a five percent contingency. You said we took that down to four percent now.

Mr. Thompson said which makes -- yes. Perfect. It makes up that difference.

Councilmember White said and then you refer to the FTA's standard of five years, a 150,000 miles for vehicle usage. Do we -- do -- because I'm unaware. Why is that the standard? Do you know kind of the ethic behind that standard and how we get there and are we out of that space on the vehicles on the road right now?

Mr. Thompson said yes. Well, for -- for a couple things so the Federal Transit Administration that's -- since we're using their money, they set the regulations for how long you keep a bus. And people oftentimes conflate the useful life as it hits that mark and now it's done. It's actually the minimum useful life so that's -- that's the guidance that they have of five -- they say five years, or 150,000 miles should be -- it should hit one of those milestones before you consider replacement.

Now, they also set useful life benchmarks which we have started working on internally setting our own useful life benchmarks in all of our fleets that exceeds that -- that requirement because a five-year-old bus still has life if it has proper maintenance and all the things that go with that. So -- so we're saying right now that all of the buses have met the minimum useful life and have exceeded it by mileage and years.

Chair Adams said do you have any other questions? Do you have any questions, Councilmember White?

Mr. Thompson said every single vehicle that we purchase whether we're using PTF funds or federal funds we're still applying kind of the federal guidelines to that. A large fixed route bus, for example, is 12 years, 500,000 miles is the minimum. We set our internal life benchmark, and we started establishing it by -- by years so we're now moving towards 14 years on those. We have other buses that based on, it's called Altoona testing, so they take a bus and they produce it, they send it off and they rigorously test it to see if it'll at least make that useful life and that kind of sets that initial benchmark. We have some buses that are 10-year, 350,000 mile buses. We have some buses that are seven years old, 200,000 miles. And then we have all the way down to smaller sedans which are four year, 100,000 miles. So it depending on the classification of vehicle, different use -- minimum useful lives apply.

Chair Adams said so the big ones are like 12 years you said.

Mr. Thompson said 12 years, 500,000 minimum.

Chair Adams said okay. That's very impressive.

Councilmember White said may we have the number, again. I'm sorry. I didn't write it down. The four million give us the full -- the right number again.

Mr. Thompson said sure. I'm sorry. $4,023,996.

Councilmember Heredia said really quick. What's this -- what's the makeup of our current fleet of four cutaways for paratransit?

Mr. Thompson said thank you for that question. Right now, we have the -- in the total fleet we have 103 vehicles. We have 20s and 25 bands that we're currently piloting for the size and the right fit for that fleet.

Ms. Mefford-Miller said Mr. Thompson, can you elaborate? Are those the Chrysler Pacifica framework?

Mr. Thompson said correct. Yes.

Councilmember Heredia said but is there -- is the cutaways the majority of our fleet? The -- are these the -- the large cutaway vans that I understand?

Mr. Thompson said they are cutaway chassis on -- on body there we're purchasing for transits which are a little bit different than the standard what you would normally think of the large body on chassis cutaways of the, you know, the Star Transit, Starcrafts and the Eldorados. So these are a little bit smaller. They're so they would be in between the size of a passenger van and a full-size cutaway.

Councilmember Heredia said okay. My question is did we look at data? I understand the need to make sure the -- the accessibility for mobile devices, right, for our residents ensuring that we have vehicles but is there data that we have on how many or what's the percentage of individuals that need that type of service that need these the these large vehicles? I understand in Mesa, for instance, it's about 20 percent of our paratransit trips that need a vehicle that can take a large wheelchair, right. And so do we have data that backs up that we need so many of these cutaway vehicles?

Ms. Mefford-Miller said yes. Thank you, Councilmember Heredia. Madam Chair. I'm going to ask Tom Young to answer questions regarding our customer composition because you're -- you are spot on that the majority of our paratransit customers do not use mobility devices. So, Tom, do you want to address that and then Tom or Greg it would be helpful to address the average maximum load so the number of customers that we have on board a vehicle at any given time which is a big driver of vehicle size.

Mr. Young said yes. Thank you, Jessica, for that. Councilmember, currently we have 31 percent of our users that use mobility devices. If you look at -- that's primarily just wheelchairs as mobility devices. You look at -- at walkers and other assistive devices it goes up to about 37 percent of individuals that need to use the lift to get on the vehicle.

As far as oversized devices right now that -- that is giving us a challenge on the smaller vehicles, about 41 percent of that 31 percent of users are oversized devices.
The second piece is looking at the fact that a shared ride system that we're not just transporting individuals that use assistive devices one-on-one at this point. We average typically a two to three additional individuals in a vehicle at a time sometimes or the majority of the time individuals are traveling with a personal care attendant so one trip is two individuals but we also group additional trips.

One of the pieces of data that we've been tracking since we've implemented the smaller Pacificas into the fleet is the amount of times that the mobility devices do not fit or the capacity is over the capacity and the amount of dead miles that we have to use to get a cutaway in the place at this point. So we're still collecting data on that to ensure that we have the proper mix of cutaway vehicles and non, the minivans available.

Councilmember Heredia said perfect. That's my question only just to make sure we balance the need, these vehicles are very costly, right. And so and we heard the need to improve timeliness of service and so if we -- we look at the balance of having more vehicles maybe available to -- at lower costs that still fulfills a need for the majority of our residents still having vehicles that support mobility devices, of course, right, but having a balance of moving forward of what we can efficiency -- efficiently look at cost and number of vehicles in the system to improve service, right.

That -- that's my -- my point for these questions just to keep on looking at these -- these vehicles and what our -- our residents are asking for trips, what that data suggests, right, of how right-sizing our -- our fleet for paratransit.

Chair Adams said thank you very much. It's impressive how many people have assistive devices that ride the buses. I think that's something that we really should promote because it's like we're helping a lot of people, you know, get to work and -- and wherever they need to go in spite of having some physical challenges. Thank you.

IT WAS MOVED BY COUNCILMEMBER DORCEY, SECONDED BY COUNCILMEMBER WHITE AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A COOPERATIVE CONTRACT WITH MODEL 1 COMMERCIAL VEHICLES TO PROCURE REPLACEMENT VEHICLES IN AN AMOUNT NOT EXCEEDING $4,058,150.

4. Report on Current Events and Suggested Future Agenda Items

Chair Adams said item number 4. Do any members have any reports or current events of? Are there -- are there any agenda items for future meetings? So do any minutes -- do any members have any reports or current events? Okay. Seeing none.

5. Next Meeting

Chair Adams said our next meeting will be Thursday, September 18th, 2025, at 11:15 a.m. Vice Chair Max White will be chairing at me as I'll be at a wedding. Thank you.

With no further discussion the meeting adjourned at 1:39 p.m.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 1B

SUBJECT
Federal Transit Administration Pass-Through Grant Agreements

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

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

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

COMMITTEE PROCESS
RTAG: August 26, 2025 for information
TMC: September 3, 2025 approved
Board of Directors: September 18, 2025 for action

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Background Information

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

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

Federal Transit Administration Pass-Through Grant Agreements

BACKGROUND DISCUSSION
Valley Metro is being provided federal funds through the Federal Transit Administration (FTA) from seven formula grant programs. The table below summarizes the funding available. The grant awards are awaiting Maricopa Association of Governments Regional Council Approval and therefore the amounts may change:

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	Section 5307 - PGA UZA	$295,109	$73,777	-	$368,886
TBD	Section 5307 - PMS UZA	9,051,923	2,262,981	-	11,314,904
TBD	Section 5337 - HI PMS UZA	8,150,984	-	1,438,409	9,589,393
TBD	Section 5337 - HI PGA UZA	100,000	25,000	-	125,000
TBD	Section 5339 - HI PMS UZA	4,419,600	-	824,330	5,243,930
AZ-2025-013-00-RPTA	Section 5310 - PMS UZA	717,304	597,304	-	1,314,608
TBD	Section 5310 - PGA UZA	25,098	25,098	-	50,196
Total		$22,760,018	$2,984,160	$2,262,739	$28,006,917

- Funds from the Section 5307 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for preventive maintenance.

- Funds from the Section 5307 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for preventive maintenance and capital cost of contracting for the vanpool program.
- Funds from the Section 5337 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for fleet replacement.
- Funds from the Section 5337 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for preventive maintenance.
- Funds from the Section 5339 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for fleet replacement.
- Funds from the Section 5310 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for operating support for Ride Choice and travel training.
- Funds from the Section 5310 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for public transportation alternatives.



1

FTA Pass-Through Agreements

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	Section 5307 - PGA UZA	$295,109	$73,777	-	$368,886
TBD	Section 5307 - PMS UZA	9,051,923	2,262,981	-	11,314,904
TBD	Section 5337 - HI PMS UZA	8,150,984	-	1,438,409	9,589,393
TBD	Section 5337 - HI PGA UZA	100,000	25,000	-	125,000
TBD	Section 5339 - HI PMS UZA	4,419,600	-	824,330	5,243,930
AZ-2025-013-00-RPTA	Section 5310 - PMS UZA	717,304	597,304	-	1,314,608
TBD	Section 5310 - PGA UZA	25,098	25,098	-	50,196
Total		$22,760,018	$2,984,160	$2,262,739	$28,006,917

2

- The grant awards are awaiting Maricopa Association of Governments Regional Council Approval and the amounts may change

VALLEY METRO

2

FTA Pass-Through Agreements

- Funds from the Section 5307 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for preventive maintenance
- Funds from the Section 5307 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for preventive maintenance and capital cost of contracting for the vanpool program
- Funds from the Section 5337 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for fleet replacement
- Funds from the Section 5337 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for preventive maintenance
- Funds from the Section 5339 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for fleet replacement
- Funds from the Section 5310 Grant Program for the Phoenix-Mesa-Scottsdale Urbanized Area are awarded for operating support for Ride Choice and travel training
- Funds from the Section 5310 Grant Program for the Phoenix West-Goodyear-Avondale Urbanized Area are awarded for public transportation alternatives

3

3

Recommendation

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

4

4

Executive Summary

DATE
September 11, 205

AGENDA ITEM 1C

SUBJECT
Renewable Natural Gas Credits Authorization to Issue a Competitive Solicitation

COST AND BUDGET
Proposals submitted will be subject to either a price analysis or a cost analysis, including a comparison to an independent revenue estimate. Budget impact will be disclosed at the time of a request for award.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to issue a competitive solicitation for a renewable natural gas revenue contract.

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

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

COMMITTEE PROCESS
RTAG: August 26, 2025 for information
TMC: September 3, 2025 approved
Board of Directors: September 18, 2025 for action

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT(S)
None

Background Information

BACKGROUND
At the Mesa bus operations and maintenance facility (MBOM), 93 buses are powered by compressed natural gas (CNG). Natural gas as delivered from the local utility is measured in therms. At MBOM over 2,000,000 therms are dispensed annually.

Renewable natural gas (RNG), or biogas, is pipeline-quality methane gas that has been derived from organic materials such as agricultural waste, landfills, wastewater treatment plants, and other biomass sources, which can replenish over time.

Producers of RNG can take advantage of federal tax credits if they are able to certify the RNG they produce is used for transportation. Valley Metro, as the off user of RNG, would share a portion of the revenue created.

Brokers can ensure the therms of natural gas Valley Metro consumes are supported and offset by multiple RNG producers, thus ensuring consistent and reliable revenue.

Valley Metro directly purchases natural gas for vehicle fuel at the MBOM facility (Mesa). Fuel at the EVBOM (Tempe) is purchased by the City of Tempe and reimbursed by Valley Metro. Proceeds from any revenue received from RNG will be dispersed on a cost per mile basis for all miles delivered.

Valley Metro budgets $1,519,000 annually for natural gas vehicle fuel at MBOM. Through market research, Valley Metro is expecting to generate 39 to 41 cents per therm, or $800,000 annually.

Renewable Natural Gas has the same chemical composition as Natural Gas. As such, the tailpipe emissions remain the same.

An RNG program does not affect the existing Alternative Fuel Tax Credit, the ability to hedge fuel or to broker a natural gas commodity.



1

Renewable Natural Gas (RNG)

For energy purposes, RNG is chemically identical to pipeline quality natural gas:

- RNG is a product of gas derived from the decomposition of organic materials in renewable waste streams.
- RNG uses the same infrastructure as fossil natural gas: pipelines, gas compressors, refueling stations, and vehicle engine technology
- Potential for billions of GGEs annually from existing biogas sources
- Key Difference: RNG = Renewable Natural Gas = Geologic

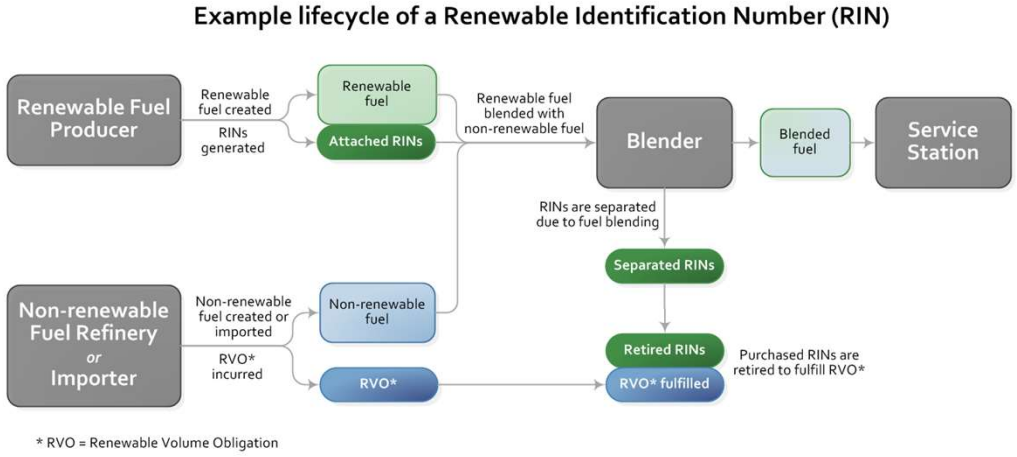
Sources of RNG:

- Landfills
- Wastewater Treatment Plants
- Livestock Facilities
- Commercial & Residential Food Waste

2

2

How is Revenue Generated?



3

3

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to issue a competitive solicitation for a renewable natural gas revenue contract.

4

4

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 1D

SUBJECT
Fuel Hedging Contract Award

COST AND BUDGET
Cost for the full contract term is $216,000, plus a 10% contingency of $21,600, for an aggregate value of $237,600.

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

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

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a one-year contract with four one-year options with Linwood Capital, LLC, ("Contractor"), for fuel hedging in an aggregate amount of $237,600.

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

- Goal 9: Financial Sustainability
  - Initiative 9.1: Develop and maintain short and long-term financial forecasts and cash reserve policies to ensure an ongoing financially balanced program.
  - Initiative 9.5: Engage all staff to proactively identify cost-saving measures and implement resource justification during the annual budget process.

COMMITTEE PROCESS
RTAG: August 26, 2025 for information
TMC: September 3, 2025 approved
Board of Directors: September 18, 2025 for action

CONTACT
Michael Mathews
Controller
mmathews@valleymetro.org

ATTACHMENT
PowerPoint Presentation
A copy of the contract is available upon request

Background Information

BACKGROUND/DISCUSSION
This contract is needed to assist in making systematic financing decisions related to fuel consisting of compressed natural gas, diesel fuel. and gasoline.

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

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

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

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

This item serves the Agency's strategic plan by allowing Valley Metro to obtain the services of a consultant with expertise in designing and implementing a fuel hedging policy and strategy and managing a fuel hedging program by purchasing the appropriate fuel hedging financial instruments. Fuel hedging is a proactive step toward managing financial risks and ensuring cost stability. By adopting this approach, we aim to improve our ability to plan for future expenses while maintaining operational efficiency.

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

Two offerors submitted proposals. Both were deemed responsive and responsible. An evaluation committee of comprised of Valley Metro and member city staff evaluated the offers based on the following criteria with a maximum possible point total of 1,000:

- Experience and Expertise (0 – 450 points)
- Strategy and Method of Approach (0 – 350 points)
- Price (0 – 200 points)

After reaching consensus, the evaluation committee recommends an award to Blue Lacey Advisors, LLC, based on the following results:

- Linwood Capital, LLC 850 points
- Blue Lacey Advisors, LLC 825 points

CONTRACT TYPE AND TERM

The contract is a firm fixed-price contract. The contract will begin on or about October 1, 2025, for an initial one-year term with an option to extend up to four-years, for a maximum term of five years



1

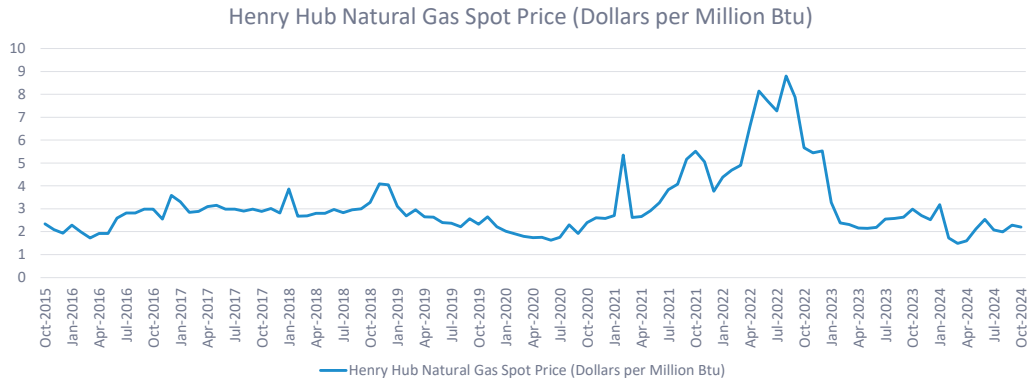
Fuel Heding Overview

- **Benefits:** Reduces price volatility, ensuring stability and more predictable budgeting
- **Focus:** Natural gas; diesel and unleaded fuel as needed
- **Implementation Plan:** After contract award, develop fuel hedging policy for Board approval

2

2

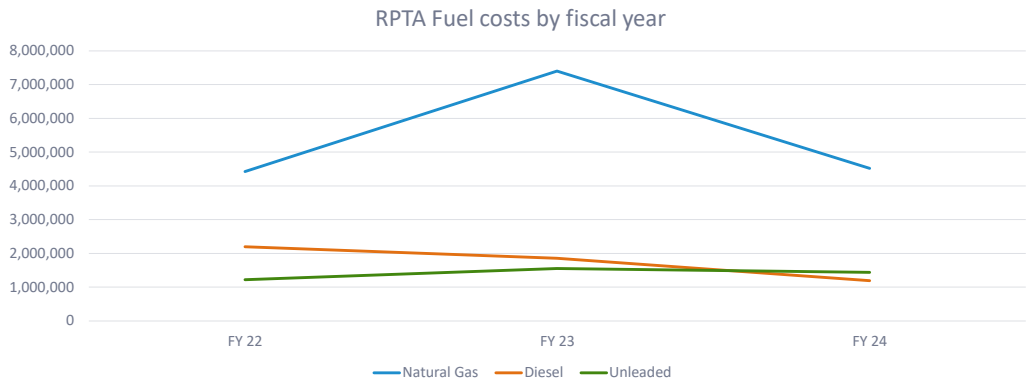
Natural Gas



3

3

RPTA fuel cost by year



4

4

Fuel cost by service type for last three fiscal years

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

5

5

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a one-year contract with four one-year options with Linwood Capital, LLC, ("Contractor"), for fuel hedging in an aggregate amount of $237,600.

6

6

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 1E

SUBJECT
FY26-30 Short Range Transit Program

COST AND BUDGET
The costs of service and funding changes will be reflected in the annual Transit Life Cycle Program (TLCP) and bi-annual service change process.

RECOMMENDATION
Staff recommends the Board of Directors accept the FY26-30 Short Range Transit Program report and share it with Maricopa Association of Governments (MAG) in support of the Transportation Improvement Program process.

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

- Goal 5: Stakeholder Collaboration
  - Tactic 5.2: Incorporate member agency and stakeholder input into action plans to build the future regional transit system.
- Goal 8: Operational Excellence
  - Tactic 8.3: Improve service quality through enhanced planning, performance management, and continuous process improvement.

COMMITTEE PROCESS
RTAG: August 26, 2025, for information
TMC: September 3, 2025, approved
Board of Directors: September 18, 2025, for action

CONTACT
Michael Eshleman
Deputy Chief, Service Planning
meshleman@valleymetro.org

ATTACHMENT
Short Range Transit Program Inventory FY26-FY30

Background Information

BACKGROUND
The SRTP documents potential transit service modifications throughout the region over the next five years and builds upon previous planning efforts. It identifies regional and local transit service improvements programmed in the TLCP and includes services proposed and funded by member cities. This document provides a platform on which all short-range transit plans for the region may be shared, collectively coordinated, and integrated to maximize efficiency and effectiveness in service provided to the public. It also serves as input for the TLCP, Fleet Management Plan (FMP), bi-annual service changes, and the Transportation Improvement Program (TIP).

The SRTP includes two planning periods: the short-term (one to three years), known as production years; and the long-term (four to five years), known as development years. Production-year services must have both committed funding sources and an implementation schedule. Development services may require further analysis prior to consideration for inclusion in the Production category. The SRTP analyzes all potential regionally funded modifications through a set of guiding principles and city feedback for the production years. The recommendations are developed concurrently with the annual TLCP update and are included therein.

SRTP Annual Update Process and Guiding Principles:
Staff worked with Valley Metro member cities to document service modification requests and analyze, if applicable, the service requests using six Guiding Principles, which are built around the TLCP and Board-adopted Transit Standards and Performance Measures. The principles consider the following (in no particular order):

1. Financially Sustainable (Operations)
2. Financially Sustainable (Capital)
3. Current Transit Performance Threshold Quartile
4. Routes in Original Proposition 400 Plan
5. Supports Major High-Capacity Transit Investments
6. Future Performance

The principles are used to evaluate regionally funded service changes requested in each fiscal year for consideration and inclusion in the SRTP, as well as to update priorities. The principles are only used for significant service changes such as route extensions or new routes, and do not analyze minor modifications such as small trip, running time, or weekend adjustments. Fleet and operator availability are also important considerations in determining the ability to implement service changes and the year in which to include them.

Performance threshold quartiles are developed using five performance measures to evaluate existing transit services as called for in Guiding Principle 3:

- On-Time Performance,
- Boardings per revenue mile,
- Boardings per revenue trip (in place of boardings per mile for express routes), and
- Farebox Recovery.

Staff met several times with the Service Planning Working Group and held two rounds of sub-regional meetings to collectively review proposed changes and related analysis (mileage, costs, etc.), and to determine production and development-year services for the FY26-30 SRTP update. Production-year services will be considered for the bi-annual service change process and annual TLCP updates.

Route	Route Number	Service Type	Impacted City/Town	Operator	Change Type	Change Month	Change Year	Fiscal Year	Potential Service Change Concept	Funding Source
Production Years (Funding Committed)										
Indian School	41	Key Local	Phoenix	Phoenix	Cost Allocation	July	2025	**FY26**	END PTF funding of route in Phoenix.	Local
24th St/Glendale Ave	70	Local	Phoenix	Phoenix	Cost Allocation	July	2025	**FY26**	END PTF funding of route in Phoenix.	Local
Chandler Express	542	Express	Chandler	Valley Metro	Service Increase	April	2026	**FY26**	Add one morning trip and one evening trip to service	PTF
Country Club/ Arizona Ave	112	Local	Chandler	Valley Metro	Route Extension	April	2026	**FY26**	Extend every other weekday trip southward to Snedigar Sports Center.	PTF
Dobson	96	Local	Chandler, Mesa	Valley Metro	Service Increase	April	2026	**FY26**	Weekday, improve service in Chandler by extending current service to add one evening round trip.	PTF
Gilbert Rd	136	Local	Chandler, Gilbert	Valley Metro	Service Increase	April	2026	**FY26**	Extend evening service weekdays and Saturdays to Chandler.	PTF
Gilbert Rd	136	Local	Chandler, Gilbert	Valley Metro	Service Increase	October	2026	**FY27**	Extend Sunday service to Chandler end of line.	PTF
Ray Rd	140	Local	Gilbert	Valley Metro	Route Extension	October	2026	**FY27**	Extend 140 from Gilbert Rd to Power Rd.	PTF*
Chandler Blvd	156	Local	Chandler	Valley Metro	Service Increase	October	2026	**FY27**	Increase peak frequency to 15 minutes to Gilbert Rd.	Local (Phoenix)/PTF (Chandler)

Route	Route Number	Service Type	Impacted City/Town	Operator	Change Type	Change Month	Change Year	Fiscal Year	Potential Service Change Concept	Funding Source
Buckeye Local Service	New	Circulator / Microtransit	Buckeye	Valley Metro	New Route	October	2027	**FY28**	New, circulator or microtransit service in Buckeye. Pending Buckeye Transit Study.	Local
56th St	New	Local	Phoenix	Phoenix	New Route	October	2026	**FY27**	New Route 56A from Shea Blvd to Deer Valley Road (Desert Ridge Mall area).	Local
83rd Ave	83	Local	Phoenix	Phoenix	Route Extension	October	2026	**FY27**	Extend route to Lower Buckeye Road	Local
91St Ave	New	Local	Phoenix	Phoenix	New Route	October	2026	**FY27**	New Route 91 from Camelback Rd to Lower Buckeye Rd.	Local
Bell Rd	170	Local	Glendale, Peoria	Phoenix	Route Extension	April	2027	**FY27**	Extend service to 91st Ave	PTF
Avondale/ Buckeye Express	563	Express	Buckeye	Valley Metro	Service Increase	April	2027	**FY27**	Add one additional trip to Buckeye PNR.	Local
Buckeye Local Service	New	Circulator / Microtransit	Buckeye	Valley Metro	New Route	October	2027	**FY28**	New circulator or microtransit service in Buckeye. Pending Buckeye Transit Study.	Local
Alma School	104	Local	Chandler, Mesa	Valley Metro	Service Increase	October	2027	**FY28**	Add Saturday service until 9pm in Chandler.	PTF
Gilbert Express	New	Express	Gilbert, Phoenix	Valley Metro	New Route	October	2027	**FY28**	Add new commuter route from new planned Gilbert PNR to Downtown Phoenix.	PTF

Route	Route Number	Service Type	Impacted City/Town	Operator	Change Type	Change Month	Change Year	Fiscal Year	Potential Service Change Concept	Funding Source
Development Years (No funding commitment)										
Thunderbird	138	Local	Surprise, El Mirage	Phoenix	Route Extension	April	2029	**FY29**	Extend service to Litchfield Rd.	Local
Bell Rd	170	Local	Surprise, Glendale, Peoria, County	Phoenix	Route Extension	April	2029	**FY29**	Extend service to Surprise Civic Center	Local
Luke Circulator	New	Circulator	Surprise	Valley Metro	New Route	April	2029	**FY29**	Consider local circulator down to Luke Air Base.	Local
McDowell	17	Key Local	Avondale, Phoenix, Goodyear, Tolleson	Phoenix	Service Increase	April	2029	**FY29**	Add Sunday service beyond 99th Ave. into Avondale & Goodyear.	Local
Indian School	41	Key Local	Avondale	Phoenix	Route Extension	April	2029	**FY29**	From Avondale mid-term Transit Plan, extend to Litchfield Rd.	Local
Thomas	29	Key Local	Avondale, Phoenix	Phoenix	Route Extension	April	2029	**FY29**	From Avondale mid-term Transit Plan, extend to Avondale Civic Center.	Local
Northern/ Shea	80	Local	Peoria, Glendale	Phoenix	Route Extension	April	2029	**FY29**	Extend route 80 to 99th avenue.	Local
Dunlap/ Cave Creek	90	Local	Peoria	Phoenix	Route Extension	April	2029	**FY29**	Extend route 90 to 99th Avenue.	Local
Union Hills	186	Local	Glendale, Phoenix	Phoenix	Service Increase	April	2029	**FY29**	All weekday trips go to Arrowhead.	Local

Short Range Transit Program FY26-30

1

What's the SRTP?

- Guides Valley Metro's transit improvements over the next *five years*.
- Plans service expansions, route changes, and facility upgrades.
- Supports funding decisions through data and public input.
- Aligns short-term actions with long-term regional goals.



2

Performance Quartiles

Bottom Quartile Routes					
Type	Route	OTP	Wkdy B/Mi	Wkdy FBR	Wkdy B/T
Local	1	Average	Low	Low	
Local	28	High	Low	Low	
Local	39	High	Low	Low	
Local	48	Average	Low	Low	
Local	52	High	Low	Low	
Local	83	Low	Low	Low	
Local	108	High	Low	Low	
Local	140	High	Low	Low	
Local	156	Average	Low	Low	
Local	184	Average	Low	Low	
Local	186	Average	Low	Low	
Key Local	0	High	Low	Low	
Key Local	45	Average	Low	Low	
Key Local	72	Low	Low	Low	
Express	515	Low	Low		Low
Express	SME Rapid	Average	Low		Low
Express	SMW Rapid	Low	Low		Average

Top Quartile Routes					
Type	Route	OTP	Wkdy B/Mi	Wkdy FBR	Wkdy B/T
Local	8	Low	High	High	
Local	10	Average	High	High	
Local	15	High	High	High	
Local	32	Low	High	High	
Local	59	Low	High	High	
Local	60	Low	High	High	
Local	90	Average	High	High	
Local	106	Average	High	High	
Local	112	Average	High	High	
Local	120	High	High	Average	
Local	170	Average	High	High	
Key Local	19	Average	High	High	
Key Local	29	High	High	Average	
Key Local	70	Average	High	High	
Express	533	High	High		High
Express	535	High	High		High
Express	542	High	High		Average
Express	I-17 Rapid	Low	High		High

3

Recommendation

Staff recommends that the Board of Directors accept the FY26-30 Short Range Transit Program report and share it with Maricopa Association of Governments (MAG) in support of the Transportation Improvement Program process.

4

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 1F

SUBJECT
2025 Transit Life Cycle Program (TLCP) - Bus Update

COST AND BUDGET
The proposed changes to the TLCP bus model have already been incorporated into the approved FY2026 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
Staff recommends that the Board of Directors approve the Transit Life Cycle Program - Bus Update.

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

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

COMMITTEE PROCESS
RTAG: August 26, 2025 for information
TMC: September 3, 2025 approved
Board of Directors: September 18, 2025 for action

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT(S)
Tables 1 and 2

Background Information

BACKGROUND | DISCUSSION | CONSIDERATION
The TLCP was developed in 2005 to provide guidance for the implementation of 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.

The most recent Board-approved update to the TLCP was in May 2024. The Arizona Department of Transportation (ADOT) released its most recent official revenue forecast in October 2024. The 2025 TLCP Update, which uses the updated forecast, has a decrease of $3.4 million in total RPTA Public Transportation Fund (PTF) revenues compared to the 2024 update.

Fiscal Year	2023 Forecast	2024 Forecast	$ Change	% Change
FY24 *(Actuals)*	$140,964,000	*$141,964,000*	$1,000,000	0.7%
FY25	148,071,000	144,658,000	(3,413,000)	(2.3)%
FY26	90,517,000	89,548,000	(969,000)	(1.1)%
Total	**$379,552,000**	**$376,170,000**	**($3,382,000)**	**(0.9)%**

NOTE: Numbers in italics indicate actuals.

Short Range Transit Plan

The current Short Range Transit Plan (SRTP) has identified some service and/or funding changes that are requested to be incorporated into the bus program within the TLCP. The SRTP was developed cooperatively with member city transit staff and includes service improvements that are ready to be implemented in the next two years. It also includes many potential improvements that are not ready for implementation.

These improvements will continue to be analyzed and developed and could be recommended for regional funding in a future TLCP Update.

Bus Program

Capital Program
In this update, RPTA fleet acquisitions in Prop 400 are reduced due to more acquisitions being deferred beyond FY2026.

Gilbert programmed an additional $1.1 million in PTF and shifted $2.2 million in PTF from its bus stops allocation to increase the PTF capital funding for the Gilbert Park & Ride to $5.2 million.

Operating Program
Valley Metro planning staff developed the SRTP to guide the implementation of new service improvements, including those funded with PTF. The attached *Table 1* and *Table 2* show the

current year and future year service improvements and funding shifts from the 2025 SRTP that were included in the financial model. *Table 1* includes items that were previously approved by the board, and *Table 2* includes items that have not yet been approved by the board.

The fund balance at the end of the program is anticipated to be about $47.3 million, up from $36.5 million in the 2024 update. The model is balanced for the life of Prop 400, and the annual cash flow shows that the fund balance is positive in all remaining years. The following table summarizes the changes in fund balance.

Comparison of Net Revenues		**2024 Update**	**2025 Update**	**Change**
	Operations Revenues	$2,186.2	$2,180.5	($5.7)
	Capital Revenues	$933.7	$923.7	($10.0)
Total Revenue		$3,119.9	$3,104.2	($15.7)
	Operations Expenditures	$1,941.8	$1,926.4	($15.4)
	Capital Expenditures	$1,141.6	$1,130.5	($11.1)
Total Expenditures		$3,083.4	$3,056.9	($26.5)
Net Revenues less Expenditures		$36.5	$47.3	$10.8

In the 2025 update, there were significant deferrals in fleet acquisitions and planned service enhancements. FY2024 actual costs were less than anticipated. Both of these adjustments resulted in significantly lower programmed expenditures than the 2024 update. The 2025 update does, however, include some temporary cost shifts in FY2025 and FY2026 of PTF to reduce member city contributions.

The TLCP Guiding Principles require that jurisdictional equity be maintained for the bus program. The policy requires that each sub-region have a positive jurisdictional equity balance and be no more than 2.5 percent under their policy allocation. In the current model, each of the sub-regions meets these requirements. No sub-region is currently over-allocated. Additionally, the policy stipulates that, regardless of sub-regional 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.

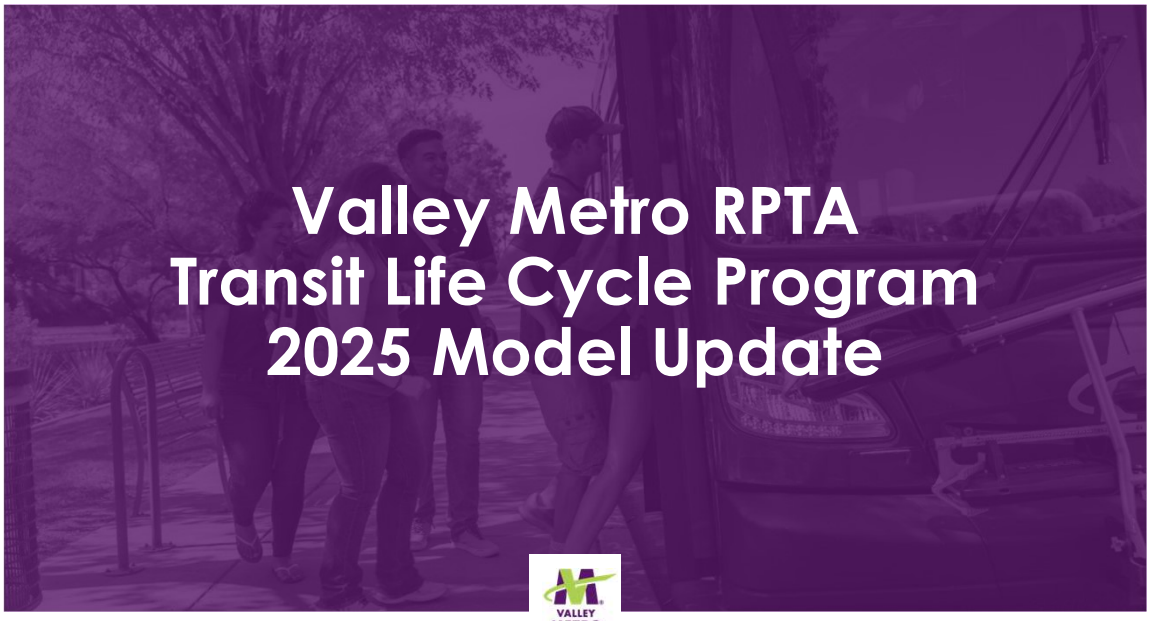
Moreover, as was clarified by the Board action in April 2023, Prop 400 rules apply to all PTF revenues collected during Prop 400. Any PTF balance remaining at the end of Prop 400 shall be spent in accordance with Prop 400 TLCP Jurisdictional Equity policies.

Jurisdictional Equity Summary by Sub-Region in 20 Year Plan				
($ in millions)				
July 2, 2025				
Sub-Region	Total Revenue Allocation	Total Costs Allocated	Allocation Under (Over)	Percent Under (Over)
Central	$475.3	$473.4	$1.9	0.4%
East	$848.9	$835.3	$13.6	1.6%
West	$173.5	$172.7	$0.8	0.5%
Total	**$1,497.7**	**$1,481.4**	**$16.3**	**1.1%**

These numbers do not include a $7.0 million set-aside by Scottsdale.

OUTSTANDING ISSUES/RISKS/ASSUMPTIONS

The Prop 400 extension (Prop 479) was approved by Maricopa County voters in November 2024. According to guidance from MAG, Prop 479 will provide funding for ongoing operations for the last five months of FY2026 at the same service levels as the first seven months of FY2026. MAG also advised that the Prop 479 TLCP rules will not go into effect until FY2027.



1

Transportation Excise Tax

Proposition 400 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

2

2

TLCP Policy Allocations

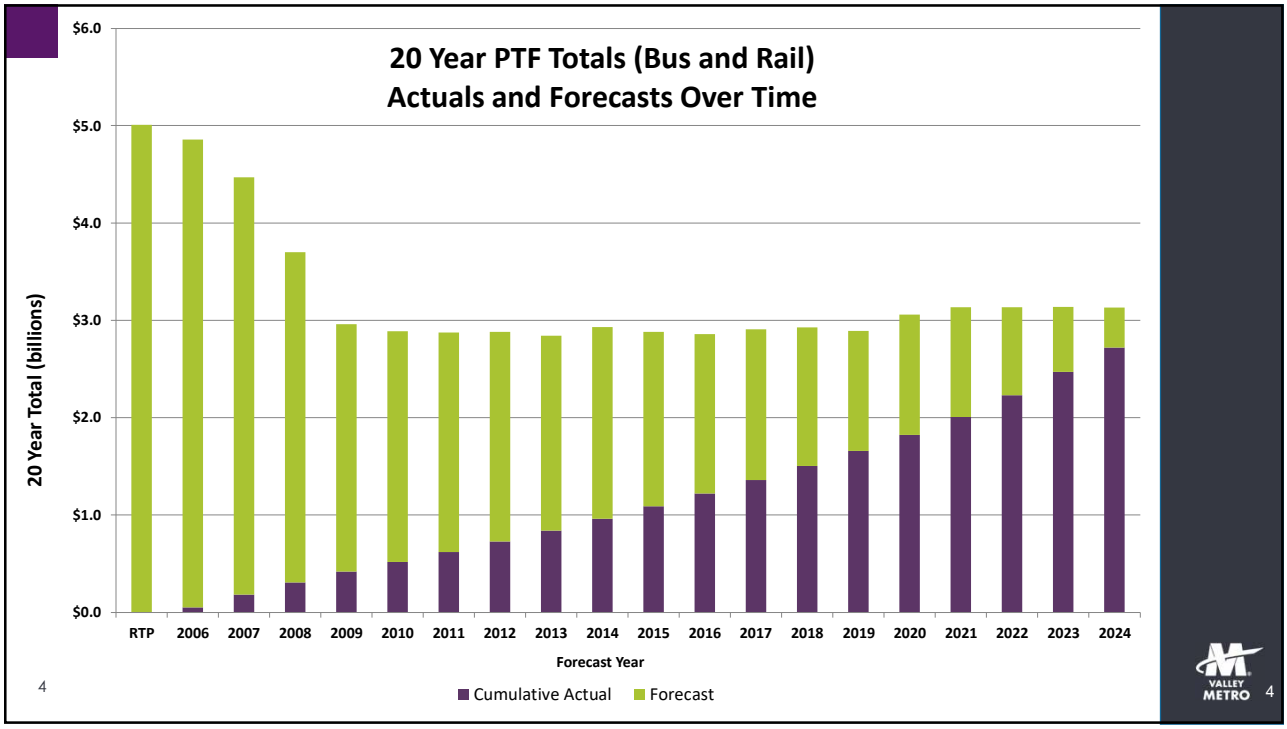
RPTA Board adopted policies for TLCP Oct 2005

- 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 expenditure

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Overview

- Most recent approved update to the TLCP was May 2024
- New AZ Dept of Transportation (ADOT) PTF Forecast in Oct 2024
- West Valley contract extension
- Higher contract rates for service
- Deferred vehicle acquisitions
- New capital items
- Updated actuals and projections
- Short Range Transit Plan (SRTP) adjustments

Bus PTF: 2024 vs. 2023 ADOT Forecasts

$ in Millions

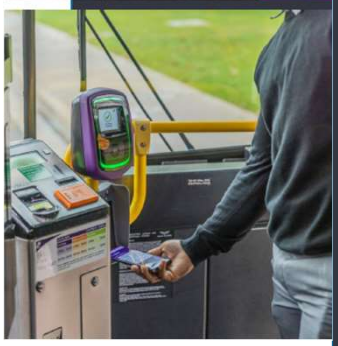
Fiscal Year	2023 Forecast	2024 Forecast	$ Change	% Change
FY24 *(Actuals)*	140,964,000	*$141,964,000*	$1,000,000	0.7%
FY25	148,071,000	144,658,000	(3,413,000)	(2.3)%
FY26	90,517,000	89,548,000	(969,000)	(1.1)%
Total	**$379,552,000**	**$376,170,000**	**($3,382,000)**	**(0.9)%**

NOTE: Numbers in italics indicate actuals.

RPTA Assumptions

- Increased contractor rates
- Short Range Transit Plan (SRTP) incorporated
- Planned fleet acquisitions
- Fare Collection System Modernization





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Operating Program Changes

Revenues

- 2024 Official AZ Dept of Transportation (ADOT) PTF Forecast

Expenses

- Updated actuals and projections
- Cost shifts to PTF for ADA/paratransit service
- Set-aside
- SRTP adjustments
  - Committed in first 2 years
  - Adjustments programmed
  - Temporary cost shifts to PTF

8

8

8

Service & Funding Adjustments

Route Number	Route	Fiscal Year	Description
N/A	N/A	N/A	No additional Prop 400-funded service changes programmed

Capital Program Changes Since 2024 TLCP

Facilities plan changes

- Gilbert P&R: Shifted PTF from bus stops and programmed additional PTF to increase funding to $5.2M

Fleet plan changes

- Deferred more fleet acquisitions beyond Prop 400

Regional PTF Costs in 20-Year Plan

Category	Amount
Regional services	$152.6
ADA certification	$38.7
Planning and administration	$5.5
Regional ITS	$23.6
Vanpool vans	$2.5
Debt service	$22.8
Minimum cash balance	$31.0
Total Regional Costs	**$276.7**

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VALLEY METRO 11

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Comparison of Net Revenues & Expenditures

$ in Millions

Comparison of Net Revenues & Expenditures		2024 Update	2025 Update	Change
	Operations Revenue	$2,186.2	$2,180.5	($5.7)
	Capital Revenue	$933.7	$923.7	($10.0)
Total Revenue		$3,119.9	$3,104.2	($15.7)
	Operations Expenditures	$1,941.8	$1,926.4	($15.4)
	Capital Expenditures	$1,141.6	$1,130.5	($11.1)
Total Expenditures		$3,083.4	$3,056.9	($26.5)
Net Revenues less Expenditures		$36.5	$47.3	$10.8

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VALLEY METRO

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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

JE by Subregion (20 Year Plan)

$ in Millions

Sub-Region	Total Revenue Allocation	Total Costs Allocated	Allocation Under (Over)	Percent Under (Over)	Amount to Program
Central	$475.3	$473.4	$1.9	0.4%	$475.3
East	$848.9	$835.3	$13.6	1.6%	$848.9
West	$173.5	$172.7	$0.8	0.5%	$173.5
Total	**$1,497.7**	**$1,481.4**	**$16.3**	**1.1%**	**$1,497.7**

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

JE by Jurisdiction

Central Valley

Jurisdiction	Total Revenue Allocation	Total Costs Allocated	Allocation Under (Over)	Percent Under (Over)
County C	$0	$93,309	($93,309)	N/A
Phoenix	$475,292,087	$473,274,441	$2,017,646	0.4%
Total	**$475,292,087**	**$473,367,750**	**$1,924,337**	**0.4%**

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JE by Jurisdiction

East Valley

Jurisdiction	Total Revenue Allocation	Total Costs Allocated	Allocation Under (Over)	Percent Under (Over)
Chandler	$141,726,454	$139,913,610	$1,812,844	1.3%
County E	$0	$2,274,956	($2,274,956)	N/A
Fountain Hills	$1,273,037	$714,569	$558,468	43.9%
Gilbert	$91,613,729	$89,994,245	$1,619,484	1.8%
Guadalupe	$104,838	$3,563,421	($3,458,583)	-3299.0%
Mesa	$291,166,014	$286,852,780	$4,313,234	1.5%
Paradise Valley	$8,012,644	$3,991,445	$4,021,199	50.2%
Queen Creek	$913,591	$416	$913,175	100.0%
Scottsdale	$155,864,653	$152,091,098	$3,773,555	2.4%
Tempe	$158,216,027	$155,926,156	$2,289,871	1.4%
Total	**$848,890,987**	**$835,322,696**	**$13,568,291**	**1.6%**

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

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JE by Jurisdiction

West Valley

Jurisdiction	Total Revenue Allocation	Total Costs Allocated	Allocation Under (Over)	Percent Under (Over)
Avondale	$23,034,480	$19,754,539	$3,279,941	14.2%
Buckeye	$1,093,314	$4,790,688	($3,697,374)	-338.2%
County W	$9,764,942	$14,626,395	($4,861,453)	-49.8%
El Mirage	$3,384,781	$1,424,331	$1,960,450	57.9%
Gila Bend	$2,036,859	$0	$2,036,859	100.0%
Glendale	$85,053,845	$87,048,329	($1,994,484)	-2.3%
Goodyear	$3,879,018	$4,779,552	($900,534)	-23.2%
Litchfield Park	$3,399,757	$3,020	$3,396,737	99.9%
Peoria	$33,203,799	$29,308,250	$3,895,549	11.7%
Surprise	$3,474,642	$5,766,721	($2,292,079)	-66.0%
Tolleson	$4,612,887	$4,604,029	$8,858	0.2%
Wickenburg	$329,492	$0	$329,492	100.0%
Youngtown	$239,630	$604,609	($364,979)	-152.3%
Total	**$173,507,446**	**$172,710,463**	**$796,983**	**0.5%**

Risks/Outstanding Issues

- New ADOT Forecast in Fall 2025
  - Risk of a lower PTF forecast
- Prop 479 implementation
  - MAG: Prop 479 will provide funding for ongoing operations for the last 5 months of FY26
  - MAG: Prop 479 TLCP rules will not go into effect until FY27

Recommendation

Staff recommends that the Board of Directors approve the Transit Life Cycle Program Update.

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Executive Summary

DATE
September 11, 2025

AGENDA ITEM 2

SUBJECT
Articulated Bus Purchase Contract Award

COST AND BUDGET
Cost for this purchase is $25,421,960, plus a contingency of $762,659 or 3.0%, for an aggregated amount not to exceed $26,184,619.

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

The source of funds are federal grants and Public Transportation Funds.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a cooperative contract with NFI Group, Inc. (New Flyer) to procure 17 articulated heavy-duty CNG buses, with an aggregate value not to exceed $26,184,619.

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

- Deliver excellent customer experience
  - Replacing buses on a regular scheduled basis will enhance the overall operation and reliability of the service.
- Goal 8: Operational Excellence
  - New vehicles directly influence vehicle reliability and safety.

COMMITTEE PROCESS
RTAG: August 26, 2025, for information
TMC: September 3, 2025, approved
Board of Directors: September 18, 2025 for action

CONTACT
Darren Curry
Chief Maintenance Officer
dcurry@valleymetro.org

ATTACHMENT
A copy of the draft contract is available upon request.

Background Information

BACKGROUND DISCUSSION

This contract is needed to purchase 60-foot Articulated heavy-duty CNG transit buses for use in the local fixed route system.

Valley Metro's current local fixed route fleet includes 319 heavy-duty buses, of which 25 are 60-foot articulated buses. This purchase will replace 15 2011 articulated buses that, by the time of replacement, will have exceeded 500,000 miles and reached 16 years in service. The remaining two buses to be purchased will replace vehicles that were rendered unusable in 2022.

As part of Valley Metro's overall Capital Planning efforts, staff are committed to ensuring vehicles are replaced at a schedule consistent with industry's best practices. The FTA sets a minimum useful life benchmark of 12 years or 500,000 miles. Valley Metro has adopted a more rigorous internal benchmark of 14 years. Regular replacement of revenue vehicles enhances reliability and safety, while also elevating the passenger experience.

Additionally, this purchase will include training staff to support the new vehicle acquisitions, which is an important aspect of ensuring buses meet Valley Metro's internal useful life benchmark of 14 years. In-person training classes cover topics such as bus electronics, wheelchair ramps, air systems, engines, and specialized articulated bus maintenance.

Costs for buses and training courses are listed in Table 1 below, including an expected Producer Price Index (PPI) escalator for a 2027 purchase and a 3% contingency:

Table 1

Item Description	Quantity	Cost Each	Total
60' Articulated Buses	17	$ 1,394,281	$ 23,702,777
2027 PPI 7%	17	$ 97,599	$ 1,659,183
Training Classes	8	$ 7,500	$ 60,000
Contingency 3%			$ 762,659
		Grand Total	**$ 26,184,619**

Purchase funds comprise of 5307 funds. The local match is provided by Public Transportation Funds. Grant and match amounts are shown in Table 2 below.

Table 2

Fund Source	Grant Percentage	Match Percentage	Grant Amount	Match Amount	Total
5307	85%	15%	$ 22,256,926	$ 3,927,693	$ 26,184,619
				Grand Total	**$ 26,184,619**

PROCUREMENT INFORMATION

In accordance with the Agency's Joint Procurement Manual, standard competition was waived as a result of an approved Determination memo based upon the following reason: Special Circumstances – Alternative Competition. The Washington State Transit Bus Cooperative contract 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 a firm fixed-price contract. The contract was awarded April 1, 2021, with a maximum end date of March 31, 2026.

Articulated Bus Purchase Contract Award

1

17 total Articulated Buses to be purchased

15 2011 Replacements

2 2022 Replacements for buses rendered unusable



2

2

Recommendation

Staff recommends that the Board of Director authorize the CEO to execute a cooperative contract with New Flyer to procure 17 Articulated heavy-duty CNG buses for use in the local fixed-route bus service for an amount not to exceed $26,184,619.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 3

SUBJECT
Mobility Center Lease Extension

COST AND BUDGET
For Fiscal Year 2026, there are no additional RPTA funding obligations. Contract Obligations beyond FY 2026 are incorporated into the Valley Metro RPTA Five-Year Operating Forecast and Capital Program (FY2026 thru FY2030*).* The source of funds are Public Transportation Funds and member cities.

The base rent for the 126-month (10-year/6 month) lease extension shall not exceed $6,961,742.71 (does not include common area maintenance and taxes).

PERIOD		# MONTHS	RENTAL RATE	MONTHLY RENT	AGGREGATE
From	*To*		*(Square Foot)*		RENT
01/01/26	12/31/26	12	$0.00	$0.00	$0.00
01/01/27	12/31/27	12	$27.50	$54,839.58	$658,075.00
01/01/28	12/31/28	12	$28.19	$56,210.57	$674,526.88
01/01/29	12/31/29	12	$28.89	$57,615.84	$691,390.05
01/01/30	12/31/30	12	$29.61	$59,056.23	$708,674.80
01/01/31	12/31/31	12	$30.35	$60,532.64	$726,391.67
01/01/32	12/31/32	12	$31.11	$62,045.95	$744,551.46
01/01/33	12/31/33	12	$31.89	$63,597.10	$763,165.25
01/01/34	12/31/34	12	$32.69	$65,187.03	$782,244.38
01/01/35	12/31/35	12	$33.51	$66,816.71	$801,800.49
01/01/36	06/30/36	6	$34.34	$68,487.12	$410,922.75
		126			$6,961,742.71

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer (CEO) to execute a 126-month (10-year/6 month) lease extension (Seventh Amendment to Office Lease) with CopperPoint Holdings, Inc. ("Landlord") for the base rent in an amount not to exceed $6,961,742.71.

STRATEGIC PLAN ALIGNMENT

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

- Goal 1: Deliver Excellent Customer Experience
  - Initiative 1.2 - Prioritize a unified customer experience across various modes and services, moving from transactional to relational interactions.
- Goal 9: Financial Sustainability
  - 9.2 Support effective transit system design by identifying opportunities to improve or pursue resource allocation, fare collection enhancements, alternative service delivery models, and innovative mobility technologies to ensure sustainable lifecycle costs.

COMMITTEE PROCESS

RTAG: August 26, 2025, for information
TMC: September 3, 2025, approved
Board of Directors: September 18, 2025, for action

CONTACT

Angie DeVore
Interim Chief Administrative Officer
adevore@valleymetro.org

ATTACHMENT

Mobility Center Lease presentation
Draft Mobility Center Lease agreement upon request

Background Information

BACKGROUND DISCUSSION
On October 4, 2010, Valley Metro originally leased 22,250 square feet at the 4600 East Washington Street building. As the agency's needs changed, the lease was amended. On September 20, 2021, Suite 315 was added, increasing the total leased space to 23,930 square feet. The lease is set to expire on December 31, 2025, at which point Valley Metro must move or extend the lease.

The Mobility Center houses the following functions:

- ADA Paratransit trip scheduling call center
- Sales of Paratransit and Phoenix Dial-a-Ride tickets
- ADA Paratransit functional assessments
- Travel training for seniors (65+) and individuals with disabilities on public transit use
- Accessible Transit Services (ATS) staff support
- RideChoice eligibility processing

Costs for the lease are allocated to each of the business functions based on the required lease space to support each function. Based on analysis, it is cost-effective for Valley Metro's Mobility Center to stay at its current location due to existing infrastructure, which supports ADA Paratransit eligibility assessments and travel training for people with disabilities and seniors 65 and over.

Under the existing lease agreement, the agency is responsible for restoring the space to its original condition upon departure. This restoration is estimated to be approximately $570,000 due to the complexity of removing a bus and other exterior hardscapes in an indoor suite (traffic light and various hardscape surfaces such as curbs, ramps, railings, steps, traffic light and textured ground surfaces).

As currently negotiated, a new lease agreement removes some restoration obligations, except for the bus removal, and allows Valley Metro to apply up to $358,950 of the $837,550 in tenant improvement funds toward this cost. Tenant improvements may include replacing carpet in high-traffic areas and reconfiguring spaces to accommodate more occupants - for example, by converting existing areas or adding new offices.

The Valley Metro Mobility Center is in the North Airport/44th Street Corridor submarket (see table A at the end of the memo. Since 2015, this submarket has experienced a steady, escalating vacancy rate, along with corresponding diminishing net absorption. This consistent softening of the market condition created a beneficial advantage for renegotiating the lease.

The following strategy was employed to capture and stabilize long-term occupancy for the Agency's Mobility Center needs:

- Valley Metro worked with a real estate professional on State Contract to identify market conditions and critical leverage points for negotiation to maximize success on key issues, resulting in optimal contract flexibility and financial terms.
- The current Landlord was supplied with a proposal detailing numerous modifications to the current terms. Multiple rounds of negotiation occurred, and the following terms identified:

    - **Base Rent** was amended to include 12 months of free rent with a starting rate of $27.50 in the 13th month, with 2.5% annual escalations thereafter. The 12 months of rent abatement and subsequent terms in this lease extension result in an average annual base rent of **$663,023** or $27.71 per square foot for the entire term.

PERIOD		# MONTHS	RENTAL RATE	MONTHLY RENT	AGGREGATE
From	*To*		*(Square Foot)*		RENT
01/01/26	12/31/26	12	$0.00	$0.00	$0.00
01/01/27	12/31/27	12	$27.50	$54,839.58	$658,075.00
01/01/28	12/31/28	12	$28.19	$56,210.57	$674,526.88
01/01/29	12/31/29	12	$28.89	$57,615.84	$691,390.05
01/01/30	12/31/30	12	$29.61	$59,056.23	$708,674.80
01/01/31	12/31/31	12	$30.35	$60,532.64	$726,391.67
01/01/32	12/31/32	12	$31.11	$62,045.95	$744,551.46
01/01/33	12/31/33	12	$31.89	$63,597.10	$763,165.25
01/01/34	12/31/34	12	$32.69	$65,187.03	$782,244.38
01/01/35	12/31/35	12	$33.51	$66,816.71	$801,800.49
01/01/36	06/30/36	6	$34.34	$68,487.12	$410,922.75
		126			$6,961,742.71

Importantly, Valley Metro's current rent at 4600 East Washington Street for the calendar year 2025 (calendar year is used to compare to market) is **$685,525.84**, or $28.64 per square foot (aggregate rent divided by total square feet) - see below:

Space	Size (sqft)	Period	# Months	Rental Rate	Monthly Rent	Aggregate Rent
Suite 101	4,942	1/1/25-12/31/25	12	$27.40	$11,284.23	$135,410.80
Suite 102	17,308	1/1/25-12/31/25	12	$28.88	$41,654.59	$499,855.04
Suite 315	1,680	1/1/25-8/31/25	8	$29.75	$4,165.00	$33,320.00
		9/1/25-12/31/25	4	$30.25	$4,235.00	$16,940.00
TOTALS	23,930					$685,525.84

- **Operating Expenses**: The Base Year allowance for operating expenses and taxes was amended to actual expenses for the calendar year 2026, with multiple defense mechanisms that were part of the original lease terms.

- **Parking**: Valley Metro preserves all of its parking spaces but at no charge for the entire, extended lease term.

- **Tenant Improvement**: The Landlord is providing Valley Metro with a Tenant Improvement Construction Allowance equal to $35.00 per rentable square foot ($837,550.00) for purposes of refurbishment of the Leased Premises. Further, Valley Metro has the right to allocate up to $15.00 per rentable square foot ($358,950.00), at its discretion, for purposes of restoring the Premises, FF&E, cabling, moving, or other expenses; however, no portion of the Tenant Improvement Allowance may be applied to Annual Basic Rent or any associated rental fees.

- **Restoration**: The original lease presented Valley Metro with a significant liability to restore the premises due to the scope of specialized improvements. The new lease eliminates all but the removal of the bus from this clause. Additionally, as pointed out in the Tenant Improvements section above, Valley Metro can allocate up to $358,950.00 toward these expenses.

- **Expansion**: Negotiated an ongoing right to any of this space adjacent to Suite 315 up to the 12,163 square feet at the same terms and conditions if exercised in the first 24 months.

- **Early Termination**: Valley Metro has the right to terminate the lease any time after January 1, 2028 by providing Landlord with nine (9) months prior written notice and paying a termination fee equal to Landlord's leasing costs, including, but not limited to, the unamortized tenant improvements, leasing commissions, legal fees, free rent, and a rent penalty equal to three (3) months' rent. Such termination fee shall be paid within thirty (30) days of the tenant vacating the Premises. Valley Metro needs to show only a loss of funding.

- **Contraction**: Valley Metro has an ongoing right to contract (give back) a portion of the Premises any time after January 1, 2027 by providing Landlord with nine (9) months prior written notice and paying a contraction fee equal to Landlord's leasing costs, including, but not limited to, the unamortized tenant improvements, leasing commissions, legal fees, free rent, and a rent penalty equal to three (3) months' rent. Such a contraction fee shall be paid within thirty (30) days of the tenant vacating the Premises.

In the current,15-year lease the highest and final rent terms reached an average of $28.64 per square foot. For the new 126-month lease extension, Valley Metro secured an average rental rate of $27.71 per square foot over the term, achieving annual savings of **$56,312.68** over the current submarket average, delivering cost efficiency.

In summary, the new terms will provide a strong, flexible lease that saves money compared to current market rents, offers 1-year free rent and free parking for the duration of the lease, provides flexibility for the agency to grow or downsize, cuts future liabilities and provides a large tenant improvement budget. The lease will provide Valley Metro the flexibility to adapt as its needs change, without being bound by a restrictive contract.

Table A

Historical Statistics / North Airport/44th Street Corridor for Class A buildings Comparable to the Mobility Center

	EXISTING PROPERTIES				U/C & COMPLETIONS		NET ABSORPTION & LEASING ACTIVITY		
YEAR	#	TOTAL INVENTORY	TOTAL VACANT	VACANCY %	U/C	COMPLETIONS YTD	LEASING ACTIVITY YTD	NET ABSORPTION YTD	ASKING RENTS
2015	8	1,094,832	98,678	9.0%	-	-	132,531	58,462	$27.87
2016	8	1,094,832	203,962	18.6%	-	-	188,144	(105,284)	$27.93
2017	8	1,094,832	189,685	17.3%	-	-	74,020	14,277	$28.74
2018	8	1,094,832	155,169	14.2%	-	-	106,825	34,516	$28.79
2019	8	1,094,832	155,349	14.2%	-	-	20,074	(180)	$28.91
2020	8	1,094,832	145,821	13.3%	-	-	35,440	9,528	$29.21
2021	8	1,099,539	269,856	24.5%	-	-	49,592	6,865	$29.51
2022	8	1,099,539	282,628	25.7%	-	-	49,103	(12,772)	$29.32
2023	8	1,099,539	288,497	26.2%	-	-	34,123	(5,869)	$27.37
2024	8	1,099,539	487,575	44.3%	-	-	43,462	(199,078)	$29.54
2025	8	1,099,539	536,407	48.8%	-	-	7,031	(48,832)	$30.06

Note: Net absorption is the net change in physically occupied space between the current period and the previous period.



Mobility Center Lease Extension

Lease expiration December 31, 2025

1

Background Information

- Lease began in 2010
- 23,930 sq ft
- Customer Service
- ADA Paratransit:
  - call center
  - assessments
- Travel training
- RideChoice eligibility processing
- Accessible Transit Service staff
- Paratransit and Phoenix Dial-a-Ride ticket sales



2

2





3

3

Terms

Financial Terms

- 126-month lease
- 12 months free rent
- Free parking
- Operating expenses – new base year
- 126-month average lease rent: $27.71/sf
- 2025 average lease rent: $28.64/sf

4

4

Restoration & Tenant Improvements (TI)

- Minimal move-out restoration liability
- TI Allowance: $837,550 total
- Up to $359,000 for restoration, moving, furniture/fixtures/equipment (FFE), etc.
- TI funds cannot be applied to rent

5

5

Flexible Lease Options

- Right to expand on the third floor in first 24 months
- Can reduce space after 1/1/27 with notice & fees
- Can terminate lease after 1/1/28 with notice & fees

6

6

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer (CEO)to execute a 126-month (10-year/6 month) lease extension (Seventh Amendment to Office Lease) with CopperPoint Holdings, Inc. ("Landlord") for the base rent in an amount not to exceed $6,961,742.71.

Executive Summary

DATE
September 11, 2025

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

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

September 11, 2025

Valley Metro Rail
Board of Directors
Thursday, September 18, 2025
Boardroom/YouTube
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

CONSENT AGENDA

1A.	Minutes	1A. For action

Minutes from the August 28, 2025, Board meeting are presented for approval.

1B.	Federal Transit Administration Pass-Through Grant Agreements	1B. For action

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

1C.	2025 Transit Life Cycle Program (TLCP) - Rail Update	1C. For action

Staff recommends that the Board of Directors approve the Transit Life Cycle Program Rail Update.

REGULAR AGENDA

2.	SCADA Server Infrastructure Upgrade Contract Award	2. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a cooperative contract with Promark Technologies, Inc. for the purchase of server hardware and software, with an aggregate value not to exceed $2,999,012.

3.	Report on Current Events and Suggested Future Agenda Items	3. For information

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

4.	Next Meeting	4. For information

The next Board meeting is scheduled for **Thursday, October 16, 2025 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 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at www.valleymetro.org

Meeting Minutes

September 11, 2025 **AGENDA ITEM 1A**

Valley Metro Rail Boards of Directors
Thursday, August 28, 2025
Lake Powell Conference Room/You Tube
101 N. 1st Avenue, 10th Floor
11:15 a.m.

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

Chair Pastor called the meeting to order at 1:43 p.m.

1. Consent Agenda

Chair Pastor said I want to talk about before we move it through Consent. Is this is a point of interest. Creighton University has been an anchor in the revitalization of the Park Central Mall. This was a significant priority to me and my fellow councilmembers. In fact, council voted -- the -- voted and the development agreement that provided a significant investment in this project which brought out ownership of the parking garage to Park Central, the partnership with the City. Creighton University is counting -- counting to grow as part of our robust bioscience and health care initiatives and they are partnering with our major health care institutions in Phoenix. They have 26 health care programs and more than 700 students who attend this university.

Creighton continues to help Phoenix pushes met -- its message nationally. And we are recognizing them Item 1C is recognizing, right, recognizing them at the station as a point of interest.

Councilmember Adams said I just have a comment. Creighton University is from Omaha, Nebraska and I'm originally from Nebraska and they have a stellar reputation. They have for many decades, and I am in strong support of Creighton University.

Chair Pastor said thank you. I need a motion for the consent agenda.

IT WAS MOVED BY COUNCILMEMBER ADAMS, SECONDED BY COUNCILMEMBER HEREDIA AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 1A THROUGH 1C.

2. Program Management/Construction Management (PM/CM) Contract Award

Chair Pastor said item number 2 is Program Management/Construction Management Contract Award.

Ms. Mefford-Miller said Madam Chair, I'm going to invite Trevor Collon to the podium, our Chief of Capital Development, to talk with you about the program management/construction management contract.

A couple of items to note. This contract would replace the current PM/CM, as we call it, contract which is set to expire in December 31st of this year. This is a task-order based contract so that means today this board is approving the contract authority and not the budget or task that -- the budget or task would be associated with future capital projects so the spend would come separately. Mr. Collon.

Mr. Collon said thank you. Madam Chair, members of the board. I think we're working on getting the slides pulled up but I'll -- I'll -- in the interest of time I'll give you a summary here as we work on that. The program management/construction management contract supports -- these are consultant services, the support and our delivery, the management, the oversight it helps us stay compliant with Buy America requirements, Department of Labor, all kinds of requirements that we see particularly on our -- on our rail extension projects.

This is an augmentation to our staff so services such as resident engineers and office engineers sometimes project managers those are embedded during the life and course of a project. As Jessica mentioned, our current contract with Hill International comes to an end at the end of this calendar year. And so this is a new contract that will go into effect once it's awarded and will primarily support the Capital Extension and the Rio East Dobson Extension but also other initiatives as they come up.

It's a very flexible contract. We issue task orders annually and it's based on the needs at that time. It is a five-year term base -- oh, we've got it up there so. This is just a list of some of the services that we use this contract for. And those are the -- the two -- what we see in the -- in the Regional Transportation Plan really is the two larger efforts that this contract would support. A little bit of information here on the procurement. We had three responsive firms, and they are listed in the order based on the scoring of -- of where we landed with that -- with the highest ranking firm being Infenix, LLC as the recommendation before you.

And with that, Madam Chair, the full recommendation is there before you.

CHAIR PASTOR: Are there any questions? May I have a motion?

IT WAS MOVED BY COUNCILMEMBER ADAMS, SECONDED BY COUNCILMEMBER HEREDIA AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO ENTER INTO A CONTRACT WITH INFENIX, LLC, FOR PROGRAM MANAGEMENT AND CONSTRUCTION MANAGEMENT SERVICES, WITH A FIVE-YEAR INITIAL TERM AND THREE ONE-YEAR OPTIONS TO EXTEND. AGGREGATE CONTRACT VALUE WILL BE ESTABLISHED AT $43,400,000 FOR THE BASE TERM.

3. Crime Prevention Through Environmental Design (CPTED) Study

Chair Pastor said item number 3. That is the Crime Prevention Through Environmental Design. This is for information only. Staff will present the study.

Ms. Mefford-Miller said thank you, Madam Chair, members of the Valley Metro Rail board. We have been working for some months on a crime prevention through environmental design study. This is something we have been talking about for some time. It is part of our strategic plan and one of our many layers in our overall system security approach.

I invite Adrian Reese, our Chief of Safety and Security, and Matthew Dimmick, our project manager, from STV to provide you with a presentation. Adrian. Matt.

Ms. Ruiz said thank you, Jessica. Madam Chair, members of the board. I'm going to kick off this very brief presentation on our system assessment and while we're getting that up real quick. This ties directly back to our strategic plan of prioritizing security on transit, but this also includes the built environment what people see, touch, feel. So we're approaching 17 years, next slide, please, we're approaching 17 years of service our position to line up and assess our system under the umbrella of crime prevention through environmental design. We want to look at for areas we can improve and enhance our infrastructure and assets.

Convenient, clean, safe and secure, free from hazards and threats. That is what our riders look for when riding our system. This includes the perception of security, what makes them feel secure, and we also want to know what's working. We need to modernize and bring into those best practices as we age and respond to those concerns and perceptions from the ridership.

Next, I'm going to turn it over to Matthew who will present a few slides regarding our system and some key takeaways. We will then discuss next steps. Matthew.

Mr. Dimmick said thank you, Adrian. So we're going to go through a few different things here today. We're going to talk about project scope and some of the findings from the overall project but first we want to just level set on what crime prevention through environmental design is and how it falls into the overall process for security.

What you see in front of you is that process. For a holistic security approach, we look at deterrence, detection, delay, assess, communicate and respond. Crime prevention through environmental design focuses primarily on the first three elements of that where we would deter activity, we would help detect it through things like natural surveillance which we'll talk about, and then we'll also delay that activity long enough for a sufficient response to occur.

This process included a lot of different steps and a lot of engagement with our stakeholders. We did that through a series of workshops. The workshops included an introduction to crime prevention through environmental design where we walk through what some of the main principles of this practice are. Identified Valley Metro's definition for the practice. Moved

through for the vision of the program in the future and how it fits into Valley Metro's overall plans. Additional workshops included discussing existing condition findings and recommendations prior to actually implementing any reporting.

As part of those processes, we also conducted individual interviews with some of the some of the folks that you see up here including security staff, city representatives and others.
Also, as part of this assessment we visited 128 Valley Metro facilities. You'll see a sampling of the facilities listed up here on your screen. Essentially, we visited every public facing Valley Metro facility as well as some of the major infrastructure that supports the operation that is in public space. We did that during the daytime and during the night time so that we can actually compare the differences in the facilities between those different operating times of the day to see what the environments were presenting from a crime prevention standpoint.

The things that we were looking at are listed here. I won't go into every single one of them here because we are going to be discussing them as we go through the process, but we did cover natural surveillance, natural access control, territorial reinforcement. Those two kind of work together particularly in an environment like Valley Metro's environment, maintenance, target hardening, and then we touched on public art primarily in the reports. I'm not going to get into it too heavily here because it's not as important as some of the other elements and we do have some limited time.

For observations and considerations. First thing that I wanted to start with was one of the, I guess, the most important or maybe not most important but one of the principal elements of crime prevention through environmental design which is natural surveillance. The general concept behind natural surveillance is that we want to keep the site open to public view so that we can -- basically when people are doing behaviors that they don't really want other people to know that they're doing being visible is a challenge for them. And so what we try to do is build things into the design of the -- of the site that supports that visibility. So you'll see here CPTED fencing and railings which we'll be talking about throughout the presentation.

And one of the critical elements is the two foot, seven foot rule. We use two foot, seven foot because if you look at most adult human beings they are going to fall somewhere between two feet and seven feet and if we can keep that area of visibility open for them, they feel more comfortable using a space. In addition to feeling more comfortable they are more they -- they are able to get better situational awareness as they actually traverse the space.

So natural surveillance we'll start discussing this one. First thing that I wanted to do is raise some positive elements that we saw throughout the assessment. A lot of times consultants come in and all they do is point out the bad things.

Fortunately, I had the opportunity as -- as we worked with Valley Metro to see a lot of positives. My -- my favorite positive personally was the development of crime prevention through environmental design over the course of the -- of building out the system. So for each iteration of the system from the original line all the way through Northwest Extension II which was the last

one that we looked at you could see that there were crime prevention through environmental design concepts that were built and improved throughout each of those design projects so that was great.

Some of the other stuff that we saw was that your vegetation management is really -- is really good which is extremely difficult in a lot of cases believe it or not one of the more regular findings that we have but we didn't have that a lot here.

There were also things like clear lines of sight for your park-and-rides and your station designs were extremely open, accessible and very easy to see from the surrounding community, which are all benefits from a natural surveillance standpoint. As I say as consultants we are brought in to find some things that are wrong and, of course, we did but as we -- as we go through the sign -- as we go through the slide here you'll see that each one of those things have either been improved or you have areas where the -- the issue exists and then you have areas where you've implemented where the issue does not exist. And so I just want to point out a couple of them. So knee walls and planters and walls that are concrete or solid in some form are very difficult to see around see behind. Our preference in those types of areas is to go to CPTED railings or CPTED fencing where possible because that gives you that visibility between the two foot, seven foot area.

The bottom left of the slide here is the -- the last one that I'll really get into just for -- for time's sake which of those two pictures would you feel more comfortable approaching? And most of you are probably thinking right now that the picture on the right is the -- is the ideal to approach. The reason being is because there is vegetation or bushes blocking the view and because the ticket vending machine that's there is also canted into the pathway and so you can't see one side of the platform as you're walking up the entry ramp. The one on the -- the one on the right where you can see both sides of the platform as you're approaching is an area that -- or is a -- a view that gives you much more situational awareness and a much more comfortable approach to the station.

Some of the other items here are included in our recommendations matrix and they include removing some of the -- some of the vines and replacing them with stuff that might be a little bit easier to maintain as well as provide a little bit better visibility for the stations.

Chair Pastor said I think it looks very cold, and I think when we were building the line it was about -- maybe we shouldn't have but it was about inviting, making it feel part of the community, embedding it. So I don't have a problem in improving it but I have a problem in it looking like it's cold. So that's just my comment.

Councilmember Adams said oh, I'll add to that. When I looked at the one on the left and the one on right, I'm like the left one looks pretty. So could we have a little bit of both like safety and some -- some colors.

Chair Pastor said I mean I think because we're -- and this is just me because we're from Arizona we need to add and build color. Because I know you said the one -- the one on the left side bottom which one would you be appealed to. I -- I appeal to the left.

And I appeal to the left because there's color. Because we live in a desert I like to see color. So when I go to another city like say Kansas City that I was there I was in love because there was green. I'm so used to desert, and I didn't realize the difference that color does until I traveled until I go to another area where I feel very different. We can't change our environment of heat. We can't change our environment that we're in desert, but we can add that vibrancy and color to our platforms. I guess that's what I'm saying with safety.

Ms. Mefford-Miller said we can and there are a number of standards. Matt, you want to talk about some of the different standards we have talked about for vegetation everything from the sight lines to the specific species.

Mr. Dimmick said as part of this assessment we did have a landscape architect that was involved and that landscape architect looked at particular types of vegetation that would work well in this environment but would also still fulfill the two foot, six foot rule. I agree that color is extremely important in just about anything that we did. Part of the selection of 25th and Mountain as the example for maybe something different is because it was one area where color green as well as public art, the dog playing in the -- in the field there with the flowers, plus the -- the large flowers coming up from that extension all draw the eye and draw and the community towards that particular -- that particular station. We're not saying obviously that you can't have color because there's a lot of benefits to the colors that you choose. What we're generally saying here is that if something is going to block the line of sight from a security perspective, primarily, which is where we were looking at it that could be a challenge and it's a trade-off. And so we have to -- we have to decide which -- which area we're going to go with.

Chair Pastor said what would you do with that pole?

Mr. Dimmick said so it wouldn't necessarily be up -- it wouldn't necessarily be up to me but what I would say is that something along those lines you may be able to do a smaller piece of public art around it -- change the color. Do some -- do some different paints on one side versus the other. That would have to be weighed, of course, against maintenance requirements and how --

Chair Pastor said yeah. I'm just asking but I'm -- I'm just saying --
Mr. Dimmick said beautify it.

Chair Pastor said yes.

Mr. Dimmick said absolutely. and beauty making a space that people want to be at is incredibly important from a crime prevention or environmental design standpoint. Yes, ma'am.
So natural access control and territorial reinforcement again I combined these two items. It'll make more sense why I did on the -- on the following two slides but generally this designates

Valley Metro ownership, provides clear entrances and it also helps guide people through the site regarding, you know, just position, entries, et cetera.

So the positive elements for -- for crime prevention through environmental design at your stations for natural access control and territorial reinforcement. One of the things that I found was -- was really great about what was done is that I'm going to go to the last bullet first so controlled space in a lot of places we have subterranean transit where it's very easy to put a foyer, to put a turnstile to separate public space from semi-private space or from the actual private or more controlled space.

As a street running system, Valley Metro does not have that capability just by design that your system is very open but what you were able to do is actually provide territoriality for the stations by doing things like the paid fair zone markers. So as soon as you cross that paid fair zone you know that you're now in Valley Metro controlled space. The signage at all of the stations was extremely clear so you knew what the behavioral expectations were when you got there, what you can do and what you can't do. Everything was easily identifiable as Valley Metro property. I talked about briefly the role that public art plays in that but if you stand outside of many of your stations you have art pieces that draw your eye to it that tie it between the community as well as Valley Metro and its property. All of those things were done extremely well in many of these designs from a natural access control and territorial reinforcement standpoint.

One of the areas that we identified that was definitely in need of some work are the -- and these are a few stations where there's a single point of entry to the station, but it was built because of the kit of parts because of the original design with a second ramp. That second ramp goes to an area of refuge that's used for a second exit in an emergency situation. Controlling that particular ramp has been a challenge over time and so one of the things that we are recommending is that we identify a gate that can be very easily marked but can also withstand some of the damage, rough handling, so on and so forth with something that's out in the public to allow better control of those areas of refuge until either that secondary ramp is open for actual use or -- or until it's no longer needed.

Next piece of natural access control I'm going to talk a little bit about wayfinding briefly. You see two different examples here. The first is at -- is at Apache and McClintock, sorry, at Apache and McClintock and I'm using this one as an example because it's currently undergoing redevelopment, so they are currently working on it. You'll notice that it's very difficult to determine that this is a park-and-ride. Actually, it looks more like the parking for the nearby apartment building than anything else. When you approach, it's very difficult to find your way not only into the parking but once you get into the parking, it's difficult to find your way around.

We compare this to the latest parking for Metro Parkway and there you have a very clear indicator that it's a Park and Ride for the Valley Metro System. The only other thing that we would recommend is if you go to an airport or you go to a mall or you go to a place like this you'll see signs that indicate where parking might be located. It may be a zone, it may be an -- it may be an X or Y, it may be something that's colored, so that it draws people's attention to this is the

area that I'm parked. The reason that we like that type of wayfinding in places like Park and Rides is because the time that we can reduce from you getting off the -- the light rail vehicle to actually getting into your car and moving is reducing the amount of time that you might have a potential encounter that you wouldn't necessarily want to have. And so helping people find their vehicles faster is a way that you can give them a better sense of comfort because I don't know how many have actually walked to an area couldn't remember where your car was and you walked around pushing on the button and it's a pretty uncomfortable feeling, right. And so way finding definitely helps with that and that's one thing that we would want to encourage for any new park-and-rides and to look at the existing park-and-rides.

Maintenance. So overall and looking at this also from the lens of having visited many other transit agencies your overall system maintenance is outstanding. You guys do a very good job. Everything was clean. We already talked about the maintenance of the vegetation we ran into cleaners on a regular basis while we were -- while we were moving through the system. We did use the system to go from place to place. And so all of those things were a net positive as far as maintenance goes.

There were some things that we definitely ran across in our discussions with the maintenance crew as well as from our field observations. We could see that the smaller pavers that are used particularly in some of the older parts of the -- of the system are very difficult to keep clean, not stained, very difficult to maintain. In an effort to maintain some of the walking surfaces some power washers were purchased. When you're power washing these types of pavers, there's a possibility that you actually disrupt the substrate which then results in trip and fall hazards and so they're trying to balance those trip and fall hazards. And so either replacing those or finding another way to -- to surface those particular areas may be something beneficial. At very least adopt that for the design criteria manual going forward so that your walking surfaces are a little bit easier to maintain.

The last piece for this slide is the visibility of the cleaning staff. And the best example that I can give for this is the Tokyo subway system. When you actually go to get on the Tokyo subway system, you can see cleaners waiting for the trains to come in. As the trains come into the station, they step onto the vehicles. They clean the vehicles. They do it in a very visible out front type of sense. They wipe off seats. They spray deodorizers. They do all of these things to make the site more comfortable. Does it have a huge impact? Not necessarily but from a public perception standpoint and from a present standpoint and anytime you can bring presence to a particular area that's a benefit so more visible cleaning or visibility of cleaning staff would be excellent.

Here is a point about station advertising. If we look to the -- if we look to the item on the left, we have a very clear line of sight even though there's public art there I could see if there's somebody behind the seating. I could see if somebody's walking behind that particular station. By placing an advertising banner behind that I actually take that ability to see through away. The general recommendation behind this is that if we're going to be doing station advertising, try to use blank spaces as much as possible so that you disrupt as little of the -- the visibility for the

stations as practical while still with -- while still having all of your other considerations for the purposes of the advertising.

Lighting is extremely important, and I want to commend Valley Metro for the LED lighting project that they're currently undergoing. LED is the preferred lighting from a security standpoint. There's many reasons for that from just the clarity of the -- of the color for the lighting, its performance with CCTV systems or video surveillance systems, et cetera. You'll notice on here on the images there's several dark places on these first images that's lighting uniformity that we were looking for. Transition zones make it very uncomfortable for people to pass through and so improving those lighting transitions is one thing that we recommended in the report. Another thing that was recommended in the report was to increase maintenance checks or develop a way for -- for customers or others to report maintenance issues relating to lights because we did come across fixtures that were either malfunctioning from an LED driver standpoint, meaning they were flashing, or that the lights just weren't working. And so, the getting those reported, getting them fixed, corrects the overall lighting for the stations. Yes, ma'am.

Chair Pastor said is there signage for a rider, or do we have signage to report that lights are off? Like on our -- I'm thinking on our poles there's a sign on our polls that you can call and say this light is out.

Ms. Ruiz said thank you for that question. We do not have it on the poles themselves. However, we really encourage folks to download the Alert VM app because there is a maintenance task in their dropdown that folks can report maintenance issues to us directly. And OCS customer service person answers that right away.

Chair Pastor said okay. Well, I'm going to tell you I'm one of those that are anti-apps because I don't want all these apps on my cell.

Ms. Ruiz said we also have a text SMS number.

Chair Pastor said that's what I'm saying. Is there something physically there to say download the app or call this number? I'm just saying if you want people to report.

Ms. Mefford-Miller said I think we could report that promote that more because we have signage dedicating people to Alert VM for security but I'm not sure if customers have the awareness that you can leverage Alert VM for reporting maintenance defects. So I think we could look at that in our community -- I know that we could look at that in our communication.

Chair Pastor said I'm just saying if you want people to communicate this light is out other than having people going out and inspecting you have other eyes.

Mr. Dimmick said agreed.

Chair Pastor said it's really dark right here. Can you look at this?

Mr. Dimmick said agreed. And one of the things that we're going to discuss in just a moment is some of the security advertisements that -- that are out there. And so we'll go ahead and move forward to that so that we have -- so that we can cover that particular space.

The last bullet is highlight safety and security messaging. So when we -- when we actually went to the light rail vehicles and kind of were walking through all the light rail vehicles to get an understanding, there is a lot of um advertisement about the safety and security app, how to use it, how to report incidents so on and so forth. The one thing that we're encouraging in this particular space is that we increase that type of reporting, make it a little bit more public. Valley Metro is doing a ton of excellent things from a security standpoint and as you were talking about in the previous session, we think that more people should know about all the things that you're doing from a security standpoint.

The other item that is covered here is vehicle wraps and onboard advertising. The main thing that we want to do here is we want to make sure that you ensure maximum visibility. While you're alighting the vehicles, you want to be able to see where you're heading. And then limit blind spots where possible. So if we have blank areas within the vehicles do advertisement on those more than in some areas where you might be blocking somebody's field of view.

Next piece is the emergency call boxes. I -- I Valley Metro has a lot of emergency call boxes by comparison to some of the places that -- that I've visited in the past. Most of the place that we visited had at least one emergency call box so we're not calling you out for not having them here what we're saying is that the -- the typical person in the United States might have trouble getting to one if it's more than 200 feet away if they were in an emergency particularly if they have certain impairments that would make it even more difficult. Having them only on one side of a station if the -- if the individual that you're trying to report or having a problem with is between you and the emergency call box that's on the other side of the platform that might cause some complications.

And so we're saying consider placing more to keep them about 200 feet apart where you can. Some of the other features that are here the highly visible colors so paint them yellow, blue, orange whatever's going to work for your environment so that they stand out from the superstructure. If you look at the one here it's the same color as the superstructure so it might be a little bit difficult to know that it's there. And then add other things such as signage so that you know where the emergency call boxes are. Draw attention to them.

Last piece for this. If you remember in the beginning of the presentation, I said we have to deter, detect, delay, assess, communicate and respond. In order to do those last three elements, okay, so assess, communicate, and respond, I need to be able to actually see what's going on at the emergency call box when that happens and that's the important of -- the importance of integrated video surveillance and that's kind of where we're going to head with the next steps. And for that, I'm going to turn it back over to Adrian.

Councilmember Adams said just a quick question. So that would be like the real time in each city that would interact or interface with this. Is that correct?

Ms. Ruiz said thank you for the question. Are you referring to the cameras and the systems for the real time? Absolutely, yes.

Ms. Mefford-Miller said in the cities but also more visibility from Valley Metro's dispatch control center.

Councilmember Adams said I just think that's something to really emphasize that if you are behaving badly, you're going to be on camera and the police will be there shortly.

Ms. Ruiz said absolutely. So in conclusion so we've been listening to our ridership, and we know the benefit of CPTED principles on our system. We're working now to modernize our CCTV system software and hardware. We brought the Plaza 19 into improved condition is today with improved target hardening but also more importantly ownership. So having the community own the property, own on the activities there shows there's someone that cares about it and it is owned. We know the original paver design, as Matthew mentioned, needs attention so we're working on that as well. And Matthew recognized the continued excellence in our maintenance -- maintenance program.

FY26 tasks include taking these best practices and also ensuring we update our design criteria manual. As Matthew mentioned, over the years with every project we've improved going along -- we mock -- we -- we make sure we update that design criteria as we go with our extension of our projects.

So prioritizing those findings and recommendations into thoughtful discussion and best practices. The video surveillance system improvements are underway now. The task order was implemented already and actually our first meeting is today. Looking at how we can advance technology.

And finally with all that information today which is a lot, we want to prioritize these improvements, come back to you and seek input for a one, three and five year implementation plan on how we go forward from here so With that, if you have any other questions, we'll be happy to answer them.

Councilmember Adams said so as far as the prioritizing could -- you're gonna have a meeting today. Like how many meetings do you need to have --

Ms. Ruiz said oh, no, this -- this meeting today is for the VSSS, the VSS, the system surveillance system. That's our meeting this afternoon.

Councilmember Adams said yeah. That's what I'm asking about. I'm just saying -- am I asking how many meetings are you going to have before you can come back and report to us about how it's going?

Ms. Mefford-Miller said I don't know what our timeline is. I think we could come back -- and I know developing the crime prevention through environmental design implementation plan as part of our FY26 strategic initiatives I believe this is something we could accomplish in the first or second quarter.

Councilmember Adams said okay. Could we come back in October and just get -- get an update on how it's going? Because this is like life and death. So safety is always number one to me and so that's why I'm pushing this.

Ms. Mefford-Miller said we might be better off with November. And I'm doing the math and thinking, Madam Chair, what's on our agendas. So I don't think we have a study session planned for the month of November. Pat can kick me if I'm incorrect but I know that we do have detailed report outs in September and October.

Councilmember Adams said oh, okay. That would be great. Thank you.

Chair Pastor said can I ask a question? Station paver replacements what -- who's making that decision and what's that going to look like?

Ms. Mefford-Miller said Darren, I'm going to invite Darren Curry to the podium. Darren's, our Chief Maintenance, Officer. While he gets himself settled note that some of our original stations have pavers whereas most of our new stations have concrete. And so as we move forward with our preventative maintenance program we will have to evaluate whether we're going to resettle, I don't mean replace, but clean and then put those pavers into place or if we want to resurface them. Darren, do you want to provide an update on that.

Mr. Curry said: Yes. Thank you, Jessica. Madam Chair, members. Actually, we'll start with the pavers. A couple things going on specifically in the 19th corridor. We just recently received some feedback from City of Phoenix PD -- PTD. We put a lot of effort, as you know, we brought a lot of the in-sourcing of the cleaning we know if we make it look cleaner, paint, we have a presence there does make a difference so that's already underway. We're getting positive feedback.

The pavers we actually had scheduled earlier for the 19th corridor. However, with South Central opening we didn't want to go into a single track -- well as we were opening up the -- the A and B line. The reason for the single track is the operation of the rail car we literally have to take out three stations. So we're not designed so that we could single track around one station come back. So it's actually a three station project. So we're running out of time.

We also looked at funding and so we are revisiting this as we're putting together our FY27 budget, well, which will start on here pretty soon. We've worked out a operation plan and so we'll --we need to bring that -- you know, revise it take a look at it and then we need to start having conversations of, you know, what it would entail. Costing it actually makes sense if we do all three since we're going to have to single track around them but it's a huge impact to operations and to our customers.

So we're trying to land it where it's the least impactful, but we'll be able to come back to you a little bit in the future of what our plans are. So that's just an example just in the 19th corridor. We're constantly with the pavers having to go back and as we power wash and clean, which is all great except when we do that we're taking all of the sand and the bedding and now everything's on level. So then we have to pay to bring it all back in, level it and put it back down. So our -- as someone has said our -- our new stations they're concrete. They're -- they're designed more to maintain where some of our older stations had the pavers. We even have it down on 44th Street, you know, throughout the alignment of the older stations. So this is a project that will go we'll -- we'll have to go throughout our entire system.

Chair Pastor said okay. I want to know what stations are determined for paver replacement, who determines what is going to be replaced, what the cost is and how do you work with the cities on replacement of these -- of these areas? Because the reason why I'm asking this is because this was intentionally designed the way it was designed. Now I understand there are issues and dynamics with it, but you have to bring back the community or the people that were involved in this space. And it says improvements are underway, so I was assuming these were under -- underway but I'm hearing now it's going to 2027.

My other question is 19 north. How did 19 north get chosen over other stations that are just as problematic as 19 north? 19 north just opened up. So those are questions you can tell me offline but this is my thought process as I'm hearing this.

Ms. Mefford-Miller said I think short answer is how did 19 north get chosen and how are we going to work with City of Phoenix and community. I would say 19 north was chosen and we, as a matter of our -- our day-to-day operations, work very closely with city staff but 19 north was previously an end of line station and feedback from the community as well as incident data is what drove crime prevention through environmental design investments in the 19th corridor particularly at the 19 north station.

It was designed through a little bit different lens. It's not to say it was designed badly but I -- I will say that the way people interact in public spaces and behave in public spaces is a little bit different than the way those original stations were constructed so that was need. And then moving forward on some of the stations Darren is referring to and the pavers that's really based on state of good repair.

So what happens with them and how those decisions made maintenance will lead it but in coordination with the community. And we are aware that at some stations the pavers are

actually laid out and configured in such a way that it's a piece of public art so we would move respecting that and it could be replace the pavers and when I say replace them, put pavers back in or it could be create new surface. But we would work with City of Phoenix in this case on -- on that 44th Street received some investment through a crime prevention through environmental design lens because of the need there.

That is our arrival station associated with Sky Harbor Airport and it's also a pretty busy station. We've worked very closely with Phoenix Police Department and the Transit Enforcement Unit over the years to try and increase surveillance at that location. There were temporary -- for a long time temporary kind of jersey barriers and bike racks around that station and so in order to remove those we had to make some investments that were more lasting. So need but the good news is a more formulaic systematic approach will be delivered for implementation of CPTED through this work.

Chair Pastor said thank you, this is just information.

4. Report on Current Events and Suggested Future Agenda Items

Chair Pastor said we are now to item 4, Report on Current Events and Suggested Future Agenda Items. Okay. We have nothing. I don't hear anything.

5. Next Meeting

Chair Pastor said item number 5 is the next meeting -- the next board meeting is scheduled for Thursday, September 18th, 2025, at 11: 15 a.m. Thank you.

With no further discussion the meeting adjourned at 2:26 p.m.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 1B

SUBJECT
Federal Transit Administration Pass-Through Grant Agreements

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

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

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

COMMITTEE PROCESS
RTAG: August 26, 2025 for information
RMC: September 3, 2025 approved
Board of Directors: September 18, 2025 for action

CONTACT
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Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Background Information

Federal Transit Administration Pass-Through Grant Agreements

BACKGROUND DISCUSSION
Valley Metro is being provided federal funds through the Federal Transit Administration (FTA) from three grant programs. The table below summarizes the estimated funding available. The grant awards are awaiting Maricopa Association of Governments Regional Council Approval and therefore the amounts may change:

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	Section 5307 PMS	$3,679,735	$919,934	-	$4,599,669
TBD	Section 5337-FGM PMS	7,090,896	1,772,724	-	8,863,620
TBD	CMAQ-Flex	6,536,870	1,634,218	-	8,171,088
Total		$17,307,501	$4,326,876	-	$21,634,377

- Funds from the Section 5307 Urbanized Area Formula Grants Program are awarded for Preventive Maintenance and Light Rail Safety Enhancements.
- Funds from the Section 5337 State of Good Repair Fixed Guideway Modernization Program are awarded for Systemwide Refurbishments.
- Funds from the Congestion Mitigation/Air Quality Grants Program are flexed from the Federal Highway Administration and awarded for one replacement light rail vehicle.

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

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



1

FTA Pass-Through Agreements

Grant	FTA Program	Federal Share	Local Share	Regional	Total
TBD	Section 5307 PMS	$3,679,735	$919,934	-	$4,599,669
TBD	Section 5337-FGM PMS	7,090,896	1,772,724	-	8,863,620
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2

2

FTA Pass-Through Agreements

- Funds from the Section 5307 Urbanized Area Formula Grants Program are awarded for Preventive Maintenance and Light Rail Safety Enhancements
- Funds from the Section 5337 State of Good Repair Fixed Guideway Modernization Program are awarded for Systemwide Refurbishments
- Funds from the Congestion Mitigation/Air Quality Grants Program are flexed from the Federal Highway Administration and awarded for one replacement light rail vehicle

3

3

Recommendation

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

4

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Executive Summary

DATE **AGENDA ITEM 1C**
September 11, 2025

SUBJECT
2025 Transit Life Cycle Program (TLCP) - Rail Update

COST AND BUDGET
The proposed changes to the TLCP rail model have already been incorporated into the proposed FY2026 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
Staff recommends that the Board of Directors approve the 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
  - 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: August 26, 2025 for information
RMC: September 3, 2025 approved
Board of Directors: September 18, 2025 for action

CONTACT
Ken Kessler
Chief Financial Officer
kkessler@valleymetro.org

ATTACHMENT
None

Background Information

BACKGROUND | DISCUSSION | CONSIDERATION
The TLCP was developed in 2005 to provide guidance for the implementation of 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.

The most recent Board-approved update to the TLCP was in May 2024. The Arizona Department of Transportation (ADOT) released its most recent official revenue forecast in October 2024. The 2025 TLCP Update, which uses the updated forecast, has a decrease of $2.6 million in total VMR Public Transportation (PTF) revenues compared to the 2024 update.

Fiscal Year	2023 Forecast	2024 Forecast	$ Change	% Change
FY24 *(Actuals)*	$107,387,000	*$108,149,000*	$762,000	0.7%
FY25	112,801,000	110,201,000	(2,600,000)	(2.3)%
FY26	68,956,000	68,218,000	(738,000)	(1.1)%
Total	**$289,144,000**	**$286,568,000**	**($2,576,000)**	**(0.9)%**

NOTE: Numbers in italics indicate actuals.

Rail/High-Capacity Transit Program

This update makes changes to the adopted 2024 TLCP Update. Among the major changes are changes in the cost estimates for Northwest Phase II, Tempe Streetcar, South Central Extension, State of Good Repair, and Systemwide Improvements.

Proposition 479

The Prop 400 extension (Prop 479) was approved by Maricopa County voters in November 2024. Prop 479 prohibits PTF from being used for light rail extensions and continues the prohibition of PTF from being used for light rail operations. For light rail, the only allowable expenditures of PTF would be for State of Good Repair (SOGR) projects.

Below is a summary of the proposed changes to the projects.

Northwest Phase II – The project cost has decreased from $403 million to $381 million. The FTA approved a scope change to the project, allowing a portion of the project savings to be used for two light rail vehicles and other improvements.

Tempe Streetcar – $8 million in additional costs were added to concurrent non-project activities (CNPAs) for fare collection system enhancements and spare parts for Streetcar vehicles.

South Central/Downtown Hub – $2 million in additional costs were added to CNPAs for the Salt River Bridge Art Project.

State of Good Repair – $13 million in increased costs for State of Good Repair (SOGR) projects as additional needs have been identified. Items increasing SOGR costs include light rail propulsion parts, paver replacements at passenger stations, passenger station repainting, Vix ticket vending machine part replacements, and light rail vehicle repairs.

Systemwide Improvements – $2 million in increased costs for Systemwide Improvements projects as additional needs have been identified.

The remaining Prop 400 projects are shown below.

Prop 400 Projects Remaining	2024 TLCP Open Year	2025 TLCP Open Year
Tempe Streetcar	2022	2022
Northwest Phase II	2024	2024
South Central	2025	2025
Capitol	2027	2029

NOTE: Calendar years are shown. The Tempe Streetcar, Northwest Extension II, and South Central Extension are currently in revenue service but still have outstanding costs.

I-10 West, Rio East-Dobson Streetcar, and West Phoenix are not included because they are Prop 479 construction projects.

OUTSTANDING ISSUES/RISKS

Currently, the rail program financial model is balanced and fully programmed with a surplus of less than $1 million remaining at the end of Prop 400.

With many economists still predicting a recession, PTF revenue growth in FY26 is still uncertain.

If PTF or federal revenues are insufficient to cover project costs, capital costs may shift to the relevant member cities.



1

Transportation Excise Tax

Proposition 400 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

2

VALLEY METRO 2

2

TLCP Policy Allocations

RPTA Board adopted policies for TLCP Oct 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 expenditure

3

3

3

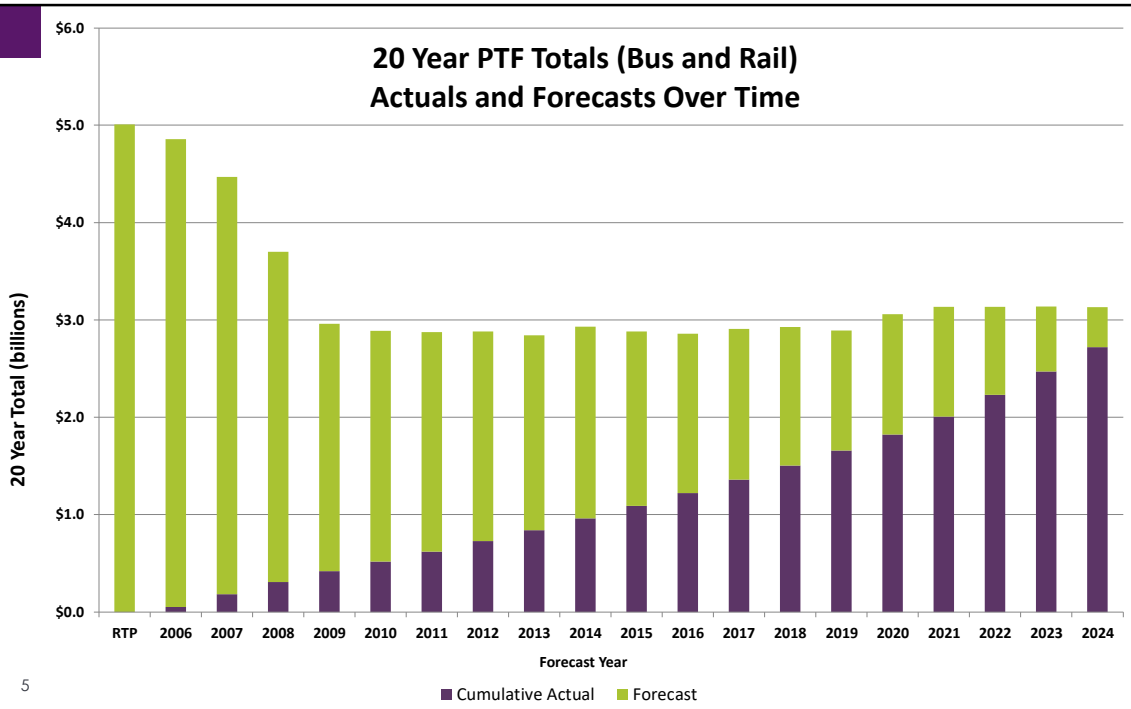
Overview

- Most recent approved update to the TLCP was May 2024
- Updated AZ Dept of Transportation (ADOT) PTF Forecast in October 2024
- Updated revenue and expenditure estimates
- Prop 400 PTF fully programmed
- Prop 400 Extension (Prop 479) Approved

4

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4



5

5

Rail PTF: 2024 vs. 2023 ADOT Forecasts

($ in Millions)

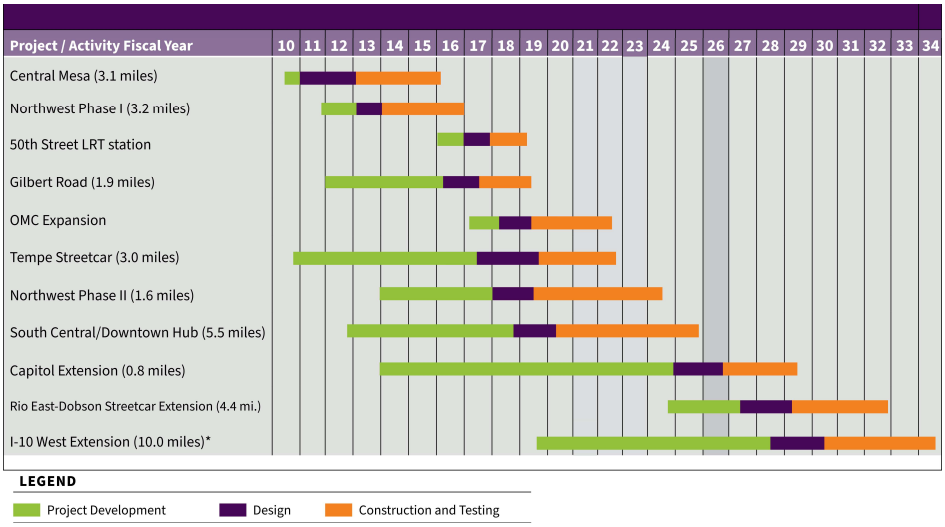
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FY26	68,956,000	68,218,000	(738,000)	(1.1)%
Total	**$289,144,000**	**$286,568,000**	**($2,576,000)**	**(0.9)%**

NOTE: Numbers in italics indicate actuals.

6

6

Capital Project Schedule



*I-10 West Extension is in the project development phases. Project schedules will be refined as development continues.

NOTE: Rio East-Dobson and I-10 West are not funded with Prop 400.

Start of Revenue Service

Changes Since 2024 Update

Prop 400 Projects Remaining	2024 TLCP Open Year	2025 TLCP Open Year
Tempe Streetcar	2022	2022
Northwest Phase II	2024	2024
South Central/DH	2025	2025
Capitol	2027	2029

NOTE: Calendar years are shown. Tempe Streetcar, Northwest Extension II, and the South Central Extension are currently in revenue service but still have outstanding costs.

Prop 479

- Approved by voters in November 2024
- PTF may only be used for State of Good Repair (SOGR)
- MAG to determine when PTF may be used for SOGR

Changes from 2024

- NWEII total costs reduced with modified scope (2 new light rail vehicles)
- Increased TSC concurrent non-project activities (CNPAs) costs
- Increased SCE CNPA costs
- State of Good Repair estimates revised upward
- Systemwide Improvements estimates revised upward

2025 Corridor Cost Estimates

	2024 Total	Base	Utilities	2025 Total	Change
Central Mesa	$181.6	$181.0	$0.6	$181.6	$0.0
Northwest Phase I	$323.1	$292.0	$31.1	$323.1	$0.0
Gilbert Road	$179.0	$178.0	$0.0	$178.0	($1.0)
Tempe Streetcar	$199.4	$201.2	$5.7	$206.9	$7.5
Northwest Phase II	$403.2	$304.3	$76.9	$381.2	($22.0)
South Central/DH	$1,367.2	$1,147.4	$222.2	$1,369.6	$2.4
Capitol	$379.5	$362.3	$17.2	$379.5	$0.0
I-10 West	$0.0	$0.0	$0.0	$0.0	$0.0
West Phoenix	$0.0	$0.0	$0.0	$0.0	$0.0
Subtotal Corridor Extensions	**$3,033.0**	**$2,666.2**	**$353.7**	**$3,019.9**	**($13.1)**

2025 Other Capital Costs

Other Capital Expenditures	2024 Total	Base	Utilities	2025 Total	Change
LRV Acquisition	$102.9	$103.4	$0.0	$103.4	$0.5
50th Street Station	$23.6	$23.6	$0.0	$23.6	$0.0
OMC Expansion	$60.5	$60.8	$0.0	$60.8	$0.3
CP/EV Regional Reimbursements	$272.4	$198.8	$73.6	$272.4	$0.0
State of Good Repair	$64.3	$77.6	$0.0	$77.6	$13.3
Systemwide Improvements	$35.5	$37.7	$0.0	$37.7	$2.2
Corridor Planning/CPDA	$81.1	$82.6	$0.0	$82.6	$1.5
Design Standards & System Planning	$102.5	$96.9	$0.0	$96.9	($5.6)
Subtotal Other Capital	**$742.8**	**$681.4**	**$73.6**	**$755.0**	**$12.2**

2025 Capital Revenues

Revenues	2024 Update	2025 Update	Change	% Change
PTF	$1,356.7	$1,354.1	($2.6)	-0.2%
FTA 5309	$1,142.9	$1,136.4	($6.5)	-0.6%
CMAQ	$446.1	$441.4	($4.7)	-1.1%
Other federal	$43.6	$51.0	$7.4	17.0%
Phoenix T2050	$777.6	$770.3	($7.3)	-0.9%
Mesa	$15.5	$16.2	$0.7	4.5%
Glendale	$0.1	$0.1	$0.0	0.0%
Tempe	$16.6	$18.3	$1.7	10.2%
Chandler	$0.8	$0.8	$0.0	0.0%
MAG / RPTA	$19.9	$19.9	$0.0	0.0%
Interest / Other	$19.0	$21.4	$2.4	12.6%
Subtotal Capital Revenue	**$3,838.8**	**$3,829.9**	**($8.9)**	**-0.2%**

2025 Cash Flow Summary

			TLCP Totals	Funding Surplus/ (Shortfall)
Total Program Revenues			$3,829.9	
Total Base Program Cost			($3,359.6)	
Funding surplus before PTF utility expenses and financing				$470.3
Non-Prior Right Utility Relocations			($427.3)	$43.0
Financing	Proceeds	Debt Service		
Series 2009/2016/2019	$83.6	($102.2)		
Series 2014	$134.8	($156.4)		
Advance Funds by Phoenix	$60.0	($62.3)		
Total Financing	$251.7	($321.9)	($42.5)	
Total Program Cost 2026			($3,829.4)	
Net Fund Balance				**$0.5**

Risks/Outstanding Issues

- PTF is fully programmed
- New ADOT Forecast in Fall 2025
  - Risk of a lower PTF forecast
- Prop 479 (Prop 400E) approved by voters in Nov 2024
- Any significant shortfall in PTF collections would result in cuts/deferrals or costs shifted to the relevant member cities

Recommendation

Staff recommends that the Board of Directors approve the Transit Life Cycle Program Update.

Executive Summary

DATE
September 11, 2025

AGENDA ITEM 2

SUBJECT
SCADA Server Infrastructure Upgrade Contract Award

COST AND BUDGET
Cost of this purchase is $2,607,837, plus a contingency of $391,175 or 15.0%, for an aggregate value not to exceed $2,999,012. A slightly higher contingency is included to accommodate federal duties upside cost risk.

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

The source of funds is federal funds and Public Transportation Funds.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a cooperative contract with Promark Technologies, Inc. for the purchase of server hardware and software, with an aggregate value not to exceed $2,999,012.

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

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

COMMITTEE PROCESS
RTAG: August 26, 2025, for information
RMC: September 3, 2025, approved
Board of Directors: September 18, 2025, for action

CONTACT
Darren Curry
Chief Maintenance Officer
dcurry@valleymetro.org

ATTACHMENT
A copy of the contract is available upon request.

Background Information

BACKGROUND DISCUSSION
During the recent cybersecurity PEN Pre-Superbowl/Post-Superbowl Audit, several critical areas within the Operations Technology (OT) infrastructure were identified as needing improvement to enhance cybersecurity posture and overall system resilience.

- Core router
- Wayside network refresh
- CCTV servers

The core router redundancy network upgrade. The core route connects mission-critical Operations Technology and Supervisory Control and Data Acquisition (SCADA) systems. It was found to be a single point of failure, with no failover or redundancy in place. This upgrade will increase uptime, improve overall Operations Technology (OT) cybersecurity, and increase the network's ability to maintain continuous operations. This has become critical with the opening of South Central Extension due to intersecting rail lines.

Our wayside network switches located at traction power substations, signal buildings, station platforms, and the central operations center were identified as outdated, unsupported, and incompatible with modern cybersecurity standards. The legacy hardware offers limited visibility into network activity and lacks sufficient logging, monitoring, and analysis capabilities. The refresh would play a vital role in improving the reliability of monitoring train movement, rail safety (including switch positions), and the power statuses at the substation.

The CCTV servers. The audit highlighted the need to modernize the CCTV server's hardware and its supporting infrastructure to maintain effective surveillance coverage. Upgrading these systems will not only enhance reliability and scalability but also better support the Agency's security and monitoring needs as the light rail system grows. These improvements will allow for smoother incident response, increasing the resolutions, and the number of new cameras that will be needed due to CEPTED. Together, these updates represent a proactive approach to strengthening the system's overall performance and sustainability.

PROCUREMENT INFORMATION
In accordance with the Agency's Joint Procurement Manual, standard competition was waived as a result of an approved Determination memo based upon the following reason: Special Circumstances – Alternative Competition. The General Services Administration Multiple Award Schedule Information Technology Contract No. GS-35F-303DA 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 a firm fixed-price with a percentage off the catalog price, indefinite delivery, indefinite quantity contract. The cooperative contract will begin on or about October 1, 2025, and end on May 3, 2026, with two remaining five-year options to extend.

SCADA Server Infrastructure Upgrade

1

SCADA Server Infrastructure Upgrade

SCADA Monitoring Screen



2

2

SCADA Server Infrastructure Upgrade

Signal Building



3

3

SCADA Server Infrastructure Upgrade

TPSS



4

4

SCADA Server Infrastructure Upgrade

SCADA Server



CCTV Server



5

5

Recommendation

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a cooperative contract with Promark Technologies, Inc. for the purchase of server hardware and software, with an aggregate value not to exceed $2,999,012.

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Executive Summary

DATE
September 11, 2025

AGENDA ITEM 3

SUBJECT
Report on Current Events and Suggested Future Agenda Items

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COMMITTEE ACTION
None

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

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date